


Policy Title:	STAFF COMPENSATION	
Policy #	S - 1	
Effective Date		
Date Approved		

1.0 POLICY

The Village of Edgerton`s total compensation package demonstrates commitment to competitive pay and benefits that are administered in compliance with applicable provincial and federal legislation and are internally equitable.

2.0 PURPOSE

The purpose of this policy is to maintain a compensation philosophy that is competitive and financially responsible while supporting service delivery, recruitment, and retention of employees at the Village of Edgerton.

3.0 DEFINITIONS

Base Compensation means employee wages based on an hourly rate of pay multiplied by the number of hours worked or by an annualized salary.

Benefits means non-wage compensation provided to employees in addition to their normal wages or salaries. Examples: group health benefits, retirement plans, paid vacation and sick leaves, flexible work arrangements, paid training, service recognition, etc.

Comparable markets are organizations against which the village`s positions are matched, and wages are tested. Comparators could include; municipalities (, local publicly funded agencies, local and non-local private sector with whom the village competes for talent and to whom the village loses talent. Other survey data may be considering recruitment sources and industry pressure (for example; “hot jobs, economic influences, development opportunities, etc.)).

Compensation Philosophy means the guiding principle that drives the Village of Edgerton`s decision-making about how to pay its employees.

Market Increase means the budgeted adjustment applied to village wages as approved by council in the annual budget and representing a blend of inflation with the cost of labour.

Total Compensation means a comprehensive compensation package including Base Compensation and Benefits, designed to attract, retain, reward, and motivate employees' commitment and performance.

4.0 SCOPE

This policy applies to all Village of Edgerton employees who will be compensation fairly and competitively; and:

4.1 Reflects the compensation philosophy of the Village of Edgerton;

- 4.2 Applies to employees in a formal employment agreement, with the Village of Edgerton; and
- 4.3 Ensures objectivity, internal equity and protection under Alberta's Human Rights Act as amended from time to time, on the grounds of race, religious beliefs, gender, gender identity, gender expression, physical disability, mental disability, age, ancestry, place of origin, marital status, source of income, family status or sexual orientation.

5.0 RESPONSIBILITIES

5.1 Council is responsible for:

- a) Directing the Village of Edgerton's compensation philosophy;
- b) The approval of an annual marketing-facing adjustment to Village of Edgerton's wages as stated in the annual Financial Plan;
- c) Providing for the approval of the recommendations resulting from the external market facing reviews at least once per council term; and
- d) The review and approval of this policy.
- e) Complete the yearly review of the CAO (Chief Administrative Officer) in accordance with the MGA (Municipal Government Act)

5.2 The Chief Administrative Officer is responsible for:

- a) Administering the Village of Edgerton's compensation philosophy;
- b) Ensuring appropriate administrative policies and procedures are developed, approved, implemented, and monitored;
- c) financial administration including departmental wages and benefits budget processes, annual financial plan statement regarding inflationary impact of wages, benefits cost containment or benefits plan provider negotiations and agreements,
- d) implementing, monitoring, and evaluating this policy;
- e) conducting external market reviews and competitive analyses;
- f) communicating and implementing compensation and benefits initiatives;
- g) administering annual evaluations and performance increase initiatives;
- h) communicating total compensation practices of the Village of Edgerton;
- i) communicating terms of employment agreements, wage, and benefits plans; and
- j) describing total compensation to employees as part of the Village of Edgerton's performance management system.

6.0 STANDARDS

6.1 Administration practices shall be transparent, understood and comply with Council's compensation philosophy and expectations:

- a) Our compensation philosophy targets the 50th percentile of comparison markets;
- b) Our total compensation package is competitive, supports organizational growth and allows the Village to achieve service delivery strategies, and
- c) Compensation and Benefits is reviewed annually and adjusted as needed to reflect Council's expectations and compensation principles.

6.2 Administration of compensation and benefits policies and procedures shall align with:

- a) Employee programs that attract, develop, retain, and reward quality performance;

- b) Provision of internal equity by consistently applying criteria for job evaluation and pay programs and to prevent discrimination;
- c) Regular review of standards and practices appropriate to industry initiatives, identifying trends in recruitment and employee programs, benefits administration and labour market or economic conditions; and
- d) Compliance with required legislation.

6.3 Review of wages:

- a) Occurs annually during the budget process according to a blend of inflationary criteria and labour market projections;
- b) Occurs annually during the performance evaluation period and is adjusted according to ratings that blend behaviour, skills, knowledge, experience and achievement of specific goals or objectives; and
- c) Maintains a meaningful degree of competitiveness with the relevant external labour by conducting a market facing external review of compensation at least once per council term. The external reviews should include analysis of wages and benefits in appropriate comparable markets and positions to those at the Village of Edgerton.

This policy shall be in effect on the date it is approved by resolution of Council.

Date reviewed	Reviewed by	Roster of actions

Staff compensation policy comes into effect upon signing.

 Mayor - Kaylan White

 CAO - Nick Frank