



The Corporation of the Town of Tecumseh

Policy Manual

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1. Policy Statement

A policy to ensure the fair and consistent administration of salary compensation for Town of Tecumseh (Town) non-union employees which will enable the Town to be regarded as a fair and equitable employer.

2. Application

- 2.1 To all Council, management, and non-union administrative employees.
- 2.2 Union and Association staff compensation is contained in the respective collective bargaining and association agreements.

3. Purpose

- 3.1 Establishing and maintaining a fair and equitable compensation and salary administration policy is essential for talent acquisition and retention. Competitive compensation ensures the Town is able to achieve organizational objectives with the necessary leadership in place to fill its management and administrative support positions.
- 3.2 The Town as an employer will aim to establish pay practices which are fair and equitable in relation to the work performed, qualifications required, and responsibility assumed while reflecting the competitive job market and the Town's financial capabilities.
- 3.3 Employee compensation systems will provide a predictable means of managing salary costs and other total compensation-related expenses.

4. Definitions

- 4.1 Director – Senior Manager of the organization who leads and directs a particular function of the organization and reports directly to the Chief Administrative Officer.
- 4.2 Employee – management and non-union administrative staff.
- 4.3 Job Classification – each position within the organization shall be rated and represented by a classification for such position. Multiple steps will reflect the levels or grid for each classification.
- 4.4 Wage Grid – The wage grid represents the eleven (11) grid levels of job classes which is one component of the compensation framework that is used for salary administration and pay related decisions.

4.5 Steps - represents the salary ranges within each of the eleven (11) levels.

5. Compensation

5.1 Annual salary increases may be based on the following:

5.1.1 Annual economic adjustment, as approved by Town Council

5.1.2 Step advancement within the grid, based upon completion of an annual Performance Evaluation, which includes achievement of the objectives established for the year and satisfactory performance in the competencies and demonstrated abilities applied by the employee in their duties for the year, as attested by their respective Director or, in the case of Directors, the Chief Administrative Officer.

5.2 The Town of Tecumseh's compensation philosophy is to align salaries established in our wage grid with the 65th percentile of comparator organizations established in the periodic compensation evaluation administered every three to five years.

6. Annual Economic Adjustment

6.1 In each year, an adjustment to the salary ranges in the wage grid will be made, to be effective January 1st taking into consideration:

6.1.1 The annual economic adjustment based on the Consumer Price Index (CPI) year over year;

6.1.2 The OMERS annual increase;

6.1.3 Municipal comparators' general average percentage increase;

6.1.4 The average/median range adjustments for Municipalities/Public Sector employers;

6.1.5 Negotiated increases with the Local Bargaining units;

6.1.6 Compression; and

6.1.7 Financial capabilities.

6.2 Provisional economic adjustments will be recommended and approved through the annual Budget process. Once approved, adjustments will be made to all steps within each level of the grid classification.

- 6.3 Any changes, based on the Consumer Price Index (CPI), year over year, or as otherwise recommended by the Personnel Committee, would be presented as part of the annual operating budget for the consideration and approval of Town Council.

7. Annual Review

7.1 Performance Evaluations

- 7.1.1 Performance Evaluations shall occur annually each year. In cases of unsatisfactory performance, step increases may be withheld.

7.2 Management and Non-union Administrative Support Staff

- 7.1.2 Step increases will be reviewed on an annual basis. The effective date of any salary changes resulting from the annual performance review shall normally be effective on January 1st of each year or as otherwise indicated.

7.3 Deferments

- 7.1.3 The date for a step increase may be deferred under certain and reasonable circumstances, e.g., when an employee fails to meet the performance standards of his/her position or was on a leave of absence (other than maternity or parental leave) and insufficient time in the position for Director to assess performance.

- 7.1.4 When it is evident that an employee's performance is below the level that is expected of the position, the respective Director of the employee or the CAO in the case of a Director must undertake corrective action. He/she must meet with the employee to:

- a. Discuss the possibility that a step increase may not be warranted at the time of the annual review; and
- b. Indicate unsatisfactory performance, formally review areas of weakness, and set objectives for improved performance by which the employee will be measured.

- 7.2 This performance improvement meeting must be done sufficiently in advance of the salary review date to allow the employee an opportunity to improve his/her performance and should be executed under the guidance of the People & Culture department.

8. Step Advancement in Wage Grid

- 8.1 The salaries referenced in this policy are based on eleven (11) job classification levels.
- 8.2 Positions are rated and assigned an appropriate salary grid level. The Director People & Culture shall be responsible for ensuring that assignment of salary grid levels are kept up to date. Currently, each salary grid level has a range of five (5) steps.
- 8.3 Candidates shall be offered a rate that reflects a balance of their skills and experience and in addition, maintains internal equity. Employees are normally appointed at the minimum salary within the grid level (Step One). A higher rate/step may be offered to attract a suitable candidate as agreed by the Department Director and the Director People & Culture prior to an offer being made.

9. Periodic Evaluation

- 9.1 Every three (3) to five (5) years, commencing in the first quarter of 2024, a compensation evaluation will be conducted to review as market comparators and comparable positions. Adjustments will be recommended for consideration by the Director People & Culture and the Chief Administrative Officer to the Personnel Committee.
- 9.2 In the event that the job description and/or duties and responsibilities of a position are altered from the time of the original ratings assigned to the position, an employee may request that the position be re-evaluated. In this instance, the Director People & Culture will determine if such re-evaluation is warranted or can defer the request to the review process.
- 9.3 Periodic reviews for purposes of compliance with Pay Equity legislation may be required from time to time. It is recommended that this review, to the extent possible, be included with the compensation evaluation process.

10. Contact

Director People & Culture
Chief Administrative Officer

11. Approvals

Personnel Committee Approval