



## The Corporation of the Township of Huron-Kinloss

### Policy

Section: 3.0 Human Resources

Policy: Compensation and Benefits Policy

By-Law: 2019-164; 2022-137 Schedule B; 2024-91 Schedule B

Date: 16 December 2019

Revision: November 3, 2025

#### Coverage:

This policy shall apply to all non-union employees of the Township of Huron-Kinloss, as well as union employees subject to the terms and conditions in respective collective agreements. Where applicable this policy will also apply to council members and committee members.

#### Policy Statement:

It is the objective of the Township of Huron-Kinloss to establish fair and equitable remuneration for employees based on work performed and the Pay Equity Act. The Township has established a reasonable probation period policy for employees and a consistent performance evaluation policy. We are dedicated to supporting our staff through performance assessments, and provide clear guidelines for our employee's future development. We are committed to offering a balanced benefit program to help support employees and their families during times of unexpected illness or accident; providing a comprehensive and competitive benefits package, supporting workplace health and recognizing the contribution and long service of employees by preparing them for retirement and allowing an ease in transition from full time employment to early retirement

#### Legislative Authority:

Employment Standards Act

Pay Equity Act

Ontario Municipal Employees Retirement System Act

Municipal Act, 2001

#### Contents:

[Click here to enter text.](#)



# **Township of Huron-Kinloss**

## *Compensation & Benefits Policy*

Contents

1.0 Salary Grid Market Review ..... 4

2.0 Probation Policy ..... 5

3.0 Performance Evaluation Policy ..... 7

4.0 Early Retirement ..... 9

5.0 Group Health Benefit Plan Policy ..... 10

6.0 Health Care Spending Account ..... 11

7.0 Ontario Municipal Employees Retirement System (OMERS) Participation ..... 13

8.0 Job Classification & Evaluation Policy ..... 14

9.0 Salary Protection ..... 15

10.0 Council Remuneration Policy ..... 17

11.0 Pregnancy Council Policy ..... 18

## 1.0 Salary Grid Market Review

This policy shall establish guidelines for adjusting the non-union salary pay grids and Council remuneration rates.

A salary grid market review will be conducted every four years.

1.0 The Council, will every four years (third year of a Council term) compare all pay grids to "the market", with the intent of implementing any changes in the same year, this will ensure the municipality is paying employees fairly.

2.0 This comparison will involve using a "consultant" or other methods to conduct a full market review (survey) of the compensation of similar municipalities in the area approved by Council.

3.0 The salary pay grid for a particular position may increase, decrease or remain the same as the result of this comparison. No employee's pay will be reduced as a result of this exercise. However individual pays may be frozen until the pay grid for their position catches up to their current pay.

## 2.0 Probation Policy

This policy shall apply to all non-union employees of the Township of Huron-Kinloss.

All newly hired employees shall be subject to a probationary period from the date of hire.

### 1. Full-Time Employees

Regular full-time employees shall be on probation for six months from the most recent date of hire as a full time employee.

Prior to the completion of the probationary period, the Supervisor shall review the performance during the probationary period with the employee and advise the CAO of the employment continuation decision.

### 2. Part-Time Employees

Regular part-time employees shall be on probation for three months from the most recent date of hire.

Prior to the completion of the probationary period, the Supervisor shall review the performance during the probationary period with the employee and advise the CAO of the employment continuation decision.

### 3. Casual/Seasonal/Student Employees

Casual/Seasonal/Student Employees shall be on probation for a minimum of one month from the most recent date of hire.

Prior to the completion of the probationary period, the Supervisor shall review the performance during the probationary period with the employee and advise the CAO of the employment continuation decision.

### 4. General

(a) It is the responsibility of the Supervisor to ensure that the performance of a probationary employee is monitored and the proper documentation completed and forwarded to the CAO.

(b) The decision to dismiss a probationary employee will be made by the Supervisor in consultation with the CAO and Council.

(c) After completion of the probationary period, seniority shall be effective from the employee's most recent date of hire.

(d) Longstanding employees who have worked greater than one or two years, and who are awarded a new position within the Corporation, may be subject to a 3 month probationary period or probation may be waived altogether at the discretion of the CAO. The original regular status hire date shall be their seniority date for vacation i.e., your previous anniversary date shall be maintained.

(e) For employees under the management of the Lucknow & District Joint Recreation Board, the Director of Community Services shall advise the Board of the employment continuation decisions. Any decision to dismiss a probationary employee will be made in consultation with the Board.

### 3.0 Performance Evaluation Policy

This policy shall establish guidelines for assessing performance of Municipal employees.

An annual job performance evaluation shall be performed for each full or part-time Municipal employee.

#### **Regular Full Time & ¾ Time Annual Employee Performance Evaluations**

1. A new employee hired after July 1st may be exempt from this process with the exception of the evaluation required after six months' probation or unless the terms of hiring make an exception.
2. Evaluations shall be in writing and completed by the employee's immediate Supervisor. In the case of Senior managers not reporting to the CAO, the appropriate Board, Committee of Council or the Mayor shall complete the evaluation.
3. The evaluation is to be completed prior to June 1<sup>st</sup> for each employee in accordance with the Performance Evaluation procedure. In the event of a disagreement the employee may follow the complaint procedure.

#### **Regular Full Time and ¾ Time Employee Advancement and Reclassification**

1. Employees shall progress annually from one step to another within their position's pay grade on June 1st, provided the employee's performance evaluation is "satisfactory" or better.
2. A position's pay grade may be reviewed upon application to the CAO who shall determine if a review is in order. If the applicant is dissatisfied with the CAO's decision, they have recourse through the complaint procedure.

#### **Regular Part Time Employee Performance Evaluations**

1. Once an employee reaches 1820 hours an employee evaluation will be completed.
2. The evaluation is to be completed prior to the eligibility date.

#### **Regular Part Time Employee Advancement and Reclassification**

1. Employees shall progress from one step to another within their position's pay grade provided the employee's performance evaluation is "satisfactory" or better.

2. A position's pay grade may be reviewed upon application to the CAO who shall determine if a review is in order. If the applicant is dissatisfied with the CAO's decision, they have recourse through the complaint procedure.

## 4.0 Early Retirement

All regular non-union full time employees that have twenty-five (25) years of continuous service in the municipal sector with a minimum of fifteen (15) years with the Township of Huron-Kinloss and are between the ages of 55 and 65, or meet the eligibility criteria of OMERS.

The Township of Huron-Kinloss recognizes and values the contribution and long service of employees. In an effort to ease the transition from full time employment to early retirement the Township will subsidize health care in a fiscally responsible manner.

### Extended Health and Dental

Coverage will be made available to early retirees under the terms and conditions set out in the master policy. The employee will be required to cover 25% of the premium cost.

### Life Insurance

Life Insurance will be made available to early retirees, at the level of one (1) times the annual salary, frozen at the date of retirement. The employee will be required to cover 25% of the premium cost.

### Dependent Life Insurance

Dependent Life Insurance will be made available to early retirees under the terms and conditions set out in the master policy at the date of retirement. The employee will be required to cover 25% of the premium cost.

### Health Care Spending Account

Health Care Spending Account will be frozen at the date of retirement. The retiree may deplete the balance of the account, under the terms and conditions set out in the master policy. Retirees may use the Health Care Spending Account for premiums under this policy.

All benefits will cease at the end of the month when the retired employee reaches 65 years of age.

Early retirees will be given the option to extend their last day of employment by including all accumulated vacation and lieu time.

## 5.0 Group Health Benefit Plan Policy

All regular non-union full time employees and Council Members are eligible for the group health benefit plan.

### *General*

The Township of Huron-Kinloss reserves the right to select the insurance carrier for the group health benefit plan. In all cases, the sole obligation of the Township is to determine the benefits to be provided under the plan(s) and pay the premiums required by the plan(s). Any disputes regarding the administration of the plan or payment of benefits lie between the employee and the insurance carrier.

Employees and Council Members who are eligible to enroll in the group health benefit plan, but are covered through a spousal plan with another employer may opt out of enrolling in the municipal plan. An employee shall produce proof of benefit coverage elsewhere. There is no compensation in lieu of benefits.

An employee shall not be eligible for the group health benefit plan until the successful completion of the probationary period, unless authorized by the CAO.

Group health benefits terminate at age 65 (sixty-five).

The following benefits will be provided:

- Life Insurance
- Dependent Life
- Accidental Death & Dismemberment
- Long Term Disability
- Drug Plan
- Dental Plan
- Vision Care
- Extended Health Services
- Employee and Family Assistance Program (New 2025)

## 6.0 Health Care Spending Account

All regular non-union full time employees and Council Members of the Township of Huron-Kinloss are eligible for the health care spending account.

Each eligible participant of the Township of Huron-Kinloss shall receive an annual benefit of \$1,000.00 for a family and \$500 for a single to be used for health care expenses not covered by the group health benefits. The expenditure must be for the employee or an eligible dependent, as defined by the group benefit plan.

As part of the benefit, claims can also be made for up to \$200.00 annually for fees paid for the cost of registration or membership for the employee to participate in a program of physical activity.

To qualify for reimbursement, a program must:

- be ongoing (last at least five consecutive weeks or, five consecutive days);
- be instructed and/or supervised by a qualified organizer; and
- require significant physical activity.

Generally, most of the activities must include a significant amount of physical activity contributing to cardiorespiratory endurance, plus one or more of:

- muscular strength,
- muscular endurance,
- flexibility, and/or
- balance.

Fifty percent of the eligible benefit shall be credited to the health care spending account on July 1st of each year and the remaining 50% on December 31st of each year. The health care spending account is cumulative, no interest will apply. Each employee will be presented with an annual statement of the balance available in their respective health care spending account. Any unused balance is not transferable upon termination of employment. Large expenditures may be submitted and payments made to the employee as they accumulate.

In the event a member of Council has an unused balance and ceases to serve on Council, the account will become frozen. The member will have up to four years to access any unused balance, no further benefit or interest will apply.

An employee shall not be eligible for the health care spending account until successful completion of the probationary period, after which the benefit will be prorated. New

Council members shall become eligible for the health care spending account after the oath of office is taken.

In the event that a medical expense or health care procedure is covered or partially covered by the group benefit plan, employees must first make a claim through the carrier before using the health care spending account and provide a copy of the carrier's statement.

Eligible expenditures shall be determined by the Treasurer of the Township using the Canada Customs and Revenue Agency Eligible Medical Expenses under the Income Tax Act. Any dispute shall be taken to the Chief Administrative Officer of the Township who will make the final decision.

All claims shall be submitted on the Township's remittance form and original receipts must be provided to document expenditures. All expenses shall be submitted within the calendar year in which they occur, unless otherwise authorized by the Treasurer or the Chief Administrative Officer.

## 7.0 Ontario Municipal Employees Retirement System (OMERS) Participation

2019-53

This policy shall cover every full-time, continuous employee, who on December 31, 1998 (was employed by the Township of Huron, Township of Kinloss or the Village of Lucknow). Every person who becomes an employee after the effective date on a continuous full-time basis as a condition of employment or if such person is already a member of OMERS may resume contributions.

Every person who becomes the Head of Council after January 1, 2019 shall become a member of the Primary Plan and retirement compensation arrangement (RCA) on the date they become Head of Council.

A Municipality may by a By-Law participate in the OMERS plan on behalf of its employees and pay into the OMERS pension fund.

Section 15 (1) of the Ontario Municipal Employees Retirement System Act.

The Treasurer of the Employer is hereby authorized to deduct from the earnings of each person who is a member of OMERS, the contribution required to be made by a member and to remit such contributions together with the amounts required under the OMERS Act.

## 8.0 Job Classification & Evaluation Policy

It is the objective of The Township of Huron-Kinloss to establish fair and equitable remuneration for employees based on work performed.

In May 2000, Council adopted a Job Classification & Evaluation system using The Jobchart System.

### Reviews

- a) Periodically employees will review their "Task List" and provide comments. The task list will be reviewed by the employee's immediate Supervisor and the employee and revised until satisfactory.
- b) The Grading Committee will then evaluate the positions.
- c) If there is a change in the pay grade level, it will be reported to Council and effective on that date.

### New Positions

- a) Grade and salary levels for new positions shall be established prior to hiring utilizing The Jobchart System.
- b) The Supervisor will develop a task list in consultation with the CAO as per The Jobchart System • format.
- c) The Job Evaluation Committee will evaluate the position.
- d) The position will then be placed on the appropriate pay grade level and reported to Council.

## 9.0 Salary Protection

The Township of Huron-Kinloss recognizes that an employee may be entitled to salary protection (also known as “red circling”) when they are adversely affected by the reclassification of their position or reassignment to another position due to circumstances beyond the employee’s control. The purpose of this policy is to outline standards and procedures when red circling is considered to ensure fair and equitable treatment of employees.

### Red Circle Rate

Red circle rate is defined as the maintenance of an employee’s salary to provide salary protection when the position has changed and/or reclassified such that the new pay grade established is lower than the old pay grade. The red circle rate continues until the salary range for the reclassified position meets or exceeds the employee’s red circled salary.

### Reclassification

When there is a change to the duties, responsibilities and qualification of a position as outlined in the Job Classification & Evaluation Policy or other reason that a re-evaluation is warranted, it may be necessary to revise the position description and re-evaluate the position using the job evaluation system. The reclassification may result in moving the position on the salary grid; either an adjustment upward, downward or there may be no change at all.

### Procedures

Red circling of a position may occur as a result of:

- Evaluation of the position through a new job evaluation methodology
  - Reclassification of a position using the job evaluation system
  - Reassignment to another position, including workplace accommodation
  - Cessation of a market demand adjustment
1. The employee shall stay at their current salary (which exceeds the new maximum) and remain at this salary until the salary range for the reclassified position meets or exceeds the employee’s red-circled salary.
  2. The employee will not receive further economic increases for cost of living or inflationary adjustments until the salary range rises to meet the red-circled salary rate. At this time the wages is no longer red-circled.

Note: Salary protection does not apply to an employee who voluntarily applies to a posted opportunity and is successful in the selection process, or when an employee voluntarily accepts an appointment to a lower rated position.

## 10.0 Council Remuneration Policy

### **Legislative Authority: Section 283, Municipal Act, 2001**

This policy shall establish remuneration methods for the Township of Huron-Kinloss Council members. The Township of Huron-Kinloss allows for remuneration and expenses for Council members.

#### Remuneration

All remuneration rates for Council members will be increased at the same rate as the non-union salary grid.

The Treasurer shall bring forward a by-law every year setting the rates.

#### Standing Committee Meetings

Standing Committee meetings shall be defined as a meeting for which:

- a) the member was in attendance and,
- b) provided the member was appointed to the Committee by Council or;
- c) was authorized by Council to attend
- d) the per diem rate shall be established in the annual remuneration by-law.

#### Special Meetings

Special Meetings shall be defined as attendance at a meeting which:

- a) the business of the Township is under discussion
- b) the information is being directly obtained on behalf of the Township
- c) is called by the Mayor or by a petition of Council members
- d) the member is authorized to attend by Council
- e) the per diem rate shall be established in the annual remuneration by-law.

## 11.0 Pregnancy Council Policy

### **Legislative Authority: Section 270 of the Municipal Act, 2001, as revised by Bill 68**

The Township of Huron-Kinloss recognizes a member of Council's right to take a 20 week leave for the Member's pregnancy, the birth of the member's child or the adoption of a child by the member in accordance with the Municipal Act, 2001.

Township Council supports a Member of Council's right to pregnancy and/or parental leave in keeping with the following principles:

1. A member is elected to represent his or her constituents.
2. A member's pregnancy and/or parental leave does not require Council approval and his or her office cannot be declared vacant as a result of the leave.
3. A member will continue to receive communication from the Township as if the member were not on leave.
4. A member reserves the right to participate as an active member of Council at any time during his or her leave.
5. A member's stipends, per diems will be suspended during the members leave; however they will be provided with the same benefit and pension opportunities afforded to municipal staff outlined in the Leave of Absence policy.
6. Where a member of Council will be absent due to a pregnancy and/or parental leave, the member shall provide written notice to the CAO at least 4 weeks prior to the expected start and end dates when possible.
7. The Mayor may make temporary appointments to any committees, boards, etc. that are constituted by the Township of Huron-Kinloss and where the member is the only member of Council on that body.
8. Notwithstanding, at any point in time during a member's pregnancy or parental leave, the member may provide written notice to the CAO of their intent to lift any of the temporary appointments to exercise their statutory role.