

Council Policy No.:	CP2026-004
Council Policy Name:	Compensation and Benefits Policy
Date Approved by Council:	February 24, 2026 CR2026-057
Date revision approved by Council:	
Related SOP, Management Directive, Council Policy, Forms	Non Union Compensation Directive; Employee Benefits Management Directive; Employee Recognition and Social Connections Management Directive

## **Policy Statement and Rationale:**

The City of Kawartha Lakes seeks to attract, retain, motivate, and reward qualified employees by establishing and maintaining a competitive salary and benefit program while remaining aware of its fiscal responsibility to its citizens.

This policy provides a compensation and benefit philosophy with the overarching purpose to maintain an internally equitable, non-discriminatory and externally competitive total compensation and benefit program for all City employees. Such a program provides support towards the over-arching goal to attract, engage and retain qualified employees.

## **Scope:**

This Policy is intended to provide guidelines for all employee groups across the City including non-union and unionized employees.

# Policy:

## 1. General Principles:

### 1.1 Organizational Commitment

The City is committed to providing a work environment where all individuals are treated in a fair and consistent manner. The City is committed to providing all employees with clear and open communication regarding its policies and practices.

The City is committed to a total compensation and benefits system that:

- Ensures equitable compensation and benefit treatment for all employees
- Reflects the employee's position, responsibilities, education, experience, and job performance
- Enables the City to recruit and retain qualified employees
- Complies with all employment legislation for statutory equity
- Manages salary and benefit costs utilizing a balanced approach between competitive and cost effective

### 1.2 Total Compensation System Components

**Salary:** The monetary compensation per job title shall be based on a job evaluation system where positions are evaluated based on requirements noted in the City's job description ensuring internal equity across employee groups is maintained.

**Other Compensation:** Other forms of compensation, such as, but not limited to: time in lieu of overtime, stand by pay, on-call pay, etc.

**Benefits:** Non-monetary plans or programs which are indirect remuneration as part of the employment relationship, such as, but not limited to: extended health and dental benefits, life insurance, pension plan participation, disability benefits, paid time off, and other fringe benefits aimed at supporting employee well-being and work-life balance.

**Recognition and Rewards:** Non-financial rewards and recognition programs aimed at acknowledging and appreciating employee contributions, such as peer recognition programs, milestone celebrations and activities to promote inter-departmental connections.

Details of each component are outlined in the applicable Management Directive and/or Collective Agreement.

## 2. Salary Review Process

### 2.1 Market Competitiveness

The City will endeavour to assess its compensation system through market reviews at least every four (4) years to ensure that the City is compensating employees fairly and maintaining competitiveness. External competitiveness is set at the 60<sup>th</sup> percentile for all employee groups based on the following comparator organizations.

The comparator organizations for the purposes of evaluating market competitiveness are generally:

1. City of Peterborough
2. City of Kingston
3. City of Belleville
4. Hastings County
5. City of Quinte West
6. Northumberland County
7. City of Orillia
8. Municipality of Chatham-Kent
9. City of Greater Sudbury
10. Simcoe County
11. County of Peterborough
12. Municipality of Clarington
13. Haliburton County
14. Norfolk County
15. Prince Edward County

In the event sufficient comparator information is not available or possible from the listed comparators, as many municipalities do not have the scope of services that Kawartha Lakes has, Council will be provided with the rationale for the list of comparators used when recommending wage changes.

If the market comparison outcome results in a substantial pay increase, Council may recommend to phase-in the increase.

### 2.2 Performance Management

Program guidelines related to oversight of the performance outcomes of employees is the responsibility of People Services for implementation by the people leaders to those employees under their direction.

## **2.3 Budget Allocation**

The pay schedule is approved and allocated within established guidelines and budgetary constraints, based on business priorities and strategic objectives, with a focus on fiscal responsibility. Budget allocation for staffing line items, including the addition of full-time complement, are approved as part of the annual budget process.

## **3. Benefits**

People Services is responsible to monitor and recommend changes to the overall group benefits package in accordance with the philosophy of this Council Policy.

The Director of Corporate Services and Chief People Officer are accountable for the group benefits program and to ensure employees are provided with the pertinent information regarding coverage. Benefits and employee perks will be reviewed regularly towards the overarching purpose of the program.

## **4. Employee Recognition and Social Connection**

The City values and recognizes the contributions of employees who demonstrate excellence in achieving business objectives, delivering high-quality services, and upholding the principles of public service. Recognizing employee accomplishments fosters a positive and supportive work environment and enhances the City's ability to attract and retain engaged, dedicated employees.

The City also recognizes that strong work relationships, built through ongoing interaction and shared experiences, are essential to effective teams and a thriving organization. Given the City's diverse and geographically dispersed work locations, opportunities for employee connection across departments are essential. To support this, the City will encourage and facilitate social activities and programs that promote collaboration and connection among employees. These initiatives may include periodic, planned social events and after-work activities.

## **Accountability**

5.1 Council is responsible to establish the compensation and benefits philosophy through this policy.

5.2 The Chief Administrative Officer is accountable to implement Council's Policy through the approval of detailed management directive(s) and collective bargaining objectives that establish and align the operational expectations, consistent with the philosophy of this policy

5.3 The Chief Administrative Officer is responsible to approve extraordinary circumstances that may arise with respect to compensation that have not been addressed within this policy.

5.4 Corporate Services is responsible for the resulting Management Directives and programs in alignment with the expectations as outlined in this Council Policy.

## Revision History

Proposed Date of Review:

Revision	Date	Description of Changes	Requested By
0.0	01/20/2021	Updated Policy Template	
1.0	April 20, 2021	Updated Policy Number	Council
2.0	October 24, 2023	Compensation Policy Amendment	Staff