

TITLE: COMPENSATION POLICY

RESOLUTION: 21.889

**DEPARTMENT RESPONSIBLE:** Human Resources

**POLICY NO:** HR-03-019

**EFFECTIVE DATE:** December 14, 2021

**NEXT REVIEW DATE:** December 14, 2024

## **POLICY STATEMENT:**

Lac La Biche County compensates positions fairly and equitably in relation to each other and recognizes that it must compete for talent to fulfill similar positions as those that exist within relevant comparators. Therefore, total compensation will be internally and externally equitable while managing within the County's financial capabilities. Additionally, employee compensation systems will be easy to communicate and administer while providing a predictable means of managing salary costs and other total compensation related expenses.

## **DEFINITIONS:**

**Alberta Consumer Price Index (ACPI)** – is an indicator of changes in consumer prices experienced and is obtained by comparing, over time, the cost of a fixed basket of goods and services purchased by consumers.

**Compensation Philosophy** means the guiding principle that drives the County's decision-making about how to pay its employees.

**Cost of Living Adjustment (COLA)** - the amount by which the band pay range, or an employee's salary, may be adjusted on annual basis to maintain salary levels with Alberta Consumer Price Index (ACPI) increases.

**Pay Range** - is the dollar value attached to a band, expressed as the range minimum, a series of increments (steps), and the range maximum.

**Total Compensation** means a comprehensive compensation package including wages, group benefits, pension, training and development and other programs and services, designed to attract, retain, reward, and motivate employees' commitment and performance.

**70**<sup>th</sup> **Percentile** means that 70% of the comparable organizations pay less and 30% of the comparable organizations pay more than the Lac La Biche County's median rate for the positions in each job grade.

## **PRINCIPLES:**

- 1. The County will strive to establish pay comparisons at the 70th [seventieth] percentile of the County's comparator organizations.
- 2. Council will review recommendations for annual market adjustments.
- 3. All adjustments to salary or wages, including cost of living adjustments (COLA) will be reflected in the annual budget based on the Alberta Consumer Price Index (ACPI).



- 4. The CAO will determine changes to existing grids or grid placements that align with this policy, Council's strategic plan and budget.
- 5. The market survey should be conducted at year two (2) of Council's term.
- 6. The Market salary data comparators used will include:
  - Athabasca County
  - City of Cold Lake
  - Grand Prairie County
  - M.D of Bonnyville
  - M.D of Greenview
  - Parkland County
  - Regional Municipality of Wood Buffalo
  - Rockyview County
  - Saint Paul County
  - Strathcona County
  - Sturgeon County
  - Yellowhead County
- 7. These organizations will be weighted equally in the analysis.
- 8. The policy shall be revised at the time of market survey at minimum or at the direction of Council.

"Original Signed"	December 17, 2021
Chief Administrative Officer	Date
"Original Signed"	December 18, 2021
Mayor	Date

SPECIAL NOTES/CROSS REFERENCE:

**AMENDMENT DATE:** 

