

# Compensation Philosophy

Human Resources  
Policy L18

<b>Policy:</b>	L18 – Compensation Philosophy
<b>Policy Department(s):</b>	Human Resources
<b>Adoption Date:</b>	July 13, 2021
<b>Adoption Reference:</b>	CM20210713.002
<b>Effective Date:</b>	July 13, 2021
<b>Last Amended/Reviewed:</b>	May 4, 2026

## Policy Purpose

The policy purpose is to outline the County of Grande Prairie’s principles for managing and administering management and staff compensation systems to attract, motivate, and retain staff with required levels of skills, experience, values, management, and leadership skills to ensure business and the County’s strategic objectives are achieved.

This policy applies to all County employees except where otherwise stated and to the extent that it does not conflict with legal contracts and collective agreements, provincial legislation, and County bylaws.

## Policy Statement

This policy ensures that the County has established fair, transparent, and equitable compensation for all employees while remaining competitive within the public sector and being fiscally responsible in a work environment that contributes to employee’s health and well-being.

The primary focus of the policy is to define how compensation is determined at the County including base salaries and total rewards.

## Definitions

“Administration” means the CAO and General Managers of the County.

“Benchmarked jobs” means positions that are consistent across organizations in the work they do and are easily comparable.

“CAO” also known as “County Manager” or “Chief Administrative Officer” means the person, or delegate appointed by Council to the position of Chief Administrative Officer under the Municipal Government Act for the County.

“Cost of Living Adjustment” (COLA) means an increase to salaries in order to keep up with inflation and modern costs of living.

“Consumer Price Index” (CPI) means the average change in prices as experienced by Canadian consumers.

# Compensation Philosophy

## Human Resources Policy L18

“Council” means the duly elected Council members of the County of Grande Prairie No. 1.

“County” means the municipality of the County of Grande Prairie No. 1 having jurisdiction under the Municipal Government Act and other applicable legislation.

“Human Resources Advisory Committee” (HRAC) means a committee that consists of joint employee/manager group who represent all employees with the consideration for the best interest to research, discuss, negotiate, address concerns on interpretation of policies and procedures to ensure consistency, and communicate policies, personnel procedures, benefits, and wages.

“Red-Circled” means when an employee’s salary is above the established maximum salary rate for a position. This can happen when a position is reclassified. The employee’s salary will remain unchanged until the maximum salary rate exceeds the employee’s “red-circled” salary.

## Policy Guidelines

### Base Salaries

1. At the County, we have targeted to pay base salaries based on 60% percentile of the market. Actual compensation rates take into consideration the following:
  - 1.1. Internal Equity: comparisons of positions internally to ensure fair and equal pay. This is achieved by using a Job Evaluation System that includes a multi-factored job evaluation points-based system that is used to evaluate all positions.
  - 1.2. External Market Comparisons (external equity): salary and wage data for benchmarked positions from approved comparable municipalities of comparable sizes or in the same geographical area and when required outside of the geographical area.
  - 1.3. Market Rate Adjustments: in the case where market rates are significantly greater than that paid by the County leading to recruitment or retention problems for individual positions, a temporary increase in base salary may be granted with approval from the CAO.
  - 1.4. COLA and CPI Adjustments: may be used in determining annual compensation adjustments for all staff affected by this policy.

### Comparator Municipalities

2. The approved comparator municipalities for the County are:
  - 2.1. City of Grande Prairie
  - 2.2. Leduc County
  - 2.3. Municipal District of Greenview
  - 2.4. Parkland County

# Compensation Philosophy

## Human Resources Policy L18

- 2.5. Red Deer County
- 2.6. Rockyview County
- 2.7. Saddle Hills County
- 2.8. Sturgeon County

### **Compensation Structure**

3. All positions at the County will be valued under a point rated gender neutral job evaluation plan and the pay line generated by these ratings is to provide the foundation for management and staff salary structures. These provide framework for ongoing administration of the compensation program:
  - 3.1. Each position will have four (4) pay steps that range from 85%, 90%, 95%, and 100% of the salary.
  - 3.2. Progress to move from one pay step to another is determined by experience and satisfactory performance.
  - 3.3. Salary surveys are to be conducted at a minimum of every five (5) years with approved comparators as per this policy.

### **Cost of Living Salary Adjustments**

4. Annual salary adjustments to employee's salaries may be given dependent on the County's current fiscal capabilities. Yearly adjustments may take into consideration the CPI August Report. If applicable, yearly adjustments are proposed by HRAC, negotiated with Administration, and brought forward to Council for final approval during the annual interim budget deliberations. If an annual salary adjustment is approved, all active employees will be eligible for an increase unless they are deemed to be out of salary range (red-circled).
5. Salary ranges will be periodically reviewed in response to external influences (market, economic, cost of living, demand, etc.) and adjusted temporarily where it is deemed appropriate and fiscally responsible.

### **Total Rewards Package**

6. Total rewards encompass an employee's base salary, pay premiums, benefits, work-life, recognition, and development opportunities. When determining total compensation at the County, the following are considered:
  - 6.1. Salaries including annual base salary, overtime, shift differentials, premiums, and on-call pay.
  - 6.2. Benefits including the value of the health, dental, vision, insurances, health and wellness spending account, cell phone reimbursement, and pension plan.

# Compensation Philosophy

## Human Resources Policy L18

- 6.3. Work-life including flexible work arrangements, leaves of absence, employee assistance programs, return to work programs, wellness programs, and computer purchase plan program.
- 6.4. Recognition including service and retirement rewards and other items of appreciation as included in the Administrative Directive HR-10 – Employee Recognition.
- 6.5. Development opportunities including on-the-job learning, professional development opportunities, tuition reimbursement, leadership training, job advancement / promotion, and succession planning.

### **Compensation Confidentiality**

7. All individual employee compensation is confidential and should not be disclosed for any reason, other than appropriate financial reporting, as requested by the employee, or required by law. All individual salary information is privileged information and those with access to this information should not generally or openly share it with others. It is up to those with access to salary information to ensure that confidentiality is maintained. Any unauthorized disclosure of compensation information could lead to disciplinary action.
8. Salary ranges are excluded as confidential information as they are disclosed to the public to promote transparency and fiscal responsibility.

### **HRAC's Role in Compensation**

9. The County has a committee – HRAC that meets regularly to discuss and make recommendations on employee compensation, total rewards, and other human resources matters including interpretation and application of the County's Employment Policy Handbook.
10. The County's Employment Policy Handbook references all specific compensation and total rewards information.

### **Roles and Responsibilities**

11. Human Resources is responsible for evaluating all positions using the Job Evaluation System to establish appropriate compensation level, administering salary surveys and compiling results and recommending salary ranges to the CAO.

## **Attachments**

N/A

# Compensation Philosophy

Human Resources  
Policy L18

## References

<b>Legal Authorities</b>	Alberta Human Rights Legislation Alberta Employment Standards
<b>Related Plans, Bylaws, Policies, Etc.</b>	Policy B1 – Policy Development Administrative Directive HR-10 – Employee Recognition Employee Handbook
<b>Other</b>	N/A

## Revision History

<b>Review Date</b>	<b>Description</b>
May 4, 2026	Reviewed and Presented for Information
October 30, 2024	Reviewed and Amended CM20241030.029
July 11, 2022	Reviewed and Amended CM20220711.010
July 13, 2021	Adoption Date CM20210713.002