



COUNCIL POLICY C-HR04

Compensation

Prepared By:	Human Resources	Council Approval Date:	March 22, 2016
Effective Date:	March 22, 2016		
References:	<i>Compensation Procedures A-HR04-P1;</i> <i>Position Classification (Union) Procedures A-HR04-P2;</i> <i>Employee Performance Planning and Appraisal Process Directive A-HR20.</i>	Previous Revision Date:	New
Function:	Personnel	LAS Review Date:	February 29, 2016

PURPOSE

The purpose of this policy is to establish the principles to be applied in setting staff compensation.

POLICY STATEMENT

Parkland County is committed to compensating employees fairly and equitably in relation to each other and to the Public Sector market place in which the County competes to attract and retain staff. The County offers compensation that recognizes the County's responsibility as a public sector employer and is consistent with the County's ability to pay.

DEFINITIONS

The following definitions and interpretations apply in this policy:

1. "Acting Assignment" means an employee is required to perform the "majority" of the principal duties of a position full time.
2. "Acting Pay" means additional monies paid for performing additional duties for a specified period of time.
3. "Comparables" are the external organizations that are similar to Parkland County and are used to determine market value.
4. "Developmental Assignment" means an employee is assigned "some" of the duties of a higher level position for developmental or other purposes.
5. "Internal Equity" means compensating staff relative to other staff based on the value of their respective positions as determined by the Point Factor Position Evaluation methodology.
6. "External Equity" refers to paying staff at a level which approximates what comparables are paying.
7. "Market" for Parkland County is defined as municipalities that are considered to be good comparators.
8. "Market Adjustment" means unique market conditions indicate that the market salary range for a specific position or positions within a salary level differ substantially from the County's salary range established for that position.
9. "Market Value" is defined as the salary (inclusive of cash allowances, cash incentives, etc.) paid by a range of comparable and competitive municipalities for a similar position being evaluated.

10. "Permanent" means a position that has been designated as ongoing, and with no foreseeable end date to the duties, tasks, and responsibilities outlined in the job description. These positions are established by Council as part of the employee complement approved in the operating budget.
11. "Point Factor Position Evaluation" is a quantitative job evaluation methodology in which a variety of relevant job factors are scored using a consistent assessment approach to determine the relative ranking of positions.
12. "Reclassification" means a significant change occurs in duties, responsibilities or reporting relationships that result in a change to the salary level of a position.
13. "Salary Anniversary Date" means the day and month that an employee commences continuous permanent employment with the County or is reclassified; this date is used for purposes of administration of pay increments.

SCOPE

This policy applies to all non-union Parkland County employees with the exception of the Chief Administrative Officer (CAO).

GENERAL PRINCIPLES

Compensation will be determined in a manner that:

- Will attract and retain well-qualified employees;
- Is comparable to prevailing public sector market salaries or, when necessary, local and / or regional salaries beyond the public sector;
- Recognizes the County's responsibility as a Public Sector employer and is consistent with the County's ability to pay;
- Recognizes the relative worth of individual positions based on an evaluation of relevant job factors for each position;
- Takes into account the relative progress and performance of employees.

MANAGEMENT RESPONSIBILITIES

Managers are responsible to ensure the principles and practices for determining compensation for employees are followed on a consistent basis.

Supervisors and Managers are responsible for creating position descriptions for new positions and ensuring the current position description remains up-to-date.

Human Resources is responsible for:

- Reviewing Position descriptions for accuracy and completeness.
- Evaluating positions using the Point Factor Position Evaluation methodology.
- Recommending the Salary Grid Level for new or reclassified positions.
- Performing Salary Surveys.

STANDARDS

1. Position Administration
 - a. All positions will have a position description that identifies job duties and responsibilities that reference job related factors.
 - b. Each position will be evaluated using Point Factor Position Evaluation.
 - c. Reclassification will occur when significant changes occur to the duties and responsibilities.

2. Salary Administration

- a. Salaries will take into consideration relevant job related factors and Market Value.
- b. Salaries will be consistent with Internal Equity.
- c. A salary grid will be established that groups similarly evaluated positions into grid levels.
- d. Satisfactory performance will result in Permanent employees advancing by steps within the grid levels on the Salary anniversary Date.
- e. Acting or Developmental Assignment may result in Acting Pay upon request of the employee's Supervisor.
- f. Salaries will be adjusted annually to reflect changes in the cost of living as approved in the operating budget.

3. Market Adjustment

- a. Salary surveys will be conducted on a regular basis to maintain External Equity.
- b. Comparables will be chosen based on similarities to Parkland County and will include relative wealth of the comparator, proximity to Parkland County, population and geography (rural municipalities located near large urban centres).
- c. Maximum salaries within the grid will be set to the market median – effectively the 50th percentile.