

STATEMENT OF POLICY AND PROCEDURE

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Subject: **EXECUTIVE DIRECTOR COMPENSATION** | Sec 1, 1B1

Reviewed NEW | Revised: NEW | **Effective: 2022/11/25**

SECTION 1 - 1.B1

EXECUTIVE DIRECTOR COMPENSATION

Policy Purpose:

NLLS commits to providing a comprehensive compensation program that maintains external market comparability, establishes internal equity and recognizes employees for their individual performance. This policy establishes NLLS's Policy regarding Executive Director compensations.

*NLLS aims to remunerate the Executive director at the **Market Median** (50th Percentile). This means the market median for the top attainable rate on the Pay band where half of the comparators will pay above NLLS and half will pay below.*

1. Level – Based on experience, education, and job classification.
2. Salary Grid reflects Steps 1-5
3. Step within each salary level will be based on length of service and achieving an overall satisfactory performance review and budgetary constraints.
 - a) Employees who have reached the top of their grid shall only be eligible for Cost-of-Living Allowance (COLA) increases as approved by the Board.
 - b) At the discretion of the board, the executive director may be advanced to the next Level.
 - c) The Board has the sole authority to advance the executive director one (1) level based on experience, merit, professional development, or increased duties. The decision to advance the executive director two (2) or more levels require Executive Committee notification and approval.
4. The payroll deductions required by law, including Income Tax, Canada Pension and Unemployment Insurance, will be taken from each pay cheque.
5. Considering market conditions and the ability to attract qualified employees the board may recognize prior relevant experience and place an employee higher than on Step 1 of the grid.
6. Salary increases will be effective January 1 of the upcoming year.
7. All salary ranges will be reviewed every 3 years. Any recommendations from the NLLS management team will be made to the NLLS Executive Committee. Any approved increases to overall compensation will normally be effective January 1st.
8. General market adjustments, or Cost of Living Adjustments (COLA), are considered annually and applied to salary ranges based on Board approval. Adjustments may incorporate the following:
 - Cost of living measure such as the Municipal Price Index and other factors including:
 - Competitive market – comparators market adjustments
 - Economic indicators – ability to pay
 - Internal equity – the need to adjust distance between ranges

ED Compensation Range:

Step	1	2	3	4	5
Annual Salary	Contract negotiated at time of hire.				
% Increase up to a maximum of 4%		4%	4%	4%	4%

*Subject to budgetary constraints

*% increase to be determined by HR committee annually with approval of executive up to a maximum of 4%

Alberta Library Systems:

System	Population Served	Member Libraries
Chinook Arch		33
Yellowhead Region	303, 000	53
Peace Library System	175,000	38
Parkland Regional	200,000	64
Marigold Regional	340,000	
Northern Lights	177,000	54

NLLS Executive Board Chair

November 25, 2022

Date of Approval