
TITLE: CEO Performance - Compensation Framework & Guidelines **POLICY:** B-2018

COMMITTEE: HR & CEO Evaluation	PASSED: November 12, 2008
TOPIC: CEO Compensation	AMENDED: April 10, 2017
	REVIEW PERIOD: Every 5 years

Purpose

The Board of the Edmonton Public Library (EPL) is responsible for annually reviewing and finalizing the compensation of the Chief Executive Officer (CEO). The Board recognizes that a compensation program will evolve over multiple years, with initial compensation determined by a combination of market comparisons, the Strategic Plan and priorities of EPL, and the stage of the CEO’s career when hired. Ongoing compensation decisions are tied to the successful attainment of key measures of performance.

Policy

The EPL Board will, within the framework of sound financial stewardship, establish and maintain a base salary range for the CEO that is competitive with Canadian public libraries and the Alberta non-profit sector and that acknowledges accountability to EPL stakeholders. Salary administration will be governed by an established range and will recognize the contributions of the CEO to the achievement of the Library’s business plan and strategic objectives.

Principles

- The Board acknowledges that the goal of the Edmonton Public Library CEO compensation program is to attract, secure, retain, and motivate a leader who will sustain EPL’s position as one of the top public libraries in North America.
- The Board believes that key elements of compensation include salary, benefits, and non-traditional rewards such as bonuses.
- The Board is committed to CEO compensation focused on key measures of performance.
- The Board is responsive to the annual review of the CEO’s performance (Policy B-2019) when considering CEO compensation on an annual basis.
- The Board will be informed by relevant and timely data arising out of comparative urban public libraries and not for profit/public sectors when establishing CEO compensation.

- The board will utilize a clear, concise, and simple approach to determine CEO compensation.

Board Roles and Responsibilities

- Conduct a compensation survey of a relevant peer group of Canadian urban public libraries and the Alberta non-profit sector every five years at minimum, with the support of an external consultant.
- Establish and approve changes to the CEO salary range, CEO salary, benefits or perquisites.
- Determine the CEO compensation annually in accordance with the compensation framework.
- Establish and periodically review the compensation framework to ensure it supports EPL's mission, attracts and retains a highly skilled CEO.

Establishing Salary Range:

- The Board will determine the salary range maximum by weighting the compensation information obtained from the peer group at 50% and the maximum salary range of the City of Edmonton Deputy City Managers at 50%.
- The range maximum will be reviewed no less than annually.
- The market position of the CEO salary will be set at the 75th percentile of the peer group.

Benefits:

The CEO's benefits will be maintained, consistent with both the peer group and EPL management.

Economic Adjustments:

The CEO's salary will be increased by the annual addition of the Cost of Living Adjustment (COLA), as set by the City of Edmonton Manager and as per EPL Board of Trustees motion on September 9, 2014. (*“Notwithstanding extraordinary circumstances, an annual economic adjustment to the salary scales for the CEO, Management and out of scope staff will reflect the economic adjustment provided to the City of Edmonton management employees.”*)

Related Board Policies

[Policy B-2019 - CEO Performance Management Framework and Guidelines](#)

[Appendix A - CEO Performance - Procedures and Timelines](#)

[Appendix B – CEO Performance Evaluation Instrument](#)