



## **Council Meeting**

Jubilee Centre Council Chamber  
9909 Franklin Avenue, Fort McMurray

Tuesday, January 17, 2017  
6:00 p.m.

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### **Agenda**

#### **Call To Order**

#### **Adoption of Agenda**

#### **Minutes of Previous Meetings**

1. Minutes of Regular Council Meeting - December 13, 2016

#### **Presentations**

2. Darlene Soucy, Returning Officer re: 2017 Municipal Election Registration of Potential Candidates
3. Council Compensation Review
  - Presentation: Domenico D'Alessandro and David Gore, Gallagher McDowall Associates
  - delegations
  - Business Arising: Council Compensation Review

#### **Reports**

4. Selection Committee Recommendations – Appointments to Boards and Committees

#### **Adjournment**



**Unapproved Minutes of a Meeting of the Council of the Regional Municipality of Wood Buffalo held in the Council Chamber at the Municipal Offices in Fort McMurray, Alberta, on Tuesday, December 13, 2016, commencing at 6:00 p.m.**

**Present:** M. Blake, Mayor  
J. Cardinal, Councillor (via teleconference)  
K. McGrath, Councillor  
P. Meagher, Councillor  
J. Stroud, Councillor  
C. Tatum, Councillor  
A. Vinni, Councillor  
C. Voyageur, Councillor

**Absent:** T. Ault, Councillor  
L. Bussieres, Councillor  
S. Germain, Councillor

**Administration:** A. Antoniak, Interim Chief Administrative Officer  
D. Bendfeld, Executive Director  
R. Billard, Acting Executive Director  
B. Couture, Executive Director  
E. Hutton, Executive Director  
D. Leflar, Regional Legal Counsel  
A. Rogers, Senior Legislative Officer  
A. Hawkins, Legislative Officer  
D. Soucy, Legislative Officer

**Call To Order**

Mayor M. Blake called the meeting to order at 6:07 p.m.

**Adoption of Agenda**

- Moved by Councillor P. Meagher that the Agenda be amended by deleting Item # 3 - Bylaw No 16/026 - Amendment to Timberlea Area Structure Plan and Land Use Bylaw – Lot 25, Block 20, Plan 152 4140 (Paulson Street), and that the Agenda be adopted as amended.  
CARRIED UNANIMOUSLY

**Minutes of Previous Meetings**

**1. Special Council Meeting - November 28, 2016**

Moved by Councillor P. Meagher that the Minutes of the Special Council Meeting held on November 28, 2016 be approved as presented.  
CARRIED UNANIMOUSLY

Moved by Councillor J. Stroud that the Minutes of the Council Meeting held on December 6, 2016 be approved as presented.  
CARRIED UNANIMOUSLY

### **Public Hearings and Related Reports**

#### **3. Bylaw No. 16/026 - Amendment to Timberlea Area Structure Plan and Land Use Bylaw - Lot 25, Block 20, Plan 152 4140 (Paulson Street)**

This item was removed from the agenda.

### **Reports**

#### **4. Flood Mitigation Plan Update** (6:12 p.m. – 7:32 p.m.)

**Dawny George, Director, Engineering, and Dana Woodworth, Recovery Team Leader,** presented an update on the Flood Mitigation Plan, including a benefit cost analysis.

#### **Exit and Return**

Councillor J. Cardinal disconnected from the meeting at 6:15 p.m. and reconnected at 6:21 p.m. Councillor J. Cardinal continued to experience connectivity issues and was again disconnected at 6:27 p.m. and was unable to reconnect.

**Tom Holland, resident,** spoke to different flood mitigation discussions by Councils over the years and the lack of public engagement as it relates to the current plan, but did not indicate support or opposition to the plan.

**Jim Rogers, resident,** spoke to the removal of soil and debris from the river to ensure water and flood levels do not change in the future.

Moved by Councillor K. McGrath that:

- Administration proceed with pre-design, design and construction of structural flood mitigation for the Lower Townsite, Waterways and Ptarmigan Court reaches in the form of an engineered demountable wall to the current estimated 1:100 year flood water elevation (250 metres);

Administration make provision in design and construction of the demountable wall for flexibility to increase the level of flood protection to the current estimated 1:200 year flood water elevation (251 metres) if flood protection above 250 metres is later stipulated by the Province based on the outcome of its Fort McMurray River Hazard Study currently underway.

- Administration adopt temporary flood mitigation measures to protect all flood hazard areas as well as possible from a flood water elevation of up to 248.5 metres (current estimated 1:40 year flood water level) until permanent flood mitigation measures are in place; and
- Council approve rental through a competitive procurement process of ice-breaking equipment (e.g. Amphibex) as part of the temporary flood mitigation measures to respond to an ice jam flood event, the funding source to be the approved operational budget.

CARRIED UNANIMOUSLY

## **5. 2017 Capital Budget, 2018 - 2022 Capital Plan**

(7:32 p.m. – 9:04 p.m. and 9:13 p.m. – 9:17 p.m.)

**Elsie Hutton, Chief Financial Officer, and Linda Ollivier, Director, Financial Services,** presented an overview of the 2017 Capital and Interim Operating Budgets and the 2018 – 2022 Capital Plan.

### Exit and Return

Councillor K. McGrath exited the Chamber at 7:32 p.m. and returned at 7:33 p.m.

### Recess and Exit

A brief recess occurred between 7:42 p.m. and 8:01 p.m.; at which time Councillor K. McGrath had left the meeting.

**Rachel Orser, Interim Chief Executive Officer and Maureen Gravelle, Interim Chief Financial Officer, Regional Recreation Corporation,** presented a summary of the corporation's revised capital projects funding request of \$2.46 Million.

**Jeffrey O'Donnell, Chief Executive Officer, Conklin Resource Development Advisory Committee, Ernie Desjarlais and Tierra Desjarlais, Conklin residents,** spoke in support of the continuation of funding needed to complete the construction of the Conklin MultiPlex.

**Jim Rogers, resident,** spoke in opposition to the Regional Recreation Corporation's request and in support of capital projects related to the Municipality's hard infrastructure needs.

Councillor J. Stroud put forward the following for consideration:

- “1. That the 2017 Capital Budget in the amount of \$388,738,142 and \$619,535 Public Art Fund transfer totaling \$389,357,677 be approved as set out on Attachment 1, 2017 Capital Budget, dated December 13, 2016 as follows: Capital Infrastructure Reserve \$284,944,458; Debenture Financing \$52,297,605, Grants \$52,115,614, Total \$389,357,677;
2. that the net budget reduction on multi-year projects in progress totaling \$34,729,628 as set out on Attachment 2, 2017 Capital Budget – Multi-Year Projects – In Progress – Cash Flow Changes, dated December 13, 2016, be approved;
3. that the new multi-year projects totaling \$152,976,770 as set out on Attachment 3, 2017 Capital Budget New Multi-Year Projects – Cash Flow – Funded, dated December 13, 2016, be approved;

4. that the cash flow on multi-year projects totaling \$599,918,202 as set out on Attachment 4, 2018 – 2022 Capital Plan – Multi-Year Projects – Cash Flow – Funded, dated December 13, 2016, be approved.”

Moved by Councillor A. Vinni that the Conklin MultiPlex - Construction, Project #7 be deferred to the 2018 budget to allow administration to report back to Council on how this project could be re-scoped and to present an updated business case.

DEFEATED

For: A. Vinni

Opposed: M. Blake, P. Meagher, J. Stroud, C. Tatum, C. Voyageur

Moved by Councillor C. Tatum that Administration research a tracking system for citizen and other inquiries to the Regional Municipality of Wood Buffalo and to do so within the Capital Budget.

CARRIED UNANIMOUSLY

Moved by Councillor J. Stroud that the revised funding request from the Regional Recreation Corporation in the amount of \$2,457,527 be moved from unfunded to funded.

CARRIED UNANIMOUSLY

Moved by Councillor P. Meagher that the 2017 Capital Budget, 2018 - 2022 Capital Plan be tabled to enable Financial Services to confirm the amended numbers.

CARRIED UNANIMOUSLY

**6. 2017 Interim Operating Budget**

(9:05 p.m. – 9:12 p.m.)

Moved by Councillor P. Meagher that:

- a 2017 Interim Operating Budget, in the amount of \$137,000,000 be approved to fund operations for the first quarter of 2017; and
- Administration present the 2017 Operating Budget, 2018 – 2019 Financial Plan subsequent to the Council endorsement of outcomes of the Wood Buffalo Steering Group tasked with the development of a Joint Plan for Bill 21 Transition before the end of the first quarter.

**Jim Rogers, resident**, expressed concern with the legacy that would be left for future residents with the current level of spending.

CARRIED UNANIMOUSLY

Moved by Councillor P. Meagher that the 2017 Capital Budget, 2018 - 2022 Capital Plan be lifted from the table.

CARRIED UNANIMOUSLY

Moved by Councillor J. Stroud that:

1. The 2017 Capital Budget in the amount of \$391,195,669 and \$619,535 Public Art Fund transfer totaling \$391,815,204 be approved as set out on Attachment 1, 2017 Capital Budget, dated December 13, 2016 as follows:

Capital Infrastructure Reserve	\$287,401,985
Debenture Financing	52,297,605
Grants	<u>52,115,614</u>
Total	<u>\$ 391,815,204</u>

2. The net budget reduction on multi-year projects in progress totaling \$34,729,628 as set out on Attachment 2, 2017 Capital Budget – Multi-Year Projects – In Progress – Cash Flow Changes, dated December 13, 2016, be approved.
3. The new multi-year projects totaling \$152,976,770 as set out on Attachment 3, 2017 Capital Budget New Multi-Year Projects – Cash Flow – Funded, dated December 13, 2016, be approved.
4. The cash flow on multi-year projects totaling \$599,918,202 as set out on Attachment 4, 2018 – 2022 Capital Plan – Multi-Year Projects – Cash Flow – Funded, dated December 13, 2016, be approved.

CARRIED

For: M. Blake, P. Meagher, J. Stroud, C.  
Tatum, C. Voyageur

Opposed: A. Vinni

#### Pecuniary Interest

Councillor C. Voyageur declared a potential pecuniary interest regarding the Wood Buffalo Housing and Development Corporation Board appointments due to an employment relationship, and would be abstaining from participation on this matter. As this resulted in a loss of quorum, these appointments were severed from the report and motion and will be submitted for consideration at the next regular Council meeting.

**7. Selection Committee Recommendations - Annual Committee Appointments**  
(9:17 p.m. – 9:23 p.m.)

Moved by Councillor P. Meagher:

1. THAT Samuel Odemuyiwa, Keith Haxton and John Ross Carruthers be appointed to the Local Assessment Review Board, effective January 1, 2017, until December 31, 2018; and

THAT Samuel Odemuyiwa, Keith Haxton and John Ross Carruthers be appointed as acting members to the Composite Assessment Review Board, effective January 1, 2017, until December 31, 2018; and

THAT remuneration for Local and Composite Assessment Review Board Members be set at the same level as provincial remuneration rates for Municipal Government Board Members.

2. THAT the following appointments be approved, effective January 1, 2017:

- **Advisory Committee on Aging**
  - Joan Furber, Golden Years Society representative,
  - Scott Garner, Wood Buffalo Housing and Development Corporation representative, and
  - Linda Mywaart, rural public-at-large representative, to December 31, 2018;
- **Combative Sports Commission:**
  - Himanshu Varshney to December 31, 2017;
  - Sandy Bowman,
  - Phil Heinzelman, and
  - Jason Kent to December 31, 2018;
- **Communities In Bloom Committee:**
  - Deanne Tomlinson to December 31, 2017;
  - Rebecca Anderson,
  - Adeline Azangue,
  - Hugh Crawford,
  - Johnny Dulku, and
  - Elaine Martens to December 31, 2018;
- **Community Identification Committee:**
  - Carrie Loy, and
  - Jessica Saunders to December 31, 2018;



- **Community Services Committee:**
    - Frank Polistena to December 31, 2017;
    - Rick Hulbert, and
    - Rita Lockyer to December 31, 2018;
  - **Landlord and Tenant Advisory Board:**
    - Janice Bailey,
    - Dawn Collier, and
    - Josh Splaine to December 31, 2018;
  - **Library Board:**
    - Corinna Pirie, and
    - Carla White to December 31, 2018.
    - Monica Domingues,
    - Amanda MacPherson, and
    - Shazia Mughal to December 31, 2019;
  - **Public Art Committee:**
    - Chris Hamacher to December 31, 2017;
    - Michelle Thorne to December 31, 2018;
    - Nabil Malik, and
    - Garette Tebay to December 31, 2019;
  - **Regional Advisory Committee on Inclusion, Diversity and Equality:**
    - Marlene Boyle,
    - Jim Carbery, and
    - Bindu Shah to December 31, 2018;
  - **Regional Recreation Corporation:**
    - Chantal Beaver to December 31, 2017;
    - Brendan Toner to December 31, 2018; and
    - Nicholas Germain, and
    - Colin Hartigan to December 31, 2019;
  - **Subdivision and Development Appeal Board:**
    - Nola Messer to December 31, 2017;
    - Sean Schaffer,
    - David Secord, and
    - Alex McKenzie to December 31, 2018;
3. THAT Nathalie Aubrey be appointed to the Wood Buffalo Recovery Committee effective immediately until October 31, 2017.

CARRIED UNANIMOUSLY

**8. Sustainable Development Committee Recommendation –Snye Point Café Lease**  
(9:23 p.m. – 9:29p.m.)

Moved by Councillor P. Meagher that the Municipality enter into a lease with 1950805 Alberta Ltd. for the Snye Point Café, subject to the terms and conditions described in the Building Lease Terms and Conditions, dated November 4, 2016 (Attachment 1 to December 6, 2016 Sustainable Development Committee Report).

**Jim Rogers, resident**, spoke to matters unrelated to the recommendation before Council at this time.

CARRIED UNANIMOUSLY

**9. Sustainable Development Committee Recommendation –Wood Buffalo Sport Connection Community Engagements**  
(9:30 p.m. – 9:33 p.m.)

Moved by Councillor J. Stroud that Administration support community stakeholders in the creation of a Wood Buffalo Sport Connection as a separate, non-profit society supporting sports in the Regional Municipality of Wood Buffalo.

**Jim Rogers, resident**, spoke in support of the creation of the sport connection as long as there was no cost to the tax payers for this initiative.

CARRIED UNANIMOUSLY

**Adjournment**

As all scheduled business matters had been concluded, Mayor M. Blake declared the meeting adjourned at 9:33 p.m.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Chief Legislative Officer

# 2017 Municipal Election Registration of Potential Candidates

January 17, 2017

Presenter: Darlene Soucy, Returning Officer

# Candidate Registration

- Provincial legislation, which took effect on January 1, 2014, requires individuals who intend to run for a municipal election or by-election to register with the Regional Municipality of Wood Buffalo before accepting any campaign contributions.

# Authority

- Section 147.21 of the *Local Authorities Election Act*, requires individuals to file with the Municipality an “Application for Registration of Notice of Intent to Become a Candidate for Municipal Office” setting out:
  - a) the full name and address of the candidate;
  - b) the address where the records of the candidate are maintained and where any communications may be addressed;
  - c) names and addresses of financial institutions where campaign contributions will be deposited; and
  - d) names of signing authorities of all of the financial institutions listed.

# Notification of Change to Information

- When there is any change to the information provided, the registered candidate must notify the Municipality in writing within 48 hours after the change, and the Municipality will update the register of candidates accordingly.
- Notification must also be given if you change your intent to be nominated for an upcoming election.

# Candidate Self-funded Election Campaign

- The candidate registration legislation does not apply if the candidate's entire election campaign is funded exclusively out of the candidate's own funds, up to a maximum of \$10,000.
- The candidate registration form does include a section allowing a candidate to declare they are self-funded.
- Filing a “self-funded” registration would ensure that the candidate who intends to be nominated is not deemed to be in contravention of the legislation.

# Effect of Non-Compliance

- A candidate who does not comply with the requirements for filing the “Application for Registration of Notice of Intent to Become a Candidate for Municipal Office” is guilty of an offence under the *Local Authorities Election Act* (the Act) and liable to a fine of not more than \$1,000.
- Anyone who is guilty of an offence under the Act, would be ineligible to run as a candidate for any election under this Act (including for School Board trustees) for a period up to 10 years.



# Information

- The Provincially legislated Form 3A - “Application for Registration of Notice of Intent to Become a Candidate for Municipal Office” is available on municipal website: [www.rmwb.ca/elections](http://www.rmwb.ca/elections).
- In addition, there is a voluntary “Potential Candidate Contact Information Form” included so that potential candidates could be sent updates for the 2017 General Election and other relevant election information. Providing the contact information is voluntary and does not affect the application for registration.

Nomination Day – Monday, September 18, 2017  
Election Day – Monday, October 16, 2017

Municipal Election Information:

[www.rmwb.ca/elections](http://www.rmwb.ca/elections)

Government of Alberta Election Information:

[www.municipalaffairs.gov.ab.ca/mc\\_elections](http://www.municipalaffairs.gov.ab.ca/mc_elections)

Copies of Provincial Legislation, including the *Local Authorities Election Act* and the *Municipal Government Act*, are available at [www.qp.alberta.ca](http://www.qp.alberta.ca)

Thank you

Questions?

Regional Municipality of Wood Buffalo  
General Election Inquiries:  
[elections@rmwb.ca](mailto:elections@rmwb.ca)





Gallagher McDowall Associates  
ARTHUR J. GALLAGHER

# Elected Official Compensation Presentation to Council

DOMENICO D'ALESSANDRO & DAVID GORE | JANUARY 17, 2017



# BACKGROUND

# Review of Elected Officials Compensation Policies

- Gallagher McDowall Associates was retained to conduct a comprehensive review of the provisions of the elected officials current compensation, travel expense, and support policies; prepare a detailed report of findings and recommendations.
- Our Approach
  - Interviews/surveys of all members of Council,
  - Conduct a comprehensive survey and review of all aspects of compensation of at least 8-10 comparable municipalities,
  - Prepare recommendations for an appropriate pay schedule as well as other related remuneration matters.



# OUR GUIDING PRINCIPLES



# Our Guiding Principles

- Gallagher McDowall uses the following principles to guide our work:
  - All data presented and used in our analysis is fact based and from reputable data sources such as Statistics Canada;
  - Our survey design, methodologies and analytical techniques use standard consulting protocols and practices;
  - All recommendations are fully transparent;
  - Elected officials should be provided with fair and appropriate compensation and resources to fulfill their role; and
  - Total remuneration should reflect affordability, general economic factors, workload, remuneration at comparable municipalities and unique needs of the municipality.



# SURVEY PARTICIPANTS

# Selection of Comparators

Based on inputs received from elected officials and our research, comparators chosen for participation in the survey were:

Red Deer

Medicine Hat

Yellowknife

Rocky View County

Yellowhead County

Fort Saskatchewan

Saskatoon

Lethbridge

Strathcona County

Fort St John

Parkland County

Grand Prairie

Spruce Grove

We received responses from 13 of the 15 invited to the survey.



# SURVEY FINDINGS

# Custom Survey Findings

## Cash Comp - Full Sample 13 Municipalities

Market Reference Group	Mayor Annual Salary	Deputy Mayor (n=6)	Councillor Annual Salary	Mayor Car Allowance (n=5)	Councillor Auto Allowance	Mayor and Councillor Millage Rate (n=11)
<b>Survey Average Hours Worked (n=11)</b>	40	23.25	24			
<b>Survey Average Annual Salary</b>	\$ 92,492	\$ 51,740	\$ 42,898	\$ 4,476.00	N/A (insufficient observation)	\$0.54
<b>RMWB</b>	<b>\$132,011</b>	<b>\$283/Diem</b>	<b>\$38,878</b>	<b>\$24,012</b>	<b>\$3,348</b>	<b>\$0.55/ \$0.48</b>

# Selection of Core Comparators

When reviewing the comparator group, five organizations appeared to have a better alignment to RMWB from a size and complexity perspective. These five municipalities have some of the larger populations in the province, similar economic conditions/dependencies, operating and capital budgets.

We still recommend using the broader group of 13 municipalities, but also consider using the core group as guidance for consideration.

A blend of the two data sets would represent a conservative view of the market and have more statistical basis versus a smaller sample of 5 municipalities.

# Custom Survey Findings

## Cash Comp – Core Sample of 5 Major Alberta Municipalities

Market Reference Group	Mayor Annual Salary	Deputy Mayor	Councillor Annual Salary	Mayor Car Allowance (n=4)	Councillor Auto Allowance	Mayor and Councillor Millage Rate (n=5)
<b>Survey Average Hours Worked</b>	46 (n=3)	N/A (insufficient observation)	23 (n=3)			
<b>Survey Average Annual Salary</b>	\$107,776	N/A (insufficient observation)	\$ 48,246	\$ 4,950	N/A (insufficient observation)	\$ 0.53
<b>RMWB</b>	<b>\$132,011</b>	<b>\$283/Diem</b>	<b>\$38,878</b>	<b>\$24,012</b>	<b>\$3,348</b>	<b>\$0.55/ \$0.48</b>

# Assessment of Wage Differentials

As part of the interview process, the broader average wage differential in RMWB compared to other locations was raised several times. Noting that average individual employment income varies by municipality and region we wanted to explore the differential between employment income in each location surveyed vs. the RMWB.

Using a well known data source, Economic Research Institute (“ERI”), we assessed the average wage expectation if one were to move from RMWB to any of the selected comparator municipalities. The resulting figure (using \$100,000 average income for RMWB) indicates the differential one might expect.



# Wage Differentials

As part of the interview process the concept of Cost of Living Adjustment (“COLA”) was raised. It is not common for elected officials to receive a COLA adjustment. Rather the change in COLA or CPI is frequently used as part of the determination of elected official increases on an ongoing basis.

The following slide illustrates survey data adjusted to reflect ERI Compensation differentials at \$100,000 for the average worker. The \$100,000 was selected as a representative amount of earnings within the municipality. We also tested other earning amounts as references which resulted in minor changes in the differentials due to tax implications.

# Assessment of Wage Differentials by Survey Participants

Municipality	Wage Differentials RMWB = 100%	Municipality	Wage Differentials RMWB = 100%
City of Grande Prairie	92.3%	City of Lethbridge	87.7%
Fort St John	91.7%	City of Fort Saskatchewan	92.8%
Rocky View County	97.5%	City of Saskatoon	87.3%
Red Deer	90.2%	Medicine Hat	89.4%
City of Yellowknife	100.4%	Spruce Grove	93.4%
Yellowhead County	89.7%	Strathcona County	93.1%
Parkland County	93.1%		

\* Source 2016 ERI Database

# Custom Survey Findings

Cash Comp – Comparison based on adjusted Survey data using ERI differentials

Market Reference Group	Mayor Annual Salary	Deputy Mayor (n=6)	Councillor Annual Salary	Mayor Car Allowance (n=5)	Councillor Auto Allowance	Mayor and Councillor Millage Rate (n=11)
<b>Survey Average Annual Salary 13 Municipalities</b>	\$100,691	\$ 55,494	\$ 46,769			
<b>Survey Average Annual Salary 5 Core Municipalities</b>	\$ 119,082	\$ N/A (insufficient observation)	\$ 53,169			
<b>RMWB</b>	<b>\$132,011</b>	<b>\$283/Diem</b>	<b>\$38,878</b>	<b>\$24,012</b>	<b>\$3,348</b>	<b>\$0.55/ \$0.48</b>



# RECOMMENDATIONS

# Guidelines Used in Considering Recommendations

- When collecting market data, we considered the position of Mayor and Councillor as described in the Alberta Government Municipal Act, ensuring the duties and responsibilities were consistent among the group. Further we:
  - Considered the economic conditions in both RMWB and the surrounding region/province;
  - Adjusted raw data to account for earning potential and indirectly living expenses;
  - Endeavored to find the closest or best matching municipalities; and
  - Applied generally accepted survey methodologies.

**All recommendations that follow in this section would be effective for the new Council Elected in 2017, unless otherwise noted.**

# Recommendations – Cash Compensation

Based on as the duties as described in the Alberta Government Municipal Act, assuming a 20 to 25 hour work week, and eligible for 1/3 income tax free status.

	Current Practice	Recommendation	Change / Comments
Mayor Annual Salary	\$132,011	\$120,000	Decrease of 9.1% from current compensation
Deputy Mayor	\$283/Diem	\$283/Diem	No change
Councillor Annual Salary	\$38,878	\$50,000	Increase of 28.6% based on a blend of full sample and Core Municipalities adjusted for wage differentials

*It is noted that within the survey respondents, one municipality, Strathcona County, the Councillor's role is full time.*

# Recommendations

## **Future Adjustments to Elected Official Compensation**

- Adopt a formal policy for annual increases at the beginning of each calendar year based on the lower of the year-over-year change in Alberta CPI or the percentage increase granted to exempt staff.
- If elected officials refuse to take the increase it can not be deferred into future years.

# Recommendations – Car Allowance

	Current Practice	Recommendation	Change / Comments
Mayor	\$24,144/ Year Or \$2,012/ month  for leased car and expenses	\$1,000 to 1,200 Allowance plus mileage or \$1,200 max lease expense and operating costs with no mileage	Decrease of about 60% from current practice.  Survey values were lower but due to unique size and geography of municipality would recommend higher allowance.
Councillor	\$3,312/year or \$276/ month allowance	No Change	Recommend due to unique size and geography of municipality

*Continue Mileage reimbursement at current rate of \$0.55 / Km for first 5,000 Km and \$0.48 / Km thereafter in line with CRA directives.*



# Recommendations – Other Compensation

	Recommendation	Change / Comments
<b>Benefits and RRSP</b>	No change Benefits are same as exempt staff and RRSP match up to 7.5%	Common amongst survey respondents. Ensure changes in exempt staff benefit arrangements are reflected.
<b>Transition Allowances</b>	No change 2 weeks / year of service	Practice to only <b>formally</b> exist in one other municipality comparable with RMWB.
<b>Travel Expenses for Conferences/ External Meetings</b>	Reasonable travel, meal, and accommodation expenses	No change in current practice, however, review governance process to ensure appropriate guidelines and safeguards are incorporated into the current policy.

# Recommendations – Other Compensation (Continued)

	Recommendation	Change / Comments
<b>Spousal Travel</b>	Eliminate, effective for the new Council in 2017.	No municipality reimburses for spousal travel with the exception of the cost of a spouse's ticket or entry fee to a banquet or reception.
<b>Travel Budgets</b>	No change Based on Ward requirements	Legitimate expenses are covered. A number of municipalities use one central budget while a minority use individual budgets.
<b>Public Relations Budgets/Gifts/Hospitality</b>	No Change to Budget Immediate update of governance policy	Survey results indicate only one other municipality has a <b>formal</b> public relations budget for each elected official, most use a single budget for all expenses.

# Recommendations – Other Compensation (Continued)

	Recommendation	Change / Comments
<b>Technology</b>	No Change Allowance to be used at their discretion to cover both hardware and technology costs.	All municipalities provide elected officials with a full range of smart phones, iPads, laptops, printers, etc. including associated technology such as internet connections.  As the current process fits within the overall competitive practice we recommend no change in the current approach.
<b>Administrative Support</b>	No Change Mayor – 1 staff Councillors - Legislative Services upon request	The majority of survey respondents provide Mayor a dedicated staff for support and as needed to Councillors for for event planning and scheduling.

# Recommendations

## Compensation for Committee Participation (Not part of core Council governance)

- Compensation for sitting on an additional committee that has been created for extraordinary circumstances (e.g. Wild Fire) and/or a committee that is at arms length to the municipality, and is approved by a vote of Council, should be fairly compensated.
  - Rates should not exceed \$150 for half a day and \$300 for a full day.
- Additional compensation will not be paid in the event the sitting member(s) are already compensated by the Committee.
  - Councillors should not accept compensation greater than specified above or greater than other committee members.
- Guidelines to be developed to identify examples of arms-length committees.

# Recommendations

## Other Compensation

- No other forms of cash compensation was identified.
- Further no municipality compensates an elected official for lost personal income.
- Therefore no additional compensation elements are required.



Gallagher McDowall Associates  
ARTHUR J. GALLAGHER


# Thank You

**Domenico D'Alessandro**  
**Senior Consultant**

**David Gore**  
**Senior Consultant**

McDowall Associates, a division of Gallagher Benefit Services  
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# APPENDIX



# ERI Methodology– Appendix A

- ERI's research analysts apply a combined 100+ years of experience in the field of compensation administration to give you interactive software updated quarterly with consensus results from the most reliable survey sources.
- ERI maintains several databases, tracking wage and salary information (as well as cost of living information) for the United States, Canada, the United Kingdom, and many European Union members. Data for each country is maintained separately.

Source ERI: <http://www.erieri.com/faqs>

# ERI Methodology– Appendix A

## Salary and Wage Data:

- ERI collects data from thousands of available salary surveys, not just those published by the largest survey firms. We collect available salary survey data for jobs and areas; evaluate each survey for validity, reliability, and use; and compile updated market values for positions with comparable responsibilities.

ERI results are all market based and reflect current market values.

# ERI Methodology– Appendix A

- Analysis is conducted on wages by geographic area, size of company, years of experience, and industry. Data values are automatically updated to match today's market movement rates, and our default projected market increase projections, like the other variables, can be adjusted at your preference.
- Our subscribers are provided with convenient and easy-to-use market value results: the use of **Assessor Series** software databases involves choosing a position title and viewing the current market prices. Results are reported according to the predictive variables, and all methodologies are detailed for complete defensibility.

Source ERI: <http://www.erieri.com/faqs>

# ERI Methodology– Appendix A

- In cases where no surveys were conducted for a job in a specific city, ERI will use contiguous area wage data in concert with our proprietary economic studies to report wage levels for that job in that location. Contiguous area wage data and economic studies are used only for small areas where limited or no specific wage survey is conducted. ERI wage data is based on the market's price of jobs. Comparable worth concepts and job evaluation concepts differ from market pricing and are not (and have never been) part of ERI's market pricing methodology.



Gallagher McDowall Associates  
ARTHUR J. GALLAGHER



# Elected Official Compensation Final Report

DOMENICO D'ALESSANDRO & DAVID GORE | JANUARY 17, 2017

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# BACKGROUND



# Review of Elected Officials Compensation Policies

- The Regional Municipality of Wood Buffalo (RMWB) is a specialized municipality located in northeastern Alberta. It is geographically, the second largest municipality in Alberta, comprising the major urban centre of Fort McMurray and nine rural communities. The municipality is home to vast oil sand deposits that have significantly contributed to its growth in the past decade. The municipality supports a population of approximately 125,000 citizens, with the majority of the population in Fort McMurray.
- The current municipal council is comprised of 10 Councillors and a Mayor. The current term runs through until October 2017 and an election will be held in that month, with the new term running through until October 2021. The Municipality decided to undertake a thorough review of elected officials compensation, travel, expense, and support policies.



# Review of Elected Officials Compensation Policies

- Gallagher McDowall Associates was retained to conduct a comprehensive review of the provisions of the elected officials' current compensation, travel, expense, and support policies; prepare a detailed report of findings and recommendations; and present recommendations for changes (if required) to Council. Specific requirements to be addressed and included in the study are:
  - Interviews/surveys of all members of Council to gain an understanding of time requirements and the environment that affects the Councillor's role
  - Conduct a comprehensive review of all aspects of compensation of at least 8-10 comparable municipalities that have similar characteristics to RMWB (e.g. economics, geographic diversity, urban/rural complexities, cost of living, budget, meeting schedules, etc.)
  - Prepare recommendations for an appropriate pay schedule for the term October 2017 to October 2021

# Review of Elected Officials Compensation Policies

- In the recommendations, implementation options, and policy statements will address:
  - Council remuneration and benefits (including pension or retirement provisions)
  - Council travel and related expenses including eligibility, review and approval
  - Council office support and technology
  - Compensation for loss of income while conducting business for the municipality
  - Additional responsibilities for the Deputy and Acting Mayor positions
  - Participation in community and social events including compensation to be paid for the inclusion of spouses/family members/guests
  - Recognition of time served on Council
  - Guidelines for acceptance of gifts and hospitality



# OUR APPROACH / METHODOLOGY & PROCESS

# Process

- The RMWB provided Gallagher McDowall with a complete set of current policies affecting compensation, travel, expenses, and support policies. Further, we gathered historical information for the last three years to develop a good understanding of the trends in each of the respective areas to be examined.
- Interviews were conducted with all Councillors and the Mayor by phone. Specific issues explored in these interviews include:
  - The key criteria to be used for selecting comparator municipalities
  - Municipal strategic initiatives/strategies that may affect the design of future remuneration
  - Key principles that should guide the design of the remuneration system
  - Opinions of Councillors with respect to the appropriateness of current salary levels, both before and after By-Law 16/013 was passed, as well as the typical workload expected of Councillors

# Process

- Additional compensation for both a Deputy Mayor and the Acting Mayor as well as committee participation
  - Appropriateness and adequacy of the travel policy (e.g. personal vehicle allowance, travel allowances for accommodation and meals, spousal travel)
  - Appropriateness of technology and administrative support
  - Appropriateness of the current benefit coverages
  - Any other issues that should be considered in the review and recommendations that Gallagher McDowall will develop
- A custom designed survey instrument was developed to solicit the required information from selected comparator municipalities. A copy of the survey instrument is enclosed as an appendix.
    - Gallagher McDowall also completed additional research to identify average industrial wages and any other external factors that may influence remuneration design



# OUR GUIDING PRINCIPLES



# Our Guiding Principles

- Gallagher McDowall uses the following principles to guide our work:
  - All data presented and used in our analyses is based on facts obtained either through the custom survey, or reputable data sources such as Statistics Canada
  - Our survey design, methodologies and analytical techniques are all based on standard consulting protocols and practices
  - All recommendations and the content of the report will be fully transparent (i.e. can be fully defended and understood by the community at large) to ensure recommendations can be effectively and openly evaluated
  - Elected officials should be provided with fair appropriate compensation and resources to fulfill their role

# Our Guiding Principles

- Where officials are provided with individual choice in their use of resources, reasonable, prudent and controlled use of taxpayer funds is critical
- Total remuneration should consider short and long term affordability, general economic factors, the core workload of elected officials, and remuneration at comparable municipalities
- Recommendations are designed to meet the unique needs of the municipality





# INTERVIEW SUMMARY

# Councillor Interviews - A Summary

The following summary is presented in key themes based on interviews conducted with each elected official. They cover the following key areas:

- 1) Strategic Initiatives influencing remuneration design
- 2) Key Remuneration Principles
- 3) Key Responsibilities and hours of work
- 4) Comparators for consideration
- 5) Key Remuneration Issues
- 6) Employee Benefits
- 7) Travel and Expense policy
- 8) Technology and Support

# Conclusions from Interviews

## Strategic Initiatives Influencing Elected Official Remuneration

- Economic conditions directly impact supply and demand behaviours.
- Historically a large portion of tax revenue came from industry operations; the decline in oil prices has resulted in a significant retraction of operations, impacting the tax base for the municipality. The reduction places pressure on capital spending and operating budgets, resulting in additional challenges for elected officials on how best to allocate more limited resources.
- Change in mindset from growth to sustainability, while still making the municipality an attractive location to live.
- Recent natural disaster has added to financial strains on budget and population growth. (i.e., will displaced families return to the municipality?)
- Ageing strategic plan makes it difficult to effectively deal with changing needs of the municipality

# Conclusions from Interviews (Cont'd)

## Strategic Initiatives Influencing Elected Official Remuneration

- The provincial government is considering a fundamental change in local taxation to regulate the ratio between industrial and residential taxation to no higher than 5:1, whereas the current ratio is significantly higher. Such a change would have major implications for the municipality and its revenue stream.

The issues discussed on this and the previous slide do not have a direct impact on remuneration; however, they may impact the nature, duration, and responsibilities of elected officials responsible for the overall welfare and interests of the municipality.

# Conclusions from Interviews

## Key Remuneration Principles

A wide range of opinions existed among the elected officials of the municipality, for example:

- Elected officials are performing a public service and as such, should be remunerated in line with other public service organizations
- Elected officials should be compensated for loss of private sector income
- Comparators should include both private and public sector organizations, or only municipal organizations
- Remuneration must consider the unique needs of the municipality
- Thought needs to be given to the different challenges faced by both urban and rural elected officials
- Remuneration must be fair and reasonable to reflect the time and commitment required by the role

# Conclusions from Interviews

## Key Remuneration Principles (cont'd)

- Remuneration levels need to be open and transparent to the public
- Remuneration should reflect the cost of living, as well as economic realities of the community at large.

Our overall conclusion from elected officials regarding remuneration principles indicates no clear consensus among elected officials on compensation comparison, however, fundamentally the notion of fairness, transparency, and public accountability were voiced in one form or another.

# Conclusions from Interviews

## Key Responsibilities and Hours of Work

A wide range of opinions existed among elected officials on the number of hours required to fulfill the duties of an elected official; however, there was agreement that the *role duties as described under the Municipal Government Act\** are an accurate description of key governance responsibilities. There was consensus that participation in committee work is a key requirement of the role but other opinions were expressed about the nature of the role, primarily based on each elected officials' experiences and work style. For example responsibilities can include participation in community/social activities, but the extent of that involvement can vary widely.

Mixed opinions were expressed as to the role of elected officials as a governance body vs an operational body.

Varying opinions were also expressed with respect to the operating style of Council but no consensus exists as to the appropriate style.

\* *Please see Appendix D*

# Conclusions from Interviews

## Key Responsibilities and hours of work (cont'd)

With respect to hours of work, a wide ranging set of opinions exist on the number of hours needed to effectively perform the duties of an elected official (excluding the demands post fire):

At one end of the spectrum a group of officials believes core governance work requires 20 to 25 hours per week;

At the opposite end of the spectrum a number of officials believe the role requires 40 to 60 hours per week (i.e. core governance is only one part of the role).

We concluded from the interviews that 20<sup>^</sup> to 25 hours is considered appropriate to meet the core governance duties of the role (i.e. attendance of meetings and preparation/follow up), while 40+ hours is required to be fully engaged and responsive to community needs and events, including participation in such events.

<sup>^</sup> Our assumption of 20-25 hrs./week is based on an average of about 6 hours of Council meetings (3-4 hours prep, and up to 4 hours of meeting time) plus about an average of 6 hours of committee work per week (prep and actual meeting) and about 4 hours of e-mail and other councilor duties during the week (extra meetings, constituent events, phone calls, etc.).



# Conclusions from Interviews

## Key Responsibilities and hours of work (Cont'd)

- Post fire, it is clear that elected officials had to play a temporary role above and beyond their normal duties to deal with significant inquiries and requests from citizens.
- There is also a view that this is a 24/7 role, as when in the public domain they are subject to questions and requests regarding municipal issues.

In conclusion there seems to be some acceptance that the core governance and policy-setting role should fit within a 20 to 25 hour work week, however different wards and individuals may require a broader number of hours to be accessible and effective in their role. Further, there is no consensus as to whether additional duties such as community event participation, is core to the role or an individual preference.

For the purposes of this report we have assumed 20<sup>+</sup> to 25 hours of work to complete the core duties of an elected official. However, we also recommend elected officials should have a comprehensive discussion to decide the actions and responsibilities needed to be fully engaged and responsive to municipal needs.

# Conclusions from Interviews

## Comparators

When opinions were provided regarding other municipalities to survey, there was a consensus that no one municipality in Alberta or Canada would be a perfect match; however, a collection of municipalities could accurately reflect the uniqueness (e.g. geographic, size and diversity, capital budgets, population, rural/urban, and large dominant industry).

A minority of elected officials voiced the opinion that comparators should include major urban cost centers (i.e. Edmonton, Vancouver, Calgary, etc.) and in certain circumstances private sector employers in the area.

Notwithstanding the diversity of the opinions presented, the majority of elected officials agreed that selected municipalities in Alberta and surrounding area should be included in the study and serve as the primary source of comparative data.

# Conclusions from Interviews

## Remuneration Issues

Opinions were sought from elected officials on the three following issues and a summary of opinions are shown below:

1. Current Salary Levels = For Councillors, they are low compared to ongoing to work demands, and do not reflect extraordinary events such as the recent wildfire
2. Deputy & Acting Mayor = Like the current system of rotation of the Deputy/Acting Mayor role, some Councillors voiced opinions that Council should consider a permanent role of Deputy Mayor with a key responsibility to liaise with and lobby the Provincial government.
3. Committees = Minimal input received on committee operation and structure and participation. Most Councillors see committee work as an going part of their responsibility.

# Conclusions from Interviews

## Employee Benefits, Travel and Expense policy

All Councillors responded consistently, that benefits provided were sufficient. In some cases, Councillors did not take advantage of this benefit as they were covered under their employer.

Similarly, Councillors were generally satisfied with the expense accounts, the reporting, and the administration processes associated with them. Some suggested more clarity in the policy, regarding acceptable items and guidelines around marketing/promotional materials.

# Conclusions from Interviews

## Technology/Administrative Support

Councillors had no issues with Technology and Technology support; however, comments were made regarding general administrative support.

It was expressed that many hours were spent conducting administrative duties such as appointment scheduling and word processing.

In conclusion most elected officials are generally pleased with the current level of benefits, the expense accounts, the travel account, and technology support. Most of the discussions focused on administrative support, and the hours it adds to the Councillor's workload in general.



# SURVEY PARTICIPANTS

# Selection of Comparators

When an organization is choosing comparators for participation in a remuneration study, it is important to choose ones that have similar characteristics to the municipality. Among the initial decisions made, was whether the comparisons were to be made to other comparable municipalities or whether private sector data should be considered. We concluded that the only defensible criteria would be to select comparators in the public sector (specifically in the municipal sector), similar to the practices adopted by the majority of municipal compensation programs for elected officials.

The challenge was to select municipalities that can serve as appropriate comparators for RMWB. We did recognize the uniqueness of the municipality in terms of location, geography and size, urban and rural diversity and population, operating and capital budgets. Accepting the fact we would not find similar municipalities we looked for key municipalities, in both Alberta and surrounding areas that would have a number of similar characteristics. Further, we were mindful of the comparators the municipality uses to set the compensation levels for their exempt staff.

# Selection of Comparators (cont'd)

Based on inputs received from elected officials and our research, comparators chosen for participation in the survey were:

Red Deer	Lethbridge
Medicine Hat	Strathcona County
Yellowknife	Fort St John
Rocky View County	Parkland County
Yellowhead County	Grand Prairie
Fort Saskatchewan	Spruce Grove
Saskatoon	

We received responses from 13 of the 15 invited to the survey.

We asked all participants to not only provide remuneration data and any policy documents relating to benefits, travel, expenses', etc.; but also to provide statistical data to reflect the characteristics of that specific municipality. The following charts illustrate those characteristics.



# Survey Participant Characteristics

Municipality	2016 Operating Budget	2016 Capital Budget	2016 Population	2016 Assessment Base
<b>RMWB</b>	<b>\$ 860,708,200</b>	<b>\$ 464,649,919</b>	<b>81,948</b>	<b>\$ 62,161,147,136</b>
City of Grande Prairie	\$ 157,856,005	\$ 60,808,292	68,556	\$ 11,583,072,060
Fort St John	\$ 33,650,000	\$ 35,275,000	21,000	N/A
Rocky View County	\$ 166,338,100	\$ 92,213,700	42,210	\$ 15,169,767,886
Red Deer	\$ 160,000,000	\$ 161,000,000	99,832	N/A
City of Yellowknife	\$ 50,500,000	\$ 16,300,000	20,806	\$ 3,065,500,000
Yellowhead County	\$ 34,670,000	\$ 51,863,838	10,469	N/A
Parkland County	\$ 53,431,539	\$ 61,267,166	30,568	\$ 8,932,368,449

# Survey Participant Characteristics

Municipality	2016 Operating Budget	2016 Capital Budget	2016 Population	2016 Assessment Base
<b>RMWB</b>	<b>\$ 860,708,200</b>	<b>\$ 464,649,919</b>	<b>81,948</b>	<b>\$ 62,161,147,136</b>
City of Lethbridge	\$ 355,792,722	\$ 484,559,000	96,828	N/A
City of Fort Saskatchewan	\$ 73,300,000	\$ 20,900,000	24,569	N/A
City of Saskatoon	\$ 458,400,000	\$ 228,800,000	262,900	\$ 42,000,000,000
Medicine Hat	\$ 403,000,000	\$ 190,000,000	63,000	\$ 8,364,171,000
Spruce Grove	\$ 80,700,000	\$ 36,200,000	33,640	\$ 6,279,444,000
Strathcona County	\$ 325,000,000	\$ 94,600,000	95,600	\$ 31,708,734,000

# Survey Participant – Other Characteristics

Municipality	Geographic Size (Square KM)	# Union Employees	# Exempt Employees	Growth Rate %	Age In Years
<b>RMWB</b>	<b>66,361</b>	<b>1,093</b>	<b>377</b>	<b>2.5%</b>	<b>21</b>
City of Grande Prairie	137	660	425	5.60%	58
Fort St John	N/A	N/A	N/A	4.70%	69
Rocky View County	3,913	132	246	9.90%	61
Red Deer	N/A	N/A	N/A	-1.00%	103
City of Yellowknife	139	170	43	5.90%	46
Yellowhead County	N/A	N/A	N/A	4.20%	22
Parkland County	2,426	99	176	4.60%	47

# Survey Participant – Other Characteristics

Municipality	Geographic Size (Square KM)	# Union Employees	# Exempt Employees	Growth Rate %	Age In Years
<b>RMWB</b>	<b>66,361</b>	<b>1,093</b>	<b>377</b>	<b>2.5%</b>	<b>21</b>
City of Lethbridge	124	1,278	160	2.00%	110
City of Fort Saskatchewan	48	236	107	5.50%	31
City of Saskatoon	232	3,409	167	N/A	N/A
Medicine Hat	112	N/A	1,189	3.00%	110
Spruce Grove	32	250	140	5.10%	30
Strathcona County	1,181	N/A	N/A	6.50%	73



# SURVEY FINDINGS

# Summary of Current Practices

The following summarizes RMWB's current compensation:

Year	Mayor Annual Salary	Deputy Mayor Per Diem	Councillor's Annual Salary	Mayor Vehicle Allowance	Councillor's Vehicle Allowance
2014	\$127,671	\$273	\$37,600	\$24,012	\$3,312
2015	\$132,408	\$283	\$38,995	\$24,552	\$3,396
2016	\$132,011	\$283	\$38,878	\$24,144	\$3,348

Year	Average Committee Assignments
2014	2.6
2015	2.4
2016	3.8

# Summary of Current Practices

## Three Year Review of Expense Allowances and Usage

	2015	2014	2013
Mayor			
Annual Budget	\$22,500	\$22,500	\$22,000
Expenses Claimed	\$12,995	\$12,380	\$16,140
% Utilized	57.76%	55.02%	73.36%
Councillor			
Average Budget	\$20,000	\$13,000	\$16,000
Average used	\$4,672	\$7,082	\$6,898.8
% Utilized	23.36%	54.48%	43.12%

In reviewing individual use of expense accounts; there was no clear pattern; other than the majority of Councillors do not use their full allocations and a few Councillors use their expense accounts sparingly. This table represents average budgeted expense accounts (excluding travel), and average usage by the Councillors and Mayor.

# Custom Survey Findings

A total of 13 municipalities participated in the custom survey by either providing a completed questionnaire, or in many cases, sending us their policies for review and interpretation. Tables on the following pages report the average findings from the sample.

Due to the smaller sample we recommend looking at average results when considering comparable market positioning; and if required, adding a premium to account for any significant issue not already accounted for in the selection of municipalities or any adjustments. The use of percentiles (e.g. 75<sup>th</sup> %) would not provide a valid statistical value.

Based on the responses, and information gathered through published sources there are no clear comparators across all of RMWB's characteristics. However, based on scope the following municipalities represent some of the best matches from a population, land mass, economic dependencies, and budgets in the region.



# Custom Survey Findings

## Cash Comp - Full Sample 13 Municipalities

Market Reference Group	Mayor Annual Salary	Deputy Mayor (n=6)	Councillor Annual Salary	Mayor Car Allowance (n=5)	Councillor Auto Allowance	Mayor and Councillor Millage Rate (n=11)
<b>Survey Average Hours Worked (n=11)</b>	40	23.25	24			
<b>Survey Average Annual Salary</b>	\$ 92,492	\$ 51,740	\$ 42,898	\$ 4,476.00	N/A (insufficient observation)	\$0.54
<b>RMWB</b>	<b>\$132,011</b>	<b>\$283/Diem</b>	<b>\$38,878</b>	<b>\$24,012</b>	<b>\$3,348</b>	<b>\$0.55/ \$0.48</b>

# Selection of Core Comparators

When reviewing the comparator group, five organizations appeared to have a better alignment to RMWB from a size and complexity perspective. These five municipalities have some of the larger populations in the province, similar economic conditions/ dependencies, operating and capital budgets.

We still recommend using the broader group of 13 municipalities, but also advise using the core group as guidance for consideration.

A blend of the two data sets would represent a conservative view of the market and have more statistical basis versus a smaller sample of 5 municipalities.

# Custom Survey Findings

## Cash Comp – Core Sample of 5 Major Alberta Municipalities

Market Reference Group	Mayor Annual Salary	Deputy Mayor	Councillor Annual Salary	Mayor Car Allowance (n=4)	Councillor Auto Allowance	Mayor and Councillor Millage Rate (n=5)
<b>Survey Average Hours Worked</b>	46 (n=3)	N/A (insufficient observation)	23 (n=3)			
<b>Survey Average Annual Salary</b>	\$107,776	N/A (insufficient observation)	\$ 48,246	\$ 4,950	N/A (insufficient observation)	\$ 0.53
<b>RMWB</b>	<b>\$132,011</b>	<b>\$283/Diem</b>	<b>\$38,878</b>	<b>\$24,012</b>	<b>\$3,348</b>	<b>\$0.55/ \$0.48</b>

# Assessment of Wage Differentials

As part of the elected official interview process, the broader average wage differential in RMWB compared to other locations was raised several times. Noting that average individual employment income varies by municipality and region, we wanted to explore the differential between employment income in each location surveyed vs. the RMWB.

Using a well known data source, Economic Research Institute (“ERI”), we assessed the average wage expectation if one were to move from RMWB to any of the selected comparator municipalities. The resulting figure (using \$100,000 average income for RMWB) indicates the differential one might expect.

This is not based on any one job comparison, but general data of multiple jobs within the selected wage of \$100,000. Unlike Stats Canada which uses a single data point, ERI uses data from multiple sources and verified reports to generate comparative compensation data.

We used this information to adjust participants responses and account for the higher wages typically earned in the RMWB.

# Wage Differentials

As part of the interview process, the concept of Cost of Living Adjustment (“COLA”) was raised. It is not common for elected officials to receive a COLA adjustment. Rather, the change in COLA, or CPI is frequently used as part of the determination of elected official increases on an ongoing basis.

Wage differentials do not directly reflect COLA; however, it does reflect the cost of attraction and retention of labour to a location which in turn, is a function of supply and demand of labour, lifestyle, location, and other associated costs.

The following slide illustrates survey data adjusted to reflect ERI Compensation differentials at \$100,000 for the average worker. The \$100,000 was selected as a representative amount of earnings within the municipality. We also tested other earning amounts as references, which resulted in minor changes in the differentials due to tax implications.

# Assessment of Wage Differentials by Survey Participants

Municipality	Wage Differentials RMWB = 100%	Municipality	Wage Differentials RMWB = 100%
City of Grande Prairie	92.3%	City of Lethbridge	87.7%
Fort St John	91.7%	City of Fort Saskatchewan	92.8%
Rocky View County	97.5%	City of Saskatoon	87.3%
Red Deer	90.2%	Medicine Hat	89.4%
City of Yellowknife	100.4%	Spruce Grove	93.4%
Yellowhead County	89.7%	Strathcona County	93.1%
Parkland County	93.1%		

\* Source 2016 ERI Database

# Custom Survey Findings

Cash Comp – Survey Comparisons Adjusted to Reflect  
ERI differentials

Market Reference Group	Mayor Annual Salary	Deputy Mayor (n=6)	Councillor Annual Salary	Mayor Car Allowance (n=5)	Councillor Auto Allowance	Mayor and Councillor Millage Rate (n=11)
<b>Survey Average Annual Salary 13 Municipalities</b>	\$100,691	\$ 55,494	\$ 46,769			
<b>Survey Average Annual Salary 5 Core Municipalities</b>	\$ 119,082	\$ N/A (insufficient observation)	\$ 53,169			
<b>RMWB</b>	<b>\$132,011</b>	<b>\$283/Diem</b>	<b>\$38,878</b>	<b>\$24,012</b>	<b>\$3,348</b>	<b>\$0.55/ \$0.48</b>

# Survey Findings-Travel Expenses and Practices

The survey asked respondents a number of questions, specifically as to the actual expenses covered, the amount that is typically reimbursed, whether per diems are used as well as practices related to the expenses covered for spousal travel.

The survey results show:

**Maximum Expenses** – There are wide variations in practices ranging from fixed maximum budgets to no budget. In some cases, municipalities use individual budgets for each elected official while others use one centralized budget; there was no prevalent pattern. For those that use individual budgets the range is \$7,000 to \$12,200 for the Mayor and \$5,520 to \$10,000 for Councillors.



# Survey Findings-Travel Expenses and Practices (Cont'd)

**Expenses covered** – Although there are variations in the details of the actual policies applied, there is general consistency in that all municipalities reimburse travel and related transportation (e.g., air fare) costs with a few specifying the type of travel based on distance, all reasonable accommodation, meal expenses, as well as any other required expenses.

**Per Diems** – Four of the survey respondents use per diems to cover daily meal expenses and the range is \$50 to \$75 per day, but with the provision it can be normally exceeded if supported by receipts and they are reasonable considering the location of travel. In some cases, the per diems seem to be treated as guidelines; not as hard caps. The general principle is that, as long as expenses are prudent and reasonable, they are reimbursed, and elected officials are expected to exercise good judgment in the use of taxpayer funds

# Survey Findings-Travel Expenses and Practices (Cont'd)

**Spousal Travel** – In all cases survey participants do not reimburse the travel expenses incurred by a spouse to accompany an elected official on municipal business/conference attendance/etc.; the only exception is that the actual cost of a ticket for the spouse to attend a dinner, banquet, etc. is reimbursed.

**Additional Compensation** – We asked participants to indicate whether they provided additional compensation for out of town travel. Only in one case did a respondent indicate that an additional sum of \$100 per half day, and \$200 for a full day was paid for authorized business outside of the municipality.

# Survey Findings-Budgets for Conferences, Hosting, Public Relations and Professional Development

The survey respondents provided limited information in response to these questions.

In the majority of cases, no specific individual budgets were used. Where there was no formal budget there was an acceptance that officials would typically attend up to two conferences per year with professional development budgets being established annually. However, there were a few responses where such budgets were established, either as a collective budget for all activities or separate budgets for public relations as opposed to conferences. Where specific numbers were provided, the total range was \$12,000 to \$37,000.

# Survey Findings-Budgets for Conferences, Hosting, Public Relations and Professional Development (Cont'd)

The one consistency in all responses, was that there was a well-documented governance process as to the type of expenses that could be incurred for any activity that might fall under the broad heading of public relations.

A few respondents do not allow any expense that relate to public relations, unless it is done collectively on behalf of Council. In a different situation, one respondent has an extensive PR budget that has extensive governance but allows for example an elected official to hold monthly meetings in the ward and be reimbursed for all incidental expenses associated with the meeting. The only caveat is that no such meeting be held within 6 months of an election.

Further, in all cases it was important and specified that public relations budgets cannot be used for any individual political reason.

# Survey Findings-Administrative/Technology Support

Survey respondents were asked to provide information on both issues:

- Administrative Support and
- Technology Support

**Administrative Support** – In the overwhelming majority of cases, the Mayor is provided with dedicated support to help in the management and administrative operation of the Mayor's office. For Councillors, four respondents indicate that support is provided to them in a variety of administrative areas, such as email management, event planning, scheduling etc.

No Councillor is provided with dedicated support, shared support is the norm in these cases.

# Survey Findings-Administrative/Technology Support Continued

**Technology Support** – All respondents provide elected officials with a full range of technology support, such as smart phones, tablets, as well as the technology infrastructure (e.g. appropriate internet service) to support the role as needed.

There is a wide variation in the processes municipalities employ from a budgeting perspective.

In some cases, individual elected officials have separate budgets while in other cases it all comes out of a central budget. In some cases, individual Councillors will decide on the infrastructure needed to support their operation while in other cases it is managed centrally.

The majority of respondents allow the purchase of the equipment at the end of the term at some pre-arranged price, either fixed, or depreciated value.

# Survey Findings-Administrative/Technology Support Continued

We conclude that there is no one single approach other than appropriate technology infrastructure and equipment is deemed to be critical to the success of the elected official's role. How it is provided and managed, is a reflection of the operating practices of the municipality.

# Survey Findings-Committees and Per Diem Fees

All respondents acknowledged that regular Council committees and Boards are not compensated separately, but considered part of a Councillor's regular duties. In all cases where a response was provided Councillors are not restricted from sitting on additional committees or boards, however there is no compensation for doing so; unless, the Councillor's appointment is approved by Council in advance.

Furthermore, in very few cases, only when the Councillor does not receive any compensation by the committee do they qualify for some compensation on a per diem perspective, ranging from \$100 flat rate, to ½ day or full day to a maximum of \$285 per day.



# Survey Findings-Benefits

Eleven municipalities indicated that all members of Council are eligible to participate in the municipal paid benefit programs. Most include life insurance and AD&D.

Only two municipalities indicated that the Mayor is eligible for a pension; most offer a matching RRSP program for voluntary participation (Mayor and Councillors alike).

# Survey Findings-Elected Official Compensation Program Guidelines

All municipalities surveyed indicated that they review elected official compensation in a four year cycle, typically in the middle of Council's term or in the last year of their term.

Annual reviews are conducted to adjust compensation typically by the CPI index of Alberta. In some cases, average annual wage changes are also considered.

Other approaches mentioned include: an examination of change in COLA, or the lesser of exempt increases and COLA or CPI.

In all cases consideration of taxpayer income, economic factors, and cost of living in respective areas was considered as part of the elected official decision whether to accept an increase.



# RECOMMENDATIONS

# Guidelines Used in Considering Recommendations

- When collecting market data, we considered the position of Mayor and Councillor as described in the Alberta Government Municipal Act, ensuring the duties and responsibilities were consistent among the group. Further we:
  - Considered the economic conditions in both RMWB and the surrounding region/province,
  - Adjusted raw data to account for earning potential and indirectly living expenses,
  - Endeavored to find the closest or best matching municipalities,
  - Applied generally accepted survey methodologies.
- **All recommendations that follow in this section would be effective for the new Council Elected in 2017, unless otherwise noted.**

# Recommendations

## Cash Compensation

The survey results show that the current salary level for the Mayor is at the top end of competitive practice, even when the survey numbers are adjusted for the cost of living comparison and the application of the core (i.e.) comparator group. We are recommending no change in the salary for the current Mayor but effective with the new term in 2017 the new salary rate should be \$120,000.

For Councillors, our comparison and recommendation assumes the role continues to require 20-25 hours to carry out the core governance responsibility of the role. When we examine the survey results we find the current compensation is not competitive and recommend a new rate of \$50,000. Further 1/3 of all salaries for both the Mayor and Councillors will continue to be tax free, consistent with practices in other municipalities.

*It is noted that within the survey respondents, one municipality, Strathcona County, the Councillor's role is full time.*

# Recommendations

We calculated the Councillor's compensation by examining the average paid by all participants, the average paid by the five key comparators, and extrapolated a value which we believe represents a competitive salary given all the factors that influence the role in the municipality.

As these recommendations would come into effect for the new Council in 2017 we further recommend a formal policy be adopted that provides for annual increases. At the beginning of each calendar year, the increase in the Alberta CPI would be calculated. That percentage increase would be applied to the salary levels for the following year. For example in January 2018 the CPI increase for calendar year 2017 would be calculated and that percentage would represent the adjustment to the proposed salary level for Councillors as well as the current salary for the Mayor.

# Recommendations

However, if the average percentage increase granted to exempt staff was less than the CPI increase percentage, then the percentage increase for exempt staff would apply. Council would have the option each year of accepting the calculated increase. If Council decides not to accept the calculated increase, it cannot be deferred to the following year.

# Recommendations

## Deputy/Acting Mayor

With respect to the current compensation arrangements for the Deputy/Acting Mayor role they are fully competitive, therefore, the rate of \$282/day should be maintained.

## Benefits and RRSP

The survey results show that the provision of benefits to Elected Officials is the norm and the prevalent practice is for those benefits to parallel the benefit arrangements for the municipality's staff. As that is the current practice of RMWB we recommend no change, other than to be sure that any change in benefit arrangements for exempt staff is reflected in the Elected Officials' benefit arrangements. It should also be noted that the RSP amounts provided are consistent with the most generous provisions from the survey.



# Recommendations

## Vehicle Allowance

The current practices of the municipality need to be examined separately for the Mayor and Councillors, as the competitive practices are different. The current allowance for the Mayor at \$2012/month is used for a leased car as well as operating and maintenance costs. That amount places it significantly higher than any surveyed municipality. We understand that when this practice was implemented many years ago, it was deemed appropriate to reflect the role of the mayor in the municipality.

In the survey responses, although the provision of an allowance for a Mayor is common practice, the highest amount reported in the survey was \$500/month. In the survey, those respondents receiving a car allowance can also collect reimbursement for KM driven which is not the case for RMWB.

# Recommendations

## Vehicle Allowance (Mayor)

Based on the information at this time, we recommend two options

- Option 1 – Use of Own Car: reduce the allowance to a value that considers both the survey results and historical practices; we recommend a rate of \$1,000 to \$1,200/month plus reimbursement of mileage at the CRA rate.
- Option 2 - Municipality Provided Car: Mayor receives a leased vehicle, and cover all maintenance and operating costs with a cap on leasing of \$1,200 and the Mayor has an option to buy out the car at the normal residual value. As the Municipality would cover all required maintenance, insurance, and operating costs there would be no mileage reimbursement.

At this point we recommend no change until lease expires, or the next Mayor is elected.

## Vehicle Allowance (Councillors)

With respect to the Councillor's car allowance, we found that the provision of such an allowance was not common, in fact only one survey respondent indicated an allowance was paid and in that case it was \$400/month. Given the unique size and geography of the municipality, we therefore recommend no change in this practice.

# Recommendations

## KM Allowance

The allowance provided by all respondents is virtually identical to the CRA allowable limit and as that is the practice of the municipality we recommend no change in your current practice.

## Compensation for Committee Work

In the survey, we asked participants to provide information on whether additional compensation was paid for committee work. In almost all cases, no compensation was paid for any committees associated with the core function of Council. The typical number of committees ranged from three to five. However, a number of participants do compensate Councillors for participation on Committees that are at arms' length to the municipality, or are created in extraordinary circumstances.

# Recommendations

## Compensation for Committee Work (cont'd)

In the case where an arms' length committee reimburses the committee members then a Councillor on such a committee would also be reimbursed. Reimbursement should follow the practices of the arms length committee, but should not exceed \$150 for half a day and \$300 for a full day. Further, we recommend this rate be adopted if the Municipality creates a special committee to handle one off events that cannot be forecast (e.g. wild fire). We fully expect that this reimbursement practice will only be used in extraordinary circumstances and further such participation in an arms length committee require the prior approval of Council.

We recommend Council, or its designate, identify examples of arms length committees that may qualify for this additional compensation to serve as reference points in the application of this policy.

# Recommendations

## Other Compensation

We asked survey participants if there was any other form of cash compensation paid in addition to the areas already covered in this section. Specifically, we also wanted to know whether any municipality compensates elected officials for lost income opportunity resulting from assuming an elected officials' role. We did not find any example of additional compensation paid, and further no municipality compensates an elected official for lost income. Therefore, no additional compensation elements are required.

## Transition Allowances

These allowances are typically paid when an elected official is unsuccessful in a re-election, or chooses not to run again. We found that practice to only exist in one other municipality and as that practice was comparable to that of RMWB we recommend no change in the current practice.

# Recommendations

## Travel Expenses for Conferences/External Meetings

We examined the survey responses to determine both the overall level of typical annual expense, how budgets were constructed, and what provisions existed with respect to items such as numbers of conferences. We found that practices vary widely, but common themes were all elected officials attend conferences each year, typically up to two with additional ones requiring Council approval. All reasonable travel, meal and accommodation expenses are covered; a number of municipalities use one central budget, others use individual budgets; and a number of municipalities fix the budget each year, while others incur the actual cost of the conferences.

We also examined per diems practices, where they exist, finding practices varied widely with no real consistency. Therefore, when we examine current practices we find no reason to recommend any change in the \$10,000 conference budget. We do recommend that the governance process be examined to ensure the review, and approval process provides the right safeguards.

# Recommendations

## Travel Expenses for Conferences/External Meetings (cont'd)

The governance process for these expenses is described in a policy statement that has been in effect for several years. That policy outlines examples of the typical expenses that are covered, and as current competitive practices tend to be detailed and specific in nature. We recommend that section of the policy describing typical allowable expenses be reviewed and updated as necessary.

Further, the approval process employed by the municipality specifies that Councillor expenses be approved by the Chief Legislative Officer and the Mayor's expenses be approved by the Chair of the Audit Committee. In the competitive market there is no one practice, but if there is a trend it sees expenses approved by a Chief Financial Officer of the corporation. However, if the current approval process is effective we see no reason for change. We particularly think the approval process for the Mayor is an excellent practice.

# Recommendations

## Spousal Travel

We examined the eligibility for spousal travel and found that no municipality reimburses an elected official for spousal travel costs. The only exception was that the cost of a spouse's ticket to attend a banquet/reception would be reimbursed. As the current practice of the municipality is to reimburse the cost of travel for a spouse for one trip per year and that practice is not supported by the survey results, we recommend that your current practice be eliminated effective for the new Council in 2017.

## Travel Budgets

Our examination of competitive practices shows a wide range of practices, but the consistent principle is that all legitimate expenses are covered. A number of municipalities use one central budget while a minority use individual budgets. We accept that the current practice has wide variation due to the vast travel distances within the municipality so we see no need to change the current practice.



# Recommendations

## Public Relations Budgets/Gifts/Hospitality

The survey results indicate that the provision of individual public relations budgets for elected officials, especially for Councillors, is rare. In fact in the survey, we only found one other municipality that provided a similar individual public relations budget. Based on that occurrence we support the current budget amount of \$10,000 be maintained.

However, we have found from both this survey, and other similar assignments with municipalities using such budgets, that they are ensuring eligible expenses (e.g. hosting, ward/resident meetings, social/community events, advertising, gifts, promotions, etc.) be clearly defined as to what is eligible and not allowed. Our examination of the current policy, especially the Hosting section, leads us to conclude that section should be expanded to provide more clarity and specificity.

# Recommendations

## Public Relations Budgets/Gifts/Hospitality (cont'd)

In the application of the hosting budget there are typical principles used by municipalities, including:

- No expense should be used for any reason that provides an advantage to a sitting member of Council.
- No expense may be incurred under this budget within 6 months of an election without the prior approval of the Mayor or designate.
- Councillors should demonstrate a prudent use of resources focusing on transparency and accountability.
- Expenses should support Council objectives.
- No funds can be transferred from either Travel or Conference budgets.
- Any expense that either exceeds the approved budget or falls outside approved policy and guidelines requires prior approval of the Mayor.
- Expenses should be routinely disclosed in a timely basis on the Municipality's web site (e.g. at least on a quarterly basis).

We recommend these principals be immediately implemented and the current approval process be maintained. In other words these budget amounts are discretionary and reviewed after the fact, thus necessitating a set of robust guidelines.

# Recommendations

## Administrative Support and Technology

The vast majority of municipalities provide at least one full time support for the Mayor to cover a wide range of administrative support including email management, word processing, event planning and scheduling. Therefore, as that is the practice of the municipality we recommend no change.

For Councillor's, there is no universal practice, but the majority of survey respondents do indicate that some form of support is provided to Councillors for event planning and scheduling. We understand such support for Councillors is available from the Legislative Services upon request.

Further Councillors expressed the need for email management support. We understand legislative services does offer support especially how to manage large email files and effectively use all available technology. We have insufficient information to determine whether a dedicated resource(s) is required to ensure the effectiveness of the Councillor. Further work is required to determine the exact nature of any support, its practicality and resulting cost.

# Recommendations

## Administrative Support and Technology (cont'd)

With respect to technology, all municipalities provide elected officials with a full range of smart phones, iPads, laptops, printers, etc. if necessary. We also examined the processes used to provide the tools and the infrastructure such as internet connections.

We found no common practice as it ranges from all elected officials managing the process with reimbursement from the municipality to the municipality centrally managing and controlling the process. We understand the current process provides a fixed budget for each Councillor to cover all required technology costs and the use of those funds is within each Councillor's discretion. We recommend no change in the current approach.



Gallagher McDowall Associates  
ARTHUR J. GALLAGHER

# Thank You

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# APPENDICES

# Custom Survey – Appendix A

## Elected Official Compensation & Policies Survey

On behalf of the Regional Municipality of Wood Buffalo “(RMWB)”, Gallagher Benefit Services (Canada) Group, Inc. (“Gallagher McDowall”) is pleased to invite your organization to participate in the Elected Official Compensation & Policy Survey.

In recognition of your participation Gallagher McDowall will provide you with aggregate results from the survey.

Participation has been made easy: please provide responses to the following questions focused on your organization’s policies and practices specifically around Elected Officials’ cash compensation and expense policy.

You may respond by email, or alternatively, we can arrange a convenient time to contact you by phone - we anticipate the call should take no longer than 30 minutes. As an additional option, instead of responding to the questions, you may provide us with your Elected Official salary administration guidelines that cover the questions below. We will read, interpret, and complete a submission for you.

Please note that all information will be kept strictly confidential and results will only be reported to the survey sponsor and participants in aggregate.

We thank you in advance for your participation.



# Custom Survey – Appendix A

## Part A – Organization Background

I. Please provide contact information below:

Organization Name:	Click here to enter text.
Organization Address:	Click here to enter text.
Survey Completed by:	Click here to enter text.
Title:	Click here to enter text.
Contact Phone Number:	Click here to enter text.
E-mail Address:	Click here to enter text.
Send Report to: Name, Title, e-Mail If same as above leave blank.	Click here to enter text

# Custom Survey – Appendix A

- I. Please complete the following organization profile. Please complete as much information as possible, and note areas where data is not available

2016 Operating Budget:		Click here to enter text.	
2016 Capital Budget::		Click here to enter text.	
2016 Population		Click here to enter text.	
2016 Assessment Base		Click here to enter text.	
% Urban Population	Click here to enter text.	% Rural Population	Click here to enter text.
Geographic Size (Square KM)		Click here to enter text.	
% Urban	Click here to enter text.	% Rural	Click here to enter text.
# Union Employees	Click here to enter text.	# Exempt Employees	Click here to enter text.

- I. Please describe any additional unique characteristics of the organization (e.g. in a significant growth mode):

Click here to enter text.

# Custom Survey – Appendix A

## Part B – Elected Officials Cash Compensation

1.A Please provide information relating to each position of council

Hours	Mayor	Deputy/Acting Mayor	Councillor
Estimated Average Hours Per Week			
Annual Salary \$			
Is the 1/3 tax free compensation utilized (Y/N)?			
Are there any Other Cash Awards			

If answer yes to other cash awards please describe below

[Click here to enter text.](#)

1.B Does your organization have a formal formula for setting Council compensation? Please describe:

[Click here to enter text.](#)

1.C Does your organization have a formal formula for annual updates and/or changes to council compensation? Please describe:

[Click here to enter text.](#)

1.D How frequently is the compensation program reviewed?

# Custom Survey – Appendix A

2.A Does your organization compensate for Committee work in addition to Council pay?

[Click here to enter text.](#)

2.B Are there a typical number of committees that Councillors participate on? Is there a minimum requirement?

[Click here to enter text.](#)

2.C Are Elected Officials permitted to participate on Committees or Boards outside the jurisdiction of Council? If Yes please describe any compensation they may be eligible to receive.

[Click here to enter text.](#)

2.D Are Elected Officials allowed to participate on Committees or Boards outside the borders of the Municipality? If Yes please describe any compensation they may be eligible to receive.

[Click here to enter text.](#)

2.E Do Elected Officials receive any other cash compensation not yet covered? If so please describe.

[Click here to enter text.](#)

# Custom Survey – Appendix A

## Part C – Benefits

- 3.A Do Elected Officials receive the same health benefits as municipal employees? If they differ please describe below.

[Click here to enter text.](#)

- 3.B Outside of health benefits are there any other benefits provided to Elected Officials. (e.g. RRSPs, pension or matching programs) Please describe these benefits?

[Click here to enter text.](#)

- 3.C Are there transition allowances paid to elected officials upon conclusion of their service? If so, what process and calculation is used?

[Click here to enter text.](#)

# Custom Survey – Appendix A

## Part D – Expenses

4.A This table covers expenses incurred resulting from conducting regular duties as an elected official, typically within the municipality.

	Mayor	Deputy/Acting Mayor	Councillor
Mileage Allowance \$/KM			
Car Allowance \$/month			
Car Repairs and Maintenance (Y/N)			
Insurance Coverage through the municipality			
Is there a limit to travel expenses (i.e., Max \$ value / year)? Please Enter Value			

# Custom Survey – Appendix A

- 4.B For travel outside of the municipality to attend approved meetings/conferences/committees, etc. what is covered from an expenses perspective? (i.e., meals, travel, hotel, etc.)

[Click here to enter text.](#)

Are allowances based on per diems? If yes please provide amounts. Is there a maximum \$ allowance?

[Click here to enter text.](#)

Is there additional compensation provided for attendance, or travel time?

[Click here to enter text.](#)

- 4.C Are Elected Officials reimbursed for spousal travel when attending meeting/conferences, etc. outside the municipality? If yes please describe.

[Click here to enter text.](#)

- 4.D Do you provide individual elected officials with separate budget allocations for travel, conferences/training, public relations and communications? If so, please describe the program. Please include features such as:

- Guidelines on acceptable expenses
- How much (\$)
- Is there a governance model

Who monitors these expenses and approves them

- 4.E If the municipality has multiple expense pools can an Elected Official use funds from one pool for another purpose? Please describe.

[Click here to enter text.](#)

# Custom Survey – Appendix A

4.F Do Elected Officials have access to dedicated administrative support? If so, please indicate the level / types of support provided.

Type of Support	Yes	No
E-Mail management		
Event Planning		
Scheduling /Appointments		
Word Processing (i.e. typing out councillor notes, letters, replies to residents, etc.)		

Please describe any additional administrative support provided to councillors.

[Click here to enter text.](#)



# Custom Survey – Appendix A

4.G Do Elected Officials have access to technical support?

Type of Support	Yes	No
Computers/printers for home office	Click here to enter text.	Click here to enter text.
Cell Phones	Click here to enter text.	Click here to enter text.
Tablet	Click here to enter text.	Click here to enter text.

Please describe any additional technical support not covered above.

Click here to enter text.

Do Elected Officials get to keep their equipment after their term? If so, is there any associated cost?

Click here to enter text.

# Custom Survey – Appendix B

## Broader Survey Results

### Cash Comp - Full Sample 13 Municipalities

	Estimated Average Hours Per Week			Annual Salary \$			Adjusted for Wage Differential		
	Mayor	Deputy Mayor	Councillor	Mayor	Deputy Mayor	Councillor	Mayor	Deputy Mayor	Councillor
P75	47.5	N/A	28	113,847	57,793	52,406	116,652	62,630	58,424
Median	40	22.5	25	87,750	51,621	43,813	95,070	58,169	44,936
Avg.	40	23.25	24	92,492	51,740	42,898	100,691	55,493	46,769
P25	36.25	N/A	20	75,000	46,936	33,449	80,728	51,101	36,239
	<i>n=7</i>	<i>n=4</i>	<i>n=7</i>	<i>n=13</i>	<i>n=6</i>	<i>n=13</i>	<i>n=13</i>	<i>n=6</i>	<i>n=13</i>

# Custom Survey – Appendix B

## Broader Survey Results

### Cash Comp – Core Sample 5 Municipalities

	Estimated Average Hours Per Week			Annual Salary \$			Adjusted for Wage Differential		
	Mayor	Deputy Mayor	Councillor	Mayor	Deputy Mayor	Councillor	Mayor	Deputy Mayor	Councillor
P75	N/A	N/A	N/A	107,831	N/A	47,632	120,460	N/A	53,855
Median	N/A	N/A	N/A	103,110	N/A	39,009	114,814	N/A	44,114
Avg.	46	N/A	23	107,776	N/A	48,246	119,082	N/A	53,170
P25	N/A	N/A	N/A	97,688	N/A	33,712	108,499	N/A	37,416
	<i>n=3</i>	<i>n=2</i>	<i>n=3</i>	<i>n=5</i>	<i>n=1</i>	<i>n=5</i>	<i>n=5</i>	<i>n=1</i>	<i>n=5</i>

# ERI Methodology– Appendix C

- ERI's research analysts apply a combined 100+ years of experience in the field of compensation administration to give you interactive software updated quarterly with consensus results from the most reliable survey sources.
- ERI maintains several databases, tracking wage and salary information (as well as cost of living information) for the United States, Canada, the United Kingdom, and many European Union members. Data for each country is maintained separately.

## **Salary and Wage Data:**

- ERI collects data from thousands of available salary surveys, not just those published by the largest survey firms. We collect available salary survey data for jobs and areas; evaluate each survey for validity, reliability, and use; and compile updated market values for positions with comparable responsibilities.
- ERI results are all market based and reflect current market values.

Source ERI: <http://www.erieri.com/faqs>

# ERI Methodology– Appendix C

- Analysis is conducted on wages by geographic area, size of company, years of experience, and industry. Data values are automatically updated to match today's market movement rates, and our default projected market increase projections, like the other variables, can be adjusted at your preference.
- Our subscribers are provided with convenient and easy-to-use market value results: the use of **Assessor Series** software databases involves choosing a position title and viewing the current market prices. Results are reported according to the predictive variables, and all methodologies are detailed for complete defensibility.
- In cases where no surveys were conducted for a job in a specific city, ERI will use contiguous area wage data in concert with our proprietary economic studies to report wage levels for that job in that location. Contiguous area wage data and economic studies are used only for small areas where limited or no specific wage survey is conducted. ERI wage data is based on the market's price of jobs. Comparable worth concepts and job evaluation concepts differ from market pricing and are not (and have never been) part of ERI's market pricing methodology.

Source ERI: <http://www.erieri.com/faqs>

# Appendix D - Elected Officials Core Governance Responsibilities

The Council is the governing body of the municipal corporation and the custodian of its powers, both legislative and administrative. The Municipal Government Act (MGA) provides that Council can only exercise the powers of the municipal corporation in the proper form, either by bylaw or by resolution.

Each councillor is to work with other council members to set the overall direction of the Municipality through their role as policy makers. The policies that Council sets are the guidelines for administration to follow as it does the job of running a municipality.

# Appendix D - Elected Officials Core Governance Responsibilities

## The Councillors

Under the MGA, all councillors have the following duties:

- To consider the welfare and interests of the Municipality as a whole and to bring to Council's attention anything that would promote the welfare or interest of the Municipality;
- To participate generally in developing and evaluating the policies and programs of the Municipality;
- To participate in council meetings and council committee meetings and meetings of other bodies to which they are appointed by the council;
- To obtain information about the operation or administration of the Municipality from the Chief Administrative Officer or a person designated by the Chief Administrative Officer;
- To keep in confidence matters discussed in private at a council or council committee meeting until discussed at a meeting held in public;
- To perform any other duty or function imposed on councillors by this or any other enactment or by the Council.

# Appendix D - Elected Officials Core Governance Responsibilities

## The Chief Elected Official (CEO) - Mayor

The Mayor, in addition to performing a councillor's duty, must preside when attending a council meeting unless a bylaw provides otherwise. The Mayor must also preform any other duty imposed under the MGA or any other enactment. In practice, the mayor is also generally the main spokesperson for the Municipality unless that duty is delegated to another councillor.

The Mayor and Councillors attend a minimum of five meetings per month in the Municipality to conduct municipal business. Each member is also required to sit on various boards and committees in order to represent municipal interests.

The Mayor and Council are also asked to participate in various community activities and social events (such as ribbon cutting ceremonies, grand openings of new offices or establishments, parades, festivals, flag raising, banquets, fundraisers, etc.). They are frequently asked to give speeches at community events, be guests of honour at functions and provide educational talks at schools and travel throughout the province or across Canada.





### **Subject: Council Compensation Review**

#### **APPROVALS:**

David Leflar, Director  
Annette Antoniak, Interim Chief Administrative Officer

#### **Recommendation:**

THAT the revisions to the Elected Officials Compensation, Travel and Expenses Policy LEG-050, shown in the Attachment to the Council report entitled “Council Compensation Review” dated January 17, 2017, be approved to come into effect on October 17, 2017.

#### **Background:**

The current Elected Officials’ Compensation, Travel, Expense and Support Policy LEG-050 was adopted by Council on April 24, 2001 to take effect following the October 15, 2001 General Municipal Election. Development of the Policy involved both an analysis of the practices of comparable municipalities, and a public consultation process. Since that time only one minor set of amendments was made to the Policy, adopted in 2010 to come into effect immediately following the 2010 general municipal election.

Recognizing that the Policy had not undergone a comprehensive review for 14 years, Council passed Bylaw No. 14/022 on June 10, 2014 to establish a volunteer citizen’s committee called the Council Compensation Review Committee. This Committee was tasked with reviewing the current policy and making recommendations on a number of components, including: remuneration and benefits; expenditures; office support and technology; compensation for loss of other income while on municipal business; recognition of increased participation in community and social events; establishment of a pension plan; process for review and approval of expenses, and guidelines for acceptance of gifts and hospitality. The anticipated outcome was that the Committee would recommend fair, consistent and adequate compensation for Council Members. The Committee met on several occasions throughout the summer and fall of 2014, but ultimately was unable to fulfill its mandate in part due to the magnitude of the task, and in part due to a number of member resignations which resulted in a loss of quorum.

With the next General Municipal Election scheduled to occur in October 2017, the matter was brought forward for consideration at the Council meeting held on April 26, 2016. At that time the following resolution was passed:

“THAT Administration be directed to proceed with securing an industry professional through a formal Request for Proposal process to undertake a comprehensive review of Elected Officials’ Compensation, Travel, Expense and Support Policy LEG-050; and

THAT recommendations for amendments to the Policy be brought forward for Council's consideration and approval no later than six months prior to the 2017 General Municipal Election, in accordance with Section 2.01(b) of the Policy; and

THAT subject to recommendations 1 and 2 being approved, Administration prepare and submit to Council, a bylaw to repeal the Council Compensation Review Committee Bylaw No. 14/022.”

Gallagher McDowall Associates was engaged to conduct the review referenced in the April 26, 2016 resolution, which commenced in August 2016, and concluded in November 2016.

**Budget/Financial Implications:**

The cost associated with implementing the recommendations put forth by Gallagher McDowall Associates would be incurred only after the 2017 municipal election and would therefore have minimal impact upon the 2017 operating budget which is still in development.

**Rationale for Recommendation:**

The current Elected Officials' Compensation, Travel, Expense and Support Policy has not undergone a comprehensive review since 2001, and the review recently undertaken by Gallagher McDowall Associates provides a number of recommendations to ensure that the Policy takes into account both the practices of comparable municipalities, and the current economic climate within our Region. As required by the resolution of Council -- and also by the Policy itself -- any changes must be adopted a minimum of 6 months in advance of a municipal election (which in 2017 would mean on or before April 16th). This provides certainty for candidates running for municipal office in the 2017 election with respect to the level of compensation they can expect if they are elected, in sufficient time to allow them to take that factor into account in making their decision on whether to run for office.

**Strategic Plan Linkage:**

Pillar 1 – Building Responsible Government

**Attachments:**

Attachment 1 – Marked up version of Policy LEG-050 showing proposed changes

# Council Policy



Policy Name: Elected Officials Compensation, Travel and, Expenses s and Support  
Policy

Policy No.: LEG-050

Effective Date: ~~June 8, 2010~~ October 17, 2017

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## **STATEMENT:**

Elected Officials must be compensated at levels which recognize differences in effort and responsibility, and to help attract citizens as candidates for public office. Elected Officials must also be reimbursed for reasonable costs incurred during the conduct of Council business, and will be supported with staff and technology in the performance of their duties.

## **PURPOSE AND OBJECTIVE:**

The purpose and objectives of the Elected Officials Compensation, Travel, Expense and Support Policy are to:

- provide fair, consistent and adequate compensation for Council members at a level that will also attract citizens as candidates for public office;
- recognize the uniqueness of the Regional Municipality of Wood Buffalo, because of its blend of urban and rural communities, vast growth, economic climate, and geographic size;
- ensure that Council members do not personally incur the costs of conducting Council business; and
- support Council members with staff and technology so that they can perform their duties efficiently and effectively.

## **POLICY GUIDELINES AND PROCEDURES**

### **PROCEDURE:**

#### **01 Definitions**

- 01.01 *Allowances* are funds provided to Council for a specific purpose and may be accountable or non-accountable, as determined by the Canada Revenue Agency.
- 01.02 *Chief Administrative Officer* or *CAO* is the individual appointed to the position of Chief Administrative Officer, or his/her designate.
- 01.03 *Council* is the collective group of Elected Officials who govern the Municipality.
- 01.04 *Council Business* refers to the activities conducted by Council in keeping with the provisions of the Municipal Government Act. Examples of Council business may include attendance at Council and committee meetings, municipally-sanctioned events, meetings with the CAO, meetings with constituents, and social events.
- 01.05 *Councillors* are the Elected Officials of the Municipality, excluding the Mayor.

- 01.06 *Elected Officials* are the Mayor and Councillors.
- 01.07 *Expenses* are the costs incurred by Elected Officials when conducting Council business.
- 01.08 *Hosting* means occasions when an Elected Official chooses to pay for the expenses of a third party incurred while conducting Council business.
- 01.09 *Local Travel* means travel that occurs within the boundaries of the Regional Municipality of Wood Buffalo.
- 01.10 *Mayor* is the Chief Elected Officer as defined in the Municipal Government Act.
- 01.11 *Municipality* is the Regional Municipality of Wood Buffalo.
- 01.12 *Out-of-Town Travel* means travel that occurs outside the boundaries of the Regional Municipality of Wood Buffalo.
- 01.13 *Receipt* is the original documentation provided by a vendor which provides detail about the item(s)/services(s) received and the amount of GST paid. Debit and/or credit card slips are not considered receipts, and are not sufficient for reimbursement purposes.
- 01.14 *Service* is the total period of time spent serving as an Elected Official of the Municipality.

## 02 **Responsibilities**

### 02.01 **Council to:**

- (a) Approve any amendment to this policy.
- (b) ~~Appoint a committee of citizens or~~ E-engage the services of an industry professional a consultant (if required at any time) to review the policy in accordance with the terms of reference that are specified by Council, ~~however, any review must be completed at least six months prior to a General Municipal Election in Alberta.~~

### 02.02 **Mayor to:**

- (a) Carry out duties of approving authority for travel of all Councillors.
- (b) Review and authorize all acceptable and reasonable claims that consist of deviations to this Policy.
- (c) Advise impacted Councillor(s) of any expenses which are deemed as being ineligible for reimbursement.

**02.03 Audit Committee Chair to:**

- (a) Review expense claims submitted by the Mayor for accuracy and compliance with this Policy;
- (b) Authorize payment of all claims that fully comply with the provisions of this Policy.
- (c) Forward any expense claim submitted by the Mayor that does not fully comply with the provisions of this Policy to the Audit Committee for review and recommendation to Council.

**~~02.03~~02.04 Councillor to:**

- (a) Inform Council, in writing, of the intent to travel outside of Canada on municipal business, or for conference/training and development purposes, prior to any travel arrangements being made. Complete a Request for Travel Authority and Travel Advance form (Appendix I) a minimum of 10 working days in advance of the date of travel if an advance is required or if travelling outside of Canada.
- (a)(b) Obtain the necessary vouchers, receipts and/or other required documents to substantiate expenditures while on travel status. Only detailed, itemized receipts with GST number (if applicable) will be accepted; debit and credit card receipts do not provide sufficient information to substantiate expenditures.
- (b)(c) Complete a Travel Expense Claim the Travel and Sundry Expense Claim Voucher (Appendix II) within 10 days of return, and submit the completed form to Legislative and Legal Services for processing.
- (e)(d) Reimburse the Municipality for advances in excess of the expenses paid. The excess funds are payable upon submission of the Travel and Sundry Expense Claim Voucher (Appendix II) Expense Claim.

**~~02.04~~02.05 Legislative and Legal Services to:**

- (a) Review and budget sufficient funds on an annual basis, in consultation with Council, to enable individual Elected Officials to carry out their respective duties.
- (b) Review all Council Expense Claims for accuracy and compliance with this Policy, and authorize payment of all claims that fully comply with the provisions of this Policy.
- (b)(c) Forward any Expense Claims that do not fully comply with the provisions of this Policy shall be forwarded to the Mayor for payment authorization.
- (d) Prepare separate budgets annually for the Mayor, Deputy/Acting Mayor and Councillors to address remuneration, benefits, allowances, supplies, technology, and other direct costs. A summary of annual budget adjustments shall be appended to this Policy as Appendix III.

~~(d)(e)~~ Prepare separate individual budgets for the Mayor, ~~Deputy/Acting Mayor~~ and Councillor positions to address travel expenses, conferences and public relations activities~~training and development, hosting, and vehicle travel or allowances.~~

~~(e)(f)~~ Coordinate travel, accommodation, and ~~training and development~~conference activities of ~~the~~ Elected Officials to benefit from group rates or discounts to the extent feasible and practical.

~~(f)(g)~~ Publish expense reports on a regular basis (minimum quarterly) ~~quarterly expense reports~~ relative to the ~~travel~~ expenses, ~~including hosting, and training and development budgets~~ for each Elected Official.

~~for review at a public Council meeting~~

#### 02.04 Finance Department to:

- (a) Review all expense claims and advance requests for deviations from this Policy, as well as for mathematical inconsistencies.
- (b) Reimburse all authorized expense claims, and contact approving authority regarding claims or parts of claims that do not meet the requirements of this Policy.
- (c) Provide adequate explanation to approving authority for any claims or parts of claims that do not meet the requirements of this Policy.

### 03 General

#### 03.01 Budgets

- (a) Budgets shall be prepared in consultation with the Elected Officials and any guidelines established by Council, and are subject to Council approval through the annual budget process. ~~The annual training and development budget for each Elected Official will include a provision for spousal travel and expenses for one conference, convention or other similar event when deemed appropriate or necessary. Additional funds may be included in the Mayor's budget for other events where the presence of the Mayor's spouse is deemed necessary or appropriate.~~
- (b) ~~Budgets shall be prepared in consultation with the Elected Officials and any guidelines established by Council, and are subject to Council approval.~~
- ~~(e)~~ — A resolution of Council is required to authorize any expenditure in excess of any individual annual budget allocation.

### 03.02 Remuneration

#### *Rates*

(a) ~~The annual salary for the Mayor is set at \$120,000 per year. As of January 1, 2010, the Mayor's remuneration is \$112,000\* per year.~~

(b) ~~The annual salary for Councillors is set at \$50,000 per year.~~

(b) ~~As of January 1, 2010, Councillors' remuneration is \$32,983\* per year.~~

~~\*Salary rates were established in 2001 using an open, transparent process conducted by an independent consultant. The rates reflected in subsections (a) and (b) are reflective of the adjustments that have occurred since 2001 in keeping with this Policy. Full details of the annual adjustments are outlined in Appendix III to this Policy.~~

(c) The annual salary for the Mayor and Councillors, as identified in subsections (a) and (b) -will be adjusted on January 1<sup>st</sup> of each calendar year based on the lesser of the same percentage percentage change in the Average Weekly Wages for Alberta, as reported by Statistics Canada for the immediately preceding year, or the percentage increase granted to exempt staff. increase or decrease in the Alberta Average Weekly Earnings, as reported in the Statistics Canada survey of employment payroll and hours for the immediately preceding year.

(d) When serving as Deputy or Acting Mayor during a scheduled or unscheduled absence of the Mayor (examples include vacation, illness, and meetings/events that occur outside of the Municipality), a Councillor may claim additional remuneration in the form of a per diem. The per diem will be applied to any period of uninterrupted service, excluding the first full day of service. The per diem rate is based on the difference between the ~~then~~ annual ~~remuneration salary~~ of the Mayor and the Councillor ~~multiplied by 0.75, and then~~ divided by 248 work days ~~248 workdays~~ and rounded up to the nearest dollar.

#### *Annual Adjustments*

(e) ~~In the event that that Statistics Canada discontinues or significantly changes the measurement of Alberta Average Weekly Earnings, Council shall decide the appropriate mechanism for automatically adjusting the remuneration.~~

#### *Payment*

(e) Remuneration shall be paid to elected officials during the term that they hold office:

- (i) from the beginning of the organizational meeting of Council following a General Municipal Election to immediately before the beginning of the organizational meeting of Council after the next General Municipal Election; or
- (ii) in the case of a vacancy that is filled, from the taking of the oath of office to immediately before the beginning of the organizational meeting of



Council following a General Municipal Election; or

- (iii) in the case of a resignation, from the taking of the oath of office or from the beginning of the organizational meeting of Council following a General Municipal Election to the date on which the written resignation is received by the CAO;

whichever is applicable.

- (f) Remuneration shall be paid bi-weekly to each Elected Official.
- (g) One-third of the ~~remuneration~~ salary for Elected Officials will be treated as tax exempt under the regulations of the Canada Revenue Agency.
- (h) Elected Officials shall immediately advise the CAO, or designate, of any changes in their personal banking arrangements so that their remuneration is deposited to the correct accounts.

### 03.03 Benefits

#### *Participation*

- (a) Elected Officials shall have the option of participating in the Municipality's employee benefit programs during their term of office, with the exception of pension plans, short-term (weekly indemnity) and long-term disability. Elected Officials shall also have the option of participating on either an individual or family basis, depending on the program.
- (b) Participation by the Elected Officials in the benefit programs will:
  - (i) start in the month of taking the oath of office when a vacancy is filled; and
  - (ii) continue in the month of the General Municipal Election or until the end of the month of the organizational meeting of Council after the next General Municipal Election or until the end of the month that the CAO receives a resignation.
- (c) Upon leaving office, Elected Officials shall have the option of converting life and dependent life insurance to personal coverage at their cost and expense, in accordance with the terms and conditions of the group life insurance policy.
- (d) Elected Officials shall immediately advise the CAO, or designate, of any personal or family changes that may impact or change their participation in the benefit programs.

#### *Transition Allowance*

- (e) ~~As of the 2001 General Municipal Election,~~ Elected Officials shall be eligible to receive a transition allowance in recognition of service with the Municipality, and to provide funding for retirement or transition purposes that is payable only upon conclusion of services as an Elected Official. Transition allowance shall be calculated as follows:



- ~~(i) an amount equal to two weeks' salary for each full year of service, served based on the salary at the time of leaving office; and~~
- ~~(ii) a pro-rated amount based on the number of months served, where an Elected Official served for part of a year (ie: 7 months service = 2 weeks' salary / 12 x 7 months).~~

~~The allowance recognizes service with the Municipality, and provides some funding for retirement or transition purposes that is payable only upon conclusion of services as an Elected Official.~~

- (f) The transition allowance will be paid at the option of the Elected Official, and may be:
  - (i) paid directly to the Elected Official in a lump sum less ~~the requisite mandatory withholdings for~~ income tax and other deductions;
  - (ii) transferred directly to a registered retirement savings plan for the Elected Official; or
  - (iii) partially ~~and~~ directly transferred to a registered retirement savings plan for the Elected Official, with the remaining balance paid directly to the Elected Official in a lump sum less the requisite deductions.
- (g) Elected Officials shall have the option of receiving the transition allowance by January 31<sup>st</sup> or March 31<sup>st</sup> of the year immediately following their last year of service on Council next year. In the event of death, the transition allowance, less the requisite deductions, will be paid to the estate of the Elected Official.

#### *Registered Retirement Savings Plan*

- (h) Elected Officials shall be eligible to receive a matching contribution to a registered retirement savings plan (RRSP) of their choosing. The maximum value of the contribution to be made by the Municipality shall be no greater than 7.5% of eligible remuneration.

### **03.04 Expenditures**

#### *Authority*

- ~~(a) Each Elected Official is authorized by Council to utilize his/her individual the approved budgeted funds to fulfill for fulfilling the duties of the position at his/her discretion with the objective of performing duties effectively, consistent with relevant statutes or bylaws, policies and procedures of the Municipality.~~
- ~~(b) No Elected Official shall exceed individual budgets allocations without the prior approval of Council, by way of a resolution passed at a public meeting. This includes spousal travel on the basis indicated in Section 03.01(a).~~

- (c) ~~Administration shall publish expense reports to the municipal website on, at minimum, a quarterly basis. Reporting categories will include the following:~~
- (i) ~~Business travel – expenses incurred in conducting the day-to-day business of the Municipality. Examples include travel to and from meetings, overnight accommodation and meals;~~
  - (ii) ~~Conferences – expenses incurred as a result of attendance at municipal conferences (FCM, AUMA, AAMDC), workshop, or other training and development. Examples include conference registrations, transportation, accommodations and meals.~~
  - (iii) ~~Public relations – expenses relating to promoting the Municipality, hosting of dignitaries/residents or supporting local endeavours. Examples include event tickets, sponsorships, and municipally-branded promotional items. prepare quarterly expense reports relative to the travel expenses, including hosting, and training and development budgets for each Elected Official for review at a public Council meeting.~~

*Coordination of Travel, Accommodation and Expenses*

- (d) The Travel ~~and Sundry~~ Expense Claim ~~Voucher~~ will be completed by each Elected Official within 10 days of return, and forwarded to Legislative ~~and Legal~~ Services with the requisite vouchers, receipts or other documents to support the expenditure claim.
- (e) ~~Remuneration~~ ~~T~~, travel and expenses of ~~the Elected Officials~~ Councillors will be reviewed by Legislative ~~and Legal~~ Services for accuracy and compliance with the policies and practices of the Municipality, and any differences of opinion will be referred to the Mayor for resolution.

### 03.05 Travel

*Transportation*

- (a) ~~The Mayor may As of January 1, 2010, the Mayor may~~ choose one of the following alternatives; ~~with the maximum cost not exceeding \$1,809\* monthly:~~
- (i) a monthly allowance of \$1000, plus mileage; or
  - (ii) a vehicle leased by the Municipality, with the cumulative monthly costs for leasing and all operating costs, including fuel, maintenance and insurance, not to exceed \$1200, with the option to purchase the vehicle at the normal residual value at the end of the lease term, or upon leaving office.

~~an allowance to cover the capital and operating costs of a vehicle that is purchased or leased by the Mayor.~~

~~\*Rate was established in 2001 using an open, transparent process conducted by an independent consultant. The rate reflected in subsection (a) is reflective of the adjustments that have occurred since 2001 in keeping with this Policy. Full details of the annual adjustments are outlined in Appendix III to this Policy.~~

- (b) ~~Immediately following the 2010 General Municipal Election, Each~~ Councillor shall be provided a taxable monthly allowance of \$2~~7550~~ for the use of a personal vehicle to conduct Council business. The allowance will be used to offset vehicle repair and maintenance costs, costs related to maintaining appropriate levels of business insurance, and round trips totalling less than 20 kilometres in distance.
- ~~(e) The rates identified in subsections (a) and (b) will be adjusted on January 1<sup>st</sup> of each calendar year by the same percentage increase or decrease in the transportation component of the all-items Consumer Price Index for Alberta for the immediately preceding year, and rounded up to the nearest dollar or cent.~~
- ~~(d)(c)~~ Travel by Elected Officials on Council business will occur via the most direct route possible to the travel destination, utilizing economy transportation that is convenient, timely and safe. This shall also apply if personal business of an Elected Official is combined with Council business that results in travel on longer routes.
- ~~(e)(d)~~ Elected Officials shall be reimbursed for the cost of a rental vehicle while conducting Council business; however, at no time will the cost of a rental vehicle be reimbursed when used in conjunction with another mode of ground transportation (ie: private vehicles, taxi). The physical damage waivers (extra insurance) must be purchased if the vehicle is rented in the individual's name, as opposed to the Municipality.
- ~~(f)(e)~~ Elected Officials may elect to travel by private vehicle, but in such instances will only be reimbursed to the equivalent of the lowest economical airfare and resulting taxi or airport shuttle fares for the same destination, if applicable.
- ~~(g)(f)~~ Reimbursement rates for private vehicle use shall be set at the maximum non-taxable rate allowed by the Canada Revenue Agency for the Province of Alberta for the current calendar year.
- ~~(h)(g)~~ Elected Officials who utilize a private vehicle for the purpose of conducting Council business shall carry a minimum of \$1,000,000 liability insurance provided by a third party insurance carrier.

#### *Accommodation*

- ~~(i)(h)~~ Elected Officials should, whenever possible, access government rates at hotels or motels which are reasonable, comfortable, safe and conveniently located for relatively short stays.

~~(j)(i)~~ Elected Officials may choose to utilize private arrangements for accommodation while travelling on Council business. Elected Officials may claim \$50 for each night spent in private accommodations without requiring a receipt. ~~Rates shall be adjusted on January 1<sup>st</sup> of each year, beginning in 2011, by the same percentage increase in the shelter component of the all items Consumer Price Index for Alberta for the immediately preceding year, and rounded up to the nearest dollar or cent.~~

#### *Meals*

~~(j)(i)~~ Elected Officials may decide what to spend on meals, gratuities and the number of meals per day when conducting Council business, provided that the expenditures are reasonable and within budget for each Elected Official. Detailed receipts must be provided.

~~(j)(k)~~ Notwithstanding subsection ~~(jk)~~, Elected Officials may choose to claim a per diem rate of \$~~8275~~.00 for each twenty-four (24) hour period spent in travel status without requiring receipts. When an Elected Official is on travel status for a portion of a day, the following meal allowances may be claimed without a receipt:

<u>Breakfast</u>	<u>Lunch</u>	<u>Dinner</u>
\$1 <del>75</del> .00	\$2 <del>20</del> .00	\$3 <del>30</del> .00

(l) Meal allowances may not be claimed when:

- (i) Breakfast – The departure time is later or the arrival time is earlier than 0600 hours (6:00 a.m.).
- (ii) Lunch – The departure time is later or the arrival time is earlier than 1300 hours (1:00 p.m.).
- (iii) Dinner – The departure time is later or the arrival time is earlier than 1930 hours (7:30 p.m.).
- (iv) Meals are included in travel fares or as part of a registration fee for conferences, etc.

~~(m)~~ ~~Meal allowance rates shall be adjusted on January 1<sup>st</sup> of each year, beginning in 2011, by the same percentage increase in the food component of the all items Consumer Price Index for Alberta for the immediately preceding year, and rounded up to the nearest dollar or cent.~~

~~(n)(m)~~ Incidental expenses of \$10.00 may be claimed for a period of 12 hours or more spent in travel status, but shall not exceed \$10.00 per 24-hour period. Receipts are not required.

~~(e)(n)~~ Liquor shall not be reimbursed except as provided for in subsections ~~(oq)~~ through (t) relating to Hosting Public Relations.

HostingPublic Relations

- (o) ~~Each Elected Official Councillor may utilize their individual public relations budget at their discretion to fund activities such as hosting, sponsorships, municipally-branded promotional materials, ward/resident meetings, gifts and attendance at events, etc.~~
- (p) ~~up to \$1,000 of his/her annual expense budget for hosting purposes. Public relations budgets may also be used to purchase an additional ticket for an Elected Official's spouse when it is deemed appropriate that she or he accompany the Elected Official to a municipal or community event.~~
- (q) ~~The following principles shall be applied to public relations expenses:~~
- (i) ~~No expense may be incurred for any reason that provides an advantage to a sitting member of Council. This shall include personal advertising and personally-branded promotional products, events and services.~~
  - (ii) ~~No expense may be incurred under this budget within 6 months of an election without the prior approval of the whole of Council, by resolution.~~
  - (iii) ~~Councillors should demonstrate a prudent use of resources focusing on transparency and accountability.~~
  - (iv) ~~Expenses should support Council objectives.~~
  - (v) ~~Any expense that either exceeds the approved budget or falls outside approved policy and guidelines requires prior approval of the whole of Council, by resolution.~~
- (p)(r) ~~Hosting expenses~~Public relations expenses, including alcohol, ~~or that involve a third party (ie: hosting) shall~~may only be reimbursed when supported by an explanation of the business conducted, ~~a-and~~ list of attendees/participants, and is accompanied by properly itemized receipts.
- (q) ~~Councillors may utilize the hosting allocation identified in subsection (p) for the purchase of tables and/or provision of gifts as noted in subsection (u). Receipts for such expenses must clearly identify the name of the group and/or individuals who are hosted.~~
- (r) ~~—~~
- (s) ~~The reimbursement of hosting expenses is subject to review and approval by the Mayor.~~
- (t) ~~—~~
- (u)(s) In addition to the hosting activities of individual Councillors, the Mayor may, on behalf of Council and at his/her discretion, utilize budgeted funds for hosting purposes. Examples of eligible expenses may include, but is not limited to, the purchasing of tables and/or provision of gifts at community and charitable events or fundraising initiatives (ie: Keyano College Gala, Festival of Trees, RCMP Regimental Ball, etc.).



*Other Expenses – Out-of-Town Travel*

- (tu) Elected Officials will be reimbursed, upon provision of itemized receipts, for the reasonable cost of laundry, dry cleaning, local and long-distance telephone charges (excluding personal calls), in-room Internet charges and sundry expenses for out-of-town travel when conducting Council business.

**03.06 Office Support and Technology***Technology*

- ~~(a)~~ ~~\_\_\_\_\_ (a) The Municipality will provide a laptop computer and printer for each Elected Official at the time of election to office~~ office technology to each Elected Official, as required for their individual needs. Examples include laptops, printers, tablets and cell phones. -
- ~~(b)~~ ~~\_\_\_\_\_ (b) Immediately following the 2010 General Municipal Election, Each Elected Official will be provided with a monthly taxable technology allowance, in the amount of \$100 to maintain 250, a portion of which shall be utilized to maintain a high-speed Internet connection at their place of residence.~~
- ~~(c)~~ Elected Officials who choose to use a personal cell phone/mobile device for municipal purposes will receive an additional monthly taxable technology allowance of \$150, to cover the cost of the device, data plans and maintenance costs.
- ~~(a)~~ ~~The Elected Official may choose to allocate the balance of the technology allowance in the manner that best serves his or her needs. Examples of such uses may include cellular telephones, fax machines, and additional telephone lines.~~
- ~~(de)~~ ~~Elected Officials will be reimbursed for the cost of one electronic communication device (ie: fax machine, cellular telephone, personal data assistant, etc.) during their term of office. The Elected Official will assume responsibility for all costs related to maintenance, repair, upgrade and usage of the device, as per subsection (b).~~
- ~~(d)~~ ~~\_\_\_\_\_ At the time of leaving office, Elected Officials shall have the option of purchasing municipally-supplied office technology the laptop and printer from the Municipality on an as-is basis. The cost to the Elected Official will equal the purchase price paid by the Municipality for the laptop and printer less 40% per year on a declining balance basis to the end of the term of service by the Elected Official. All records and information that is the property of the Municipality shall be removed from the laptop at the time of purchase by the Elected Official.~~

**03.07 Review**

- ~~(a)~~ ~~\_\_\_\_\_ A formal review of this policy shall be instituted at the mid-point of the 2017-2021 term of office, with all changes being adopted a minimum of 12 months prior to the 2021 municipal election, and becoming effective for the 2021-2025 term of office.~~

**APPROVAL, MANAGEMENT AND REFERENCES:**

This policy shall be accessed every three (3) years, at least twelve (12) months before the date of a General Municipal Election in Alberta, to determine its effectiveness and appropriateness. This policy may be accessed before that time as necessary to reflect legislative and/or organizational changes.

Approving Authority:

Approval Date:

Revision Approval Dates:

12 months prior to 2021 municipal election  
~~6 months prior to 2013 municipal election~~

Review Due:

October, 2012 to commence no later than October 2019

Policy Manager:

Legislative ~~and Legal~~ Services

Department Contact:

Senior Legislative Officer

Legal References:

Cross References:

Income Tax Act (1985, c.1 (5<sup>th</sup> Supp.))

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Chief Legislative Officer

\_\_\_\_\_  
Date







<b>Subject: Selection Committee Recommendations – Appointments to Boards and Committees</b>
---

### **Selection Committee Recommendations:**

1. THAT the following appointments be approved, effective immediately:

#### **Communities in Bloom Committee**

- Joanne Fisher to December 31, 2018; and

#### **Subdivision and Development Appeal Board**

- Anne-Marie Gauthier to December 31, 2017.

2. THAT the following individuals be appointed to the Wood Buffalo Housing & Development Corporation effective immediately:

- John Ross Carruthers to December 31, 2017;
- Derek Jensen to December 31, 2018; and
- Roy Amalu and Scott Garner to December 31, 2019.

### **Summary:**

The Selection Committee has made a number of recommendations pertaining to existing vacancies on various Council committees. In keeping with the established bylaws, the appointment of individuals to Council committees must be approved by Council.

### **Background:**

The Regional Municipality of Wood Buffalo's 2016 recruitment campaign was conducted from September 12 to October 28, and involved advertising in the local newspapers, radio, social media, community newsletters and participating in the Fall Tourism and Trade Show.

On November 14, 2016, the Selection Committee met to review the applications received, and has made recommendations in keeping with the provisions of the respective municipal bylaws and legislation. All applications are kept on file, and should a vacancy occur on any of the boards throughout the year, applicants may be contacted to confirm their interest in being considered for the opening.

In addition to the existing vacancies on the Wood Buffalo Housing & Development Corporation Board, a mid-term vacancy has occurred on the Subdivision and Development Appeal Board and Communities in Bloom Committee, which necessitates that another member be appointed to fulfil the balance of the existing term.

**Rationale for Recommendations:**

The appointment of members is necessary to ensure the continued viability of these boards and committees.

**Strategic Plan Linkages:**

Pillar 1 – Building Responsible Government