

Policy

Title: CITY COUNCIL REMUNERATION		Number: 8043
Reference: Administrative Committee - October 21, 2020 Corporate Services Committee - October 27, 2020 Administrative Committee - February 2, 2022 Administrative Committee January 11, 2023	Adopted by City Council: November 2, 2020 Effective: November 1, 2021	
	City Clerk	Chief Administrative Officer
Supersedes: Policy #0106		
Prepared by: HUMAN RESOURCES, CORPORATE SERVICES DIVISION		

STATEMENT

As elected officials, Council members are to be remunerated at levels that are sufficient to encourage competent and community minded residents to seek public office. They are set at levels considered appropriate to the demands of the roles and their value to the community when compared to other Alberta municipalities.

PRINCIPLES

This policy sets out the Remuneration principles associated with holding public office as an elected official with the City of Medicine Hat.

1. Remuneration will be set using procedures that are intended to give rise to fair and equitable remuneration for the dedication and work required of those holding public office.
2. Generally, Remuneration will be set using a Comparator (Peer) Group approach that enables setting of relatively objective Remuneration as compared to other mid-size municipalities in Alberta, and considering the unique governance responsibilities of the City of Medicine Hat.
3. Remuneration will be comprised of Annual Base Salary adjusted annually in accordance with changes to the Alberta Consumer Price Index, Per Diem Allowance, Group Benefits, and Elected Official Retirement Savings Program.
4. Remuneration will be reviewed periodically as Council approaches the conclusion of its elected term.
5. Council members will be reimbursed for travel related expenditures in accordance with established City policies.

ROLE OF COUNCIL

1. To receive, review and adopt this policy and any recommended amendments thereto.

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1. DEFINITIONS

- 1.01 “Annual Base Salary” is the amount provided to each member of Council for their time and service in carrying out the responsibilities associated with their office. Annual Base Salary is intended to compensate Council members for all meetings of Council and any of its Boards, Committees, Commissions or Special Appointments, as well as informal meetings with the Chief Administrative Officer/City staff, meetings with other members of Council, meetings with individual residents and/or with representatives of community organizations, attending community events, and to otherwise attend to City business in their capacity as member of Council.
- 1.02 “Chief Administrative Officer” is the individual appointed by City Council to the position of Chief Administrative Officer, or his/her designate, pursuant to Bylaw 4311, the Administrative Organization Bylaw.
- 1.03 “Comparator (Peer) Group” is a group made up of Alberta’s other mid-sized municipalities.
- 1.04 “Consumer Price Index (CPI)” is an indicator of changes in consumer prices experienced in Alberta (all-items), and is obtained by comparing, over time, the cost of a fixed basket of goods and services purchased by consumers.
- 1.05 “Elected Official Retirement Savings Program” is the term used to describe each Council member establishing a personal Registered Retirement Saving Plan and/or Tax Free Savings Account voluntarily in order to receive matching contributions from the City.
- 1.06 “Group Benefits” includes 1) Extended Health Care/Vision Plan, 2) Dental Plan, 3) Health Care Spending Account, 4) Life Insurance Plan, 5) Optional Life Insurance Plan, and 6) Optional Critical Illness Plan.
- 1.07 “Per Diem Allowance” is the allowance paid to a Councillor who; 1) is required to attend out of town functions related to City business; 2) attends out of town conferences, seminars or workshops on behalf of the City; or 3) attends an event considered by a Council Member to be unusual or that requires special consideration. For the purposes of this definition, out of town does not include Redcliff or Dunmore.
- 1.08 “Remuneration” is the all-inclusive term used for the four components of compensation provided to each member of City Council, where applicable, in exchange for service performed as an elected official; 1) Annual Base Salary, 2) Per Diem Allowance, 3) Group Benefits, and 4) Elected Official Retirement Savings Program.

2. RESPONSIBILITIES

2.01 Chief Administrative Officer:

- (a) Administer the Procedures associated with this Policy; and

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- (b) Communicate with members of City Council annually, or otherwise required, with respect to changes to Council remuneration.

2.02 Human Resources

- (a) Provide the Chief Administrative Officer with information and recommendations, as set out in the Procedures, to update Remuneration.
- (b) Administer the Group Benefits plans and the Elected Official Retirement Savings Program.
- (c) Prior to the start of the fourth year of each Council term, conduct a review as set out in the Procedures, of the Remuneration paid to members of City Council in the Comparator (Peer) Group and make resulting recommendations to the Chief Administrative Officer.

3. PROCEDURES

3.01 “Remuneration” provided to each member of City Council, where applicable, in exchange for service performed as an elected official is as follows:

- a) The Annual Base Salary paid to the Mayor and to each Councilor is as outlined in Appendix A. The Annual Base Salary shall be adjusted on January 1st of each year in accordance with the average monthly change to the Alberta Consumer Price Index in the previous twelve-month period from November to October. A Council member who does not wish to have his or her Annual Base Salary fully adjusted in any given year may elect to decline all, or part, of the adjustment by providing written notice to the Chief Administrative Officer.
- b) A Per Diem Allowance shall be paid to each Councillor as outlined in Appendix A, provided that no similar payment is paid from another body.
- c) Each Council member shall have the option of participating in the City's Group Benefits plans, subject to the terms and conditions of participation as set out in the insurance contracts between the City and the underwriters of each plan.
- d) Each Council member shall have the option of participating in the Elected Officials Retirement Savings Program. Council members shall be eligible to receive a matching contribution to a registered retirement savings plan (RRSP) and/or a Tax-Free Saving Account (TFSA) of their choosing. The maximum value of the contribution to be made by the City shall be no greater than 12% of Annual Base Salary.

3.02 Remuneration shall be reviewed in the third year of each Council term and compared against average annual base salary paid to City Council members in the Comparator (Peer) Group and considering the unique governance responsibilities of the City of Medicine Hat.

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Resulting recommended changes to Remuneration shall be made through the Chief Administrative Officer to the Administrative and Legislative Review Committee of City Council. If approved by City Council, changes to Remuneration will become effective for the new Council following the next municipal election.

- a) At the discretion of the Chief Administrative Officer, recommended changes to Remuneration may be reviewed by an external third-party consulting firm on an as required basis

3.03 Council members required to travel outside of the City to carry out City business consistent with their office are eligible for the reimbursement of expenses pursuant to Policy #0107 – Personal Expense Policy.

3.04 Council members will be provided with a car allowance pursuant to Policy #0108 – Car Allowance Policy for use of their personal vehicle inside the City to carry out City business consistent with their office as follows:

- (a) Each Councillor will receive a car allowance pursuant to Option A, Class I of Policy #0108.
- (b) The Mayor will receive a car allowance pursuant to Option A, Class II of Policy #0108.

3.05 Council members will be provided with information technology devices/equipment (e.g. laptop computer, smartphone) required to connect to the City's information technology systems.

3.06 Council members who incur other incidental and reasonable business-related expenses (e.g. photocopying, parking when attending events, etc.) consistent with their office shall be reimbursed for said expenses at the discretion of the Chief Administrative Officer.

4. APPENDICES

Appendix A – Annual Base Salary and Per Diem Allowance

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APPENDIX A
ANNUAL BASE SALARY AND PER DIEM ALLOWANCES

	MAYOR	COUNCILLOR
Annual Base Salary as of November 2021 [Adjusted annually per subsection 3.01(a)]	\$136,639	\$45,476
Per Diem Allowance		<p>\$200 per day for meeting/event of 4 hours or more.</p> <p>\$100 per day for meeting/event of less than 4 hours.</p>