



COUNCIL REMUNERATION

Research and Recommendations

April 2024

Office of the City Clerk

PREFACE

As a result of the findings in the Governance Audit, the City of Lloyminster has been updating and adding Policies and Directives in order to ensure consistency, predictability and transparency in its operations.

The Lloyminster Charter provides for “Matters that must be dealt with by Council”. Specifically, in the case of remuneration. Section 144(I) provides that Council may not delegate its powers.

Council has directed that Administration create a policy and seek input in the creation of the policy from a Committee of residents.

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RESIDENT COMMITTEE COMPOSITION

Members

Todd Robinson
Deanna Wandler
Jim Spenrath

Administration

Marilyn Lavoie – Interim City Clerk
Dion Pollard – City Manager

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EXECUTIVE SUMMARY

Note that this summary of recommendations is provided at the onset of this report for ease of referral; however, it is critical that the reader refers to the full rationale that follows for the full analysis and reasonings behind each recommendation.

The recommendations seek to be reflective of the City of Lloydminster's core values:

- Accountability
- Dedication
- Respect
- Transparency
- Diversity

The Committee also recognized that to live and achieve these core values, the City must be able to attract and maintain a variety of experienced residents from varied backgrounds who would be willing to let their name stand for elected offices.

By establishing remuneration levels that are fair and equitable, an individual who may be considering serving their community as an elected official can fully understand the financial impact of doing so.

SUMMARY OF RECOMMENDATIONS

The following recommendations are in no particular order, but reflect the need for consistency, predictability, and transparency in the application of the remuneration policy.

RECOMMENDATION 1	The update of a Policy which provides the opportunity for annual review of remuneration by a committee of residents who will make recommendations to Council on their remuneration and benefits.
RECOMMENDATION 2	The Mayor's remuneration should be calculated based on 64.4% of the averaged salary of an Alberta and Saskatchewan Minister.
RECOMMENDATION 3	Councillor remuneration should be based on 38.2% of the Mayor's remuneration.
RECOMMENDATION 4	The remuneration recommendations not take effect until after the 2024 election.
RECOMMENDATION 5	Council shall be provided with City-owned IT.

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INTRODUCTION

As previously stated, the guiding principles for the committee's review of Council's remuneration were accountability, transparency, and predictability. Furthermore, the Committee identified areas of remuneration and benefits that required clarity within the Policy.

The purpose of the Committee is to research, develop, and present a report and recommendations on whether to maintain or amend this Policy.

Areas to be examined may include:

- per diem amounts;
- how the salary for the Mayor and members of Council is determined;
- the Deputy Mayor allowance;
- any other matter directly related to Council remuneration.

The Policy provided for the composition and eligibility of the Committee members. Any such Committee shall consist of minimum three (3) members and no more than five (5) members from the public and one (1) member of City Administration to act as an advisor to the committee.

Eligible Committee members shall:

- be a resident within the corporate limits of the City of Lloydminster of at least six (6) months;
- not be a member of Council or Administration, and shall not be a Relative of a member of Council or Administration; and
- be 18 years of age or older upon the first meeting of the committee; and
- Administration shall identify potential committee members that have skills, abilities and experience in one of the following areas:
 - professional
 - scientific
 - business
 - technical services
 - finance and insurance representative

METHODOLOGY

In conducting a review of the proposed remuneration and the review of the Policy, several data sources were reviewed:

- remuneration from comparable Alberta Communities;
- remuneration from comparable Saskatchewan Communities;
- existing practices;
- benefit and per diems were compared when practicable;
- Cost of Living Allowances (COLA) from both Alberta and Saskatchewan.

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Recommendation 1

Update of Remuneration Policy

Policies provide clear and concise direction on matters of governance. They provide predictability in decision making and ensure that decisions are transparent.

A copy of the draft Policy is attached as **Schedule A**.

Recommendation 2 – The Mayor’s remuneration should be calculated based on 64.4% of the averaged salary of an Alberta and Saskatchewan Minister.

Recommendation 3 – Councillor remuneration should be based on 38.2% of the Mayor’s remuneration.

Recommendation 4 – The remuneration recommendations not take effect until after the 2024 election.

The Committee reviewed compensation provided to other communities and determined remuneration levels for both the Mayor and Councillors. Salary comparisons are attached to this report as **Schedule B**.

The Mayor’s remuneration was based on the 64.4% of the averaged salaries of an Alberta and Saskatchewan Minister.

Saskatchewan Minister	\$160,548.00	Averaged Salary
Alberta Minister	\$181,404.00	\$170,976.00

The Mayor’s current gross salary is \$101,591.37. As a full time position with no substantial increase in a number of years, it is proposed that the Mayor’s gross salary would increase to \$110,108.54 annually.

The Committee further determined to ensure that the increases could be properly budgeted and that the current Mayor and Council did not benefit from any change that the proposed remuneration would not take effect until after the next municipal election scheduled for November 13, 2024.

Currently, Councillors receive \$38,822.34 and a per diem of \$200.00 for acting as Deputy Mayor.

Councillor remuneration would remain at 38.2% of the Mayor’s compensation. Based on the proposed methodology Councillors would receive \$42,061.46 annually with additional compensation provided for attendance at the following meetings:

- information sharing events with Administration;
- public consultation events;
- intermunicipal meetings;
- minister meetings;
- attendance at Committee meetings as appointed by Council;

- conferences;
- professional development;
- caucus meetings.

Per diems would not be paid for attendance at:

- regular Council meetings, special Council meetings, Governance and Priorities Committee Meetings, agenda-review meetings;
- in-house education or workshops events put on by the City of Lloydminster;
- meetings where honoraria or per diems are paid by an organization other than the City;
- golf tournaments;
- ceremonial, including but not limited to anniversaries for local businesses or non-profits;
- community events, including but not limited to Canada Day and Remembrance Day;
- politically affiliated events.

As with the Mayor's remuneration, current Councillors will not benefit from this change to remuneration, as the changes will not take effect until after the next municipal election scheduled in the fall of 2024.

Recommendation 5

IT equipment

Currently, the Policy notes that all devices shall be provided by the City and such devices must be returned to the City at the completion of the Councillor's term of office. This practice ensures that devices are similar so that IT can provide support to one type of device. Returning the device at the end of the term will ensure that provisions of information and privacy laws are not contravened.

Council has the option of having a City-owned cellular device or retaining their own device and receiving compensation for its use. Compensation would be provided in accordance with tier two (2) of the *Cellular Device Use Directive*.

Schedule A

Draft Remuneration Policy

Policy Title:	Council Remuneration	Policy Number:	120-03
Date of Adoption:	October 28, 2019	Motion Number:	281-2019
Date of Amendment:	December 12, 2022	Motion Number:	466-2022
Date of Amendment:		Motion Number:	

1. Purpose:

- 1.1. To provide a uniform and transparent practice for the remuneration of Members of Council.
- 1.2. To enable Members of Council to conduct City business in an efficient, fair and equitable manner.
- 1.3. To compensate Members of Council fairly and equitably for their time spent on City business.

2. Definitions:

Administration	An employee, contract employee or volunteer of the City.
City	The corporation of the City of Lloydminster.
City Manager	The individual appointed under section 147(1) of <i>The Lloydminster Charter</i> as Commissioner.
Full Day Per Diem	\$200 paid to a Member of Council for their services of anything more than four (4) hours.
Half Day Per Diem	\$100 paid to a Member of Council for their services for a maximum of four (4) hours.
Mayor	As defined in <i>The Lloydminster Charter</i>
Members of Council	An individual elected pursuant to <i>The Local Government Election Act, 2015</i> (Saskatchewan) as a Member of Council.
Pcard	A City issued purchasing card.
Relative	Spouse, father, mother, brother, sister, son or daughter, grandparent, grandchild, uncle, aunt,

	nephew, niece and first cousin. This includes common-law, in-law, step relationships and those that may not be blood relationships but are dependents or are fictive kinship.
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3. Scope:

3.1. This Policy applies to all Members of Council.

4. Benefits:

4.1. Members of Council may participate in the City benefits package, except for:

4.1.1. long term disability; and

4.1.2. the Group Registered Retirement Savings Plan (RRSP).

4.2. Notwithstanding 4.1. above, and in accordance with the City’s Group Registered Retirement Savings Plan Directive, the Mayor may participate in the Group RRSP Plan, with the Mayor contributing no more than 9% and the City contributing no more than 10% of the base salary annually.

4.3. Members of Council shall opt in or out of the City benefits package within sixty (60) days of being elected.

4.4. Members of Council may request changes to their benefits package, which may be approved by the Chief of Staff on a case-by-case basis.

5. Mayor’s Remuneration

5.1. The Mayor shall be paid remuneration based on 64.4% of the total averaged salary of that of a Saskatchewan Minister and Alberta Minister.

5.2. The Mayor shall be provided with a monthly vehicle allowance of five hundred dollars (\$500) to compensate for vehicle-related expenses including but not limited to mileage, fuel and oil costs, insurance, maintenance and repairs or other items allowed or considered claimable by the CRA as eligible expenses.

5.3. The Mayor shall not claim Full Day Per Diems or Half Day Per Diems.

5.4. Notwithstanding section 5.3 above, the Mayor may claim per diems in accordance with the *Business Expense Reimbursement Policy*, and the *Travel Expense Reimbursement Policy* as amended from time to time.

6. Member of Council's Remuneration

- 6.1. Members of Council, other than the Mayor, shall be paid remuneration based on 38.2% of the Mayor's salary.
- 6.2. In addition to remuneration set out in section 6.1 above, Members of Council, other than the Mayor, shall be paid a Full Day Per Diem or Half Day Per Diem for attending any business on behalf of the City.
- 6.3. Acceptable per diem claims may include, but are not limited to:
 - 6.3.1. information sharing events with Administration;
 - 6.3.2. public consultation events;
 - 6.3.3. intermunicipal meetings;
 - 6.3.4. Minister meetings;
 - 6.3.5. attendance at committee meetings as appointed by Council;
 - 6.3.6. conferences;
 - 6.3.7. professional development;
 - 6.3.8. Caucus meetings.
- 6.4. Without limiting the forgoing, per diems shall not be paid for the following:
 - 6.4.1. Regular Council Meetings, Special Council Meetings, Governance and Priorities Committee Meetings, agenda review meetings;
 - 6.4.2. in-house education or workshops events put on by the City of Lloydminster;
 - 6.4.3. meetings where honoraria or per diems are paid by an organization other than the City;
 - 6.4.4. golf tournaments;
 - 6.4.5. ceremonial, including but not limited to anniversaries for local businesses or non-profits;
 - 6.4.6. community events, including, but not limited to Canada Day and Remembrance Day;
 - 6.4.7. political party events.
- 6.5. Each Member of Council may receive a set salary adjustment of \$200 per month during their term as Deputy Mayor in compensation for additional duties.

7. Equipment, Supplies and other Supports

- 7.1. Any equipment provided by the City shall remain the property of the City and shall be returned immediately when the individual Member of Council's term is complete.

- 7.2. Members of Council shall each be provided with a City owned tablet or a laptop computer.
- 7.3. Members of Council and the Mayor may utilize a City issued cell phone or may receive tier two (2) reimbursement in accordance with the *Cellular Device Use Directive*.
- 7.4. The Mayor shall be provided with:
 - 7.4.1. an office at City Hall;
 - 7.4.2. a computer and/or a tablet;
 - 7.4.3. a Pcard.
- 7.5. Any equipment or technology provided to Members of Council must be used in accordance with all applicable City policies and directives.
- 7.6. Reimbursement for printer ink cartridges, or similar items, shall be processed and completed only if accompanied by a receipt.

8. Travel

- 8.1. Members of Council shall be reimbursed for authorized travel in accordance with the *Business Expense Reimbursement Policy*, and the *Travel Expense Reimbursement Policy*, as amended from time to time.

9. Review:

- 9.1. The City Manager may annually appoint a volunteer committee comprised of residents of the City to conduct a review of this Policy provide Council with feedback.
- 9.2. The purpose of the committee is to research, develop, and present a report and recommendations on whether to maintain or amend this Policy. Areas to be examined may include:
 - 9.2.1. per diem amounts;
 - 9.2.2. how the salary for the Mayor and Members of Council is determined;
 - 9.2.3. the Deputy Mayor allowance; and
 - 9.2.4. any other matter directly related to Council remuneration.
- 9.3. Any such committee shall consist of minimum three (3) members and no more than five (5) members from the public and one (1) member of City Administration to act as an advisor to the committee.
- 9.4. Eligible committee members shall be:
 - 9.4.1. a resident within the corporate limits of the City of Lloydminster of at least six (6) months;

- 9.4.2. not be a member of Council or Administration, and shall not be a Relative of a member of Council or Administration; and
- 9.4.3. 18 years of age or older upon the first meeting of the committee.
- 9.5. Administration shall identify potential committee members that have skills, abilities and experience in one of the following areas:
 - 9.5.1. professional, scientific, business and technical services; or
 - 9.5.2. finance and insurance representative.
- 9.6. The committee chair shall be appointed by the City Manager.
- 9.7. Committee meetings shall be held at the call of the chair.
- 9.8. The committee shall provide a recommendation to Council at a Governance and Priorities Committee Meeting.
- 9.9. In accordance with *The Lloydminster Charter*, all decisions regarding Council remuneration shall be made by a resolution of Council at their sole discretion.
- 9.10. A committee shall be appointed for a term not less than one (1) year and not more than three (3) years.

10. Penalty:

- 10.1. Any Member of Council found to be in violation of this policy may be dealt with utilizing the "*Council Code of Ethics Bylaw*" or provisions of "*The Lloydminster Charter*."

11. Responsibility:

- 11.1. City Council shall review and approve all policies.
- 11.2. City Administration shall administer the Policy through the use of a supporting procedure.
- 11.3. Sponsoring Department shall be responsible for creating and amending a supporting procedure.

Schedule B

Remuneration Comparisons

Saskatchewan Minister (2023)	\$160,548.00
Alberta Minister (2023)	<u>\$181,404.00</u>
Average	<u><u>\$170,976.00</u></u>

	<u>Population¹</u>	<u>Mayor</u>	<u>Councillor</u>
Calgary	1,306,784	\$208,707.26	\$117,913.69
Edmonton	1,010,899	\$211,488.00	\$119,484.00
Saskatoon	266,141	\$160,548.00	\$73,852.00
Regina	226,404	\$153,221.00	\$53,899.00
Average		<u><u>\$183,491.07</u></u>	<u><u>\$91,287.17</u></u>
Wood Buffalo	72,326	\$165,790.00	\$46,200.00
Strathcona	99,225	\$172,302.72	\$92,586.02
Prince Albert	37,756	\$110,808.00	\$38,200.00
Lethbridge	106,550	\$130,219.00	\$53,349.00
St. Albert	68,232	\$149,675.00	\$86,000.00
Red Deer	100,844	\$125,000.00	\$69,000.00
Medicine Hat	63,271	\$141,000.00	\$46,000.00
Grande Prairie	64,141	\$109,917.48	\$58,348.05
Lloydminster	31,582	\$101,591.37	\$38,868.32
Airdrie	74,100	\$112,462.00	\$52,780.00
Spruce Grove	38,985	\$109,210.00	\$54,605.00
Canmore	15,990	\$101,388.00	\$28,772.00
Moose Jaw	33,665	\$108,290.08	\$35,000.00
Average		<u><u>\$125,973.36</u></u>	<u><u>\$53,823.72</u></u>

Current Mayor (60.4% - 2020 Minister Average)	\$101,591.37
Current Councillor (38.2% - 2021 Mayor Salary)	\$38,822.34

Proposed Mayor (64.4% - 2023 Minister Average)	\$110,108.54
Proposed Councillor (38.2% - 2025 Mayor Salary)	\$42,061.46

Notes: ¹Population based on 2021 Federal Census.