

POLICY # LE 001
COUNCILLOR REMUNERATION AND EXPENSES

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|---------------------------|---|-------------------------|--------------------------------|
| APPROVAL DATE: | May 26, 1995 | CROSS-REFERENCE: | PE 002 County Payroll Schedule |
| RESPONSIBILITY: | Administration | | |
| APPROVER: | Council | APPENDICES: | Schedule 1 & 2 |
| REVISION DATE (s): | SPO 30-10-96; SPO 10-10-97; SPO 42-10-98; 30-02-00; 33-10-00; 32-06-01; 46-10-01; 09-02-02; 42-10-02; 09-03-03; 43-08-03; 07-12-03; 60-05-05; 16-11-05; 33-10-06; 34-10-06; 39-02-07; 40-05-07; 30-11-07; 31-11-07; 06-12-07; 30-01-08; 36-10-08; 17-06-09; 81-10-10; 47-12-10; 48-12-12; 24-05-14; 10-02-15 ; 06-10-15-ORG ; (2016-01-35) ; (2016-12-50) ; 2017-12-72 (December 12, 2017); 2018-12-13; March 12, 2019; May 28, 2019 | REVIEW DATE: | October 2019 |

POLICY STATEMENT

To establish the standard compensation and benefit rates for services performed and expenses incurred by Councillors in the performance of their duties.

BACKGROUND

This policy is reviewed on a yearly basis at the organizational meeting to provide for consistent remuneration for Councillors. When Council approves a change of Per Diem and Expense

Allowance amounts, the Basic Honorarium and Reeve’s Allowance are also adjusted to reflect the change. The Per Diem adjustment for Councillors is tied to the annual COLA increase given to County staff, except when a market adjustment is required.

OBJECTIVE

To establish compensation guidelines for Councillors receiving payment for their Basic and Per Diem Honorariums, mileage, subsistence and attendance at approved meetings, seminars, conferences, workshops and functions within and outside of the boundary of the County of Vermilion River, its encompassing municipalities and the City of Lloydminster.

SCOPE

| INTERNAL STAKEHOLDERS | EXTERNAL STAKEHOLDERS |
|-----------------------|-----------------------|
| Council | Ratepayers |
| Administration | |

DEFINITIONS

AAMDC is the Association of Municipal Districts and Counties.

ACE is the Alberta Central East Water Corporation.

AMSC is the Alberta Municipal Services Corporation.

Basic Honorarium is a payment in recognition of acts or professional services for which custom or propriety forbids a price to be set.

Councillor(s) are elected officials for the County of Vermilion River in the province of Alberta.

County Business is professional services rendered for or on behalf of the County of Vermilion River.

County is the County of Vermilion River.

COLA is the Cost of Living Adjustment.

CRA is the Canada Revenue Agency.

IDP is an inter-municipal development plan.

ILC is an inter-municipal collaboration framework.

Per Diem Honorarium is for each day.

RMA is the Rural Municipalities of Alberta.

RRSP is a Registered Retirement Savings Plan.

RSP is a Non-Registered Retirement Savings Plan.

GUIDING PRINCIPLES

Yearly Adjustments

Schedule 1 of Policy LE 001 for the Basic Honorarium and daily Per Diem Honorarium is adjusted effective January 1 of each year in accordance with the annual COLA increase given to the County of Vermilion River staff wage grids.

Basic Honorarium

Councillors receive an annual Basic Honorarium as set out in Schedule 1 which is divided into twelve (12) equal payments from January to December of each year. Councillors receive the following Basic Honorarium on a monthly basis to cover expenses related to:

- Attendance at Council meetings and Policy and Priority Committee meetings.
- Time spent in their respective divisions for evaluations, phone calls, fire permits, reading, meeting preparation and attendance at approved meetings, seminars, conferences, workshops and functions within the boundary of the County of Vermilion River, its encompassing municipalities and the City of Lloydminster.
- The expenses as outlined in the appendices – schedule one (1) and two (2).

When a Councillor declares a personal holiday day, they must deduct this time from their Per Diem Honorarium at a rate which is equivalent to the daily rate set out in Schedule 1.

Per Diem Honorarium

Councillors receive a Per Diem Honorarium as set out in Schedule 1 for their time spent travelling or in attendance at approved meetings, seminars, conferences, workshops and functions outside of the boundary of the County of Vermilion River, its encompassing municipalities or the City of Lloydminster for:

- Meeting(s) and travel – 0:00 – 4:00 hours – 1/2 of Per Diem
- Meeting(s) and travel – 4:01 – 8:00 hours – Full Per Diem
- Meeting(s) and travel – 8:01 hours and over – 1½ Per Diem

The total claim may not exceed one and one half (1½) Per Diem Honorarium per day. Per Diem Honorariums are paid in the month following the dates they occurred and are recorded on the following month's timesheet.

Mileage

Mileage is paid to Councillors for travel to and from approved meetings, seminars, conferences, workshops and functions. The rate payable per kilometre is calculated on a yearly basis using the

rates established by the Government of Canada and listed with the Canada Revenue Agency. The rate per kilometre for 2019 is fifty five (55) cents.

An additional flat rate amount of three hundred and fifty dollars (\$350.00) is paid per month to cover mileage costs incurred by Councillors while performing their required duties within their respective division. At year end, any payment for basic mileage that is not supported by documentation of the distance actually travelled is considered a taxable benefit. All taxable benefits are included in the calculations for the Municipal Officer's Allowance as required by the CRA. Council members receiving payment for mileage to and from their residence to the County administrative office for Council and Policy and Priority Committee meetings have a taxable benefit calculated each month at the yearly kilometre rate.

All other approved County business mileage initiated from a Council member's residence is considered non-taxable.

Parking

Councillors are reimbursed for actual parking costs incurred when attending approved meetings, seminars, conferences, workshops and functions. Receipts for parking costs must be submitted in order to be reimbursed.

Subsistence Allowance

Councillors are entitled to the following subsistence allowance when attending approved overnight meetings, seminars, conferences, workshops and functions outside of the boundary of the County of Vermilion River, its encompassing municipalities or the City of Lloydminster:

- Seventy five dollars (\$75.00) per day

Accommodations

Accommodations for Councillors is paid when travelling outside of the boundary of the County of Vermilion River, its encompassing municipalities or the City of Lloydminster to approved meetings, seminars, conferences, workshops and functions as follows:

- The rate of reimbursement for hotels is the amount set by the establishment including taxes and parking (if applicable). Councillors must submit an expense voucher accompanied by proof of payment. The rate of reimbursement excludes all other expenses.
- In regards to a personal motor home or trailer, the rate of reimbursement is ninety dollars (\$90.00) per day to account for transportation costs, parking and service fees. Councillors must submit an expense voucher accompanied by proof of payment.

Communication

The County provides each Councillor with an iPad, Tablet or Laptop to conduct County business. Councillors receive the following monthly compensation for supplies related to their iPad, Tablet or Laptop, telephone landline, cellular telephone and internet expenses incurred as a result of conducting County business:

- Thirty six hundred dollars (\$3600.00) per year disbursed in payments of three hundred dollars (\$300.00) per month

Additional Program Expenses

Councillors are permitted to attend programs offered in conjunction with approved meetings, seminars, conferences, workshops and functions. The cost of the following expenses are paid for or reimbursed by the County:

- Banquet tickets
- Educational tours

Spousal Expenses

In recognition of the assistance and contribution the spouses of Councillors make to the County, the following expenses are paid for or reimbursed by the County when attending approved meetings, seminars, conferences, workshops and functions with a Councillor. Spousal expenses are limited to two (2) events each year and include:

- Meals or Banquet tickets (in conjunction with the approved event)
- Accommodation costs
- Partner programs
- Event tours

Additional transportation costs are not paid for nor reimbursed by the County.

Benefits

Benefits are provided to Councillors as follows:

- AAMDC Council coverage (24 hour) administered through RMA insurance
- AAMDC Critical Illness coverage administered through RMA insurance
- RRSP, RSP and spousal RSP administered through Great West Life
 - County contributions are not vested until the Councillor has served five (5) years in office
 - Gross income (excluding out of boundary subsistence allowance) is multiplied by a nine percent (9%) Council member contribution and matched by a nine percent (9%) County contribution

- Additional contributions by a Council member are permitted but are not matched by the County
- AMSC insurance
 - Life, accidental death, dismemberment, dependent life, health spending account
 - Family or single coverage for extended health care and dental
 - Premiums are calculated as follows:
 - Eighty five percent (85%) by the County
 - Fifteen percent (15%) by the Councillor

ROLES & RESPONSIBILITIES

| ROLE/TASK | TITLE (s) OF PERSON RESPONSIBLE |
|---|---------------------------------|
| HANDLING INQUIRIES | Chief Administrative Officer |
| MONITORING REVIEWS AND REVISIONS | Executive Secretary |
| IMPLEMENTING POLICY | Council |
| COMMUNICATING POLICY | Chief Administrative Officer |

EXCEPTIONS

At the discretion of Council, the Basic Honorarium and Per Diem Honorarium can be adjusted effective January 1 of each year in excess of the annual COLA increase given to the County of Vermilion River staff wage grids.

SCHEDULE 1

| Part A | 2017 (1.27%) | 2018 (1.5%) | 2019 (5.2%) |
|--------------------------------|-----------------------|-----------------------|-----------------------|
| Yearly Basic Honorarium | | | |
| Reeve | \$56,336.64 | \$57,181.20 | \$60,173.88 |
| Deputy Reeve | \$48,051.84 | \$48,772.20 | \$56,634.24 |
| Councillor | \$43,080.96 | \$43,726.80 | \$53,094.60 |
| Part B | 2017 (per day) | 2018 (per day) | 2019 (per day) |
| Per Diem Honorarium | | | |
| Taxable | \$184.11 | \$186.87 | \$294.88 |
| Non-Taxable | <u>\$92.05</u> | <u>\$93.43</u> | <u>\$0.00</u> |
| Total Per Diem | \$276.16 | \$280.30 | \$294.88 |

SCHEDULE 2

BASIC HONORARIUM INCLUDES THE FOLLOWING:

| | | | |
|--|--|--|--|
| Council meetings & preparation | Policy and Priority Committee meetings & preparation | Recreation board meetings | Ad Hoc community initiatives and meetings |
| Division work: evaluations, phone calls, fire permits, reading, ratepayer meetings & consultations | Award presentations: relations functions, grand openings, anniversaries & community events | Public relation functions: grand openings, anniversaries & community events | Hamlet meetings if more than one (1) per year |
| Parades | Vermilion and Lloydminster Chamber of Commerce events | Volunteer appreciation events | PLUS meetings within the County and the City of Lloydminster (when applicable) |
| Annual hamlet meetings | Annual division meetings | Public consultations | Vermilion River Regional Alliance Meetings |
| Joint municipal meetings with the Villages, Town and the City of Lloydminster – ILC, IDP, Protective Services, Mayor/Reeve | Joint municipal meetings with rural municipalities held within the County or City of Lloydminster boundary | Internal committee meetings between Council, management, staff, facilities, harassment or discrimination | Housing committees: Pioneer Lodge, Vermilion and District Housing Foundation; Lloydminster Housing Group |
| Assessment Review Board | Subdivision and Development Review Board | Alternative Land Use Systems Advisory committee | Physician recruitment and retention committee |
| Alberta Central East zone meetings | Rural crime watch meetings | Annual elected officials fire meetings | Lea Park joint interest committee |
| Vermilion Region partnership events | Community futures Lloydminster and region | Seed cleaning association general meetings | Annual seed cleaning plant meeting |

Per Diem Honorarium



A Councillors Per Diem Honorarium includes the following: Joint municipal meetings, conferences, zone meetings, ACE technical meetings and water resource meetings that take place outside of the County of Vermilion River, its encompassing municipalities or the City of Lloydminster boundaries. Annexation meetings within the City of Lloydminster are included in a Councillor's Per Diem Honorarium.