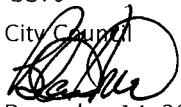


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CITY OF
Lethbridge

CITY COUNCIL REMUNERATION & BENEFITS

PURPOSE

The Council of the City of Lethbridge has a broad mandate to provide good government, develop and maintain a safe and viable community, and to supply desirable and/or necessary services to the community. The purpose of this policy is to establish a framework for Council remuneration and to ensure that the total compensation package:

- provides compensation and benefits that will enable a broad range of citizens from all walks of life to seek public office;
- reflects the responsibilities, time commitments and accountability associated with the position;
- enables compensation adjustments to be made in an objective manner and on a prudent and regular basis; and
- ensures the compensation paid is congruent with other municipalities within Alberta.

PERSONS AFFECTED

Members of City Council

POLICY STATEMENT

Compensation

It is the policy of the City of Lethbridge to compensate Members of City Council and adjust this compensation on an annual basis, unless directed otherwise by a unanimous resolution of Council (administered effective January 1st) in accordance with the formula established by The Citizen Committee for Council Remuneration, June 2002. City Council compensation will be paid on a biweekly basis.

The compensation paid to Members of City Council is intended to cover a wide range of work related expenses, that include but are not limited to:

- a) Travel expenses incurred to meet with individual residents and with representatives of community organizations. It also covers travel costs while representing the municipality at meetings and other

community events and travel costs incurred by elected officials to attend to municipal business matters in their capacity as elected officials of the municipality (within the municipality).

- b) Travel expenses would include vehicle expenses (fuel, insurance, vehicle repairs and maintenance and other expenses) and other travel costs incurred to travel to and from meetings within the municipality (excluding regularly scheduled Council and legislative committee meetings) as an elected representative of the municipality.
- c) The allowance also covers various costs including those for phone landlines, phone calls, home internet, copying, open house expenses, hospitality expenses, and other relevant expenses.

When a Councillor serves in the role of Deputy Mayor their compensation is increased by 10.6% for the period they are serving in the role.

When a Councillor serves in the role of Acting Mayor their compensation is increase by 5.3% for the period they are serving in the role.

City Council Members who travel on City business outside City limits may be paid a per diem of \$200.00/day for each full day of absence or \$100.00/day for half day (four hours or less) of absence, providing that they are not being paid by another body.

Benefits

It is the policy of the City of Lethbridge that City Council Members receive the following benefits:

Group Life Insurance

- \$30,000 basic coverage
- premiums paid by Council Member
- commences after three months of service
- optional group coverage available

Accidental Death and Dismemberment

- \$100,000 basic coverage
- premiums paid by Council Member
- commences after three months of service
- optional group coverage available

Alternative Benefit Choices

- for Extended Health Care and Dental Coverage
- commences on first day of the month following election
- flex-credits

RESPONSIBILITIES

People and Culture to:

- a) Administer benefits in accordance with this policy
- b) Every five years, calculate the average annual rate of change in the income of Lethbridge citizens by using the average income of the most recent Statistics Canada census comparing with the prior Statistics Canada census. The five-year average rate of change will remain constant until the relevant data release of the subsequent federal census (typically at five year intervals)
- c) Add to the five year average rate of change, the rate of change in the Alberta Consumer Price Index (CPI) for the previous year and divide by two numbers to determine the average. This amount becomes the compensation adjustment for the current year
- d) Adjust the current base salaries of Mayor, Deputy Mayor and Councillor by the percent factor resulting from this calculation. See example below.

EXAMPLE - 2014 ADJUSTMENT		
2010 Lethbridge Average Total Income		40,106
2005 Lethbridge Average Total Income		<u>33,194</u>
2005 - 2010 Change in Average Total Income		6,912
2005 - 2010 Average Annual % Rate of Change	A.	4.16%
2013 increase in Alberta Consumer Price Index	B.	1.42%
2014 Adjustment Factor [(A+B) / 2 = C]	C.	2.79%

- e) Conduct a comparison of City Council remuneration and benefits in the first and third years following a general election using the following criteria:
 - Consider the base salary, car allowance and pension contribution using the Cities of Airdrie, Grande Prairie, Medicine Hat, Red Deer, and St. Albert as well as the Regional Municipality of Wood Buffalo and Strathcona County as comparators
 - Determine the average remuneration and benefits, excluding the lowest and highest of the comparators
 - Adjust the base salaries of the Mayor, Deputy Mayor, and Councillor by the difference between the average remuneration and benefits and the current base salary for the City of Lethbridge effective January 1st of the following year. The recommended remuneration will be subject to the salary adjustment outlined in responsibility d).
 - If the comparison shows the average remuneration of the other municipalities is above that paid by the City of Lethbridge the salary for that City of Lethbridge position will be determined as per policy, and if the comparison shows the average remuneration of the other municipalities is below that paid by the City of Lethbridge, the salary for that City of Lethbridge position will be frozen until either the

annual adjustment process in point d) allows the comparison results to exceed the remuneration paid by the City of Lethbridge, or the next comparison takes place, whichever occurs first.

REFERENCES

- *Municipal Government Act*, Section 275.1(1)
- City Council resolution, March 22, 1999
- Review of Council Remuneration by The Citizen Committee for Council Remuneration, June 2002

REVISION/REVIEW HISTORY

- August 12, 1980: New Document (City Council Remuneration, Council #41)
- October 15, 1986: Revised and re-issued
- March 22, 1999: Council resolution on per diem passed
- May 17 1999: Re-issued
- July 29, 2002: Council resolution to amend policy passed
- October 4, 2004: Significant revision to make policy consistent with Council resolutions and to make reference to benefits
- May 12, 2008, Council resolution to amend per diem passed
- July 27, 2009: Council resolution to adjust the base salary
- October 29, 2012 Council resolution to adjust the base salary
- July 21, 2014: Added section on comparison to be done in the first and third year following a general election; for example, a comparison to be done in 2014, to take effect in 2015
- November 2021, policy updated to reflect removal of the exemption under the income tax act, the addition of a process to address situations where the external comparison indicates a salary reduction is required, a change to the frequency of the external comparison and various administrative adjustments, and addition of compensation for the Acting Mayor.