

# COUNCIL POLICY

## CITY COUNCIL REMUNERATION AND BENEFITS



CITY OF  
*Lethbridge*

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Policy Number:	CC-10
Approved by:	City Council
Last Review Date	July 9, 2024
Next Revision Date:	July 9, 2028
Policy Owner:	City Clerk

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### 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 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.

### DEFINITIONS

Non-applicable.

### 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 representations 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

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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 increased 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.

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

### Compensation

#### 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 services
- optional group coverage available

#### Alternative Benefit Choices

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

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### 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 years 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 Councilor 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	33,194	
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 or 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 Councilor by the difference between the average remuneration and benefits and the current base salary for the City of Lethbridge effective January 1<sup>st</sup> of the following year. The

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recommended remuneration will be subject to the salary adjustment outlines 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.

### POLICY REVIEW

This policy shall be reviewed by city council, once per term, as stipulated in *CC1 Policy Development, Implementation, And Evaluation*. The policy or associated procedures may be reviewed sooner if required due to changes in the business or risk environment.

### SUPPORTING REFERENCES AND RESOURCES

- *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 HISTORY

Review Date	Description
Aug. 12, 1980	New Policy – Effective Date (City Council Remuneration, Council #41)
Oct. 15, 1986	Revised and re-issued
Mar. 22, 1999	Council resolution to per diem passed
May 17, 1999	Re-issued
Jul. 29, 2002	Council resolution to amend policy passed
Oct. 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
Jul. 27, 2009	Council resolution to adjust the base salary
Oct. 29, 2012	Council resolution to adjust the base salary

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Jul. 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
Nov. 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 indicated 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
July 9, 2024	Last review date and next revision date updated.