

THE ELECTED OFFICIALS REMUNERATION REVIEW TASK FORCE

The Task Force would like to thank Administration for preparing the material for our review.

We would also like to thank the members of Council for the quick completion of the questionnaires. The responses were relevant and appreciated. It was also noted that there continues to be increased commitment for Council members.

The Committee reviewed the current Travel and Expense policy and that current practices for adjustments based on Provincial guidelines is appropriate.

In reviewing the questionnaires received from Council members the Task Force received the impression that the majority of members were not familiar with the per diem policy.

We decided that the main changes to the Council Remuneration package would be annual remuneration of the Mayor and Council with the introduction of a pension package.

The remuneration for elected officials is paid bi-weekly and this is reported to Revenue Canada as two-thirds (2/3) Honorarium, which is taxable and one-third (1/3) General Expense Allowance, which is non-taxable. Though calculated separately, they are paid together.

We had received information from many municipalities in Alberta of approximately the same size. We eliminated the municipalities in the highest and lowest pay brackets and we found that with the exception of the Mayor, Drumheller was within the correct range for remuneration.

Although there are different methods of paying Council, the Task Force concluded that the present methodology was appropriate here in Drumheller.

In reviewing the current position of Drumheller Councillors as compared to their peers it was agreed that an increase would be appropriate. The Task Force decided on an increase based on the difference between COLA (cost of living adjustment) previously applied and negotiated union increases for 2009 and 2010 (i.e. 5.0% less 1.9% COLA for 2009 and 5.0% less 0.6% COLA for 2010), and a further 3% for 2011 (all values compounded). This increase would be inclusive of the newly introduced 3% employer contribution pension plan. In 2012, there would be an additional increase of 3%. A COLA increase would be effective for 2013.

Although the surveys indicated that individuals who run for public office do not do it for the money, the Task Force felt that the Mayor's remuneration was significantly below his municipal peers in the comparison communities. The Task Force believes that a corrective market adjustment is needed for the position of Mayor.

The Task Force also looked at the per diem for out of Town meetings and determined that the rate should remain at \$250.00 per day with caps of 5 per year for Councillors and 10 per year for the Mayor.

We therefore recommend that Council Policy C-01-08 be amended as follows; effective January 1, 2011

1. The honorarium paid to the Mayor be \$22,633.33 per annum; the general expense allowance paid to the Mayor be \$11,316.67; for a total of \$33,950.00.
2. The honorarium paid to each Councillor be \$11,858.18 per annum; the general expense allowance paid to each Councillor be \$5,929.09 per annum; for a total of \$17,787.27.
3. The Task Force recommends that a 3% pension for members of Council with matching contributions be implemented as part of the benefit package.
4. The Task Force recommends that a 3% increase be applied to Councils amended salary effective January 1, 2012 and that a COLA adjustment be applied effective January 1, 2013.
5. The annual per diem cap for the Mayor be capped at 10 days and for a Councillor be capped at 5 days.

Respectfully Submitted
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