



City of Leduc Policy

Policy Title: Council Remuneration and Business Expenses Policy

Policy No: 11.00:30

**Supersedes: 11.00:25
Revision #: NEW**

Authority: City Council	
Section: Council	Approval Date: June 24, 2019
Responsible Department: City Manager	Effective Date: June 24, 2019
Relevant Legislation: <i>Canada Elections Act, SC 2000, c. 9, s. 363(1) as amended and Election Finances and Contributions Disclosure Act, RSA 2000, c. E-2 s.23</i>	
Relevant Council Date: June 24, 2019	
Relevant Bylaw and Date(s):	
Authority's Signature: "Original Signed by Mayor B. Young"	

Policy Statement:

Council Members for the City of Leduc ("the municipality") are required to commit a substantial amount of time and effort in order to fulfill the duties and responsibilities of their elected office. It is also recognized that official duties of the Council Members often occur outside of regular work hours, taking them away from personal responsibilities.

Policy Objectives:

This policy is intended to provide guidelines for establishing remuneration for the Council Members and provide clarity in determining what expenses will be covered by the municipality and what expenses are considered to be personal expenses. Personal expenses are not recoverable from the municipality.

Public disclosure of Council Member's remuneration and business expenses enhance accountability, transparency and public confidence.

Definitions:

Council Members: City of Leduc's Mayor and Councillors

Employer: City of Leduc

Municipality: City of Leduc

Policy:

Remuneration:

1. Council Members will receive an annual remuneration for their responsibilities as an elected official as set out in Appendix "A";

2. Council Members will receive the same Cost of Living Adjustments as Administration for the years 2019, 2020 and 2021 to commence on the first pay period of the year in question. In subsequent years, Council Members will receive the same Cost of Living Adjustments as Administration OR an adjustment based on the Alberta Consumer Price Index, whichever is less, to commence on the first pay period of the year in question.
3. Council Members are entitled to receive remuneration as appointed members of external Boards and Commissions. Any such remuneration may be paid directly to the Council Member; however if the Board or Commission's practice is to pay member remuneration to the applicable municipality, upon receipt of funds the City shall pay the appointee accordingly.
4. A public committee, or task force, should review Council remuneration on a regular basis, with a recommendation of review to occur every two terms. The public committee, or task force, should be formed early in Q1 of the term and have a report to Council by the end of Q2.

Insurance Plans:

1. Basic Group Life and Accidental Death and Dismemberment. Group Life insurance amount is \$30,000 (at age 70 the amount is reduced by 50%). Accidental Death and Dismemberment Insurance amount of \$30,000 (age limit is age 70);
2. Council Accidental Death & Dismemberment (AD&D) Insurance - 24 hour coverage and the insurance amount is \$50,000. Coverage remains in effect for the duration of the Council member's term of office.
3. Optional Life/Spousal Optional Life (age limit 65), and Optional Critical Illness/Optional Spousal Critical Illness (age limit 70) are available to Council Members. Evidence of insurability may be required for these benefits. Premiums are 100% paid by the Council Member.

Health and Wellness:

1. Council Members have the option to apply for the same coverage as offered to Administration under the municipality's Extended Health Benefits Plan ("Plan"). The current Plan includes:
 - Extended Health Care (Vision included) – Premium 100% Employer paid
 - Dental Plan – Premium 80% Employer paid
 - Health Spending Account – January 1 of each year an annual credit is deposited.

- Employee and Family Assistance Program – Premium 100% Employer paid
 - Leduc Recreation Centre Discount – 50% discount for annual adult membership
2. Coverage remains in effect for the duration of the Council Member’s term of office based on up to date payment of member’s portion of the premiums and the age limit (age 75) for the Extended Health, Dental and EFAP is not reached.

Registered Group Retirement Savings Plan (GRSP)/Non-Registered Group Investment Account (GIA) – Effective October 27, 2013. Group Tax Free Savings Account (GTFSA) – Effective January 30, 2019

1. Council Members are required to commit substantial time and effort to attend to the duties and responsibilities of their elected office. They may, as a result of this responsibility, have to forfeit opportunities to participate in, or continue to participate in employer sponsored retirement savings plans.

In order to provide Council Members with an opportunity to generate future retirement savings, a plan shall be in place to provide a form of registered retirement savings plan to elected officials. Non-registered plans (GIA and GTFSA) shall be in place for Council Members that have reached their annual maximum or the maximum age to contribute to a registered retirement savings plan (RRSP).

2. Participation in the plan is voluntary.
3. The municipality will match the Council member’s contribution to a maximum of 5% of base salary. If retroactive contributions are requested, contributions can only be retroactive to the first pay period of the current fiscal year.
4. Council Members have the option to contribute in excess of the prescribed maximum that the City would match.

Council Member Operating Budgets

1. Each Council Member will have an operating budget. Funds for these budgets will be set during the annual Budget Deliberations. Business expenses must remain within the individual operating budget of a Council Member. Any expenses which will exceed a Council Member’s total annual budget must be authorized by Council prior to the expenditure being made.
2. Council Members’ expense reports will be posted quarterly on the municipality’s website.

3. Expense reports must, at a minimum, include the following components:
 - name of Council Member who incurred the expense;
 - date of transaction(s);
 - transaction amount(s);
 - expense category (travel, including transportation, accommodation, meals and incidentals; and hospitality);
 - expense details (*Attended meeting with EIA*), receipts, invoices or other proof of expense.
4. Information that would normally be withheld under the *Freedom of Information and Protection of Privacy Act*, such as personal information, must be redacted from supporting documentation and will not be publicly disclosed.

Criteria for Reimbursement of Business Expenses

Mandatory Requirements – General

1. Alcohol cannot be claimed and will not be reimbursed except for Hospitality Events.
2. Hospitality is only provided when the event involves participants from outside the municipality. Functions involving only people who work for the municipality are not considered Hospitality Events; they are considered Working Sessions.

Council Member's Responsibilities

1. Identify and review required business expenses to ensure cost effective options for travel, accommodation, etc. are selected.
2. Submit a completed Mayor and Council Expense Claim to the Office of the Mayor accompanied by all necessary receipts and/or documentation.
3. Council Members' expenses, with the exception of the Mayor, will be approved by the Mayor, or Deputy Mayor in the Mayor's absence, before submission to Finance.
4. The Mayor's expenses will be approved by the appointed Deputy Mayor, or if absent, the next appointed Deputy Mayor in the rotation.

Conferences

1. Council Members' registration fees, legitimate business expenses and travel costs for approved conferences will have the required funds allocated to their operating budgets for the year in question.
2. Any hosting expenditures will be allocated to the attending Council Member's operating budget for the year in question.
3. All Council Members may attend the annual Alberta Urban Municipalities Association (AUMA) Conference. Mileage will be paid from Civic Centre to the destination or actual mileage whichever is less.
6. Attendance at the Federation of Canadian Municipalities (FCM) Conference will be limited to the Mayor and three other Council Members annually, with the exception that when the FCM Conference is held in Alberta all Council may attend. If a Council Member chooses to attend a third FCM Conference out of Province, within the same term of office, the cost of doing so will come from their operating budget.
7. The municipality shall not reimburse expenses which are covered by another agency, board, commission or authority.
8. Council Members are not limited to the number of educational or professional development activities they may attend; however, the total costs of attendance claimed may not exceed the Council Member's annual operating budget without the approval of Council.
9. Spouses/Partners
 - a. If a spouse/partner accompanies a Council Member to an out-of-town conference/convention, the expenses of the spouse/partner for travel and meals is considered a personal expense and will not be borne by the municipality except for instances where the spouse/partner is invited to accompany the Council Member to banquets/receptions. In this case spouse/partner's ticket may be charged to the Council Member's operating budget.
 - b. When a Council Member is invited to a social or fund-raising function in an official capacity, the ticket for the spouse/partner may be paid from the Council Member's operating budget.

Reimbursement of Business Expenses

1. Travel, parking and incidental travel costs (includes hotel, airfare, car rental, taxi, shuttles and parking)

- Council Members are encouraged to use the most direct, practical and cost effective mode of travel available, considering all circumstances (such as carpooling and/or vehicle rental compared to multiple mileage claims).
 - The municipality has arranged preferred rates with specific car-rental agencies.
 - Where applicable, the approved *all inclusive mileage rate* will be paid for personal vehicle use only. Mileage rates are set by Alberta Urban Municipalities Association.
 - If a Council Member's insurance company requires an additional premium for using a personal vehicle for business of the municipality, this additional insurance is not reimbursable by the municipality as this cost is covered through the all-inclusive mileage rate.
 - Council Members are to select the most reasonable, economical, airfare available and are encouraged to take advantage of seat sales, and advance booking fares. Airfare for travel will be reimbursed based on actual cost. Airfare for spouse/partners of Council Members can be booked through the municipality to take advantage of any available cost savings; however, the municipality requires reimbursement in full when the Council Member submits their expense claim.
 - The cost for seat upgrades, business/priority seating or first class will be borne by the Council Member.
 - Receipts are required for parking and incidental travel costs.
 - Destinations shall be identified on the receipt whenever taxi or shuttles are used.
2. Meals for Travel or Business Purposes:
 - Will be receipted whenever possible.
 - Council Members are encouraged to limit daily meal expenditures the amounts as set out in Appendix "A".
 3. Council Member's will receive a daily allowance for incidentals as set out in Appendix "A".
 4. Telephone
 - Long-distance calls for business purposes on land-line phones and cell phones must be receipted.
 - Long-distance roaming charges can be avoided by giving advance notice to IT (see "Communication Equipment").
 5. Credit Card

- If using a credit card issued by the municipality, all expenditures must be identified with an itemized receipt.

City Apparel

Council Members will receive an annual individual apparel allowance to purchase official City of Leduc apparel such as a coat, blazer, vest and/or golf shirt. The apparel is for use when attending public events in the capacity of Councillor and will be in alignment with official corporate branding and promotions program. The items will be purchased through normal Administration protocols and charged to the requesting Council Member's operating budget.

Communication Equipment

1. Computers / Tablets

- Each Council Member will be provided a computer or tablet, (from a needs based allowance) as soon as practicable after each municipal election. This equipment is the property of the municipality unless it is purchased at the end of the municipal term.
- Each Council Member can select from a list of municipality approved/recommended hardware and software to meet their business needs.
- Each Council Member will receive an allowance of \$3,000 (including GST) per Council term, to pay for hardware, software, accessories and manufacturer support program. Any replaced equipment must be returned to the municipality with all accessories. This equipment is the property of the municipality unless it is purchased at the end of the municipal term.
- Each Council Member has the option to purchase their electronics from the municipality at the end of each municipal term at a depreciated value at which time it becomes their personal property.
- Each Council Member is responsible for the security of their computer equipment and all municipal information on their computer in accordance with the Responsibility Agreement.
- Each Council Member must sign a Responsibility Agreement before receiving new, or replacement, equipment.

2. Mobile Internet Service

- Council Members can elect to be provided a mobile Internet plan and, if needed, a SIM card, mobile USB stick or similar device for their computer.
 - Council Members must notify the municipality to modify rate plans in advance of business trips to avoid mobile internet roaming charges in accordance with the Responsibility Agreement.
3. Mobile Phones
- Each Council Member will be provided an allowance, as a taxable benefit, to purchase their own mobile plan and mobility phone which is their personal property from the time of purchase.
 - Council Members (with the exception of the Mayor) will receive an allowance of \$100 per month for both mobile plan and phone.
 - The Mayor's allowance will be \$125 per month for both mobile plan and phone.
 - Each Council Member will be responsible for the security of municipal information on their mobile phone in accordance with the Responsibility Agreement.
4. The municipality will provide:
- A secure Wi-Fi connection in Council chambers;
 - A secure Internet portal for Council Members to receive all council agenda packages;
 - Group procurement of all Council ordered computer equipment, software and accessories;
 - Technical set-up assistance on all computers and technical issue support on equipment supported by the municipality.

Political Fund Raising Events

1. Federal Political Events

The *Canada Elections Act*, SC 2000, c. 9, as amended and current to March 27, 2019, states:

"Prohibition — ineligible contributors

- **363 (1)** No person or entity other than an individual who is a Canadian citizen or is a permanent resident as defined in subsection 2(1) of the *Immigration and Refugee Protection Act* shall make a contribution

to a registered party, a registered association, a nomination contestant, a candidate or a leadership contestant.”

Therefore, a municipality, being a corporation, is an ineligible contributor and cannot make contributions.

2. Provincial Political Events

The *Election Finances and Contributions Disclosure Act*, RSA 2000, c. E-2, current as of September 24, 2018, states:

“Fund-raising functions

23(1) In this section, “fund-raising function” includes any social function held for the purpose of raising funds for the registered party, registered constituency association, registered candidate, registered nomination contestant or registered leadership contestant by whom or on whose behalf the function is held.

(2) The gross income from any fund-raising function must be recorded by the chief financial officer of the registered party, registered constituency association, registered candidate, registered nomination contestant or registered leadership contestant that held the function or on whose behalf the function was held.

(3) If a fund-raising function is held by the sale of tickets by or on behalf of a registered party, registered constituency association, registered candidate, registered nomination contestant or registered leadership contestant, the amount of the contribution is to be determined under clause (a) or under clause (b), at the option of the registered party, registered constituency association, registered candidate, registered nomination contestant or registered leadership contestant:

(a) if the individual charge:

(i) is \$50 or less, it is not considered to be a contribution unless the person who pays the charge specifically requests that it be so considered, in which case 1/2 of the amount is allowed for expenses and 1/2 is considered to be a contribution,

(ii) is more than \$50 but not more than \$100, \$25 is allowed for expenses and the balance is considered to be a contribution, and

(iii) is more than \$100, 25% of the amount is allowed for expenses and the balance is considered to be a contribution;

(b) the amount of the contribution is the difference between the price of the ticket and the market value of what the ticket entitles the bearer to obtain.

(4) The price paid by a person at a fund-raising function in excess of the market value at that time for goods or services received is considered to be a contribution

to the registered party, registered constituency association, registered candidate, registered nomination contestant or registered leadership contestant, as the case may be.”

Council Member Contributions:

Accordingly, any tickets, registration fees or donations to any registered party, registered association, a candidate, a leadership contestant or a nomination contestant are personal expenses of a Council Member and cannot be reimbursed through the Council Member’s operating budget.

APPENDIX "A"

As at 2019

Council Remuneration Per Annum:

Mayor: \$92,947.40

Council Member (other than Mayor): \$42,242.20

Per Diem - Meals for Travel or Business Purposes:

Breakfast: \$15

Lunch: \$20

Dinner: \$30

Per Diem for Incidentals: \$15