



TOWN POLICY

POLICY NUMBER: 1806

REFERENCE:

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ADOPTED BY:

Town Council
15 April 2009
5 January 2011
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PREPARED BY: Corporate Services

DATE: 15 April 2009

TITLE: Council Remuneration & Expense Policy

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Policy Statement

The Town of Strathmore shall provide compensation to members of Council for attending Council meetings and other municipal business, as well as reimbursement for reasonable personal and travel expenses incurred while on Town business.

1. **Definitions**

- a) Council means the Council of the Town of Strathmore, in the Province of Alberta.
- b) Council Remuneration is the monthly rate paid to each member of Council as set out in this policy and is eligible for a one-third tax exemption that is made available to elected officials in accordance with the Federal Income Tax Act.
- c) Travel Expense refers to the amount the Town of Strathmore will reimburse members of Council for attending municipal related functions outside of the corporate limits of the Town of Strathmore. Travel expenses are accountable costs incurred by members of Council associated with traveling to conferences and training sessions, as well as to meet with representatives of other governments at locations beyond the corporate limits of the Town of Strathmore.

Travel expenses include transportation, meals, hotels, communication and other related costs.

- d) Per Diem is the per day rate for attending meetings and events in connection with Town business that is not included as part of Council member's monthly salary.

2. **Responsibilities**

a) Mayor to;

- i) Review and approve any expense claim resulting from Town business, as submitted by a Councillor[LU1].

b) Deputy Mayor to;

- i) Review and approve any expense claim resulting from Town business, as submitted by the Mayor.

c) All Members of Council to:

- i) Approve by resolution this policy and any amendments;
- ii) Consider the allocation of resources for successful implementation of this policy in the annual Budget process;
- iii) Claim expenses in accordance with approved annual Budgets;
- iv) Submit the appropriate Expense Claim forms to the CAO for coding and submission to the Accounts Payable Department within thirty (30) days of the expense being incurred.

d) CAO (Chief Administrative Officer) to:

- i) Implement this policy and approve procedures.
- ii) Provide each member of Council with a monthly statement of expenditures.
- iii) Initiate a Council remuneration review in the last year of the term of Council.
- iv) Provide Council with details of workload and time commitment for each Council committee at the start of each term.

3. Council Remuneration

a) Remuneration criteria:

The Town of Strathmore pays their elected officials a monthly salary of which the Mayor's salary is at a higher rate to compensate for additional responsibilities required of the position such as Chairing and preparing as Chair for Council meetings, additional meetings with Administration and members of the public.

b) For all members of Council monthly remuneration shall include:

- i) All municipal business conducted on behalf of the Town of Strathmore; and
- ii) Attendance at all meetings of Council appointed committees both within the Town and those Committees whose attendance require travel outside of the Town of Strathmore (i.e. Calgary Regional Partnership, Bow River Basin, etc.).

c) Expense Allowance:

One third of the monthly salary is considered an Expense Allowance, which is non-taxable. This expense allowance, as per the Income Tax Act, is for expenses incidental to the discharge of the member's duties as a member of Council. The allowance is provided to offset costs incurred by elected officials that are not reimbursed through the municipality such as phone lines, fax equipment and supplies, copying, computer equipment and supplies, brochure printing, open house expenses, travel expenses to meet with individual residents and community organizations, and other expenses. This does not include direct expenses incurred and reimbursed as identified further in this policy.

d) Salary Rates

- i) The Mayor's remuneration shall be \$44,000.00 per annum, or \$3,666.67 per month, 1/3 of which is non-taxable. (Current rate with COLA is \$49,616/\$4,135)
- ii) Councillor remuneration shall be \$24,000.00 per annum, or \$2,000.00 per month, 1/3 of which is non-taxable. (Current rate with COLA is \$27,064/\$2,255)
- iii) Council wages shall be subject to the same cost of living (COLA) increase which is received by employees annually.

4. Per Diems

- a) For all members of Council per diem rates are paid for attendance at AUMA and/or FCM to a maximum of 4 days annually, and for attendance at spring and fall workshops to a maximum of 4 days annually.
- b) The per diem rates schedule is as follows:
 - i) Activities less than 4 hours - \$100.00
 - ii) Activities 4 hours or more - \$200.00/day
- c) Per diems are considered a taxable benefit and will be added to Council member's cheques monthly when claims are submitted.
- d) These activities will be compensated for upon completion of a Per Diem claim form. These expenses are to be claimed on a monthly basis.
- e) A Councillor whose expense claim is not approved by the Mayor or Deputy Mayor may appeal the decision to Council.
- f) All members of Council are responsible for tracking their own per diem claims to ensure that the total annual budget allocation for per diems and expenses combined is not exceeded without approval by Council. The Deputy CAO will provide each member of Council with a monthly statement of expenditures.

5. Conferences, Seminars and Training

- a) Where possible all conferences, seminars and training shall be approved in the annual Budget process.
- b) If a conference, seminar or training event is not approved in the annual Budget and a member of Council wishes to attend, it must be approved by resolution of Council prior to registration and attendance.

6. Remuneration Paid By Council Boards, Commissions and Committees

Council members may claim direct remuneration, due to expenses incurred, from those Boards and Commissions that pay their own remittances to their members. No double billings shall be filed with the Town in relation to such meetings.

7. **Direct Expenses**

Members of Council will incur direct expenses in the normal course of carrying out their business. Payment will be made based on receipts attached to an expense account form and signed by the Mayor or Deputy Mayor.

a) Meal Allowances:

- i) Meals may only be claimed when travel occurs during the following times;
 - Breakfast; when traveling prior to 7:00 am.
 - Lunch; when traveling at 1:00 p.m.
 - Dinner; when traveling at 6:00 p.m.
- ii) Meals including gratuities may be claimed, subject to receipts being provided to the following maximums per person per day;
 - \$75.00 per day
- iii) Entertainment of persons, related to Town business to a maximum of \$500.00.
- iv) Full meals included in airfare, conference registrations, etc. may not be claimed unless special circumstances occur, such as Town business prevents use of a preset meal.
- v) Gratuities for meals shall be permitted as an expense, subject to reasonable and normal practice.

b) Travel Standards and Reimbursement

- i) All travel shall be by the most direct route and the most economical means of transportation, with allowance being made for the loss in wages to a member of Council. Where a person chooses to travel by other than the most economical means, based on all factors, that person shall only be reimbursed for an amount equaling the cost of the most economical means of transportation.

- ii) While traveling on Town business in combination with personal business claims for expenses will be paid on the basis of the expenses that would have been incurred had the trip been made under normal circumstances.
 - iii) Except for short journeys where the use of an automobile is usually economical, air travel is to be considered the normal method of transportation.
 - iv) Air travel shall be by the cheapest economy rate available, except for the following circumstances;
 - The least expensive fare is not available and delay in departure or arrival is not acceptable.
 - Acceptable connecting flights cannot be arranged.
 - When accompanying someone traveling on a higher class or fare.
 - v) Travel by automobile may be authorized to replace air travel, but expenses paid for such travel shall not exceed the equivalent cost of air fare.
 - vi) Where possible, persons traveling to and from a destination at the same times shall utilize the same vehicle. Only the owner shall be entitled to receive travel expenses for that vehicle.
 - vii) Inner city travel shall normally be by taxi. Where car rental is considered to be the most economical in time and/or actual cost it shall be utilized.
 - viii) Travel to and from destination airports shall be by airport bus where available and where time or cost requirements do not require other methods of travel.
 - ix) Reimbursement for use of personal vehicles for Town business will be set at the annual rate as set by Canada Revenue Agency (2013 - \$.54/km).
 - x) Costs for spouses and/or family members traveling with a Council member while on Town business, shall be at the sole cost of the that Council member.
- c) Accommodation Standards

- i) Reimbursement will be given for actual and reasonable commercial accommodation, based on accommodation that is conveniently located, comfortably equipped, and is in accordance with the requirements of the municipal position held.
 - ii) Rate reductions, special offers and government rates shall be utilized wherever possible.
 - iii) If the member of Council wishes to have accommodation over the standard accommodation normally booked all additional charges shall be the sole cost of the individual member of Council.
- d) Other Direct Expenses
- i) It is recognized that there may be direct expenses incurred that are not covered in this Policy, in that event, expenses deviating from this Policy must be approved in open Council, by the majority of Council.