

Report to Council

- For Council Decision For Council Direction
 For Council Information



TOPIC:	Council Remuneration Policy	April 8, 2025
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PURPOSE:

The purpose of this report is to provide Council with an updated Council Remuneration Policy for consideration based on feedback received at the Special Meeting of Council on March 18, 2025.

RECOMMENDATION:

That Council approve the Council Remuneration Policy.

RATIONALE:

Following the Council Remuneration Review Committee's presentation of recommendations to Council, the Hillcrest Council Remuneration Review report, and Council's recent deliberations, Administration is seeking Council's approval of the Council Remuneration Policy.

REPORT INFORMATION:

Council has deliberated recommendations from the Council Remuneration Review Committee, the Hillcrest Council Compensation Survey Report, and potential amendments put forward by members of Council. The draft policy attached for Council's review and consideration is based on Council's motions and the feedback discussed at the Special Meeting of Council on March 18, 2025.

Council Directed Policy Revisions

The following updates were made to the Policy based on Council's direction from the February 11, 2025, Regular Meeting of Council:

4.2 Honorarium – Council Absences (3.5.7.1 in the updated Policy)

- Accept the Council Remuneration Review Committee's recommendation to reduce the number of unexcused absences from four (4) meetings to two (2) meetings.

4.3 Per Diems – Eligibility, Committee Alternatives (3.6.8 in the updated Policy)

- Accept the Council Remuneration Review Committee's recommendation to limit the payment of per diems for meeting attendance where the attendee is not acting as the appointed or alternate committee member.
- Add thresholds where payment will cease for such meetings:
 - o A maximum of three (3) meetings per year; or
 - o 25% of the committee meetings per year (whichever is less) when an alternate attends with the primary committee member.

- Note that Council members who are not appointed as the primary committee member or designated as the alternative committee member would not be eligible for any per diems should they choose to attend the meeting.

4.4 Expense Reimbursement – Meals (3.7.3 in the updated Policy)

- Align meal allowance with the provisions in the Administration Expense Reimbursement Policy.

4.4 Expense Reimbursement – Travel (3.7.4, and 3.7.4.1 in the updated Policy, removal of 4.4.6.2.1 of in the current Policy)

- Align mileage allowances with the provisions in the Administration Expense Reimbursement Policy.
- Add a statement to encourage carpooling.
- Accept the Council Remuneration Review Committee's recommendation to remove the ability for Councillors to claim expenses related to spousal accompaniment to events.

4.6 Professional Development – Out of Province (3.9.2.2 in the updated Policy)

- Retain status quo.
- Include a statement noting the ability to utilize Council's public relations budget for special event attendance.

Schedule "B" – Council Remuneration Rates (3.6.11 in the updated Policy)

- Update per diem amounts to a flat \$25 up to 1 hour of time and \$25 per hour thereafter with a daily maximum of \$300.
- Retain the conference daily maximum at the \$200 daily maximum.

Schedule "A" – Council Appointed Committees

- removal of Schedule A from the Policy as it is currently updated annually during the Organizational Meeting of Council.

Additional direction on policy revisions was provided by Council at the March 18, 2025, Special Meeting of Council. The following summarized those additional updates:

Unexcused Absences, Exemptions, and Deductions (2.8, 3.5.7.2, 3.5.7.3, 3.5.7.4, in the updated Policy)

Added definition:

2.8 “Unexcused Absence” refers to any instance in which a Member of Council fails to attend a scheduled meeting included in sections 3.5.8.1, 3.5.8.4, and 3.5.8.5 notwithstanding section 3.5.7.

Added the following three sections:

3.5.7.2 In cases where it is determined that honorarium will be reduced due to an Unexcused Absence, deductions will be applied in accordance with the following chart:

Occurrence	Deduction from Monthly Honorarium
1st unexcused absence (per calendar year)	\$100
2nd unexcused absence (per calendar year)	\$150
3rd and subsequent unexcused absences (per calendar year)	\$200, to maximum of the total monthly honorarium

3.5.7.3 Unexcused Absences do not include absences due to unforeseen medical emergencies, bereavement, or other emergency situations.

3.5.7.4 It is not considered an Unexcused Absence should a Special Meeting of Council be called with less than forty-eight (48) hours' notice or if the absence is excused by resolution of Council.

Honorariums Based on Alberta Average Weekly Earnings (AAWE)

To provide Council with additional context and information, Administration prepared the following information:

YEAR	Alberta Average Weekly Earnings ("AAWE")	Annualized Amount 100%	Annualized Amount 50%
2020	\$1,202.95/week	\$62,553.36	\$31,276.68
2021	\$1,226.22/week	\$63,763.44	\$31,881.72
2022	\$1,256.67/week	\$65,347.06	\$32,673.53
2023	\$1,283.38/week	\$66,735.50	\$33,367.75
2024	\$1,328.39/week	\$69,076.11	\$34,538.05
	Change since 2021	+ \$6,522.75	+ \$3,261.38

AAWE compared with a 1% annual revenue threshold.

	Alberta Average Weekly Earnings	Example of Annual Honorariums	Example Total Council Honorarium Costs	1% of Total Morinville Annual Revenue
2021 Honorarium (2020 AAWE)	Mayor \$1,202.95/wk Councillor \$601.47/wk	Mayor = \$62,553.36 Councillor = \$31,276.68	\$250,213.44	\$231,001 (2020)
2022 Honorarium (2021 AAWE)	Mayor \$1,226.22/wk Councillor \$613.11/wk	Mayor = \$63,763.44 Councillor = \$31,881.72	\$255,053.76	\$225,496 (2021)
2023 Honorarium (2022 AAWE)	Mayor \$1,256.67/wk Councillor \$628.34/wk	Mayor = \$65,347.06 Councillor = \$32,673.53	\$261,388.24	\$244,345 (2022)
2024 Honorarium (2023 AAWE)	Mayor \$1,283.38/wk Councillor \$641.69/wk	Mayor = \$66,735.50 Councillor = \$33,367.75	\$266,942.00	\$263,076 (2023)
2025 Honorarium (2024 AAWE)	Mayor \$1,328.39/wk Councillor \$664.19/wk	Mayor = \$69,076.11 Councillor = \$34,538.05	\$276,304.41	\$298,010 (2024*)
Change since 2021	+ 10.43%	Mayor = + \$6,522.75 Councillor + \$3,261.38	* 2024 Annual Revenue numbers are "unofficial" until the Financial Audit is complete.	

Council honourariums from 2021 – 2025 using the current Policy.

Year	COLA Approved	Actual Paid Honorariums
2021	0.00%	Mayor = \$65,667.16; Councillor = \$35,285.88
2022	0.00%	Mayor = \$65,667.16; Councillor = \$35,285.88
2023	0.00%	Mayor = \$65,667.16; Councillor = \$35,285.88
2024	2.25%	Mayor = \$67,144.60; Councillor = \$36,079.81
2025	2.50%	Mayor = \$68,823.22; Councillor = \$36,981.81
	+ 4.75%	Mayor = + \$3,156.06; Councillor = + \$1,695.93

IMPACT:

The noted revisions to the Policy have a nominal immediate impact on both the compensation to municipal councillors and the financial commitments of the municipality. However, the honorariums utilizing the AAWE methodology will result in budget impacts that are difficult to predict.

For example:

- Council would not have been eligible for an increase to honorariums in 2022, 2023, or 2024 as the cumulative AAWE compensation would have exceeded 1% of Morinville's annual revenue.
- However, as of January 1, 2025, the cumulative AAWE compensation did not exceed 1% of Morinville's annual revenue.
- Therefore, the honorariums would have increased
 - o Mayor: \$62,553.36 to \$69,076.11 (+ \$6,522.75, or 10.43%)
 - o Councillor: \$31,276.68 to \$34,538.05 (+ \$3,261.37, or 10.43%).

NEXT STEPS:

Once the Policy is approved by Council, Administration will include the updated Policy in the Council Orientation package for incoming Council members.

PREVIOUS COUNCIL ACTION:

At the March 18, 2025, Special Meeting of Council, Council made the following motion:

"That Council direct Administration to return to Council with an updated draft of the Council Remuneration Policy with the following:

Using Alberta's average weekly earnings, as reported in the Economic Dashboard by the Province of Alberta, as the basis for determining honorariums, with Councillors receiving 50% of this amount and the Mayor receiving 100%, with a cap of 1% of total annual revenue.

Options to better define an unexcused absence, exemptions for Special Meetings of Council, and an increasing scale for unexcused absence deductions."

At the March 11, 2025, Regular Meeting of Council, Council referred this item and scheduled a Special Meeting of Council.

At the February 11, 2025, Regular Meeting of Council, Council made the following 2 Motions:

1. "That Council direct Administration to bring forward a draft Council Remuneration Policy that includes the following amendments based on the discussion at Committee of the Whole:
 - Removal of spousal expense reimbursement.
 - Decrease unexcused meeting absences from 4 per year to 2 per year.
 - Per Diem – 25% of annual meetings or a maximum of 3 meetings, whichever is less.
 - Policy statement to utilize promotional budget for special event attendance.
 - Policy statement to encourage carpooling under travel reimbursement.
 - Align meal and travel reimbursement with current Administrative Policy.
 - Replace with Schedule B with:
 - Up to an hour \$25;
 - \$25 hourly with a daily maximum of \$300."

2. "That Council direct Administration to provide information on the following options for Council Remuneration Policy:
 - Considerations for the CPP inflation adjustments annually to increase Council remuneration.
 - The methodology of the current comparator group.
 - Cost implications for matching compensation percentile with the population percentile, using the current comparison group.
 - Costs for a bi-annual review of honorariums.
 - Comparison of previous and current Council per diem costs.

At the December 10, 2024, Regular Meeting of Council, the Council Remuneration Review Committee presented their recommendations for Council's consideration and Council directed Administration to bring forward the Council Remuneration Policy for Council's review.

At the April 9, 2024, Regular Meeting of Council, Council approved 3rd reading of the Council Remuneration Review Committee Bylaw 10/2024.

At the February 27, 2024, Regular Meeting of Council, Council approved establishing a Council Remuneration Review Committee, consisting of five Morinville electors and the Manager, Human Resource Services as the Administrative facilitator, to review the Council Remuneration Review results, the Council Remuneration Policy CP194/2022, and develop recommendations for Council consideration (Motion 53/2024).

ALIGNMENT:

Morinville 2022-2025 Strategic Plan:
Goal 3 - Financial Stewardship

CONSULTATION/ENGAGEMENT:

- Morinville Council
- Council Remuneration Review Committee
- Hillcrest Council Remuneration Review

PRESENTER:	T. Nosko, Interim General Manager, Administrative Services	ATTACHMENTS: <ul style="list-style-type: none"> • Updated Draft Council Remuneration Policy • Red-line Draft Council Remuneration Policy
PREPARED BY:	J. Brush, Manager, Human Resource Services	
CLEARANCES:	M. Hay, Interim Chief Administrative Officer T. Nosko, Interim General Manager, Administrative Services	