



BOARD REPORT

TO: Chair and Directors

File No: Bylaw No. 5786

SUBJECT: Director Remuneration Bylaw No. 5786

DESCRIPTION: Report from Jodi Pierce, Manager, Financial Services, dated September 5, 2018.

RECOMMENDATION #1: THAT: Bylaw No. 5786, cited as "Director Remuneration Bylaw No. 5786" be read a first, second and third time this 20th day of September, 2018.

RECOMMENDATION #2: THAT: Bylaw No. 5786, cited as "Director Remuneration Bylaw No. 5786" be adopted this 20th day of September, 2018.

SHORT SUMMARY:

At the Directors' Remuneration Committee meeting held August 15, 2018, a recommendation was made for the Manager, Financial Services to bring forward a remuneration bylaw based upon the discussion and information presented at that meeting.

VOTING:	Unweighted Corporate	<input type="checkbox"/>	LGA Part 14 (Unweighted)	<input type="checkbox"/>	Weighted Corporate	<input checked="" type="checkbox"/>	Stakeholder (Weighted)	<input type="checkbox"/>
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BACKGROUND:

A proposed Bylaw No. 5730 was presented to the Board November 16th, 2017 for three readings and adoption. The proposed bylaw was defeated and no further action was recommended at that time. At the Committee of the Whole (Policy Session) meeting held June 21st, 2018 Board members commented on the need to move forward, particularly since the federal government announcement to remove the 1/3 tax free allowance for elected officials effective January 1, 2019. Staff was directed to provide options for review by the Remuneration Committee in advance of the upcoming local government elections.

A Directors' Remuneration Committee meeting was held August 15, 2018 wherein staff provided information and requested direction from the Committee on the best way to move forward. After considerable discussion, the Manager, Financial Services was directed to bring forward a remuneration bylaw for consideration by the Board at the September meeting which mirrors the defeated Bylaw No. 5730 but included increases to gross pay to offset the elimination of the 1/3 tax free allowance and a few minor changes with respect to pay for travel time, pay for travel to conferences, attendance at FCM, a decrease in the discretionary meeting limit and a mandatory review every four years. The draft Bylaw No. 5786 is now attached for consideration by the Board and Staff is recommending the Bylaw be given three readings and adoption at the September Board meeting.

FINANCIAL:

Using the 2017 meeting attendance, and applying the attached draft Bylaw, the Directors net remuneration would increase on average by approximately 3.42%. The budget for Directors Remuneration, however, will be increased by approximately 11% to account for the increase to gross pay and the additional Canada Pension Plan (CPP) contributions that will be required on the previously exempt tax-free allowance. This may be slightly inflated as some of the current elected officials are not

required to pay CPP, however, the pending local government election will determine if our current elected officials remain in office and as such, for this purpose, it was assumed that all Directors would be required to contribute to CPP.

KEY ISSUES/CONCEPTS:

To develop a thorough, comprehensive remuneration bylaw that is fiscally sound, reasonable, relatively simple to implement while still ensuring fair and reasonable compensation for elected officials in recognition of workload and time requirements.

IMPLEMENTATION:

Upon adoption by the Board, staff will ensure that sufficient remuneration is included in the Five Year Financial plan and payroll staff will begin paying remuneration to Directors in accordance with the Bylaw on January 1, 2019.

DESIRED OUTCOMES:

That the Board approve the recommendations and provide three readings and adoption to Bylaw No. 5786.

BOARD'S OPTIONS:

1. *Endorse the Recommendation(s).*
2. *Deny the Recommendation(s).*
3. *Defer.*
4. *Any other action deemed appropriate by the Board.*

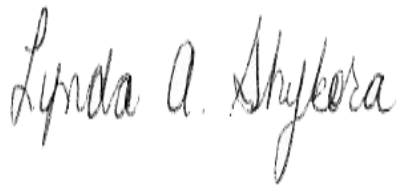
LIST NAME OF REPORT(S) / DOCUMENT(S) AVAILABLE FROM STAFF:

1. Director Remuneration Committee August 15, 2018 meeting package

Report Approval Details

Document Title:	2018-09-20_Board_FIN_Bylaw 5786 Director Remuneration.docx
Attachments:	- BL 5786 Director's Remuneration - Draft - September 2018.pdf
Final Approval Date:	Sep 11, 2018

This report and all of its attachments were approved and signed as outlined below:



Lynda Shykora - Sep 11, 2018 - 8:59 AM

No Signature - Task assigned to Charles Hamilton was completed by assistant Lynda Shykora

Charles Hamilton - Sep 11, 2018 - 9:00 AM