



**CORPORATION OF THE TOWNSHIP
OF ESQUIMALT**

Municipal Hall
1229 Esquimalt Road
Esquimalt, B.C. V9A 3P1

Staff Report

PRESENTED TO

AUG 27 2018

MUNICIPAL
COUNCIL

File #:18-337

REQUEST FOR DECISION

DATE: August 9, 2018

Report No. ADM-18-024

TO: Laurie Hurst, Chief Administrative Officer

FROM: Vicki Gannon, Director of Human Resources

SUBJECT:

Council Remuneration Bylaw and Amendments to Council Policies PER-05, ADMIN-58 and ADMIN-62

RECOMMENDATION:

1. That Council give Council Remuneration Bylaw, 2018, No. 2941 first, second and third reading and repeal Council Remuneration Bylaw, 2014, No. 2836; and,
2. That Council approve amendments to Council Policies PER-05 (Terms and Conditions of Employment for Officers, Managers and Exempt Employees), ADMIN-58 (Independent Review and Market Analysis of Council Remuneration), and ADMIN-62 (Remuneration for Elected Officials), as attached to Staff Report ADM-18-024.

RELEVANT POLICY:

Employment Standards Act

Council Remuneration Bylaw, 2014, No. 2836

Council Policy PER-05 - Terms and Conditions of Employment for Officers, Managers and Exempt Employees

Council Policy ADMIN-58 - Independent Review and Market Analysis of Council Remuneration

Council Policy ADMIN-62 - Remuneration for Elected Officials

STRATEGIC RELEVANCE:

This Request for Decision is not directly related to any specific Council priority.

BACKGROUND:

Employees that are exempt from the Union, but not Officers are Managers must be compensated for overtime under the Employment Standards Act. As per the Act, overtime is paid once an employee works more than 40 hours in a week. The hours of work for our exempt employees are based on a 35-hour week; therefore any overtime worked is compensated at straight time for the first five hours of overtime. Those employees covered by CUPE's Collective Agreement receive overtime after 35

hours. If the recommended changes to this Policy are approved, staff that are exempt from the Union, but not Officers or Managers will receive overtime for work performed beyond their normal 7 hour shift, or on the weekends.

At a Special Council meeting on May 22, 2018, Council approved a motion to compensate the Mayor, effective November 1, 2018, at the median rate of 10 comparable municipalities: \$57,600 annually; and that Council receive 40% of that rate, based on Council Remuneration Bylaw, 2014, No. 2836. A new Council Remuneration Bylaw has been drafted, based on the current bylaw with the updated remuneration figures as approved by Council.

An independent consultant recently conducted the review of Council remuneration, at a cost of \$6,000, plus \$575 in expenses. Council Policies ADMIN-58 and ADMIN-62 have been amended to give Council the option to use staff to review council remuneration rather than using an independent consultant in the future.

ISSUES:

1. Rationale for Selected Option

The attached Council Remuneration Bylaw, 2018, No. 2941 as well as the amended Council Policies implement the direction given by Council at its May 22, 2018 meeting. In addition, the proposed amendment to Policy PER-05 ensures that exempt staff that are not Officers or Managers receive compensation equivalent to our unionized employees.

2. Organizational Implications

There are no organizational implications.

3. Financial Implications

The financial implications for exempt employees receiving overtime after 35 hours versus 40 are minimal. We currently have two employees that are exempt from the Union, but not Officers or Managers. The total hours of overtime for the two employees to date in 2018 is 35 hours.

There are no financial implications for the Council Remuneration Bylaw. If changes to Council Policies ADMIN-58 and ADMIN-62 are approved and staff conduct the remuneration review, there would be savings of approximately \$6,500 every four years.

4. Sustainability & Environmental Implications

There are no sustainability or environmental implications.

5. Communication & Engagement

Staff are advised of changes to Bylaws and Council policies, and the updated Policies will be posted to the internal website, The Bridge. The Council Remuneration Bylaw will be posted to the Township's website.

ALTERNATIVES:

1. (1) That Council give Council Remuneration Bylaw, 2018, No. 2941 first, second and third reading and repeal Council Remuneration Bylaw, 2014, No. 2836; and,

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- (2) That Council approve amendments to Council Policies PER-05 (Terms and Conditions of Employment for Officers, Managers and Exempt Employees), ADMIN-58 (Independent Review and Market Analysis of Council Remuneration), and ADMIN-62 (Remuneration for Elected Officials).
2. That Council receive Staff Report ADM-18-024 for information and provide further direction to staff.



CORPORATION OF THE TOWNSHIP OF ESQUIMALT

COUNCIL POLICY

TITLE: Independent Review & Market Analysis of Council Remuneration	NO. ADMIN – 58
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PURPOSE

~~The purpose of the independent consultant is to~~ To have staff, or an independent consultant, review the current remuneration paid to the Township of Esquimalt Mayor and Members of Council and ~~recommend present options for~~ an appropriate remuneration structure, for implementation in the month of the inaugural meeting of the newly elected Council following a local government election.

MANDATE

~~The~~ Staff, or an independent consultant will, consistent with the purpose described above, undertake the following:

1. Review the alternative to the current remuneration structure based on comparison with other comparable municipalities in British Columbia and adjustment in accordance with the change in the Victoria Consumer Price Index [CPI].
2. Consider the functions and responsibilities of the Mayor and Council, the level of community engagement and time commitment required for all duties including meetings, events, preparation time, and communication with the public.
3. Consider providing optional access to the employee benefits package for the position of Mayor, equivalent to that provided to exempt employees of the Township of Esquimalt.
4. Consider providing optional access to the employee benefits package for the position of Councillor, equivalent to the standard package offered by the Union of British Columbia Municipalities.
5. Consider the full remuneration package for Mayor and Councillors ~~including the tax free expense allowance.~~
6. Follow the process and criteria set out in Council Policy ADMIN-62 Remuneration for Elected Officials.

~~The independent consultant~~ Staff will submit a report to Council ~~a report~~ with recommendations by the end of March.

EFFECTIVE DATE: March 5, 2018	APPROVED BY: Council	REF: ADM-15-038 ADM-27-030 ADM-18-009	AMENDS NO. April 15, 2013 November 2, 2015 December 11, 2017	PAGE 1 OF 2
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**TITLE: ~~Independent~~ Review & Market
Analysis of Council Remuneration**

NO. ADMIN – 58

APPOINTMENT

The selection and appointment process for ~~the~~an independent consultant is to be determined by staff.

TERM

~~The term of appointment of the independent consultant will conclude upon submission of a final report and recommendations to Council.~~

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March 5, 2018

APPROVED BY:
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CORPORATION OF THE TOWNSHIP OF ESQUIMALT

COUNCIL POLICY

TITLE: Remuneration for Elected Officials

NO. ADMIN – 62

PURPOSE

To outline the process for calculating the remuneration to be paid to the elected positions of Mayor and Councillor, and the process for providing for an annual increase.

PROCESS

1. In January of the fourth year of a Council term, Council will initiate a study to compare remuneration in Esquimalt to the remuneration paid in comparable communities in British Columbia using pre-determined selection criteria. The study information will be used to assist in decision making regarding any further adjustment of Council remuneration.
2. Council will appoint staff or an independent consultant to review Council remuneration, in accordance with Council Policy ADMIN-58 ~~Independent~~-Review & Market Analysis of Council Remuneration.
3. (a) Council remuneration will be based on the median remuneration as the most objective and fair measurement for this process.

(b) In the event the median values decrease, the current remuneration will remain unchanged.
4. The remuneration established in the fourth year of a Council term will be paid to the newly elected Council members commencing in the month of their inaugural meeting [i.e. November to October – year one].
5. Annual adjustments in Council remuneration during the term of Council will be in accordance with Council Remuneration Bylaw, 2014, No. 2836, as amended or replaced.

SELECTION CRITERIA FOR COMPARISON STUDY

1. Factors to be considered in establishing a sample grouping are the selection of municipalities that are:
 - similar in population,
 - similar in activities/functions as indicated by their total expenditures and total number of employees.

EFFECTIVE DATE:
December 11, 2017

APPROVED BY:
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REFERENCE
ADM-15-038
Bylaw 2836
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2. (a) The sources used to collect market data for the comparison study will be:
- CIVICINFOBC survey data [civicinfo.bc.ca]
 - British Columbia Municipal RedBook [published by Reed Construction Data] which are updated on an annual basis and report detailed financial, personnel and geographic data for all municipal government offices in British Columbia.
- (b) Where this information is not current, updated information shall be gathered by telephone or written survey of the selected municipalities.
3. The Primary Data to be used in selecting the comparable municipalities for the Market Study shall include the following criteria:
- Population: between 10,000 and 24,999
 - Total Expenditures: 30% + / - Esquimalt's total expenditures
 - A minimum of 10 municipalities within British Columbia that meet the criteria for data selection.
4. The Secondary Data to be used in selecting the comparable municipalities for the Market Study shall include the following criteria:
- Total Employees: 100 – 300 range
5. Where possible, the comparable remuneration data should also include remuneration scheduled to take effect in alignment with the timelines of the Township of Esquimalt's remuneration adjustment timelines (i.e. in ~~October~~ November following a local government election).
6. In addition to the criteria provided in this Policy, additional criteria may be used to assist in determining reasonable remuneration provided the rationale for such use has been submitted to and approved by Council in advance.
7. Staff, or the independent consultant will meet with Council for clarity on the criteria and process prior to commencing the review.

EFFECTIVE DATE:
December 11, 2017

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