



**CORPORATION OF THE  
TOWNSHIP OF ESQUIMALT**  
**Agenda - Final**  
**Special Meeting of Council**

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

---

Tuesday, May 22, 2018

5:45 PM

Esquimalt Council Chambers

---

**1. CALL TO ORDER**

**2. LATE ITEMS**

**3. APPROVAL OF THE AGENDA**

**4. PUBLIC INPUT (On items listed on the Agenda)**

**Excluding items which are or have been the subject of a Public Hearing.**

**5. STAFF REPORTS**

- 1) [18-211](#) Mayor and Council Compensation Review, Staff Report  
ADM-18-014

***Recommendation:***

That Mayor and Council receive Staff Report ADM-18-014 for information and provide staff with direction to revise Council Remuneration Bylaw, 2014, No. 2836, effective November 1, 2018.

*Attachments:* [Consultant's Report - Council Compensation Review - Revised  
Bylaw 2836 - Council Remuneration Bylaw, 2014](#)

- 2) [18-216](#) Amendments to Council Policies re Council Remuneration, Staff  
Report ADM-18-016

***Recommendation:***

That Council:

1. approve revised Council Policy ADMIN-58 Review & Market Analysis of Council Remuneration; and
2. approve revised Council Policy ADMIN-62 Remuneration for Elected Officials; as attached to Staff Report ADM-18-016.

*Attachments:* [Recommended revisions to Council Policies ADMIN 58 and 62](#)

**6. PUBLIC QUESTION AND COMMENT PERIOD**

**Excluding items which are or have been the subject of a Public Hearing.  
Limit of two minutes per speaker.**

**7. ADJOURNMENT**



# CORPORATION OF THE TOWNSHIP OF ESQUIMALT

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

## Staff Report

---

**File #:**18-211

---

### REQUEST FOR DECISION

**DATE:** May 14, 2018

Report No. ADM-18-014

**TO:** Laurie Hurst, Chief Administrative Officer

**FROM:** Vicki Gannon, Director of Human Resources

**SUBJECT:**

Mayor and Council Compensation Review

**RECOMMENDATION:**

That Mayor and Council receive Staff Report ADM-18-014 for information and provide staff with direction to revise Council Remuneration Bylaw, 2014, No. 2836, effective November 1, 2018.

**RELEVANT POLICY:**

Council Policy ADMIN-58 Independent Review and Market Analysis of Council Remuneration  
Council Policy ADMIN-62 Remuneration for Elected Officials  
Council Remuneration Bylaw, 2014, No. 2836

**STRATEGIC RELEVANCE:**

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

**BACKGROUND:**

Council Policy Admin-62 outlines that Mayor and Council appoint an independent consultant to review Council remuneration in January of the 4<sup>th</sup> year of a Council Term, and that a sample grouping be established, with criteria as set out in the Policy. Council remuneration will be based on the median remuneration as the most objective and fair measurement.

At an *In-Camera* meeting on February 19, 2018, Julie Case, an independent consultant, met with Council for clarity on the criteria and process prior to commencing the review.

It was agreed, at that meeting, that the following 10 comparable municipalities would be surveyed to determine the remuneration for their elected officials:

- Cranbrook
- Dawson Creek
- Oak Bay

- Pitt Meadows
- Port Alberni
- Prince Rupert
- Salmon Arm
- Squamish
- Terrace
- White Rock

Mayor and Council also requested information as to what other municipalities are implementing in order to deal with the changes to the income tax laws that will come into effect in January 2019: that the one-third tax free allowance, which previously applied to many public sector elected officials, will be eliminated. As a motion was passed on December 11, 2017 whereby the income tax changes would not result in any reduction in net pay to the elected officials, Mayor and Council also requested specific information pertaining to the financial implications to their net remuneration as a result of this change.

***Data from 10 Comparable Municipalities:***

As outlined in the report from the Consultant, a copy of which is attached, the median salary for the Mayor's position, of the 10 comparable municipalities surveyed, is \$57,600, which is approximately 17% more than what the Township currently pays. The report also indicates the median salary of Councillors is \$20,500, which is approximately 4% more than what the Township currently pays. If the Township were to pay Mayor and Council at the median rate as outlined above, there would be an annual increase of \$13,194.

The current Bylaw outlines that Councillors are paid 40% of the Mayor's annual salary. If the Township were to pay the Mayor at the median rate of \$57,600, and the Councillors at 40% of the remuneration of the Mayor, the annual salary for the Councillors would be \$23,040, approximately 17% more than what the Township currently pays. This amounts to an annual increase of \$28,434.

***Changes to the Income Tax Act (Elimination of 1/3 Tax Free Allowance):***

The combined 2018 Federal and BC marginal tax rate for the Councillor positions is 20.06%, and the rate for the Mayor's position is 28.2%. The impact of eliminating the tax-free allowance will not be the same for every member of Council, as it depends on each individual's marginal income tax rate. The Township cannot be responsible for any additional tax impact on income earned by members of Council outside of their Township remuneration.

As per the table below, the Mayor would need additional compensation of 9.4% to cover the increase of income tax payable, and the Councillors 6.7% (based on 2018 rates).

If the Mayor and the Councillors received a 9.4% increase in order to keep the Councillors at 40% of the Mayor's remuneration as per the current Bylaw, the annual increase would be approximately \$15,737.

Councillors	2/3 tax at 20.06%	100% tax at 20.06%	Difference	% of total compensation
19,695	2,634	3,951	1,317	6.7%
Mayor	2/3 tax at 28.20%	100% tax at 28.2%	Difference	% of total compensation
49,236	9,256	13,885	4,629	9.4%

### ***Elimination of 1/3 Tax Free Allowance - What other Municipalities are doing:***

Of the 10 municipalities that were used as comparators, 8 have not yet decided on a course of action when the one-third tax free allowance is eliminated. One organization plans to increase compensation to offset the loss of the allowance, and one plans to permit a taxable allowance to offset the loss of the allowance.

Both the CRD and the Town of Sidney are adjusting elected official remuneration to make net pay the same in consideration of the loss of tax exemption status.

The District of Central Saanich hired Ms. Case in 2017, and increased their elected official remuneration to be at the median level of the comparator groups that were used, plus a CPI bump. Because their compensation was raised considerably, they did not make any further adjustments for the taxation change.

### **ISSUES:**

#### **1. Rationale for Selected Option**

This report is for Council's information and decision relating to Council remuneration to be effective as of November 1, 2018.

#### **2. Organizational Implications**

There are no organizational implications.

#### **3. Financial Implications**

If Council remuneration were to be set at the median of the 10 comparator municipalities for the Mayor, and the Councillors' rate set at 40% of the Mayor's annual remuneration, as established in the current Bylaw, the annual increase would be \$28,434 (17% more than current rates).

If Council remuneration were to be set at the median of the 10 comparator municipalities for both the Mayor and the Councillors, the annual increase would be \$13,194 (17% increase for the Mayor and approximately 4% increase for the Councillors).

If Council remuneration were to be adjusted by 9.4% to make their net pay the same, in consideration of the loss of the tax exemption status, it would result in an annual increase of approximately \$15,737.

#### **4. Sustainability & Environmental Implications**

There are no sustainability or environmental implications.

**5. Communication & Engagement**

Once Mayor and Council determine any changes to Council remuneration, the Director of Human Resources will update the Council Remuneration Bylaw and implement the changes to Council remuneration beginning in November, 2018 for the new term of Council.

**ALTERNATIVES:**

1. That Mayor and Council receive Staff Report ADM-18-014 for information and provide staff with direction to revise Council Remuneration Bylaw, 2014, No. 2836, effective November 1, 2018.
2. That Council provide alternative direction to staff.

Julie M. Case  
Compensation Consultant  
2168 Central Avenue  
Port Coquitlam, BC V3C 1V5  
604.552.4484

PRIVATE & CONFIDENTIAL

# Elected Officials Compensation Review

## Township of Esquimalt (Revised Draft)

May 22, 2018

For questions about this report, please contact:

Julie M. Case, BA, MA, CCP  
Compensation Consultant  
[juliecase@shaw.ca](mailto:juliecase@shaw.ca)

## TABLE OF CONTENTS

TABLE OF CONTENTS.....	2
INTRODUCTION .....	3
BACKGROUND & METHODOLOGY .....	3
TABLE 1 – DATA SUMMARY OF COMPARATOR MUNICIPALITIES .....	5
TABLE 2 – COMPARISON OF ESQUIMALT TO MEDIAN MARKET.....	6
TABLE 3 – ALLOWANCES .....	6
MOVING FORWARD .....	7
SUMMARY .....	7
ATTACHMENT 1 – DATA DEFINITIONS.....	8
ATTACHMENT 2 – CONSULTANT PROFILE.....	9

## INTRODUCTION

We are pleased to present our findings from the compensation review for elected officials at the Township of Esquimalt (the “Township”). We look forward to discussing this report once you have had the opportunity to review it.

## BACKGROUND & METHODOLOGY

The Township of Esquimalt asked for assistance in conducting a compensation review for its elected officials. The Township wishes to review the current remuneration structure based on comparison with other comparable BC municipalities.

Based on the direction provided by the Township, we conducted a custom survey of select BC local governments. The survey captured data on base salary, allowances and whether any changes to elected officials compensation are anticipated in 2019 due the CRA ceasing the one-third tax free allowance.

We emailed the survey questionnaire to 10 local governments, collected data, reviewed and validated all returned participant data, identified anomalies, and followed up where necessary.

Data from the 10 BC local governments listed below are included this report.

- |                 |                  |
|-----------------|------------------|
| 1. Cranbrook    | 6. Prince Rupert |
| 2. Dawson Creek | 7. Salmon Arm    |
| 3. Oak Bay      | 8. Squamish      |
| 4. Pitt Meadows | 9. Terrace       |
| 5. Port Alberni | 10. White Rock   |

All the findings are summarized and presented in tables. Specific definitions to assist with understanding the data are found in Attachment 1.

A summary of the data collected from the comparator municipalities is shown in Table 1 below.

The population measures and annual expenses were collected from the BC government website ([www.cscd.gov.bc.ca/lgd/infra/statistics](http://www.cscd.gov.bc.ca/lgd/infra/statistics)). The most recent data available is from 2016.

All cities have seven elected officials and all elected officials receive one third of their annual base salary tax free.





**TABLE 1 – DATA SUMMARY OF COMPARATOR MUNICIPALITIES**

City	2016 Annual Expenses (\$ millions)	2016 Census Population (thousands)	Mayor – Current Annual Base Salary (\$)	Councillor – Current Annual Base Salary (\$)	Councillor salary as percent of mayor salary
<b>Esquimalt</b>	<b>32.3</b>	<b>17.7</b>	<b>49,236</b>	<b>19,695</b>	<b>40%</b>
Cranbrook	40.0	20.0	55,240	20,139	36%
Dawson Creek	41.7	12.2	61,215	20,813	34%
Oak Bay	35.8	18.1	29,833	12,660	42%
Pitt Meadows	29.4	18.6	74,316	27,868	38%
Port Alberni	37.0	17.7	40,432	17,920	44%
Prince Rupert	32.8	12.2	60,000	13,430	22%
Salmon Arm	28.5	17.7	53,725	21,660	40%
Squamish	56.7	19.5	75,330	32,392	43%
Terrace	22.9	11.6	37,588	15,266	41%
White Rock	35.4	20.0	83,220	33,290	40%
<b>Summary – not including Esquimalt</b>					
<b>P25</b>	30.3	13.6	43,800	15,900	-
<b>Median (P50)</b>	<b>35.6</b>	<b>17.9</b>	<b>57,600</b>	<b>20,500</b>	<b>40%</b>
<b>P75</b>	39.3	19.3	71,000	26,300	-
<b>Average</b>	36.0	16.8	57,100	21,500	38%

**TABLE 2 – COMPARISON OF ESQUIMALT TO MEDIAN MARKET**

Position	Esquimalt Base Salary	Market Median Base Salary	Esquimalt as % of Market Median
Mayor	\$49,236	\$57,600	86%
Councillor	\$19,695	\$20,500	96%

**TABLE 3 – ALLOWANCES**

Allowances	Township of Esquimalt Practice	Market Practices
Do you have any plans to adjust compensation when the CRA changes rules to no longer permit elected officials to receive 1/3 of their base salary tax free? If yes, please describe possible adjustments you are considering or have already made.	To be determined.	<p>Eight (8) organizations have not yet decided on a course of action when the one-third tax free allowance is no longer permitted in 2019.</p> <p>One organization has plans to increase compensation to offset the elimination of the allowance.</p> <p>One organization has plans to permit a taxable allowance to offset the elimination of the allowance.</p>
Acting mayor allowance	An additional five percent of base salary when serving for two months.	<p>Six organizations do not provide an allowance to the councillors when acting for the mayor.</p> <p>Three organizations provide an acting mayor allowance on a monthly basis: \$50, \$610, or \$1,380.</p> <p>One organization pays the councillor 60 percent of the mayor's salary pro-rated for the duration of the acting period.</p>

## MOVING FORWARD

In terms of base salary, the Township of Esquimalt is somewhat less than competitive when comparing to the median (or middle) of its defined market of similar sized BC local governments for the mayor salary: the base salary of the mayor is 86 percent of the median result. The base salary for the councillors is more competitive at 96 percent of the median result.

Most organizations target the median level of their defined market. They do not wish to be the top of the market, nor the bottom of the market, but want to be in the middle. The key to being competitive when using the median level of the market is to define the most relevant market. In addition, the median, **not** the average, is the preferred approach when using compensation data since the median, unlike the average, is not overly affected by extremely low or high data points in the sample.

Moving forward, if the Township of Esquimalt is satisfied with the definition of market, it may wish to consider adjusting the 2018 salary of the mayor to align to the median level of the market (i.e., \$57,600) and the 2018 salary of the councillor position to the median percentage of the mayor's salary (i.e., 40 percent for a salary of \$23,000) to maintain the current relativity between the two salaries. Alternatively, the councillor salary could simply be adjusted to align to the median level of the market (i.e., \$20,500).

Position	Current Esquimalt Base Salary	Proposed Esquimalt Base Salary	Percent Change
Mayor	\$49,236	\$57,600	17%
Councillor	\$19,695	\$23,000 (40% of mayor median market)	17%
Councillor	\$19,695	\$20,500 (councillor median market)	4%

## SUMMARY

With respect to the expected 2019 CRA changes where the salaries of elected officials will no longer be one-third tax free, few municipalities have made a decision on possible adjustments. Historically, the one-third tax free was in place to recognize the expenses elected officials incur while carrying out their duties. Moving forward, there appears to be three approaches for consideration: do nothing, increase the base salary to off-set the increased taxes, or permit expenses to be deducted. These would be the most straight forward options for the Township to consider.

The finance department of the Township of Esquimalt will calculate the costs of increasing base salary to offset the increased taxes based on payroll deductions as well as the new proposed base salaries if the Township wishes to explore this option.

## ATTACHMENT 1 – DATA DEFINITIONS

The data in this report have been rounded, aggregated, and summarized using tables. Some definitions to assist with understanding the data follow:

- An average (mean) is the sum of all data divided by the number of observations included.
- A median value (50<sup>th</sup> percentile or P50) is the number that falls within the middle of a series of observations (e.g., if there are seven data observations and they are ranked in order of highest to lowest, the number or observation that is in the fourth position is the middle value and represents the median value). It is the most common percentile statistic included in survey data. It is the point at which half of the data fall below and half of the data fall above.
- The 25<sup>th</sup> and 75<sup>th</sup> percentiles (P25 and P75), also referred to as the first and third quartiles, offer an indication as to the “spread” or range of the data. At the 75<sup>th</sup> percentile, 75 percent of the observations are at this level or below. Similarly, at the 25<sup>th</sup> percentile, 25 percent of the observations are at this level or below.
- It is important to note that a minimum number of observations is required to report data and still maintain confidentiality. A minimum of three observations is required to report the average, four to report the median, and five to report the quartiles (i.e., P25 and P75) and P60.
- The number of observations (# obs) indicates the number of organizations that provided data.

## ATTACHMENT 2 – CONSULTANT PROFILE

Julie Case has over 17 years in the compensation field. During her career, Julie has worked with a variety of private and public sector clients to develop compensation structures, implement job evaluation plans, conduct custom compensation market surveys, advise on general salary administration, conduct market pricing, and develop compensation philosophies.

Julie's work involves developing and implementing compensation strategies for a broad, cross section of employee groups including: executive, management and professional, technical, and unionized staff.

Over the course of her career, Julie has gained considerable compensation expertise in the public and private sectors. She specializes in defining strategic compensation philosophies that align to the business goals of the organization. Julie handles compensation projects from the strategic planning stage through to the collection and analysis of compensation data and finally to the recommendations and implementation stages. Julie has designed job evaluation plans for use in exempt and union environments. She has facilitated many job evaluation committees in their goal of creating and recommending new or revised job worth hierarchies.

Julie has considerable experience working with municipalities in British Columbia. She has worked with the largest cities in the province. Once upon a time, Julie worked for a municipal government: she spent four years working in the chief administrative officer's office at the city of Maple Ridge, B.C. This role included facilitating business planning sessions, defining corporate performance measures, and leading performance improvement reviews.

Julie holds a Bachelor of Arts degree from Simon Fraser University with a major in economics and a minor in biology. She also holds a Master of Arts degree in leadership and training from Royal Roads University. She is currently a member of WorldatWork and a certified compensation professional (CCP).

Julie worked for Watson Wyatt Worldwide in Vancouver as a compensation consultant where she was hired by senior consultant Tim Dillon. Tim open his own firm in 2006 and Julie worked as an associate of Case Dillon & Associates (formerly Tim Dillon & Associates) from 2006 until the end of 2017. Tim Dillon passed away at the end of 2017 and Julie continues to work with all the same associates but not currently under the Case Dillon & Associates banner as the company is in testate.

## **CORPORATION OF THE TOWNSHIP OF ESQUIMALT**

### **BYLAW NO. 2836**

A Bylaw to provide for remuneration of the Council Members  
of the Corporation of the Township of Esquimalt

The Municipal Council of the Corporation of the Township of Esquimalt, in open meeting assembled, enacts as follows:

1. This Bylaw may be cited as the "Council Remuneration Bylaw, 2014, No. 2836."
2.
  - (a) For the Mayor of the Corporation, annual remuneration for the period starting December 1, 2014 until December 31, 2015 shall be \$46,396.50 for the discharge of the duties of office, one third of which is an allowance for all expenses incidental to those duties.
  - (b) For the year 2016 and subsequent years the annual remuneration of the Mayor shall be adjusted effective January 1<sup>st</sup> each year in accordance with the change in the Victoria Consumer Price Index as published by Statistics Canada for the twelve months ending December 31<sup>st</sup> in the previous calendar year.
  - (c) The minimum annual remuneration adjustment will be at 2.00% should there be a negative or less than 2% increase in the Victoria Consumer Price Index as published by Statistics Canada for the twelve months ending December 31<sup>st</sup> in the previous calendar year.
3.
  - (a) For each Councillor of the Corporation, annual remuneration for the period starting December 1, 2014 until December 31, 2015 shall be forty percent (40%) of the remuneration of the Mayor as set out in Section 2 hereof, for the discharge of the duties of office, one third of which is an allowance for all expenses incidental to those duties.
  - (b) Councillors appointed to Acting Mayor duties for a minimum of two full months per one year period shall receive a supplementary stipend per year equal to five percent (5%) of the annual Councillor stipend.
  - (c) For the year 2016 and subsequent years the annual remuneration of each Councillor shall be adjusted effective January 1<sup>st</sup> each year in accordance with the change in the Victoria Consumer Price Index as published by Statistics Canada for the twelve months ending December 31<sup>st</sup> in the previous calendar year.
  - (d) The minimum annual remuneration adjustment will be at 2.00% should there be a negative or less than 2% increase in the Victoria Consumer Price Index as published by Statistics Canada for the twelve months ending December 31<sup>st</sup> in the previous calendar year, and provided that the remuneration of each Councillor shall remain at a minimum of forty percent (40%) of the remuneration of the Mayor.

4. Effective December 1<sup>st</sup>, 2014, the Mayor and each Councillor shall be provided with a monthly communications benefit of \$75 to assist with the costs of maintaining a mobile phone, data plan and home internet connection for the purpose of carrying out the duties of the Mayor and Council.
5. The "Council Remuneration Bylaw, 2011, No. 2778" and the "Council Remuneration Bylaw, 2011, No. 2778, Amendment Bylaw [No. 1], 2012, No. 2794" are hereby repealed.

READ a first time on the 9<sup>th</sup> day of June , 2014.

READ a second time on the 9<sup>th</sup> day of June , 2014.

READ a third time on the 9<sup>th</sup> day of June , 2014.

ADOPTED on the 23<sup>rd</sup> day of June , 2014.

---

BARBARA DESJARDINS  
MAYOR

---

ANJA NURVO  
CORPORATE OFFICER





# CORPORATION OF THE TOWNSHIP OF ESQUIMALT

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

## Staff Report

---

**File #:**18-216

---

### REQUEST FOR DECISION

**DATE:** May 14, 2018

Report No. ADM-18-016

**TO:** Laurie Hurst, Chief Administrative Officer

**FROM:** Vicki Gannon, Director of Human Resources

**SUBJECT:**

Amendments to Council Policies re Council Remuneration

**RECOMMENDATION:**

That Council:

1. approve revised Council Policy ADMIN-58 Review & Market Analysis of Council Remuneration;  
and
2. approve revised Council Policy ADMIN-62 Remuneration for Elected Officials;  
as attached to Staff Report ADM-18-016.

**RELEVANT POLICY:**

Council Policy ADMIN-58 Independent Review & Market Analysis of Council Remuneration  
Council Policy ADMIN-62 Remuneration for Elected Officials  
Council Remuneration Bylaw, 2014, No. 2836

**STRATEGIC RELEVANCE:**

This Request for Decision does not relate to a specific Council strategic priority.

**BACKGROUND:**

At an In Camera meeting held on February 19, 2018, Council met with the Consultant retained to conduct the independent review and market analysis of Council remuneration, pursuant to Council Policies ADMIN-58 and ADMIN-62. During that meeting, Council directed that the Mandate portion of Policy ADMIN-58 be revised in order to provide clarification relating to the review.

Upon further review of the Policies ADMIN-58 and ADMIN-62, additional revisions are recommended. Attached to this report are the two policies with the recommended changes outlined.

**ISSUES:**

**1. Rationale for Selected Option**

Currently the two policies outline that an independent consultant be appointed in order to do the review and market analysis for elected officials. As staff completed a salary review for exempt employees in-house, Mayor and Council may choose staff to perform the review, rather than paying for an independent consultant.

Further, as part of this review, the independent consultant brought forward options to Mayor and Council regarding a remuneration structure, not recommendations. The reports brought forward were “for information” and did not provide any specific recommendations. Therefore, it is recommended that the wording in the Purpose section be amended to outline that staff, or an independent consultant, will bring forward options, not recommendations.

**2. Organizational Implications**

There are no additional revisions recommended to the approved Policies or Bylaw dealing with the review of Council remuneration.

**3. Financial Implications**

If Mayor and Council were to hire staff to do the review and market analysis of Council Remuneration there would be cost savings as there would be no consulting fees. For the 2018 review, the consultant charged \$5,500.

**4. Sustainability & Environmental Implications**

There are no sustainability or environmental implications.

**5. Communication & Engagement**

When approved by Council, the revised Policies will be posted on the Township’s website for public information.

**ALTERNATIVES:**

**1. That Council:**

- 1) approve revised Council Policy ADMIN-58 Review & Market Analysis of Council Remuneration;  
and
- 2) approve revised Council Policy ADMIN-62 Remuneration for Elected Officials;  
as attached to Staff Report ADM-18-016.

**2. That Council further amend Policy ADMIN-58 and Policy ADMIN-62 and approve the Policies as amended.**



## CORPORATION OF THE TOWNSHIP OF ESQUIMALT

### COUNCIL POLICY

**TITLE:** ~~Independent~~ Review & Market  
Analysis of Council Remuneration

**NO. ADMIN – 58**

#### 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 will submit 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**

**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.~~

**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 2 OF 2**





**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.

<b>EFFECTIVE DATE:</b> December 11, 2017	<b>APPROVED BY:</b> Council	<b>REFERENCE</b> ADM-15-038 Bylaw 2836 ADM-17-030	<b>AMENDS NO.</b> Oct. 24, 2011 November 2, 2015	<b>PAGE 1 OF 2</b>
---	--------------------------------	--	--	--------------------

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 t~~t~~The independent consultant will meet with Council for clarity on the criteria and process prior to commencing the review.

<b>EFFECTIVE DATE:</b> December 11, 2017	<b>APPROVED BY:</b> Council	<b>REFERENCE</b> ADM-15-038 Bylaw 2836 ADM-17-030	<b>AMENDS NO.</b> Oct. 24, 2011 November 2, 2015	<b>PAGE 2 OF 2</b>
---	--------------------------------	--	--	--------------------