





Agenda

Todays presentation is intended to provide a:

- Brief history of the CCRC, and
- High level overview of Elected Officials' current:
 - Compensation
 - Benefits
 - Pension
 - Other forms of remuneration

Elected Officials Compensation, Benefits, Pension and Other Remuneration CCRC2019-1537 2



- On September 23, 2002, Council passed Bylaw 31M2002 which established the Council Compensation Review Committee (CCRC)
- This Committee is responsible for making recommendations to Council regarding its compensation, pension, benefits and other forms of remuneration, or levels thereof
- CCRC presents a report to Council prior to each election for Council's review and acceptance/rejection of the recommendations
- On July 22, 2019, Council passed Bylaw 30M2019, Council Compensation Review Committee Bylaw



- Compensation as of January 1, 2019:
 - Mayor - \$200,586.40 annually; taxable
 - Councillors - \$113,325.63 annually; taxable
- Pay adjustments effective every January 1st
- Compulsory Deductions
 - Income Tax
 - Canada Pension Plan (CPP)
- Elected Officials are not eligible for Employment Insurance, therefore no deductions for EI



Benefits Basic Life Insurance

- 2 times annual salary, rounded to next \$1,000
- Benefit paid in lump sum to named beneficiary
- 100% of premiums paid by The City
- Biweekly premium rate: \$0.06533/\$1,000 (2019)



Benefits Employee and Spousal Optional Life Insurance

- Participation is optional
- Available in units of \$10,000, up to a maximum of \$1,000,000 but not more than 5 times annual salary
- Spousal coverage available in units of \$10,000 up to a maximum of \$400,000
- Premium rates are age banded, by gender and smoking status
- 100% of premiums paid by Elected Official



Benefits Extended Health Care (EHC)

- Participation is optional
- Choice of Level 1 or Level 2
- Premiums are cost shared for Level 2

| Benefit | Level 1 | Level 2 |
|--------------------------|------------------|---|
| Prescription Drugs | No coverage | 90% reimbursement |
| Paramedical Services | No coverage | 100% reimbursement; \$800 per calendar year, combined maximum |
| Medical Services | No coverage | 100% reimbursement; subject to Internal maximums |
| Vision Care | No coverage | 100% reimbursement; \$400 per 24 month period |
| Emergency Travel | No coverage | 100% reimbursement; 30 day trip limit |
| Health Spending Account* | \$2,100 annually | \$0 |
| Biweekly Deposit Rates* | n/a | Single: \$50.10 City / \$4.80 Elected Official Family: \$100.20 City / \$9.60 Elected Official |

*2019 amounts

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Benefits Dental

- Participation is optional
- Choice of Level 1, Level 2 or Level 3
- Premiums are cost shared for Level 2 and Level 3

| Benefits | Level 1 | Level 2 | Level 3 |
|----------------------------------|------------------|--|--|
| Basic services | No coverage | 90% reimbursement | 100% reimbursement |
| Major services | No coverage | 80% reimbursement (excludes dental implants) | 80% reimbursement (includes dental implants) |
| Basic and Major combined maximum | No coverage | \$1,500 per year | \$1,750 per year |
| Orthodontic services | No coverage | 50% reimbursement (dependents under 21 years) | 50% reimbursement (includes adult coverage) |
| Orthodontic maximum | n/a | \$2,000 lifetime | \$2,500 lifetime |
| Health Spending Account* | \$1,100 annually | \$0 | \$0 |
| Biweekly Deposit Rates* | n/a | City Single \$24.50 Family \$49.00 | Elected Official Single \$2.60 Family \$5.20 |
| | | City Single \$24.50 Family \$49.00 | Elected Official Single \$15.70 Family \$31.40 |

*2019 amounts

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Benefits Health Spending Account (HSA)

- \$300 credits annually
- Used for reimbursement of various health-related expenses – non-taxable plan
- 100% City paid



Benefits Flexible Spending Account (FSA)

- \$3,000 credits annually
- At enrolment, credits can be allocated to:
 - a non-taxable plan (health spending account); or
 - a taxable plan (paid out as cash); or
 - a combination of both
- 100% City paid

**Sickness & Accident**

- Elected Officials receive 100% salary continuance

Long Term Disability**Councillors**

- No group coverage

Mayor

- No group coverage
- Option to apply for an individual Long Term Disability policy
- If approved, City pays 50% of the premium

**Workers' Compensation Board Plan**

- No coverage
- Section 6(1) of the Alberta Workers' Compensation Act states the following:
"The Act does not apply to the members of a council of a municipality under the Municipal Government Act unless the council applies by resolution to the Board to have the Act apply to members of the council and, on the approval of any such application by the Board, the members of the council are deemed to be workers of the municipality concerned, while actually engaged in the business of the municipality, and the municipality is deemed to be their employer."
- Council has not made a resolution to this effect

**Other Benefits****Employee & Family Assistance Program (EFAP)**

- Access to services available from the provider Homewood Health such as counseling, childcare, eldercare, nutritional consultation, legal and financial advice
- 100% City paid

**Other Benefits****Executive Health Assessments**

- Provided by Medisys
- Services such as medical assessments, lab testing, cardiovascular assessment, lifestyle assessment, etc.
- 100% City paid



Other Benefits Business Travel Insurance

- 24 hour protection while on business and related personal travel
- Up to \$1,000,000 for emergency out of country medical expenses
- Accidental death benefit of \$400,000
- 100% City paid



Other Benefits Car Allowance and Parking

Councillors

- \$9,400 per annum
- Payable biweekly
- Parking space provided at the City Hall complex

Mayor

- Provided with a City-owned vehicle
- Parking space provided at the City Hall complex



Other Benefits Retirement and Financial Counselling

- A one time service including:
 - Investment planning
 - Income tax preparation
 - Income tax planning
 - Will and estate planning
 - Retirement planning



Other Benefits Group RRSP

- Participation is optional
- Minimum contribution of \$25 biweekly



Pension Plan Elected Officials Pension Plan (EOPP)

- All Elected Officials are eligible
- Participation is optional
- Registered with Canada Revenue Agency (CRA) and Alberta Treasury Board and Finance (ATBF)
- Defined Benefit Registered Pension Plan
- Benefit Formula
 - $2\% \times \text{best 36 months average earnings}^* \times \text{years of credited service}$
- Contributions
 - Elected Official: 9% of biweekly remuneration*
 - City (2020): 18.64% of biweekly remuneration*
 - City contributions are subject to change based on the triennial actuarial valuation

*up to the CRA maximum, \$154,611 in 2020



Pension Plan Elected Officials Supplementary Plan (EOSP)

- All Elected Officials are eligible
 - Only the Mayor will receive a benefit because their earnings are above the CRA maximum
- Not registered with CRA or ATBF
- Non-registered Defined Benefit retirement arrangement
- Benefit Formula
 - $2\% \times \text{best 36 months average earnings over and above CRA maximum}^* \times \text{credited service}$
- Contributions
 - The City is responsible for the full cost of the EOSP

*\$154,611 in 2020



Transition Allowance

- Paid upon leaving office
- Based on 2 weeks pay for each completed year in office, maximum of 26 years of service
- Taxable



Group Benefits upon Departure

- Group benefits are available upon leaving office
- Participation is optional
- May select one, all or none of the following benefits:
 - Basic Life Insurance
 - Extended Health Care
 - Dental



Group Benefits upon Departure

Eligibility

- Full Benefit Coverage
 - Eligible if chosen not to run for re-election or are defeated and served **2** consecutive terms of office
 - Coverage selected continues for **2 years** after leaving office, up to age 65, death, or the date no longer a resident of Canada whichever first occurs
- Partial Benefit Coverage
 - Eligible if chosen not to run for re-election or are defeated, and served **less than 2** consecutive terms of office
 - Coverage selected continues for **1 year** after leaving office, up to age 65, death, or the date no longer a resident of Canada, whichever first occurs



Group Benefits upon Departure

Eligibility (cont'd)

- Retirement Benefit Coverage
 - Eligible if **retires** from public service and have served **at least 2** consecutive terms of office and reached a **minimum age of 55**
 - Coverage selected continues **to age 65**, death, or the date no longer a resident of Canada, whichever first occurs



Group Benefits upon Departure

Basic Life Insurance

- Participation is optional
- Selection of one of the following benefits:
 - 2 times annual salary
 - 1 ½ times annual salary
 - 1 times annual salary
 - ½ times annual salary
- The amount of coverage reduces each year to a death benefit at age 65 (if applicable)
- Premiums are cost shared 50/50
- Monthly premium rate: \$0.54/\$1,000 (2019)



Group Benefits upon Departure

Extended Health Care

- Participation is optional
- Includes:
 - Prescription Drugs: 80% reimbursement
 - Hospital and Health services: 100% reimbursement
 - Paramedical: \$300 per year combined services
 - Vision Care: \$200 every 24 months
 - Out of Province Emergency Medical Travel (30 day trip)
 - Overall Maximum: \$30,000 per year
- Premiums are cost shared 50/50
- Monthly deposit rates (2019):

| | Single | | Family | |
|-----|---------|------------------|---------|------------------|
| | City | Elected Official | City | Elected Official |
| EHC | \$44.52 | \$44.52 | \$89.14 | \$89.14 |

**Dental**

- Participation is optional
- Includes:
 - Basic Services: 80% reimbursement
 - Major Restorative Services: 80% reimbursement
 - Maximum per year: \$1,500 Basic and Major combined
 - Dependent Orthodontia: 50% reimbursement subject to a maximum of \$1,500 lifetime
- Premiums are cost shared 50/50
- Monthly deposit rates (2019):

| | Single | | Family | |
|--------|---------|------------------|---------|------------------|
| | City | Elected Official | City | Elected Official |
| Dental | \$24.29 | \$24.29 | \$49.24 | \$49.24 |

