

Law, Legislative Services & Security Report to
Executive Committee
2024 March 12

ISC: UNRESTRICTED
EC2024-0037

Board, Commission and Committee Public Member Remuneration and Expense Policy

PURPOSE

The purpose of this Report is to recommend the adoption of a proposed Council Policy on remuneration and expenses for Public Members serving on Council-established Boards, Commissions and Committees (“BCCs”).

PREVIOUS COUNCIL DIRECTION

On 2023 January 24, in response to Notice of Motion EC2022-1371, Council directed Administration to return to Executive Committee by Q1 2024 with an equitable remuneration and expense policy applying to all Council-established BCCs that have Public Members appointed by Council, where The City is responsible for the payment of remuneration and expenses, which incorporates:

- A consideration of the unique mandates, terms of reference and legislated requirements that apply to tribunals and other BCCs;
- Best practices identified through a scan of remuneration and expense policies or volunteer Public Members in comparable jurisdictions and organizations; and
- Input from Boards, Commissions, and Committees on the draft policy, before it is presented to Council.

RECOMMENDATION:

That with respect to Report EC2024-0037, the Executive Committee recommend that Council:

1. Adopt the proposed Council Policy on “Remuneration and Expenses for Public Members Serving on Council-Established Boards, Commissions and Committees” (Attachment 1), to be effective 2026 January 1;
2. Direct Administration to develop and present a budget submission to Mid-Cycle Adjustments to Service Plans and Budgets to support the direct and related administration costs of implementing the proposed Council Policy; and
3. Direct that Confidential Attachment 3B remain confidential pursuant to section 17 (Disclosure harmful to personal privacy) of the *Freedom of Information and Protection of Privacy Act*.

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RECOMMENDATION OF THE EXECUTIVE COMMITTEE, 2024 MARCH 12:

That Council:

1. **Endorse** the proposed Council Policy on “Remuneration and Expenses for Public Members Serving on Council-Established Boards, Commissions and Committees” (Attachment 1), to be effective 2026 January 1, **and direct Administration to return to the 2024 Organizational Meeting of Council with changes to lower indirect costs and to remove barriers associated with processing expense reimbursements;**
2. Direct Administration to develop and present a budget submission to Mid-Cycle Adjustments to Service Plans and Budgets to support the direct and related administration costs of implementing the proposed Council Policy, **with lower indirect costs and to remove barriers associated with processing expense reimbursements;** and
3. Direct that Confidential Attachment 3B **and Closed Meeting discussions** remain confidential pursuant to Section 17 (Disclosure harmful to personal privacy) of the *Freedom of Information and Protection of Privacy Act*.

CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS

The City Solicitor and General Counsel concurs with this report.

HIGHLIGHTS

- The proposed Council Policy recognizes the value of Public Member contributions to civic decision-making and promotes equity and the reduction of barriers to participation.
- Implementing the proposed Council Policy is expected to increase public interest in participation on Council-established BCCs, contributing to good governance.
- The proposed Council Policy is aligned with Council’s Strategic Direction to build Social resilience by promoting community engagement and participation.

DISCUSSION

Public Members are individuals who have been appointed to serve on a BCC by Council who provide valuable expertise, experience and perspectives that contribute to good governance. Public Members are not employees of The City of Calgary.

Process

Council directed Administration to present an equitable remuneration and expense Council Policy for Public Members (Attachment 1), which has been developed in five phases:

1. Identification of in-scope BCCs (Attachment 2);
2. Engagement of an external consultant Sage Analytics Inc., (“SAGE”) to research best practices and develop policy options (Attachment 3A and Confidential Attachment 3B);
3. Development of a draft Council Policy;
4. Engagement of BCCs and Administrative Resources to gather input on the draft Council Policy; and
5. Finalization of the proposed Council Policy and related cost estimates.

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More detailed information on the work done in each phase can be found in Attachment 4.

Council Policy Framework

The proposed Council Policy reflects consideration of recommendations from SAGE and the input of BCCs (Attachment 5). It acknowledges the full scope of Public Members' contributions by remunerating their participation in BCC meetings, providing an allowance for technology costs, and reimbursing reasonable expenses, including accessibility supports and dependent care. The proposed Council Policy also provides for different amounts of remuneration for Public Members who fulfill or act in leadership roles on BCCs, as Chairs, Co-Chairs and Vice-Chairs, to reflect their additional responsibilities and obligations.

The proposed Council Policy establishes a framework for Public Member remuneration and reimbursement of expenses for Council to consider when establishing or updating BCC governance documents. The remuneration and reimbursement of expenses for Public Members serving on BCCs which already have bylaws that provide for those payments will continue to be determined by those bylaws, unless amended, because Council's bylaws supersede its policies.

Exclusions from the proposed Council Policy include the following:

- Public Members serving on Business Improvement Areas, Civic Partners, Wholly Owned Subsidiaries, or boards, commissions and committees established by these bodies;
- Members of Council and their staff, Administration members appointed to BCCs and employees of The City of Calgary;
- Public Members who receive remuneration, allowances or reimbursement of expenses relating to their service on a Council-established BCC from other sources;
- Public Members' service on a BCC subcommittee, unless established by Council; and
- Public Members who opt out of receiving remuneration for personal reasons.

A high-level estimate of the Corporate cost to implement the proposed Council Policy, after considering existing BCC remuneration and expense expenditures, is approximately \$1,380,000. Further details of costs are provided in Attachment 6.

The proposed Council Policy provides for transparency by requiring that the total annual remuneration and expense reimbursement for BCC Public Members be published online.

Next Steps

The City Clerk's Office will coordinate refining resource and cost estimates with impacted Departments to support Administration's comprehensive submission to Mid-Cycle Adjustments to Service Plans and Budgets for Council's consideration in 2024 November. From 2025 onwards, each Department will propose Service Plan and Budget allocations, and administer the remuneration and expense payments for those BCCs supported within their Department.

EXTERNAL ENGAGEMENT AND COMMUNICATION

- | | | | |
|-------------------------------------|---|-------------------------------------|---|
| <input type="checkbox"/> | Public engagement was undertaken | <input checked="" type="checkbox"/> | Dialogue with interested parties was undertaken |
| <input checked="" type="checkbox"/> | Public/interested parties were informed | <input checked="" type="checkbox"/> | Public communication or engagement was not required |

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An external consultant, SAGE, researched remuneration practices in comparable jurisdictions, and provided recommendations to support development of an equitable policy for Public Member remuneration and reimbursement of expenses (Attachment 3A). SAGE conducted interviews and surveys of BCC Chairs, Co-Chairs, Vice Chairs, and City Administrative Resources (Confidential Attachment 3B). The City Clerk's Office also facilitated engagement sessions with BCC leadership and Administrative Resources to collect feedback and suggestions on the draft Council Policy.

IMPLICATIONS

Social

Adoption of the proposed Council Policy would promote equity and reduce barriers to participation in Council-established BCCs and is expected to attract a more diverse range of community members as candidates. This aligns with *The Social Wellbeing Policy*, CP2019-01.

Environmental

Not applicable.

Economic

Not applicable.

Service and Financial Implications

Existing operating funding – base

If approved, increases to Departmental budgets would be required to pay the costs of remuneration, allowances, and expense reimbursements for Public Members who are not currently receiving those payments, as well as additional temporary and permanent resources required to design, develop, and implement new processes, including:

- City Clerk's Office - two additional temporary resources to support implementation, including training delivery to the in-scope BCCs on the new Council policy, and one permanent resource to support the anticipated continued incremental recruitment management workload, and deliver ongoing training for expenses and remuneration;
- Finance and Payroll - two additional permanent resources to support remuneration and expense processing; and
- Departmental Administrative Resources - additional resources may be required to administer and manage remuneration and expenses.

RISK

Successful implementation of the proposed Council Policy is dependent on Council allocating sufficient budget to meet the costs of Public Member remuneration and expenses, as well as the administrative costs of implementing the Council Policy; however, those budget allocations will not be considered until Council's Meeting on Mid-Cycle Adjustments to Service Plans and Budgets in 2024 November.

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ATTACHMENTS

1. Proposed Council Policy
2. In-scope BCCs
- 3A. SAGE Analytics – Recommendations and Summary
- 3B. CONFIDENTIAL: SAGE Analytics – Survey Responses
4. Summary of Work Phases
5. SAGE Recommendations and BCC Engagement Summary
6. Cost Estimate Summary
7. Background and Previous Council Direction
8. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Jill Floen (City Solicitor & General Counsel)	Law, Legislative Services and Security	Approve
Katarzyna Martin (City Clerk/ Director)	Law, Legislative Services and Security	Approve
Carla Male (Chief Financial Officer/General Manager)	Corporate Planning and Financial Services	Consult
Chris Arthurs (General Manager)	People, Innovation and Collaboration Services	Consult
David Duckworth (Chief Administrative Officer)	Chief Administrator's Office	Inform
Stuart Dalglish (Chief Operating Officer)	Chief Operating Officer	Inform
Katie Black (General Manager)	Community Services	Inform
Debra Hamilton (Acting General Manager)	Planning and Development Services	Inform
Doug Morgan (General Manager)	Operational Services	Inform
Michael Thompson (General Manager)	Infrastructure Services	Inform

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City Clerks: A. Degrood / C. Doi