



Town of Cochrane Policy

Policy No.:	1105-10
Policy Title:	Council Remuneration Package
Approval Date:	February 14, 2000
Revision Date:	January 8, 2001 September 24, 2001 March 10, 2003 May 25, 2004 April 11, 2005 January 8, 2007 September 14, 2009 November 13, 2012 October 27, 2014 January 23, 2017
Department:	Legislative Services

Policy Statement:

Town of Cochrane staff will develop and implement a Council remuneration package policy.

1. Reason for Policy

- 1.1 Ensure that the entire Council remuneration package will be eligible for the one-third tax exemption that is made available to elected officials in accordance with the Federal Income Tax Act.
- 1.2 To compare Town of Cochrane Council remuneration with other similar municipalities.

2. Related Information

- 2.1 Federal Income Tax Act (attached to 1105-05 Council Remuneration Package procedures).
- 2.2 Town of Cochrane Benefits Package.

3. Definitions

- 3.1 Base Salary means an all-inclusive non-accountable amount provided to Council Members for their time and service with respect to attending to Municipal matters.
- 3.2 Conferences means conferences, seminars, forums, workshops, courses, training and information sessions related to municipal government.
- 3.3 Expense Allowance refers to an allowance that is restricted to the non-accountable payment the employer provides to Members of Council to offset costs incurred to travel to and from regularly scheduled Council and committee meetings held within the corporate limits of the Town of Cochrane. The Expense Allowance includes vehicle expenses, such as fuel, insurance, repairs and maintenance, and may include other meeting and event costs.

The Expense Allowance is to reimburse Members of Council for:

- 3.3.1 Costs incurred to travel to regularly scheduled meetings of Council, boards, commissions, and committees within the corporate limits of the Town of Cochrane.
- 3.3.2 Expenses incurred to meet with individual residents and representatives of community organizations.
- 3.3.3 Expenses incurred while representing the Municipality at "Town Hall Meetings" and other community events.
- 3.3.4 Expenses incurred to attend to Municipal business matters.

Reimbursement of costs covered by the Expense Allowance is included in the Total Base Remuneration.

- 3.4 General Expense Allowance refers to an allowance that is restricted to the non-accountable payment an employer is authorized to make to an Elected Official, which is received by her/him because of her/his position and not for any specific duties she/he may perform. The General Expense Allowance is provided to reimburse Members of Council for the following examples of non-accountable administrative costs:

- 3.4.1 Office equipment such as telephones, computer equipment, internet connection, fax equipment; office supplies such as paper and toner; and office charges such as telephone charges, photocopying, etc. *General Expense Allowance does not include costs associated with Mobile Equipment. Members of Council shall be required to adhere to the Town of Cochrane Mobile*

*Communication Device Usage, Administrative Directive 1102-01,
as may be amended from time to time.*

The reimbursement of costs for the General Expense Allowance are included in the Total Base Remuneration.

3.5 Total Base Remuneration (Non-Accountable) refers to the sum of Base Salary, plus Expense Allowance and General Expense Allowance. The Total Base Remuneration is divided into 24-periods and deposited into Council Members' bank accounts by automatic deposit.

3.6 Travel Expenses refers to the amount the Municipality will reimburse Members of Council for attending Municipal related functions outside the corporate limits of the Town of Cochrane.

3.6.1 Expenses are the accountable costs incurred by Members of Council associated with traveling to conferences and training sessions, as well as to meet with representatives of other governments at locations beyond the corporate limits of the Town of Cochrane. Expenses include transportation, meals, hotels, communication and other related costs.

4. Responsibilities

4.1 Town Council to:

4.1.1 Approve by resolution this policy and any amendments.

4.1.2 Consider the allocation of resources for successful implementation of this policy in the annual budget process.

4.2 Chief Administrative Officer (CAO) to:

4.2.1 Implement this policy and approve procedures.

4.2.2 Ensure policy and procedure reviews occur and verify the implementation of policies and procedures.

4.3 Mayor and Council Remuneration Task Force to:

4.3.1 Review data and make recommendations to Council as outlined in the Mayor and Council Remuneration Task Force - Terms of Reference.

5. Review

5.1 Town of Cochrane staff will undertake a comparative review of Council remuneration in the second year of the Council Term of Office, and continue to facilitate a full review by the Mayor and Council Remuneration Task Force in the third year of the Council Term of Office.

6. Appendices

6.1 Schedule A

6.2 Schedule B

7. End of Policy

Schedule "A"

**Town of Cochrane Policy 1105-10
Council Remuneration Package**

Schedule A

December 25, 2016 - December 24, 2017

	Base Remuneration	Local Expense Allowance* (Accountable)	Administrative Expense Allowance (Non-accountable)	Total Remuneration
Mayor	\$ 56,476	\$ 18,712	\$ 9,483	\$ 84,671
Councillor	\$ 19,010	\$ 6,299	\$ 3,192	\$ 28,501
	66.7%	22.1%	11.2%	
Effective: 18/10/2017				
Mayor		As above		
Councillor	\$ 19,485	\$ 6,456	\$ 3,272	\$ 29,214
Increase x 6 Councillors	\$ 4,275			

** A Travel Expense budget is allocated for each Elected Official conducting Municipal functions outside Cochrane*

This Remuneration package will be adjusted by the same Cost of Living Adjustment approved by Council and awarded to the Town of Cochrane Employee's Wage & Salary grid each year.

1. Travel Expense

A Travel Expense budget is allocated for each Elected Official who incurs additional costs associated with conducting Municipal related functions outside the corporate limits of the Town of Cochrane.

The total annual Travel Expense allocation will be set out in the annual Council operating budget outlined in the Travel Expense Account.

Each Councillor will be entitled to 1/9 of the total Travel Expense Account, with the Mayor being entitled to three portions (3/9) of that allocation.

Annually, Elected Officials will be entitled to purchase a ticket, for their spouse or partner, for an event that they are attending as official representatives of the Town, to a maximum of one per year for the spouse or partner of a Councillor and to a maximum of two per year for the spouse or partner of the Mayor.

Elected Officials will only incur expenses when they have sufficient funds within their annual Travel Expense allocation. When there are insufficient funds, another Elected Official may agree to meet the costs of that Elected Official from their annual Travel Expense allocation and forfeit the same from their allocation. This agreement must be made in advance of the costs being incurred and must be submitted in writing to the Chief Administrative Officer.

Any unused funds from an Elected Officials' annual Travel Expense allocation will be forfeited for that budgetary year.

2. Vehicle Mileage

Mileage paid will be equivalent to the Town of Cochrane Employee's current, approved mileage reimbursement rate.

3. Conferences

Elected Officials are encouraged to attend appropriate conferences and training to enable them to be informed and better able to perform their roles and responsibilities.

Each Member of Council will be entitled to expend a maximum agreed amount on registration for seminars, conferences and training. The total annual conferences and training allocation for all Elected Officials will be set out in the annual Council operating budget outlined in the Conferences Account. Each Elected Official will be entitled to 1/7 of the total Conferences Account.

From this annual Conferences allocation, the Town will meet costs associated with all normal registration fees for Elected Officials that are levied by the organizer, including those costs relating to official luncheons, dinners and tour/inspections that are relevant to the conference or training.

Elected Officials will only be registered for approved conferences and training where they have sufficient funds within their annual Conference allocation. Where there are insufficient funds, another Elected Official may agree to meet the costs of that Elected Official from their annual Conference allocation and forfeit the same from their allocation. This agreement must be made in advance of the costs being incurred and must be submitted in writing to the Chief Administrative Officer. Any unused funds from individual's annual conferences and training allocations will be forfeited for that budgetary year.

4. Expense Claims and Purchasing Cards

When incurring eligible expenses as set out in this Policy, Elected Officials may either pay for the cost and then submit an Expense Claim, or pay using a Town of Cochrane Purchasing Card.

Expense claims and Purchasing Cards may only be used as outlined in Schedule 'B'.

5. Benefits

Mayor and Council participate in a Benefit package which includes: Group Life Insurance, Accidental Death and Dismemberment Insurance, Dependant Life Insurance, Extended Health Care and Dental Insurance as outlined in the terms of the contract in accordance with the chosen benefit provider. The Town of Cochrane pays 100% of the premiums with the exception of Optional Life, Optional Accidental Death and Dismemberment and Optional Critical Illness Insurance.

Schedule "B"

Town of Cochrane Policy 1105-07 Council Remuneration Package

1. Expense Claims

1.1 Substantiation Requirements

All expenses, except mileage, must be accompanied by a detailed receipt. Failure to provide such will result in denial of the expense. The Town does not offer a per diem rate.

1.2 Disallowed Expenses

There are some expenses that are not eligible and will not be reimbursed by the Town. Examples include:

- alcohol
- credit card interest charges
- golf fees, cart rental
- headphones on airlines
- movies (either in-room or at the theater)
- personal bar bills
- personal books, magazines or other entertainment
- personal travel taken during business trip
- political or charitable contributions
- spouse's expenses if accompanying employee on trip
- traffic citations (parking tickets or fines)

This is not an all inclusive list. Approving authorities may decline approval for any cost that does not appear reasonable under the circumstances.

1.3 Guidelines for Allowable Expenses Reimbursement

1.3.1 Airfare

Domestic air travel will be economy class only. Travel plans should be made as far in advance as possible in order to take advantage of early purchase discounts.

1.3.2 Car Rental

Guidelines to follow when renting cars:

- Economy models must be rented unless more than two persons are traveling together. A single upgrade is allowed if more than two persons are traveling. Higher upgrades are allowed if transporting materials and cargo space is a factor, or if three or more persons

are traveling together. "Persons" in this case must be Town of Cochrane Elected Officials and/or staff.

- Rental cars should be returned to the original rental location in order to avoid costly drop-off charges.
- The Town has insurance coverage for car rentals, so the insurance purchase option should not be taken unless the rental will be used for longer than 30 days.
- Upgrades not authorized by this policy are not reimbursable.

1.3.3 Mileage

When using their personally owned vehicle, Elected Officials will be reimbursed for mileage at the current, approved Town of Cochrane mileage rate. Destination and reason for all mileage claimed must be included on the Expense Claim. Mileage reimbursement covers insurance, wear and tear, gas and oil. Please keep an accurate mileage log.

Although Elected Officials may use their personal automobiles while on Town business, the Town's insurance policies do not provide coverage. Mileage compensation is deemed to be within the current reimbursement rate per kilometer, and therefore, the cost of additional endorsements is the personal expense of the car owner. In advance of the travel, car owners are advised to check with their own insurance agents in order to secure appropriate endorsements to their policies if necessary.

1.3.4 Taxi/Shuttle/Public Transportation

Elected Officials should evaluate their individual circumstances and select the safest, most economical alternative when traveling to and from all destinations.

Taxi, shuttle, and public transportation expenses should be itemized on the "Taxi/Airporter" line of the Expense Claim and should be accompanied by a receipt.

1.3.5 Lodging

When traveling to conferences, it is recognized that Elected Officials normally stay in the conference designated hotels at conference negotiated preferred rates, and that reservations may be made directly with the selected hotel/conference organizers. Otherwise a single, standard room is to be used.

In-room movies and use of hotel gym, massage services, and sauna facilities will not be reimbursed.

Laundry services and valet parking are generally considered non-reimbursable expenses. However, hotel stays in excess of 5 days may warrant the use of laundry services. Exceptions must be approved by the approving authority.

1.3.6 Meals

When traveling outside of the Town of Cochrane corporate limits, Elected Officials will be reimbursed for meals. Total daily meal expenses should not exceed \$60.00. Note: This is not a per diem. All meals expensed must have receipts, and charges in excess of the daily limit will be denied.

When expensing meals, please note the following:

- Receipts should be detailed.
- Detachable tabs from dinner checks are not considered valid receipts and will not be accepted.
- A register receipt or a copy of the dinner check must be submitted.
- Tips will not exceed 15% of the cost of the meal. If Elected Officials wish to give additional gratuities they are welcome to do so from their personal funds.
- Alcohol is a non-reimbursable expense.
- If there are multiple receipts for one meal, please list separately (do not add).

This information can be written on the back of the receipt itself or on the Expense Claim.

1.4 Expense Claims and Approval Requirements

1.4.1 The requirements for expense claims and approvals are as follows:

- All expense claims must be approved and signed by:
 - The Mayor for Councillors' Expense Claims; and
 - The C.A.O. for the Mayor's Expense Claims.
- Expense claims should be completed, approved and submitted to Accounts Payable regularly in order to facilitate timely reimbursement.
- Fax copies of expense claims will not be accepted.
- Expense claims will be processed as any other invoice.
- All expenses included on the Expense Claim must be accompanied by a valid receipt, and a brief explanation of the expense including names of individuals benefiting from this claim (i.e. a receipt for 3 meals should detail names of those present).
- Incomplete or unapproved Expense Claims, ineligible expenses, or claims without valid, detailed receipts, will not be reimbursed by the Town of Cochrane.

2. Purchasing Cards

2.1 Control Features Built Into The Program

2.1.1 For control purposes the following purchasing card transaction types will be denied:

- Town of Cochrane Purchasing Card can not be used for personal or private use, non pre-authorized purposes; or cash advances.

2.2 Purchases

2.2.1 On Site (pick-up) Purchases

The steps of a typical pick-up order include the following:

- The cardholder selects goods and presents them with the card to the cashier.
- The cashier totals the sale and obtains authorization from U.S. Bank Visa.
- The cardholder signs a detailed cash register receipt and receives a copy to be retained in his/her statement reconciliation.

2.2.2 Telephone Purchase

The steps of a typical telephone order include the following:

- The cardholder selects goods or services then calls the supplier with the order.
- The cardholder instructs supplier to charge goods or services to his/her U.S. Bank Visa card number.
- The cardholder must enter pertinent information into statement reconciliation.
- The cardholder must instruct the supplier to perform the following:
 - Forward a receipt or packing slip to cardholder for confirmation.
 - Ensure that the GST number is on receipt or packing slip.

2.2.3 On-line Internet Purchases

The steps of a typical on-line Internet purchase include the following:

- The cardholder browses the Internet and selects a reputable website to order the goods or services required. A reputable website should:
 - Inform the visitor that the purchase area of the site is secured using an industry standard Secure Socket Layer (SSL) technology to allow for encryption of sensitive information.
 - Outlines the website company's cancellation policy.
 - Outlines the website company's return policy.
 - Explains the usage and relevancy of the icons used on the website.
- The cardholder will be asked to log in to the website and register an on-line account.
- The cardholder will select products required and add them to the website's "shopping cart".

- Then the cardholder is satisfied that the “shopping cart” identifies all items required for purchase, he/she will be asked to check out and enter payment information. The cardholder must ensure at this point that they are on a secured site (a locked padlock will appear in the titlebar of the browser).
- The cardholder must review the summary page that then appears showing the details of the order before performing the final confirmation to purchase.
- Shortly after placing the order, the cardholder will receive an e-mail, confirming the details of the order, an order reference number and total cost of the purchase. The cardholder must print of this e-mail and submit as a receipt when reconciling statement. (Or print off the summary page referred to previously).

2.3 Reconciliation, Record Retention and Payment

2.3.1 The following controls are required for the reconciliation of all purchasing card transactions:

- Receipts should be submitted to the Executive Assistant, Civic Services, as soon as possible.
- The Executive Assistant will provide Elected Officials with a scanned copy of the monthly statement for their respective purchasing card. Within ten (10) working days of the copy being provided, Elected Officials must provide the Executive Assistant with all purchasing card receipts and a signed copy of his/her statement. The Executive Assistant will process the statement for approval and submit to Accounts Payable.
- The cardholder acknowledges the verification of all monthly transactions by signing the purchasing card statement at the bottom. Responsibility rests with the purchasing card user to ensure all transactions are accurate and legitimate.
- Purchasing Card Administrator will perform monthly audits, to ensure compliance with the above.

2.4 To Obtain a Card

2.4.1 The following are the steps taken to obtain a new purchasing card:

- Purchasing card application must be filled out and approved by the C.A.O..
- The Elected Official reviews and signs the "Purchasing Card – Elected Officials Acknowledgement of Responsibilities." (attached)
- Both of these forms are forwarded to the Purchasing Card Administrator for processing.
- Bank distributes purchasing card within 10 working days.

2.5 Lost or Stolen Cards

2.5.1 The cardholder must notify the bank immediately of any lost or stolen card. The lost or stolen card will be cancelled and a replacement card

issued within two business days. VISA Emergency customer service representatives provide 24 hours a day, 365 days a year customer service for cardholder at 1-800-588-8067.

2.5.2 On the next working day, the cardholder must notify the Executive Assistant of any lost or stolen card.

2.6 Card Cancellation

2.6.1 Non-compliance with this policy, or cessation of the Elected Officials' term, will result in the Town of Cochrane cancelling the purchasing card.

2.6.2 If a purchasing card is inadvertently used for an ineligible expense, the cardholder will be notified and must reimburse the Town of Cochrane within ten (10) working days. Failure to do so will result in the purchasing card being revoked and cancelled.

2.6.3 The following are steps to be taken when a card is cancelled:

- Cardholder is responsible for immediately returning the purchasing card to the Executive Assistant, Civic Services.
- The Purchasing Card Administrator notifies the bank to cancel the card regardless of whether or not the card was returned.

2.7 Managing Cardholder Declines

2.7.1 Several factors may create a situation for a card decline. These include:

- exceeded monthly credit limit;
- exceeded transaction limit (total dollars including applicable taxes);
- exceeded number of transactions limit;
- Merchant Category Code (MCC) block;
- card # entered incorrectly by merchant (telephone orders);
- "valid through" date entered incorrectly by merchant (telephone orders);
- exceeded corporate limit;
- late payment of account.

2.7.2 Cardholder's must call US Bank's Customer Service Representatives within 3 days to determine the reason for the decline.

2.7.3 If a cardholder is declined, they/you may contact US Bancorp Purchasing Card Customer Service. The 1-800 # is located on the back of the Purchasing Card (1-800-588-8065). The customer service representative has direct access to all cardholder purchasing information and can readily determine the reason for the card decline. Cardholder declines remain accessible by the US Bancorp Customer Service personnel for 3 days. Once the reason for the decline has been determined, this information (credit limit decline, MCC#

exclusion, transaction limit, etc) should be directed to the Purchasing Card Administrator for review and/or changes. Cardholders may not request changes directly from the US Bancorp customer service centre.

2.7.4 When requesting decline information from the customer service centre, the card holder will need to supply the following:

- Name of your organization
- Cardholder Name
- Card #
- Date of Transaction
- Amount of Transaction

Providing this information will aid in the computer search and reduce wait times.

Attachment

Town of Cochrane Purchasing Card – Elected Officials Acknowledgement of Responsibilities


Town of Cochrane Purchasing Card Elected Officials - Acknowledgement of Responsibilities

1. The purchasing card is intended to facilitate the purchase and payment of goods and services required for the conduct of the Town of Cochrane business. Those purchases and services included must be pre-approved in the Town of Cochrane yearly operating budget. I will follow the use guidelines as established by the Town. I cannot use the card for any unauthorized purchases.
2. Unauthorised use of the card can be misappropriation of Town of Cochrane funds. This could result in: Immediate and irrevocable forfeiture of the purchasing card.
3. I understand that the purchasing card must be surrendered upon cessation of my elected term.
4. I will maintain the proper security of the purchasing card. If the purchasing card is stolen or lost, I agree to immediately notify U.S. Bank Canada VISA and the Executive Assistant, Civic Services.
5. The card is issued in my name. I will not allow any other person to use my card.
6. I understand that I will receive a statement that will report all activity during the last cycle. I will resolve any discrepancies by contacting the supplier or the Executive Assistant. I understand that I will be required to obtain and provide all appropriate documentation, which shall include: Supplier's name, a description of goods and/or services provided (cash register receipt /invoice & packing slip), G.L. Coding, tax breakdown and total amount owing, and promptly reconcile them to the transaction monthly purchasing card statement.
7. I understand that all charges will be billed directly to and paid by the Town. I understand that U.S. Bank, Canada cannot accept any payment from me directly.
8. I understand the responsibilities and the restrictions regarding the use of the Purchasing Card and that a **zero tolerance** level relative to misuse is in force and that cards revoked will not be reissued.

This document outlines the responsibilities I have as a holder of the Town of Cochrane Purchasing Card. My signature indicates that I have read and understand these responsibilities, and agree to adhere to the guidelines established for the program.

SIGNATURE _____ DATE _____

Name: _____ Approval Signature: _____
Please Print

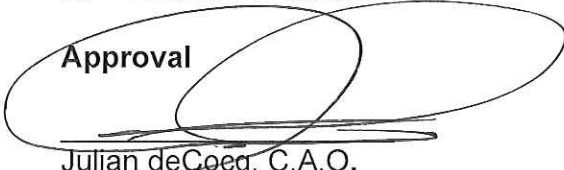
	<h1>TOWN OF COCHRANE PROCEDURE</h1>
Policy No.: Policy Title: Department:	1105-10 Council Remuneration Package Municipal Services

1. General Guidelines

- 1.1** Town of Cochrane Administration will facilitate a full review by the Mayor and Council Remuneration Task Force in the second term of Council and make recommendations to Council regarding Mayor and Council remuneration and expenses.
- 1.2** Town of Cochrane Administration will:
- Acquire the services of a consultant if required.
 - Collect relevant data for the review.
 - Set up interviews between the Mayor and Council Remuneration Task Force and current members of Council and/or Chief Administrative Officer if required.
 - Consider the current policy structure including Canada Customs and Revenue Agency Rules.
 - Adjust the Remuneration Package by the same Cost of Living Adjustment approved by Council and awarded to the Town of Cochrane Employee's Wage & Salary grid each year.
 - Will set newly Elected Officials up with benefits outlined in the Council Remuneration Package, Policy No. 1105-07.
- 1.3** Council will:
- Submit an approved Town of Cochrane Expense Claim form to request expense reimbursements as set out in Schedule 'B'.
 - When using a Town purchasing card, will complete the reconciliation process as set out in Schedule 'B'.
 - Newly Elected officials will participate in all benefits with the exception of Short-Term Disability and Long-Term Disability as stated in 2.1.2 of the Alberta Urban Municipalities Manual. Elected Officials will share 50% of the premium with the Town of Cochrane.

2. End of Procedure

Approval


 Julian deCoeq, C.A.O.

February 13, 2017
 Date