

CITY OF EDMONTON

**2012 Council Compensation Web Questionnaire
Final Report**

September 12, 2012



Research & Consulting Inc.

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SUMMARY OF FINDINGS

The City of Edmonton commissioned Banister Research & Consulting Inc. (Banister Research) to conduct the 2012 Council Compensation Web Questionnaire. The primary purpose of this research was to evaluate City of Edmonton citizen perceptions and opinions regarding financial compensation for Edmonton's City Council. Key findings included:

- Almost one-third of respondents (32%) considered the Mayor's job to be most like that of a Member of the Legislative Assembly (Provincial MLA), followed by that of a Senior Manager – Health, Education, Social Services (26%);
- In a similar fashion, 30% of respondents considered the salary of the Mayor most comparable to the salary range of an MLA (\$125,000 to \$150,000), while 26% felt it was comparable to that of a Senior Manager – Health, Education, Social Services (\$100,000 to \$125,000);
- Thirty-four percent (34%) of respondents considered the job of a City Councillor most similar to that of an MLA, followed closely by that of a School Principal (32%);
- Forty percent (40%) of respondents considered the salary of a City Councillor most comparable to the salary range of a Residential Construction Manager (\$75,000 to \$100,000). Approximately one-quarter of respondents each considered the salary of a City Councillor comparable to that of a School Principal (26%) and that of an MLA (24%);
- The majority of respondents (59%) considered the job requirements of the Mayor and a City Councillor to be similar to the same job requirements in Calgary, as opposed to Winnipeg (21%) or Regina (17%). In contrast, only 2% of respondents considered the job requirements to be similar to those of Mayor and Council in Vancouver;
- Respondents were presented with some information regarding how Council compensation is adjusted each year. Respondents were then asked to what degree they agreed with the statement: "This way of determining an increase is fair." Thirty-five percent (35%) of respondents agreed (4 or 5 out of 5) that the current method of determining compensation adjustment is fair.
- Respondents were asked if they had any additional comments regarding Council compensation. The most frequently noted comment was that Council compensation is already too high and should not be raised (10%). Respondents also felt that Council does a poor job in accordance with their salary and, overall, feel dissatisfied with Council's efforts (9%).

1.0 STUDY BACKGROUND

In July 2012, the City of Edmonton (“the Client”) commissioned Banister Research & Consulting Inc. (Banister Research) to conduct the 2012 Council Compensation Web Questionnaire.

The primary purpose of this research was to evaluate City of Edmonton citizen perceptions and opinions regarding financial compensation for Edmonton’s City Council. The goal was to gather feedback regarding adequate compensation for both the Mayor and City Council members, based on their level of responsibility. In total, 699 City of Edmonton citizens completed the web-based questionnaire.

This report outlines the results for the 2012 Council Compensation Web Questionnaire of City of Edmonton citizens.

2.0 METHODOLOGY

All components of the project were designed and executed by the City of Edmonton. A detailed description of each task of the project is outlined in the remainder of this section.

2.1 Project Initiation and Questionnaire Review

At the outset of the project, all background information relevant to the study was identified and subsequently reviewed by Banister Research. The consulting team familiarized itself with the objectives of the Client, ensuring a full understanding of the issues and concerns to be addressed in the 2012 project. The result of this task was an agreement on the research methodology, a detailed work plan and project initiation.

The questionnaire, provided by the Client, included quantitative questions with an additional space at the end for respondents to enter relevant comments. The goal of the questionnaire was to elicit a basic understanding of citizen perspectives regarding Council Compensation. A copy of the final questionnaire is provided in Appendix A.

2.2 Questionnaire Population and Data Collection

The questionnaire was available to City of Edmonton residents from July 20 to August 31, 2012, hosted on the Banister Research server, with access from the www.edmonton.ca website. Over that time, a total of 699 questionnaires were completed, providing a margin of error of $\pm 3.7\%$ at the 95% confidence level or 19 times out of 20.

2.3 Data Analysis and Project Documentation

While data was being collected, Banister Research provided either written or verbal progress reports to the Client. Upon completion of the data collection, a topline report of the findings for closed-ended questions was provided to the Client.

After the questionnaires were completed and verified, the lead consultant reviewed the list of different responses to the final open-ended or verbatim question and then a code list was established. To ensure consistency of interpretation, the same team of coders was assigned to this project from start to finish. The coding supervisor verified at least 20% of each coder's work. Once the responses were fully coded and entered onto the data file, computer programs were written to check the data for quality and consistency.

Tabulations of the 2012 Council Compensation Web Questionnaire have been provided under a separate cover. It is important to note that any discrepancies between charts, graphs or tables are due to rounding of the numbers.

This report provides a detailed description of the 2012 Council Compensation web questionnaire findings.

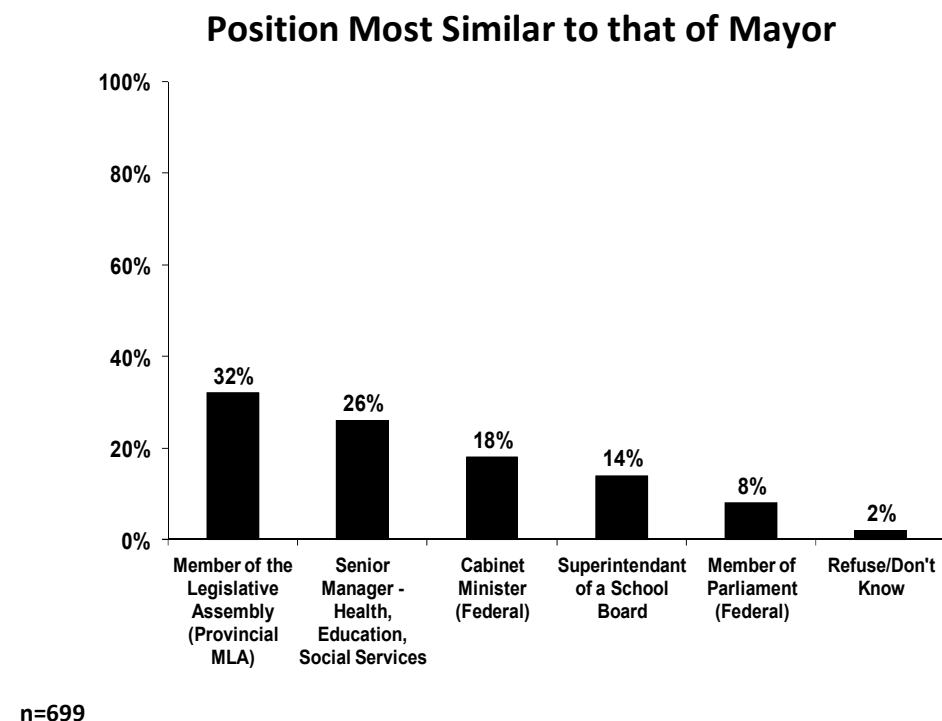
3.0 STUDY FINDINGS

Results of the study are presented as they relate to the specific topic areas addressed by the questionnaire. The reader should note when reading the report that the term significant refers to “statistical significance”, and is not to be interpreted as an indicator of order or magnitude.

3.1 Mayor

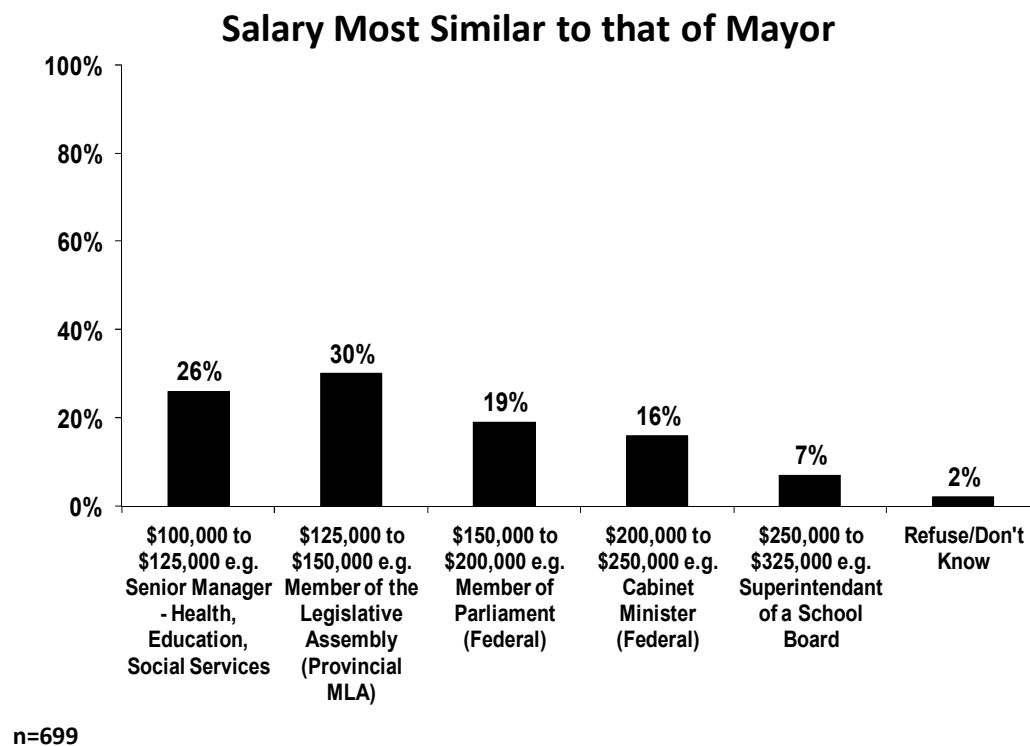
Respondents were asked which position they considered to be most similar to that of Mayor. As depicted in Figure 1, below, the position most frequently considered to be similar to that of Mayor was a Member of the Legislative Assembly (Provincial MLA) (32%), followed by a Senior Manager – Health, Education, Social Services (26%). Two percent (2%) of respondents were unable to provide a response.

Figure 1



Respondents were also asked which salary bracket was comparable to the salary of the Mayor. As shown in Figure 2, below, 30% of respondents indicated that the Mayor's salary is comparable to that of a Provincial MLA, at \$125,000 to \$150,000, followed by that of a Senior Manager – Health, Education, Social Service, at \$100,000 to \$125,000. Two percent (2%) of respondents were unable to provide a response.

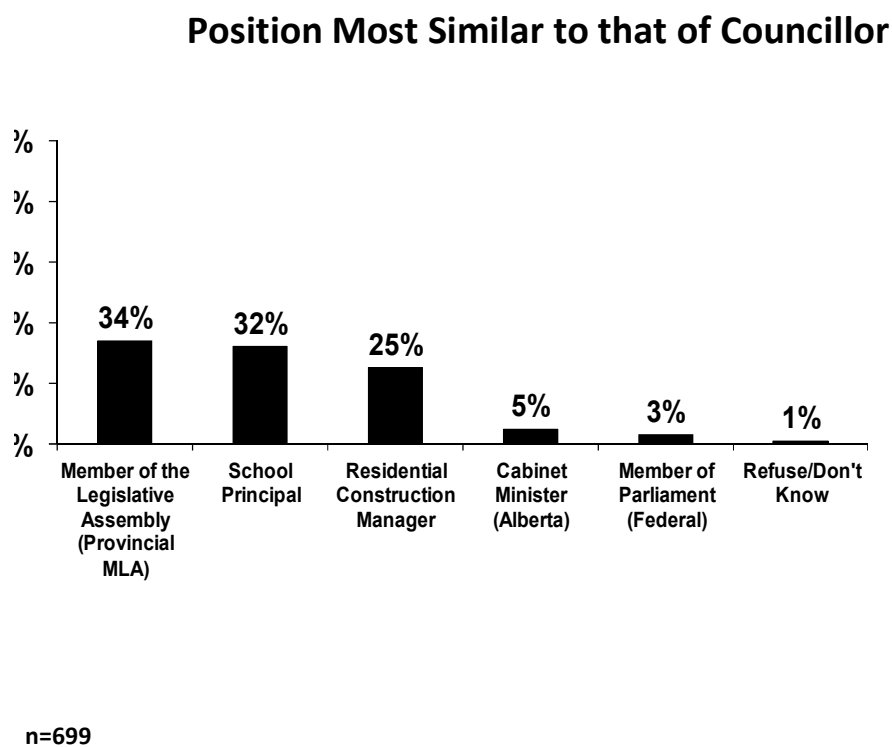
Figure 2



3.2 Councillors

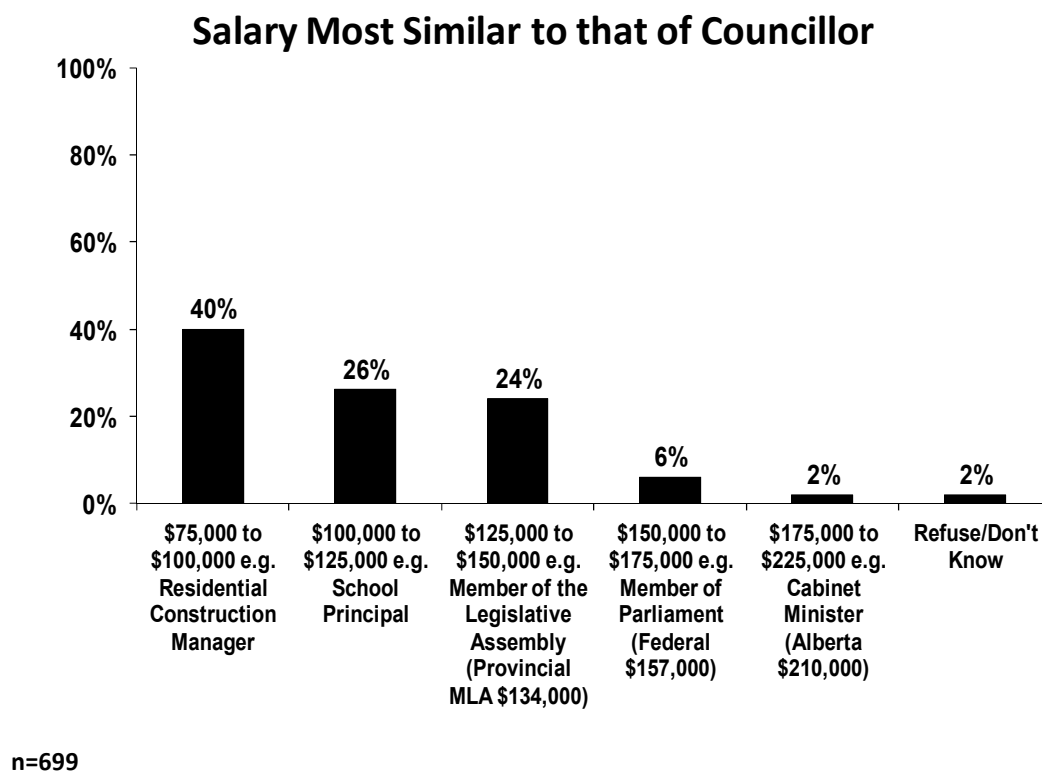
When asked which position was most similar to that of City Councillor, 34% of respondents selected a Member of the Legislative Assembly (Provincial MLA) followed by School Principal (32%). Following closely behind, a Residential Construction Manager garnered one-quarter of the responses (25%), while a Cabinet Minister (Alberta) and a Member of Parliament (Federal) each garnered 5% and 3% of the responses, respectively. One percent (1%) of respondents was unable to provide a response. See Figure 3, below.

Figure 3



In addition, respondents were asked which salary bracket they felt was comparable to the salary of a Councillor. As shown in Figure 4, below, 40% of respondents indicated that a Councillor's salary was comparable to the salary range of a Residential Construction Manager (\$75,000 to \$100,000). Approximately one-quarter of respondents each indicated that a City Councillor's salary was comparable to that of a School Principal (\$100,000 to \$125,000) (26%) and an MLA (\$125,000 to \$150,000) (24%). Two percent (2%) of respondents were unable to provide a response.

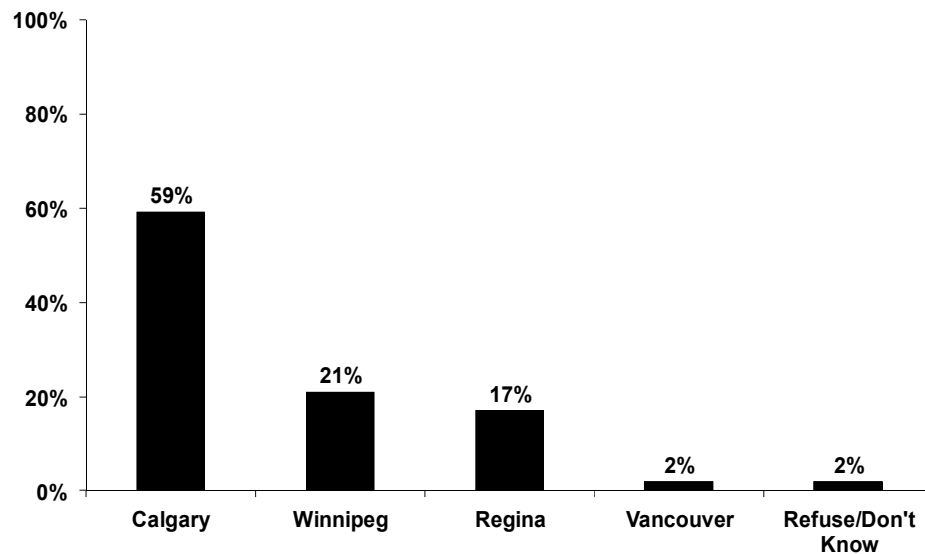
Figure 4



Respondents were asked which City (Calgary, Winnipeg, Regina or Vancouver) is most similar to Edmonton, in terms of job duties required by the Mayor and Councillors. As seen in Figure 5, below, 59% of residents consider the City of Calgary be most similar to Edmonton in this regard. Winnipeg had the second-highest share of responses, with 21%. Two percent (2%) of respondents were unable to provide a response.

Figure 5

Job Similarity of Edmonton's Mayor/Council to that of Other Cities



n=699

3.3 Increases

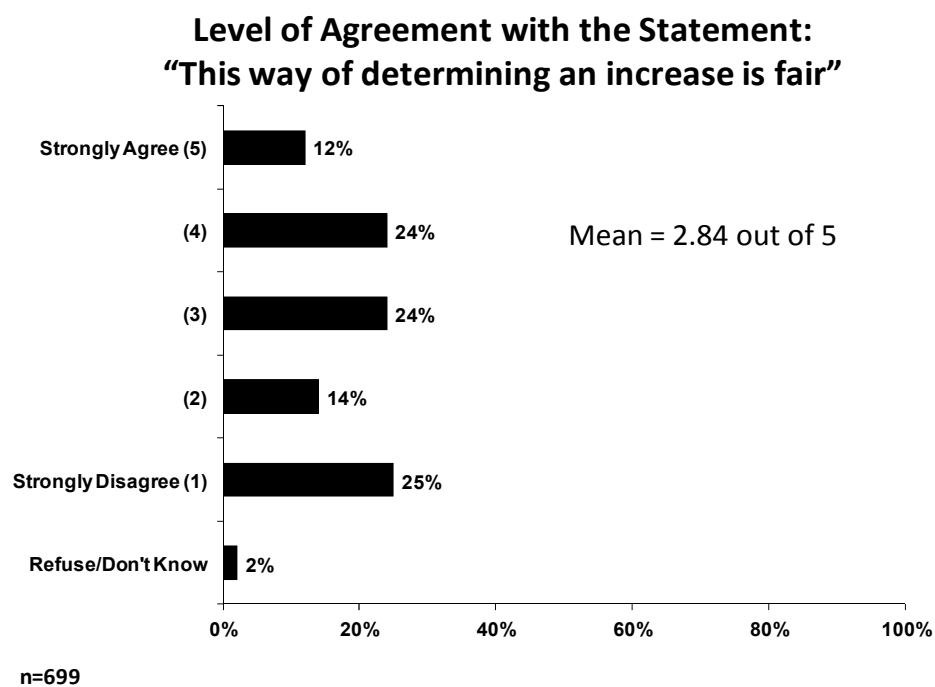
Respondents were provided with the following information:

“Council compensation is adjusted effective the first pay of each year by the same percentage increase or decrease as the Alberta Average Weekly Earnings from September to September as reported by Statistics Canada (survey of employment payroll and hours) for the immediately preceding year. Statistics Canada tracks the weekly earnings across Canada and reports monthly and annual changes by province. This is the same indicator that is used to determine wage increases for many other municipalities across Canada.”

Questionnaire respondents were asked, on a scale of 1 to 5, where 1 means “strongly disagree” and 5 means “strongly agree,” to what degree they agree with the following statement: **“This way of determining an increase is fair.”**

As seen in Figure 6, below, 35% of respondents agreed (4 or 5 out of 5) that the current method of determining the Council compensation adjustment is fair. Conversely, 38% of respondents disagreed (1 or 2 out of 5). Approximately one-quarter (24%) were neutral on the matter. The mean was 2.84 out of 5.

Figure 6



3.4 Comments

Finally, respondents were given the opportunity to provide additional comments. The most frequently suggested comment was that compensation is already too high for City Councillors and should not be raised further (10%). Nine percent (9%) of respondents suggested that the Council does not do an adequate job for the compensation they receive, felt dissatisfied with the Council, and felt that Council members should not get any extra allowances, such as vehicles or a pension. Eight percent (8%) disliked that Council get large tax breaks. Thirty-nine percent (39%) of respondents did not provide any additional comments. See Table 1, on the following page, for the full list of responses.

Table 1

Additional Comments	
	Percentage of Respondents* (n=699)
Compensation is too high for Council/should not be raised	10
Council do a poor job for salary amount/dissatisfied with council	9
Should not get any extra allowances/be factored in (e.g., vehicles, pension)	9
Dislikes that Council get large tax breaks (1/3 off income taxes)	8
Should have higher compensation/workload is too high for compensation	7
Higher compensation would attract better/more educated Councillors	7
Salary should be based on how they manage money/if save money	6
Base raises on good performances/improve performance reviews	5
Increased salaries should be the same rate as private positions	4
Dislikes that taxes are raised in same years' wages increase/high taxes	4
Raises should only be based on cost of living/inflation	4
Too many run for money/benefits of job/should be for civic duty only	4
They should not complain about workload/compensation because they chose the job	4
Other (<4%)	43
Refuse/Don't know	39

***Multiple mentions**

Appendix A

Questionnaire

2012 CITY OF EDMONTON

PUBLIC QUESTIONNAIRE

Background

An independent committee is currently reviewing the financial compensation for Edmonton's City Council. The goal is to ensure that people from all walks of life look at serving on Council as a viable option and to adequately compensate Council members for their time and level of responsibility.

Limiter

As this questionnaire relates to the Edmonton municipal government, it is intended for people who live in the city of Edmonton. Please enter the first three digits of your postal code.

First Three Digits of Postal Code: __ __ __

City Council

City Council consists of the Mayor and 12 Council members. Together they make decisions concerning the services provided to residents as well as overseeing the City of Edmonton's \$1.8 billion operating budget.

Mayor

The Mayor's workload averages at least 70 to 80 hours per week. The Mayor's time is spent working closely with Council, the City Manager and community representatives to develop plans and strategies, and policies important to the City's business.

In addition to performing these duties, the mayor is the key public representative of the City and is called on to represent the City organization and the community at meetings, public functions, ceremonies and other events. These often occur during evening hours and on weekends. For example, in 2011, the Mayor received over 2,000 such invitations and was able to attend 570 of them.

The Mayor is the chief spokesperson for the City in discussions with elected officials in other municipalities and/or the provincial and federal governments. This often involves initiating and building important relationships with decision-makers outside of the community.

- 1. What do you consider to be the position that is most similar to that of Mayor?**
[Select One Response]

 - Superintendant of a School Board
 - Cabinet Minister (Federal)
 - Member of Parliament (Federal)
 - Member of the Legislative Assembly (Provincial MLA)
 - Senior manager – Health, Education, Social Services
- 2. Below are some average annual salary ranges in Alberta. Which salary bracket do you think should be/is comparable to that of the Mayor?** [Select One Response]

 - \$250,000 to \$325,000 e.g. Superintendant of a School Board
 - \$200,000 to \$250,000 e.g. Cabinet Minister (Federal \$233,000)
 - \$150,000 to \$200,000 e.g. Member of Parliament (Federal \$157,000)
 - \$125,000 to \$150,000 e.g. Member of the Legislative Assembly (Provincial MLA \$134,000)
 - \$100,000 to \$125,000 e.g. Senior manager – Health, Education, Social Services

Councillors

Each Councillor represents the approximately 60,000 people who live in their ward. A Councillor's workload averages 70 to 80 hours per week. A Councillor's time is spent working closely with the Mayor and other Councillors. Attendance at and participation in Council and Committee meetings is mandatory and is a requirement to fulfill the representative and legislative responsibilities of elected office.

Councillors are the key public representatives of the City and their ward, and are called on to represent the City organization and the community at meetings, public functions, ceremonies and other events. These often occur during evening hours and on weekends.

- Cabinet Minister (Alberta)
- Member of Parliament (Federal)
- Member of the Legislative Assembly (Provincial MLA)
- School Principal
- Residential Construction Manager

4. **Below are some average annual salary ranges in Alberta. Which salary bracket do you think should be/is comparable to that of a Councillor?** [Select One Response]

- \$175,000 to \$225,000 e.g. Cabinet Minister (Alberta \$210,000)
- \$150,000 to \$175,000 e.g. Member of Parliament (Federal \$157,000)
- \$125,000 to \$150,000 e.g. Member of the Legislative Assembly (Provincial MLA \$134,000)
- \$100,000 to \$125,000 e.g. School Principal
- \$75,000 to \$100,000 e.g. Residential Construction Manager

5. **The job of Mayor and Council of Edmonton is most similar to that of the Mayor and Council of:** [Select One Response]

- Calgary
- Winnipeg
- Regina
- Vancouver

Increases

Council compensation is adjusted effective the first pay of each year by the same percentage increase or decrease as the Alberta Average Weekly Earnings from September to September as reported by Statistics Canada (survey of employment payroll and hours) for the immediately preceding year. Statistics Canada tracks the weekly earnings across Canada and reports monthly and annual changes by province. This is the same indicator that is used to determine wage increase for many other municipalities across Canada.

6. **Using a scale of 1 to 5 where 1 means “strongly disagree” and 5 means “strongly agree,” please rate your level of agreement with the following statement:**

“This way of determining an increase is fair”

Comments

7. **Below is an opportunity to make a comment concerning Council compensation:**

Limit of 500 keystrokes

For more information regarding Council Compensation in the City of Edmonton, please click on the link below:

<http://www.banister.ab.ca/pdf/document01.pdf>

[See **Appendix B** for a copy of the information provided in the link above]

Appendix B

More Information

Council Compensation

Salaries

Salaries are adjusted effective the first pay period of each year. The percentage increase or decrease is calculated using the Alberta Weekly Earnings from September to September, as reported by Statistics Canada for the immediately preceding year.

The following is the salary that Members of Council are eligible to receive:

	2010	2011	2012
Mayor	\$144,061	\$150,748	\$158,813
Councillors	\$79,787	\$83,488	\$87,955

One third of the Mayor and Councillor's salary is tax exempt, as allowed by the *Municipal Government Act* and the federal *Income Tax Act*.

The grossed up equivalent salary would be:

	Gross equivalent (no tax-free portion)
Mayor	\$184,468
Councillors	\$99,881

Benefits

	City of Edmonton	Council Member
Alberta Health	0%	0%
Major Medical	70%	30%
Dental Plan	65%	35%
Long-Term Disability	0%	100%
Life Insurance	50%	50%

All members of Council receive an annual \$500 flexible Health Care Spending Account.

Vehicle Allowance

Mayor	\$1,158.00 per month (1/3 tax exempt or the choice of a City-owned vehicle)
Council	\$578.00 per month

Vehicle allowance amounts are indexed by the increase or decrease in the City of Edmonton mileage rate from January 1 of the previous year to January 1 of the current year.

RRSP

The City of Edmonton contributes an amount equal to 11% of the elected official's total annual salary to support retirement.

Transition Allowance

The City of Edmonton Members of Council will be provided with a transition allowance, upon the conclusion of their service, equal to three weeks salary for each year served, to a maximum of 36 weeks.

Parking

Members of Council are provided with parking permits for reserved stalls in City Hall, valued at **\$3,540 per year**. This figure includes complimentary parking at Stanley Milner Library or Canada Place parkades, which Councillors may or may not choose to use. The figure also includes permits for metered parking on City-owned property and restricted residential parking.

Transit Passes

Members of Council are offered City transit passes and may or may not choose to accept them. They are valued at **\$84.50 per month** (\$1,014 per year).

Employee Savings and Discounts

Members of Council may take advantage of savings and discounts offered to all City employees, including a 50% discount for admission to City recreation facilities.

Independent Council Compensation Committee

In 2006 an independent committee made recommendations for City Council remuneration. It recommended their salaries to be adjusted up or down each year according to the average weekly earnings of Albertans.

2006 Council Compensation Review Final Report