



AGENDA

Council Remuneration Task Force Meeting

12:00 PM - Monday, June 22, 2026
Municipal Council Chambers/Microsoft Teams

Please participate in the meeting by observing or listening in one of the following ways:

1. Join Teams by Desktop Computer or Mobile Device
 - o [Click here to join on Teams](#)
2. Join Teams by Regular Phone Call:
 - o 1-236-599-4533 (long-distance charges may apply)
 - o Conference ID: 844 702 640#

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<p>That the Council Remuneration Task Force review the information regarding the tax implications of the remuneration options presented at the May 13, 2026 meeting and consider recommendations for the incoming 2026 Terrace City Council.</p> <p>Memo – Council Remuneration Task Force – Tax Implications of Recommendations</p>	
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MINUTES

Council Remuneration Task Force Meeting

12:00 PM - Wednesday, May 13, 2026

Municipal Council Chambers/Microsoft Teams

The Council Remuneration Task Force meeting was called to order on Wednesday, May 13, 2026, at 12:00 PM, in the Municipal Council Chambers/Microsoft Teams, with the following members present:

Present: Carol Leclerc, Chair
 Amanda Owens (via MS Teams)
 Jolene Wesley
 Maggie Arruda, City Manager
 Rachel Mattiuz, Director of Administration/Corporate Officer

Regrets: Cathy Macintosh Lambright, Bruce Martindale

ADOPTION OF AGENDA

MOVED/SECONDED that the May 13, 2026 Council Remuneration Task Force agenda be adopted.

Carried.

REVIEW AND APPROVE PAST MINUTES

MOVED/SECONDED that the April 29, 2026 Council Remuneration Task Force minutes be adopted.

Carried.

REPORTS

Comparison Communities - Council Remuneration Task Force

The Council Remuneration Task Force reviewed the May 13, 2026 report from the Director of Administration/Corporate Officer regarding remuneration in comparison communities to help inform recommendations for the incoming 2026 City Council.

Staff provided an overview of the comparator communities selected by the Task Force for the incoming 2026 Council remuneration review, noting that the comparison considered municipalities with similar population, budget, and service delivery characteristics.

Discussion took place regarding the differences in remuneration structures among the comparison communities. including base compensation, benefits, and allowances. Members discussed how some municipalities provide additional stipends or budgets to support Council-related duties, while others incorporate these costs into overall remuneration.

Questions were raised regarding whether additional considerations such as regional responsibilities and travel requirements should factor into the Task Force's review.

Members considered possible adjustments to Councillor and Mayor compensation, Council support budgets, and stipends intended to offset costs associated with fulfilling Council duties.

In order to bring Terrace City Council remuneration more in line with the selected comparator communities, while remaining within a moderate range, the Task Force requested that staff bring forward information at the next meeting outlining the taxation impact associated with potential remuneration changes, including a breakdown by individual item to assist in evaluating each option independently. The requested items included a \$6,000 increase to each Councillor's remuneration, an increase to the Mayor's remuneration to \$60,000 annually, the addition of an annual \$15,000 professional development and education budget allocating \$2000 per Councillor to use at their discretion, the addition of a Deputy Mayor stipend of \$300 per month, and the addition of a Wi-Fi/phone stipend of \$50 per month for each member of Council.

A question was also raised regarding whether the City currently provides or reports a taxable benefit in relation to phone allowances, and staff were asked to confirm this for the next meeting.

It was recommended that the Council Remuneration Task Force review the information regarding Council remuneration in this report and consider recommendations for the incoming 2026 Terrace City Council.

NEW BUSINESS

NEXT MEETING DATE:

June 22, 2026

ADJOURNMENT

The meeting adjourned at 12:40 p.m.

CERTIFIED CORRECT:

Council Remuneration Task Force
May 13, 2026



City of Terrace
COUNCIL REPORT
Council Remuneration Task Force

MEETING:	Council Remuneration Task Force - 22 Jun 2026
TO:	Maggie Arruda, City Manager for Mayor and Council
FROM:	Rachel Mattiuz, Director of Administration/Corporate Officer
SUBJECT:	Council Remuneration Task Force – Tax Implications of Recommendations

RECOMMENDATION(S):

That the Council Remuneration Task Force review the information regarding the tax implications of the remuneration options presented at the May 13, 2026 meeting and consider recommendations for the incoming 2026 Terrace City Council.

PURPOSE:

The purpose of this report is to provide information to the Council Remuneration Task Force regarding tax implications of the remuneration options that were discussed at the May 13, 2026 Council Remuneration Task Force meeting.

BACKGROUND INFORMATION:

Pursuant to Policy No. 94 – Council Remuneration and Benefits, the Council Remuneration Task Force was established to conduct a quadrennial review of Council remuneration and provide recommendations for the incoming 2026 City Council. The Task Force is responsible for reviewing current remuneration levels, comparing compensation with similar municipalities, and considering other factors relevant to Council compensation.

At its April 29, 2026 meeting, the Task Force selected comparator communities based on population and annual municipal budget to assist in evaluating Terrace’s current remuneration relative to similar local governments.

At its May 13, 2026 meeting, the Task Force reviewed a report from the Director of Administration/Corporate Officer regarding remuneration in comparator communities. The comparison indicated that remuneration for Terrace Council is generally below the median of the selected comparator municipalities, particularly for Councillor compensation.

Following discussion, the Task Force expressed interest in exploring potential remuneration adjustments that would bring Terrace City Council compensation closer to the mid-range of comparator communities while remaining mindful of the taxation impact to residents.

To assist in that analysis, the Task Force directed staff to bring forward information outlining the estimated taxation impact associated with several potential remuneration changes, including both the cumulative impact and the individual impact of each item to allow for independent consideration. The requested items included:

- Increase of \$6,000 to each Councillor's remuneration;
- Increase to the Mayor's remuneration to \$60,000 annually;
- Addition of \$15,000 professional development and education budget (\$2,500 allocated to each Councillor);
- Addition of a Deputy Mayor stipend of \$300 per month; and
- Addition of a Wi-Fi/phone stipend of \$50 per month for each member of Council.

During the discussion, a question was also raised regarding whether phone-related benefits provided by the City are currently treated as a taxable benefit for reporting purposes. Staff were requested to provide clarification on this matter as part of the follow-up information contained in this report, along with the estimated taxation impacts of the potential remuneration adjustments identified by the Task Force.

DISCUSSION AND ANALYSIS:

As directed by the Council Remuneration Task Force, staff reviewed the estimated taxation impact associated with each of the proposed remuneration adjustments, both individually and cumulatively, should they be recommended for the incoming 2026 Council.

The combined annual cost of all proposed changes is estimated at \$68,933, representing approximately a 0.30% tax increase in 2027. If implemented beginning with the incoming Council in November 2026, the prorated cost for the final two months of 2026 is estimated at \$11,489.

The estimated annual cost and corresponding tax impact of each proposed adjustment is as follows:

- Councillor wage increase of \$6,000 each (6 Councillors): \$36,000 annually (0.16% tax increase)
- Mayor remuneration increase to \$60,000: \$10,133 annually (0.04% tax increase)
- Increase to Council unallocated budget: \$15,000 annually (0.07% tax increase)
- Deputy Mayor stipend of \$300 per month: \$3,600 annually (0.02% tax increase)
- Wi-Fi/phone stipend of \$50 per month for each Council member (7 total): \$4,200 annually (0.02% tax increase)

With respect to the proposed Wi-Fi/phone stipend, the City does not currently operate a "bring your own device" reimbursement model for employees. This approach is preferred due to considerations relating to security, records retention, freedom of information and privacy obligations, repairs, and device replacement.

Staff confirm that should a Wi-Fi/phone stipend be paid to members of Council for personal device use, it would be considered a taxable benefit.

Figures A and B below provide a breakdown of the percentage, tax, and cost increases for November-December 2026 and for 2027.

Figure A - 2027 Tax Increase

Figure A	Annual Adjustment	% of tax increase in 2027
Councillors wage increase of \$6000 each	\$ 36,000	0.16%
Mayor wage increase from \$49,867 to \$60,000	\$ 10,133	0.04%
Professional Development budget (for councillors)	\$ 15,000	0.07%
Deputy Mayor stipend \$300/month	\$ 3,600	0.02%
Wifi/Phone Stipend \$50/month x 7	\$ 4,200	0.02%
Total:	\$ 68,933	0.30%

Figure B - Prorated cost for November-December, 2026

Figure B	Annual Adjustment	Prorated cost for 2 months in 2026
Councillors wage increase of \$6000 each	\$ 36,000	\$ 6,000
Mayor wage increase from \$49,867 to \$60,000	\$ 10,133	\$ 1,689
Professional Development budget (for councillors)	\$ 15,000	\$ 2,500
Deputy Mayor stipend \$300/month	\$ 3,600	\$ 600
Wifi/Phone Stipend \$50/month x 7	\$ 4,200	\$ 700
Total:	\$ 68,933	\$ 11,489

FINANCIAL IMPLICATIONS:

There are no immediate financial implications associated with this report.

If all remuneration adjustments discussed by the Council Remuneration Task Force were implemented for the incoming 2026 Council, the estimated annual unbudgeted cost would be \$68,933, representing approximately a 0.30% tax increase in 2027. The prorated unbudgeted cost for the final two months of 2026 would be approximately \$11,489.

Asset Management Implications: N/A

COUNCIL STRATEGIC FOCUS AREA(S):

- Livable Community

- Community Wellness
- Organizational Strength and Cultural Awareness
- Responsible Asset Management
- Grow Revenues and Economic Development
- Not Applicable

COMMUNICATIONS:

No communication action is required.

SUMMARY AND CONCLUSION:

This report provides the Council Remuneration Task Force with the requested analysis of the estimated taxation impacts associated with the potential remuneration adjustments discussed at the May 13, 2026 meeting, including both the cumulative impact and the impact of each item individually.

The information provided is intended to assist the Task Force in evaluating the financial implications of each proposed adjustment as it considers recommendations for the incoming 2026 City Council.

The Task Force may use this information to further refine its recommendations or provide additional direction to staff.

RELEVANT GUIDING DOCUMENTS:

RELEVANT POLICIES:

94 - COUNCIL REMUNERATION

Prepared by:

Rachel Mattiuz

Approved by

Cristina Fleischbein, Legislative Clerk
Tatiana Block, Executive Assistant
Lori Greenlaw, Interim City Manager
Maggie Arruda, City Manager

Status:

Approved - 18 Jun 2026
Approved - 18 Jun 2026
Approved - 19 Jun 2026
Approved - 19 Jun 2026