

**REPORT TO FIRST NATIONS RELATIONS COMMITTEE
MEETING OF WEDNESDAY, NOVEMBER 25, 2020**

SUBJECT **Amendment to CRD Board Remuneration and Travel Expense Reimbursement Policy to Include First Nation Members**

ISSUE SUMMARY

To amend the CRD Board Remuneration and Travel Expense Reimbursement Policy (the Policy) to support remuneration and reimbursement of First Nation Members when they participate on CRD Board standing, advisory, select committees and commissions where the Policy permits.

BACKGROUND

First Nations do not have access to dedicated resources to support participation and engagement on CRD committees or commissions and the time that Chiefs and councilors would be spending informing CRD activities would draw down on their capacity to support the core work of their Nations. Within this context, it is important to acknowledge the contributions of First Nation Members when they participate on CRD committees or commissions by offering compensation.

In December 2016, the CRD Board adopted the suite of recommendations contained within the Year End Report on the Activities of the Special Task Force on First Nations Engagement which included the following:

- Direct staff to develop options for increased resourcing and financial implications to accommodate greater participation, engagement and reconciliation.

The Special Task Force on First Nations Relations: Final Report, adopted by the CRD Board in October 2018, includes the recommendation:

- That the Board pursue a proposed First Nations Remuneration Policy, and direct staff to provide recommendations for consideration by the incoming Board.

The CRD Board adopted the following in March 2020:

- That staff bring back draft changes to the Capital Regional District Board Remuneration and Travel Expense Reimbursement Policy that outlines remuneration for First Nations elected representatives participating on CRD Standing Committees, Commissions and other Board appointed bodies; as well as a draft First Nations Remuneration Policy that establishes compensation for specific cultural, technical or subject matter expertise on CRD projects and activities.

At the Special CRD Board meeting of October 28, the recommendation was adopted:

- That \$75,000 be included in the Provisional Budget to support the planned amendments to the Board Remuneration and Travel Reimbursement Policy.

The recommendation being considered within this staff report is specific to supporting remuneration when First Nation Members participate in CRD governance. Compensation for cultural works is being advanced in a separate staff report.

ALTERNATIVES

Alternative 1

The First Nations Relations Committee and the Governance and Finance Committee recommends to the Capital Regional District Board:

- a. That the proposed amendments to the Board Remuneration and Travel Expense Reimbursement Policy are approved pending the adoption of Bylaw No. 4368, Capital Regional District Procedures Bylaw, 2012, Amendment Bylaw No. 11.
- b. That the amended Schedule 1 of the Board Remuneration and Travel Reimbursement Policy is approved pending the adoption of Bylaw No. 4368, Capital Regional District Procedures Bylaw, 2012, Amendment Bylaw No. 11, thereby setting the remuneration rates for First Nation Members at \$110 per committee/commission meeting for only those identified in the policy, including expenses.

Alternative 2

The First Nations Relations Committee and the Governance and Finance Committee recommends to the Capital Regional District Board:

- a. That the proposed amendments to the Board Remuneration and Travel Expense Reimbursement Policy are approved pending the adoption of Bylaw No. 4368, Capital Regional District Procedures Bylaw, 2012, Amendment Bylaw No. 11.
- b. That the amended Schedule 1 of the Board Remuneration and Travel Reimbursement Policy is amended to set the remuneration rate for First Nation Members at \$250 per committee/commission meeting for only those identified in the policy, including expenses.
- c. That the amended Schedule 1 is approved pending the adoption of Bylaw No. 4368, Capital Regional District Procedures Bylaw, 2012, Amendment Bylaw No. 11.

Alternative 3

The First Nations Relations Committee recommends to the Capital Regional District Board:

That this report be referred back to staff for additional information.

IMPLICATIONS

Intergovernmental Implications

The current remuneration levels outlined in the Policy establish two rates that includes a flat rate of \$110 per meeting for Alternate CRD/CRHD Board Directors and an annual stipend of \$5,981 for CRD Directors. The annual stipend is the identified amount for CRD/CRHD Directors when they participate on a Board Standing Committee that is in addition to their base stipend amount that includes CRD/CRHC Board, Committee of the Whole meetings and two Standing Committees. Given the flexibility built into the model for more inclusive governance and the likelihood that First Nations will participate in an interest-based way, a per meeting approach has been pursued for First Nation Members.

Alternative 1

Amending CRD policy to remunerate First Nation Members when participating in CRD governance is intended to provide a fair and reasonable level of compensation to First Nations when they make the commitment to serve their communities though engaging in discussions on regional matters. This level of remuneration proposed, though not intended to be the primary motivating factor, considers time spent reviewing agenda packages and attending meetings and

is consistent with the level of remuneration provided to Alternate Directors. However, this amount is less than what First Nations typically consider to be appropriate compensation for this type of work and may inadvertently act as a barrier to participation. First Nations Chiefs or councillors may feel the level of remuneration provided does not align with their expectations or what they tend to remunerate themselves for similar time commitments and activities.

Alternative 2

The CRD's Statement of Reconciliation acknowledges the gap in wealth between First Nations and settler governments. This alternative looks to align CRD remuneration rates for First Nation Members with those levels the First Nations pay themselves as a baseline and is intended to acknowledge that effective participation may require more than a quick review of the material in advance of a meeting. The higher rate suggested in Alternative 2 goes beyond that which is provided to an Alternate Director, but is less than what a CRD Director would be remunerated though an annual stipend when broken down by meeting. Alternative 2 establishes a third rate for remuneration that is specific to First Nation Members.

Financial Implications

The Board has allocated a total of \$75,000 in the 2021 provisional budget to support the remuneration of First Nation members and related expenses. This figure is based on the potential cost implications associated with an estimated level of participation on committees. To manage budget uncertainty and the potential of cost overruns resulting from specific First Nation Members attending significant number of meetings, staff have included a ceiling for First Nation remuneration in the Policy. Regardless of the specific remuneration level, the Annual Community Maximum remains fixed at \$8,250 per First Nation. Should a single community be projected to exceed their annual maximum, a discussion between the First Nation and CRD staff will determine an appropriate course of action based on interests, resource availability and budgetary constraints. The intention of the Annual Community Maximum is to ensure that each First Nation receives an equitable allocation of funds to support remuneration as the model for inclusive governance is introduced. This figure and its utilization will likely need to be revised over time as the degree of participation and cost implications becomes more fully understood.

Alternative 1

This alternative allows for a very high level of participation with low risk of a First Nation exceeding their Annual Community Maximum and presents a minimal likelihood of any cost overruns associated with First Nation Member remuneration.

Alternative 2

There is a risk with this higher remuneration rate that some First Nations quickly bump up against their Annual Community Maximum and the exhaustion of their allocated funds. In order to not have the Annual Community Maximum be a barrier to further participation, the CRD would likely need to identify additional resources, which could result in a overspending on this particular budget item. It may also be possible that some First Nation indicate they will not use all of their available funds in which case these could be re-profiled to support another First Nation.

Operational Implications

Remuneration will be disbursed through an agreement between the CRD and the First Nation government that details the remuneration schedule and payment terms for First Nation Member participation. Remuneration payments will be made directly to the First Nation at regular intervals

and will provide the First Nation with a clear overview of who attended which meetings and the remuneration owed to each appointed First nation Member or their alternate for the service provided. The CRD will rely on the First Nation to then distribute this in a manner that it determines to be appropriate.

Alignment with Board & Corporate Priorities

This aligns with Board Priority of First Nations Reconciliation and supports taking measurable steps toward developing respectful government-to-government relationships and partnerships with First Nations to foster shared prosperity for all.

Alignment with Existing Plans & Strategies

This work aligns with the CRD's Task Force Report on First Nations Relations and its statement of Reconciliation: "When First Nations wish to participate in our decision-making process then we will support them."

CONCLUSION

The ability for the CRD to appropriately compensate First Nation Members for their time and expertise as well as acknowledging their important responsibilities as representative government within their communities will play an important role in supporting the first steps towards more inclusive governance. It will not be the only motivating factor, but it is important to strike the right balance given the time required and the other pressing priorities for First Nations' elected officials. It should also be noted that the Policy will be reviewed periodically as directed by the Board so if the amount is determined to require adjustment, a process for this is already built in.

RECOMMENDATION

The First Nations Relations Committee and the Governance and Finance Committee recommends to the Capital Regional District Board:

- a. That the proposed amendments to the Board Remuneration and Travel Expense Reimbursement Policy are approved pending the adoption of Bylaw No. 4368, Capital Regional District Procedures Bylaw, 2012, Amendment Bylaw No. 11.
- b. That the amended Schedule 1 of the Board Remuneration and Travel Reimbursement Policy is approved pending the adoption of Bylaw No. 4368, Capital Regional District Procedures Bylaw, 2012, Amendment Bylaw No. 11, thereby setting the remuneration rates for First Nation Members at \$110 per committee/commission meeting for only those identified in the policy including expenses.

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Concurrence:	Chris Neilson, MBA, CPHR, Senior Manager, Human Resources & Corporate Safety
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
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ATTACHMENT(S)

Appendix A: Board Remuneration and Travel Expense Policy

Appendix B: Schedule 1 – CRD Board Remuneration and Travel Expense Policy