2026

CRESTON VALLEY

TOWN of CRESTON

Mayor and Council Remuneration Review

GOV-001-001 COUNCIL REMUNERATION POLICY

PREPARED BY: Mike Moore

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Mayor and Council Remuneration Review

Executive Summary

The Town of Creston is required under its remuneration policy to review Council remuneration during the third year of each Council term. The 2026 review assessed compensation against 29 British Columbia municipalities with populations between approximately 5,000 and 15,000 residents. The updated analysis indicates that the Town's current remuneration levels remain generally comparable within the comparator market. Mayor and Councillor remuneration are below both the comparator average and comparator median, although the variance from the median benchmark is modest. While these variances are not substantial in absolute dollar terms, the current remuneration structure is positioned below typical market practice as represented by the median benchmark.

Measure	Mayor	Councillor
Current remuneration	$45,916	$20,662
Peer average	$49,388	$22,701
Difference to average	$3,472 below	$2,039 below
Percentage difference to average	7.6% below	9.9% below
Peer median	$47,314	$21,337
Difference to median	$1,398 below	$675 below
Percentage difference to median	3.0% below	3.3% below

Overall Recommendation

That Council consider aligning remuneration with the comparator median for the next Council term, effective at the commencement of the 2026-2030 Council term. The total estimated annual budget impact is approximately $5,720, including associated 5% RRSP contributions. Of this amount, approximately $1,398 relates to the Mayor position and $4,049.40 relates to the six Councillor positions.

Purpose of the Business Case

This business case is presented to:

1. Fulfill the remuneration review requirement contained in policy *GOV-001-001 Council Remuneration.*
2. Assess whether current remuneration remains fair and defensible.
3. Provide Council with evidence-based options.
4. Clearly separate decisions requiring Council approval from implementation activities delegated to Administration.

The purpose of market benchmarking is to assess whether remuneration remains comparable and defensible, not to automatically adjust remuneration to the median or average whenever current compensation exceeds or is below that benchmark.

Remuneration for elected officials is not intended simply to compensate attendance at meetings; it supports effective democratic governance by recognizing the time, responsibility, and public accountability associated with serving on Council. Appropriate remuneration helps attract candidates by reducing financial barriers that may prevent residents from seeking elected office, supports broader and more diverse representation, and acknowledges the significant workload involved in Council duties, community engagement, advocacy, preparation, and decision-making. For this reason, the purpose of this business case is not only to compare remuneration against market benchmarks, but also to assess whether the Town's remuneration structure remains fair, accessible, transparent, and defensible in supporting effective local government representation.

Background

The Town's Council Remuneration Policy requires remuneration reviews during the third year of each Council term. This was delayed by one year due to limited staff resources available to conduct the review in 2025 with absences in key positions (Director of Finance and Director of Corporate Services). The previous major review occurred in 2022.

Current policy:

- Provides annual indexed increases through formula adjustments.
- Sets Councillor remuneration at 45% of Mayor remuneration.
- Provides technology allowance, per diems, benefits eligibility, RRSP participation, childcare allowances, and conference attendance provisions.
- Comparative analysis of remuneration conducted the third year of Council term.

The 2026 review examined 29 comparator municipalities within the population range of approximately 5,000 to 15,000 residents. Average and median compensation levels were calculated and compared against the Town's current remuneration levels.

In accordance with the UBCM Council & Board Remuneration Guide, elected official remuneration should be reviewed using a transparent and evidence-based methodology that supports public confidence and ensures decisions are fair, reasonable, and defensible. **UBCM advises that comparator municipalities should be selected using multiple criteria, including population, service responsibilities, organizational complexity, geographic location, economic conditions, and regional context, rather than population alone.** The Guide further recognizes the median remuneration level as an important benchmark because it reflects the midpoint of the comparator group and is not disproportionately affected by outlier jurisdictions with unusually high or low compensation levels. Accordingly, while both average and median compensation data have been analyzed as part of this review, **the median comparator value is considered the most appropriate indicator of typical market practice** and has been used as the primary benchmark in evaluating Council remuneration.

Problem Statement / Opportunity

Finding

The updated survey results indicate that current remuneration levels are below both the comparator average and comparator median. Mayor remuneration is approximately 7.6% below

the average comparator municipality and 3.0% below the median. Councillor remuneration is approximately 9.9% below the average and 3.3% below the median.

Opportunity

The review provides Council with an opportunity to determine whether remuneration should remain at its current level or be adjusted to better align with comparator municipalities and the median market benchmark. A modest adjustment would bring remuneration in line with the median compensation among similarly situated British Columbia municipalities.

Consequences of Maintaining Current Structure

- The compensation gap relative to comparator municipalities would remain.
- Existing annual indexing provisions continue to partially address market movement.
- Future reviews may identify a larger adjustment requirement if market movement continues.

Strategic Alignment

Area	Alignment
Good Governance	Supports evidence-based governance decisions
Transparency	Benchmarking provides objective rationale
Financial Stewardship	Quantified and manageable budget impact
Policy Compliance	Meets policy requirement for periodic review
Risk Management	Reduces governance risk associated with outdated compensation structures

Methodology Validation

Based on previous compensation reviews undertaken by the Town, a comparator group consisting of municipalities with populations between 5,000 and 14,999 has been used to assess both staff and elected official compensation. This methodology provides a balanced and objective basis for comparison because it captures communities that are generally similar in organizational scale, service delivery requirements, staffing structures, and governance responsibilities. While no two municipalities are identical, **communities within this population range are more likely to face comparable challenges related to infrastructure management, regulatory responsibilities, protective services, recreation, economic development, and administration**. Using a broad population band also avoids overreliance on a small number of hand-picked municipalities whose unique circumstances may not be representative of the broader municipal marketplace.

This approach is preferable to selecting comparators based on a single characteristic, such as geographic proximity, assessment base, tourism activity, or growth pressures, because those factors can introduce unintended bias and produce results that are difficult to defend objectively. By establishing a population-based comparator group and then analyzing both median and average remuneration levels across that larger sample, the Town is able to assess compensation against a broader and more representative cross-section of local governments. This methodology improves transparency, reduces the influence of outlier jurisdictions, and provides a defensible foundation for remuneration decisions that can be consistently applied over time. Consistent with UBCM guidance, the resulting analysis can then be supplemented with consideration of other

factors such as service complexity, regional context, and organizational responsibilities to ensure the findings remain relevant to the Town's circumstances.

Creston Functions More Like a Regional Hub Than a Small Community

Although population is approximately 5,900, the Town provides services well beyond its resident population. The population for the greater Creston Valley is approximately 15,000, for which the Town participates in many shared services with the Regional District of Central Kootenay (RDCK).

In terms of the remuneration review, the question is not "What communities have a similar population?" but rather the question is "What communities have similar governance responsibilities?"

More appropriately aligned governance questions are:

- What complexity does Council oversee?
- What services are delivered?
- What assets are managed?
- What risks are governed?

Some of the Town's responsibilities include (but not limited to):

- RCMP policing costs.
- Regional economic hub functions.
- Airport operations.
- Water, sewer, roads, parks, recreation, and development services.
- Housing initiatives and a municipal corporation.
- Emergency management responsibilities.
- Building and bylaw services.
- Regulatory licensing and land use planning.
- Regional fire and rescue services.

Communities in the 10,000-14,999 range face similar governance demands, this is entirely consistent with the rationale that communities within this broader range face similar service delivery and governance obligations.

The RCMP Cost Threshold Is Highly Relevant

The province introduces policing costs to municipalities based on population:

- Communities under 5,000 do not fund RCMP policing.
- Communities between 5,000 and 15,000 fund approximately 70% of policing costs.
- Communities over 15,000 typically fund a significantly greater share. (90%+)

This creates a meaningful governance distinction. A municipality of 5,900 and a municipality of 14,000 both operate within the same general policing funding framework, while a municipality below 5,000 does not. The RCMP threshold is therefore more than a cost consideration; it also reflects a higher level of governance responsibility, as elected officials must understand policing priorities, assess service expectations, and make budget decisions within a shared provincial-municipal funding model.

A Larger Comparator Group Produces Better Data

The 5,000-14,999-comparator group provides a stronger data set because it includes 36 municipalities, including Creston, with 29 municipalities responding to the survey. By comparison, the narrower 5,000-9,999 group captures only 16 survey respondents within a provincial population group of 21 municipalities. The broader comparator range therefore provides a larger and more representative sample of local governments facing similar governance and service delivery responsibilities.

From both a statistical and governance perspective, a larger sample reduces the influence of individual outliers, improves the reliability of the benchmark results, and is easier to defend publicly. Using the 5,000-14,999 range provides Council with a broader view of remuneration practices across comparable municipalities and supports a more transparent, consistent, and defensible basis for decision-making.

UBCM Does Not Recommend Using Population Alone

The UBCM Guide specifically cautions against selecting comparators solely on population and recommends considering multiple factors affecting governance responsibilities. A methodology based solely on municipalities under 10,000 population would place disproportionate emphasis on a single factor and would be less consistent with UBCM guidance than a broader comparator range that captures communities with similar service delivery responsibilities, organizational complexity, governance obligations, and regional significance.

Key Factors to Methodology

- Population remains an appropriate starting point

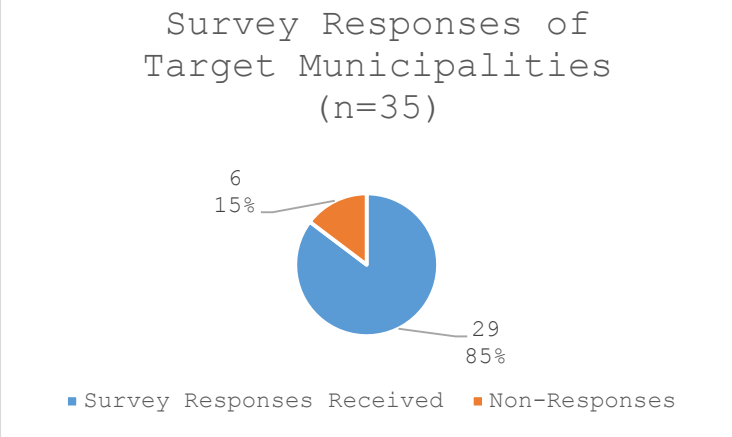
- Governance responsibility is more important than population alone
- Creston functions as a regional service hub, especially in shared regional services
- RCMP funding creates a meaningful threshold
- A broader comparator group improves reliability
- UBCM guidance supports a multi-factor approach

Median Compensation vs Average Compensation

The median remuneration level is generally considered a more reliable benchmark than the average because it identifies the midpoint of the comparator group and is not unduly influenced by exceptionally high or low compensation levels. In contrast, the average can be skewed by a small number of outlier municipalities that pay significantly above or below the broader market, resulting in a figure that may not accurately reflect typical practice. By using the median, Council can compare remuneration against the compensation level that represents the "middle of the market," providing a more stable and representative measure of what similarly situated local governments pay their elected officials. For this reason, UBCM identifies the median as a particularly useful benchmark when establishing fair, reasonable, and defensible remuneration policies. The use of median compensation supports greater objectivity, improves comparability between jurisdictions, and reduces the risk that remuneration decisions are influenced by atypical market conditions or outlier data points.

The current Council Remuneration Policy, GOV-001-001, does not prescribe a specific market percentile for elected official remuneration. This differs from the Town's staff remuneration framework, which references the 60th percentile as a compensation-positioning target. In practical terms, a percentile identifies where a compensation level sits within a ranked comparator group. The median is the 50th percentile, meaning half of the comparator municipalities are above that point and half are below it. A 60th percentile target is moderately above the median, meaning the compensation level would be positioned higher than approximately 60% of the comparator group. While percentiles are calculated from the same ranked market data set as the median, they serve different policy purposes. For Council remuneration, where the current policy does not establish a specific percentile target, the median remains the most defensible benchmark because it reflects typical market practice without intentionally positioning remuneration above the midpoint of comparable municipalities.

Survey Response Summary



Survey responses provide a broad and representative sample of municipalities within the Town's comparator range of approximately 5,000 to 14,999 residents. The 29 responding municipalities ranged in population from approximately 5,271 to 14,710 residents, with an average population of approximately 9,832 and a median population of approximately 9,042. About 55% of respondents had populations below 10,000, while the remaining municipalities were between 10,000 and 14,999. This distribution provides a balanced sample of communities with differing service levels, governance responsibilities, and organizational complexity.

For clarity, there are 36 municipalities in the 5,000 to 14,999 population range, including Creston. Creston has been excluded from the survey results because the Town is comparing its remuneration to other municipalities and including its own data would influence the benchmark results. This leaves 35 other municipalities available for comparison.

Population Distribution of Responding Municipalities

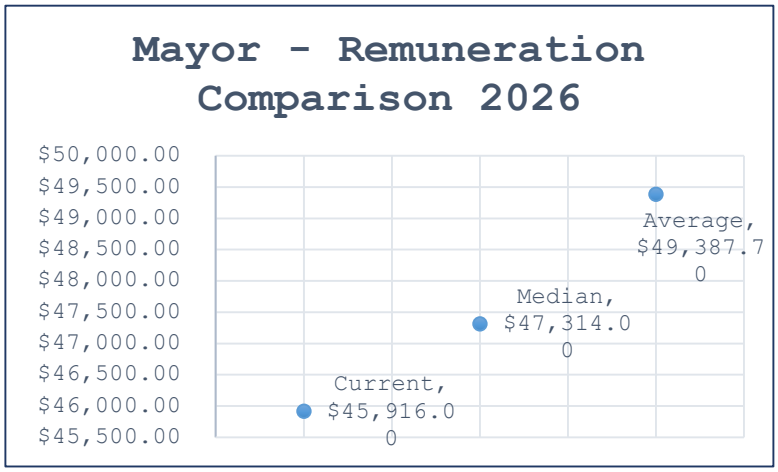
Population Range	Number of Municipalities	Percentage
5,000 - 7,499	9	31.0%
7,500 - 9,999	7	24.1%
10,000 - 11,999	3	10.3%
12,000 - 14,999	10	34.5%
Total	**29**	**100.0%**

Key Statistics

- **Average population:** approximately 9,832 residents
- **Median population:** approximately 9,042 residents
- **Lowest population:** Metchosin (5,271)
- **Highest population:** Parksville (14,710)

Analysis of Mayor Remuneration

The survey results indicate that the Town of Creston's current Mayor remuneration of **$45,916** is below both the peer average and peer median. **Current remuneration is approximately $3,472 (7.6%) below the average** comparator value of $49,388 and **$1,398 (3.0%) below the comparator median of $47,314**.



These findings indicate that Mayor remuneration remains reasonably comparable within the market; however, it is positioned below the midpoint of comparator municipalities. While the variance is relatively modest, the analysis suggests that current compensation trails typical market practice represented by the median benchmark.

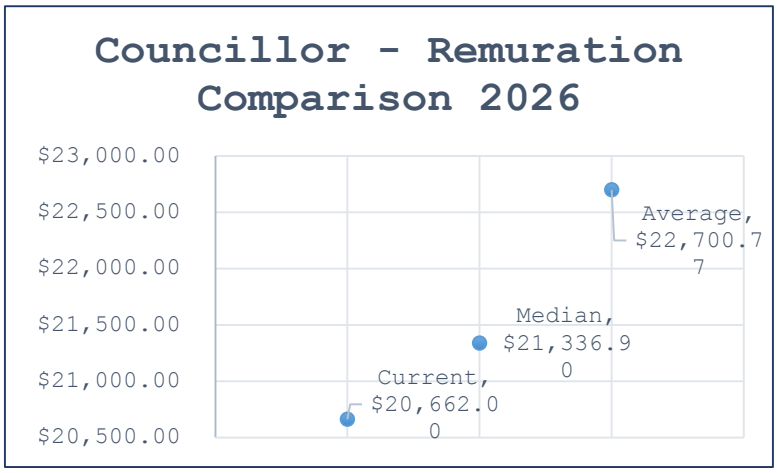
Mayor remuneration within the comparator group ranges from approximately $30,096 to $90,035 annually, reflecting substantial variation among municipalities with different governance structures, service responsibilities, and compensation philosophies.

Key Information:

- **Highest Paid Mayors:** Prince Rupert ($90,035), Dawson Creek ($82,303)
- **Lowest Paid Mayors:** Armstrong ($30,096), Metchosin ($33,000)

Analysis of Councillor Remuneration

The Town of Creston's current Councillor remuneration of **$20,662** is below both the peer average and peer median. Current remuneration is approximately **$2,039 (9.9%) below the average comparator value of $22,701** and **$675 (3.3%) below the comparator median of $21,337**.



These findings indicate that Councillor remuneration is positioned slightly below the midpoint of the market. While the variance from the median is limited, the analysis suggests that compensation does not fully reflect current remuneration levels paid by a majority of comparator municipalities.

Councillor remuneration among comparator municipalities ranges from approximately $16,500 to more than $37,000 annually, demonstrating considerable variation among local governments. Despite this variation, the median benchmark indicates that Creston's current Councillor remuneration is modestly below prevailing market practice.

Key Information:

- **Highest Paid Councillors:** Parksville ($37,334), Powell River ($31,800)
- **Lowest Paid Councillors:** Metchosin ($16,500), Armstrong ($17,113)

Overall Observation of Remuneration Analysis

The updated analysis indicates that both Mayor and Councillor remuneration are below the comparator average and comparator median. Mayor remuneration is approximately 3.0% below the median benchmark while Councillor remuneration is approximately 3.3% below the median benchmark.

Position	Survey Median	Survey Average	Market Range
Mayor	Below median (3.0%)	Below Average (7.6%)	Below market range

Position	Survey Median	Survey Average	Market Range
Councillor	Below median (3.3%)	Below average (9.9%)	Below market range

From a market benchmarking perspective, the analysis identifies a modest compensation gap relative to comparator municipalities. While the gap is not substantial, Council may reasonably consider whether alignment to the median benchmark would better reflect current market practice, support future recruitment of elected officials, and maintain consistency with evidence-based compensation principles.

Other Compensation Practice Analysis

In addition to annual remuneration, the survey examined the use of supplementary compensation practices among comparator municipalities, including CPI indexing, technology allowances, vehicle allowances, professional development budgets, event per diem payments, Acting Mayor stipends, benefits, pension or RRSP contributions, and travel or conference budgets. The results indicate that most municipalities rely primarily on direct annual remuneration and provide relatively few supplementary allowances or benefits.

The most common supplementary practice identified was the use of annual CPI or indexing adjustments. Eleven of the twenty-nine responding municipalities (37.9%) reported some form of annual adjustment mechanism. By comparison, the Town of Creston already incorporates annual indexing adjustments within its Council Remuneration Policy.

All other supplementary compensation practices were uncommon or under-reported among respondents. Dedicated technology allowances were reported by only three municipalities (10.0%), while vehicle allowances, professional development allowances, event per diem programs, Acting Mayor remuneration, and elected official benefit programs were each reported by only one municipality (3.3%). Dedicated travel or conference budgets were reported by two municipalities (6.7%).

No responding municipality reported providing a pension or RRSP contribution program for elected officials. By comparison, the Town of Creston currently provides a 5% RRSP contribution, extended health and AD&D benefits, childcare support provisions, technology allowances, conference funding, and annual indexing adjustments through its existing remuneration policy.

The survey results suggest that most comparator municipalities provide elected official compensation primarily through annual remuneration rather than through extensive allowances,

benefits, or retirement programs. However, the survey may not fully capture all travel, conference, and expense reimbursement practices because municipalities may account for these costs differently within their budgets. As a result, the findings should be interpreted as an overview of reported practices rather than a complete accounting of all elected official supports.

Key Findings

- 11 of 29 municipalities (37.9%) reported annual CPI or indexing adjustments.
- Technology allowances were reported by 3 municipalities (10.0%).
- Benefits were reported by 1 municipality (3.3%).
- No municipalities reported pension or RRSP contribution programs.
- No municipalities reported childcare allowance.
- Most municipalities rely primarily on annual remuneration rather than supplementary allowances or benefits.
- Creston's current remuneration package is more comprehensive than that reported by many comparator municipalities.

The UBCM Council & Board Remuneration Guide recognizes benefits as part of total elected official compensation but does not prescribe specific benefit, pension, or retirement savings arrangements. Survey responses suggest these supports are uncommon or under-reported among comparator municipalities. For example, only one municipality reported a travel and conference budget, although UBCM conference attendance indicates that many local governments likely provide some form of conference support. As a result, **the supplementary benefits data should be interpreted cautiously**.

Options Analysis

Evaluation Criteria

Criteria	Weight
Governance Defensibility	High
Financial Impact	High
Alignment with Peers	High
Public Transparency	Medium
Long-Term Sustainability	Medium

Option 1: Maintaining Existing Remuneration Structure

Maintain current remuneration levels and continue applying annual indexing provisions contained within Council policy.

Advantages

- No additional taxation impact.
- Avoids unnecessary adjustments.

Disadvantages

- Mayor and Council remuneration remains marginally below the comparator median.
- Future adjustment gap may be larger at the next review cycle.

Cost

- No additional cost

Strategic Alignment

- Moderate

Option 1 maintains existing remuneration levels and continues applying annual indexing provisions contained within Council policy. Although this option avoids creating additional budget impacts, the market analysis shows that current remuneration remains below both the comparator average and comparator median for the Mayor and Councillors. Maintaining the existing structure would therefore accept a continued compensation gap relative to comparator municipalities. The option remains financially prudent and simple to administrate; however, it does not address the market positioning identified through the remuneration review.

Option 2: Align Remuneration to Comparator Median

Increase Mayor remuneration by approximately $1,398 annually and increase Councillor remuneration by approximately $675 annually per Councillor to align with the comparator median.

Advantages

- Aligns remuneration with the median market benchmark.
- Directly addresses the compensation gap identified through the review.
- Consistent with UBCM guidance that identifies median compensation as a valuable benchmark.
- May assist in maintaining accessibility and attractiveness of elected office.
- Remains moderate in financial impact.

Disadvantages

- Creates an ongoing operating budget increase.
- May attract public scrutiny despite being supported by benchmark data.
- Requires policy and remuneration schedule amendments.

Cost

- Mayor: $1,398
- Councillor (6 positions): $4,049.40
- Total Annual Impact: $5,447.40

Strategic Alignment

- High

Option 2 aligns remuneration with the median compensation level of comparator municipalities while maintaining a prudent and evidence-based approach. The resulting adjustment is relatively modest and directly supported by the market analysis. The financial impact is manageable within the context of the overall municipal budget and provides a transparent, defensible rationale for Council's decision. The adjustment would not position remuneration above the market midpoint; rather, it would align compensation with typical market practice among similarly situated municipalities.

Option 3: Policy Review Without Immediate Change

Maintain remuneration levels and undertake a broader review of Council remuneration philosophy, percentile targets, and remuneration structure before the next election.

Advantages	Disadvantages
• Review CPI and automatic increase inclusion • Review per diem inclusion • Review benefits / retirement obligations	• May depart from UBCM best practices • Potential increase of public scrutiny depending on suggested changes • Increased workload on staff to complete prior to election
Cost	**Strategic Alignment**
• Unknown	• Moderate

Option 3 would initiate a broader policy review without a demonstrated need for immediate policy change. The current review already satisfies the requirements of Council Remuneration Policy GOV-001-001 and provides a transparent, evidence-based assessment of the Town's market position. The analysis confirms that both Mayor and Councillor remuneration are modestly below the comparator median. While the gap is limited, Council may determine that a broader policy review is unnecessary given the relatively small variance and the availability of clearly defined benchmark data. In this context, a further review of remuneration philosophy, percentile targets, CPI indexing, per diems, benefits, or retirement-related provisions would expand the scope of the matter beyond the issue currently before Council, create additional staff workload, and introduce an uncertain financial and policy outcome before the next election. It may also increase public scrutiny by reopening broader compensation questions when the available data does not identify a material compensation gap requiring correction.

For these reasons, Option 3 is less practical, less focused, and less defensible than confirming the existing remuneration structure through Option 1 or the minor adjustment contemplated in Option 2.

Comparative Summary

Criteria	Option 1	Option 2	Option 3
Financial Cost	Best	Good	Moderate
Peer Alignment	Poor	Best	Moderate
Governance Defensibility	Good	Best	Poor
Simplicity	Best	Good	Poor
Long-Term Sustainability	Poor	Best	Moderate

Note: *Option 1 is ranked "poor" for long-term sustainability because maintaining the current structure would leave the identified remuneration gap unresolved and may require a larger future adjustment if comparator compensation continues to increase. Option 3 is ranked "moderate" because a broader policy review may support future improvements, but its outcome, timing, financial impact, and policy implications are uncertain.*

Recommended Option

Option 2: Align Remuneration to Comparator Median

This option:

- Aligns Mayor and Councillor remuneration with the market median.
- Directly addresses the compensation gap identified through the review.
- Is supported by the benchmarking analysis and UBCM guidance regarding the use of median compensation.
- Maintains transparency and governance defensibility.
- Results in a manageable annual financial impact of approximately $5,447.40.

Policy Amendments

A minor policy amendment is recommended to clarify the relationship between Mayor and Councillor remuneration. The current policy states that Councillor remuneration is set at 45% of Mayor remuneration; however, if Option 2 is accepted, the approved remuneration for Council will result in Councillor remuneration of approximately 45.1% of Mayor remuneration. While this is minor in nature, to avoid any perceived inconsistency, the policy should be revised to state that Councillor remuneration will be **not less than 45% of the Mayor's remuneration**.

This change would shift the policy from a fixed percentage formula to a minimum threshold. A fixed 45% formula requires Councillor remuneration to move directly with Mayor remuneration and implies that the ratio should remain exact. A "not less than 45%" threshold establishes a minimum level only, while preserving Council's ability to approve Councillor remuneration above that level where supported by historical practice, indexing, market analysis, or a future Council decision. The impact of the amendment is primarily administrative and governance-related: it improves clarity, aligns the policy wording with the current remuneration schedule, reduces the risk of questions about why the current ratio exceeds 45%, and does not require any immediate change to current remuneration levels.

Additionally, Schedule A in the policy will require amendments. Schedule A amendments are administrative in nature and are intended only to update references to the upcoming Council term and clarify the Councillor percentage relationship.

Governance Challenges and Responsibilities of Council

In addition to statutory responsibilities under the Community Charter and Local Government Act, modern municipal councils are expected to provide strategic leadership, represent community interests, and respond to increasingly complex governance issues that extend beyond traditional service delivery. These governance demands influence the time commitment, accountability, and decision-making responsibilities associated with elected office.

Strategic Community Leadership

Council is responsible for establishing the long-term vision, priorities, and strategic direction of the municipality. This includes balancing community expectations, economic realities, infrastructure needs, environmental sustainability, and service demands while maintaining financial sustainability over the long term.

Advocacy and Government Relations

Council members regularly advocate on behalf of the community to provincial and federal governments, regional districts, First Nations, regulatory agencies, and external stakeholders. Effective advocacy is often required to secure grant funding, influence policy decisions, address legislative challenges, and advance local priorities related to infrastructure, transportation, health care, housing, public safety, and economic development.

Community Growth and Development

Councils are responsible for governing growth and development within the community, including land use planning, housing initiatives, infrastructure expansion, economic development opportunities, transportation networks, environmental stewardship, and the long-term sustainability of municipal services. Growth-related decisions often involve balancing competing community interests while considering long-term financial and infrastructure implications.

Complex Infrastructure and Asset Management

Municipal councils oversee significant public infrastructure assets, including roads, water systems, sewer systems, public buildings, parks, recreation facilities, airports, and other municipal services. Decisions regarding infrastructure investment, asset replacement, risk management, and long-term capital planning often involve significant financial commitments and community impacts.

Fiscal Stewardship and Financial Oversight

Council is responsible for approving annual budgets, tax rates, financial plans, borrowing bylaws, reserve strategies, and major capital investments. This requires balancing community service expectations with affordability considerations while ensuring long-term financial sustainability and prudent stewardship of public resources.

Public Safety and Emergency Preparedness

Council plays an important governance role in public safety matters including policing, fire protection, emergency management, disaster response, climate-related risks, and community resilience planning. Municipal councils are increasingly required to make decisions related to emergency preparedness and recovery in response to wildfires, floods, extreme weather, and other emergencies.

Housing and Social Challenges

Many municipalities are facing increased pressures related to housing affordability, homelessness, supportive housing, community well-being, substance use, and mental health challenges. While local governments often do not have direct legislative authority over many of these issues, councils are frequently expected to provide leadership, advocacy, collaboration, and policy responses.

Intergovernmental and Regional Collaboration

Modern councils invest significant time working collaboratively with neighbouring local governments, regional organizations, provincial agencies, non-profit organizations, Indigenous governments, and economic development partners. Many community priorities can only be advanced through partnership and regional collaboration.

Community Engagement and Public Expectations

Council members are expected to engage with residents, community organizations, businesses, and stakeholder groups while maintaining transparency and accountability in decision-making. Increasing public expectations, social media engagement, and the demand for accessible local government have significantly expanded the public-facing role of elected officials.

Governance of Municipal Corporations and Specialized Initiatives

In many communities, councils also provide governance oversight to municipal corporations, housing organizations, regional services, advisory committees, and major strategic initiatives. These responsibilities often require additional meetings, policy oversight, and risk management considerations beyond regular council business.

Governance Rationale

The purpose of this remuneration review is not to determine whether compensation should automatically increase, but rather to assess whether current remuneration remains fair, reasonable, and comparable, and defensible when evaluated against objective market data and accepted governance practices. Consistent with the Town's Council Remuneration Policy and guidance contained within the UBCM Council & Board Remuneration Guide, the review was conducted using a transparent and evidence-based methodology that examined remuneration levels, comparator selection rationale, and broader compensation practices among similarly situated municipalities.

In conducting this review, Administration utilized a comparator group of municipalities with populations between approximately 5,000 and 14,999 residents. This approach reflects the Town's historical methodology for compensation benchmarking and **recognizes that population alone is not a sufficient indicator of governance complexity or elected official responsibilities**. Municipalities within this population range generally share similar service delivery obligations, infrastructure oversight requirements, policing responsibilities, organizational complexity, and governance demands. **The broader comparator range also provides a larger and more representative sample of municipalities, reducing the influence of outlier jurisdictions and improving the reliability and defensibility of the resulting analysis**.

The review demonstrates that current Mayor and Councillor remuneration is below both the comparator average and comparator median. These findings indicate that the Town's remuneration levels remain within the overall market range but are positioned below typical market practice represented by the median benchmark. Aligning remuneration with the comparator median would therefore represent a reasonable and evidence-based governance outcome supported by objective compensation data. The adjustment would not place remuneration above market levels but would instead position compensation at the midpoint of comparator municipalities.

From a governance perspective, Council must balance market comparativeness with fiscal responsibility, public confidence, transparency, and long-term consistency in decision-making. **The role of Council is to ensure that remuneration remains sufficient to attract and retain individuals while demonstrating prudent stewardship of public resources**. Aligning remuneration to the comparator median balances market comparability with fiscal responsibility. The proposed adjustment is modest, evidence-based, and positions remuneration at the midpoint of the comparator market without exceeding typical compensation practices.

On balance, the market evidence supports Option 2 as the preferred governance outcome because it aligns remuneration with the comparator median through a modest, defensible adjustment that does not exceed the market midpoint. However, if Council determines that fiscal stewardship, public perception, or the limited size of the variance supports maintaining the current structure, Option 1 would also be a valid governance outcome. In either case, Council's decision is supported by transparent analysis and fulfills the policy requirement for a periodic remuneration review.

Frequent adjustments to remuneration can undermine predictability and create public uncertainty. Maintaining a stable remuneration framework with regular indexed adjustments and periodic comprehensive reviews promotes consistency, transparency, and long-term governance stability.

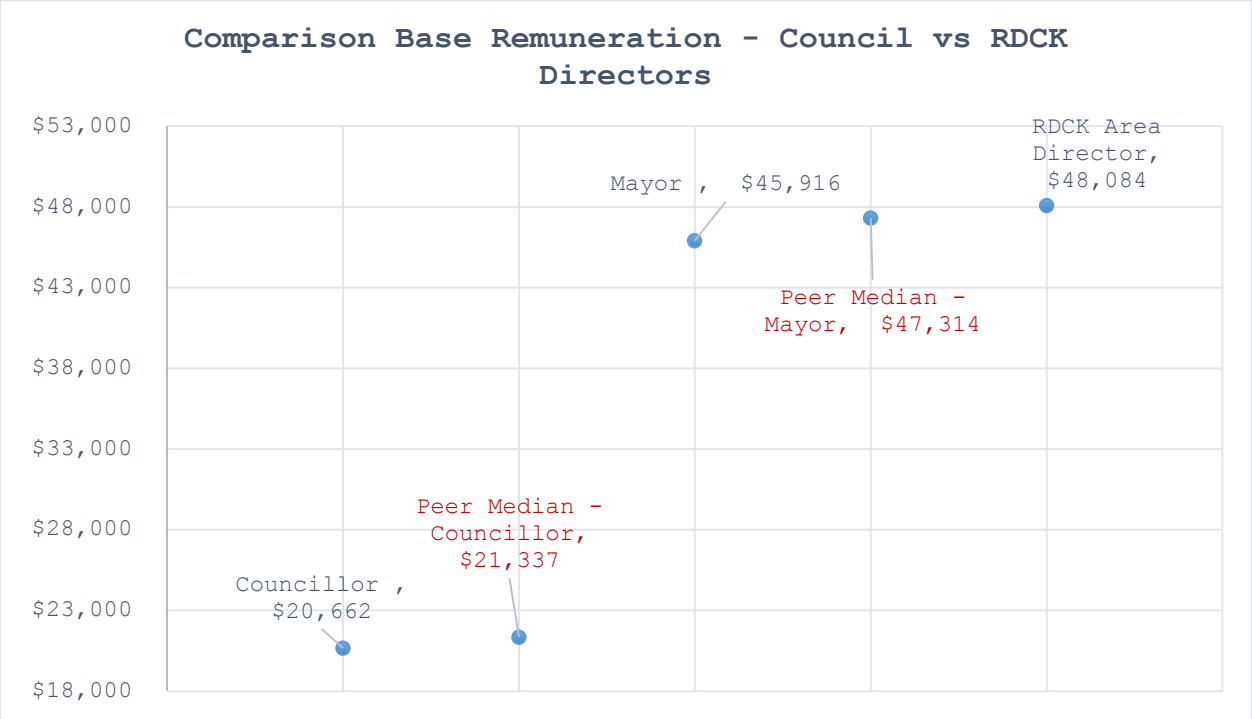
Key Governance Principles Supporting the Recommendation

- **Evidence-Based Decision Making:** Decisions should be based on objective market data and documented analysis rather than anecdotal information or personal preferences.
- **Policy Compliance:** The review fulfills the requirements of the Council Remuneration Policy and demonstrates adherence to the Town's established review process.
- **Transparency and Accountability:** The methodology, comparator selection criteria, and findings are clearly documented and publicly defensible.
- **Fiscal Stewardship:** The proposed adjustment is modest, evidence-based, and maintains prudent stewardship of public resources while improving alignment with comparator municipalities.
- **Consistency and Fairness:** Maintaining the Town's long-standing comparator methodology promotes consistency across compensation reviews and avoids introducing bias through selective comparator selection.

- **Alignment with UBCM Best Practices:** The review considers both average and median market data while emphasizing median compensation as a key governance benchmark.

Other – Regional District of Central Kootenay

Appendix D shows that RDCK director remuneration is materially different from Town Council remuneration and should not be treated as a direct comparator. Creston councillors receive $20,662 in base remuneration, or $23,730 when budgeted meeting allowances are included, while RDCK electoral area directors receive a base amount of $48,084 plus additional board, committee, and meeting remuneration that results in total remuneration ranging from $58,622 to $75,099. The Mayor's Town remuneration is $45,916, and the additional $19,837 paid by the RDCK in 2025 relates to the Mayor's separate appointment as the Town's municipal director to the RDCK Board. These amounts reflect different offices, different governance structures, and different remuneration methods. For that reason, RDCK director compensation provides useful regional context, but it is not a sound like-for-like benchmark for determining Mayor or Councillor remuneration. The municipal comparator group remains the more appropriate and defensible basis for Council's remuneration decision.



Operational Implications

Governance Impacts (Council Decision)

Council must determine:

1. Whether the existing remuneration structure should be maintained.
2. Whether annual indexing provisions should continue unchanged.
3. Whether the proposed policy amendments should be approved.
4. Whether the next remuneration review should proceed in accordance with the existing policy schedule.

Operational Impacts (Administration)

Administration would:

1. Update remuneration schedule.
2. Amend policy documents.
3. Update payroll systems.
4. Adjust budget forecasts.
5. Communicate approved changes.

No staffing additions required.

Financial Analysis

Position	Current Position Relative to Market
Mayor	7.6% below average / 3.0% below median
Councillor	9.9% below average / 3.3% below median

Financial Considerations

The recommended option has a modest and manageable financial impact because it aligns Mayor and Councillor remuneration with the comparator median rather than positioning compensation above market. **Option 2 total annual budget impact including RRSP contributions is estimated at approximately $5,720. This includes an increase to the Mayor remuneration by approximately $1,398 annually and Councillor remuneration by approximately $675 annually per Councillor, for a total estimated annual impact of $5,447.40, plus approximately $272 in additional RRSP contributions associated with the Councillor remuneration adjustment.** This limited adjustment is directly supported by the remuneration review and provides a transparent, fiscally measured way to address the identified compensation gap.

Annual indexing would continue in accordance with the existing Council Remuneration Policy. This means remuneration would continue to be adjusted through the established policy mechanism rather than through a new market-based increase approved through this review. Continuing the annual indexing provision supports predictability in the budget process and helps prevent remuneration from falling behind inflation between comprehensive reviews. It also maintains continuity with the current policy framework and avoids the need for Council to revisit remuneration levels annually.

Future remuneration reviews remain required under the Town's policy framework for continued monitoring or future benchmarking. Maintaining this policy approach allows Council to maintain discipline in the review process while ensuring that future decisions are informed by updated market conditions, comparator data, and governance context.

There are no reserve implications associated with the recommended option. The increased expenditure proposed is modest compared to the overall operational budget implication, so there is no need to draw from accumulated surplus, operating reserves, or other stabilization funds to support elected official remuneration. This preserves reserves for their intended purposes,

including risk management, infrastructure renewal, unforeseen financial pressures, and other priorities identified through the Town's financial planning process.

There are also no borrowing implications. The recommendation does not create a capital expenditure, long-term liability, or unfunded commitment that would require debt financing. Remuneration is an operating cost and, under the recommended option, will continue to be managed within the existing operating budget and annual financial planning process. This supports responsible financial management and avoids creating any additional obligation for future taxpayers.

No staffing implications are anticipated. Administration will continue to administer remuneration through existing payroll, finance, and corporate administration processes. Any minor policy or schedule updates required to reflect Council's decision can be completed within existing staff capacity. As a result, the recommended option does not require additional staffing resources, consultant support, or a separate implementation project.

Overall, the financial impact of the recommended option is limited and manageable. It maintains the existing remuneration structure, continues the established indexing mechanism, avoids new operating pressures, and preserves future flexibility through the regular remuneration review cycle. This provides Council with a financially prudent approach that is consistent with the market findings and defensible from both a governance and taxpayer accountability perspective.

Risk Assessment

Risk	Likelihood	Impact	Mitigation	Owner	Residual
Public criticism	Medium	Medium	Transparent benchmarking disclosure	Council	Low
Future compensation lag	Medium	Medium	Regular reviews	Council	Low
Budget pressure	Low	Low	Budget planning	Finance	Low
Election-year controversy	Medium	Medium	Implement next term	Council	Low
Peer benchmark challenge	Low	Medium	Document methodology	Administration	Low

Expected Outcomes and Benefits

Outcome	Measure	Current Position
Mayor Market Competitiveness	Variance from Average	-7.6%
Mayor Market Competitiveness	Variance from Median	-3.0%
Councillor Market Competitiveness	Variance from Average	-9.9%
Councillor Market Competitiveness	Variance from Median	-3.3%
Governance Transparency	Completion of Policy Review	Complete
Compensation Defensibility	Benchmark-Based Analysis	Achieved

Implementation Plan

Milestone	Deliverable	Target
Council Direction	Remuneration decision	Q3 2026
Policy Revision	Updated remuneration schedule	Q3 2026
Budget Adjustment	Operating budget updated	2027 Budget
Payroll Changes	Compensation implemented	New Council Term
Public Communication	Website and agenda materials updated	Following approval

Communications Considerations

Internal

- Finance
- Corporate Services
- Payroll

Public

Key message:

> *The review demonstrates that Council has fulfilled the policy requirement to undertake an evidence-based remuneration review and is considering a modest adjustment to align Mayor and Councillor remuneration with the comparator median for the 2026-2030 Council term. The proposed adjustment is directly supported by the market data, does not position remuneration above the midpoint of comparable municipalities, and provides a transparent and defensible approach to addressing the identified compensation gap.*

Stakeholders

- Current Council
- Future candidates
- Taxpayers

Media

Emphasize:

- Required policy review.
- Independent evidence basis.
- Alignment rather than exceeding peers.

Conclusion

The 2026 remuneration review indicates that the Town of Creston's Mayor and Councillor remuneration levels are below both the comparator average and comparator median when compared against similarly sized municipalities across British Columbia. Mayor remuneration is approximately 3.0% below the median benchmark and Councillor remuneration is approximately 3.3% below the median benchmark. While current remuneration remains within a reasonable market range, the analysis identifies a modest compensation gap relative to comparator municipalities. Aligning remuneration with the median benchmark would require only a moderate adjustment and would provide a transparent, evidence-based, and defensible approach consistent with accepted compensation review practices.

Recommendation

THAT Council receive the 2026 Mayor and Council Remuneration Review;

AND THAT Council approve Option 2, being the alignment of Mayor and Councillor remuneration to the comparator median effective at the commencement of the 2026-2030 Council term;

AND THAT Mayor remuneration be increased by approximately $1,398 annually and Councillor remuneration be increased by approximately $675 annually per Councillor, for a total estimated annual budget impact of approximately $5,720 including associated RRSP contributions;

AND THAT annual adjustments continue in accordance with Council Remuneration Policy GOV-001-001;

AND FURTHER THAT Administration be directed to amend GOV-001-001 Council Remuneration Policy, including Schedule A, to reflect the approved 2026-2030 Council term remuneration amounts and to clarify the Councillor remuneration relationship to the Mayor remuneration.

References

Government of British Columbia. (2024). General Statistics: Schedule 201. In Municipal general and financial statistics. https://www2.gov.bc.ca/gov/content/governments/local-governments/facts-framework/statistics/statistics

Regional District of Central Kootenay. (2026). *2025 statement of financial information report*. https://www.rdck.ca/wp-content/uploads/2026/07/2025_SOFI_Report_Signed.pdf

Union of British Columbia Municipalities. (2019). Council & board remuneration guide (1st ed.). https://www.ubcm.ca/sites/default/files/2021-08/Council%20&%20Board%20Remuneration%20Guide%20%28September,%202019%29.pdf

Appendix A - Peer Municipality Benchmarking Dataset

Municipality	Population	Mayor Annual Salary	Deputy Mayor	Councillor Annual Salary	CPI
Armstrong	5,899	$ 30,096		$ 17,113	
Castlegar	9,042	$ 38,785		$ 19,392	Yes
Coldstream	12,306	$ 41,432		$ 18,278	
Dawson Creek	13,615	$ 82,303		$ 27,984	
Duncan	5,513	$ 37,574		$ 20,314	
Fernie	6,000	$ 36,000		$ 18,000	Yes
Hope	6,855	$ 35,833		$ 20,305	
Kent	7,201	$ 51,031		$ 24,890	
Kimberley	8,674	$ 38,629		$ 19,313	
Kitimat	8,905	$ 52,235		$ 28,984	Yes
Ladysmith	9,690	$ 47,378		$ 17,499	Yes
Merritt	7,809	$ 44,874		$ 21,337	Yes
Metchosin	5,271	$ 33,000		$ 16,500	
Nelson	11,716	$ 75,342		$ 29,591	Yes
North Saanich	13,198	$ 52,000		$ 26,000	
Oliver	5,824	$ 34,789		$ 18,554	
Osoyoos	5,730	$ 39,300		$ 22,287	
Parksville	14,710	$ 65,335		$ 37,334	Yes
Peachland	6,382	$ 40,000	$ 20,297	$ 18,451	Yes
Powell River	14,607	$ 60,600		$ 31,800	
Prince Rupert	13,536	$ 90,035		$ 22,509	
Quesnel	10,422	$ 66,592		$ 22,540	Yes
Revelstoke	8,617	$ 51,069		$ 25,567	
Sechelt	11,707	$ 53,060		$ 26,530	Yes
Sidney	12,951	$ 47,314		$ 18,899	Yes

Summerland	13,310	$ 39,674		$	17,853	
Terrace	13,926	$ 60,000	$ 3,600	$	26,517	Yes
Trail	8,480	$ 35,981		$	17,990	
View Royal	13,219	$ 51,982		$	25,991	Yes

Appendix B - Current Council Remuneration Schedule

SCHEDULE A
Council Remuneration Schedule
(2023-2026)

BASE REMUNERATION

Annual Base Remuneration	Mayor	Councillor
Swearing In, 2022 to December 31, 2023	$40,842	$18,510
January 1, 2024 to December 31, 2024	Previous Year Base Remuneration + (2.5% + Base Wage Market Adjustment)	45% of Mayoral Base Remuneration
January 1, 2025 to December 31, 2025	Previous Year Base Remuneration + (2% + Base Wage Market Adjustment)	45% of Mayoral Base Remuneration
January 1, 2026 to Swearing In, 2026	Previous Year Base Remuneration + (1.5% + Base Wage Market Adjustment)	45% of Mayoral Base Remuneration

PER DIEM RATES

Annual Base Remuneration	Half Day (4 hours and less)	Full Day (More than 4 hours)
Swearing In, 2022 to December 31, 2023	$75	$150
January 1, 2024 to December 31, 2024	$85	$175
January 1, 2025 to December 31, 2025	$100	$200
January 1, 2026 to Swearing In, 2026	Previous Year Per Diem Rate + Base Wage Market Adjustment	Previous Year Per Diem Rate + Base Wage Market Adjustment

OTHER REMUNERATION (annually for the period of November 1 to October 31)

Technology Allowance (Taxable benefit) — $500 (annually for the period of November 1 to October 31)

Childcare Allowance (Taxable benefit) (Max. 3 children) — $1200 for children under the age of 6 years; $800 for children between 6 and 12 years

Note: Schedule A is reviewed and updated by the Director, Finance & Corporate Services on an annual basis under the authority of Council Policy FIN-002-001. A Council resolution is not required to approve these annual updates.

Town of Creston – Council Policy - (GOV-001-001) Council Remuneration Page 5 of 5

Appendix C - Comparison with Regional District of Central Kootenay Director Remuneration

1. Purpose

This appendix compares the Town of Creston's current elected official remuneration with remuneration reported for Regional District of Central Kootenay electoral area directors and the Creston municipal director. The comparison provides Council with additional regional context but should not be interpreted as a direct like-for-like salary comparison.

2. Differences in Roles and Remuneration Structures

Municipal and regional district elected officials operate within different governance structures. Creston Council is responsible for governing the municipality as a whole, while RDCK electoral area directors represent unincorporated electoral areas and participate in regional and subregional services.

RDCK Director remuneration includes an annual base salary and additional remuneration for participation on boards and committees. For this reason, the total payroll amounts for electoral area directors should not be compared solely with the Town's base remuneration without recognizing the different responsibilities and payment structures.

In addition, reported expenses have been presented separately from remuneration. Expense reimbursements are not salary and should not be treated as personal compensation because they generally reimburse costs incurred while carrying out official duties.

3. Base Remuneration Comparison

The base remuneration for an RDCK electoral area director is $48,084. **This is $27,422, or approximately 132.7%, higher than the current Creston councillor remuneration of $20,662.** It is also approximately $26,747, or 125.4%, higher than the peer municipal councillor median of $21,336.90.

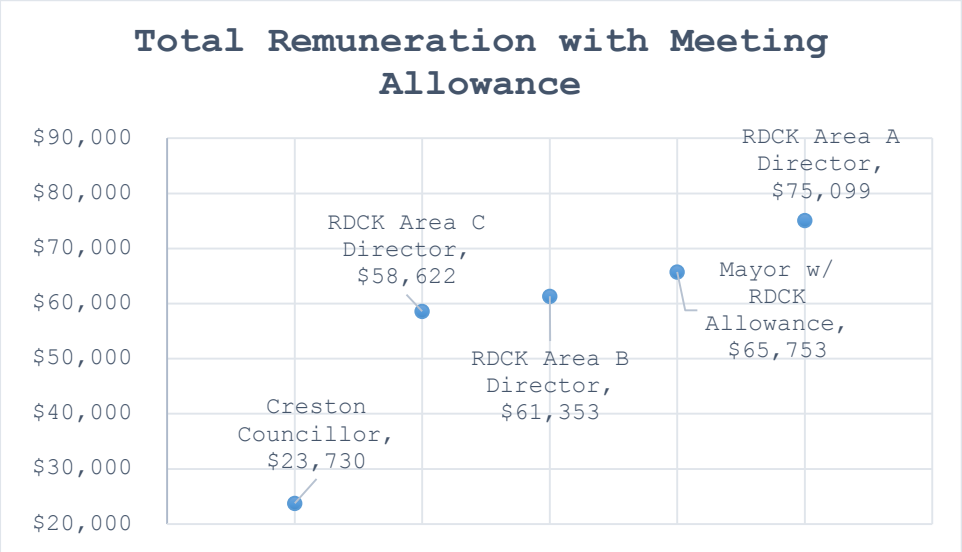
The **RDCK electoral area director base remuneration** is closer to mayoral remuneration. **It is $2,168 higher than the current Creston Mayor remuneration** of $45,916 and $770 higher than the municipal peer median for mayors of $47,314.

This result reinforces that RDCK electoral area directors should not be treated as direct comparators for municipal councillors. Their base remuneration is more comparable in amount to the remuneration paid to mayors within the municipal survey group.

4. Comparison Including Board, Committee, and Meeting Remuneration

Position	Base remuneration	Additional board, committee, or meeting remuneration	Total remuneration
Creston Councillor	$20,662	$3,068 (budgeted)	$23,730
Creston Mayor	$45,916	$19,837 (RDCK allowance)	$65,753
RDCK Electoral Area A Director	$48,084	$27,015	$75,099
RDCK Electoral Area B Director	$48,084	$13,269	$61,353
RDCK Electoral Area C Director	$48,084	$10,538	$58,622

By comparison, the total annual remuneration of $23,730 for a Creston councillor when the total budgeted meeting allowances are included. Based on these figures:



- The Electoral Area C total is $34,892, or approximately 147.0%, higher.
- The Electoral Area B total is $37,623, or approximately 158.5%, higher.
- The Electoral Area A total is $51,369, or approximately 216.5%, higher.

The variation among the three electoral area directors results from differences in reported board and committee remuneration. Consequently, total remuneration does not represent a uniform regional district salary and may vary according to committee appointments and related responsibilities.

5. Creston Mayor as RDCK Municipal Director

In 2025, the RDCK paid the Mayor, in the Mayor's separate capacity as the Town of Creston's appointed municipal director to the RDCK Board, $18,648 in annual salary and $1,189 in board and committee remuneration, for total RDCK remuneration of $19,837 with reported expenses of $3,731.

When the Mayor's Town remuneration of $45,916 is combined with the 2025 RDCK municipal director remuneration of $19,837, total remuneration is $65,753. This is $19,837, or approximately 43.2%, higher than the Mayor's Town remuneration alone and $18,439, or approximately 39.0%, higher than the peer municipal mayor median of $47,314. However, the survey did not include the additional remuneration that municipal regional district directors,

typically mayors, may receive for separate regional district appointments. Because this is common practice across British Columbia, a direct comparison would require separate survey data from regional districts throughout the province.

This combined amount reflects remuneration for two distinct public offices. **The RDCK portion should not be considered part of the Town's remuneration package or used to reduce the Town's responsibility to establish fair compensation for the office of Mayor.** The role of a municipal director is additional duties and responsibilities than that of solely a mayor or council member.

6. Governance Considerations

The RDCK information provides useful regional context, but it should not replace the municipal comparator analysis used in the main report. The municipal comparator group remains the more defensible basis for determining Council remuneration because it compares officials working within a similar municipal governance and service-delivery structure.

The RDCK comparison nevertheless provides several useful observations:

1. **Regional responsibilities attract separate remuneration.**

   The Mayor's RDCK remuneration compensates the Mayor for responsibilities performed in a separate regional governance role. There are additional duties for the mayor as a municipal director for the regional district, including meetings, agenda reviews, workshops, etc.

2. **Electoral area director remuneration is not equivalent to councillor remuneration.**

   The RDCK base amount is more than double Creston's councillor remuneration and is closer to the remuneration paid to municipal mayors.

3. **Electoral area director exceeds municipal director remuneration.**

   The municipal director base remuneration is 41% of the regional district area directors base renumeration.

4. **Committee appointments materially affect total remuneration.**

   The reported totals for electoral area directors vary because of meeting allowances, or committee assignments remuneration differs among the positions.

5. **External remuneration should not determine Town remuneration.**

   The Mayor's appointment as an RDCK municipal director may change over time and is separate from the duties performed on behalf of the Town. Town remuneration should therefore be established according to the responsibilities of the municipal office itself.

7. Conclusion

The **RDCK comparison demonstrates that the remuneration provided to electoral area directors is substantially higher than the remuneration provided to Creston councillors** and is closer to municipal mayoral remuneration.

Accordingly, RDCK director remuneration is presented as supplementary regional context rather than incorporated into the statistical calculation of the municipal peer average or median. The municipal comparator group remains the more appropriate and governance-defensible basis for Council's remuneration decision.