ARROW UTILITIES

MEMBER MUNICIPALITIES

CITY OF BEAUMONT

CITY OF LEDUC

CITY OF FORT SASKATCHEWAN

CITY OF SPRUCE GROVE

CITY OF ST. ALBERT

TOWN OF BON ACCORD

TOWN OF GIBBONS

TOWN OF MORINVILLE

TOWN OF STONY PLAIN

LEDUC COUNTY

PARKLAND COUNTY

STRATHCONA COUNTY

STURGEON COUNTY

Sustainable Wastewater Solutions

BOARD POLICIES: REMUNERATION AND EXPENSES

approved by ARROW Utilities Board of Directors – September 26, 2025

PURPOSE

To ensure Board Members are reasonably compensated for their time and expenses.

DEFINITIONS

Annual Bulletin– Means the official yearly reference that sets out compensation and reimbursement entitlements for Board members and employees. It summarizes approved honoraria/per diems, allowances, benefits, and expense reimbursement rules for the year.

Board Members– Means the individuals appointed to the Board of Directors, who collectively make up the Board.

Board of Directors or "the Board" – Means the appointed elected officials representing the member municipalities of ARROW Utilities, responsible to govern and provide oversight to the organization, in compliance with Alberta's Municipal Government Act.

Chief Executive Officer or "CEO" – Means the individual appointed by the Board to the position of Chief Executive Officer.

RESPONSIBILITIES

Board of Directors –

a. Shall approve the Remuneration and Expenses policy and comply with its standards.
b. Will ensure compliance with this policy, providing resources necessary for effective management.
c. Will use the most economical means of travel for activities outside the Capital Region.
d. Will review and update this policy as required, at minimum every four years.

CEO –

a. Shall provide organizational oversight ensuring compliance with the policy.
b. Will ensure necessary Administrative Policies are in place to support the Remuneration and Expenses policy.

STANDARDS/

ARROW Utilities commits to:

PROCEDURES

1. **Issuing** honorariums and reimbursement for reasonable expenses for the following:
    a. Regular and Special Board meetings
    b. Board Committee meetings
    c. Other meetings or events authorized by the Board
    d. Board Annual Workshops
    e. Conferences, conventions, symposia, seminars, and workshops as per the Board Development Policy.
2. **Paying Honoraria** based on the rate set by Alberta Municipalities for their directors and committee members, excluding travel time, as noted below:
    a. Up to 4 hours: 60% of Alberta Municipalities full day rate.
    b. Over 4 hours: Alberta Municipalities full day rate.
3. **Paying Board Members** 1.5 times the meeting honorarium rate for each day or portion thereof spent at the Board Annual Workshop to reflect the extended hours normally required.
4. **Paying Board Members** for attendance at a conference or convention at 1.5 times the meeting honorarium rate and for the travel day before and after if required.
5. **Paying the Board Chair** a monthly honorarium of 1.8 times the Alberta Municipalities full day rate (equivalent to 3 half-day meetings) to reflect the extra time for agenda planning and liaison with the CEO and external parties.
6. **Reimbursing eligible expenses** (supported by receipts unless otherwise noted):
    a. Vehicle mileage at the rate prescribed by Revenue Canada and published in the ARROW Utilities Annual Bulletin.
        i. Travel by private vehicle in lieu of air travel will be reimbursed at the rate set out above but shall not exceed an estimate of the commercial air fare to the same location plus the cost of roundtrip mileage to the airport, airport parking, as well as

taxi/shuttle expenses to and from the airport at the destination.

    ii. Board members must advise ARROW Utilities staff of their intention to travel by alternate means at the time of registration of an event or workshop. Staff will determine the equivalent airfare to be claimed based on the estimated airfare at the time of registration.

b. Economy airfare including advanced seat selection.
    i. For flights over three hours, premium seating may be claimed.
c. Rental vehicle and fuel. Vehicle selection should consider the number of passengers and distance travelled.
d. Accommodation in a standard room as offered by the conference or event.
    i. Use of a secondary residence or accommodation with a relative or friend will be reimbursed at the rate set out in the Annual Bulletin without a receipt in lieu of commercial accommodation.
e. Meals (excluding alcohol but including taxes and gratuity) will be reimbursed based on receipts submitted, or if no receipts in accordance with the Annual Bulletin.
    i. Meal claims supported by receipts shall not exceed the amounts as prescribed by Revenue Canada.
f. Travel insurance which may include medical, cancellation, and baggage insurance.
g. Miscellaneous expenses such as baggage fees, gratuities, etc. based on receipts submitted or in accordance with the Annual Bulletin.
h. Travel by rail or bus.
i. Taxis and shuttles.
j. Standard rate parking charges.
k. Promotion or hosting costs.

l. Registration fees.

7. **Deducting** expenses claimed over and above the minimum standard (e.g. room upgrades, valet parking, etc.) from the Board member's honorarium.
8. **Reimbursing expenses** incurred in a country outside of Canada at the exchange rate paid or the prevailing rate on the day claimed.
9. **Rejecting the following reimbursement claims:**
   a. Spousal expenses.
   b. Tickets, registration fees, or donations to a registered federal or provincial political party may be claimed in accordance with Federal and Provincial statute pertaining to elections.
10. **Ensuring records** such as signed attendance sheets or expense claim sheets will form the basis to issue honorariums, mileage, and expense payments to Board Members.
    a. Credit card and debit card receipts are not acceptable as original receipts.
11. **Ensuring individual** Board Members honoraria, expense allowance, mileage, and other expenses will be paid directly to the member.
12. **Ensuring Board Members** will be paid within one month of attending a meeting or submitting an expense claim.
13. **Ensuring hospitality expenses** over $500 for food, alcohol, and other beverages receive Board approval.
    a. A claim for hospitality expenses must be supported by a list of individuals involved and the purpose of the hospitality event.

REFERENCE DOCUMENTS

Board Development Policy