

POWELL RIVER REGIONAL DISTRICT

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"Genetically Engineered Free Crop Area"

June 8, 2015

Peter Johnston
General Delivery
Lasqueti Island, B.C.
V0R 2J0

Dear Mr. Johnston:

RE: DIRECTOR REMUNERATION

At the last regularly scheduled meeting of the Powell River Regional District Board held on May 28, 2015; the Board passed the following resolution:

THAT a letter be sent advising on director responsibilities on the Regional Hospital Board and Regional Board in relation to the correspondence dated May 21, 2015 from Peter Johnston regarding increased remuneration.

The Board thanks you for taking interest in Regional District politics and we do not take your concerns lightly. You have made some valid points and we wish to address them.

In the second paragraph of your letter you make reference to outgoing Boards making decisions on increased remuneration for new incoming Boards. What you may or may not be aware of is that the Powell River Regional District has a policy designed to take into consideration exactly what you are talking about. Policy 4.10, Directors Remuneration, has been in existence since 2004. The last Section states, "Every three years, in the year of the local government elections, the Board will assess the need for a comprehensive review of the director's remuneration package". As additional information, at the September 11, 2014 regular scheduled meeting of the Committee of the Whole, the following resolution was adopted:

THAT the Committee direct the Manager of Financial Services to issue a Request for Proposals for a Directors' Remuneration Review.

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So, in fact, the initiative was in full swing with its beginning last year and it just took until the new fiscal year to complete. The Board has actually carried out business just as you have suggested. As well, since then the policy has also been updated to now refer to the four-year term of the Board.

The next comment that you make deals with the practice. Be what it may, the survey methodology is quite standard amongst local governments. Not only is it a benchmark for politician remuneration but it also serves well for employee wages; whether that is unionized employee collective agreement bargaining or non-union employee negotiations. Until such time that a new revolutionary procedure becomes the norm, the Regional District will remain with this practice to ensure parity and equity.

Your last statement refers to the comparison of one Regional District Director remuneration to that of two Islands Trust Trustees. Although we are certain that no offence was intended, likewise we make our statements with no malice, prejudice, bias or disrespect directed towards you and trust that you understand that no offence is being returned.

The Regional District Directors take their roles and responsibilities very seriously. As a Director for the Powell River Regional District we play a dual role of a Regional District Director as well as a Director of the Regional Hospital Board. Recently, as a member of the Regional Hospital Board we were tasked with effectively managing and dispensing tax payer dollars for the newly constructed \$26 million Willingdon Creek Village complex care facility. This is after the Board and Directors of the day having successfully managed a \$14.6 million debenture to fruition over the last 25 years for the construction of the hospital. We also approve upwards of \$75,000 annually to Vancouver Coastal Health for minor equipment purchases for the hospital.

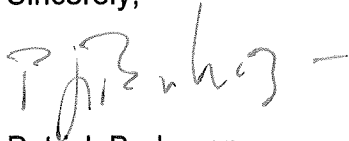
As Regional Directors we are responsible as stewards of tax payer dollars for Regional District operations. Contained within these operations are a total of 34 combined regional, sub-regional and local services to watch over. The operational budget runs in the vicinity of \$7 million and capital projects can be in the neighborhood of \$1.5 million or greater. We believe this to be very substantial and significant indeed as well as a very honorable and privileged mandate to be tasked with. Funding aside, there is also the various advocacy issues from the public that the Board is confronted on. Many of which are not easy or comfortable topics to be saddled with.

So, not to belittle the position of a Trustee but Lasqueti Island tax payers are paying an approximate total of \$20,000, including benefits, for two individuals. In comparison, the approximate \$17,000 earned as a Director for Electoral Area E, with no benefits, will be shared among four other electoral areas as well as the City of Powell River.

The breakdown means that Lasqueti Island tax payers will contribute about \$770 towards this as the balance is made up by the other member electoral areas and the City of Powell River. Considering the amount of dollars entrusted with the Regional District Directors and the varied day-to-day concerns of typical and atypical business and advocacy arising at the Board table, this in our mind seems to be a very reasonable arrangement.

In closing, we believe that we have actually taken your advice. We did not have to postpone any decisions because they were already in the works. And, come four years' time, the Board will once again consider a remuneration review during the election year and make it binding for the incoming elected officials.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Brabazon", followed by a horizontal line.

Patrick Brabazon
Chair

cc Merrick Anderson – Director, Electoral Area E