The City of SPRUCE GROVE

INFORMATION REQUEST

INFORMATION REQUEST #: IR-017-26

REQUESTED BY: **Mayor Acker / Councillor Mastaler**

TOPIC: **Council Travel and Expense Budget Analysis**

DATE OF REQUEST: **November 2, 2026**

DATE OF RESPONSE: November 3, 2026

QUESTION: Can Administration provide an analysis of the increasing pressures on travel and expense budgets, including a review of the historical use of Council contingency funds, and bring forward options for addressing these pressures moving forward?

Response

The Council Contingency budget is $75,000. The budget has not historically been fully utilized each year, with an average unused amount of $41,746.

Conversely, inflationary pressures on travel and subsistence expenses, combined with increased honorarium rates effective October 30, 2025, are creating budget pressures within both the Mayor's expense budget of $18,500 and the Councillor expense budget of $16,480. These budgets have not been increased since 2020. The cumulative increase in the Consumer Price Index (CPI) from 2020 to 2025 is 19.85%[1].

Options

1. Reduce Council Contingency by $25,000 and split the cost savings to individual expense budgets adding additional $3,571, with total budgets as follows:

[1] Source: Statistics Canada. Table 18-10-0005-01 Consumer Price Index, annual average, not seasonally adjusted; DOI: https://doi.org/10.25318/1810000501-eng).

Mayor: $22,071
Councillors: $20,051

2. Maintain the Council Contingency budget of $75,000 and increase the Mayor's and Councillor's expense budgets by the cumulative inflation rate of 19.85% since the last increase in 2020 resulting in total budgets as follows:

   Mayor: $22,172
   Councillors: $19,751

3. Maintain the Council Contingency budget of $75,000, the Mayor expense budget of $18,500 and Councillor expense budget of $16,480.

Background

Council Contingency

The Council Contingency Budget provides funding for unforeseen Council-related expenses that arise during the year and are outside approved operating budgets. It serves to address emerging priorities, one-time opportunities, special events, and other Council-directed expenditures that cannot be reasonably anticipated during the budget process.

Since 2021 the total use of Council Contingency has been:

Year	Contingency Budget ($)	Contingency Used ($)	Unused Contingency ($)
2021	75,000	56,989	18,011
2022	75,000	20,000	55,000
2023	75,000	20,000	55,000
2024	75,000	41,931	33,069
2025	75,000	27,350	47,650

Average annual contingency used: $33,254
Average annual unused contingency: $41,746

As of today's date, the amount used under the 2026 Council Contingency is $24,050

Council Expense Budgets

The expense budgets that the Mayor and Councillors each have are intended to cover expenses including honorariums paid by the City, training and conference costs, mileage, and meals. Allowances such as the technology allowance, one-time home office set-up allowance, and vehicle allowance are not part of the Mayor and Councillors expense budget. Under the Council Remuneration Policy, expense related to the conferences and meetings of Municipally Affiliated Associations, specifically ABMunis, Federation of Canadian Municipalities and Mid-Sized Cities Mayors' Caucus are covered under an alternative City expense budget different from the Mayor's and Councillor's individual expense budgets.

The "one pot" expense budget model is intended to provide flexibility in how and for what members of Council use their expense budget. For example, a Councillor may choose university courses versus attending conferences. Furthermore, due to personal or work time commitments, some Councillors may have greater flexibility in how many meetings, events, courses, or conferences they can attend.

In 2023, based on the use of expense budgets by Councillors at the time and the amounts expended, the Council Remuneration Review Advisory Committee recommended and Council approved, maintaining the current expense budgets amounts for Mayor and Councillors. However, since 2023 there have been significant inflationary pressures on key expenses such as:

- Conference registration fees
- Meals
- Hotel Accommodation
- Airfare
- Mileage rates

Furthermore, as recommended and approved by Council in 2023, honorarium rates increased effective October 30, 2025, at the start of the 2025-2029 Council term. The half-day meeting honorarium increased from $131 to $150 and the full-day meeting honorarium increased from $262 to $300, resulting in additional pressure on Council-related budgets.

These increasing budget pressures may result in situations where members of Council do not attend important meetings or value-added conferences because they have no more expense budget room.

Financial Implications / Taxation Impact

The financial implications of each option outlined in the response is:

Option 1: This will reduce the Council Contingency to $50,000 annually and increase the total budgets available to Mayor and Council by $3,571 each. Because this represents a reallocation of existing items in the Proposed 2027-2029 Budget & Fiscal Plan, this option does not impact required property tax revenue.

Option 2: This option will increase the budget available to the Mayor by $3,672 and the budget

available to each Councillor by $3,271 annually. This represents a net increase to the Proposed 2027-2029 Budget & Fiscal Plan by a total of $23,298. This increase would be funded by an increase to property tax revenue.

Option 3: This option maintains the existing Proposed 2027-2029 Budget & Fiscal Plan and has no further financial implications beyond what is already reflected in the proposed budget.

Contact: Lindsay O'Mara, City Clerk