



Staff Report

Administration

Report To: Committee of The Whole
Meeting Date: May 14, 2018
Report Number: **REVISED** - FAF.18.73
Subject: Compensation Review Council
Prepared by: Jennifer Moreau, Manager Human Resources

A. Recommendations

THAT Council receive **REVISED** - Staff Report FAF.18.73, entitled "Compensation Review Council", and considers the options contained in the Staff Report;

AND THAT Council directs staff to move forward with the _____ percentile increase to Council base salaries for the Town of The Blue Mountains as identified in this report effective December 3, 2018;

AND THAT Council direct staff to include Council members remuneration to any cost of living increase applied to non-union staff in all future budgets;

AND THAT Council direct staff to complete a Market Review once per term of Council in the final year of Council's term of office in all future terms of Council;

AND THAT Council direct staff to proceed to a Public Meeting to receive comments, as is required by the Provision of Notice and Manner of Giving Notice Policy POL.COR.07.03.

B. Overview

This is a report that advises Council of the results of a recent compensation market review for Council. Options regarding market increases are provided to Council.

C. Background

At the February 21, 2018 Committee of the Whole meeting, Councilor McGee provided the following Notice of Motion.

THAT Council direct staff to bring a report forward to recommend changes to the Council remuneration, including a public consultation process, with any increase to be implemented December 3, 2018, Carried.

The motion was seconded by Deputy Mayor Ardiel and approved by Council.

All municipal Councils have a responsibility to periodically review the remuneration provided to their members. Council remuneration was last reviewed in 2009 and has not been adjusted since that time.

Remuneration for elected officials should be fair and reasonable to both Council and the citizens of the Town of The Blue Mountains. Appropriate remuneration should achieve the following goals:

- Reflect the nature, responsibilities and accountability associated with these positions;
- Demonstrate fiscal responsibility; and
- Attract strong, qualified candidates to local government.

The matter of Council and Chair remuneration is difficult to analyze given the vast differences in scope and size of municipalities in Ontario as well as economic, demographic and financial variables impacting municipalities. The nature of the work performed by elected officials varies significantly from municipality to municipality, especially when the issue of jurisdiction (county, single-tier, upper and lower-tier) is factored in. Remuneration arrangements in municipalities can differ quite significantly; some municipalities utilize per diems, others use base salaries and some use a combination. There are also different arrangements relative to benefits and pensions for elected officials impacting the total value of the remuneration. In the spring of 2018, the Human Resources department undertook a survey of current remuneration practices at 12 comparator municipalities in Ontario.

Both the Association of Municipal Clerks and Treasurer's (AMCTO) and the Association of Municipal Officers (AMO) have been reviewing and reporting on the trends and issues of both Council and Staff Remuneration. Both due to the fact that the Federal government in its Budget 2017 (March) contained a legislative change to eliminate the 1/3 tax exemption for elected officials effective starting in 2019.

According to AMCTO the role of local councilor is undeniably expanding. Councilors now sit on more working groups and task forces than ever before. They are also more accessible and expected to be more responsive than in the past. The growth of technology and expansion of social media allows members of the public to contact their representatives through a variety of channels at whatever time is most convenient to them. For many councilors the job has become 24/7, even if they are only compensated as a part-time employee or volunteer (AMCTO, 2018).

According to AMO in order to maintain current service levels municipalities will have to increase property taxes by 4.51% every year for the next ten years just to preserve the status quo (AMO, 2015).

D. Analysis

Comparators have previously been identified by the Finance Department, Human Resources and our compensation consultant Marianne Love, of ML Consulting to identify key market comparators for the Town of The Blue Mountains. We utilized the following selection criteria:

- # of households in the municipality;
- total weighted assessment per household;
- taxes per household;
- # of full-time positions employed by the municipality;
- salary per full time equivalent (“FTE”);
- total tangible capital assets managed by the municipality;
- total financial assets; and
- total annual municipal costs.

The following list of municipalities were selected based on the criterion above as our comparators:

1. King Township
2. Orangeville
3. East Gwillimbury
4. Wasaga Beach
5. Collingwood
6. Niagara-on-the-Lake
7. Saugeen Shores
8. Innisfil
9. Huntsville
10. Gravenhurst
11. Midland
12. Oro-Medonte

In addition, we also surveyed the Municipality of Grey Highlands and the Town of Meaford to ensure local comparators were included. 14 surveys were sent out to our comparators and 11 replies were received.

For this market review, the 50th, 55th and 60th percentile were targeted for all Council positions having regard to the size and composition of the comparator group and attraction requirements. The results of the market study indicate that the Town is currently paying low to the market average and median for all positions with greater deviation in the Mayor and Council member roles.

Regarding additional benefits provided to Council members staff recommend that Council include the cost of living increase approved for staff annually, to all members of Council in all future budgets.

Regarding all other additional remuneration amounts for council as identified in the Market Review attached at Appendix 1, Staff recommend maintaining current amounts. Although we lead in the amount of IT allowance with the changes to the tax structure for Council members this will aid in offsetting the loss of taxable benefits.

Staff recommend a market review of Council be performed once per term of Council in the final year of the Council term to ensure our remuneration is maintained at competitive rates to attract and retain members of Council.

E. The Blue Mountains Strategic Plan

Goal #4: Promote a Culture of Organizational & Operational Excellence

- To be an Employer of Choice
- To Consistently Deliver Excellent Customer Service
- To be a Financially Responsible Organization
- Constantly Identify Opportunities to Improve Efficiencies and Effectiveness

F. Environmental Impacts

Not Applicable

G. Financial Impact

Market Competitiveness - Cost of Implementation:

50th Percentile:

Implementation Date	Increased Cost in 2019	Mayor	Deputy Mayor	Councilor
December 3, 2019	\$18,058.47	\$8,408.37	\$800.10	\$8,850.00

55th Percentile:

Implementation Date	Increased Cost in 2019	Mayor	Deputy Mayor	Councilor
December 3, 2019	\$25,986.38	\$10,378.78	\$1,940.10	\$13,667.50

60th Percentile:

Implementation Date	Increased Cost in 2019	Mayor	Deputy Mayor	Councilor
December 3, 2019	\$33,914.29	\$12,349.19	\$3,080.10	\$18,485.00

Cost to implement any of the options above, will be funded from the following:

- Approved increase to the operational budget

H. In consultation with

- Ruth Prince, Director Finance & IT Services
- Shawn Everitt, Interim Chief Administrative Officer

I. Attached

1. Council Remuneration Market Review
2. Public Meeting Notice – Council Remuneration Market Review

Respectfully Submitted,

Jennifer Moreau
Manager Human Resources

Shawn Everitt
Interim Chief Administrative Officer

For more information, please contact:
Jennifer Moreau
hr@thebluemountains.ca
519-599-3131 extension 244

COUNCIL REMUNERATION MARKET REVIEW 2018

Prepared by: Jennifer Moreau, Manager Human Resources - May 2018

SALARY COMPARISON (Source: Market Response)

Mayor		Deputy Mayor				Councillor					
Municipality	Base	Median	Average	Municipality	Base	Median	Average	Municipality	Base	Median	Average
		\$ 39,408.17	37, 789.63			\$ 22,800.00	\$ 22,172.48			\$ 19,270.00	\$ 20,127.32
East Gwillumbury	\$ 70,459.00			Orangeville	\$ 28,264.00			East Gwillumbury	\$ 44,108.00		
Orangeville	\$ 47,484.00			Wasaga Beach	\$ 27,419.44			Orangeville	\$ 25,551.00		
Hunstville	\$ 43,819.00			Collingwood	\$ 27,110.00			Collingwood	\$ 21,750.00		
Niagara on the Lake	\$ 41,241.00			Midland	\$ 26,580.00			Wasaga Beach	\$ 21,390.56		
Midland	\$ 39,595.00			Meaford	\$ 22,800.00			Meaford	\$ 20,700.00		
Wasaga Beach	\$ 39,408.17			The Blue Mountains	\$ 21,999.90			Hunstville	\$ 19,270.00		
Collingwood	\$ 37,873.00			Hunstville	\$ 21,270.00			Midland	\$ 18,106.00		
The Blue Mountains	\$ 30,999.80			Gravenhurst	\$ 16,371.00			The Blue Mountains	\$ 17,500.00		
Meaford	\$ 27,900.00			Grey Highlands	\$ 7,738.00			Gravenhurst	\$ 14,159.00		
Gravenhurst	\$ 26,010.00			East Gwillumbury	N/A			Niagara on the Lake	\$ 13,018.00		
Grey Highlands	\$ 10,897.00			Niagara on the Lake	N/A			Grey Highlands	\$ 5,848.00		
Mayor Salary		55th Percentile: \$ 41,378.58		Deputy Mayor				55th Percentile: \$ 23,940.00			
		60th Percentile: \$ 43,348.99						60th Percentile: \$ 25,080.00			
				Councillor Salary				55th Percentile: \$ 20,233.50			
								60th Percentile: \$ 21,197.00			

BENEFITS AND OTHER EXPENSES COMPARISON (Source: Market Response)

Cost of Living Allowance		Lump Sum Increase		Benefits or Lump Sum			IT Allowance			Meeting Per Diem		
Municipality		Municipality		Municipality			Municipality			Municipality	Full Day	Half Day
Orangeville	Same as staff	Orangeville	No	Orangeville	Yes	H&D	Orangeville	Yes	\$180 per month	Orangeville	No	No
East Gwillumbury	No	East Gwillumbury	No	East Gwillumbury	Yes	H&D	East Gwillumbury	No	Material Provided	East Gwillumbury	No	No
Wasaga Beach	Same as staff	Wasaga Beach	No	Wasaga Beach	Yes	H&D	Wasaga Beach	Yes	\$600 per year	Wasaga Beach	\$120 per day	No
Collingwood	Same as staff (Dec	Collingwood	No	Collingwood	Yes	H&D	Collingwood	No	Devices Provided	Collingwood	No	No
Niagara on the Lake	CPI	Niagara on the Lake	No	Niagara on the Lake	No		Niagara on the Lake	No	Devices Provided	Niagara on the Lake	No	No
Hunstville	No	Hunstville	3k M, 1K DM, \$500	Hunstville	Yes	\$1721 Lump Sum	Hunstville	Yes	\$1500 Per Term	Hunstville	\$150	\$75
Gravenhurst	1.25%	Gravenhurst	No	Gravenhurst	Yes	\$500 H.S.A	Gravenhurst	Yes	\$1200 Per Term	Gravenhurst	No	No
Midland	No	Midland	No	Midland	Yes	H&D	Midland	Yes	Reimbursement for	Midland	\$120	\$60
The Blue Mountains	No	The Blue Mountains	No	The Blue Mountains	Yes	H&D	The Blue Mountains	Yes	\$3,599.96	The Blue Mountains	\$100	\$75
Grey Highlands	1.70%	Grey Highlands	No	Grey Highlands	No		Grey Highlands	Yes	\$35 per month cell	Grey Highlands	\$176	\$95
Meaford	1.3% (CPI June)	Meaford	No	Meaford	No		Meaford	No		Meaford	No	No

Legend/Definitions

	Where Town of the Blue Mountains ranks within list
Median	The middle number in a sorted list of numbers (50th Percentile)
Average	A calculated "central" value of a set of numbers
H&D	Health and Dental
AD&D	Accidental Death & Dismemberment
H.S.A.	Health Spending Account



Notice of Public Meeting

With regard to Council Remuneration Market Review 2018

Monday, June 4, 2018

Public Meeting at 7:00 p.m.

**Town Hall, Council Chambers
32 Mill Street, Thornbury, ON N0H 2P0**

What is being proposed?

The Blue Mountains Council will be holding a Public Meeting to receive comments on the proposed changes to Council's annual salary effective December 3, 2019 (the next term of Council). All municipal Councils have a responsibility to periodically review the remuneration provided to their members. Council remuneration was last reviewed in 2009 and has not been adjusted since that time. Remuneration for elected officials should be fair and reasonable to both Council and the citizens of the Town of The Blue Mountains.

Notice is hereby given that the Council of The Corporation of the Town of The Blue Mountains, at its regularly scheduled Council Meeting on Monday, July 9, 2018, intends to adopt a Council Remuneration Market Review and increase the remuneration of all Council members for the next term of Council.

REVISED Staff Report FAF.18.73 "Compensation Review Council" provides additional information regarding the proposed changes. Copies of the Staff Reports are available through the Town's website, www.thebluemountains.ca.

Questions? Want more information? Ask a Staff Member!

Jennifer Moreau, Manager Human Resources
519-599-3131 ext 244
hr@thebluemountains.ca

When will a decision be made?

It is important to note that a decision on the implementing a salary increase has NOT been made at this point, and will NOT be made at this Public Meeting.

Following receipt of comments from the public, Staff will bring its recommendations to Council at the June 25, 2018 Committee of the Whole Meeting.

How can I make my views known about this proposal?

Comments at the Public Meeting aid the Town and Council in their decision making process, so be sure to have your say!

Any person or agency may attend the Public Information Session and Public Meeting and/or make verbal or written comments regarding the proposed changes to Council Remuneration.

How do I submit my comments?

If you would like to submit comments in writing or would like to be notified of a decision on this proposal, submit your written comments or request during regular office hours (Monday to Friday from 8:30 a.m. to 4:30 p.m.) to Corrina Giles, Town Clerk at:

Town Hall, 32 Mill Street, Thornbury, ON
Telephone: 519-599-3131 ext. 232

Comments can also be faxed to Corrina Giles at 519-599-7723, or emailed to townclerk@thebluemountains.ca

Please note that any submitted comments become part of the **public record**, including names and addresses. Written comments are due by **Friday, June 1, 2018** so that they may be read at the meeting for the benefit of everyone in attendance.

Under the authority of the Municipal Act, 2001 and in accordance with Ontario's Municipal Freedom of Information and Protection of Privacy Act (MFIPPA), all information provided for, or at a Public Meeting, Public Consultation, or other Public Process are considered part of the public record, including resident deputations. This information may be posted on the Town's website and/or made available to the public upon request.