

DATE: June 20, 2022
REPORT NO: T-15-2022
SUBJECT: Elected Officials Remuneration for the 2022 to 2026 Term
CONTACT: Donna DeFilippis, Director of Finance and Treasurer

OVERVIEW:

- This report applies to the 2022 to 2026 term of Council, which commences on November 15, 2022
- Data was collected from all lower tier municipalities in Niagara, as well from the Niagara Region
- Staff is recommending no changes to Councilors' compensation
- Staff is recommending an increase of \$3,800 to the Mayor's compensation in order for West Lincoln to remain within the 50th percentile of all Niagara municipalities
- Staff is recommending no changes to the provision of group benefits to Elected Officials, given the prevalence of this compensation item among Niagara municipalities

RECOMMENDATION:

1. That, Recommendation Report T-15-2022 regarding "Elected Officials Remuneration for the 2022 to 2026 Term", dated June 20th, 2022, be received for information; and
2. That, a By-Law be presented at the June 27, 2022 Council Meeting to address Council Remuneration, the draft of which can be found on Schedule A to this report; and,
3. That, the annual salary for the Mayor of West Lincoln be increased from \$38,310 to \$42,110, an annual increase of \$3,800, effective November 15, 2022; and,
4. That, the annual salary for a West Lincoln Councillor remain at \$21,423, effective November 15, 2022; and,
5. That, an annual increase to the above salaries be based on the same percentage increase and the same timing as reflected in the CUPE Local 1287 collective agreement, which is consistent with the current practice; and,
6. That, members of West Lincoln Council continue to have the opportunity to participate in the Township's Group Benefit plan.

ALIGNMENT TO STRATEGIC PLAN:

Theme #6

- Efficient, Fiscally Responsible Operations- the Township of West Lincoln is a lean organization that uses sustainable, innovative approaches and partnerships to streamline processes, deliver services and manage infrastructure assets.

BACKGROUND:

The 2022 Budget deliberations included discussion regarding the compensation model provided to West Lincoln Elected Officials. This report recommends a compensation strategy for the term of Council that will commence on November 15, 2022. Staff will also update By-Law 2019-29 that outlines Council Remuneration. This item was last reviewed in 2019 when the elimination of the one-third tax-free allowance was addressed. Section 238 of the *Municipal Act* requires that a Public Meeting be held to review Council Remuneration, as such; the Township has provided notice of this meeting through both paper and social media sources. In terms of reporting, Section 284 of the *Municipal Act* requires the Treasurer to provide on an annual basis a summary of remuneration and expenses paid to Council Members. Also included in the Administrative Agenda this evening is a report and policy to address Council expenses, which is a separate item from remuneration.

CURRENT SITUATION:

Staff collected information from all lower-tier municipalities in the Niagara Region, as well as from the Region itself. That information is available on Schedule B to this report. Staff are using the 50th percentile when analysing the data set. The 50th percentile is also sometimes referred to as the median, which cuts the data set in half. For this report, it means that half of the municipalities are above this number, and half are below this number. The 50th percentile is a consistent approach that was used for the non-union compensation review that was approved by Council in 2021. In addition, for analysis purposes, staff used the same municipalities that were part of the non-union compensation review. They are listed below and are shaded on Schedule B to this report:

- Pelham
- Niagara-on-the-Lake
- Port Colborne
- Thorold
- Lincoln
- Grimsby
- Fort Erie
- Wainfleet

The position of Mayor has a 50th percentile value of \$42,122. The salary currently paid to the West Lincoln Mayor is \$38,310, which falls below the 50th percentile. Staff is recommending an increase of \$3,800 to the Mayor's salary when the new term of Council commences in November 2022. The position of Councillor has a 50th percentile value of \$16,623. The salary currently paid to West Lincoln Councillor's is \$21,423, which is above the 50th percentile. Staff is recommending no changes to Councillors' salary.

The data on Schedule B outlines the approach each municipality has in terms of participation in a Group Benefit Plan. Seven out of the twelve municipalities offer a full benefit plan, with an additional two offering limited plan participation. Staff is not recommending any change to the Township's current policy of offering Group Benefits to Elected Officials.

An update to the Council Remuneration By-Law will include the formalization of the method used to calculate an annual adjustment to compensation. Based on past practice, and confirmed through resolution on March 2, 1987, adjustments to Council salary are based on the same percentage increases that is outlined in the CUPE Local 1287 (Canadian Union of Public Employees) collective agreement. The draft By-Law found on Schedule A to this report, also has wording that provides an opportunity for a member of Council to "opt out" of an annual salary increase. If a member of Council so chooses to "opt out" of receiving a salary increase, a written request shall be submitted to the Director of Legislative Services/Clerk by April 1 each year.

FINANCIAL IMPLICATIONS:

Schedule C presents the 2022 approved budget for Elected Officials. In terms of Wages and Benefits specifically, the budget for the Mayor is \$44,270 and the budget for the Councillors is \$175,020.

The increase to the Mayor salary effective November 15th, 2022 is estimated to have an impact of under \$500 to the 2022 budget. However, it will affect the 2023 budget by the full \$3,800 increase as recommended in this report.

INTER-DEPARTMENTAL COMMENTS:

The Director of Legislative Services/Clerk and the CAO have reviewed this report.

CONCLUSION:

This report is outlining a compensation model for the Township of West Lincoln elected officials that will commence their term on November 15, 2022.

Prepared & Submitted by:



Donna DeFilippis
Director of Finance and Treasurer

Approved by:



Bev Hendry
CAO