

**THE CORPORATION OF THE TOWN OF GEORGINA**

**REPORT NO. CAO-2024-0001**

**FOR THE CONSIDERATION OF  
COUNCIL**

October 9, 2024

**SUBJECT: Council Remuneration Policy**

---

**1. RECOMMENDATION:**

- 1. That Council receive Report No. CAO-2024-0001, prepared by Human Resources, Office of the CAO, dated October 9, 2024 respecting the Council Remuneration Policy;**
- 2. That Council approve the Council Remuneration Policy, Attachment 1, and provide delegated authority to the CAO to implement the policy;**
- 3. That Council approve the Council Remuneration By-law, Attachment 2.**

**2. PURPOSE:**

This report is presented to Council to seek approval of the attached Council Remuneration Policy and By-law.

**3. BACKGROUND:**

Council receives compensation relating to their duties as Members of Council and as Members on Boards and Committees. Marianne Love of ML Consulting Services has been engaged to create a Council Compensation Policy based on best practices within the industry and that are similar to policy directives within the approved comparator group.

**Employer Relationship**

There is no employer/employee relationship between the Town and its elected officials. There are no pre-determined hours of work for an elected official and their role cannot be defined as full-time or part-time, but instead is better described as a continual role of governance, requiring elected officials participate in special projects, fulfill committee appointment responsibilities, and be available to their constituents upon demand. Such duties require that Members of Council travel throughout their wards, the municipality, and even the province.

### **Responsibility to Establish Council Remuneration**

The Province of Ontario has mandated that municipal council is responsible for establishing their own level of compensation.

### **Municipal Act, 2001 – Section 283: Remuneration and expenses**

Section 283 and the Municipal Act, 2001 as a whole provide Council with the power to determine remuneration for its members.

The Town reimburses expenses in accordance with Section 283 (2).

Remuneration and expenses shall be disclosed annually in accordance with the Municipal Act.

On May 18, 2022, Council was presented with compensation recommendations that would have established salaries at the 50<sup>th</sup> percentile of the non-union comparator group. However, due to the immediate financial impact, a lower increase was approved for the Mayor, Regional Councillor, and Councillors.

Although a lower amount was approved on May 18, 2022, the percentile and comparator group were not adjusted, and the intent was that a process be brought forward early in the following term to ensure that Council's remuneration remains comparable with the comparator group selected. Based on historical practice, if a compensation review were conducted today, it would include the following:

- A comparison based on the non-union comparator group which includes: Caledon, East Gwillimbury, Halton Hills, King, Newmarket, Bradford West Gwillimbury, Whitchurch Stouffville, Innisfil, New Tecumseth, Orillia, Vaughan, Markham and Richmond Hill.
- The compensation would then be based on the median (50<sup>th</sup> percentile) of the non-union comparator group.

In addition to the above, Council would also be entitled to:

- Mileage reimbursed based on the current CRA annual rates.
- Board and Committee meetings compensated at \$40 per meeting.
- Cost of living adjustments, on April 1<sup>st</sup> annually, equal to the non-union staffing adjustment.
- Benefits package which includes:
  - Life Insurance
  - Accidental Death and Dismemberment
  - Extended Health
  - Dental
  - OMERS

#### **4. ANALYSIS:**

The primary objective of the 2024 Council Remuneration Study was to review current municipal comparator council remuneration practices in order to establish a policy and by-law to address the process for determining council remuneration going forward and prevent necessary large percentage increases due to officials falling far behind their comparators.

The aim of this Policy is to ensure Council receives remuneration that is fair and equitable for conducting their Town of Georgina responsibilities and is in line with council remuneration of other municipal comparators.

The market comparator group was selected having regard to the comparator group that was used in the 2022 Council Compensation study. Thirteen comparators were identified, which directly align to the non-union staff comparator group. These included: Caledon, East Gwillimbury, Halton Hills, King, Newmarket, Bradford West Gwillimbury, Whitchurch Stouffville, Innisfil, New Tecumseth, Orillia, Vaughan, Markham and Richmond Hill. It is recommended that Council continue with this comparator group, which aligns to the corporate comparator groups for staff.

The 2022 Compensation Review recommended increases in base pay rates based on the 50<sup>th</sup> percentile of the defined pay market. The 50<sup>th</sup> percentile pay target is reasonable based on the size and scope of the comparator group. The 50<sup>th</sup> percentile target is the rate where 50% of the wage rates in comparator organizations are below this amount, and 50% are above.

Council compensation for Board and Committee meetings is currently \$40 per meeting. It is recommended in the policy that remuneration be set at the median of the municipalities that have comparable data for Board and Committee meeting compensation.

It is recommended that Council continue to receive benefits relating to Life Insurance, Accidental Death and Dismemberment, Extended Health, Dental, and OMERS, based on the non-union policies and plans.

Although Council currently receives mileage reimbursement based on current CRA rates, it is recommended and reflected in the attached policy that Council implement vehicle allowances for the Mayor, Regional Councillor, and Councillors at a rate that is the median of those applied by municipalities in the comparator group that provide allowances. This is directly in line with the non-union vehicle allowances provided to the CAO, Deputy CAO, Directors, and Heads.

Currently, all comparators adjust base pay rates annually for a cost of living adjustment equal to the non-union increases. Prior to 2023, Council salaries were automatically adjusted based on the cost of living increase provided to non-union staff. During the May 18, 2022 meeting, where the current Council compensation was reviewed and approved by Council, it was confirmed by staff, and

acknowledged by Council that the cost of living allowance would automatically be applied moving forward and that it was not necessary to have it specifically listed in the resolutions. Based on the approved minutes and the video recording of the meeting, staff will be applying the non-union increases of 2% for 2023 and 2% for 2024 to Council salaries, as approved on May 18, 2022. Cost of living will also be applied in 2025 and 2026 based on non-union increases. The attached policy recommends, in line with all comparators, that this practice continue as it will ensure Georgina's salaries remain competitive throughout the term.

When a market review is completed, if the current compensation is above the market median of the comparator group, no adjustments will be made to the compensation.

The Policy and By-law attached will provide the Chief Administrative Officer with delegated authority to complete and implement the market review, based on the Council-approved parameters within the policy. The review would be initiated 6 months prior to an election, with the results being automatically implemented for the new term of Council.

#### **5. RELATIONSHIP TO STRATEGIC PLAN:**

This report addresses the following strategic goal(s):

Goal 1: "Delivering Service Excellence"

Goal 2: "Ensuring balanced growth"

Goal 3: "Diversifying our local economy"

Goal 4: "Creating a vibrant, healthy and safe community for all"

Goal 5: "Advancing environmental sustainability"

#### **6. FINANCIAL AND BUDGETARY IMPACT:**

The Town currently sets funds aside annually as a provision in the Tax Rate Stabilization reserve for future market reviews relating to Union, Non-Union, and Council to ensure that there isn't a significant tax pressure subsequent to the review being implemented. Based on historical increases, it is not anticipated that this policy will have a direct tax pressure upon implementation as provisions would have been previously accounted for.

#### **7. PUBLIC CONSULTATION AND NOTICE REQUIREMENTS:**

The By-law and Council Remuneration Policy will be posted and available on our website. In addition, it is a requirement under the Municipal Act, 2001 for the Treasurer to report on Council remuneration and expenditures annually.

**8. CONCLUSION:**

The Council Remuneration Policy and By-law have been created based on best practices and it is recommended that Council approve the policy and provide delegated authority for the CAO to conduct the review once per term and implement the results for the following term of Council.

**APPROVALS**

Prepared By: Kelly Atkinson, Head,  
Human Resources

Recommended By: Rob Wheeler,  
CPA, CA, Deputy CAO / Treasurer

Approved By: Ryan Cronsberry, Chief  
Administrative Officer

*Attachment 1: Council Remuneration Policy*