



**COUNCIL COMPENSATION REVIEW
COMMITTEE REPORT
CCRC01-22
FEBRUARY 28, 2022**

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TO: GENERAL COMMITTEE

SUBJECT: 2022 TO 2026 COUNCIL COMPENSATION

WARD: ALL

**FROM: K. PATTERSON MCGRATH, CHAIR ON BEHALF OF THE COUNCIL
COMPESNATION REVIEW COMMITTEE**

RECOMMENDED MOTION

1. That the following recommendations with respect to the 2022 to 2026 Council compensation matters be adopted:
 - a) Effective November 15, 2022, the base rate of compensation for the Mayor be increased in accordance with the phased schedule set out in Appendix "A" to Report CCRC01-22.
 - b) Effective November 15, 2022, the base rate of compensation for Councillors be increased to \$40,983.
 - c) Effective November 15, 2022, the additional compensation for the Deputy Mayor be increased by \$2,500 per annum.
 - d) The base rate compensation cost of living adjustment for the Mayor, Deputy Mayor and Members of Council continue to be aligned with the annual percentage provided to the Non-Union Employee Group.
2. That the following recommendations with respect to the 2022 to 2026 Council benefits and pension matters be adopted:
 - a) Members of Council be provided the option to be enrolled in the Non-Union Group Extended Health and Dental Benefits Plan.
 - b) Life Insurance Policy for Members of Council be set at two times their annual remuneration.
 - c) The Mayor and Members of Council be enrolled in the OMERS Pension Program.
3. That Members of Council continue to be enrolled in the Employee and Family Assistance Program.
4. That the Reimbursement of Council Expense Policy be amended to reflect the following changes:
 - a) The annual Car Allowance for members of Council be set as follows:

Councillors	\$2,400 (\$200/month)
Deputy Mayor	\$3,600 (\$300/month)
Mayor	\$6,600 (\$550/month)
 - b) The expense account allocations for Mayor and Councillors be established on the basis of the forecasted population to be provided by Development Services Department.
 - c) Members of Council be reimbursed for the successful completion of courses offered through the Association of Municipalities of Ontario (AMO), up to a maximum of \$1,600 per year per member.



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- d) The Council Conference Budget be allocated a maximum amount of \$25,000 annually.
 - e) The submission of Council Member expenses for reimbursement be in accordance with Finance Department's year-end reporting deadlines.
5. That the 2022 Municipal Election Candidate Package include the following information:
- a) Time requirements and expectations associated with serving on Barrie City Council.
 - b) List of external and internal boards and committees that require Council member representation.
 - c) The process for expressing interest in serving as Deputy Mayor.

PURPOSE & BACKGROUND

Report Overview

6. On April 12, 2021, City Council adopted motion 21-G-066 regarding the establishment of a Council Compensation Review Committee as follows:
- 1. That a Council Compensation Review Committee be struck, comprised of five citizen members of the community.
 - 2. That the proposed Terms of Reference for the Council Compensation Review Committee attached as Appendix "A" to Staff Report LCS003 – 21, be approved.
 - 3. That staff in the Legislative and Court Services Department advertise for interested applicants for the Committee.
7. The purpose of this report is to provide General Committee with recommendations of the Council Compensation Review Committee concerning the following for the 2022 to 2026 Members of Council:
- a) Mayor and Council base compensation and benefits;
 - b) Options and recommendations for benefits plan changes as presented by City staff to the Committee;
 - c) Remuneration associated with all board and committees of Council;
 - d) Council expense related policies; and
 - e) Such other compensation-related policies
8. In accordance with motion 21-G-066 regarding the establishment of a Council Compensation Review Committee, the Legislative and Court Services Department advertised for volunteers having related experience in the above noted matters.
9. On September 20, 2021, Council adopted Bill 2021-081 regarding the appointments to various committees, boards and commissions, including the following members to the Council Compensation Review Committee:
- Stephen Kinsella;
 - Brandilee Maxwell;
 - Kelly Patterson-McGrath;
 - Christopher Rovert; and
 - Danielle Seiggel.

ANALYSIS

10. The Council Compensation Review Committee met on eight occasions to review compensation related matters.

Guiding Principles

11. The Committee supported the establishment of the following guiding principles to use in the development of the Committee's recommendations:
- Attracting and retaining diverse, talented, experienced and engaged candidates for Council positions is important for the current and future development of the City;
 - Compensation plays an important role in attracting and retraining talent; however, it should not be the primary motivating factor;
 - The compensation package should be market competitive with surrounding municipal government practices and selected comparator municipalities;
 - The compensation package should provide fair and reasonable compensation for the role and be on par with the level of responsibilities and accountabilities of an elected official; and
 - The compensation package should be aligned with the City's objectives of fiscal responsibility.

Council Survey

12. A survey of the current Members of Barrie City Council regarding compensation was undertaken by the Committee. The survey included questions related to their hours spent at committees, dealing with constituency matters, and use of the City's benefit packages. Members of Council submitted their responses anonymously to the Committee.
13. The results of the survey highlighted the time commitment required to sit on Council, including the hours required to attend meetings, review, and read agenda items, the interest from for members to be provided benefits packages, and the opportunity to provide any comments to the Council Compensation Committee about various matters. The survey responses provided by the Members of Council were considered as input into the Committee's development of its recommendations to General Committee.

Comparator Municipalities

14. The Committee selected 9 municipalities in total based on their relative size, geography, growth patterns, and governmental structure. The selected municipalities are all single tier municipalities and provided information regarding Council remuneration, benefits, expenses, and compensation associated with boards and committees. The comparator municipalities were established by the Committee as follows:
- Kingston
 - Thunder Bay
 - Chatham-Kent
 - Sudbury
 - Brantford
 - Peterborough
 - St. Catharines
 - Guelph
 - Oshawa

15. In reviewing the base honorarium for Mayor and Councillors, the committee focused on the following 6 municipalities, including the City of Barrie, to calculate the ratio of salary per resident:

- Kingston
- Sudbury
- Barrie
- Guelph
- Oshawa
- St Catharines

Base Honoraria

16. The following chart summarizes the base honorarium information for the position of Mayor for the comparator municipalities:

Mayor Honoraria Comparison Survey (2021 Data)

Municipality	Population	Base Honoria	Salary to Population
Oshawa	159,458	\$130,082	\$0.82
St. Catharines	133,113	\$112,843	\$0.85
Guelph	131,794	\$152,500	\$1.16
Kingston	123,363	\$116,856	\$0.95
Sudbury	166,000	\$176,781	\$1.06
Barrie	152,952	\$121,368	\$0.79
Mean Salary to Population			\$0.928447

17. The survey results reflect that the average salary to population ratio for the Mayors of the comparator municipalities is 92.8447 cents. The City of Barrie's average salary to population for the Mayor position is 79.3504 cents. Based on the survey comparators, the base compensation for the Mayor of the City of Barrie is 13.4943 cents lower than the average of the comparator municipalities. The Committee therefore recommends that the base salary for Mayor be increased by \$19,428, from the current 2022 rate of \$122,580 to \$142,008 per annum. This will bring the City of Barrie in line with its comparators in terms of the average cost per resident.
18. The Committee recommends that this increase be phased in over the four-year term as set out in Appendix "A" to Report CCRC01-22.
19. The following chart summarizes the base honoraria information for the position of Councillor for the comparator municipalities:



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Councillor Honoraria Comparison Survey (2021 Data)

Municipality	Population	Base Honoria	Salary to Population
Oshawa	159,458	\$47,739	\$0.30
St. Catharines	133,113	\$24,175	\$0.18
Guelph	131,794	\$40,000	\$0.30
Kingston	123,363	\$40,000	\$0.32
Sudbury	166,000	\$44,563	\$0.27
Barrie	152,952	\$39,404	\$0.26
Mean Salary to Population			\$0.267946

20. The survey results reflect that the average salary to population ratio for Councillors of the comparator municipalities is 26.7946 cents. The City of Barrie's average salary to population for the Councillor position is 25.7636 cents. Based on the survey comparators, the base compensation for Councillors of the City of Barrie is 1.0310 cents lower than the average of the comparator municipalities. The Committee therefore recommends that the base salary for Councillor be increased by \$1,185, from the current 2022 rate of \$39,798 to \$40,983 per annum. This will bring the City of Barrie in line with its comparators in terms of the average cost per resident.
21. The Committee recommends that this increase be effective November 15, 2022.

Deputy Mayor

22. The current base honorarium for the Deputy Mayor is the Councillor base salary of \$39,798 plus \$5,000.
23. The Mayor's Office and City staff provided the Committee with information concerning the additional time that is spent by the Deputy Mayor to attend events, functions, and meetings. Given the extra commitments required as part of the Deputy Mayor position, the Committee is recommending an increase to the base honorarium for the Deputy Mayor position of \$2,500 for a total of \$7,500 per annum. This would be in addition to the recommended increase to the Councillor base salary.
24. The Committee also discussed the merits of electing the Deputy Mayor position versus the current practice of recommended appointment by the Mayor. The Committee recognized that selection process associated with the Deputy Mayor is not within the mandate of the Committee. However, the Committee respectfully requests that this issue be discussed at the outset of the next Council term.

Board and Committee Remuneration

25. The Committee discussed the remuneration received from Council member participation on some external boards and Committees. Currently, the municipality retains the small amount of remuneration received from this participation. Due to the administrative processes that would be



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required to separate and redistribute this remuneration among Mayor and Council members, the Committee addressed this as part of the recommended increase to the base salaries.

Annual Economic Adjustments to Compensation

26. The current Council policy provides for the base rate of compensation associated with the honorarium for the Mayor and members of Council to be increased annually by any economic adjustment provided to non-union staff. The Committee is recommending that this be continued.

Benefits and Pension

27. Currently, Council may be included (at the Council member's discretion) in the City's current group insurance program of extended health care and dental coverage split on an equal cost basis between the City and the Council members. Each Council member under the age of 65 is entitled to be provided with life insurance valued at one times their annual honorarium, with the premiums fully paid by the City. For Council members over the age of 65, the life insurance coverage is reduced to 50 percent of their annual honorarium, with the premiums fully paid by the City. Each Council member is also provided with Accidental Death and Dismemberment coverage at one times their annual honorarium, with the premiums fully paid by the City.
28. A benchmarking exercise was conducted with respect to health and benefits coverage for elected officials. According to this benchmarking, the City of Barrie ranked below market in 31 areas of health and benefit coverage for elected officials. The Committee therefore recommends that Members of Council be enrolled in the Non-Union Employee Group Extended Health and Dental Benefits Plan, as further detailed in Appendix "B". This amount reflects a 100 percent participation rate by all members of Council and would be the maximum amount.
29. This would provide base coverage for all Council members, with the City paying 100 percent of the premium. For Council members who have a full-time position with benefits elsewhere, the City plan would be the second payer on claims. The additional cost of this annual premium to the City for all 11 Council members is \$65,252. Worth noting is that the City is on an Administrative Services Only arrangement for Health and Dental coverage, which means that premiums are paid to the benefits provider, but if the claims submitted for the year are less than the premiums paid, the difference will be retained in the City's account.
30. Currently, Members of Council's Life Insurance Coverage is set at one time the annual honorarium of members. In order to bring Barrie into alignment with the market norms, the Committee further recommends increasing the Life Insurance Coverage for Members of Council to two times their annual honorarium. The additional cost to the City for all members of Council is \$930 annually.
31. Members of Council are not currently enrolled in the Ontario Municipal Employees' Retirement System (OMERS). In order to bring Barrie into alignment with market norms, the Committee further recommends adding the Mayor and Councillors to the OMERS pension program. The additional cost to the City for all members of Council would be approximately \$55,684 in 2023, increasing with honorarium increases each year thereafter. Members of Council would be responsible to pay the employee contribution as follows, based on the recommended 2023 honorarium amounts:
- | | |
|-------------------|----------|
| • Mayor | \$16,030 |
| • Deputy Mayor | \$ 4,691 |
| • Council Members | \$ 3,885 |
32. The Mayor would have the ability to enrol into the OMERS Program, separate from the remainder of Council. However, an individual member of Council cannot opt in or out it, as OMERS specifies that that the Program would apply to all.

33. The Committee believes these recommendations will bring the City of Barrie's elected officials in line with its comparators. In addition, the Committee felt that in order to attract a diverse complement of candidates to run and serve on Council, it is important to offer a comprehensive benefits and pension package.

Reimbursement for Council Expenses Policy

34. The Reimbursement of Council Expense Policy has not been reviewed in a number of years. As such, per its mandate, the Committee undertook a review of the policy.
35. The Committee recognized that there have been significant increases in gas prices and car maintenance costs since the last policy update which has increased the cost of travel and owning a vehicle. The Committee also discussed the additional demands put on the Deputy Mayor for attending events and functions on behalf of the Mayor and felt that a slight increase over the car allowance for councillors was warranted given these factors.
36. Currently, members of Council are provided with a car allowance to compensate them for costs associated with the use of their personal vehicle for City business. The amount paid annually to the Mayor is \$6,000 (\$500/month), to the Deputy Mayor is \$3,300 (\$275/month), and to each Councillor is \$2,100 (\$175/month). These rates were established in 2006 by the Council Compensation Review Committee.
37. The Committee therefore recommends increasing the car allowance mileage as follows:
- | | |
|--------------|-----------------------|
| Councillors | \$2,400 (\$200/month) |
| Deputy Mayor | \$3,600 (\$300/month) |
| Mayor | \$6,600 (\$550/month) |
38. Members of Council are also compensated for kilometres driven outside of Barrie at the same rate as paid to City staff. The rate is automatically adjusted by May 1st each year, in accordance with the year-over-year percentage change in the per-kilometre cost of owning and operating a compact car that is driven 18,000 km per year, as determined after a review of external sources. Effective January 1, 2022, the rate was established at 61 cents per kilometre for the first 5000 kilometres and then 55 cents for each additional kilometre.
39. The Reimbursement of Council Expense Policy currently determines the expense account allocations for Mayor and Councillors on the basis of population figures contained within the Ward Boundary Review Report. Ward Boundary Reviews are not conducted at regular intervals. The last Ward Boundary Review for the City of Barrie was conducted in 2013 and only included population estimates until 2022.
40. The Committee therefore recommends that the Reimbursement of Council Expense Policy be amended to determine the expense account allocations for Mayor and Councillors on the basis of the forecasted population provided through the Development Services Department. This provides the opportunity for staff to use more up to date population figures.
41. The Reimbursement of Council Expense Policy currently provides 100 percent reimbursement to Members of Council for successful completion of the Municipal Administration Program (MAP), or Councillor Course offered through the Association of Municipal Clerks and Treasurers of Ontario (AMCTO). As the MAP course is primarily designed for City staff, the Committee recommends that the policy be amended to provide Members of Council with 100 percent reimbursement for the successful completion of courses offered through the Association of Municipalities of Ontario (AMO), up to a maximum of \$1,600 per year per member. AMO provides a wide range of continuing education courses that are Council Member focused.

42. The Reimbursement of Council Expense Policy sets an annual Operating Budget of \$15,000 for selected members of Council to attend the Federation of Canadian Municipalities (FCM) and AMO annual conferences, and the Town and Gown Association of Ontario Symposia. This amount includes all applicable related conference expenses such as travel, registration, accommodation and meals. In addition, the FCM is hosted in a different City in Canada each year, which can result in additional travel costs. The budget for this has been increased incrementally by the Clerk to an amount of \$17,000 (2022). Given that the amount has needed to be increased in the budget over the last few years, the Committee acknowledged that \$15,000 noted in the policy is no longer adequate to cover the full cost of attendance of members of Council interested in attending conferences. The Committee therefore recommends that the Council Expense Policy be amended to increase the set a maximum amount to \$25,000.
43. The Reimbursement of Council Expense Policy stipulates that claims for reimbursement of expenses incurred by Members of Council must be submitted within the same calendar year, or within 30 days of year end (December 31st). This timeframe no longer aligns with Finance's year-end reporting deadlines. The Committee therefore recommends that the Reimbursement of Council Expense Policy be amended to require the submission of Council Member receipts in accordance with Finance's year-end reporting deadlines.

Employee and Family Assistance Program

44. In 2020, Members of Council were provided with access to the Employee and Family Assistance Program (EFAP) so they could access their programs and materials. This access is only for members of Council and not their family members. The Committee recommends that Members of Council be enrolled in the EFAP permanently. This cost to the municipality as a result of this recommendation is approximately \$600 per year.

Municipal Election Candidate Information Package

45. In reviewing the above noted matters, the Committee recognized the importance of the role of a Member of Council, including the time commitments, responsibilities and obligations. Therefore, the Committee recommends that the 2022 Municipal Election Candidate Package include information related to the time requirements associated with serving on Barrie City Council.
46. The Committee also discussed the current process undertaken to appoint the Deputy Mayor understanding that the Mayor provides a recommendation to Council for consideration. The Committee further recommends that the 2022 Municipal Election Candidate Package include information outlining the external and internal boards and committees that require Council member representation and the process for expressing interest in serving as the Deputy Mayor.

ENVIRONMENTAL AND CLIMATE CHANGE IMPACT MATTERS

47. There are no environmental and climate change impact matters directly related to the recommendation.

ALTERNATIVES

48. The following alternatives are available for consideration by General Committee:

Alternative #1 General Committee could recommend changes to specific elements of the Committee recommendation. Any change to elements of the recommendations should be reviewed in terms of its impact on the total cost to the Corporation.



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Alternative #2 General Committee could recommend the status quo remain with respect to all of the compensation related matters identified by the Committee.

This alternative is not recommended as many of the Council Compensation supporting policies have not been reviewed and updated in several years.

FINANCIAL

49. The following chart summarizes the current 2022 annual costs versus proposed 2023 annual costs based on the Committee's recommendations:

	Current 2022	Proposed 2023	Difference
Mayor Honorarium	\$122,580	\$127,172	\$4,592
Council Honorarium (for 10 Councillors)	\$397,980	\$409,829	\$11,849
Deputy Mayor Honorarium	\$5,000	\$7,500	\$2,500
Health, Benefits and OMERS	\$14,345	\$123,796	\$109,452* *100% participation
Car Allowance	\$28,200	\$31,800	\$3,600
Employee and Family Assistance Program	\$600	\$600	\$0
Council Conference Expense Account	\$15,000	\$25,000	\$10,000
Total for 2023	\$583,704	\$725,698	\$141,993
Total for four-year term *this is simply the 2023 amount multiplied by four, plus the Mayor's phase in. Annual cost of living adjustments and any increases to other expenses are not factored in.	\$2,334,817	\$2,932,098	\$597,281

50. Expense account allocations for Members of Council are not included in the above table as they fluctuate based on population. Reimbursement of educational courses are also not included.

LINKAGE TO 2018-2022 STRATEGIC PLAN

51. The recommendation(s) included in this Staff Report are not specifically related to the goals identified in the 2018-2022 Strategic Plan.



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APPENDIX "A"

Mayor Salary Phase In for the 2022-2026 Term

Current	2023	2024	2025	2026
\$122,580	\$127,172	\$131,937	\$136,880	\$142,008

APPENDIX "B"

BENEFIT PACKAGE OPTIONS

Extended Health and Dental Benefits Options for Council

Option 1:

Offer a base plan that covers the same health and dental coverage as above, but without the paramedical coverage or vision, and with a cap on dental for each category. Councillors who want/need this coverage would maintain the 50% premium cost. To cover the paramedical and vision items, implement a Health Care Spending Account of \$1000 per year, with no carry over of unused dollars to future years. (eg. \$1000 per year that resets each year)

Note: Life and AD&D coverage would remain the same.

Cost Implications: Coverage	Monthly Premium	Council Member Portion
Single	\$113.58	\$56.79
Family	\$385.37	\$192.68

Option 2:

Enrol the councillors in the same extended health and dental benefits plan as the Non-Union staff members, which includes the following:

- Semi-private hospital room
- 100% coverage of qualifying prescription drugs
 - 95% coverage until reached out of pocket expense of \$150
 - Mandatory Generic Substitution
- Custom orthotic inserts up to \$400 every 3 years (when prescribed)
- Hearing Aids up to \$300 every 4 years (when prescribed) Licensed Massage Therapy up to \$575 per year
- Chiropractor up to \$575 per year
- Licensed Physiotherapy up to \$100 per visit (when prescribed)
- Licensed Speech Therapy, Naturopath, Christian Science Practitioner, Osteopath, Podiatrist/Chiropodist up to \$200 per year per benefit
- Licensed Psychologist, Psychotherapist, Marriage and Family Therapist or certified counsellor with a Masters of Social Work degree (MSW) up to \$1,500 per insured family per year
- Glasses/contact lens/laser eye surgery up to \$450 every 2 years
- Eye Exams to Reasonable and Customary (R&C) Maximums
- Every 2 years for adults and annually for dependent children
- Dental Care - \$25 annual deductible
 - 100% coverage for Preventive; maximum \$2,000 per year
 - 100% coverage for Basic; maximum \$2,000 per year
 - 50% coverage for Major; maximum \$2,000 per year
 - 50% coverage for Orthodontic; maximum \$3,000 per lifetime (Only for eligible dependent children)
- Emergency Travel Assistance



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Cost Implications:

Coverage

Monthly Premium

Single

\$ 278.12

Family

\$ 494.33

Option 3

Offer a benefits plan that is based on market average, which changes/updates based on a market review by HR/Benefits Consultant on a regular basis. (eg. Every 2 year).