



The Corporation of the City of Cornwall
Regular Meeting of Council
Report

Department: Financial Services
Division: Finance
Report Number: 2019-205-Financial Services
Prepared By: Tracey Bailey, General Manager
Meeting Date: November 12, 2019
Subject: Follow up to Compensation for Council

Purpose

To obtain direction with respect to the Mayor's compensation for this term of Council.

Recommendation

That Council adopt an increase for the Mayor's annual salary at the annual rate of inflation as defined by the Consumer Price Index (CPI) by Statistics Canada, and proceed with a bylaw for adoption at the next regular Council meeting.

Financial Implications

The current salary for the Mayor is \$53,941. Included in the 2019 Budget is a cost of living increase of 2% for Council compensation. The salary for the Mayor is budgeted at \$55,020. The annual salary beginning January 1, 2019 would be based on the remuneration received by the Mayor plus an increase based on CPI for the current term of Council, as follows:

<u>Year</u>	<u>Annual Remuneration</u>	
2019	\$55,020	Actual
2020	\$56,120	Estimated
2021	\$57,242	Estimated
2022	\$58,387	Estimated

The annual cost of living increase would be calculated based on the Dec to Dec CPI percentage change posted on the Statistics Canada website.

Beginning January 1, 2019, the Mayor's compensation shall also include the following Benefit and Pension provisions:

1. Compensation for Pension Benefit as per the established payment rate under the Ontario Municipal Employees Retirement Plan paid out for the purchase of RRSPs.
2. Benefits shall be paid for Dental, LTD and Life Insurance.
3. Monthly Car Allowance shall be established at \$160.00 per month.
4. Annual Compensation as a Member of the Cornwall Police Services Board would continue in accordance to the established remuneration.

Strategic Priority Implications

This report addresses Council's accountability and transparency to the ratepayers of the City of Cornwall.

Background / Discussion

Pursuant to the Municipal Act, municipal Councils have a legal obligation to conduct a review of its compensation at least once every four years.

Traditionally, previous Councils have conducted this review during its final year of its term.

At its meeting of August 12, 2019, Council approved an annual increase to the salaries received by Councillors for the current term of Council. The Mayor's annual salary has not yet been decided.

In 2018, the Association of Clerks and Treasurers of Ontario (AMCTO) completed a report titled Municipal Council Compensation in Ontario. The goal of the report was to provide a better understanding of how municipalities compensate their councils, create a resource for municipalities who are reviewing their council remuneration packages, and to add to the body of research about how local politicians are paid. The findings of the report are based on 2017 data from 257 municipalities.

The following charts are excerpts from the AMCTO report. The charts outline the average Head of Council salary by population size and region (Table 1) and the percentage by population size (Table 2).

Head of Council Salary							
REGION	POPULATION						
	Less than 4,999	5,000 -9,999	10,000 -24,999	25,000 -49,999	50,000 -99,999	100,000 -249,000	More than 250,000
Province-wide	\$18,779	\$24,055	\$31,721	\$52,592	\$68,305	\$93,087	\$157,496
Eastern Ontario	\$34,962	\$43,054	\$34,429	\$45,396	\$54,964	\$0	\$0
Central Ontario	\$20,129	\$25,341	\$33,344	\$62,826	\$81,550	\$107,290	\$159,777
South-Western Ontario	\$19,203	\$19,499	\$29,245	\$48,724	\$61,716	\$86,079	\$154,075
Northern Ontario	\$17,159	\$23,769	\$32,926	\$0	\$0	\$0	\$0

Table 1

Head of Council Salary							
Population	SALARY						
	Less than \$20,000	\$20,000 -\$40,000	\$40,000 -\$60,000	\$60,000 -\$80,000	\$80,000 -\$100,000	\$100,000 -\$120,000	More than \$120,000
Less than 4,999	56%	41%	4%	-	-	-	-
5,000 - 9,999	31%	69%	-	-	-	-	-
10,000 - 24,999	6%	81%	14%	-	-	-	-
25,000 - 49,999	-	33%	42%	17%	8%	-	-
50,000 - 99,999	-	8%	23%	38%	31%	-	-
100,000 - 249,999	-	-	-	27%	45%	9%	18%
More than 250,000	-	-	-	-	-	20%	80%

Table 2

Following a decision by Council, Administration, as per the Municipal Act will bring a bylaw to Council for approval. The bylaw will set out the salaries and eligible expenses for the Mayor and Councillors, which in turn, informs part of the Annual Statement of Remuneration and Expenditures report for Council.

Document Title:	Follow up to Compensation for Council - 2019-205-Financial Services.docx
Attachments:	
Final Approval Date:	Nov 5, 2019

This report and all of its attachments were approved and signed as outlined below:

No Signature found

Geoffrey Clarke - Nov 5, 2019 - 3:44 PM

Tracey Bailey - Nov 5, 2019 - 4:41 PM

Maureen Adams - Nov 5, 2019 - 6:41 PM