



COUNCIL REMUNERATION 2019 - 2022

*Making The Case For **Fair** Pay*

BACKGROUND

- In May 2018 previous council considered the April 12, 2018 Ad Hoc Committee Report on Council Remuneration, the May 14, 2018 submission to Council on Council Remuneration by the Cobourg Taxpayers Association and the April 12, 2018 submission to the Council Remuneration Ad Hoc Committee by Ben Burd, Cobourg Citizen
- 1/3 Tax Free Provision Removed January 1, 2019

WHY?

- Underpaid
 - Below minimum wage
 - CRA tax change
- Level the playing field
 - *Fairness*
- Remove the barriers to running for Office
- Attract and retain
 - A mix of working and retired people
 - More younger people
- Encourage
 - Qualified candidates
 - Best and brightest

GOVERNANCE

- Good governance is not free
 - Staff are not asked to volunteer their time
 - Elected officials at the federal and provincial level are well-compensated
- Succession planning
 - Growing demands for an informed local government
 - Regulations
 - Broad scope of issues faced by our community
- Being paid with public money is an awkward conversation to have with taxpayers
 - It's a must-have discussion

FULL-TIME OR PART-TIME

- Ad Hoc Committee found survey statistics of previous Council unreliable
 - Small sample sizes
 - Vulnerable to confounding, non-standardized responses
- Only you have the answer
- What do your records indicate?
- Pay based on 35 hours weekly

COMPENSATION SHOULD REFLECT

- Duties
- Responsibilities
- Skill
- Effort
- Authority
- Decision making

IMPORTANT FACTORS TO CONSIDER

- Need for greater accountability to address growing community expectations
- Council salaries should not be a barrier to those seeking to serve in public office
- Level of compensation should attract and retain competent, motivated and well qualified community minded citizens
- The complexity, responsibilities, time commitments and accountabilities expected of each Council member
- Remuneration must be transparent, fiscally responsible, and easily understood by the electorate

CTA OBSERVATIONS

- Running a complex, multi-million dollar corporation
 - \$49.7 million in total revenues (2017 Audited Financial Statements)
 - 308 employees (2017 full-time, part-time and seasonal)
- Spread between council positions is unjustifiable
 - Deputy Mayor's salary is 68% of Mayor
 - Councillor's salary is only 57% of Mayor
 - Comparatives with other municipalities are all based on inequitable spreads
- Quality decision making = value for money
- End the old paradigm. Set a new paradigm of fairness and equity
- A fresh and unique approach

CIVIC DUTY

- Should have no bearing on salary for position
- Price to market and value of job
- Elected members can:
 - Ask to be paid a lower amount or nothing
 - Contribute all or part of salary to charity

PUBLIC REACTION

- No negative reaction to 2018 increase during campaign
- Mayor, DM and Councillors bring value to community
- CTA supports and encourages appropriate remuneration
- Our position garnered media interest (CBC Ontario Morning) and highlighted provincewide need to value municipal elected officials

TOP STAFF EARNERS VS. COUNCIL

Position	#	\$		
		Range	Total	Avg.
Sunshine Club \$100,000+ (2018)	46	100,314 – 198,004	5,570,389	121,095
• Senior Town Staff	6	102,211 – 160,346	760,314	126,719
• Police	27	100,314 – 198,004	3,203,531	118,649
• Fire	13	110,068 – 136,333	1,606,544	123,580
Mayor (Current)	1	40,440		40,440
Deputy Mayor (Current)	1	27,679		27,679
Councillors (Current)	5	23,120		23,120
Mayor + DM + Councillors	7	23,120 - 40,440	183,719	26,246

CTA SALARY RECOMMENDATION

Position	Current Salary	% of Mayor's Salary	Current Hourly Rate (35-hour week)	Proposed Salary	% of Mayor's Salary	Proposed Hourly Rate (35-hour week)
Mayor	40,440		22.22	48,100		26.43
Deputy Mayor	27,679	68%	15.21	43,290	90%	23.79
Councillor	23,120	57%	12.70	38,480	80%	21.14

- Mayor's salary based on Port Hope's Mayor
- Mayor's salary used as baseline

COMPARISON

Position	Previous 2018	Change December 2018	CTA Proposal
Mayor	34,720	40,440	48,100
Deputy Mayor	21,851	27,679	43,290
Councillors (5)	17,528	23,120	38,480
Total	144, 211	183,719	283,790
Increase Over Previous Year		+39,508	+100,071

Note: Total includes salaries for five Councillors

HOURLY RATE – BASED ON 25 HOURS WEEKLY

Position	Current	Proposed
Mayor	31.11	37.00
Deputy Mayor	21.29	33.30
Councillor	17.78	29.60



Minimum Wage \$14.00

Average Hourly Wage in Ontario \$28.76

HOURLY RATE – BASED ON 30 HOURS WEEKLY

Position	Current	Proposed
Mayor	25.92	30.83
Deputy Mayor	17.74	27.75
Councillor	14.82	24.67



Minimum Wage \$14.00

Average Hourly Wage in Ontario \$28.76

HOURLY RATE – BASED ON 35 HOURS WEEKLY

Position	Current	Proposed
Mayor	22.22	26.43
Deputy Mayor	15.21	23.79
Councillor	12.70	21.14



Minimum Wage \$14.00

2018 Average Hourly Wage in Ontario \$28.76

IMPLEMENTATION

- **Option 1**

- Implement full increase July 1, 2019
- 2019 impact \$50,035
- Fund by replacing low priority, discretionary items (e.g. \$25,000 Upgrade to CCC free WiFi)

- **Option 2**

- Implement 50% July 1, 2019
- 2019 impact \$25,017. Fund by replacing low priority, discretionary items (e.g. \$25,000 upgrade to CCC free WiFi)
- Second instalment January 1, 2020

CONCLUSION

- Low Council salaries are a barrier to participation
- An unreasonable amount of volunteerism is expected of Council members
- Salaries should reflect the level of responsibility, leadership, and skills required for the role
- The Town of Cobourg can easily afford to pay Council members *fairly*
- Successive politicians have been afraid of a public backlash, leaving salaries virtually exploitative
- The CTA urges Council *and the public* to recognize the need to pay Council members *fairly* given the importance of the job our elected officials do for our community
- A significant salary increase will provide good value for taxpayers

- The most important function in municipal government is the executive branch
- Council should not be the lowest paid staff
- Fair pay is a legacy decision