



GRAND VALLEY

Corporation of the Town of Grand Valley

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REPORT TO GRAND VALLEY COUNCIL

To: Mayor Soloman and members of Council
From: Sabrina VanGerven, Deputy Clerk/Communications Coordinator
Date: June 14, 2022
Subject: Council Remuneration Review

Purpose

The purpose of this report is to present Council with information regarding Council Remuneration within Dufferin County.

Background

As a part of the budget approval discussions for 2022, Council directed staff to conduct a Council Remuneration Review. Council requested a comparative report of all wages and benefits for Council members throughout Dufferin County.

At the May 10, 2022 meeting of Council staff requested permission to conduct an anonymous survey of Council members throughout Dufferin regarding the time commitment each requires. Council directed staff not to pursue this information for the review.

The Town of Grand Valley strives to prosper and provide excellent services to its residents while remaining fiscally responsible to the community. The Town's staff and Council are its most valuable asset. Without dedicated employees and members of Council, excellent services and day-to-day operations would not be achieved.

Serving on council has widely been considered a volunteer commitment. Staff reviewed Council compensation as far back as 2010 and found there has been no change to the rate for any position. Council members effectively received a decrease in pay in 2019, when the 1/3 tax exemption was eliminated, and in 2020, Council voted to cut their salary by one-third to ease the economic struggles presented by the COVID-19 pandemic.

Analysis

While the primary motivation of those seeking a position on council is to serve the community, it should not be denied that the ability of a municipality to attract good candidates to serve on council is directly influenced by the fairness of compensation that they offer.

The role of members of council has been undeniably expanding. They are more accessible and expected to be more responsive than in the past. The growth of technology and expansion of social media allows members of the public to contact their representatives through a variety of channels at whatever time is convenient to them. For some members of council the role has become 24/7, even though they continue to be compensated as a part-time volunteer.

Councils in Dufferin are on average older, more predominantly male and are not racially diverse. An important element of fostering good government is to ensure that municipalities attract visionary and competent public servants to the community. Limited remuneration for the level of commitment required to serve on council are barriers to attracting younger and more diverse candidates, as these individuals generally have more demanding responsibilities outside of council. As a result, these candidates put higher priority on maximizing their income and compensation offered by the municipality for the financial and family sacrifices that are required.

Council that is compensated fairly and earning similar wages as comparator municipalities provides a positive influence for involvement as a member of Council, which helps ensure the quality of leadership for the organization.

Staff surveyed all municipalities within Dufferin County in February and acquired the requested data. The following information is based on 2021 data:

	<i>Mayor</i>	<i>Per capita</i>	<i>Deputy Mayor</i>	<i>Per capita</i>	<i>Councillor</i>	<i>Per capita</i>	<i>Additional Allowances</i>
<i>Grand Valley</i>	12,500	3.25	10,500	2.73	9,000	2.34	65/committee meeting
<i>Amaranth</i>	16,508	3.82	14,237	3.29	12,530	2.90	660 office expenses
<i>East Garafraxa</i>	15,472	5.54	12,698	4.54	12,141	4.35	80/committee meeting; internet hub
<i>Melancthon</i>	18,626	5.95	16,079	5.13	14,891	4.75	75/committee meeting; 900 office expenses
<i>Mulmur</i>	18,356	5.14	14,458	4.05	12,169	3.41	75/committee meeting

<i>Mono*</i>	23,405	2.48	20,392	2.16	17,549	1.86	N/A
<i>Shelburne*</i>	27,050	3.01	17,691	1.97	14,445	1.61	N/A
<i>Orangeville*</i>	51,397	1.7	30,593	1.01	27,656	0.92	N/A
<i>County*</i>	53,941	0.81	-	-	19,895	0.30	N/A

**Staff did not consider the municipalities with a larger council or populations more than double when analyzing the data.*

All council members in the county are provided a per diem for committee meetings. Grand Valley offers the lowest rate and no members of council have claimed any meeting compensation since 2019. Council has not adopted by by-law to provide allowances and expenses above their annual salary for members of council.

Most council members in the county are provided or compensated for the use of technology. Grand Valley council members are provided the use of ipads. They do not receive any compensation for office expenses.

Cost-of-living increases are designed to keep the value of money comparable to previous salary. Without a cost-of-living increase, the salary provided is effectively declining. The cost-of-living increase is not realized for members of Grand Valley council.

While compensation is not the only factor to consider when contemplating representation on council, it is an important one. Grand Valley Council has substantially lower compensation in both in dollar value and per capita for each position of Council.

Determining appropriate levels of compensation is difficult in any field or industry, but especially so in politics where members must discuss increasing their own compensation. Establishing a policy that outlines the remuneration review process will help to ease this discomfort while ensuring compensation is reviewed regularly to make certain it is appropriate.

	<i>Current Salary</i>	<i>Average of comparable neighbouring municipalities</i>	<i>Difference</i>	<i>Increase to Budget</i>
<i>Mayor</i>	12,500	17,240	4,740	4,740
<i>Deputy Mayor</i>	10,500	13,797	3,297	3,297
<i>Councillor</i>	9,000	12,932	3,932	11,796

Financial Impact

If Council increases the salaries to the average of comparable neighbouring municipalities, the financial impact will be an increase of \$19,833 to the 2023 budget.

Recommendation

Any recommendations for a pay adjustment should be implemented at the start of the term of the new council in the election year.

THAT Council receives Report – Council Remuneration Review;

AND THAT the remuneration be adjusted to reflect a fair compensation that is in line with neighbouring municipalities;

AND THAT an annual cost of living adjustment equivalent to the percentage increase which Town staff receives as compensation apply to the remuneration for Council;

AND THAT Council instruct staff to establish a Council Remuneration Review Process Policy.

Respectfully submitted by,

A handwritten signature in cursive script, appearing to read 'Sabrina VanGerven', written in black ink.

Sabrina VanGerven,
Deputy Clerk/Communications Coordinator