



REPORT FIN-2015-013

TO: Mayor and Members of Council

FROM: Mary Hasan, Director of Finance/Treasurer

MEETING DATE: March 18, 2015

SUBJECT: Council One Third Tax Free Allowance
File No. F16 REM

RECOMMENDATIONS

That Report FIN-2015-013 regarding Council One Third Tax Free Allowance be received; and

That one-third of the remuneration paid to elected members of Council continue to be considered as expenses incidental to the discharge of their duties as members of Council as per the provisions of subsection 283(5) of the Municipal Act, 2001.

DISCUSSION

Purpose

Section 283(7) of the Municipal Act requires Council to review the one-third tax free allowance by-law at a public meeting at least once during each term of Council. A resolution must be passed at each term of Council to keep the current practice of one-third tax free allowance.

Background

On March 4, 2015 Council passed By-law No. 22/15 attached as Schedule C to Report FIN-2015-013 to continue the 1/3 tax free allowance. Currently members of Council remain under the provisions of the above by-law with one-third of their remuneration being treated as expenses related to carrying out their duties (a tax-free allowance) and two-thirds of Council remuneration remains taxable.

Section 283 of the Municipal Act requires Council to review this by-law at a public meeting at least once during each term of Council. If, following the review, Council chooses to terminate the 1/3 tax free allowance, it may do so by passing a repealing by-law. This repealing by-law shall be effective on January 1st of the year after the year in

which it was passed. Once a repealing by-law has been passed, there are no means available to reinstate the allowance.

2014 Survey of Tax Treatment of Remuneration

Township staff prepared Report FIN-2014-025 which incorporated a detailed review of Council Compensation, Benefits, Allowances and Expenses. This report is attached as Schedule A to Report FIN-2015-013. The schedule in this report that is pertinent to the Township is Schedule B which includes all of the comparator municipalities that McDowall & Associates utilized in the 2014 Pay Equity Study. Schedule B of Report FIN-2014-025 indicates that the members of Council from the eight comparator municipalities have elected for the one-third tax free allowance. These municipalities include the Township of Wellesley, Town of Mono, Township of Blandford-Blenheim, Town of Erin, Township of Wellington North, Township of Mapleton, Township of Guelph/Eramosa, and Town of Minto.

FINANCIAL IMPLICATIONS

There are three options: 1.) continuation of one-third tax free allowance, 2.) fully taxable, no change in gross pay; or 3.) fully taxable and adjust gross pay to maintain the same net pay.

Based on By-law No. 22/15 passed on March 4, 2015, the financial implications for the three options are provided below.

1.) Continuation of One-Third Tax Free Allowance

The continuation of the one-third tax free allowance for this term of Council in accordance with the Municipal Act means the Township will continue to report the remaining two thirds for income tax purposes to the Canada Revenue Agency. There are no costs associated with the recommendation of maintaining the one-third tax free portion of the remuneration.

2.) Fully Taxable, No Change in Gross Pay

This option will result in no change in gross pay and no impact on the 2016 budget, however, it will result in a reduced net pay of \$572 for a Councillor and \$1,425 for the Mayor.

3.) Fully Taxable and Adjust Gross Pay to Maintain the Same Net Pay

The current annual salary for a Councillor is \$15,453 and \$22,664 for the Mayor, one-third of which is tax-free. To convert the remuneration to 100% taxable while maintaining the same level of net after-tax remuneration, the annual salary will need to be grossed up to \$16,306 for a Councillor and \$25,715 for the Mayor. This option will

result in an unavoidable budget increase to the 2016 budget of approximately \$8,397 per year (at 2015 rates) as shown in Schedule B.

A comparative analysis of the three options with detailed calculations is attached as Schedule B to this report. The calculations (ie. income tax projections) contained in Schedule B assume single source income from the Township. Actual marginal tax rates will vary based on all sources of income and deductions available to members of Council.

APPLICABLE LEGISLATION AND REQUIREMENTS

Pursuant to subsection 283(7) of the Municipal Act, 2001, as amended, in order to retain the one-third tax free allowance, Council shall review the matter at least once during the four-year period corresponding to the term of office of its members after a regular election.

If Council wishes not to renew the one-third tax free allowance, the Township cannot reinstate in the future.

ATTACHMENTS

Schedule A . Report FIN-2014-025 . Council Compensation, Benefits, Allowances and Expense Review

Schedule B . Comparative Analysis of Remuneration Methods for Elected Officials

Schedule C . By-law No. 22/15 . Establish the rates of remuneration to members of Council, Committees and other Appointments



Schedule A to Report FIN-2015-013

REPORT FIN-2014-025

TO: Mayor and Members of Council

FROM: Mary Hasan, Director of Finance/Treasurer

DATE: August 13, 2014

SUBJECT: Council Compensation, Benefits, Allowances and Expense Review
File No. F16REM

RECOMMENDATIONS

That Report FIN-2014-025 dated August 13, 2014 regarding Council Compensation, Benefits, Allowances and Expense Review be received; and

That the one-third tax free allowance in accordance with the Municipal Act be considered in 2015 for the 2014-2018 Term of Council; and

That staff conduct a formal market review for Council during the fourth year of each Council term; and

That staff include a cost centre in the 2015 Operating Budget for Council to ensure appropriate segregation of Council and Administration costs.

DISCUSSION

Purpose

The purpose of this report is to provide Council with the Council Compensation, Benefits, Allowances and Expense structure for information.

Background

With the introduction of the Municipal Act, Municipal Councils were allowed the option of choosing to continue to receive one-third of their remuneration as a tax-free allowance or remove the tax-free allowance, making all remuneration taxable.

On May 7, 2014 Council passed By-law 2014-035 to continue the 1/3 tax free allowance. Currently Members of Council remain under the provisions of the above by-

law with one-third of their remuneration being treated as expenses related to carrying out their duties (a tax-free allowance) and two-thirds of Council remuneration remains taxable.

Section 283 of the Municipal Act requires Council to review this by-law at a public meeting at least once during each term of Council. If, following the review, Council chooses to terminate the 1/3 tax free allowance, it may do so by passing a repealing by-law. This repealing by-law shall be effective on January 1st of the year after the year in which it was passed. Once a repealing by-law has been passed, there are no means available to reinstate the allowance.

The Township of Puslinch (Township) obtained comparator market survey data from the Township of Centre Wellington as outlined in Schedule A to Report FIN-2014-025. This comparator data includes 15 municipalities including the local municipalities of the County and the County of Wellington.

We have also incorporated the comparator information for the Township of Wellesley, Town of Mono, and Township of Blandford-Blenheim in order to be consistent with staff's 2014 Pay Equity Study. The relevant comparator information for these municipalities is included in Schedule B and C to Report FIN-2014-025.

Methodology

In completing this review, Township staff reviewed the following:

- Market data survey regarding annual salary, benefit plans, mileage and professional development allowances.
- 2013 Council Remuneration reports from comparator municipalities for per diems paid to members of Council for attendance at meetings, conferences, seminars, etc.
- Previous Council approved documents related to Council remuneration.
- Information concerning the roles and responsibilities of Municipal Councils.
- The processes utilized by the benchmark municipalities in determining Council compensation.
- Best practices and processes related to setting elected officials' remuneration.

Survey of Comparator Group

A comprehensive survey was developed by the Township of Centre Wellington with the results distributed to the local municipalities of the County. The survey was provided to a group of fifteen (15) municipalities and the results of the survey are outlined in Schedule A to Report FIN-2014-025. We have also incorporated the relevant comparator data for the Township of Wellesley, Town of Mono, and Township of Blandford-Blenheim in Schedule B and C to Report FIN-2014-025.

The survey included the following:

- Population of the municipality
- Composition of Council
- Current stipend paid to Council
- Policy for adjusting stipends
- Whether the stipends are 1/3 tax free
- Whether the members of Council receive a per diem for attendance at meetings and the types of meetings they receive per diems for
- Group benefit plan coverage with details of benefits included
- OMERs enrolment
- Expense allowance details if applicable
- The applicability of a written policy for attendance at conferences and the total budget provision for conferences, seminars and training
- Car allowance details if applicable
- Number of Regular Council Meetings per month with details on the time of day
- Number of Standing Committee Meetings per month with details on time of day and number of Members of Council attending meetings
- Number of Citizen Advisory Committee Meetings per month with details on time of day and number of Members of Council attending meetings

Comparator Group

Township staff utilized the comparator data for municipalities with populations less than 13,000. Nine (9) groups were removed from the data obtained from Centre Wellington as the comparator municipalities had populations greater than 13,000 (County of Wellington, Town of Milton, Town of Halton Hills, Town of Georgina, Town of Orangeville, Town of Grimsby, Town of New Tecumseth, Township of Woolwich, and Township of Centre Wellington). Three (3) groups were added to the data (Township of Wellesley, Town of Mono, Township of Blandford-Blenheim).

The Township adopted the methodology similar to that used by the Town of Milton and the Town of Halton Hills which included using an average and median (50th percentile) based on the actual annual salaries of benchmarked municipalities excluding the highest and lowest salaries.

Staff reviewed the comparator group consisting of the Township of Wellesley, Town of Mono, Township of Blandford . Blenheim, Town of Erin, Township of Wellington North, Township of Mapleton, Township of Guelph Eramosa, and Town of Minto. The following criteria were used to ensure these comparators remained appropriate and valid:

- Municipal tier/scope of services: lower tier municipalities
- Population/location, like-sized municipalities with populations less than 13,000
- Large enough comparator group to provide appropriate market data

Summary of Findings and Recommendations

Stipend Findings

Schedule B to Report FIN-2014-025 is an excerpt from Schedule A and summarizes the salary data of the chosen comparator municipalities to determine the average and median (50th percentile) stipend compensation for the Mayor and Members of Council.

The highest (Mayor - Guelph/Eramosa, Councillor - Wellington North) and lowest (Mayor - Mapleton, Councillor - Wellesley) salaries were not included in the average and median calculations.

Stipends at the Township are competitive:

- Position of Mayor . ranges from \$17,714 to \$29,009; Average and median of \$22,271 and \$21,853 respectively
- Position of Councillor - ranges from \$13,454 to \$14,485; Average and median of \$13,955 and \$13,871 respectively

Compensation Strategy Findings

The compensation strategy used by most of the comparator municipalities includes the following:

- Council stipends are typically determined by a customized market survey
- A comprehensive review is conducted at least once during the term of Council
- Salaries are typically set to the average or a percentile (ranging from 40th to 55th)

Benefits/Mileage/Expense Findings

The Township's group benefit plan coverage, mileage allowance, and provision for expenses is competitive with the comparator group as per Schedule C to Report FIN-2014-025:

- The mileage reimbursement rate applicable for the Township as a whole (including Council, staff, etc.) of \$0.50 is comparable to the comparator group:
 - Mileage rates range from \$0.47 to \$0.54 per kilometer
- Car allowances are not common among the comparator group of municipalities with only 3 of the 8 comparator municipalities offering car allowances ranging from \$500 to \$2,500 per year.
- Expense allowances are not common among the comparator group of municipalities with only 1 of the 8 comparator municipalities offering expense allowances with the submission of receipts.

- The Township is competitive in its budget provision for conferences, seminars and training.
- The Township is competitive in group benefit plan coverage with 2 of the 8 comparator municipalities offering group benefit plan coverage fully paid by the municipality.
- 1 of the 8 comparator municipalities offer OMERs pension benefits to members of Council.

Recommendations

Recommendations include the following:

- Recommend that the one-third tax free allowance in accordance with the Municipal Act be considered in 2015 for the 2014 to 2018 Term of Council.
- Recommend that staff conduct a formal market review for Council during the fourth year of each Council term.
- Recommend that staff include a cost centre in the 2015 Operating Budget for Council to ensure appropriate segregation of Council and Administration costs.
 - As per Section 284 of the Municipal Act, the Treasurer of a municipality is to publicly report an itemized statement of remuneration and expenses paid to each member of Council in respect of his or her services as a member of Council.
 - A separate budget for Council supports elected officials in carrying out their roles and further provides a more streamlined and transparent approach to the legislated reporting requirements.

FINANCIAL IMPLICATIONS

The following is a summary of the current remuneration paid to Members of Council compared to the 50th percentile/median calculated from the comparator municipalities:

	Mayor - Stipend	Council - Stipend
Current Remuneration	\$22,220	\$15,150
50th percentile/median	\$21,900	\$13,900

APPLICABLE LEGISLATION AND REQUIREMENTS

Section 283 of the Municipal Act

ATTACHMENTS

Schedule A: Market Survey Data obtained from the Township of Centre Wellington

Schedule B: Average and Median Salary Calculation for Chosen Comparator Municipalities (Excerpt from Schedule A)

Schedule C: Benefits/Allowances/Allocated Expenses for Chosen Comparator Municipalities (Excerpt from Schedule A)

Schedule A to Report FIN-2014-025
Market Survey Data obtained from the Township of Centre Wellington

	1.Municipality	2.Size of Council	3.Stipend for mayor	4.Stipend for council	5.Does a written policy exist for adjusting stipends?	5A. If yes, when were the stipends last adjusted	6.Are the stipends 1/3 tax free?	7.Do members of council receive a per diem for attendance?	7A. If yes, for what types of meetings?	8.Does the Municipality provide group benefit plan coverage to council?	8A. If yes, what is included?	9.Are members of council enrolled in OMERS?	10.Does the Mayor/council have an expense allowance?	10A.If yes, what is the allowance?	11.Written policy for attendance at conferences?	12.What is the total budget provision for all members of council for conferences, seminars and training?	13.Car Allowance?	13A.If yes, what is the allowance?	14A.Regularly scheduled Council Meetings, number per month Time of day	14B.Standing Committee meetings: Number Per Month Time of Day Number of Councillors Meetings per month	14C.Citizen Advisory Committee Meetings: Number per month Time of day Number of Councillors Meetings per month
1	County of Wellington (Population 86,672)	16	87,661 (warden)	32,224 (Rank #2)	No	N/A	Yes	No	N/A	Yes	Extended Health Benefits, Dental Benefits, Group Life Insurance, Accidental Death and Dismemberment	Yes	Yes	No policy	Yes	No provision specified	No	N/A	1 per month, morning	8 committees, 1 meeting/month each, 25 members	1 committee, meets 3-4 times per year, Warden and 2 council members, afternoon
2	Town of Milton (Population 84,362)	11	80,737	33,314 (Rank #1)	Yes	Jan.1 2014	Yes	No	N/A	optional	Health, Dental, Life AD&D, Travel Insurance	Yes	No	N/A	Yes	\$4500-mayor Council expenses combined can't exceed \$4500	yes	Mayor only- \$456.00 per month	1 per month, evening	4 committees, evening meetings, 1-2 council members, 1 meeting per month each	8 committees, evening meetings, 1-2 councillors, 1 meeting per month/committee
3	Town of Halton Hills (Population 59,008)	11	58,077	24,714 (Rank #3)	Yes	Nov.8 2013	Yes	No	N/A	Yes	Health & Dental	Mayor Only	Yes	Not Specified	Not Specified	Not Specified	Yes	Mayor-\$661.00/month Council-\$445.00/month	2 At 6:30 Pm	4/month 5-6 Councillors	5/month evening Two councillors
4	Town of Georgina (Population 43,517)	7	51,475	22,110 (Rank #5)	Yes	April 1 2014	Yes	No	N/A	Yes	EHC (DDV & Life)	yes	No	Reimbursed for out-of-pocket expenses	Yes	10,300	Reimbursed for mileage	.53/km	4 meetings/month, 2 in the morning 2 in the evening	No standing committees	13 committees, evening meetings, 1-3 council members, 1 meeting per month/committee
5	Town of Orangeville (Population 28,441)	7	44,019	Deputy Mayor 26,202 Council 23,686 (Rank # 4)	Yes	2013	Yes	Yes Mayor and deputy mayor only	Police Services Board, Hydro Board	Yes	Full Benefits including Dental	No	No	N/A	No	Unknown	Yes	Mileage \$.54/km	2 meetings per month at 7 pm	26 Committees, morning and evening meetings, 1-2 council members, approximately 14 meetings per month	
6	Town of Grimsby (Population 25,325)	9	36,342	16,411 (Rank #9)	No	N/A	Yes	No	N/A	Yes	Dental, Medical etc.	Yes	No reimbursed mileage for council business	N/A	Yes	\$6,300 includes a \$300 budget for travel	No	Reimbursed .54/km for out of town travel	2 meetings per month, evening 1 evening meeting per month during summer	1 per month, meeting time varies as does council attendance	1 per month, meeting time varies as does council attendance
7	Town of New Tecumseth (Population 30,000)	10	34,496	Deputy Mayor 25,990 Council 20,163 (Rank #6)	Yes	2012	Yes	Yes	Special Council meetings, conferences, public meetings, cemetery board, working sessions, accessibility advisory, etc.	yes	Extended Health, Dental and Life Insurance(may opt out)	No	No	N/A	No-see per diem	\$312,457 For 2014	yes	\$600.00 per annum or may claim mileage	4 meetings per month at 7 pm	N/A	13 committees, evening meetings, 1-3 council members, 1 meeting per month/committee
8	Township of Woolwich (Population 23,145)	5	29,480	17,294 (Rank #8)	No	N/A	Yes	No	N/A	No	N/A	No	No	N/A	No	\$15,000	No	N/A	Council Meeting start at 7PM. Woolwich runs a three week schedule for meeting, i.e. Committee, Council, Blank Week	Committee meetings start at 6PM	None specified
9	Township of Centre Wellington (Population 28,000)	7	27,170	18,113 (Rank #7)	No same cost of living adjustment as staff	Jan.1 2014	Yes	Yes	Conferences, workshops and seminars, others where approved by Council resolution	Yes at council members expense	Dental and Extended health at 100% personal expense	No	No	N/A	Yes	Not Specified	Yes	Reimbursement for Municipal business use of personal vehicle. Mayor in and out of town, councillors out-of-town. \$.54/km	1 per month, evening (others if required)	1 Committee of the Whole meeting per month, during the day	10 advisory committees, evening and daytime meetings. 1-3 council members on each, 1 meeting per month per committee.
10	Township of Puslinch (Population 7,029)	5	22,000	15,000 (Rank #10)	No	Mar-14	Yes	No	N/A	Yes	Dental, extended health, Group life, AD&D	No	No	N/A	Yes	Approximately \$6000	No	N/A	2 Meetings, 1 day and 1 evening	No standing committees	6 meetings per month, day and night meetings, 1-2 councillors per committee
11	Town of Erin (Population 11,000)	5	20,160	11,200 (Rank #13)	No same cost of living adjustment as staff	2% in 2013	Yes	Yes	Work related conferences and workshops approved by Council, special meeting honourarium	Yes	Health, Short and Long term disability	yes	yes	\$1000.00 must submit receipts	Yes	Each Councillor can attend two per year	yes	Mileage \$.54/km	2 meetings per month at night	one member, evenings, 2-3 meetings per month	1-2 Council representatives per committee.
12	Township of Wellington North (Population 11,477)	5	17,909	11,939 (Rank #12)	No	N/A	Yes	Yes	Meeting in the municipality outside of Regular and Special Council, Committee of Adjustment, Court of Revision and Public Meetings, as well as meetings outside of the municipality	No	N/A	No	No	N/A	No	12,000 in 2013	Yes	800/year	2 per month, evening	1/month all council attends, Morning or afternoon	Not specified
13	Township of Mapleton	5	16,200	12,600 (Rank #11)	No	N/A	N/A	Yes for meetings	N/A	No	N/A	No	No	N/A	No	\$6,500	No	N/A	2 Meetings, 1 day and 1 evening	No standing committees	
14	Township of Guelph/Eramosa (Population 12,380)	5	15,634	10,320 (Rank #14)	Yes	2014	Yes	Yes	Special council meetings, strategic planning committees, conferences, conventions and workshops	No	N/A	No	No	N/A	Yes	10,000	Yes	Mayor only- 500.00/annum mileage allowance for use of personal vehicle to carry out regular duties	1) 2 meetings per month: on the first and third Monday of each month at 7:00 p.m.	Committee of Council (Strategic Planning and Economic Development Committee) with all 5 Members meeting once per month at 9:00 a.m.	2 citizen advisory Committee meetings per month with 1-2 Councillors attending. Heritage meets at 4:00 p.m. and Trails meets at 3:30 p.m.
15	Town of Minto (Population 8,334)	7	11,440	8,440 (Rank #15)	Yes	2009	Yes	Yes	1/2 day meetings \$85.00 full day \$150.00	No	N/A	No	No, has town Credit Card	N/A	Yes	Budgeted amount	No	N/A	2 meetings, 3pm and 7pm	4 committees, any time of day	5 committees, 1-2 Councillors, number of meetings per month varies

Schedule B to Report FIN-2014-025

Average and Median Salary Calculation for Chosen Comparator Municipalities (Excerpt from Schedule A)

	Municipality	# Council Members	Stipend-Mayor	Stipend-Council	1/3 Tax Free	Notes	Stipend-Mayor	Stipend-Council	
1	Township of Wellesley (Population 10,713)	5	17,714	11,255	Y	Note A	17,714	11,255	
2	Town of Mono (Population 7,546)	5	19,133	14,348	Y	Note A	19,133	14,348	
3	Township of Blandford-Blenheim (Population 7,359)	5	20,077	13,454	Y	Note A	20,077	13,454	
4	Town of Erin (Population 10,770)	5	20,160	11,200	Y	Note B	24,065	14,485	
5	Township of Wellington North (Population 11,477)	5	17,909	11, 939	Y	Note B	29,009	17,283	
6	Township of Mapleton (Population 9,989)	5	16,200	12,600	Y	Note B	16,809	13,946	
7	Township of Guelph/Eramosa (Population 12,380)	5	15,634	10,320	Y	Note B	32,565	13,704	
8	Town of Minto (Population 8,334)	7	11,440	8,440	Y	Note B	23,630	13,796	
							Average	22,271	13,955
							Median	21,853	13,871

Note A: We have incorporated the comparator data for the Township of Wellesley, Town of Mono, and Township of Blandford-Blenheim for consistency with staff's 2014 Pay Equity Study.

Note B: The members of Council from these municipalities receive a per diem for attendance at meetings, conferences, seminars, etc. An adjustment has been made to account for these per diems. The Councillors salary has been determined using an average (ie. the remuneration paid out to each Councillor divided by the number of Councillors).

The highest (Mayor - Guelph/Eramosa, Councillor - Wellington North) and lowest (Mayor - Mapleton, Councillor - Wellesley) salaries were not included in the average and median calculations.

**Schedule C to Report FIN-2014-025
Benefits/Allowances/Allocated Expenses for Chosen Comparator Municipalities (Excerpt from Schedule A)**

	Municipality	Does the Municipality provide group benefit plan coverage to council?	If yes, what is included?	Are members of council enrolled in OMERS?	Does the Mayor/council have an expense allowance?	If yes, what is the allowance?	What is the total budget provision for all members of council for conferences, seminars and training?	Car Allowance	If yes, what is the allowance?
1	Township of Wellesley (Population 10,713)	No	N/A	No	No	N/A	Budgeted amount	Yes	Travel Allowance \$2,500 - Mayor \$850 - Councillors Staff Mileage -\$0.49/km
2	Town of Mono (Population 7,546)	Yes	Health and Dental	No	No	N/A	\$3,000	No	\$/km fluctuates based on 90% of the federal mileage rate. (current rate is \$0.52/km)
3	Township of Blandford-Blenheim (Population 7,359)	No	N/A	No	No	N/A	\$83,161 in 2014	No	Mileage \$0.54/km
4	Town of Erin (Population 10,770)	Yes	Health, Short and Long term disability	Yes	Yes	\$1000.00 must submit receipts	Each Councillor can attend two per year	No	Mileage \$0.54/km
5	Township of Wellington North (Population 11,477)	No	N/A	No	No	N/A	\$12,000 in 2013	Yes	\$800/year Staff Mileage \$0.50/km
6	Township of Mapleton (Population 9,989)	No	N/A	No	No	N/A	\$6,500	No	Mileage \$0.47/km
7	Township of Guelph/Eramosa (Population 12,380)	No	N/A	No	No	N/A	10,000	Yes	Mayor only- 500.00/annum mileage allowance for use of personal vehicle to carry out regular duties Mileage \$0.54/km for work performed outside of the Township
8	Town of Minto (Population 8,334)	No	N/A	No	No, has town Credit Card	N/A	Budgeted amount	No	Mileage \$0.51/km

Comparative Analysis of Remuneration Methods for Elected Officials

Schedule B to Report FIN-2015-013

Chart 1: Effect of Net Pay

	Option 1 Status Quo		Option 2 Fully Taxable		Option 3 Fully Taxable - Grossed Up	
	Councillor	Mayor	Councillor	Mayor	Councillor	Mayor
Annual Remuneration	15,453	22,664	15,453	22,664	15,453	22,664
Grossed up Amount	-	-	-	-	853	3,051
Total Remuneration	15,453	22,664	15,453	22,664	16,306	25,715
Taxable Earnings	10,302	15,109	15,453	22,664	16,306	25,715
Non Taxable Earnings	5,151	7,555	-	-	-	-
Income Tax	-	(263)	(317)	(1,315)	(556)	(2,789)
CPP	(337)	(575)	(592)	(949)	(634)	(1,100)
Net Pay	15,116	21,826	14,544	20,401	15,116	21,826
Difference in Net Pay Compared to Status Quo			(572)	(1,425)	-	-

Chart 2 - Additional Costs to Township for Option 3 - Gross up Factor

	Councillors (4)	Mayor
Salary Costs	3,412	3,051
CPP	1,189	525
EHT	67	59
Group Benefits with Manulife	94	-
	4,761	3,636
Total Additional Costs to Township		8,397

Assumptions:

Assumes basic personal amount and 2015 rates for compensation and benefits
 CPP is not applicable to all elected officials

Schedule C to Report FIN-2015-013

THE CORPORATION OF THE TOWNSHIP OF PUSLINCH

BY-LAW NUMBER 22/15

Being a by-law to establish the rates of remuneration to members of Council, Committees, and other Appointments of the Corporation of the Township of Puslinch and repeal By-law No. 035/14.

WHEREAS the Council for the Corporation of the Township of Puslinch deems it appropriate to pass a by-law to establish the rates of remuneration to members of Council, Committees and other Appointments of the Township; and

WHEREAS Section 283 of the Municipal Act, 2001, S.O. 2001, c. 25, as amended allows for a municipality to pay any part of the remuneration and expenses of the members of Council, Committees and other Appointments.

NOW THEREFORE the Council of The Corporation of the Township of Puslinch ("Township") hereby enacts as follows:


1. The Mayor shall receive an annual remuneration of \$22,664 for the calendar year from January 1, 2015 to December 31, 2015. Effective January 1, 2016 and annually thereafter the Mayor shall receive the annual remuneration plus the cost of living increase approved for staff for each year.
2. Each member of Council shall receive an annual remuneration of \$15,453 for the calendar year from January 1, 2015 to December 31, 2015. Effective January 1, 2016 and annually thereafter the members of Council shall receive the annual remuneration plus the cost of living increase approved for staff for each year.
3. That one-third of the remuneration paid to members of Council continues to be considered an expense incidental to the discharge of their duties as a member of Council as per the provisions of subsection 283 (5) of the Municipal Act.
4. That the remuneration of the Planning and Development Advisory Committee, Recreation Committee, Election Compliance Audit Committee, Well Protection Committee, and Heritage Committee for the calendar year from January 1, 2015 to December 31, 2015 be as follows:
 - (1) Meetings: Chair - \$99.42 per meeting and Members - \$87.06 per meeting
 - (2) The remuneration payable for the position of Chair is only applicable where a Member of Council is not the Chair.
 - (3) Effective January 1, 2016 and annually thereafter Committee Members shall receive the annual remuneration plus the cost of living increase approved for staff for each year.
5. That the remuneration for other appointments of the Township including Poundkeeper, Fence Viewer, Livestock Valuer, and Dog Control Officer for the calendar year from January 1, 2015 to December 31, 2015 be as follows:
 - (1) \$96.33 per call
 - (2) Effective January 1, 2016 and annually thereafter the other appointments shall receive the annual remuneration plus the cost of living increase approved for staff for each year.
6. Payment of the remuneration for the Mayor and members of Council shall be made on a monthly basis. Payment of the remuneration for members of Committees and other Appointments shall be made on an as needed basis.

7. The Mayor and each member of Council shall be entitled to receive the following benefits which shall be provided, subject to carrier limitations, upon the same terms as the same which are made available to the staff of the Township, including Extended Health Care, Hospital Semi-Private, Dental, Drug, Vision Care, and Out of Province Coverage.
8. Where a member of Council attains the age of 70, the premium that would be paid by the Township for benefit coverage shall be paid directly to the member of Council for the purpose of obtaining coverage and shall be treated as a taxable benefit.
9. Members of Council, Committee members and other Appointments shall be paid mileage for meetings that do not take place at the Puslinch Municipal Complex at the rate established by this By-law. Mileage is considered as an expense and is directly payable and not included in the total remuneration.
10. Reimbursement for mileage at a rate of \$0.50 cents/km for members of Council, Committee members and other appointments when required to drive a personal vehicle for Township business purposes.
11. That By-law No. 035/14 is hereby repealed.

READ A FIRST, SECOND AND THIRD TIME AND FINALLY PASSED THIS 4th DAY OF MARCH, 2015.



Dennis Lever, Mayor



Karen M. Landry, CAO/Clerk