

February 21, 2012

Mayor and Members of Council
Town of Wasaga Beach

Dear Mayor Patterson and Members of Council:

McDowall Associates Human Resource Consultants was requested by the Town of Wasaga Beach to undertake a review of Council member remuneration in comparison with Councils of municipalities of similar size and complexity. This assignment was conducted in conjunction with a job evaluation and pay equity maintenance exercise of non-union jobs along with an external market review of comparable positions, which is the subject of a separate report.

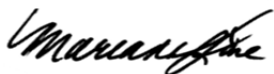
The purpose of the study is to determine whether the compensation for elected officials at the Town of Wasaga Beach is "in step" with the defined pay market. Market data for the Mayor, Deputy Mayor and Councillor positions was compiled from comparator municipalities, selected having regard to a defined criteria (i.e., population, number of households, geographic placement and annual budget). Base salary, allowance, and other data such as benefits, mileage reimbursement and per diem rates for ad hoc meetings and conferences were surveyed.

On the whole, compensation (base salary plus allowance) is low in comparison to the defined pay market for all elected positions at the Town of Wasaga Beach; the Mayor's salary is \$8,590 below market median; the Deputy Mayor is \$3,994 below market median; and Councillors' salary is \$3,218 below market median.

We recommend that Council move compensation for each position to the market median, or 50th percentile, in 2012 in order to be competitive with other municipalities of similar size and complexity.

Methodology, observations and recommendations are outlined in the attached report, submitted for your consideration. In accordance with Council's direction, the report is being posted on the Town's web site for public review.

Yours truly,



Marianne Love, BA, LLB
Senior Consultant

Town of Wasaga Beach

REPORT ON COUNCIL REMUNERATION

Submitted to the Mayor and Council

February 21, 2012



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I Introduction

McDowall Associates Human Resource Consultants was requested by the Town of Wasaga Beach to undertake a review of Council remuneration in comparison with municipalities of similar size and complexity.

This assignment was conducted in conjunction with the job evaluation maintenance, pay equity maintenance and market review of non-union jobs in the Town, subject of a separate report.

Marianne Love and Nicole Watson were the consultants that carried out the pay market analysis.

The assignment began in October 2011 and the Council Remuneration component concludes with this report.

In this report, we describe how the assignment was carried out and the results of the market survey and analysis.

II How the Council Remuneration Assignment was Conducted

It should be noted that internal equity was not a determination in this assignment, insofar as the duties and responsibilities of the Mayor, Deputy Mayor and Councillor positions were not evaluated or discussed.

Market data was compiled from identified comparator municipalities. The focus of this assignment was the amount of total salary paid to the elected officials, however other data such as benefits, mileage reimbursement and per diem rates for ad hoc meetings and conferences were also surveyed.

In this section, we describe how the assignment was conducted and the steps taken to ensure that these criteria were met.

A. Market Comparators were identified

The same market comparators were used for both Council and non-union 2011/2012 market reviews.

Market comparators were selected on the basis of population, number of households, geographic placement and annual budget.

For the purpose of the study, the following eight comparators were selected and approved by Council:

Town	Location	Population	Households
Wasaga Beach, Town of	Simcoe County	16,800	11,700
Brockville, City of	Bruce County	19,378	10,272
Collingwood, Town of	Simcoe County	17,290	9,316
Innisfil, Town of	Simcoe County	26,979	12,438
LaSalle, Town of	Essex County	28,133	9,698
Midland, Town of	Simcoe County	16,710	7,227
New Tecumseth, Town of	Simcoe County	28,800	12,000
Orangeville, Town of	Dufferin County	28,209	9,851
Whitchurch - Stouffville, Town of	York Region	33,200	11,714

Note: Population and household numbers are based on the 2011 Ontario Municipal Directory (AMCTO).

B. Pay market data were collected and analysed

Salary data were collected from seven of the eight municipal comparators by the Town of Wasaga Beach. The Town of Brockville did not provide their data and therefore the results of this survey are based on the data of the seven remaining comparators. In addition to salary data, the comparator municipalities provided information including ad hoc meeting and conference per diem, mileage reimbursements and benefits. The Consultant clarified this information by telephone and/or email with the surveyed municipalities where required.

These data were matched to the Municipal Council positions of Mayor, Deputy Mayor and Councillor, where applicable and compared to entitlements under the Council remuneration policy, as prescribed by the By-law.

The 2011 rates for the Town of Wasaga Beach elected positions are as follows:

	Base Salary	Expense Allowance	Total
Mayor	\$21,311	\$10,655	\$31,966
Deputy Mayor	\$14,831	\$7,416	\$22,247
Councillor	\$12,367	\$6,184	\$18,551

The data were then analysed and comparison tables was prepared.

C. A report was prepared

This report was prepared outlining the steps of the study that includes the analyzed market data and recommendations for Council remuneration.

III Pay Market Data were Analysed

Based on the 2011 pay market data, we analysed the defined pay market.

The data were analysed in tabular format to provide clear, relatively easy to understand comparisons. These comparisons were based on title match of the elected position.

The table in Appendix A shows the 2011 market data for the defined pay market compared to the 2011 pay for the matched Council positions at the Town of Wasaga Beach.

Other data including meeting/conference per diem rates, mileage rates and benefits provided were compared and included.

For the purpose of the analysis, we used the 2011 base salary plus expense allowance for those comparators that have both salary and expense allowance payments.

Overall, this shows that the current pay rates for the matched positions are below the competitive pay market. The Mayor's salary is \$8,590 below market median; the Deputy Mayor is \$3,994 below market median; and Councillor's salary is \$3,218 below market median.

On the whole, it appears that the current remuneration package for the Town of Wasaga Beach Council positions is significantly below market, with adjustments warranted to the total salary for all three positions in order to reflect market median.

The following table summarizes the 2011 market median compared to the positions of Mayor, Deputy Mayor and Councillors of the Town of Wasaga Beach:

	Wasaga Beach	Market Median	Difference
Mayor	\$31,966	\$40,556	-\$8,590
Deputy Mayor	\$22,247	\$26,241	-3,994
Councillor	\$18,551	\$21,769	-3,218

Other observations include,

- The total annual salary is deemed to include all regular Council/Standing Committee meetings;

- 5 of 7 comparator Municipal Councils provide a per diem payment for Ad Hoc meetings, conferences and training workshops ranging from \$60 for a half day to \$175 for a full day;
- 6 of 7 comparator Municipal Councils have matches for all three positions; 1 of the comparators does not have a Deputy Mayor;
- Size of Council, size of Administration and scope of municipal services vary within the comparator group;
- All of the comparators provide a benefit plan to their council positions with 100% employer paid premiums;
- Mileage reimbursement ranges from 44¢ to 52¢ per kilometer, two of the comparators base their reimbursement rate according to the CRA guidelines. One of the comparators offers a car allowance instead of mileage reimbursement while one of the comparators offers a choice between mileage reimbursement and a car allowance.

Overall, the current pay rates for the matched positions are below the competitive pay market. The Mayor's salary is 21% below market median; the Deputy Mayor is 15% below market median; and Councillor's salary is 15% below market median.

We note that a similar review was conducted for the elected positions in 2007, which showed two of the three positions being paid below market, and one slightly above. We are advised that pay adjustments were made to all three positions in 2007.

IV The Recommended Pay for Elected Officials

Based on the comprehensive market data, on the whole Council remuneration appears to be significantly below the market median.

For 2012, this Council may wish to adopt a pay policy that reflects 2011 market median adjusted for 2012. In determining the 2012 adjustment, Council may wish to consider the adjustment to be applied to the Town's non-union employees effective January 1, 2012, which is 2%.

The following chart shows the **2011 proposed annual salary**:

	Current Base Salary	Proposed 2011 Base Salary	Current Expense Allowance	Proposed 2011 Expense Allowance	Current Total	Proposed 2011 Total
Mayor	\$21,311	\$27,037	\$10,655	\$13,519	\$31,966	\$40,556
Deputy Mayor	\$14,831	\$17,494	\$7,416	\$8,747	\$22,247	\$26,241
Councillor	\$12,367	\$14,513	\$6,184	\$7,256	\$18,551	\$21,769

The following chart shows the **2012 proposed salary annual salary (2011 proposed + 2% adjustment)**, effective January 1, 2012:

	Proposed 2011 Total	Proposed 2012 Total	Current 2011	Total Difference from Current to Proposed 2012
Mayor	\$40,556	\$41,367	\$31,966	\$9,401
Deputy Mayor	\$26,241	\$26,766	\$22,247	\$4,519
Councillor	\$21,769	\$22,204	\$18,551	\$3,653 (\$18,265*)
				\$32,185

* based on 5 Councillors

Thereafter, in the following years, we recommend that the non-union employee grid adjustment continue to be applied to the elected official positions to reflect the market adjustment, with periodic review of Municipal Council comparators.

V Conclusion

In this report, we have outlined the process and results of a review of pay market data for the Mayor, Deputy Mayor and Councillor positions for the Town of Wasaga Beach.

We appreciate the opportunity to work with the Mayor and Council.

We enjoyed working with you and look forward to providing any future assistance you may require.

Yours very truly,



Marianne Love, BA, L.L.B

Appendix A

Council Pay Market Analysis Table

**Town of Wasaga Beach
2011 Council Remuneration**

Municipality	Wasaga Beach, Town of	Innisfil, Town of	New Tecumseth, Town of	Midland, Town of	Collingwood, Town of	LaSalle, Town of	Orangeville, Town of	Whitchurch- Stouffville, Town of
Population	16,800	26,979	24,371	16,710	15,287	27,700	27,865	20,417
Households	11,700	12,438	9,802	7,227	11,174	9,064	9,642	7,956
2011 Base Salary								
Mayor	\$21,311	\$22,193	\$33,832	\$38,056	\$32,232	\$30,176	\$42,000	\$42,149
Deputy Mayor	\$14,831	\$15,292	\$25,481	\$25,557	\$23,072	\$18,505	\$25,000	
Councillor	\$12,367	\$12,328	\$19,769	\$17,405	\$18,510	\$15,544	\$22,600	\$27,730
Annual Expense Allowance								
Mayor	\$10,655	\$10,931	\$2,000	\$2,500	\$13,000	\$4,800	\$0	
Deputy Mayor	\$7,416	\$7,532	\$2,000	\$2,500	\$5,350	\$2,900	\$0	
Councillor	\$6,184	\$6,072	\$2,000	\$2,500	\$4,000	\$5,800	\$0	
2011 Estimated Annual Salary (Base Salary + Expense Allowance)								
Mayor	\$31,966	\$33,124	\$35,832	\$40,556	\$45,232	\$34,976	\$42,000	\$42,149
Deputy Mayor	\$22,247	\$22,824	\$27,481	\$28,057	\$28,422	\$21,405	\$25,000	
Councillor	\$18,551	\$18,400	\$21,769	\$19,905	\$22,510	\$21,344	\$22,600	\$27,730
Mileage Expense	\$0.45/km		\$600 car allowance or mileage	\$0.44/km	\$0.495/km	Applies to travel outside of Essex County only: \$0.52/km for first 5,000 km, \$0.46/km thereafter	Applies to out of town business only: \$0.52/km for first 5,000 km, \$0.46/km thereafter	Car Allowance - Mayor: \$7,353, Councillors: \$2,626
Per Diem (Meetings, Conferences, Training)	\$120 Conference	\$75 Meetings, \$100 Conference/ Workshops	\$100 Greater than 6 hours	\$120 Full Day, \$60 Half Day	\$120	\$175 Full Day, \$87.50 Half Day, \$75 Less than Half Day	Not Applicable	
Benefits (Premiums 100% covered)	Extended Health, Life, Dental, AD&D	Extended Health, Life, Dental, AD&D	Extended Health, Life, Dental	Extended Health, Life, Travel, Dental, AD&D	Extended Health, Travel, Dental	Extended Health, Life, Travel, Dental, AD&D	Extended Health, Travel, Dental	Group Health & OMERS

	Wasaga Beach	2011 ANNUAL SALARY SUMMARY Median	\$ Difference	% Difference
Mayor	\$31,966	\$40,556	\$8,590	-21%
Deputy Mayor	\$22,247	\$26,241	\$3,994	-15%
Councillors	\$18,551	\$21,769	\$3,218	-15%

Notes:

Population Data is from 2011 AMCTO directory

LaSalle's Councillor annual expense allowance is based on an average of their 5 councillors

Orangeville provides \$50/month for computer/internet expenses

Innisfil did not provide data for their mileage reimbursement rate, if applicable

Whitchurch-Stouffville did not provide data for a per diem or expense allowance, if applicable

Whitchurch-Stouffville provides \$2/household for Ward communication and conference seminars

Whitchurch-Stouffville does not have a Deputy Mayor