

Request for Decision United Townships of Head, Clara & Maria Council

Type of Decision									
Meeting Date	Friday, March 28, 2014				Report Date	Tuesday, February-11-14			
Decision Required	X	Yes		No	Priority	X	High		Low
Direction	X	Information Only			Type of Meeting	X	Open		Closed
#28/03/14/1201 – Council Honorarium									

Subject:

Review of current Council honoraria by-law due to the change in the number of meetings per month and year.

RECOMMENDATION:

That Council discuss various options and provide direction to staff to amend a by-law for adoption at a subsequent meeting and to arrange first quarter payment. The following is provided for your consideration.

WHEREAS Council has reduced the number of regular council meetings to 12 per year with 2 special and 2 public meetings;

AND WHEREAS other than the number of meetings per month the existing Honorarium By-Law meets current needs;

THEREFORE BE IT RESOLVED THAT the per meeting compensation rate be amended to equal 1/16 of the available per meeting amount of compensation and therefore be set at \$112.03 per Council meeting with \$31.99 the rate per “outside” meetings for the 2014 calendar year;

AND FURTHER THAT By-Law Number 2007-08 be amended by:

- a. striking from the preamble “AND WHEREAS it is agreed that 30 is the regular number of meetings per year” the number “30” wherever it occurs therein and substituting therefore, in each case, the number “16”; and
- b. by striking from article 5. (c) “The per meeting rate will be determined by dividing the remaining 50% by 30 (the regular number of meetings) (\$1,600/30)” the number “30” wherever it occurs therein and substituting therefore, in each case, the number “16”;

AND FURTHER THAT this resolution be retroactive to become effective January 1, 2014.

BACKGROUND/EXECUTIVE SUMMARY:

Below is the proposal submitted by Councillor Gibson in 2007 which resulted in By-Law 2007-08. At his request and pointing out that the number of regular meetings per year has changed once again affecting the current honorarium calculations this issue requires attention.

The Honorarium by-law has been updated over the past years to add specific committee meetings and to pro-rate the per-meeting stipend when committee of the whole meetings were eliminated as follows:

Amendment 1 - in 2008

By-Law amendment – 2008-14 Removed Committee of the Whole reducing the number of meetings and pro-rating to 30 meetings per year.

1. **THAT** the Council Compensation and Honorarium By-law number 2007-08 be amended by:
 - a. striking from the preamble “AND WHEREAS it is agreed that 40 is the regular number of meetings per year” the number “40” wherever it occurs therein and substituting therefore, in each case, the number “30”; and
 - b. by striking from article 5. (c) “The per meeting rate will be determined by dividing the remaining 50% by 40 (the regular number of meetings) (\$1,600/40 or \$40 per meeting for 2007)” the number “40” wherever it occurs therein and substituting therefore, in each case, the number “30”; and

Amendment 2 - in 2009

By-Law 2009-12 amended the by-law by allowing for specific committees and training and education.

1. **THAT** by-law 2007-08 be amended by adding as Clause 5. f. the following: “That for attendance at all regular Library Board, CPAC, Economic Development, Family Health Team, Visitor’s Centre and Auto-Extrication meetings (or their successors) a per meeting rate of \$30 for 2009, will be paid to the Council member (or designate) appointed to that committee.”
2. **THAT** by-law 2007-08 be further amended by adding as Clause 5. g. the following: “That for attendance by a member of Council at pre-approved training courses, seminars or conventions lasting more than 3 hours; a daily rate of \$75 for 2009, will be paid. There will be a maximum of 15 such paid sessions in any calendar year to be shared amongst all members for an average of 3 sessions per Council member.”
3. **THAT** by-law 2007-08 be further amended by adding as Clause 5. h. the following: “That for ease of implementation, it shall be the responsibility of each Member of Council to inform the Treasurer of the number of pre-approved meetings or special events attended each quarter in order to receive compensation.”

Current Honoraria

Due to the recent changes in the number of meetings per month, it is felt that the formula needs to be adjusted at this time.

Base Honorarium

- Head, of Council - \$3,226.52
- Councillor - \$1,792.52

Available Compensation Based on Attendance - \$1,792.52 per annum resulting in a Rate per Council Meeting of \$59.75.

Moving forward, at an estimate of 16 meetings per year, including 12 regular, with 2 special and 2 public meetings the per meeting rate would result in \$112.03 per meeting.

Outside/Community meetings such as joint council would still be compensated at \$31.99/meeting as there is significantly less preparation required.

Options/Discussion:

Financial Considerations/Budget Impact:

No financial impact as the current rates are simply being pro-rated for a different number of meetings.

Policy Impact:

Others Consulted:

Approved and Recommended by the Clerk

Melinda Reith,
Municipal Clerk

Document drafted by Councillor Gibson in 2007

“Proposal: The majority of time spent by Council members on Council business is in attendance at meetings. A survey of the member Councils in Renfrew County, including County, indicates a significant portion of these Councils compensate their members on a per meeting basis.

The aggregate amount of Council compensation for HCM has only changed in the last six years by amounts that more or less follow the annual CPI cost of living. One can infer from this that the aggregate amount of the compensation package is deemed by Council members to be appropriate.

Some principles to consider:

1. *Compensation should be tied mostly to performance.*
2. *Performance means attendance at meetings.*
3. *Attendances for training purposes and at conferences constitute performance.*
4. *Council will predetermine which venues qualify for compensation.*
5. *Meetings will not have a predetermined length.*
6. *Non-attendance constitutes non-performance and no compensation will be forthcoming irrespective of the circumstances for non-attendance.*
7. *Compensation will be paid quarterly.*
8. *This process should be administratively easy to incorporate and maintain.*
9. *Council will be provided with a simple spreadsheet each quarter showing compensation to be paid and will approve payment.*
10. *The Head of Council has many performance expectations over and above those of Councillors and should be compensated accordingly.*
11. *Council will set the meeting compensation amount on an annual basis no later than 31 January.*
12. *Attendance at Tri-council meetings will qualify for compensation*
13. *The lack of attendance and potential extra meetings will probably even out for a budgeting point of view; however, a small contingency may be appropriate.*

This proposal would tie the majority of the Council compensation to the time spent by Council members in attendance at meetings. It will also address the issue of compensation for council members' attendance at training sessions and conferences where it is Council's interest to have Council representation at these venues.

This proposal would also increase the differential between Councillor and Head of Council compensation. This differential would see the compensation for Head of Council set at an amount that is 40% greater than that of a Councillor. The current differential is about 28%. The proposal would see the councillors and Head of Council receive the same compensation for attendance at meetings, training sessions, conferences etc. The 40% difference in compensation will be calculated by multiplying the number of annual meetings by the per meeting compensation amount and multiply that result by 1.4 to arrive at the annual compensation for Head of Council. This 40% differential will be paid irrespective of meeting attendance and will be paid on a quarterly basis.

It is difficult in a very small Municipality like ours to fix a precise number for regular Council and committee meetings. For the purposes of these initial proposal compensation calculations, a figure of three meetings per month for regular council business and four other occasions' meetings per year will be used. This means that forty meetings per year would be the expected norm.

For 2007 I would suggest a figure of eighty dollars per meeting be used.

So for 2007 I would propose

- *40 meetings at \$80 per meeting=\$3200*
- *Head of Council's honorarium above and beyond attendance at meetings is \$3200 X 1.4 = \$4480*
- *\$4480 - \$3200 = \$1280*
- *\$1280 / 4 = \$320 per quarter*
- *Total proposed Council compensation*
- *4 councilors @ \$3200= \$12800*
- *Head of Council \$ 4480*
- *Total for 2007 \$17280*
- *Compensation for 2006 was \$16429.40*
- *Net increase is \$850.60 or 5.2%”*