

**Report from:** Financial Management Services, Director

**Report Date:** February 28, 2022

**Meeting Date:** March 21, 2022

**Report Number:** FMS-B003-2022

**File:** 10.12.24

**Subject:** Elected Officials Remuneration

## Recommendation

That the update to the remuneration methodology for Members of Council (other than the Mayor) be approved and the percentage of the average earned income of all individuals filing a tax return in the City of St. Catharines gradually increase from 55.5% to 71.5% by 2026 based on the following schedule:

- 2023: 59.5%
- 2024: 63.5%
- 2025: 67.5%
- 2026: 71.5%; and

That the remuneration methodology for the Mayor remain the same; and

That City Solicitor be directed to prepare the necessary by-law(s).

## Summary

This report discusses the City's Mayor and Council members' remuneration levels and the calculation formula. It also provides information on Council remuneration at comparator municipalities.

## Background

At the meeting of June 14, 2021, the members of Council approved the following report request regarding Council remuneration:

"That staff report back on the City's current remuneration formula for members of Council, including how and when the formula was developed, as well as the remuneration for Councillors at comparator municipalities. Include in the report information on how chairs of committees are reimbursed at other municipalities and administrative supports provided for Councillors at other municipalities."

The City's current methodology in determining the elected officials' remuneration based on the average earned income of all individuals filing a tax return in the City of St. Catharines has been in place since the mid 1980's.

This is a solid methodology and approach to calculating the compensation amount and annual increase for City Councillors. With aligning the Councillor compensation to the average resident earned income the resident's average income increase, so will the Councillor's compensation. Based on review of municipal comparators and Niagara municipalities, none of these uses a methodology similar to St. Catharines, they either base annual member of council increases on the non-union annual salary increases or an adjustment based on Consumer Price Index (CPI).

## **Report**

### **St. Catharines Formula**

#### **Council Remuneration**

On October 16, 2000, City Council approved remuneration for Members of Council (other than the Mayor). The By-law also authorized an automatic adjustment, which was amended at the November 12, 2018, Meeting of Council to read as follows:

“55.5% of the average earned income of all individuals filing a tax return in the City of St. Catharines, as published in the most recent Taxation Statistics.”

The 2022 City Councillor remuneration is \$25,369 (2021: \$24,938).

#### **Mayors Remuneration**

On November 12, 2018, City Council approved the By-law setting the remuneration for the Mayor for 2019 and automatic adjustments for following years in accordance with the following formula:

“Mayor – based on the change of the average earned income of all individuals filing a tax return in the City of St. Catharines from the previous year.”

The Acting Mayor is compensated at the Mayor's basic hourly rate when submitted and requested by the Councillor performing duties on behalf of the Mayor.

The 2022 Mayor's remuneration is \$118,420 (2021: \$116,418; the Mayor's actual remuneration received in 2021 was \$112,939 as the Mayor had forgone the salary increase in 2021 due to the financial conditions created by COVID-19 for municipalities and businesses).

#### **St. Catharines Average Earned Income**

Statistics Canada (“Statscan”) publishes statistical information on a wide range of topics including data on income. Information is taken from Statscan table 111-0007 which discloses neighbourhood income reported by taxpayers on an annual basis.

There is always a reporting lag of two to three years. The reporting lag is a result of not all taxpayers filing their personal tax returns in a timely manner, thus more time is required for the collection of data for the statistical information to be considered complete.

For example, the 2019 information was used to calculate Council remuneration in 2022 as that was the most recent year published by Statscan at the end of 2021.

## Municipal Council Compensation in Ontario

According to the AMCTO report published in March 2018 named “Municipal Council Compensation in Ontario”<sup>1</sup>, most municipalities in the province classify their councils as part-time. However, municipalities are slightly more likely to have full-time heads of council than members of council.

For municipalities with population ranging from 100,000 to 249,999, 73% of them have part-time councillors and only 27% have full-time councillors (see Chart 1 below):

**Chart 1: Full-time vs. Part-time Members of Council by population**

Amounts	Part-Time	Full Time
Less than 4,999	95%	5%
5,000 to 9,999	98%	2%
10,000 to 24,999	100%	0%
25,000 to 49,999	100%	0%
50,000 to 99,999	100%	0%
100,000 to 249,999	73%	27%
More than 250,000	17%	83%

Based on this 2018 report, for south-western Ontario municipalities including St. Catharines, the average annual salary for councillors was \$32,175, for head of council it was \$86,079 (see Chart 2 and 3 below):

**Chart 2 – Average Head of Council Honorarium or Salary by Population Size and Region**

Region	Less than 4,999	5000 to 9,999	10,000 to 24,999	25,000 to 49,999	50,000 to 99,999	100,000 to 249,000	More than 250,000
Province-wide	\$18,779	\$24,055	\$31,721	\$52,592	\$68,305	\$93,087	\$157,496
Eastern Ontario	\$34,962	\$43,054	\$34,429	\$45,396	\$54,964	-	-
Central Ontario	\$20,129	\$25,341	\$33,344	\$62,826	\$81,550	\$107,290	\$159,777
South-western Ontario	\$19,203	\$19,499	\$29,245	\$48,724	\$61,716	\$86,079	\$154,075
Northern Ontario	\$17,159	\$23,769	\$32,926	-	-	-	-

<sup>1</sup> AMCTO Municipal Council Compensation in Ontario, March 2018 - <https://www.amcto.com/getattachment/a9e4b504-21c2-4378-bfab-ef4e1eb001c2/.aspx>

**Chart 3: Average Member of Council Honorarium or Salary by Population Size and Region**

Region	Less than 4,999	5000 to 9,999	10,000 to 24,999	25,000 to 49,999	50,000 to 99,999	100,000 to 249,000	More than 250,000
Province-wide	\$12,199	\$13,397	\$17,703	\$24,841	\$26,241	\$35,442	\$75,085
Eastern Ontario	\$18,632	\$20,689	\$18,309	\$16,006	\$22,416	-	-
Central Ontario	\$17,762	\$15,240	\$19,670	\$29,321	\$37,884	\$43,438	\$91,037
South-western Ontario	\$11,208	\$12,357	\$15,945	\$24,791	\$19,755	\$32,175	\$43,182
Northern Ontario	\$10,266	\$11,323	\$16,463	-	-	\$35,788	-

## Municipal Comparators

City of St. Catharines has population of 133,113 according to the 2016 Census. Table 1 below outlines how the City's elected officials' compensation compares to the City's comparators.

**Table 1 – 2021 Remuneration Comparison**

	St. Catharines	Average Municipal Comparators	Average Niagara Municipalities*	Average Niagara Ward Councillors*	Median Niagara Municipalities*
Head of Council (Mayor)	\$116,418	\$125,731	\$55,616	n/a	\$46,962
Member of Council	\$24,938	\$42,394	\$18,714	\$19,186	\$18,515

**Note:** \* Excluding Niagara Region and Township of Wainfleet (outliers) to better align comparisons and obtain more accurate averages.

**Table 2 – 2021 Council Remuneration Per Capita Comparison**

Council Remuneration Per Capita	St. Catharines	Municipal Comparators	Niagara Municipalities*	Average Niagara Ward Councillors*	Median Niagara Municipalities*
Based on Individual Councillor	\$0.19	\$0.29	\$0.75	\$0.82	\$0.71
Based on total number of Councillors	\$2.25	\$2.95	\$5.62	\$6.01	\$6.00

**Note:** \* Excluding Niagara Region and Township of Wainfleet (outliers) to better align comparisons and obtain more accurate averages.

In Appendix 1 of this report, a detailed comparison is provided to compare City of St. Catharines with its municipal comparators. The City's comparators outside of Niagara provide more comparable data in this review due to the similar population and Council size.

The review indicates that the remuneration level of the Mayor of St. Catharines is in line with the municipal comparators. However, the remuneration level of City Councillors is lower than the average of its comparators based on annual rate amount as well as remuneration per capita. Therefore, staff recommend gradually increasing the Councillors' annual remuneration through a phase-in approach over four years from 2023 to 2026 based on the current methodology.

## **Committee Chair Compensation**

Currently City of St. Catharines Budget Standing Committee Chairs do not receive additional remuneration. Based on review of municipal comparators and Niagara municipalities, only one of them pays additional remuneration for budget committee chair(s). Currently it is not a common practice among the City's comparators to pay additional remuneration to budget committee chair(s). Therefore, staff are not recommending changes to the current methodology or implementing the additional remuneration for Budget Standing Committee Chairs at the City.

St. Catharines currently pays honorariums to members of Committee of Adjustment. Chair receives \$90 per hearing and members received \$70 per hearing. This approach is consistent with the practice at municipal comparators and across Niagara where information is available.

## **Administrative Supports for Members of Council**

According to the AMCTO report<sup>2</sup>, in addition to remuneration, many local governments also now provide employment benefits, office space, telecommunications equipment and reimbursement of other relevant business expenses.

Like many other municipalities, City of St. Catharines provides Mayor (full-time) and Councillors (part-time) with mileage reimbursement, travel, cellphone, tablet expenses, dedicated funding for attending conferences, training, and community events.

Broader research indicates that additional administrative supports are more commonly seen in municipalities with full-time councillors. For example, in City of Toronto, City of Ottawa and City and Hamilton, full-time City councillors would receive supports regarding office space at City Hall, office renovations and office administrative staff support.

---

<sup>2</sup> AMCTO Municipal Council Compensation in Ontario, March 2018 - <https://www.amcto.com/getattachment/a9e4b504-21c2-4378-bfab-ef4e1eb001c2/.aspx>

## Financial Implications

With the update to the remuneration methodology for Members of Council (other than the Mayor) and gradually increasing the percentage of the average earned income of all individuals filing a tax return in the City of St. Catharines from 55.5% to 71.5% by 2026:

- 2023: 59.5%
- 2024: 63.5%
- 2025: 67.5%
- 2026: 71.5%

The estimated 2023 annual remuneration for City Council members would be \$27,197 which represents \$0.20 per capita for each individual City Councillor, based on 2016 Census results. By 2026, City Council members annual remuneration would increase to \$32,682. This would align compensation to the average based on the AMCTO March 2018 review.

The estimated total financial impact for 2023 would be \$21,948. Based on the proposed 2022 tax rates, the impact on median household would be \$0.31 or 0.02% annually.

## Conclusion

Upon reviewing the City's current remuneration level for elected officials, staff recommend updating the City Councillors' remuneration calculations and gradually increase the percentage of the average earned income of all individuals filing a tax return in the City of St. Catharines from 55.5% to 71.5% by 2026 to better align with the City's comparators. The remuneration methodology for the Mayor is recommended to remain the same.

### Prepared and Submitted by

Lucia Chen, CPA, CMA  
Manager, Budgets and Procurement

### Approved by

Kristine Douglas, CPA, CMA  
Director, Financial Management Services / City Treasurer

## Appendices

Appendix 1 – Elected Official Remuneration Comparison

Elected Official Remuneration Comparison

Table 1-1: Comparator Municipalities

Municipality	Population (2016 Census)	At-large or Ward Election for Members of Council	Council Size	Methodology	2021 Annual Salary					
					Head of Council	Member of Council	Total Cost for all Councillors	Council Remuneration Per Capita (Based on Total Dollars Paid for All Councillors)	Council Remuneration Per Capita (Based on Individual Clr.)	Stipend/Honorarium for Committee Members
Single Tier										
Barrie	141,434	By Ward	Mayor & 10 Members of Council (1 for each ward)	The current Council policy provides for the base rate of compensation associated with the honorarium for the Mayor and members of Council to be increased annually by any economic adjustment provided to non-union staff.	\$ 124,690	\$ 40,484	\$ 404,840	\$ 2.86	\$ 0.29	For boards and committee remuneration, currently the municipality retains the small amount of remuneration received from this participation. Due to the administrative processes that would be required to separate and redistribute this remuneration among Mayor and Council members, the remuneration is addressed as part of the recommended increase to the base salaries.
Guelph	131,794	By Ward	Mayor & 12 Members of Council (2 for each ward)	A Compensation Review Committee reviews Council compensation structure and level every four years; Mayor and Council members receive merit increase annually for the non-union salary increase.	\$ 156,640	\$ 40,721	\$ 488,652	\$ 3.71	\$ 0.31	No additional remuneration for attending regular committee meetings including budget meetings. No childcare support provided while attending Council/committee meetings.
Kingston	123,798	By Ward	Mayor & 12 Members of Council (1 for each district)	Effective December 1, 2003, the remuneration and car allowance for the Mayor, Deputy Mayor and Members of Council be adjusted annually to the cost of living, as established by the Consumer Price Index on the previous October 1st	\$ 116,856	\$ 40,000	\$ 480,000	\$ 3.88	\$ 0.32	\$250 per month serving as Deputy Mayor. No additional remuneration for attending regular committee meetings. Out-of-town conferences, \$60 meal allowance per day.
Thunder Bay	107,909	At Large & By Ward	Mayor & 12 Members of Council (5 Clrs at large; 7 ward Clrs; 1 for each ward)	N/A	\$ 93,816	\$ 30,841	\$ 370,092	\$ 3.43	\$ 0.29	No additional remuneration for attending regular committee meetings.
Windsor	217,188	By Ward	Mayor & 10 Members of Council (1 for each ward)	Determined by a Council Compensation Committee once per term, and adjusted annually for the non-union salary increase.	\$ 199,167	\$ 46,898	\$ 468,980	\$ 2.16	\$ 0.22	
Lower Tier										
Cambridge	129,920	By Ward	Mayor & 8 Members of Council (1 for each ward)	N/A	\$ 107,725	\$ 43,730	\$ 349,840	\$ 2.69	\$ 0.34	
Kitchener	233,222	By Ward	Mayor & 10 Members of Council (1 for each ward)	Mayor and Councillors receive an annual salary adjustment equal to the lesser of the annual adjustment received by City staff classified as M-band or classified as non-union employees, which shall take effect on the same date as the staff adjustment.	\$ 105,382	\$ 54,216	\$ 542,160	\$ 2.32	\$ 0.23	No additional remuneration for attending regular committee meetings.
Oshawa	159,458	By Ward	Mayor & 10 Members of Council (2 for each ward.)	N/A	\$ 122,792	\$ 45,062	\$ 450,620	\$ 2.83	\$ 0.28	

Table 1-1: Comparator Municipalities

Municipality	Population (2016 Census)	At-large or Ward Election for Members of Council	Council Size	Methodology	2021 Annual Salary					
					Head of Council	Member of Council	Total Cost for all Councillors	Council Remuneration Per Capita (Based on Total Dollars Paid for All Councillors)	Council Remuneration Per Capita (Based on Individual Clr.)	Stipend/Honorarium for Committee Members
St. Catharines	133,113	By Ward	Mayor & 12 Members of Council (2 for each ward)	Council - 55.5% of the average earned income of all individuals filing a tax return in the City of St. Catharines, as published in the most recent Taxation Statistics; Mayor - based on the change of the average earned income of all individuals filing a tax return in the City of St. Catharines from the previous year	\$ 116,418	\$ 24,938	\$ 299,256	\$ 2.25	\$ 0.19	
Waterloo	104,986	By Ward	Mayor & 7 Members of Council (1 for each ward)	N/A	\$ 104,514	\$ 39,591	\$ 277,137	\$ 2.64	\$ 0.38	
Average - Total					\$ 125,731	\$ 42,394	\$ 425,813	\$ 2.95	\$ 0.29	
Average - Single Tier					\$ 138,234	\$ 39,789	\$ 442,823	\$ 3.21	\$ 0.28	
Average - Lower Tier					\$ 110,103	\$ 45,650	\$ 385,132	\$ 2.62	\$ 0.31	
Average - Ward Councillor					n/a	\$ 42,394	\$ 425,813	\$ 2.95	\$ 0.29	
Average - At Large Councillor					n/a	\$ 30,841	\$ 370,092	\$ 3.43	\$ 0.29	
Median					\$ 116,856	\$ 40,721	\$ 450,620	\$ 2.83	\$ 0.29	



Table 1-2: Niagara Municipalities

Municipality	Population (2016 Census)	At-large or Ward Election	Council Size	Methodology	2021 Annual Salary					
					Head of Council	Member of Council	Total Cost for all Councillors	Council Remuneration Per Capita (Based on Entire Council)	Council Remuneration Per Capita (Based on Individual Clr.)	Stipend/Honorarium for Budget Standing Committee chairs and Others
Niagara Region	447,888	By Municipality	Regional Chair, 12 LAM mayors; 19 LAM Clrs.	Council remuneration adjusted annually based on the structure increase granted to non-union employees in the same calendar year.	\$ 132,477	\$ 38,748	\$ 1,201,188	\$ 2.68	\$ 0.09	
Welland	52,293	By Ward	Mayor & 12 Members of Council (2 for each ward)	Council remuneration adjusted as approved by the Council. Last adjustment was done for January 1, 2021	\$ 76,208	\$ 27,357	\$ 328,284	\$ 6.28	\$ 0.52	Stipend for Vice-Mayor; Integrated Services Committee Chair and Finance Committee Chair (Budget Review Committee equivalent) annual stipend of \$2,137.
Niagara Falls	88,071	At-large	Mayor & 8 Members of Council	By-law that Council receives percentage salary increases equivalent to annual staff wage increases. Mayor receives travel/mileage allowance	\$ 116,196	\$ 26,470	\$ 211,760	\$ 2.40	\$ 0.30	\$75 for attending Committee meetings in which members were appointed to. \$4,800 annually for vast majority of each Niagara Falls Hydro Holding Corporation members.
St. Catharines	133,113	By Ward	Mayor & 12 Members of Council (2 for each ward)	Council - 55.5% of the average earned income of all individuals filing a tax return in the City of St. Catharines, as published in the most recent Taxation Statistics; Mayor - based on the change of the average earned income of all individuals filing a tax return in the City of St. Catharines from the previous year	\$ 116,418	\$ 24,938	\$ 299,256	\$ 2.25	\$ 0.19	City does not pay stipends for budget standing committee chairs. City pays an honorarium for members of Committee of Adjustment (Chair receives \$90 per hearing and Members received \$70 per hearing).
Grimsby	27,314	By Ward	Mayor & 8 Members of Council (2 for each ward)	Council remuneration adjustments are based on the rate structure provided to staff.	\$ 47,748	\$ 21,560	\$ 172,480	\$ 6.31	\$ 0.79	\$55 per meeting for Committee of Adjustment members
West Lincoln	14,500	By Ward	Mayor & 6 Members of Council (2 for each ward)	Council remuneration adjusted annually based on the structure increase granted to union employees annually on April 1. A remuneration bylaw is approved every four years and establishes a base for compensation. West Lincoln typically looks at the compensation paid to other Niagara area municipalities to establish their base.	\$ 36,632	\$ 21,044	\$ 126,264	\$ 8.71	\$ 1.45	No stipend/honorarium for Budget Standing Committee Chairs or Others
Lincoln	23,787	By Ward	Mayor & 8 Members of Council (2 for each ward)	Does not currently have any policy / procedure for determining Council remuneration. That said, Lincoln is going through an evaluation process which may include Council.	\$ 40,587	\$ 20,724	\$ 165,792	\$ 6.97	\$ 0.87	No stipend for Deputy Mayor or Budget Committee Chair, \$50 per diem for attending external committee meetings
Pelham	17,110	By Ward	Mayor & 6 Members of Council (2 for each ward)	Council increases its rate of compensation yearly at the Consumer Price Index rate of inflation annually.	\$ 35,576	\$ 16,306	\$ 97,836	\$ 5.72	\$ 0.95	
Fort Erie	30,710	By Ward	Mayor & 6 Members of Council (1 for each ward)	N/A	\$ 72,193	\$ 15,819	\$ 94,914	\$ 3.09	\$ 0.52	No stipend for Budget Committee Chair, \$55.97 per hour for Deputy Mayor
Niagara-on-the-Lake	17,511	At-large	Mayor & 8 Members of Council	N/A	\$ 49,160	\$ 15,520	\$ 124,160	\$ 7.09	\$ 0.89	
Wainfleet	6,372	At-large	Mayor & 4 Members of Council	N/A	\$ 23,364	\$ 12,269	\$ 49,076	\$ 7.70	\$ 1.93	

Table 1-2: Niagara Municipalities

Municipality	Population (2016 Census)	At-large or Ward Election	Council Size	Methodology	Head of Council	Member of Council	2021 Annual Salary			
							Total Cost for all Councillors	Council Remuneration Per Capita (Based on Entire Council)	Council Remuneration Per Capita (Based on Individual Clr.)	Stipend/Honorarium for Budget Standing Committee chairs and Others
				Council - 55.5% of the average earned income of all individuals filing a tax return in the City of St. Catharines, as published in the most recent Taxation Statistics						
				Mayor - based on the change of the average earned income of all individuals filing a tax return in the City of St. Catharines from the previous year						
Port Colborne	18,306	By Ward	Mayor & 8 Members of Council (2 for each ward)		\$ 46,175	\$ 11,489	\$ 91,912	\$ 5.02	\$ 0.63	
Thorold	18,801	At-large	Mayor & 8 Members of Council	N/A	\$ 35,686	\$ 10,852	\$ 86,816	\$ 4.62	\$ 0.58	
Average excl. Niagara Region & Wainfleet					\$ 55,616	\$ 18,714		\$ 5.62	\$ 0.75	
Average Ward Councillor					n/a	\$ 19,186		\$ 6.01	\$ 0.82	
Average At Large Councillor					n/a	\$ 16,278		\$ 5.45	\$ 0.92	
Median					\$ 46,962	\$ 18,515		\$ 6.00	\$ 0.71	