



Subject: *Councillor Remuneration 2020*
To: Corporate and Residential Services Committee
Date Prepared: March 2, 2020
Related Motions: C19(291); C19(292)
Prepared by: Kim Ramsay, CPA, CAO
Approved by: Kim Ramsay, CPA, CAO

Summary

Council has requested information on the current Council Remuneration Policy and how East Hants compares to other municipal units of similar size and composition. In comparing the units, we have reviewed the expense policy, council remuneration policy and population statistics. Several policy alternatives have been outlined in the report with respect to travel reimbursement to/from the Lloyd Matheson Centre, travel reimbursement methods for district size, salary adjustment and lobby efforts related to non-taxable travel and election expense reimbursement parity with the Province and Federal government.

Financial Impact Statement

The 2020-2021 Operating Budget contemplated Council remuneration changes as a result of this report. The budget showed \$30,000 in budget with an offset from reserves of \$30,000.

Recommendation

The recommendation to Council will be based on discussion at Executive Committee.

Recommended Motion

To be determined based on discussion at Committee. The policy will be drafted for consideration at March 25th, 2020 Council with notice being given to that effect on March 10th, 2020.

Background

With the Federal Government budget announcement in 2017, the 70-year-old 1/3 tax exemption for municipally elected officials was removed, effective for the 2019 tax year. This impacted the amount of income taxes that councillors are now paying. At that time, councillor remuneration was increased to offset the increased income taxes. The average increase to Council salaries and travel allowance was 10.5%. The same calculation was prepared for the Warden's salary resulting in a 14% increase due to the base salary falling in a higher tax bracket.

The reasoning for the January 2019 salary increase was to maintain councillors same take home pay prior to the elimination of the 1/3 Tax Free Exemption. The average increase in councillors' net pay after January 2019 is \$60 biweekly. The intent was that this additional amount of take-home pay would be to offset the inability to claim the 1/3 Tax Free Exemption when filing annual income tax returns. Councillors currently received a travel allowance which is included in their bi-weekly pay. This travel allowance is to reimburse for travel to meetings held at the Lloyd E. Matheson Centre and is considered taxable income.

The table reflects the current reimbursement for Councillors (tables for Warden and Deputy Warden are attached in Appendix A):

Travel - Councillor	Travel Allowance	Current Salary	Salary Including Travel Allowance
Up to 25 KM	\$ 421	\$ 22,486	\$ 22,907
More than 25, less than 50 KM	\$ 841	\$ 22,486	\$ 23,327
Between 51 to 75 KM	\$ 1,265	\$ 22,486	\$ 23,751
Between 75 to 100 KM	\$ 1,686	\$ 22,486	\$ 24,172
Between 100 to 125 KM	\$ 2,107	\$ 22,486	\$ 24,593
Between 125 to 150 KM	\$ 2,530	\$ 22,486	\$ 25,016
Between 150 to 175 KM	\$ 2,951	\$ 22,486	\$ 25,437

In November 2019 Council passed a motion to add to their Councillor Remuneration Policy:

COUNCIL REMUNERATION & TRAVEL REIMBURSEMENT

C19(291) November

On the motion of Councillors Roulston and MacInnis: Moved that Council approve the changes to the Council Remuneration & Travel Reimbursement policy as presented to Committee on November 19th, 2019 which includes mileage paid for attendance at municipal hosted events, public events where Councillors attend in official capacity, and Remembrance Day events.

Nine (9) voting in favor. One (1) voting against. Councillor Rhyno voting nay.

MOTION CARRIED

C19(292) November

On the motion of Councillors Roulston and Hebb: Moved that Council direct staff to review and draft additional revisions to the Council Remuneration & Travel Reimbursement Policy based on discussion points raised at the Executive Committee meeting dated November 19, 2019.

MOTION CARRIED

Motion C19(292) is the subject of this report.

Discussion

As part of the deliberations in November Councillors brought up several questions for consideration. These questions have been contemplated below.

TRAVEL TO LLOYD E. MATHESON CENTRE

Travel to the Lloyd E Matheson Centre, if reimbursed, is taxable as the LEMC is the place of employment for Councillors. The current compensation plan is based on the extent of travel required, calculated in 25km intervals (see Appendix A) to attend 34 meetings at the LEMC in Elmsdale. The amount is processed through payroll in order to capture the taxable income related to travel reimbursement.

It should be noted that several municipal units in Nova Scotia do reimburse their Councillors for travel to and from Council and Committee meetings through mileage claims (assumed these are non-taxable). Halifax recognizes place of work to be non-reimbursable travel as to other jurisdictions across the country. Staffs advice to Council would be consistent with the advice provided in the past with respect to travel to and from the LEMC being a taxable benefit to Councillors.

CRA defines personal driving as taxable when reimbursed:

Regular place of employment

A regular place of employment is any location where your employee regularly reports for work or performs the duties of employment. In this case, "regular" means there is some degree of frequency or repetition in the employee's reporting to that particular work location in a given pay period, month, or year. This "place" does not have to be an establishment of the employer.

A regular place of employment may include:

- *the office where your employee reports daily*
- *several store locations that a manager visits monthly*
- *a client's premises when an employee reports there daily for a six month project*
- *a client's premises if the employee has to attend biweekly meetings there*

Depending on the circumstances, your employee may have more than one location where they regularly report for work. If your employee has multiple regular work locations and travels between home and several work locations during the day, only the trip from your employee's home to the first work location or, the trip from the last work location to home is personal driving. Any travel by the employee between work locations is business related.

A review of the Ontario Travel, Meal and Hospitality Expenses Directive also outlines that any reimbursement for a person's regular commute to work are non-reimbursable.

Set allowance based on Actual Mileage from Councillors home vs. Kilometric Ranges

Councillors have asked what the reimbursement would look like if the Councillors were reimbursed for the actual kms from their home to Council Chambers. A comparison, based on 34 meetings per year, is below:

Councillor	Current Mileage	Kms - Round Trip to LEMC	Current Mileage Allowance	Allowance by Mileage \$0.49/km*	Difference
Wayne Greene	Between 75-100	76	\$ 1,686	\$ 1,280	\$(406)
Stephen King	Up to 25 KM	6	\$ 421	\$ 104	\$(317)
Pam MacInnis	Between 26-49 km	44	\$ 841	\$ 744	\$(97)
Heather A. Smith	Up to 25 KM	10	\$ 421	\$ 172	\$(249)
Keith Rhyno	Between 51-75 km	71	\$ 1,265	\$ 1,202	\$(63)

Eleanor Roulston	Between 51-75 km	52	\$ 1,265	\$ 872	\$ (393)
Eldon Hebb	Up to 25 KM	20	\$ 421	\$ 337	\$ (84)
Cecil Dixon	Up to 25 KM	12	\$ 421	\$ 195	\$ (226)
Michael Perry	Between 75-100	89	\$ 1,686	\$ 1,502	\$ (184)
Elie Moussa	Between 100-125	107	\$ 2,107	\$ 1,802	\$ (305)
James Smith (Councillor portion)	Up to 25 KM	19	\$ 421	\$ 320	\$ (101)

*Adjusted by 10.5% in 2019, would use \$0.4585 in today's calculation

Observations:

- Actual mileage vs. a kilometric range would result in a reduction in income for all councilors;
- The table above is based on 34 trips to the LEMC for Council related meetings per year. This assumes no changes or adjustments throughout the year.
- The above table shows reimbursable mileage based on the \$0.49/km rate currently calculated through the policy, which has the 10.5% that was added in 2019;
- Council would be challenged to reimburse mileage at a direct reimbursement rate higher than that rate paid to staff therefore the "Allowance paid by mileage" column would trend about 10% lower in actuality (\$0.4585).

Travel Premiums

The existing policy allows for a taxable allowance based on the number of kilometers the Councillor lives from the Lloyd Matheson Centre. One of the alternatives to this method would be to pay Councillors an honorarium premium based on the district they represent. This would not change based on the person in office and would provide more consistency in the application of the policy. This premium would represent the geographic size of the district (implying larger district take more mileage to perform general Councillor duties) and the distance away from the LEMC.

Current Salary Premium based on distance individual councillor's live from the LEMC:

Travel - Councillor		Travel Allowance
Up to 25 KM	King, H. Smith, Hebb, Dixon, J Smith	\$ 421
More than 25, less than 50 KM	MacInnis	\$ 841
Between 51 to 75 KM	Rhyno, Roulston,	\$ 1,265
Between 75 to 100 KM	Perry, Green	\$ 1,686
Between 100 to 125 KM	Moussa	\$ 2,107
Between 125 to 150 KM	n/a	\$ 2,530
Between 150 to 175 KM	n/a	\$ 2,951

Districts less than 75 million square metres would receive no premium:

District	Councillor	Square Metres
1	Cecil Dixon	3,295,276
7	Heather A. Smith	20,599,027
2	Stephen King	22,635,234
10	Jim D. Smith	62,115,387
4	Pam MacInnis	69,286,320

Districts with greater than 75 million square metres but less than 200 million would receive a \$1,000 premium
 Mount Uniacke Councillors would receive a \$500 Premium due to the distance from the LEMC:

District	Councillor	Square Metres	Premium	District Adjustment	Total Allowance
9	Elie Moussa	96,111,853	\$1,000	\$500	\$1,500
3	Eldon Hebb	173,889,845	\$1,000		\$1,000
8	Michael Perry	189,931,122	\$1,000	\$500	\$1,500

Districts with greater than 200 million square metres would receive a \$1,500 premium:

District	Councillor	Square Metres	Taxable Premium
11	Eleanor Roulston	334,552,389	\$1,500
6	Wayne Greene	428,723,237	\$1,500
5	Keith Rhyno	459,748,242	\$1,500

Actual Mileage vs. Kilometric Ranges

Councillors have also asked if actual meeting attendance could be used to calculate the mileage amount.

Factors to consider in this decision include:

- Moving to monthly expense claims is an administrative burden for both staff and Councillors;
- Monthly expense claims would mean two expense claims would be remitted each month, one for travel considered personal driving (reimbursed through payroll in order to capture the taxable benefit on the T4) and the other for work related travel (reimbursed through regular payables);
- As an alternative to expense claims, travel to and from the LEMC could be reimbursed as it is now or as actual mileage with an annual adjustment to the value based on meetings attended;
- To be open and transparent, this would have to be the actual number of meetings for all councilors not just a reduction in the number of meetings if someone misses. If the actual number of meetings ends up being 26 instead of 34 then all Councillors would see a reduction of 8 meetings off the adjustment pay cycle. Further, if a Councillor then misses a duly held meeting, their reduction would be further.

REIMBURSABLE TRAVEL

Council will be best served by policy that is simple, open and transparent. Other municipal policies look at most of the same situations as ours, speak of approvals to travel, put a percentage limit or dollar limit on the total reimbursable travel in a year, situations where travel is claimable, etc. It is recommended to have detailed policies as staff cannot be in the position of approving or denying councillor claims based on personal opinion.

The list of Council eligible reimbursable travel was amended in November 2019 and now includes:

- a) Attendance at Council/Committee meetings that are held at a location other than the Municipal offices (Council/Executive, PAC, Operations, Corporate Services, EMO, Fire, PRC) and other public meetings conducted by the Planning department, such as Public Information Sessions and Public Hearings at a location other than Council Chambers.
- b) Attendance at an “agency” meeting to which Council has appointed the member (i.e. Library Board,) but not any subcommittees of these boards to which the councillor themselves have chosen to serve.
- c) Travel associated with attendance at a training seminar approved by Council, FCM or NSFM conference.
- d) Municipal hosted events such as summer and fall Burntcoat Park events, municipal funding announcements, official municipal openings including parks, buildings, and playgrounds, and volunteer recognition.
- e) Public events where a councillor attends in official capacity (official capacity means that Council has appointed the councillor to attend), such as award recognition at school awards and Sport Hall of Fame events.
- f) Remembrance Day events when laying a Municipal wreath.

Based on the discussion at Executive Committee, the following could be considered for addition:

- Travel related public events where Councillors have been asked to attend by their constituents.
 - o In most of the policies reviewed, wording to the effect that travel within the Councillor’s own district, to visit constituents or attend community events, is considered work covered through the income provided for the discharge of Council duties.
 - o Staff would not recommend adding this to the policy.
- Travel to regional events put on by the Province, NSFM, FCM, AMA or another external agency where municipal topics are being discussed. Where multiple events are available throughout the province, it is expected that mileage would only be reimbursed at the distance of the event closest to the home of the Councillor.
- Where a Councillor wishes to attend an event and be reimbursed travel, where the event is not covered under one of the scenarios above, the Councillor may ask for an eligibility review of the event, to be conducted by the CAO and Warden.
 - o This is common through other municipal policies.

SALARY REVIEW

In 2019 councillor remuneration was increased to offset the increased income taxes. The average increase to Council salaries and travel allowance was 10.5%. The same calculation was prepared for the Warden's salary resulting in a 14% increase due to the base salary falling in a higher tax bracket. A similar process was done for most units in the Province. We have taken a sample of like municipalities and sought information on their Warden, Deputy Warden and Councillor remuneration, including how they pay Councillors to travel to meetings and what happens when Councillors miss meetings. *Table A* outlines these results. All units we compared to, with the exception of Cumberland County, have recently adjusted their salaries to ensure the net pay for Councillors was similar to before the exemption removal.

Observations from this data:

- Many units will deduct a set amount (between \$50-\$75/meeting) from a Councillor's income if they miss a meeting; generally they all speak of being able to miss three meetings and being able to miss meetings without penalty if they are otherwise unavailable due to official Council business;
- The average *Councillor pay per person* in this subset of Municipal Units is \$13/per person. East Hants Councillors are paid \$10/per person (using population stats that include Indian Brook);
- On average, the Deputy Warden salaries are 125% of a Councillor's base salary (East Hants is currently 124%);
- On average, the Warden salaries are 195% of a Councillor's base salary (East Hants is currently 200%);
- The East Hants numbers below do not include the taxable portion paid to Councillors to travel to the Lloyd Matheson Centre for meetings, this is so we can compare to the other units who pay kilometers for attending meetings.

Table A - replace with updated table

(Darker Green is highest paid, any green means higher than East Hants)

Unit	Council Size	Population /Councillor	Councillor Pay Per Person	Population	Salary Range - Mayor/Warden	Salary Range - Deputy Mayor/Warden	Salary Range - Councillor	Notes
The Municipality of Colchester	12	3008	\$ 12	36,091	\$ 61,651	\$ 43,394	\$ 36,316	Kms for attending meetings
The Municipality of the County of Kngs	10	4740	\$ 8	47,404	\$ 58,766	\$ 43,394	\$ 36,316	Deduction in pay for missed meetings (\$50); Kms for attending meetings; Family care reimbursement up to \$2,000/yr
County of Annapolis	11	1660	\$ 20	18,255	\$ 65,722	\$ 43,591	\$ 32,861	Deduction in pay for missed meetings (\$75); Kms for attending meetings; medical/dental/pension
Town of Truro	7	1752	\$ 16	12,261	\$ 49,317	\$ 38,909	\$ 27,456	No mileage to attend Council meetings
The Municipality of the District of Lunenburg	7	3552	\$ 7	24,863	\$ 46,274	\$ 32,390	\$ 24,277	Kms for attending meetings
The Municipality of Cumberland	13	1492	\$ 15	19,402	\$ 38,572	\$ 25,050	\$ 22,772	Kms for attending meetings
The Municipality of West Hants	10	1537	\$ 15	15,368	\$ 46,080	\$ 27,052	\$ 22,543	Deduction in pay for missed meetings (\$50); Kms for attending meetings
The Municipality of East Hants	11	2190	\$ 10	24,089	\$ 44,945	\$ 28,106	\$ 22,486	
The Municipality of Pictou County	12	1717	\$ 13	20,600	\$ 57,924	\$ 26,745	\$ 22,477	Kms for attending meetings
The Municipality of Chester	7	1473	\$ 15	10,310	\$ 47,078	\$ 24,637	\$ 21,558	Deduction in pay for missed meetings (\$55); Kms for attending meetings

Given the above analysis, East Hants Council would be justified in reviewing the existing remuneration values for Councillors, the Deputy Warden and the Warden. Among others, Council could consider the following alternatives:

- 1) Once the base Councillor income is set, the Deputy Warden will be set at 125% and the Warden at 195% of the base income;
- 2) Council income be based on the average of all sample units of the Councillor Pay per Person. This is \$13/pp at an average district size of 2,190 which would be \$28,463, a 26% increase to current income. The cost to implement this in full would be \$72,000 for a year, effective April 1, 2020 or \$36,000 to implement with the new Council in October 2020.

- 3) Council income be increased by a set percentage:
 - a. 5% = \$23,610 (Councillor); \$29,513 (Dep. Warden); \$46,040 (Warden)
 - b. 10% = \$24,735 (Councillor); \$30,918 (Dep. Warden); \$48,232 (Warden)
 - c. 15% = \$25,859 (Councillor); \$32,324 (Dep. Warden); \$50,425 (Warden)
 - d. 20% = \$26,983 (Councillor); \$33,729 (Dep. Warden); \$52,617 (Warden)
- 4) Council remuneration would be in all cases adjusted by whatever decision is made on taxable mileage to the LEMC.

Impact of Salary Increase on Individual Councillors

In order to demonstrate to Councillors that any increase in income from Council duties will not impact everyone the same, we have done the following calculation:

Assuming a 10% increase in Councillor's remuneration, a Councillor who earns additional revenue from another job of \$50,000 would see their net pay increase by approximately \$85/pay (\$2,210/year). This situation would include a CPP rebate for overpayment at the end of the year.

Assuming a 10% increase in Councillor's remuneration, a Councillor who does not have any other income would see their net pay increase by approximately \$65/pay or \$1,690.

Timing of Salary Increase

Council could choose to implement any proposed increase for April 1, 2020 or for the new Council in October 2020. There is \$30,000 in the budget to accommodate any adjustment to the policy. This amount along with any extra required will be funded from the contingency reserve.

Council could also choose to implement a phased approach to increase salaries by a certain percentage each year over the next 4 years. This could be changed by a future Council however would give budget guidance when drafting the budget.

DETERMINE LEVEL OF LOBBY EFFORT

Council needs to decide on the level of effort it wants to spend on lobbying the Federal Government for equal tax rights to federal and provincial politicians. This lobby would start with the NSFM as advocates for Municipally related legislative change. The information below was researched online, the NSFM would use their policy staff to fully research the topic and put forth arguments to the regulators. These are complex issues

NON-TAXABLE TRAVEL EXPENSES

Federal:

There is no reference to taxable or non-taxable travel expenses in the online documentation - Staff assume the travel is reimbursed as non-taxable.

MEMBERS' ALLOWANCES AND SERVICES Manual for MPs can be found here, Section 4 outlines the point travel system:
<https://www.ourcommons.ca/Content/MAS/mas-e.pdf>

An article by Global News highlights the compensation of MPs:

<https://globalnews.ca/news/6096243/member-of-parliament-expenses-allowances/>

Provincial:

Each Member is entitled to claim up to a maximum of \$5,454-\$5,828 per month (depending on the MLA constituency, the further away from Halifax, the higher the allowance), for office and constituency related travel expenses that are incurred to operate a Member's constituency office.

Reference: [NS House of Assembly Members' Compensation, Expenses and Constituency Administration](#)

Commuting

A Member whose principal place of residence is more than 100 kms from Province House is an Outside Member and are eligible for Commuting Trips. Members can be reimbursed for a maximum of 52 return trips from April to March to Halifax to attend regular caucus meetings and sittings of the House.

Inside Members (those whose residence is within 100 kms of Province House) cannot claim for commuting travel costs or commuting per diems unless they have funds available under their Constituency Travel allowance.

MLAs are reimbursed at the same rate per km as civil servants. The current rate to be claimed is \$0.4585 cents per kilometre, calculated in accordance with the shortest and most convenient route from a Member's residence to Province House.

Members can be reimbursed for travel within the constituency or travel in relation to the Member's duties and the cost comes from the MLAs Constituency Allowance. This includes mileage to travel to the constituency office, to meetings, and to the legislature (inside members only). Full travel logs must be kept for reimbursement reports.

There are several scenarios where other travel claims apply, based on what committees or meetings the MLA is expected to attend based on their other duties.

ELECTION EXPENSES

During the deliberation at committee the question of fairness came up around election expenses. It was noted, and confirmed through the research below, that federal and provincial candidates do get a refund on some election expenses, a benefit that is not extended in legislation to municipal candidates beyond a refund of their deposit. The dollar values reimbursed to federal and provincial candidates are significant.

Prior to lobbying for the right to claim election expense reimbursement, consideration would have to be given to funding the reimbursements. There is currently not "pot" through which these could be funded. The other alternative would be to lobby for a tax credit based on the expenses incurred by the candidates of a municipal election. This could be done federally and provincially however it is a complex issue that would have to be dealt with through resolution at the NSFM.

For information, the following is a summary of online research related to Election Expense Reimbursement:

Municipal:

Municipal elections have only the return of your deposit, when sign removal and information management has been completed, per section 51 of the *Nova Scotia Municipal Elections Act*.

Federal:

Within four months after polling day, all candidates, whether successful or not, must submit both a return and a declaration respecting election expenses. If the elected Member fails to submit his or her report and declaration of election expenses within the prescribed time, the Member will not be permitted to sit or vote in the House until the declaration is filed. Candidates who get at least 15% of the valid votes cast in their electoral district are reimbursed 50% of their maximum allowed election expenses out of the Consolidated

Revenue Fund.

<https://www.ourcommons.ca/marleumontpetit/DocumentViewer.aspx?DocId=1001&Sec=Ch04&Seq=6&Language=E>

Provincial:

Provincially, the Elections Act allows for reimbursement of election expenses with public funds for candidates who receive at least 10 percent of the valid votes cast in the electoral district in the election.

From the [Handbook for the Official Agent of a Registered Candidate](#), July 2016 - Expenses incurred that are not eligible for re-imbursement include (Section 7.6):

- a. the cost of publication in a newspaper editorial, news report or letter, without payment, in the same manner as it would be published outside the election period.
- b. the cost of transmission by radio or television of a broadcast of news or comment made in the same manner as outside the election period;
- c. the publicity costs or costs incurred by a candidate in respect of a convention or in respect of an electoral district for the selection of a candidate. Other convention costs such as a hall rental or costs associated with the convening of delegates is allowable to a maximum of \$1,000;
- d. expenses incurred by a candidate such as food and accommodation which may otherwise be eligible as election expenses that are not reimbursed by the campaign;
- e. the transportation costs of a candidate;
- f. the transportation costs of any person other than the candidate to the degree those costs are not reimbursed by the campaign;
- g. the sum (\$200) deposited with the candidate's nomination paper as the deposit is reimbursed separately provided that candidate has destroyed all lists of elector information and the report of election expenses is filed on time;
- h. certain personal expenses of a candidate including but not limited to salary replacement, personal grooming, dry cleaning and child care expenses. Candidate expenses that do qualify as election expenses are subject to a \$1,000 limit;
- i. the expenses associated with a fundraising function;
- j. costs for goods or services consumed after the close of polls (8:00 p.m.) on election day. This includes post-election parties and volunteer appreciation events;
- k. recount costs and legal fees;
- l. the candidate's audit costs;
- m. advertisements after election day including "thank-you" advertisements;
- n. cost of liquor for any event, celebration, gift, or otherwise.

Level Playing Field

Spending limits are in place to ensure a level playing field for all candidates in the same electoral district. Other rules such as differentiating between election and non-election expenses arise out of the availability of public funding for expense reimbursement.

7.20 Election Expense Limits

The Elections Act establishes election expense limits for candidates and registered parties which are referred to as spending limits. The spending limit includes the total value of all election expenses incurred during an election period, including advertising materials purchased prior to the election period and consumed during the election period. The amount spent by a campaign must not exceed the spending limit. According to the Elections Act, the spending limit for candidates is calculated as follows (based on the annual 2010 index):

- a. \$5.72 per elector in respect of not more than 5,000 electors;

- b. \$4.86 per elector in respect of the number of electors in the electoral district in excess of 5,000 electors and not in excess of 10,000 electors;
- c. \$4.29 per elector in respect of the number of electors in the electoral district in excess 10,000 electors. (s. 260(1))

Since the amounts above are adjusted according to the Nova Scotia consumer price index, they will change from election to election. When a writ is issued, the Chief Electoral Officer will calculate the spending limit for each electoral district and those spending limits will be posted on the Elections Nova Scotia website.

As a point of reference, the average spending limit for an electoral district in the 2013 Provincial General Election was \$74,043.

9.2 Election Expense Reimbursement Limits

The maximum reimbursement amount is calculated in a manner similar to the spending limit. In section 267(1), the maximum reimbursement is \$1.43 (2010 index) per elector in the candidate's electoral district. This amount is subject to increases based on the CPI for Nova Scotia. The official agent of a candidate will receive the lesser of:

- a. the maximum allowable reimbursement, or
- b. approved election expenses.

The Chief Electoral Officer will publish the maximum reimbursement amount on the Elections Nova Scotia website during the election.

https://electionsnovascotia.ca/sites/default/files/ElectionNS_7_Return.pdf

Alternatives

There are several alternatives to consider in each of these topics.

Mileage to LEMC

- 1) Continue with status quo;
- 2) Set Mileage Reimbursement Amount at Actual Mileage from Councillor's home vs. Kilometric Ranges
 - a. Reduces compensation
- 3) Travel Premiums of \$1,500 for Districts 3, 5, 6, 8, 9, 11 in recognition of district size and distance of travel.
 - a. Removes mileage compensation for urban area councillors
 - b. Compensation is minimal, if income is adjusted it would be absorbed in the increase
- 4) Pay actual mileage for attendance at LEMC meetings
 - a. More administration for Councillors and Staff

Reimbursable Travel

- 5) Continue with status quo (most recent changes made in November 2019 will be the version going forward);
- 6) Include allowable reimbursement for events where Councillors have been asked to attend be their constituents (not recommended);
- 7) Include allowable reimbursement for travel to events put on by the Province, NSFM, AMA or another external agency where municipal topics are being addressed;
- 8) Include allowable reimbursement for events where an eligibility review has been done and approved by the CAO and Warden as a legitimate municipal event.

Councillor Remuneration

- 9) Continue with status quo (See Appendix A);
- 10) Increase the Council remuneration to match the average remuneration per capita of the sample of units in the report - \$28,463 (effective April 1 or Post 2020 Election);
- 11) Increase the Council remuneration by a certain percentage (effective April 1 or Post 2020 Election);
- 12) Increase the Council remuneration by a certain percentage each year over the next 4 years;
- 13) Increase the Deputy Warden and Warden to be 125% and 195% respectively of the Council salary, which is in line with the average of all other ratios;

Lobbying

- 14) Send a request to the NSFM (to be prepared for the night of Council) to do some in-depth research into the tax treatment of Federal, Provincial and Municipal Officials;
- 15) Send a request to the NSFM to open a discussion with Nova Scotia Municipalities around election expense reimbursement at the municipal level.
 - a. Council would need to be prepared to fund election expenses, which is not currently in the municipal budget or plan.

Conclusion

There are several alternatives to consider with respect to remuneration for East Hants councillors.

On average the Councillors are underpaid compared to their counterparts in other comparable units (i.e. Colchester, Kings County, Annapolis, Town of Truro, Lunenburg). The current wage is currently in line with Cumberland (not adjusted for tax changes), West Hants, Pictou County and Chester.

All units have similar, but not exactly the same expense policies.

Recommendation

The recommendation to Council will be based on discussion at Executive Committee.

Appendix A

January 1, 2020 Salary & Travel Allowances:

Travel - Warden	Travel Allowance	Current Salary	Salary Including Travel Allowance
Up to 25 KM	\$ 1,074	\$ 44,945	\$ 46,019
More than 25, less than 50 KM	\$ 2,150	\$ 44,945	\$ 47,095
Between 51 to 75 KM	\$ 3,226	\$ 44,945	\$ 48,171
Between 75 to 100 KM	\$ 4,303	\$ 44,945	\$ 49,248
Between 100 to 125 KM	\$ 5,377	\$ 44,945	\$ 50,322
Between 125 to 150 KM	\$ 6,455	\$ 44,945	\$ 51,400
Between 150 to 175 KM	\$ 7,530	\$ 44,945	\$ 52,475

Travel - Deputy Warden	Travel Allowance	Current Salary	Salary Including Travel Allowance
Up to 25 KM	\$ 421	\$ 28,106	\$ 28,527
More than 25, less than 50 KM	\$ 841	\$ 28,106	\$ 28,947
Between 51 to 75 KM	\$ 1,265	\$ 28,106	\$ 29,371
Between 75 to 100 KM	\$ 1,686	\$ 28,106	\$ 29,792
Between 100 to 125 KM	\$ 2,107	\$ 28,106	\$ 30,213
Between 125 to 150 KM	\$ 2,530	\$ 28,106	\$ 30,636
Between 150 to 175 KM	\$ 2,951	\$ 28,106	\$ 31,057

Travel - Councillor	Travel Allowance	Current Salary	Salary Including Travel Allowance
Up to 25 KM	\$ 421	\$ 22,486	\$ 22,907
More than 25, less than 50 KM	\$ 841	\$ 22,486	\$ 23,327
Between 51 to 75 KM	\$ 1,265	\$ 22,486	\$ 23,751
Between 75 to 100 KM	\$ 1,686	\$ 22,486	\$ 24,172
Between 100 to 125 KM	\$ 2,107	\$ 22,486	\$ 24,593
Between 125 to 150 KM	\$ 2,530	\$ 22,486	\$ 25,016
Between 150 to 175 KM	\$ 2,951	\$ 22,486	\$ 25,437

The above amounts shall be adjusted annually (April 1) by a COLA factor equal to the annual CPI for Nova Scotia for the previous calendar period (average of 12 monthly indices).