



Town of Newmarket
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Council Remuneration – Transparent Council Compensation Staff Report to Council

Report Number: 2024-42

Department(s): Financial Services

Author(s): Andrea Tang, Director, Financial Services / Treasurer

Meeting Date: June 17, 2024

Recommendations

1. That the report entitled Council Remuneration – Transparent Council Compensation dated June 17, 2024 be received; and,
2. That wherever possible, compensation to a Member of Council from a board, whether through Council appointment or by virtue of being a Member of Council, be paid by the Town of Newmarket with reimbursement from the board; and,
3. That the Treasurer offset any net cost by adjusting the appropriate Council budget; and,
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Purpose

The purpose of this report is to increase transparency and consistency in the reporting of remuneration paid to elected officials.

Background

On an annual basis, the Treasurer prepares a report on remuneration and expenses paid in the previous year to each Member of Council.¹ The two sources of payments are:

¹ *Municipal Act, 2001*, Section 284 (1)

1. From the Town as a Member of the Council
2. From a board or any other body where appointment is from Council or by virtue of being a Member of Council

Information Report 2024-08, Statement of remuneration and Expenses, fulfilled this purpose for the 2023 fiscal year.

Discussion

Currently a Member of Council can receive income because of their office, and not have it clearly reported and included as part of their consolidated remuneration.

Regional Council compensation is included in total remuneration

The Mayor and Deputy Mayor are members of the Municipality of York Region's Council. They are included by virtue of their offices and not as individuals. Compensation of \$62,046 in 2023 was paid by the Town of Newmarket and reimbursed by York Region. It was included in the T4 they received from the Town of Newmarket and included in their total remuneration.

Newmarket-Tay Power board compensation is not included in total remuneration.

The Mayor of Newmarket is member a of Newmarket-Tay Power Distribution Ltd.'s (NT Power) Board of Directors. He and the Mayor of Tay Township are included by virtue of their office and not as individuals. Compensation of \$10,004 in 2023 was paid directly by NT Power to Newmarket's Mayor. It was not included in his T4 from the Town of Newmarket and was not included in his total remuneration. In compliance with legislation, it is reported in one of the appendices of the annual report.

As a result, total remuneration could appear to be understated.

Correcting this inconsistency sets a precedent of transparency

For now, there is only one appointment in which a Member of Council is receiving payment directly from the board. As the Town continues to grow its business ventures and revenue base, similar situations may arise. This would be appropriate to decide now on the path forward.

Conclusion

There has been some confusion over the compensation of elected officials in the past. This change will help remedy that.

Business Plan and Strategic Plan Linkages

This report's goal is to keep Newmarket well-managed and accountable.

Consultation

NT Power, the CAO and Director, Human Resources were consulted

Human Resource Considerations

Not applicable.

Budget Impact

There would be a minor impact related to mandatory benefit costs. However, by adjusting the appropriate Council discretionary budgets this could be offset.

Attachments

None.

Approval

Andrea Tang, CPA, CA

Director, Financial Services/Treasurer

Esther Armchuk, LL. B

Commissioner, Corporate Services

Contact

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