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December 13, 2013

JOINT CAO/CORPORATE SERVICES REPORT – # 2013-05

TO: Mayor Van Bynen
Members of Council

SUBJECT: Suspension of Remuneration – Code of Conduct – Follow up Report
Additional Information to Item 4, Special Committee of the Whole Minutes of
December 9, 2013

ORIGIN: Commissioner, Corporate Services

RECOMMENDATION

THAT Joint CAO/Corporate Services Report - #2013-05 dated December 13, 2013 regarding the Suspension of Remuneration – Code of Conduct – Follow Up Report be received for information.

COMMENTS


Purpose

The purpose of this report is to provide information with respect to Committee of the Whole's request that staff investigate deduction options for suspension of a Council Member's remuneration.

Background

Staff is advised that in the labour field a suspension of remuneration is generally effective immediately as it is meant to have an impact and is supportive of the request for immediate change. The *Municipal Act* provides that a municipality can impose (if an Integrity Commissioner reports that in his or her opinion, the member has contravened the code of conduct) as one of the penalties a suspension of remuneration paid to the member for a period of up to 90 days.

Should Council proceed with the suspension of remuneration for a period of thirty days, staff would request that it be reflected as a four week period. This is purely from an administrative point of view as it would be the most efficient to administer given the municipality's bi-weekly pay structure. It is also in keeping with the Integrity Commissioner's recommendation to suspend remuneration "for a period of thirty (30) days" given that within a thirty day period there are at least twenty paid days. It is staff's opinion that the wording of the *Municipal Act* would permit flexibility in this application of the penalty as it still meets the spirit of the legislation whether applied in one period or over incremental time periods while reflecting the municipality's pay structure.



If Council concurs with this approach, the following calculations would apply based on a Councillor's annual gross salary (2013) of \$46,188.47* which over twenty six pay periods equates to \$1776.48 per pay period; or \$177.65 per paid day based on the assumption of ten paid days per pay period. For 2013 purposes, a four week suspension would equate to \$3552.96. Commencing January 1' 2014 an economic adjustment of 1.1% will apply. (*1/3 tax free.)

Should Council adopt Committee of the Whole's recommendation to suspend remuneration for a period of thirty days (suggested by staff to be a four week period) it could be handled in one of the following ways:

- an immediate suspension of remuneration (effective over the next two pay periods)
- a suspension of remuneration that commences in January (effective over the first two pay periods in January 2014), or
- a suspension of remuneration that occurs over a defined time period. If Council prefers this option, staff would suggest that it be tied to pay periods and that it be completed no later than the end of June 2014 given that 2014 is an election year. One option would be to deduct two paid days for ten pay periods which would end by the last pay period in May 2014. There could be other variations such as one week (out of one pay period per month) over four months beginning in January and ending in April 2014.

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

Being well equipped and managed by implementing policy and processes that reflect sound and accountable governance.

CONSULTATION

Consultation took place with the Directors of Human Resources, Legal Services and Financial Services.

HUMAN RESOURCE CONSIDERATIONS

There are no human resource considerations.

BUDGET IMPACT

As noted above in relation to a Member of Council's remuneration.

CONTACT

For more information on this report, contact Anita Moore, Commissioner, Corporate Services at amoore@newmarket.ca or by phone 905 953-5300, ext. 2202.



Anita Moore, Commissioner, Corporate Services



Bob Shelton, Chief Administrative Officer