



Administrative Report

To: Warden MacDonald and Members of Essex County Council
From: Sandra Zwiers, MAcc, CPA, CA
Chief Administrative Officer
Date: Wednesday, July 17, 2024
Subject: Council Remuneration – Alternate Pay
Report #: 2024-0717-CAO-R09-SZ

Purpose

To provide County Council with follow up information relating to options for updating the remuneration paid to alternate members of County Council.

Background

Administration retained ML Consulting in early 2024 to conduct an independent market study of remuneration for members of County Council. The results of that work were presented at the June 5th, regular meeting.

Agency, Board and Committee (ABC) Pay was reviewed as part of the study. There was no compelling evidence among the comparator municipalities to guide changes to the existing ABC pay amount(s). The data revealed an inconsistent approach to ABC Pay with some municipalities paying nothing, some paying more and some paying less than the County of Essex.

The table below illustrates the County of Essex's current ABC pay rates based on type of member participation.

Participation Level	2023
Member per Diem	\$110.77
Chair per Diem	\$166.16

Section 268 of the *Municipal Act, 2001, S.O. 2001, c.25*, establishes that a local municipality may appoint one of its members as an alternate member of the upper tier council, to act in place of a person who is a member of the councils of the local municipality and its upper tier municipality, when the

person is unable to attend a meeting of the upper tier council for any reason.

The County of Essex does not have a separate rate to compensate alternate members of council. The alternate member is paid using the ABC per diem rate when they attend a regular council meeting in the absence of their Mayor or Deputy Mayor.

Administration was directed to further investigate pay models for alternates by expanding the comparator group and obtaining more market data.

Discussion

An email survey was distributed to 27 upper tier municipalities in Ontario seeking information on rates paid to alternate members of County Council. The following table illustrates the summary of survey responses.

No Alternates Allowed	9
Alternate Per Diem Less than COE	9
Alternate Per Diem Greater than COE	8
Did Not Respond to the Survey	1
Total Number of Participants	27

Similar to the original comparator group used in the ML Consulting study, there is no compelling data to support an increase to alternate pay. Of the 26 respondents, 69% either do not allow alternates or compensate alternates at a rate below the current County of Essex ABC per diem rate.

Notwithstanding the survey results, should Council wish to amend the model for paying alternate members of Council, the following options could be considered:

Pro-Rated Regular Member Base Pay Rate

Alternates could be paid some proportion of a regular member's base pay remuneration. A determination of the relative level of effort would need to be made to identify what percentage the alternate member would be entitled to for acting in place of an absent member of County Council.

Market Adjusted Per Diem Rate

As noted previously, the County of Essex does not have a separate rate to pay alternate members of County Council. The ABC per diem rate is used.

Using the market data in the ML Consulting study, alternate pay could be indexed using the same market adjustment approved for Councillor base pay and applying it to the ABC per diem rate. Going forward, the alternate pay rate would move in keeping with any increases afforded to regular members of County Council as determined annually and/or by way of the four-year market cycle review.

Stand-Alone Alternate Rate

Should Council determine participation as an alternate at County Council is materially different than participation as a member of an agency, board or committee and that of a regular member of County Council, a unique pay rate could be established that is not tied to either Councillor Base Pay or ABC per diem rates. Administration is not in a position to offer what a stand-alone alternate rate should be.

Additional Considerations

Under all models, a decision should be made whether the compensation paid to the alternate member would be deducted from the regular member's base pay or paid in addition to the regular member's base pay. Currently, alternate pay is paid with no loss of pay to the absent regular member.

Should alternate pay be changed, direction to Administration is needed to identify the effective date of the change (eg. Retroactive or forward application as of a specific date).

The approved formula for compensating alternates should be included in the Council Remuneration Policy and By-law.

Financial Implications

Should Council increase alternate pay rates with an effective date in 2024, the impact of any net increase would be funded by a transfer from the Corporation's Rate Stabilization Reserve. Any future increase to alternate pay would be incorporated into that year's budget.

Consultations

Upper Tier Municipalities in Ontario

Strategic Plan Alignment

Working as Team Essex County	Growing as Leaders in Public Service Excellence	Building a Regional Powerhouse
<ul style="list-style-type: none"> <input type="checkbox"/> Scaling Sustainable Services through Innovation <input checked="" type="checkbox"/> Focusing “Team Essex County” for Results <input type="checkbox"/> Advocating for Essex County’s Fair Share 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Being an Employer with Impact <input checked="" type="checkbox"/> A Government Working for the People <input checked="" type="checkbox"/> Promoting Transparency and Awareness 	<ul style="list-style-type: none"> <input type="checkbox"/> Providing Reliable Infrastructure for Partners <input type="checkbox"/> Supporting Dynamic and Thriving Communities Across the County <input type="checkbox"/> Harmonizing Action for Growth <input type="checkbox"/> Advancing Truth and Reconciliation

Recommendation

That Essex County Council receive report number 2024-0717-CAO-R09-SZ, Council Remuneration – Alternate Pay as information.

Approvals

Respectfully Submitted,

Sandra Zwiers

Sandra Zwiers, MAcc, CPA, CA, Chief Administrative Officer

Appendix	Title
N/A	N/A