

CITY OF HAMILTON

CITY MANAGER'S OFFICE

Report to: Mayor and Members Committee of the Whole	Submitted by: Glen Peace, City Manager
Date: June 11, 2007	Prepared by: Catherine McKay, Director, Organization Development & Client Services x 2630

**SUBJECT: Elected Official Remuneration (CM06016(a)) - (City Wide)
Audit and Administration Committee: Outstanding Business Item**

RECOMMENDATION:

- (a) That the attached report with respect to elected official remuneration prepared by Gazda, Houlne & Associates Inc. be received for information.
- (b) That the recommendations in the attached report with respect to elected official remuneration be adopted or amended in Council's discretion.
- (c) That By-Law No. 01-023 To Establish the Remuneration of Members of Council be amended as required.
- (d) That the relevant item be removed from the Outstanding Business List of the Audit and Administration Committee.

Glen Peace, City Manager

EXECUTIVE SUMMARY:

City Council previously approved recommendations to engage an independent external expert to conduct a review of the remuneration for elected officials. Gazda, Houlne and Associates Inc. (GHA) was retained as the external expert and has now submitted its results which are attached as Appendix A.

GHA is the expert firm which supported the citizen group in the last review of Hamilton Council remuneration in June 2003. The appended report (Appendix A) updates the work that was completed for the earlier review.

GHA has made the following recommendations:

1. Continue to utilize the same market comparator group and establish a formal policy of carrying out a survey update in the last year of the term of Council.
2. Continue the use of Standing Committees to more effectively spread committee work among the Councillors; at the start of the new term of Council, review the number and type of Standing Committees to ensure proper support to Council as a Whole and equitable distribution of the committee work load.
3. Maintain the current remuneration for the Mayor with an annual adjustment based on the increases to non-union salaries rather than changes in the CPI; assuming that non-union salaries increase by 3% at Hamilton, adjust the Mayor's remuneration to \$115,064.
4. Increase the Councillor remuneration from \$55,856 to \$65,662.
5. With the above recommended adjustment to Councillor remuneration, narrow the differential between the compensation of the Mayor and Councillor in Hamilton.

The salaries recommended above are rates for 2007. The 2006 rates which form the basis of the recommended rates are \$111,713 for the Mayor and \$63,750 for Councillors.

It is worth pointing out the calculation method used by GHA to arrive at the salaries in recommendations 3 and 4 above. In conducting the survey, GHA gathered data on 2006 salaries. For the Mayor's salary, the median 2006 salary in the comparator group with no tax free allowance is \$142,704 as shown in GHA's Exhibit 5. GHA has "grossed down" this amount to \$112,502 to reflect that Hamilton's salary for the Mayor is one-third tax free. However, GHA notes on page 3 of its report that the Mayor's current salary of \$111,713 is very close to the market median and its recommendation is to leave the Mayor's salary unchanged. GHA then assumed an increase of 3% in 2007 which would bring the salary for the Mayor up to the \$115,064 quoted in recommendation 3.

For the Councillor salary, the median 2006 salary in the comparator group with no tax free allowance is \$80,000 as shown in GHA's Exhibit 6. GHA has "grossed down" this amount to \$63,750 to reflect that Hamilton's salary for Councillors is one-third tax free. GHA then assumed an increase of 3% in 2007 on \$63,750 which would bring the salary for Councillors up to the \$65,662 quoted in recommendation 4.

It should also be noted that the “Adjusted Total” in GHA’s Exhibits 5 and 6 are high level estimates based on certain assumptions. More precise calculations of the adjusted or “grossed up” amounts will be presented to Council in a report on Councillor Remuneration – One Third Expense Allocation (FCS07026) being submitted by Corporate Services at the same time as this report.

GHA’s report and recommendations are hereby submitted for Council’s consideration as Appendix A to this report.

BACKGROUND:

At its meeting on July 12, 2006, City Council approved the following recommendations:

- (a) That the expenditure of up to \$10,000 from the Tax Stabilization Fund be approved to engage an independent external expert to conduct a review of the base remuneration, including the one-third tax free portion, for elected officials and the method for determining the annual increase in elected officials’ remuneration.
- (b) That Human Resources receive the results of the review and submit them to the next Council with recommendations as to base remuneration, the one-third tax free portion and the method for determining the annual increase in elected officials’ remuneration.

Gazda, Houlne and Associates Inc. (GHA), an external expert in municipal compensation, was retained to conduct the review of remuneration for elected officials. The review is based on data gathered from the participating municipalities on the following:

- Population
- Size of Council and status (full-time or part-time)
- Operating structure (Committee of the Whole or Standing Committees model)
- Maintenance of the one-third tax-free portion
- Basis for compensation adjustments for the head of Council and elected officials
- Base remuneration for the head of Council and elected officials and
- Additional remuneration for the head of Council and elected officials for membership on boards, commissions, chairing committees, etc.

The Human Resources Department received GHA’s report with recommendations, and in accordance with Council’s direction, hereby submits the report and recommendations as Appendix A for Council’s consideration.

ANALYSIS/RATIONALE:

GHA’s report represents an objective perspective on the issue of remuneration for the Mayor and Councillors of the City of Hamilton based on meaningful and accurate market data obtained from comparable municipalities.

The report submitted by GHA includes Exhibit 1, Definitions of Terms and the data obtained through the review is set out in Exhibits 2 through 8.

ALTERNATIVES FOR CONSIDERATION:

Council may accept, amend or reject GHA's recommendations.

If Council accepts GHA's recommendation to annually adjust Council remuneration based on the increases to non-union salaries rather than changes in the Consumer Price Index (CPI), the following points need to be taken into account.

First, any increase approved by Council to non-union salaries is decided after the budget process is completed. Second, increases to non-union salaries are effective on April 1 of any given year. Since approval is generally given after the effective date of April 1, the increases must be paid retroactive to April 1. In the last two years, Council approved the non-union increase in May and the rate increase and the retroactive payments occurred in June and July respectively.

Consequently, if Council decides to retain January 1 as the effective date for the salaries of the Mayor and Councillors but link the increase for these salaries to the non-union increase, the Mayor and Councillors will not likely receive their increases until June or July but those would be paid retroactively.

Alternatively, Council may decide to change the effective date of the increase to the salaries of the Mayor and Councillors from January 1 to April 1 to fully coincide with the non-union group. Again, increases if any would be paid retroactively once approved by Council.

Finally, it should be noted that GHA's recommendations on the salary for the Mayor and Councillors are based on the median of the comparator group which is \$142,704 and \$80,000 as shown respectively in Exhibits 5 and 6. GHA then "grossed down" these amounts to \$112,502 for the Mayor and \$63,750 for Councillors to arrive at the equivalent with one-third tax-free. As a result, Council may request that more detailed calculations be done to determine the exact tax-free amount that is the equivalent of \$142,704 and \$80,000. Such calculations would be done by Finance/Payroll staff to evaluate the tax assumptions and the impact of any 'gross up'.

Alternatively, Council may accept GHA's recommendation as to the salary for the Mayor and Councillors as presented in Appendix A without further calculations.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

An increase to the remuneration of the Mayor and members of Council has financial implications including the costs for the increase and related adjustments to Canada

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Pension Plan premiums, the Employer Health Tax & OMERS contributions, all of which are all calculated based on salary.

Details of these additional costs will be presented to Council in a report on Councillor Remuneration – One Third Expense Allocation (FCS07026) being submitted by Corporate Services at the same time as this report.

POLICIES AFFECTING PROPOSAL:

None

RELEVANT CONSULTATION:

None

CITY STRATEGIC COMMITMENT:

By evaluating the “**Triple Bottom Line**”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Evaluate the implications of your recommendations by indicating and completing the sections below. Consider both short-term and long-term implications.

Community Well-Being is enhanced. Yes No

Fair and equitable compensation for elected officials serves to recognize the contributions that they make to the well-being of the community.

Environmental Well-Being is enhanced. Yes No

Economic Well-Being is enhanced. Yes No

Does the option you are recommending create value across all three bottom lines?

Yes No

Do the options you are recommending make Hamilton a City of choice for high performance public servants?

Yes No

It is in the City’s interests to ensure that the contributions made by elected officials are appropriately remunerated so as to contribute to an environment in which all contributions, including those of elected officials, are seen to be reasonably and fairly compensated.

Appendix A to Report CM06016(a)

City of Hamilton

Council Compensation Review Project

Special Report for Council

Gazda, Houlné & Associates (GHA) was mandated by City Council to carry out a review of Council Remuneration. The Review was intended to update the previous survey of the City of Hamilton's market comparator group and collect current data on:

- Population
- Size of Council and status (full or part time)
- Operating Structure (Committee of the Whole or Standing Committees model)
- Maintenance of the one-third tax free portion
- Basis for compensation adjustments for the head of Council and elected officials
- Base remuneration for the head of Council and elected officials
- Additional remuneration for the head of Council and elected officials on boards, commissions, charring committees, etc.

This Special Report presents the findings from the market survey for each of the above topics and provides the consultants' recommendations for consideration by Council. **As reported in the findings, the City's overall compensation practices with respect to Council align well with market practices except for Councillor remuneration which requires some adjustment.**

How to Use the Special Report

Exhibit 1 provides a definition of terms and gives practical information for interpreting the statistics reported in Exhibits 2-8.

The Special Report is organized into two parts: 1) a narrative explaining the findings and presenting the consultants' recommendations, and 2) accompanying Exhibits that present the actual data collected from the market comparator group.

Market Comparator Group

The same market comparator group was again used for the current survey update and is reproduced on the next page from Exhibit 2 for ease of convenience:

Municipality	Population (000)	Council Size *	Population Per Council Member
City of Burlington	164	7	23,429
City of Windsor	208	11	18,909
City of Brampton	400	11	36,364
Region of Halton	400	21	19,048
City of London	425	19	22,368
Region of Niagara	434	31	14,000
City of Hamilton	490	16	30,625
Region of Durham	578	29	19,931
Region of Waterloo	677	16	42,312
City of Mississauga	688	10	68,800
City of Ottawa	898	22	40,818
Region of York	941	21	44,810
Region of Peel	1,225	22	51,136
Median	490	16 (Cities) 22 (Regions)	30,625 (Cities) 31,122 (Regions)

* **Note:** Council size includes the Mayor and Regional Chair.

With a population of 490,000, the City of Hamilton is at the median of the comparator group of 13 municipalities.

Findings, Council Size

With the present size of Council at 16 members, Hamilton aligns well with the number of constituents per Council member.



With the substantial variation in Council size (i.e., ranging from 7 to 31), population must be factored in to enable equivalent comparisons.

Findings, Full or Part Time Status

For the municipalities in the comparator group, all indicate that the Mayor or Regional Chair position is full time. This finding is unchanged from the previous report and is to be expected considering the larger size of the municipalities covered by the survey.

In the earlier survey, 7 out of 13 municipalities (54%) indicated a part time status for members of Council. In the survey update this number was reduced to five as reported in Exhibit 3. The majority of Councillors, 8 out of 13 (62%) now are reported as having full time status as does Hamilton.

Findings, Set-Up of Council Operations

In the past, Hamilton utilized the Committee of the Whole set up for Council Operations as compared to Standing Committees which are presently used. There are pros and cons for both arrangements, but the prevailing practice for larger municipalities is to have in place Standing or Sector Committees. This approach permits the preparatory review work done by Committees to be “spread out” among Councillors and is considered to be more efficient in the use of their time. In addition, a Standing Committee can work with City Staff to ensure that reports and recommendations submitted to Council are fully developed in terms of the information/data required by Council for its decision-making.

Findings, Remuneration for the Mayor/Regional Chair

Exhibit 5 gives the base and total remuneration for the Mayor and Regional Chair positions. The raw base remuneration data can be misleading for two reasons. First, not all municipalities provide for one-third of the Mayor’s/Regional Chair’s pay to be tax free (as does Hamilton). Second, the Mayor and Regional Chair receive additional compensation for sitting on Boards/Commissions in some municipalities which is not the case at Hamilton.

Regarding the maintenance of the one-third tax free portion of remuneration, the consultants observed a difference among the municipalities in the comparator group as shown in the table below.

	Maintenance/ Tax Free Portion	%
Cities	4 out of 7	57
Regions	1 out of 6	17

GHA has current market data on Council Remuneration for another 55 Ontario towns/cities, with small to large sized populations. The common practice among these 55 municipalities is to maintain the one-third portion that is tax free. This avoids a situation where the City has to gross up the compensation of the Mayor in order to deliver the same level of pay.

To enable equivalent comparison of base remuneration for the Mayor and Regional Chair, the consultants grossed up the base remuneration for those municipalities that did not provide for one-third of the pay to be tax free. On this basis, the Mayor’s remuneration at the City would appear to be on the high side relative to the comparator group. This, however, is not the case when total remuneration is taken into account as reported in Exhibit 6. Hamilton’s Mayor is currently paid exactly at the 50th percentile of the market.

Findings, Remuneration for Councillors

Exhibit 6 presents the base and total remuneration for Councillors. The same points made about interpreting remuneration for the Mayor and Regional Chair also apply to Councillor pay. This being said, making equivalent comparison is more complex for Councillor remuneration. A Regional Councillor can receive one of three different levels of remuneration:

Level	Base Remuneration Plus Boards	Additional Remuneration Lower Tier
1	Yes	No
2	Yes	Yes as Lower Tier Councillor
3	Yes	Yes as Lower Tier Mayor

To further complicate the making of equivalent comparisons, the additional lower tier remuneration when received may or may not be one-third tax free. In order to make “apples to apples” comparisons, two steps were taken by the consultants. First, as is the case of the Mayors/Regional Chairs, Councillor remuneration was grossed up for those municipalities that did not provide for one-third of the pay to be tax free. Second, cases where the Councillor serves as the dual capacity of Regional Councillor and Mayor of a lower tier municipality were not included in the ranking of remuneration reported in Exhibit 6. On this point, the most appropriate role match for Hamilton Councillor is a Regional Councillor who also serves as a Councillor for a lower tier municipality.

Taking the above into account, the City compensates its Councillors below the market median at the 33rd pay percentile.

Findings, Comparison of Group Insurance Benefits

Although not specified in the terms of reference for the survey update, GHA reviewed the latest market data for group insurance and benefits. In recent years, the prevailing practice is for municipalities to provide extended health, life insurance, accidental death and dismemberment, dental, long term disability and pension benefits to the Mayor/Regional Chair as well as Councillors. Exhibits 7 and 8 indicate that these benefits are given to members of Council from 78% to 100% of the time. Hamilton’s current practice continues to align well with the market in this regard.

Findings, Formal Process for Adjusting Council Remuneration

The recommended practice is for municipalities to adjust the pay of the Mayor/Regional Chair and Councillors annually based on changes in the salaries of non-union staff and to carry out a formal survey in the last year of the term of Council to ensure market competitiveness. Ideally, the result of the survey would be reviewed by an independent committee consisting of citizens/residents.

Of the 13 municipalities in the comparator group, 12 usually provide for an annual adjustment. Six municipalities tie any increase to adjustments made to salaries of the non-union staff. The other six including Hamilton base annual adjustments on the CPI.

A number of the municipalities in the comparator group (6 out of 13) have in place a formal process to carry out a market review in the last year of the term of Council, with most including the use of a citizens’ advisory committee.

Recommendations

Council acted on a number of the consultants’ recommendations from the previous review and for the most part can “stay the course” in terms of the City’s remuneration practices for the Mayor and Councillors. The consultants’ recommendations include the following:

Recommendation 1: Continue to utilize the same market comparator group and establish a formal policy of carrying out a survey update in the last year of the term of Council.

Note: The suggested timing ensures that members of the current Council do not benefit from recommended increases in compensation unless they continue to serve in the next term at the will of the electorate.

Recommendation 2: Continue the use of Standing Committees to more effectively spread committee work among the Councillors; at the start of the new term of

Council, review the number and type of Standing Committees to ensure proper support to Council as a Whole and equitable distribution of the committee work load.

The consultants also recommend a formal policy of rotating Councillors among the committees during their term of office.

Recommendation 3: Maintain the current remuneration for the Mayor with an annual adjustment based on the increases to non-union salaries rather than changes in the CPI; assuming that non-union salaries increase by 3% at Hamilton, adjust the Mayor's remuneration to \$115,064.

It is better to tie adjustments to Council remuneration to non-union salary increases as the latter tends to reflect both COLA (cost of living) and market adjustments. Recent increases in the CPI have been in the low 2% range while non-union salary increases have been closer to 3%. Reliance on CPI only over a period of years could result in the need to make a larger adjustment when the formal market review is carried out at the end of the term of Council.

Recommendation 4: Increase the Councillor remuneration from \$55,856 to \$65,662.

An 11.5% increase is required to bring Hamilton's Councillor remuneration to the 50th market percentile. A further 3.0% adjustment is necessary for 2007 assuming, as is the case of the Mayor, that non-union salaries at the City are adjusted upward by 3.0% for 2007.

Note: Should the City decide on a 2.5% salary adjustment in 2007 for non-union employees, the Mayor's remuneration would be increased to \$114,506 and Councillors to \$65,344.

Recommendation 5: With the above recommended adjustment to Councillor remuneration, narrow the differential between the compensation of the Mayor and Councillor at Hamilton.

At present, City Councillors are paid 50% of the Mayor's remuneration. The average differential in the market is 57%. Implementation of Recommendation 4 will accomplish two purposes: 1) ensuring that Councillor remuneration is market competitive (i.e., at the 50th market percentile), and 2) enabling better alignment of Councillor remuneration vis-à-vis Mayor (again linked to differential average of Cities in the market comparator group).

It is important for Hamilton's Council remuneration to align with the "going rate". While the City does not need to be concerned with market competitiveness of compensation to attract and retain members of Council as it does for City Staff, the issue of proper remuneration for Council is important for two reasons. First, tax payers should have assurance that Hamilton's pay practices are not too high nor too low relative to the practices of other similar sized municipalities. Second, based on a 40-

hour week, Councillors at Hamilton would earn \$28.97 per hour. Supposing a Hamilton resident with a local business was considering running for office as a Councillor. Assuming an hourly rate of \$30-\$40 for the self-employed prospective councilor, he/she would be compensated at a similar level, especially taking into account the one-third of the Councillor's remuneration is tax free. By paying to market, the City is better able to attract local business people to public office who would bring useful skills/experience to the decision-making role of Council.

Exhibit 1

Definition of Terms

Median One of the two commonly used measures of central tendency, this figure is defined as the exact middle of a distribution of data points. In a distribution of 11 salaries for example, the median is the 6th highest case (i.e., exactly 5 cases on either side). In a distribution of 10 salaries, it is the midpoint between the 5th and 6th highest case.

Mean As the second commonly used measure of central tendency, the mean is calculated by an entirely different method than the median. Applied to compensation, it is the average obtained by dividing the total salaries by the total number of cases. For salary comparison purposes, the median is the statistic of choice as it is not affected by particularly high or low data points (see examples below).

	Salaries, Low to High (\$000)	Median	Mean
Example A	50.0 52.5 55.0 57.5 60.0	55.0	55.0
Example B	50.0 52.5 55.0 57.5 90.0	55.0	61.0

Percentile As in the case of the median, this statistic is calculated on the basis of the distribution of the data points, using a formula which defines the lowest case as 1% and the highest case as 100%. The rank order of cases in between 1% and 100% are then divided into equal intervals. An example for a distribution of 10 salaries is shown hereafter:

Salaries, Low to High (\$000)										
40.0	45.0	50.0	52.5	54.0	56.0	57.5	60.0	65.0	70.0	
1	12	23	34	45	50	56	67	78	89	100
↑										
Percentile										

Note: in the above example that the first case is at the 1st percentile (not $1 \div 10$ or 10%) and that the 5th case is at the 45th percentile (not $5 \div 10$ or 50%).

In situations where two or more cases are identical within the distribution of data points, it becomes necessary to interpolate. In this instance, individual percentiles are added together then divided by the total number of equal cases. Using the same example shown above (but with two identical cases) the interpolation can be illustrated as follows:

Salaries, Low to High (\$000)										
40.0	45.0	45.0	52.5	54.0	56.0	57.5	60.0	65.0	70.0	
1	12	23	34	45	50	56	67	78	89	100
↑										
┌──18──┐										
Percentile										

Note: In the above illustration, the second case is at the 18th percentile (not the 12th which would be too low), and the third case is also at the 18th percentile (not the 23rd which would be too high).

Exhibit 2

List of Municipalities Included in The City of Hamilton Comparator Group

Municipality	Population (000)	Council Size *	Population Per Council Member	Total Budget (\$000,000)
City of Burlington	164	7	23,429	176.9
City of Windsor	208	11	18,909	800.3
City of Brampton	400	11	36,364	538.4
Region of Halton	400	21	19,048	974.0
City of London	425	19	22,368	862.7
Region of Niagara	434	31	14,000	N/A
City of Hamilton	490	16	30,625	1,200.0
Region of Durham	578	29	19,931	948.4
Region of Waterloo	677	16	42,312	667.0
City of Mississauga	688	10	68,800	423.1
City of Ottawa	898	22	40,818	3,100.0
Region of York	941	21	44,810	1,658.4
Region of Peel	1,225	22	51,136	1,214.6
Median	490	16 (Cities) 22 (Regions)	30,625 (Cities) 31,122 (Regions)	800.3 (Cities) 974.0 (Regions)

* **Note:** Council size includes the position of Mayor and Regional Chair.

Exhibit 3

**Comparison of Full Time or Part Time Status
by Municipality - Mayor and City/Regional Councillors**

Municipality	Mayor/ Regional Chair		City/Regional Councillors	
	Full-Time	Part Time	Full-Time	Part Time
City of Burlington	√		√	
City of Windsor	√			√
City of Brampton	√		√	
Region of Halton	√		√	
City of London	√			√
Region of Niagara	√			√
City of Hamilton	√		√	
Region of Durham	√			√
Region of Waterloo	√		√	
City of Mississauga	√		√	
City of Ottawa	√		√	
Region of York	√			√
Region of Peel	√		√	
Frequency	13/13	0/13	8/13	5/13

Exhibit 4

**Comparison, Setup of Council Operations -
Committee of the Whole Vs. Standing or Sector Committees**

Municipality	Model Used	
	Committee of the Whole	Standing or Sector Committees (Number)
City of Burlington		√ (3)
City of Windsor	√	
City of Brampton		√ (3)
Region of Halton		√ (3)
City of London		√ (4)
Region of Niagara		√ (3)
City of Hamilton		√ (4)
Region of Durham		√ (4)
Region of Waterloo		√ (3)
City of Mississauga		√ (2)
City of Ottawa		√ (6)
Region of York		√ (10)
Region of Peel	√	
Frequency	2/13	11/13

Exhibit 5

Mayor/Regional Chair Pay Ranking

Total Remuneration (2006) ⁽¹⁾

City of Hamilton Comparator Group

Municipality	(\$)					Adjusted Total ⁽²⁾
	Current Base Remuneration	Boards/ Commission	Committee Chair	Regional Council	Total Remuneration	
City of London	96,137	-	-	-	96,137	119,608
Region of Niagara	97,560	-	-	-	97,560	121,632
Region of Waterloo	125,647	-	-	-	125,647	125,647
City of Windsor	86,895	15,150	-	-	102,045	128,161
City of Ottawa	140,000	-	-	-	140,000	140,000
City of Hamilton	111,713	-	-	-	111,713	141,505
City of Burlington	106,169	-	-	36,535	142,704	142,704
Region of Peel	144,037	-	-	-	144,037	144,037
Region of Halton	144,828	-	-	-	144,828	144,828
City of Brampton	90,226	-	-	44,380	134,606	159,878
Region of York	169,488	-	-	-	169,488	169,488
Region of Durham	166,249	-	6,000	-	172,249	172,249
City of Mississauga	124,986	15,000	-	44,380	184,366	184,366
					Total with 1/3 Tax Free	
25th Percentile					-	128,161
Median					112,502	142,704
75th Percentile					-	159,878
Mean						145,700
Hamilton Percentile						42nd

Notes: ⁽¹⁾ Total remuneration includes compensation from Boards (e.g., Police Services, Hydro), Commissions and Regional Councillor for acting as Committee Chair.

⁽²⁾ This column permits equivalent comparisons as 1/3 base remuneration is tax free in some municipalities but not in others. The calculation for the adjusted total remuneration involves two steps: 1) determining the total after-tax income taking into account the portion that is taxable and the portion that is not, and 2) converting the total after-tax in income to remuneration before tax.

Exhibit 6

Councillor Pay Ranking

Total Remuneration (2006) ⁽¹⁾

City of Hamilton Comparator Group

Municipality	(\$)				Total Remun.	Adjusted Total ⁽²⁾
	Current Base Remun.	Boards/ Commis.	Commit. Chair	Add'l. Remun. Higher or Lower Tier		
Region of Niagara	23,551	-	2,000	-	25,551	28,088 ⁽³⁾
City of Windsor	28,870	1,709	-	-	30,579	33,648 ⁽³⁾
Region of Waterloo	34,504	8,000	-	-	42,504	42,504
City of London	30,859	7,715	1,152	-	39,726	44,565 ⁽³⁾
City of Hamilton	55,856	-	-	-	55,856	64,668
Region of Halton	36,535	-	-	26,100 ⁽⁴⁾	62,635	65,753
City of Ottawa	70,000	10,000	-	-	80,000	80,000
Region of Durham	42,421	-	6,000	28,500 ⁽⁴⁾	76,921	83,596
City of Burlington	47,776	-	-	36,535	84,311	84,311
Region of York	43,458	-	-	44,500 ⁽⁴⁾	87,958	87,958
Region of Peel	44,380	-	-	41,300 ⁽⁴⁾	85,680	96,357
City of Brampton	49,345	-	-	44,380	93,725	106,344
City of Mississauga	74,628	14,421	-	44,380	133,429	133,429
					Total with 1/3 Tax Free	
25th Percentile					-	44,565
Median					63,750 ⁽⁵⁾	80,000
75th Percentile					-	87,958
Mean						73,171
Hamilton Percentile						33rd

Notes: ⁽¹⁾ Total remuneration includes compensation from Boards (e.g., Police Services, Hydro), Commissions and Regional Councillor for acting as Committee Chair.

⁽²⁾ This column permits equivalent comparisons as 1/3 base remuneration is tax free in some municipalities but not in others. The calculation for the adjusted base remuneration (when applicable) involves two steps: 1) determining the total after-tax income taking into account the portion that is taxable and the portion that is not, and 2) converting the total after-tax in income to remuneration before tax.

⁽³⁾ Councillors at these municipalities have a part-time status.

⁽⁴⁾ These Regional Councillors receive additional remuneration from the lower tier as a Municipal Councillor.

⁽⁵⁾ This amount represents the median market differential between the Mayor and Councillors (i.e., Councillors paid 57% of the Mayor's compensation); the amount required with 1/3 tax free to equal a grossed up total of \$80,000 would be slightly higher at \$67,701.

Exhibit 7

Comparison of Group Insurance & Benefits for Mayor/Regional Chair

City of Hamilton Comparator Group

Municipality	Extended Health	Life Insurance	AD & D	Dental	LTD	Pension (Omers)
City of Burlington	Yes	Yes	Opt	Yes	Yes	Yes
City of Windsor	Yes	Yes	No	Yes	No	Yes
City of Brampton	Yes	Yes	Yes	Yes	No	No
Region of Halton	Yes	Yes	Yes	Yes	No	No
City of London	Yes	Yes	Yes	Yes	Yes	Yes
Region of Niagara	Yes	Yes	Yes	Yes	Yes	Yes
City of Hamilton	Yes	Yes	Yes	Yes	Yes	Yes
Region of Durham	Yes	Yes	No	Yes	Yes	No
Region of Waterloo	Yes	Yes	Yes	Yes	Yes	Yes
City of Mississauga	Yes	Yes	Yes	Yes	Yes	Yes
City of Ottawa	Yes	Yes	Yes	Yes	Yes	Yes
Region of York	Yes	Yes	Yes	Yes	Yes	Yes
Region of Peel	Yes	Yes	Yes	Yes	Yes	Yes
Frequency, Yes or Optional	13/13	13/13	13/13	13/13	10/13	10/13

Exhibit 8

Comparison of Group Insurance & Benefits for Councillors

City of Hamilton Comparator Group

Municipality	Extended Health	Life Insurance	AD & D	Dental	LTD	Pension (Omers)
City of Burlington	Yes	Yes	Opt	Yes	Yes	Yes
City of Windsor	Yes	Yes	No	Yes	No	Yes
City of Brampton	Yes	Yes	Yes	Yes	No	No
Region of Halton	Yes	Yes	Yes	Yes	No	No
City of London	Yes	Yes	Yes	Yes	Yes	Yes
Region of Niagara	Yes	Yes	Yes	Yes	Yes	Yes
City of Hamilton	Yes	Yes	Yes	Yes	Yes	Yes
Region of Durham	Yes	Yes	No	Yes	Yes	No
Region of Waterloo	Yes	Yes	Yes	Yes	Yes	Yes
City of Mississauga	Yes	Yes	Yes	Yes	Yes	Yes
City of Ottawa	Yes	Yes	Yes	Yes	Yes	Yes
Region of York	Yes	Yes	Yes	Yes	Yes	Yes
Region of Peel	Yes	Yes	Yes	Yes	Yes	Yes
Frequency, Yes or Optional	13/13	13/13	13/13	13/13	10/13	10/13