



City of  
**Peterborough**

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**To:** Members of the General Committee

**From:** Richard Freymond, Commissioner, Finance & Corporate Support Services

**Meeting Date:** April 22, 2025

**Report:** Council Compensation Review, Report FCSFS25-008

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## **Subject**

A report to provide Council with information on current Council compensation, and to recommend compensation for the 2026-2030 term.

## **Recommendations**

That Council approve the recommendations outlined in Report FCSFS25-008, dated April 22, 2025 of the Commissioner, Finance & Corporate Support Services as follows:

- a) That the Council Compensation Review Report FCSFS25-008, be received for information;
- b) That as a matter of policy, Council Compensation for the 2026-2030 term of Council, compensation for the Mayor and each Member Councillor be set as follows:
  - i. Commencing December 2026, compensation equal to the 75<sup>th</sup> percentile of the 2025 base compensation of the comparator group of municipalities as listed in Appendix A, indexed for the 2026 calendar year;
  - ii. That the base rate for each subsequent year of the term of Council be indexed annually in the month of December for each of the years 2027- 2029 equal to the inflationary increase provided to CUPE Staff bargaining groups; and

- c) That a vehicle/transportation allowance and reimbursement be provided to all members of Council for the 2026-2030 term of Council as follows:
- i. For the Mayor as head of Council a base allowance of \$6,000
  - ii. A base allowance for each Councillor at 50% of the Mayor's allowance - \$3,000
  - iii. That Council travel expense claims for conferences and training include reimbursement for kilometres using the City's current posted mileage rate.

## Executive Summary

- Each Council term, there is a review of the Council compensation with any recommendations to take effect the following term. Most recently, Council direction from Report CBCLK17-003 established this practice.
- This Report recommends a reset of base compensation to Elected Officials for the 2026-2030 term of Council based on information obtained from comparator municipalities.
- Apart from a nominal increase in the amounts provided for a vehicle/transportation allowance, the Report does not recommend any change to the policy for participation on Council appointed Boards, Commissions or Committees; benefit or pension entitlements.

## Background

The level of Council compensation for the 2022-2026 term of Council is based on previous Council direction when considering the Councillor Compensation Review Report CLSFS20-071, dated December 1, 2020, as follows:

- a) That the Councillor Compensation Review Report CLSFS20-071, be received for information;
- b) That the current level of Council compensation indexing be maintained annually with increases for the 2022-2026 term of Council the lesser of either the CPI or staff increases; and
- c) That as of December 2022, Councillor Compensation include certain Employee Benefits as outlined in Chart 1 of Report CLSFS20-071 and,
- d) That the position of Councillor also receive an annual car/transportation allowance in the amount of 50% of the Mayors car allowance;

- e) That the position of Councillor receive matching funds to a registered pension fund up to 9% of their base Council salary.

At its meeting of December 11, 2023 Council resolved to provide an additional mileage reimbursement for Council Members that attend conferences or training workshops. The specific motion read as follows:

That Council travel expense claims for conferences and training include reimbursement for kilometers using the City's current posted mileage rate.

## **2025 Compensation**

For 2025, base remuneration for the Mayor is anticipated to be \$92,373 plus \$23,341 in estimated benefits. The Mayor also receives remuneration for sitting on certain local boards including the City of Peterborough Holdings Inc, and the Police Services Board.

For 2025, base remuneration for each Councillor is anticipated to be \$36,185 plus estimated benefits of \$10,728. Presently, members of Council do not receive remuneration for sitting on any local boards or committees.

For 2025, the vehicle/transportation allowance provided to the Mayor will approximate \$5,112 and for each Councillor that opts to receive the same allowance, \$2,556.

## **Proposed Council Remuneration for the 2026 – 2030 Term of Council**

For the 2026-2030 term of Council, staff are proposing a reset in terms of how Council base remuneration is determined. Using a comparator group of 15 municipalities that has previously been used for employment purposes (Appendix A). The data is a mix of Single, Upper and Lower tier municipalities throughout Ontario. As can be seen in the data, the comparator group suggests that current base remuneration for both the Mayor and individual Councillors are paid at the lower end of the spectrum with a percentile ranking of 7.1% / 14.2% respectively. This is further exasperated by the fact that some of the comparator municipalities provide additional remuneration on a per diem basis for participation on various Boards and Committees.

Staff suggest calculating the remuneration for Members of Council based on a percentile rank of the comparator group – staff suggest the 75% percentile rank (Appendix B). Positioning the City's Elected Officials higher on the ranking acknowledges that size of population is not necessarily a good indicator of the complexity of the work performed, the fact that some of the issues are regional in nature, the amount of time and effort required on a weekly basis, or the responsibility held to perform the role.

Using the 75% percentile, base compensation in 2023 would have been \$135,103 for the position of Mayor, and \$50,234 for each Councillor. Inflating the amounts from 2023 to 2026 using CUPE collective bargaining settlements as an indexing guide, places the

Mayor's base compensation at an estimated amount of \$147,631 and for each Councillor \$54,991.

The suggested percentile is balanced with Council's longstanding policy from 2002 to not remunerate Councillors for participation on various Boards and Committees. The motion as recorded in the 2002 Minutes of Council read as follows:

That Councillors (other than the Mayor) will no longer receive any additional remuneration while serving on any committee, board or commission to which they have been appointed by City Council, be maintained.

As seen in the comparator data, many municipalities do not provide per diems for participation on Boards and Committees. The anomaly to the Council policy related to compensation for Council participation on boards and committees is the legislative provision of the Health Protection and Promotion Act (HPPA) to the extent that the Haliburton, Kawartha, Northumberland and Peterborough Health Unit is statutorily obliged to pay remuneration and the reasonable and actual expenses of a City Councillor if the Councillor is in fact acting in the capacity of Board Chair. To the extent that there is a conflict between Council's resolution and Provincial legislation, the HPPA payment obligation prevails. The relevant reference is Section 49 of the HPPA.

## Benefits

As can be seen in the compactor data, most municipalities offer elected official certain pension and health benefits. Since 2022, Members of City Council are eligible to receive the following benefits as listed in Table 1. Staff are not proposing any changes to these benefit entitlements.

**Table 1**  
**Eligible Benefits for Members of Council**

<b>Name</b>	<b>Summary Details</b>	<b>Effective Date</b>
<b>Supplemental Health</b>	Semi-private hospitalization, travel, vision care, paramedical services.	Effective first of the month following appointment
<b>Health – Prescription Drugs</b>	Prescription drugs	Effective first of the month following appointment
<b>Dental</b>	Core plan only.	Effective first of the month following three months of service

<b>Group Life Insurance and AD&amp;D</b>	Mayor – eligible for 2X salary. Councillor - \$20,000.	Effective first of month following date of appointment
<b>Employee Assistance Program</b>	Program offers counselling on a confidential basis to employees and dependents who wish to resolve personal, social or health problems.	

### **Pension Benefits**

Prior to 2022, Elected officials at the City did not receive pension benefits as part of their compensation with the exception that the Mayor who was eligible to participate in the Ontario Municipal Employees Retirement System (OMERS) Pension Plan (based upon Council By-law 07-074). In 2020, when discussing the recommendations of the Councillor Compensation Review Report CLSFS20-071 dated December 1, 2020, Council resolved that for the 2022-2026 term of Council, each Councillor would be eligible to receive matching funds to a registered pension fund up to 9% of their base Council salary.

Staff are not recommending any change to this benefit. Each Councillor, upon submission of proof of a personal contribution to a registered pension fund, may receive matching funds from the City of Peterborough to that same registered pension fund up to 9% of their base Council salary.

### **Vehicle / Transportation Allowance**

The base provision for a vehicle/transportation allowance for the Office of the Mayor has been a static amount of \$5,112 since about the late 2000s. Commencing with the 2022 term of Council, individual Councillors were eligible for an amount equal to that of 50% of the Mayor's allowance.

Staff are proposing a nominal increase to acknowledge the duration of time since the amount has been held constant with a recommendation to round up the benefit provision to \$6,000 / \$3,000 respectively. This is balanced with the more recent policy decision to reimburse for travel expense claims for conferences and training for kilometres driven using the City's current posted mileage rate that would mostly be associated with distance travel.

### **Full or Part time**

The comparator data provides additional insights as to how these municipalities characterize the role – is it Full- or Part-time? In recent history, the role of Mayor in Peterborough has been considered full-time in terms of how Council has established the compensation for this position, whereas the role of Councillor part-time.

Staff do not take a position or make recommendations respecting whether or not the role of any Elected Official is full or part time. The focus of this Report is on making recommendations with respect to the appropriateness of the level of compensation for each of the roles. It will be up to current and future Elected Officials to decide whether or not the compensation provided is sufficient for their financial needs or whether they will indeed need to supplement the remuneration provided with other sources of income.

## **Strategic Plan**

Strategic Pillar: Governance & Fiscal Sustainability

Strategic Priority: Pursue service excellence in governance to support long-term fiscal sustainability of the City while respecting the impact of decisions on taxpayers.

Approval of this report links to the City's strategic priority pillar of Governance & Fiscal Sustainability as Council remuneration for the next term of Council supports accountable, transparent and responsible financial management.

## **Engagement and Consultation**

The Clerk's Office was instrumental in compiling the comparator municipal data.

## **Budget and Financial Implications**

There are no immediate budget or financial implications as a result of approving the recommendations in this Report at this time. The 2027 Budget will reflect the compensation policy ultimately endorsed by Council.

In terms of impact to the All-Inclusive tax rate – if Council were to adopt the recommendations in this Report, the estimated incremental impact to the rate would be 0.11%.

## **Conclusion**

Based on the comparator data presented in this Report, the compensation for Peterborough's elected officials should increase and recommends an amount that is more reflective of the level of work they perform and the responsibility that comes with their positions.

## **Attachments**

Appendix A: Municipal Comparator Data

Appendix B: Percentile Ranking

Submitted by,

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