



**Town of Essex
Council Remuneration Review Final Report
June 3, 2024**

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Appendix A – Summary of Comparator Responses

1. Introduction

Gallagher was engaged by the Town of Essex (the “Town”) to undertake a comparative analysis of remuneration and other perquisites provided to elected officials on the Municipal Council.

Gallagher is a compensation and human resources consulting firm that offers expertise, data and tools for all aspects of total rewards design and management. The firm specializes in compensation design, job evaluation, and market reviews for private, public sector and not-for-profit clients.

The consulting team was comprised of Jane Mizanski and Daniel Sanchez who bring significant experience with compensation design and market studies in the municipal and broader public sector. This report outlines the scope of the assignment, the process undertaken, and the results of the review.

2. Background to the Assignment

The review was initiated to ensure the remuneration practices of the Town are fair, equitable and in keeping with that of similar sized municipalities. The Consultant was to review and provide commentary on market data relative to the Town’s practices.

Market studies for staff/non-union positions typically focus on “competitive” pay or the “going rate” for similar skills and qualifications. In this custom market study for elected officials “competitiveness” reflects what municipalities of similar size and scope considers as fair remuneration to elected officials, which is then used as a guide to recommend changes or improvements to the Town’s approach.

It is important to note that, unlike staff positions that can be objectively assessed based on required skills, qualifications, and accountabilities using a formal job evaluation tool to establish rank order, Council roles are not defined in these terms. Rather, the opportunities to serve in public office are available to any citizen who can bring a wide variety of skills, qualifications and experiences to the position – there are no minimum qualifications to stand for election. In the case of municipal councils there are typically three roles, with an assumption that each holds progressively more responsibility, from Councillor to Deputy Mayor to Mayor.

Similarly, Council roles are not deemed ‘full time’ or ‘employees’ of the organization, and are often labelled with ‘volunteer’ status. Remuneration for these roles is not bound by employment legislation such as minimum wage, however, the principles of minimum wage and or living wage are appearing more frequently in conversations regarding remuneration for elected officials.

A further challenge to identify ‘fair remuneration’ and an equitable comparison across municipalities, lies in the differences in time and effort expended by each council and each member of council; effort can vary from ‘some’ to ‘extensive’ depending on the municipality, issues, and the individual’s availability and interests.

Notwithstanding these differences and challenges, municipalities are increasingly interested in attracting a wider scope of skills and diverse experiences to stand for election, while being mindful of the perceived or real disconnect between pay and effort. This backdrop is relevant for overall context and informs perceived fairness and equity observations below.

3. Custom Market Study – Approach and Findings

A comparator group of seven (7) lower tier municipalities participated in the Council review giving due consideration to comparators identified for the staff review. The participating comparator group consisted of:

- Amherstburg
- Kingsville
- Lakeshore
- LaSalle
- Leamington
- Tecumseh
- Tillsonburg

The Consultant developed a survey questionnaire to capture comparator information on base remuneration, per diems, and other available benefits. The responses were collated and summarized for comparative purposes. A summary of the responses is included as **Appendix A**.

Base Remuneration

Across the comparator group remuneration is paid in the form of singular base pay or honorarium rate. Remuneration is paid in consideration of attending Council and Committees meetings, and responding to constituency issues.

The table below list the **2023** base remuneration by role for each comparator in rank order.

Base Remuneration by Member's Role

Mayor		Deputy Mayor		Councillor	
Tillsonburg	\$40,355	Tillsonburg	\$20,160	Tillsonburg	\$18,792
Amherstburg	\$46,817	Amherstburg	\$31,160	Lakeshore	\$24,564
Essex	\$46,989	Lakeshore	\$31,933	Amherstburg	\$24,738
Tecumseh	\$47,258	Essex	\$34,374	Essex	\$27,030
Lakeshore	\$49,128	Kingsville	\$35,061	Kingsville	\$27,571
LaSalle	\$50,035	Leamington	\$35,187	Tecumseh	\$28,137
Kingsville	\$50,772	Tecumseh	\$35,509	Leamington	\$28,856
Leamington	\$51,629	LaSalle	\$40,261	LaSalle	\$36,262

The following table illustrates the Town’s base remuneration for each of the roles of Mayor, Deputy Mayor and Councilor as compared to the average and the 60th percentile of the

comparator group. Using the established pay policy the Town is approaching the 60th percentile across each of the three roles.

Elected Official Role	Town of Essex	Comparator Market Analysis (_) = % above market; + = % below market			
		Average	% diff	P60	% diff
Mayor	\$46,989	\$47,999	+2.1%	\$49,854	+6.1%
Deputy Mayor	\$34,374	\$32,753	(4.7%)	\$35,162	+2.3%
Councillor	\$27,030	\$26,989	(0.2%)	\$28,024	+3.7%

Per Diems/Additional Compensation

Two (2) comparators provide a per diem in addition to base pay for member’s attendance at Special Meetings of Council at a rate of \$200 per full day meeting/\$100 per half day (up to 4 hours).

Six of seven comparators pay members a per diem when the member is attending a conference or workshop/training in support of their role and responsibilities, to compensate for time over and above the council meetings. The full day per diems vary from \$150 to \$200, with the average across all respondents at \$185.

The Town does not offer any per diem payments for additional meetings of council or committee attendance, however each member has access to a budget for conferences and training events for expenses. In addition, while attending such training events the member receives a (full day) per diem of \$201.

Remuneration Administration and Benefits

Administration:

All 7 comparators adjust their Council remuneration annually, aligning adjustments to that approved for the non-union employee group. All but one comparator conducts an external market assessment at least once per term of Council to ensure external comparability.

The Town practices align to the comparator organizations with both annual adjustments and external market review.

Expenses and Benefits:

- All comparators compensate per kilometer to the Canada Revenue Agency (2023) rate of \$0.68 (2024 rate is now \$0.70)
- Insured health, vision, and dental benefits are provided by four (4) comparators with two offering the benefit at no cost to the member, and two applying a 50% cost sharing of

premiums. Access to group life insurance policy is also made available by four comparators.

- Pension/retirement benefits are made available by five of the comparators: three specifically allow for OMERS enrollment, one provides an option to enroll in the pension plan or to receive equivalent employer contribution amount towards a registered retirement plan; one comparator pays the equivalent employer contribution

The Town does not offer health, vision, dental, life insurance or pension/retirement contributions to the elected officials.

Technology assets:

- Laptop or iPad is provided to all members by all comparators
- 5 municipalities require the asset to be returned; 2 allow for option to purchase at end of term
- Cell/mobile phone is provided to all members across six comparators; one comparator limits the phone to the Mayor only
- Allowance for internet or cell phone plan – four comparators provide a monthly allowance or allowable expensing of costs associated with internet or cell phone service plans: \$40/month (n=1); \$50/month (n=1); available annual budget \$1500 (n=1); unlimited/no set amount (n=1)

The Town provides a laptop / iPad and cell phone to all members. Members' are reimbursed for monthly internet fees.

4. Recommendations for Consideration

1. Maintain the pay policy that aligns Council remuneration to the same target pay policy as that established for staff (60th percentile).

2. Base Remuneration:

Adjust base remuneration for each member to the P60 2023 rate: Mayor to \$49,854 (6.1% increase); Deputy Mayor to \$35,162 (2.3% increase) and Councillor to \$28,024 (3.7% increase) effective January 1, 2024.

3. Establish a Council Remuneration Policy that includes administrative best practices to maintain fair and equitable compensation:

- a) Apply an annual adjustment to the approved 2023 base remuneration wherein it is aligned to that approved for staff as part of the budgetary process, effective January 1, 2024, and each year thereafter.
- b) Conduct an external market review once per term of Council to assess comparability of base remuneration and other practices and maintain external equity.

- c) Consider offering members access to enroll in a Benefits Plan (Health, Vision, Dental), at minimum on a 50/50 cost sharing basis.
- d) Consider offering members access to the OMERS pension plan.

5. Conclusions

This report outlines the process used complete the market analysis and provide the foundation for observations and actions for consideration.

We appreciate the opportunity to work with the Town of Essex. We look forward to providing any future assistance you may require in maintaining your compensation program.

Yours very truly,



Jane Mizanski
Vice President, Compensation

APPENDIX A:
Summary of Council Remuneration Market Analysis

Elected Official Role	Town of Essex	Comparator Market Analysis (_) = % above market; + = % below market				Observations
		Average	% diff	P60	% diff	
Mayor	\$46,989	\$47,999	+2.1%	\$49,854	+6.1%	competitive - approaching the target pay policy
Deputy Mayor	\$34,374	\$32,753	(4.7%)	\$35,162	+2.3%	
Councillor	\$27,030	\$26,989	(0.2%)	\$28,024	+3.7%	
Annual Salary Administration / Increase Policy						
Are Council salaries adjusted annually?	No	All adjust base remuneration annually by same amount as for Non-Union group			Opportunity - a comprehensive Council Remuneration Policy to include salary administrative best practices	
External market reviews to inform remuneration?	No	Market review every 3 - 5 yrs (n=6); no policy to review (n=1)				
Defined pay policy for Elected Officials?	60th percentile	No policy (n=3); P60 (n=1); P65 (n=2); P75 (n=1)			Competitive	
Additional Compensation						
Remuneration paid over and above the base pay for Council meetings	None	Per diem for Special Council Meetings full day \$200 (n=2)			Competitive	
Per diem for conferences/training	\$8,206 per elected official per year (capped at \$3,282 per event) Per diem \$201	Yes (n=6); No (n=1) Average full day = \$185			Leader	
Car Allowance/Expenses						
Kilometer reimbursement rate: \$/km; conditions	\$0.70 (2024 rate) per KM travel within and outside Town boundary	CRA /\$0.68, travel outside Municipal boundary (n=7); 2023 rates reported at time of survey			Competitive	
Benefits, Insurance and Retirement Plans						
Access to health/vision/dental plan, if yes, premium cost sharing	No	HV&D Yes (n=4); No (n=2) Employer paid premium: 100% (n=2); 50% (n=2)			Opportunity - provide access to the benefits plan on cost sharing basis; access to OMERS or provide an annual contribution to RSP	
Access to Life Insurance plan	No	Yes (n=4)				
Access to OMERS pension or other retirement benefits available	No	OMERS Yes (n=4) Receive equivalent cash value (n=1)				
Technology Assets						
Laptop/iPad or equivalent provided by municipality	Yes	All provide municipal technology			Competitive	
Cell phone provided by the municipality	Yes - all	Mayor only (n=1); All (n=6)				
Asset returned, gifted or option to buy out at end of term	Returned	Returned (n=5); Option to buyout (n=2)				
Monthly allowance / stipend toward the cost of internet, cell phone service	internet reimbursed with receipt/submit claim	Yes (n=4) Per month stipend: \$40, \$50 Budget \$1500 used towards receipted expenses (n=1); no set amount (n=1)			Leader	

Note: observations do not always total 7 as comparators may not have responded to all questions