



## INFORMATION REPORT

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March 8, 2017

### CORPORATE SERVICES INFORMATION REPORT – FINANCIAL SERVICES 2017-11

TO: Mayor Tony Van Bynen and Members of Council

SUBJECT: Statement of Remuneration and Expenses - 2016 Payments to Elected and Appointed Officials

ORIGIN: Director, Financial Services/Treasurer

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***In accordance with the Procedure By-law, any Member of Council may make a request to the Town Clerk that this Information Report be placed on an upcoming Committee of the Whole agenda for discussion.***

#### COMMENTS

##### **Purpose**

The purpose of this report is to comply with legislative requirements by providing Council with the 2016 Payments to Elected and Appointed Officials. This information will be made available to the public and posted on our website by March 31, 2017.

##### **Overview**

Attached is a summary of all payments made to members of Newmarket Council and Council-appointed local board members. The local boards include Newmarket's Committee of Adjustment, Property Standards/Fence Viewing/Appeals Committee, the Newmarket Public Library Board and Newmarket-Tay Power Distribution Limited.

Details have also been provided for payments to members of Newmarket Council who are also members of the Regional Municipality of York's Council – the Mayor and Regional Councillor/Deputy Mayor. Although this information is not required to be reported by the local municipality (the Region reports these payments separately), it is included in this report for completeness and transparency.

## Differing Definitions of Remuneration

Council remuneration is defined in different ways depending on the purpose of the information or to comply with diverse legislative requirements. For instance, remuneration for purposes of the annual Statement of Remuneration and Expenses is based on payments and includes the non-taxable portion of council wages, but does not include payments not ultimately made by the Town, such as those reimbursed by the Region. For Public Sector Salary Disclosure purposes, remuneration is derived from the elected official's T4 form and therefore includes only the taxable portion of Town wages and the Regional stipend. It can be confusing.

This report will attempt to clarify this issue.

## BACKGROUND

The *Municipal Act, 2001* states:

### Statement

**284. (1)** The treasurer of a municipality shall in each year, on or before March 31<sup>st</sup>, provide to the council of the municipality an itemized statement on remuneration and expenses paid in the previous year to,

- (a) each member of council in respect of his or her services as a member of the council or any other body, including a local board, to which the member has been appointed by council or on which the member holds office by virtue of being a member of council;
- (b) each member of council in respect of his or her services as an officer or employee of the municipality or other body described in clause (a); and
- (c) each person, other than a member of council, appointed by the municipality to serve as a member of any body, including a local board, in respect of his or her services as a member of the body. 2001, c. 25, s. 284 (1).

### Mandatory item

**(2)** The statement shall identify the by-law under which the remuneration or expenses were authorized to be paid. 2001, c. 25, s. 284 (2).

### Statement to be provided to municipality

**(3)** If, in any year, any body, including a local board, pays remuneration or expenses to one of its members who was appointed by a municipality, the body shall on or before January 31 in the following year provide to the municipality an itemized statement of the remuneration and expenses paid for the year. 2001, c. 25, s. 284 (3).

### Public records

**(4)** Despite the *Municipal Freedom of Information and Protection of Privacy Act*, statements provided under subsections (1) and (3) are public records. 2001, c. 25, s. 284 (4).

The annual Statement of Remuneration and Expenses summarizes the payments, remuneration and expenses to Members of Council. In compliance with the Town's Elected Officials Expense Policy, a detailed account of expenses incurred by each Council Member has been posted to the Town's website after each month.

The following bylaws provide authorization for these payments:

- |  |                 |
|--|-----------------|
| • Council remuneration   | By-law 1997-157 |
| • Council expenses   | By-law 2013-47  |
| • Newmarket Committee of Adjustment                                    | By-law 2011-20  |
| • Members of the Property Standards/<br>Fenceviewing/Appeals Committee | By-law 2011-11  |
| • Members of the Newmarket Public<br>Library Board                     | By-law 2011-06  |
| • Members of Newmarket-Tay Power<br>Distribution Limited               | By-law 2000-136 |

### **Statement of Remuneration and Expenses (Appendix A)**

The Statement of Remuneration and Expenses is a summary of the information provided in Appendices B to D. It is the formal Declaration by the Treasurer.

This includes payments by the Town of Newmarket to elected officials (members of Council) and appointed (statutory boards) officials. As such, it does not include:

- Payments to members of a board who were not appointed by Council;
- Corporate expenses incurred by the Offices of the Mayor, Regional Councillor and Ward Councillors as they are not payments to the elected officials. They are included for information purposes in the Analysis of Expenses to Members of Council (Appendix D).

The Regional Municipality of York reports separately on the payments it makes for members of the Regional Council. These are paid to the local municipality. For completeness and transparency, they have been included and shown separately in this report.

### **Remuneration for Members of Council (Appendix B)**

The intention of this schedule is to provide clarity and transparency with regards to Council remuneration.

The first section, *T4 Income Reporting*, is the information reported on the 2016 T4's for Members of Council.

The column, *Employment Income*, is the taxable amount paid and is included on the T4. This is the amount that would be reported for Public Sector Salary Disclosure if applicable. It includes both the taxable portion of remuneration from the Town and the portion paid by the Town on behalf of the Region.

It does not include the Municipal Officer's Expense Allowance, which is one-third of the Town's remuneration, which is tax free.<sup>1</sup> In compliance with the Public Sector Salaries Disclosure Act, this is the amount to be reported for the "sunshine list" and only the Mayor meets the threshold.

The second section splits the remuneration between that provided for by the Town and the Region. The Town portion, which includes the tax-free allowance, is the amount reported in the Statement of Remuneration and Expenses.

There was one severance paid in 2016, although typically they occur only in an election year<sup>2</sup>.

### **Comparison of Actual Payments to Base Pay Rates (Appendix B.1)**

The actual remuneration paid during the year will always differ from the base pay rate. There are two reasons for this:

1. Timing of paydays - the two-week payroll periods do not normally fit exactly into a 365 (or 366 day year).

The first payday in 2016 was Friday, January 15<sup>th</sup>. January 1, 2016 was paid on the last pay of 2015. The last pay of 2016 was Friday, December 30<sup>th</sup>.

2. There can be one extra weekday in a year and up to two extra workdays in a leap year.

A normal year has 260 working days (52 five-day weeks). In 2016 there were 261 working days.

Council pay rates can be found on the Town website at:

<http://www.newmarket.ca/towngovernment/pages/mayor%20and%20council/council-remuneration-.aspx>

### **Benefits for Members of Council (Appendix C)**

Some benefits, such as allowances, are generally considered to be taxable benefits and are included on the T4. For Members of Council, one-third of this amount is considered non-taxable, but is still included on the T4. The Region's share has been reported separately.

<sup>1</sup> The one-third tax-free allowance is reviewed in each term of Council. This was last done on May 22, 2012. The next report is anticipated to be presented to the Committee of the Whole on March 20, 2017.

<sup>2</sup> The severance provision for members of Council was initiated in 2008. It provides one month of pay (at current rate) for each year of service to a maximum of twelve.

Other benefits include the employer's share of statutory deductions, payroll taxes and group benefits (health and dental). The Town is self-insured for group benefits – the actual costs are dependent upon eligible claims submitted. For privacy reasons, an average was applied.

Both of these benefit totals are included in the Statement of Remuneration and Expenses.

### **Analysis of Expenses to Members of Council (Appendix D)**

This is an itemized listing of discretionary and corporate expenses incurred by members of council. This is the list that was posted on the Town's website at the end of February 2017.

The discretionary amounts have been included in the Statement of Remuneration and Expenses.

### **NEXT STEPS**

Copies of this report and its appendices will be available in hardcopy to the public through the Clerk's Office.

As well, the expenses have been posted on the Town's website at:

<http://www.newmarket.ca/towngovernment/pages/budgets%20and%20finances/council-expenses.aspx>

### **BUSINESS PLAN AND STRATEGIC PLAN LINKAGES**

This report links to Newmarket's key strategic directions in being Well Managed through fiscal responsibility and supports Council's strategic priority of aligning ourselves with communications best practices.

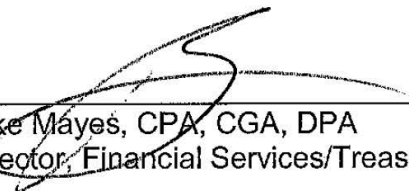
### **CONSULTATION**

The Library Board details were provided by Library staff. Newmarket-Tay Power Distribution Limited provided details on the payments to the Mayor.

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## CONTACT

For more information on this report, contact: Mike Mayes at 905-953-5300, ext. 2102 or via e-mail at [mmayes@newmarket.ca](mailto:mmayes@newmarket.ca)



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Mike Mayes, CPA, CGA, DPA  
Director, Financial Services/Treasurer



for  
Esther Armchuk, LL.B.  
Commissioner, Corporate Services

MM/vl

### *Appendices:*

- a) Statement of Remuneration and Expenses (5 pgs.)
- b) Remuneration for Members of Council (1 pg.)
  - b.1) Comparison of Actual Payments to Base Pay Rates (1 pg.)
- c) Benefits for Members of Council – (2 pgs.)
- d) Analysis of Expenses to Members of Council (13 pgs.)

**TOWN OF NEWMARKET**  
**Appendix A - STATEMENT OF REMUNERATION AND EXPENSES**  
**2016 PAYMENTS TO ELECTED AND APPOINTED OFFICIALS**

1) 2016 Payments to Members of Council pursuant to Sections 283(1) and 283(2) of the Municipal Act, 2001:

BYLAW 1997-157	REMUNERATION	BENEFITS PER T4	OTHER BENEFIT COSTS	REMUNERATION AND BENEFITS	OTHER EXPENSES	TOTAL
Anthony VanBynen	94,222.41	7,651.62	15,320.69	117,194.72	8,560.93	125,755.65
John Taylor	54,489.59	7,712.27	10,678.12	72,879.98	3,671.32	76,551.30
Christina Bisanz	48,657.50	6,989.71	9,982.43	65,629.64	2,322.01	67,951.65
Kelly Broome	48,657.50	5,789.71	9,791.63	64,238.84	1,103.94	65,342.78
Thomas Hempen	48,657.50	6,989.71	9,982.43	65,629.64	1,209.09	66,838.73
J. David Kerwin	48,657.50	6,879.73	729.88	56,267.11	4,665.67	60,932.78
Bob Kwapis	9,731.03	1,113.35	3,210.91	14,055.29	3,576.70	17,631.99
Joseph Sponga	72,236.41	2,807.63	4,807.36	79,851.40	878.72	80,730.12
Jane Twinney	48,657.50	5,789.71	9,791.63	64,238.84	3,850.40	68,089.24
Tom Vegh	48,657.50	6,989.71	9,982.43	65,629.64	5,024.90	70,654.54

**TOWN OF NEWMARKET**

**Appendix A - STATEMENT OF REMUNERATION AND EXPENSES**

**2016 PAYMENTS TO ELECTED AND APPOINTED OFFICIALS**

**2) 2016 Payments to Members of the Newmarket Committee of Adjustment pursuant to Section 283(3) of the Municipal Act, 2001:**

BYLAW 2011-20	REMUNERATION	BENEFITS PER T4	OTHER BENEFIT COSTS	REMUNERATION AND BENEFITS	OTHER EXPENSES	TOTAL
Betty Dykstra	150.00			150.00		150.00
Elizabeth Lew	600.00			600.00		600.00
Peter Mertens	525.00			525.00		525.00
Ken Smith	525.00			525.00		525.00
Fred Stoneman	450.00			450.00		450.00
Gino Vescio	720.00			720.00		720.00

**3) 2016 Payments to Members of the Property Standards/Fenceviewing/Appeals Committee pursuant to Section 283(3) of the Municipal Act, 2001:**

BYLAW 2011-10	REMUNERATION	BENEFITS PER T4	OTHER BENEFIT COSTS	REMUNERATION AND BENEFITS	OTHER EXPENSES	TOTAL
Donald L. Bond	250.00			250.00		250.00
Andrew Cox	250.00			250.00		250.00
Richard Mewhinney	100.00			100.00		100.00
Keith Saunders	350.00			350.00		350.00
Jay Shanmugam	100.00			100.00		100.00
Gino Vescio	100.00			100.00		100.00



**TOWN OF NEWMARKET**  
**Appendix A - STATEMENT OF REMUNERATION AND EXPENSES**  
**2016 PAYMENTS TO ELECTED AND APPOINTED OFFICIALS**

**4) 2016 Payments to Members of the Newmarket Public Library Board pursuant to Section 283(3) of the Municipal Act, 2001:**

BYLAW 2011-06	REMUNERATION	BENEFITS PER T4	OTHER BENEFIT COSTS	REMUNERATION AND BENEFITS	OTHER EXPENSES	TOTAL
Kelly Broome-Plumley				-	-	-
Tara Brown				-	142.46	142.46
Darcy McNeill				-	-	-
Venkatesh Rajaraman				-	-	-
Joe Sponga				-	-	-
Joan Stonehocker				-	-	-
Tom Vegh				-	147.55	147.55

**5) 2016 Payments to members of Newmarket-Tay Hydro board appointed by Council pursuant to Section 283(3) of the Municipal Act, 2001:**

BYLAW 2000-136	REMUNERATION	BENEFITS PER T4	OTHER BENEFIT COSTS	REMUNERATION AND BENEFITS	OTHER EXPENSES	TOTAL
Anthony VanBynen	12,004.00			12,004.00		12,004.00

**6) 2016 Payments to Members of Regional Municipality of York Council:**

	REMUNERATION	BENEFITS PER T4	OTHER BENEFIT COSTS	REMUNERATION AND BENEFITS	OTHER EXPENSES	TOTAL
Anthony VanBynen	54,337.92	-	8,992.79	63,330.71	4,863.62	68,194.33
John Taylor	54,337.92	-	8,908.33	63,246.25	1,193.38	64,439.63

Respectfully submitted,

**TOWN OF NEWMARKET**  
**Appendix A - STATEMENT OF REMUNERATION AND EXPENSES**  
**2016 PAYMENTS TO ELECTED AND APPOINTED OFFICIALS**

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Mike Mayes, Treasurer