



## Legislation Text

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**File #:** CB-18-017, **Version:** 1

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**TAMRMS#:** B06

### **GPFC Recommendation: Policy C-CC-03 Council Remuneration & Expense Policy Re: Removal of 1/3 Tax Exemption**

Presented by: Kevin Scoble, Chief Administrative Officer

#### **RECOMMENDATION(S)**

That the following Postponed Motion be approved:

(PM-19-006)

“That in order to fully compensate Council Members due to the removal of the 1/3 tax exemption for Municipal leaders, the Mayor's base salary be increased by \$19,500 to \$131,920 and Councillor's base salary be increased by \$5,400 to \$51,390 effective January 1, 2019 and; that the 2019 budget be increased by \$51,900.”

#### **PURPOSE OF REPORT**

To provide Council with the financial impacts of the removal of the 1/3 tax exemption that becomes effective January 1, 2019 along with recommended and alternative options for Council consideration.

#### **ALIGNMENT TO COUNCIL STRATEGIC PRIORITY**

N/A

#### **ALIGNMENT TO ADMINISTRATIVE PRIORITY**

N/A

#### **ALIGNMENT TO SERVICE DELIVERY**

N/A

#### **COUNCIL DIRECTION**

On September 4, 2018 the Governance, Priorities and Finance Committee passed the following motion:

(AR-18-349)

“That in order to fully compensate Council Members due to the removal of the 1/3 tax exemption for Municipal leaders, the Mayor's base salary be increased by \$19,500 to \$131,920 and Councillor's

base salary be increased by \$5,400 to \$51,390 effective January 1, 2019 and; that the 2019 budget be increased by \$51,900."

## **BACKGROUND AND DISCUSSION**

Within the 2017 federal budget, the government announced their intention to remove the 1/3 tax exemption currently afforded to municipal Council Members. This tax change will take effect on January 1, 2019.

The original agenda report is provided as an attachment titled "September 4, 2018 GPFC Council Remuneration".

## **IMPLICATIONS OF RECOMMENDATION(S)**

Financial: Increasing the Mayor and Councillor salaries to compensate for the change in personal tax legislation will require an increase to the 2019 budget in the amount of \$51,900.

Legal / Risk:

None at this time

Program or Service:

None at this time

Organizational:

None at this time

Report Date: November 26, 2018

Author(s): Diane McMordie

Committee/Department: Finance & Assessment Department

Chief Administrative Officer: Kevin Scoble