



SUMMARY OF INVESTIGATION

NORTHERN HAMLET OF BLACK POINT

COMPLAINT

We received a complaint that the council members of the Northern Hamlet of Black Point gave themselves an inordinately high monthly honorarium for attending council meetings.

We investigated whether the Black Point council complied with the requirements of *The Northern Municipalities Act, 2010* regarding how to set council members' remuneration.

FACTS

According to the Government of Saskatchewan's online municipal directory, Black Point has a population of 47. In 2017-18, it received a municipal revenue sharing grant of \$225,019 from the provincial government under *The Municipal Grants Act* and *The Municipal Grants Regulations*. It has a mayor and two council members.

On January 11, 2017, the council voted to raise the honorarium payable to each council member for attending council meetings from \$500 per month to \$800 per month, to take effect immediately. On October 18, 2017, it voted to raise the monthly honorarium payable to the mayor from \$1,500 to \$1,800 a meeting retroactive to January 11, 2017. The clerk told us that she never issued a public notice before the January 11, 2017 or the October 18, 2017 meetings. The clerk told us that there are no other committees or boards that council members sit on to receive their honorarium – just the one monthly council meeting.

In addition, we were told that each council member is compensated for attending out-of-town meetings at a rate of \$100 per day.

FINDINGS

Section 101 of *The Northern Municipalities Act, 2010* provides for council members to be paid any remuneration and benefits and any reimbursement or allowances for expenses that may be fixed by council. Section 146 lists the matters about which the council must give public notice before considering them at a council meeting. One of these is the setting council remuneration.

The public notice is to be given in the manner described in the public notice bylaw, which all municipalities are required to have. It must set out the minimum notice requirements and the methods of notice to be followed. Regardless of what the public notice bylaw states, however, *The Northern Municipalities Act, 2010* requires a council to give at least seven days' public notice before the council meeting at which the matter is going to be discussed.

Black Point does not have a public notice bylaw, so it is in contravention of *The Northern Municipalities Act, 2010*. It also contravened *The Northern Municipalities Act, 2010* by not giving public notice before the meetings during which it was going to discuss council remuneration. This was not procedurally fair to any residents with an interest in the council's accountability for the public money it spends.

Providing public notice is a legal requirement, but it is also a key element of procedural fairness. In this case, residents should have been given the opportunity to question what municipal work the council members are doing to justify the money they are paying to themselves. Providing reasonable public notice would have given residents an opportunity to voice their concerns, if any, to the council.

While the Act is silent on what is reasonable for council members to be compensated, we note that the honorarium Black Point's council members are paying themselves is almost 18% of the total annual municipal grant it receives.

RECOMMENDATIONS

As a result of our investigation, we made the following recommendations:

- 1. The Council of the Northern Hamlet of Black Point repeal the January 11, 2017 and October 18, 2017 resolutions that increased the honorarium for attending council meetings to \$800 per month for the councillors and to \$1,800 per month for the mayor.**
- 2. The Council of the Northern Hamlet of Black Point adopt a public notice policy by Bylaw as required by subsection 146(3) of *The Northern Municipalities Act, 2010*.**
- 3. The Council of the Northern Hamlet of Black Point give public notice of its intention to set the remuneration for members of the council as required by section 146 of *The Northern Municipalities Act, 2010*, ensuring the notice provides reasonable details of the amount of remuneration being considered.**

RESPONSE TO DRAFT INVESTIGATION REPORT

On April 12, 2019, we gave the clerk and the mayor copies of the draft investigation report to give the council an opportunity to review it and provide us with any representations before we finalized the report. In a May 16, 2019 letter, the clerk said that the council had received the report but that with the absence of a council member, it had decided to table the report until such time as all council members could discuss it and respond to us. In a May 27, 2019 letter, the clerk said that the council decided it would hold a public meeting to discuss remuneration once it had written and adopted a public notice bylaw. The council did not, however, make any resolution in relation to our report or recommendations.

Based on the above information, we conclude that the council has accepted our recommendations in principle. It appears to now understand what is required to comply with *The Northern Municipalities Act, 2010*; that it needs a public notice bylaw and must give public notice before deciding the amount of council's remuneration.

It is our intention to follow up with Black Point by December 31, 2019 on its progress in implementing the recommendations.