

Pilon, Janet

Subject: FW: Councillors remuneration

It appears that Lakewood Beach Community are quoting (a) the pre 65 annual pension benefit and (b) not reducing it by the amount that Council would have received under the status quo.

For clarity, attached are estimated pensions based on different credited years of service for the Mayor and a Councillor and based on the following scenarios:

- a) Status quo (where the 5-year best average earnings is based on the current taxable remuneration)
- b) November 30 2018 (where the 5 year best average earnings includes the higher rate as of Jan 1 2016)
- c) December 31 2020 and beyond (where the 5 year best average earnings includes 5 years at the higher rate)

And the gain in pension is derived by the difference in pension under scenario (b) or (c) as compared to the status quo (a).

It is important to acknowledge that the pensions are lifetime pensions and indexed for inflation in accordance with the OMERS pension plan.

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Councillor Remuneration

Estimated Annual Pension at Age 65

Councillor			
Yrs of Credited Service	Status Quo	At Nov 30 2018	At Dec 31 2020 or later (when a full 5 yrs at the higher rate is realized)
1	\$ 641.66	\$ 1,103.68	\$ 1,453.34
5	\$ 3,208.30	\$ 5,518.40	\$ 7,266.70
10	\$ 6,416.60	\$ 11,036.80	\$ 14,533.40
15	\$ 9,624.90	\$ 16,555.20	\$ 21,800.10
20	\$ 12,833.20	\$ 22,073.60	\$ 29,066.80
25	\$ 16,041.50	\$ 27,592.00	\$ 36,333.50
30	\$ 19,249.80	\$ 33,110.40	\$ 43,600.20

Gain in Estimated Annual Pension at Age 65

Councillor			
Yrs of Credited Service	Status Quo	At Nov 30 2018	At Dec 31 2020 or later (when a full 5 yrs at the higher rate is realized)
1	\$ -	\$ 462.02	\$ 811.68
5	\$ -	\$ 2,310.10	\$ 4,058.40
10	\$ -	\$ 4,620.20	\$ 8,116.80
15	\$ -	\$ 6,930.30	\$ 12,175.20
20	\$ -	\$ 9,240.40	\$ 16,233.60
25	\$ -	\$ 11,550.50	\$ 20,292.00
30	\$ -	\$ 13,860.60	\$ 24,350.40

Assumptions:

- 1 Best Average Earnings (status quo)= 48427.20
- 2 Best Average Earnings (Nov 30 2018) = 72902.89¹
- 3 Best Average Earnings (Dec 31 2020) = 90385.76
- 4 Average YMPE = 52500 or BAE whichever is lower
- 5 Taxable Benefits have been excluded from BAE

¹BAE at Nov 30 2018

Year	Mos	Earnings
2018	11	\$ 82,852.92
2017	12	\$ 90,385.76
2016	12	\$ 90,385.76
2015	12	\$ 48,427.20
2014	12	\$ 48,427.20
2013	1	\$ 4,035.60
	60	\$ 364,514.44
5 yr BAE		\$ 72,902.89

Mayor Remuneration

Estimated Annual Pension at Age 65

Mayor			
Yrs of Credited Service	Status Quo	At Nov 30 2018	At Dec 31 2020 or later (when a full 5 yrs at the higher rate is realized)
1	\$ 1,342.76	\$ 2,352.92	\$ 3,074.46
5	\$ 6,713.80	\$ 11,764.60	\$ 15,372.30
10	\$ 13,427.60	\$ 23,529.20	\$ 30,744.60
15	\$ 20,141.40	\$ 35,293.80	\$ 46,116.90
20	\$ 26,855.20	\$ 47,058.40	\$ 61,489.20
25	\$ 33,569.00	\$ 58,823.00	\$ 76,861.50
30	\$ 40,282.80	\$ 70,587.60	\$ 92,233.80

Gain in Estimated Annual Pension at Age 65

Mayor			
Yrs of Credited Service	Status Quo	At Nov 30 2018	At Dec 31 2020 or later (when a full 5 yrs at the higher rate is realized)
1	\$ -	\$ 1,010.16	\$ 1,731.70
5	\$ -	\$ 5,050.80	\$ 8,658.50
10	\$ -	\$ 10,101.60	\$ 17,317.00
15	\$ -	\$ 15,152.40	\$ 25,975.50
20	\$ -	\$ 20,203.20	\$ 34,634.00
25	\$ -	\$ 25,254.00	\$ 43,292.50
30	\$ -	\$ 30,304.80	\$ 51,951.00

Assumptions:

- 1 Best Average Earnings (status quo)= 84856.57
- 2 Best Average Earnings (Nov 30 2018) = 135364.52¹
- 3 Best Average Earnings (Dec 31 2020) = 171441.62
- 4 Average YMPE = 52500
- 5 Taxable Benefits have been excluded from BAE

¹BAE at Nov 30 2018

Year	Mos	Earnings
2018	11	\$ 157,154.82
2017	12	\$ 171,441.62
2016	12	\$ 171,441.62
2015	12	\$ 84,856.57
2014	12	\$ 84,856.57
2013	1	\$ 7,071.38
	60	\$ 676,822.58
5 yr BAE		\$ 135,364.52