



SUBJECT: Citizen Committee Review of Council Compensation, Expense Limits and Staffing Requirements

TO: Committee of the Whole

FROM: Clerks Department

Report Number: CL-04-17

Wards Affected: All

File Numbers: 130-01

Date to Committee: January 30, 2017

Date to Council: February 13, 2017

Recommendation:

Approve the terms of reference for a citizen committee to review council's compensation plan, expense limits and staffing requirements as outlined in Appendix A of clerks department report CL-4-17.

Purpose:

An Engaging City

- Good Governance

Background and Discussion:

Each council term, a citizen committee is established with a mandate to complete the necessary research, outline the basis for recommendations and make recommendations to inform members of council about the options available to them regarding council's compensation plan, expense limits and staffing support requirements.

A citizens committee was established by council in February 2013 (report CL-04-13). The mandate of the committee was to complete the necessary research and make recommendations to the Budget & Corporate Services Committee on the following matters impacting future City of Burlington councils:

- The compensation plan for council members;
- The expenditure budget for council members to meet their Council duties and responsibilities considering City, Region, local board and committee work;
- The administrative and technical support that should be provided to council members through the Councillors Office and Mayor's Office;
- Any other matter arising during the review determined to be relevant to the tasks of the committee or an important consideration by the Committee.

Previous to the 2013 review a citizen committee reviewed council compensation in 2006 and council expense limits and staffing in 2009.

In March 2013 Council approved the Citizen Committee's report on Council expense limits and staffing requirements. The following is a summary of the approved recommendations:

- Include the roles and responsibilities of the Mayor and Council outlined in the report from the 2013 Citizen Committee to Review Council Compensation, Expense Limits and Staffing Requirements, in all materials providing information on the role of Council such as materials distributed to potential candidates for Mayor and Council; and
- Direct the Customer Service Team to develop a plan to educate the public on how best to deal with the City to resolve issues through the appropriate staff prior to contacting the office of the Mayor and Council; and
- Continue the current level of staff support for the Mayor and Council (i.e. one assistant per Councillor and three staff in the Mayor's Office) and include in the mandate of the 2017 Citizen Committee a review of the staffing requirements and potential reduction in staff support in light of the implementation of new customer service processes; and
- Continue the annual expense allowance of \$32,000 for the Mayor and \$9,000 for each Councillor with the allowable expenditures as currently defined in the Council Expense Manual and continue the restrictions on carrying unused funds into future budget years with the exception of professional development funds in non-election years; and
- Continue the current level of pension and benefits for Mayor and Council and in the disclosure and description of benefits on the City's website include the monetary value of the parking benefit; and
- Request the Burlington Hydro Board to change the appointment of the Mayor to the appointment of a Member of Council to be rotated each term; and

- Request the Burlington Hydro Board to provide no compensation to members of Council appointed and make a similar request to any other board that provides compensation to Council members appointed by Burlington City Council. If compensation must be made then the payment should be made to the City of Burlington and added to the general revenues; and
- Review the implications and conflicts with members of Council being appointed to agencies, boards and committees; and
- Direct the City Clerk to provide additional instruction to members of Council and their staff on the process to reallocate funds between line items within the individual council member's budget and clarification on what expenses are corporate and which are funded by the member of Council's budget; and
- Direct the City Clerk to draft a Code of Conduct for members of Council which addresses, donations, fundraising, sponsorship, entertainment and the acceptance of gifts by members of Council as well as other standards clauses included in Codes across the Province. The Code of Conduct for members of Council should not be less stringent than the Code of Conduct established for City of Burlington staff; and
- Maintain the compensation for Councillors at \$53,095 per year and the Mayor at \$121,676 per year and adjust annually on April 1 by a percentage equal to the average annual change in the all Ontario consumer price index (CPI) for the twelve month period October to September with the provision that the increase is to have the following banding:
 - Any increase cannot be greater than the increase determined for budget purposes for non-union staff compensation;
 - No increase can be granted in the event the Ontario CPI amount is less than 1%;
 - Any increase cannot exceed 65% of the calculated Ontario CPI percentage;
 - When no increase is taken in a year, the amount cannot be carried over and aggregated in future years (i.e. no carry-over of forfeited increases from any year to another);
 - Overall Council may adjust the calculated increase within the banding to a lesser amount than that determined while meeting the provisions stated; and
- Direct the Executive Director of Human Resources to present information on the compensation and computation of the formula to Council in open session in January each year.

Strategy/process

Citizen Committee Membership

The committee membership size is proposed to have seven members as this has been effective in the past to represent a broad number of perspectives that will reflect our community. The goal is to have the membership include some returning members, for continuity. The membership will have representation from citizens, boards and business.

The City Clerk will approach all members of the previous citizens committee about their interest in being part of this process and request representation from the appropriate organizations, i.e. bank. Members of council are welcome to provide the City Clerk with names of individuals they feel are appropriate by March 1, 2017. The City Clerk will contact each person and update council on the committee membership once it is finalized. Due to the type of representation on this committee, it is not staff's intention to recruit committee members through advertisement in any form.

Process

The committee once established will develop a schedule with staff at their first meeting and determine if monthly or bi-weekly meetings will be required to complete the work. The Committee will review previous recommendations, reports, city information, research, interview members of council. They will develop guiding principles and build consensus on recommendations to formulate a final report. The Committee will receive any necessary information from City staff and elsewhere as needed.

The following is an outline of the proposed process the committee will follow once established:

1. Convene citizen committee to review their terms of reference and discuss their process plan ideas along with the guiding principles and recommendations from 2013;
2. Confirm committee's information needs and process plans: data, surveys, interviews, etc.
3. Review research and history;
4. Discuss background, options and impacts with staff resources (i.e. Human Resources, Finance, City Manager's Office, Clerks, Legal if required);
5. Discuss options, formulate recommendations and draft report;
6. Finalize committee report;
7. Report to Committee of the Whole;
8. With work completed, disband committee.

Timeline

The committee is proposed to start meeting in March and complete their research along with formulation of recommendations by the end of the summer. The report will be presented in the fall of 2017.

Guiding Principles

The 2013 citizen committee developed the following guiding principles to focus their recommendations as a result of the variety of information they gathered including comparable municipalities as well as current and historical information relevant to council compensation.

These principles will be reviewed and discussed by the new committee to help them confirm their guiding principles.

- **Accountability to Citizens:** As stewards of municipal resources, members of council are accountable to the public for the type and level of expenses they incur;
- **Transparency:** Openness is fundamental to constituent evaluation of the effectiveness of elected representatives;
- **Appropriate and Equitable Access to Resources:** City resources are to be used for the benefit of the city as a whole. There should be adequate access to resources to fulfill the role on Council;
- **Flexibility and Limits:** While there should be individual choice about how members of Council allocate the assigned resources in order to effectively serve their constituency; reasonable, prudent, appropriate and controlled use of taxpayer funds is critical;
- **Expectations:** Discretionary eligible expenses must reflect what the public expects of the mayor and councillors in the conduct of their roles and responsibilities, support effective council teamwork, and focus on the City's strategic directions;
- **Total Remuneration:** Total remuneration for members of Council is to consider short and long term affordability for the City, general economic factors, the essential workload of members of Council, and remuneration at comparable municipalities.

Terms of Reference

The proposed terms of reference for the committee, including committee mandate, composition, term of assignment and budget, is included in Appendix A to this report.

Financial Matters:

All meeting expenses for the committee will be within the Committee Services cost centre 481000 of the Clerks Department. The majority of the background information the

committee will require is readily available and has no cost associated with it for the committee.

Public Engagement Matters:

Following Council approval of the terms of reference the clerks department will begin recruitment for committee members. Appointees will receive a copy of the terms of reference for the committee and will undergo any further required orientation.

Conclusion:

The establishment of a citizen committee of impartial and knowledgeable individuals to review council's compensation, expense limits and staffing requirements is an effective way to examine the needs of our municipality's elected officials.

Respectfully submitted,

Danielle Manton

Manager of Committee and Election Services

905-335-7600 ext 7490

Appendices:

A. Terms of Reference

Report Approval:

All reports are reviewed and/or approved by Department Director, Director of Finance and Director of Legal. Final approval is by the City Manager.

**Citizen Committee to review
Council's Compensation, Expense Limits and Staffing Requirements
Terms of Reference**

Mandate

To complete the necessary research and make recommendations to the Committee of the Whole Committee by November 2017 on the following matters impacting future City of Burlington councils:

- The compensation plan for council members;
- The expenditures budget for council members to meet their Council duties and responsibilities considering City, Region, local board and committee work;
- The annual administrative and technical support that should be provided to council members through the Councillors Office and Mayors Office;
- Any other matter arising during the review determined to be relevant to the tasks of the committee or an important consideration by the Committee (workload distribution, severance, etc.).

Reports to: Committee of the Whole

Established by: Clerks Report CL-04-17

Term of Assignment: The committee will complete their work with a report of their recommendations to be presented to Committee of the Whole by the end of November 2017.

Meeting Schedule: The meeting schedule for the committee will be developed with the committee members and staff at the first meeting. Monthly or bi-weekly meetings will be needed to complete the work within the time requirement.

Membership Composition

The committee membership will include seven members to match the size of Burlington's council, with balanced representation from:

- City of Burlington's bank
- a local board
- a citizen advisory committee member
- the Chamber of Commerce
- community social services organization e.g. Community Development Halton
- Two Burlington residents;

Selection:

- City Clerk or designate will approach all members of the previous citizens committee about their interest in being part of the process and request representation from the appropriate organizations.
- Members of council are welcome to provide the City Clerk with names of individuals they feel are appropriate to the needs of the committee by March 1, 2017. The City Clerk will contact each person and update council on the committee membership once it is finalized.
- Due to the type of representation on this committee, it is not staff's intention to recruit committee members through advertisement in any form.

Chair / Vice Chair: The Chair and Vice Chair are elected by the membership at the first meeting.

Quorum: Quorum is not required for this committee's meetings.

Staff support

- City Manager or designate will participate in committee meetings as a non-voting member.
- City Clerk or designate guidance to the committee as a non-voting member.
- The Manager of Committee and Election Services will provide administrative support as a non-voting member.
- The Director of Human Resources or designate will provide support and guidance to the committee as a non-voting member,
- The Director of Finance or designate will be invited to specific meetings when requested by the committee.

Budget:

- All meeting expenses for the committee will be covered by the Clerks department committees cost centre.
- If a consultant is required for the compensation review, it will be funded by a Human Resources cost centre.
- All revenues and expenditures must be authorized through the City Clerk and processed in keeping with corporate policies.