



SUBJECT: Council remuneration and expense recommendations implementation plan

TO: Corporate Services, Strategy, Risk & Accountability Cttee.

FROM: Finance Department

Report Number: F-17-22

Wards Affected: all

File Numbers: 100-02

Date to Committee: May 4, 2022

Date to Council: May 17, 2022

Recommendation:

Approve the implementation plan for the recommendations arising from the report by the Council Remuneration Review Working Group (CRRWG); and

Approve the Discretionary Budget Policy attached as appendix A to finance department report F-17-22; and

Approve By-law XX-2022, a by-law to establish the Council Members Special Initiatives Reserve Fund attached as appendix B to finance department report F-17-22; and

Approve the Council Member Expense Manual attached as appendix C to finance department report F-17-22.

PURPOSE:

To present an implementation plan for the recommendations arising from the report of the CRRWG that was approved at the CSSRA meeting of November 10, 2021

Vision to Focus Alignment:

- Building more citizen engagement, community health and culture

Background and Discussion:

Every four years prior to an election year a citizen committee is created to provide an independent third-party review of Council compensation and expenses. In April 2021, through report CL-08-21 Council approved the terms of reference for the CRRWG on

Council remuneration, benefits, expense limits and resources. The mandate of the CRRWG is to complete the necessary research, review existing policies and practices, make comparisons with similar sized peer and neighbouring municipalities, and produce an independent report with recommendations for the total level of compensation, benefits, and expenses for the term of office commencing November 14, 2022. The CRRWG presented a report providing recommendations on Council Remuneration and Expenses at the CSSRA meeting of November 10, 2021.

At the CSSRA meeting of November 10, 2021, committee approved the report and issued a staff direction to report back to the Corporate Services, Strategy, Risk and Accountability Committee with a timeline for each of the Council Remuneration Review Working Group recommendations, including an implementation plan. Report F-17-22 addresses the staff direction.

Strategy/process

Staff have carefully reviewed the recommendations of the report and considered timelines and an implementation plan as presented in this report.

Recommendation:

The salary structure currently used, including annual increases based on CPIs be maintained.

Implementation

The salary structure aligns to the Region of Halton's structure as Councillors receive compensation from the Region as well as the city. This structure will remain in place.

Recommendation:

The appropriate city staff should conduct a review of its benefit packages as they apply to City Councillors considering the bases of equity during their review of all human resource policies.

Implementation

The Executive Director of Human Resources will consider this item as part of a regular review of the City's benefits program.

Recommendation:

The Council Expense Manual be amended to provide the following:

- Establish a reserve account accessible by all members of Council, made up of surpluses that exist at the end of the year. This would require establishing a policy for when and how such funds might be accessed.
- Increase each expense account by the increase in the relevant CPIs each year.

Implementation:

A by-law to establish the Council Members Special Initiatives Reserve Fund is attached as appendix B of report F-17-22. A revised Council Member Expense Manual which includes instructions on accessing the reserve fund is attached as appendix C. The Special Initiatives Reserve Fund may be accessed by any member of Council for an initiative that is outside the discretionary budget of the Council member. Such initiatives may be, for example, communication with constituents using a mail out. The process for applying for use of the reserve fund will be through a request submitted to the Chief Financial Officer. Deadlines for submitting the request will be November 1. The Chief Financial Officer or delegate will determine that:

1. The request is reasonable, and the initiative involves City or ward business.
2. The request is not being made in an election year.
3. That the discretionary budget available for the Council member will not accommodate the cost of the initiative.
4. Enough funds are available in the reserve fund to accommodate the request.

On an annual basis a report will be submitted to Council detailing any requests from the reserve fund including the total amount requested. The annual reporting on Councillor Remuneration and Expenses will include any such items. They will be reported as "Initiatives funded from a reserve fund."

Staff have carefully considered the recommendation to increase each expense account by CPIs. Historically the CRRWG has considered the Councillors' discretionary budget and made recommendations of an increase by a specific amount. Staff feel it is better to leave this matter in the hands of the CRRWG every four years rather than increase annually by CPI.

Recommendation:

The Office of the Mayor hire a full-time permanent assistant who would be able to serve consecutive Mayors.

Implementation:

The need for this position should be assessed and approved by the new Council after the election.

Recommendation:

- In the short term, Council and the Mayor should choose a rotation cycle length that leads to the most seamless transition for the “Deputy Mayor” should that role be required.
- In the longer term, Council and the Mayor should develop a clear definition of the role of “deputy” or “interim” mayor and incorporate this within a policy or by-law concerning its use.

Implementation:

As noted in the CRRWG report, implementation of the recommendation should rest with Council and the Mayor and be addressed by the new Council after the election.

Financial Matters:

Although there was no recommendation tied to the discussion, the CRRWG report did address the need for a constituent relationship management solution. It was suggested that the system should be funded at a cost of \$2,000 out of Council members’ discretionary budget. Through the 2022 budget discussions it was determined that the new solution would be funded through the ITS operating budget and not through the Councillors’ budgets.

Engagement Matters:

During the work of the CRRWG, each Councillor and the Mayor were interviewed to determine their level of satisfaction with their remuneration and discretionary budget. Interviews were also held in connection with the development of the Council Member Expense Manual.

Conclusion:

Report F-17-22 presents an implementation plan for the recommendations from the CRRWG report of November 2021 and addresses the staff direction.

Respectfully submitted,

Sandy O'Reilly

Finance Lead ERP

905-335-7600 x 7648

Appendices:

- A. Discretionary Budget Policy
- B. By-law to establish a reserve fund
- C. Council Member Expense Manual

Report Approval:

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer, and the Executive Director of Legal Services & Corporation Counsel.