
SUBJECT: Council Remuneration and Total Rewards By-law and Working Group Terms of Reference

TO: Committee of the Whole

FROM: Legal and Legislative Services
Legislative Services

Report Number: LLS-08-25

Wards Affected: All

Date to Committee: April 7, 2025

Date to Council: April 15, 2025

Recommendation

Approve the Terms of Reference attached as Appendix A to legislative services report LLS-08-25 for the Council Remuneration Review Working Group; and

Direct the City Clerk to proceed with recruitment for the Council Remuneration Review Working Group (2026-2030 term) outside of the public appointment policy, with the selected appointments reviewed by the Chief Administrative Officer; and

Direct the Council Remuneration Review Working Group to report its findings to Council before December 31, 2025; and

Approve a by-law to provide for the payment of remuneration and expenses for Mayor and Members of Council, substantially in the form attached as Appendix B to legislative services report LLS-08-25.

Executive Summary

Purpose of report:

- This report responds to staff direction SD-18-24 approved by Council at its meeting held Dec. 10, 2024, directing the City Clerk to bring back a Terms of Reference to constitute the Council Remuneration Review Working Group in Q1 of 2025.
- For each new term of Council, a citizen working group is established to review remuneration and staff/budget support provided to members of council.

- The recommended mandate of the working group is to conduct research, review policies and practices, make comparisons to similar sized municipalities and prepare a report with recommendations for remuneration and support, including salary, group benefits, OMERS, staff support and financial/budgetary support for the next term of council office (2026-2030).
- Staff recommend that Council consider the recommendations of the working group when proposing Mayor and Council member remuneration and benefits for the 2026-2030 term of Council.
- At its meeting held Dec. 10, 2024 Council repealed By-law 129-2006, which required that Council salaries be paid in accordance with the recommendations of a Council Remuneration Working Group.
- At its meeting held Jan. 28, 2025, Council approved an amendment to Mayor and Council remuneration to provide a “payment in lieu” to members of council over 71 equal to the city portion of OMERS effective from the beginning of the 2022 Term of Office in Nov/Dec 2022, through to the end of the Council term.
- The purpose of this report is to present a Terms of Reference document for the Council Remuneration Review Working Group that outlines the working group’s purpose, structure and how its members will work together, for Council’s consideration and approval, and to get approval to proceed with recruitment and subsequent appointment of the working group members.
- A further purpose of this report is to approve a by-law for the payment of remuneration and expenses for the Mayor and Members of Council in accordance with the *Municipal Act, 2001*.

Recommendation Report

Background

While there is no *Municipal Act* requirement for a municipality to establish a Council Remuneration Review Working group, it has been the City's past practice (as established in By-law 129-2006, and previous by-laws) to determine Council Members' remuneration and expenses based on recommendations of a citizen group. The last Council Remuneration Review Working Group was established in 2021, to determine remuneration for the 2022-2026 Term of Council.

In 2021, the working group met seven times commencing in June 2021 to discuss and research Council compensation. Members of Council and the City Manager were interviewed individually to gather their perspective and feedback, and a final report providing recommendations regarding salaries, benefits, expense budgets, staffing, customer relationship management system and deputy mayor role was submitted for Council's consideration at their meeting held November 23, 2021.

In 2024, staff were directed to report to Council on including OMERS as part of the benefits package for Council. At that time, Council was advised by staff that section 1 of by-law 129-2006, prevented Council from considering its OMERS benefits outside of a recommendation from a Committee on Council Responsibilities and Compensation.

To address this issue, Council repealed By-law 129-2006, at its meeting held Dec. 10, 2024. Subsequently, at its meeting held Jan. 28, 2025, Council amended the approved remuneration for the Mayor and Council to provide a "payment in lieu" to members of Council over 71 equal to the City portion of OMERS effective from the beginning of the 2022 Term of Office in Nov/Dec 2022, through to the end of the term.

Municipal Councils may determine the remuneration and benefits for members of Council pursuant to the broad authority provided in the *Municipal Act* to municipalities to govern their affairs as they consider appropriate through Council's exercise of that authority by bylaw.

Subsection 284(1) requires that the treasurer of a municipality shall provide an itemized statement to Council on remuneration and expenses paid in the previous year to members of Council and local boards. Subsection 284(2) of the Act provides that statements of remuneration and expenses issued by the treasurer shall identify the by-law that determines remuneration or expenses paid.

A new by-law is required to ensure that the 2025 itemized statement of remuneration and expenses for Council members and appointees can be issued in 2026 in accordance with Section 284(2) of the Act.

Analysis

A citizen-led review process and subsequent recommendations regarding council remuneration has been an effective and objective approach to establishing remuneration and benefits for members of council. Working groups offer informed, unbiased, and community-focused recommendations for Council to consider. There are several municipalities that have established a citizen review group to make impartial recommendations regarding council member's remuneration, expenses and staffing including but not limited to Guelph, Windsor, St. Catherines, and Brantford.

The proposed membership of seven residents aims to strike a balance between having a manageable size and a group that brings a broad range of perspectives and that are representative of the whole community.

The Terms of Reference being proposed is to that which has been approved in past terms of Council (2017 and 2021). It is proposed that a Council Remuneration Review Working Group be established in 2025 to make recommendations to Council regarding their remuneration and support, including salary, group benefits, OMERS, staff support and financial/budgetary support.

Council approval of remuneration for the subsequent term of Council was previously tied to recommendations from the Council Remuneration Review Working Group, pursuant to By-law 129-2006. As a result of the repeal of by-law 129-2006, Council is not required to approve the recommendations of the Working Group. However, in accordance with the staff direction approved by Council at its meeting held Dec. 10, 2024, directing the City Clerk to bring back a Terms of Reference to constitute the Council Remuneration Review Working Group in Q1 of 2025, staff recommends that Council approve the recommended Terms of Reference attached as Appendix 'A' to this report, that a Working Group be established, and that the Working Group report its findings to Council prior to December 31, 2025. While it is contemplated that the Working Group will make recommendations to Council, Council would decide on the compensation for the 2026-2030 Term of Council after considering the Working Group recommendations.

A draft by-law to ensure that the 2025 itemized statement of remuneration and expenses for Council members and appointees can be issued in 2026 in accordance with Section 284(2) of the Act is attached as Appendix 'B' to this report.

Recommendation Details

Staff recommend that a citizen working group be established with a clear mandate that has a start and end date (in 2025) to research, review and provide recommendations to council regarding council remuneration. Staff recommend that Council take into consideration the working group's research and recommendations in determining council remuneration and benefits for the next council term. The Working Group will disband once Council considers the group's final report. Council must approve Council remuneration that will come into effect November 15, 2026 for the new term of Council.

The by-law to provide for the payment of remuneration and benefits for the Members of Council and appointees is attached as Appendix 'B' to this report.

Key Dates & Milestones

- Recruit members for the Council Remuneration Review Working Group – May 2025
 - Convene Council Remuneration Review Working Group – June 2025
 - Working group meets to research, review and discuss Council remuneration – as required from Jun. – October 2025.
 - Working Group report recommendations presented to Council – no later than December 2025
 - Council decision on Council remuneration for 2026-2030 term of Council – after consideration of Working Group recommendations
 - Remuneration for 2026-2030 term of Council implemented – November 2026
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Implications

The Working Group will be supported by Human Resources with additional support from Finance as required and meeting support from Legislative Services.

References

- [Report CL-33-21](#) Council Remuneration Review Working Group Recommendations
 - [Report CL-08-21](#) Council Remuneration Working Group Terms of Reference
 - [Report FIN-01-25](#) Remuneration and expenses paid to Council and appointees for 2024
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Strategic Alignment

- Designing and delivering complete communities
 - Providing the best services and experiences
 - Protecting and improving the natural environment and taking action on climate change
 - Driving organizational performance
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Appendices:

- A. Draft Council Remuneration Review Working Group Terms of Reference
- B. Draft By-law xx-2025, a by-law to provide for the payment of remuneration and expenses for the Mayor and Members of Council and appointees

Draft By-laws for Approval at Council:

Draft By-law xx-2025, a by-law to provide for the payment of remuneration and expenses for the Mayor and Members of Council and appointees to be approved at Council on April 15, 2025.

Notifications:

None

Report Approval:

All reports are reviewed and approved by the Commissioner, Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.