

**To:** COUNCIL

**Meeting Date:** 2/28/2023

**Subject:** 23-082-CRS Citizen Committee for Council Compensation – Recommendations

**Submitted By:** Danielle Manton, City Clerk

**Prepared By:** Danielle Manton, City Clerk and Sheryl Ayres, Chief Financial Officer

**Report No.:** 23-082-CRS

**File No.:** C1101

**Wards Affected:** All Wards

### **RECOMMENDATION(S):**

THAT Report 23-082-CRS Citizen Committee for Council Compensation – Recommendation Report be received;

AND THAT Council approve the recommendations proposed by the Citizen Committee as outlined in Appendix A to report 23-082-CRS;

AND FURTHER THAT Council approve the proposed Council Expense Policy as outlined as Appendix C to report 23-082-CRS.

### **EXECUTIVE SUMMARY:**

#### **PURPOSE:**

The purpose of this report is to present the findings of the Citizen Committee for Council Compensation for the term of 2022-2026. The Committee was tasked with reviewing best practices for Council Compensation to assist in providing recommendations for the current term of office and with reviewing a draft Council expense policy as well as providing feedback on the use of a Deputy Mayor for future consideration.

#### **KEY FINDINGS:**

- The *Municipal Act, 2001* authorizes municipalities to pay remuneration and expenses to councillors.
- In April 2022 Council approved the terms of reference for the Council Compensation Committee and appointed the Committee members in September 2022.

- The recruitment for the Citizen Committee for Council Compensation was challenging and required multiple extensions to ensure composition was achieved.
- Each term of Council, a committee is established to review remuneration, existing practices around expenses and provide recommendations to Council for their consideration.
- The Committee recommends an increase of 3.59% to the remuneration for each Councillor, in addition to cost-of-living-adjustments (COLA).

### **FINANCIAL IMPLICATIONS:**

There were no financial costs associated with meetings of the Citizen Committee for Council Compensation. All meetings with the Committee and staff or Members of Council occurred virtually and were organized by the City Clerk's office.

The recommended market adjustment to the remuneration paid to Councillors would have an impact of \$9,500 on the 2023 budget. Other financial implications will be dependant on the take up from members of Council for eligible expenses such as a Grand River Transportation pass, a home security system and meal per diems for attendance at conferences.

### **STRATEGIC ALIGNMENT:**

- ☐ Strategic Action; or  
☒ Core Service

**Objective(s):** WELLBEING - Connect people to services that support individual and community wellbeing

**Strategic Action:** Not Applicable

**Program:** Not Applicable

**Core Service:** Council and Citizen Committees

The Citizen Committee for Council Compensation provides the public with an opportunity to participate in shaping and influencing policies at the City, thereby ensuring public funds are expensed in a transparent and accountable manner

### **BACKGROUND:**

In April 2022 Council approved report 22-053-CRS Council Committee for Council Compensation – Terms of Reference and recruitment for the Committee was carried out throughout the Spring and Summer of 2022..

Expressions of interest were requested from members of the community that met the composition requirements as outlined in Appendix B – Terms of Reference.

Advertisements were placed in the Cambridge Times, and on the City's website and through social media channels. Recruitment for the committee was challenging and required multiple extensions to ensure the appropriate membership composition was met.

In September 2022, Council approved report 22-053-CRS Citizen Committee for Council Compensation Appointments and the Committee began meeting following Council's appointment of the members.

Each term of Council 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 regarding council's compensation plan and expense policies.

The Committee is required to fulfill their mandate through reviewing Council compensation-related policies, surveying members of Council, and surveying comparator municipalities. The Committee is mandated to propose recommendations to Council related to compensation, changes to expenses and recommendations related to benefits for members.

The practice of establishing a Citizen Committee to review compensation and expense policies ensures a transparent approach that provides neutral insight into best practices and allows for enhanced transparency by appointing community members to further understand the role of elected officials.

The terms of reference for the Committee as attached in Appendix B included a proposed membership size of five members to represent a broad number of perspectives that will reflect the Cambridge community.

The City received a low number of expressions of interest after extending the recruitment periods and as a result, three members meeting the composition requirements were appointed by Council.

## **ANALYSIS:**

The Committee met with the City Clerk, Manager of Human Resources and Chief Financial Officer to review compensation practices, the draft expense policy prepared by Finance and to discuss next steps.

In September 2022 the Committee drafted key questions they wished to ask of the Members of Council from the 2018-2022 term of office.

Between September 2022 and January 2023 the Committee carried out the interviews with the 2018-2022 Members of Council to understand the perspectives on the role of an elected official, consider the workload impacts, and to further explore their thoughts on various matters such as security concerns, expenses, the current acting mayor structure versus a Deputy Mayor structure.

### **Proposed Expense Policy**

A Mayor and Council Expense Policy has been developed to provide greater clarity on allowable expenses for members of Council, roles and responsibilities of members of Council and staff, process for reimbursement of expenses and resources provided to Council. The information included in the policy is mostly based on past practice but has been formally documented for greater clarity. A copy of the Mayor and Council Expense Policy is included in Appendix C.

### **EXISTING POLICY / BY-LAW(S):**

- Section 283 of The Municipal Act, S.O. 2001, c.25, provides that the Council of a municipality may pay remuneration and expenses to members of Council and members of any local board of the municipality;
- The existing by-law for remuneration to Mayor and members of Council is By-Law 184-18 and 18-186.
- Travel and Expense Policy – Members of Council & City Staff

### **FINANCIAL IMPACT:**

For the establishment of the Citizen Committee and the work the Committee completed to provide recommendations to Council, a financial impact is not expected.

The recommended market adjustment to the remuneration paid to Councillors would have an impact of \$9,500 on the 2023 budget. Other financial implications will be dependant on the take up from members of Council for eligible expenses such as a Grand River Transportation pass, a home security system and meal per diems for attendance at conferences.

## **PUBLIC VALUE:**

### **Collaboration:**

- The Committee worked collectively to establish recommendations to Council and consulted with elected officials to understand their role, workload and overall experiences.

### **Transparency:**

- The Committee was provided access to best practice research, comparative analysis and any policies they required to establish recommendations outlined in Appendix A.
- The proposed Mayor and Council expense policy provides documentation of eligible expenditures for members of Council and reporting requirements to ensure full transparency to the public.

### **Engagement:**

- The public was invited to send expressions of interest to participate in the Committee based on the composition.
- The Committee engaged with the 2018-2022 Members of Council to understand their role as elected officials.

## **ADVISORY COMMITTEE INPUT:**

Not Applicable

## **PUBLIC INPUT:**

Expressions of Interest were requested from members of the public to fulfill the composition as outlined in the Terms of Reference.

Opportunities were advertised through the City's social media channels, on the City website and in the Cambridge Times.

Due to a low number of expressions of interest being received the deadline to apply was extended multiple times throughout the Spring and Summer of 2022.

## **INTERNAL / EXTERNAL CONSULTATION:**

The Chief Financial Officer and Director and Manager of Human Resources participated as part of this Committee and were consulted as required by the Committee.

The Committee was provided past recommendation reports, reports from other municipalities and a comparative analysis of compensation to Council from other municipalities.

The Committee met with all but 1 member of Council from the 2018-2022 term of Council and has summarized their findings in Appendix A of this report. The Member of Council that the Committee did not meet with submitted written responses to the Committee's questions.

## **CONCLUSION:**

The volunteer citizens who participated in this Committee have each dedicated approximately 30 hours of personal time to consult with staff and the 2018-2022 Members of Council. The work included research, data analysis and collaboration to establish the proposed recommendations. Staff are grateful to this group for their attention to the mandate of this Committee and working so well together to establish this review.

Following Council's consideration of the recommendations the Committee will be disbanded and their work will conclude.

## **REPORT IMPACTS:**

Agreement: **No**

By-law: **No**

Budget Amendment: **No**

Policy: **No**

## **APPROVALS:**

**This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:**

**Director**

**Deputy City Manager**

**Chief Financial Officer**

**City Solicitor**

**City Manager**

**ATTACHMENTS:**

1. 23-082-CRS- Appendix A – Citizen Committee for Council Compensation – Recommendation Report
2. 23-082-CRS Appendix B – Citizen Committee for Council Compensation Terms of Reference
3. 23-082-CRS Appendix C - Draft Mayor and Council Expense Policy