



TO:	GENERAL COMMITTEE
SUBJECT:	ESTABLISHMENT OF A COUNCIL COMPENSATION REVIEW COMMITTEE
WARD:	ALL
PREPARED BY AND KEY CONTACT:	W. COOKE, CITY CLERK/DIRECTOR OF LEGISLATIVE AND COURT SERVICES, EXT. 4560
SUBMITTED BY:	W. COOKE, CITY CLERK/DIRECTOR OF LEGISLATIVE AND COURT SERVICES, EXT. 4560
GENERAL MANAGER APPROVAL:	D. MCALPINE, GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES
CHIEF ADMINISTRATIVE OFFICER APPROVAL:	M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That a Council Compensation Review Committee be struck, comprised of five citizen members of the community.
2. That the proposed Terms of Reference for the Council Compensation Review Committee attached as Appendix "A" to Staff Report LCS003-21, be approved.
3. That staff in the Legislative and Court Services Department advertise for interested applicants for the Committee.

PURPOSE & BACKGROUND

Report Overview

4. The purpose of this Staff Report is to recommend establishing a Council Compensation Review Committee to review the compensation and benefits of members of Council and related policies for the 2022-2026 term of Council.
5. The most recent review of compensation for members of Council was undertaken in 2017. The Council Compensation Review Committee reported their findings and recommendations to City Council in June, 2017. The Committee's recommendations included matters related to:
 - a) The base compensation for the Mayor and Members of Council;
 - b) The Federal government's elimination of the one-third tax free allowance on remuneration paid to the elected Members of Council and its local boards; and
 - c) The methodology associated with potential escalation of the base rate of compensation for the Mayor and Members of Council.
6. The 2017 motion adopted by City Council was implemented for the 2018-2022 Council term of office. City Council has not adopted further motions to address the remuneration and expenses for the 2018-2022 term.

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7. It is further recommended the Council Compensation Committee review the following items that were last reviewed by the Council Compensation Review Committee in 2010. These items were not included in the Committee's mandate in 2017:
- a) Members of Council's benefit plan;
 - b) Honourariums paid to appointees to committees, boards and commissions; and
 - c) The policies concerning roles and compensation, reimbursement of Council expenses, Council benefits, use of corporate resources for election purposes and meetings with other levels of government.

ANALYSIS

8. A regular review of Council's remuneration is important to ensure equitable compensation based on data of comparable municipalities. It is prudent to ensure that comparisons between municipalities in determining market compensation reflect an appropriate evaluation and comparison of the demands on elected officials' time and related responsibilities. The advertisement for the citizen members would note the preference for individuals who have a background or experience related to finance, accounting or human resources given the nature of the Committee.
9. A citizen Committee is being recommended as it will ensure accountability and transparency of the review process. The Committee's recommendations would also be viewed at arm's length, unbiased and in closer alignment with public opinion.
10. As part of the review, the Committee would solicit feedback either through a survey or individual meetings with members of Council in order to fully understand the members' roles and responsibilities and the amount of time that is dedicated to them.
11. Previously, some other municipalities in the past have hired external consultants to complete a compensation review or to work with their Committee's. Retaining a consultant to support the work of the Committee is an option that is available. However, funds have not been included at this time in the 2021 Business Plan to fund a consultant. It is anticipated that a significant amount of staff time would still be required in order to provide the financial analysis associated with any potential recommendations and the preparation of a report based on a consultant's findings for consideration by Council.

Terms of Reference

12. The proposed Terms of Reference for the examination of Council's compensation package is included as Appendix "A" to Staff Report LCS003-21.
13. Expense accounts, including those expenses related to communicating with residents have been included in the Terms of Reference included as Appendix "A" for the Committee to review. The Committee would review these in comparison with practices and policies of other comparator municipalities.
14. Typically, a Council Compensation Review Committee will make recommendations associated with the future term of office. This is reflected in the Terms of Reference identified in Appendix "A".
15. Based on previous experience, the Council Compensation Review Committee may meet approximately ten times, beginning as soon as the Committee is appointed. Staff from the Legislative and Court Services, and Finance and Human Resources Departments would support the Committee through its term.

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16. The Committee would be encouraged to provide its recommendations prior to January 2022.
 17. The Committee recommendation(s) are anticipated to be submitted via a report to General Committee. The Terms of Reference attached as Appendix "A" reflect this reporting structure.

ENVIRONMENTAL AND CLIMATE CHANGE IMPACT MATTERS

18. There are no environmental or climate change impact matters related to the recommendation.

ALTERNATIVES

19. The following alternatives are available for consideration by General Committee:

Alternative #1

General Committee could recommend not undertaking a review and maintaining the current remuneration and related policies.

A regular review of Council's remuneration is important to ensure equitable compensation based on comparable municipalities to appropriately evaluate demands on elected officials' time and responsibilities.

Alternative #2

General Committee could hire a consultant to complete the review.

While this alternative is available, funds have not been included at this time in the 2021 Business Plan to retain a consultant. If Council recommends that a consultant complete this review, staff would provide details regarding the anticipated cost of retaining a consultant in a memorandum to Council.

Alternative #3

General Committee could alter the Terms of Reference by having the Committee review only specific items, e.g. policies only.

This option is available, but it would not allow for a comprehensive review of remuneration for members of Council. A full review would provide General Committee with the opportunity to receive a more informed and all-encompassing recommendations.

Alternative #4

General Committee could recommend that members of Council be appointed to the Council Compensation Review Committee, as voting or non-voting members.

Whether a Council member is a voting member or not, the general perception by the public is that the presence of a Council member as a member of the Committee may influence the way other members would vote.

FINANCIAL

20. There are no direct financial implications for the Corporation resulting from the proposed recommendations, as any costs associated the Review Committee's work are expected to be able to be accommodated within the 2021 Business Plan.
21. Based on past experience, there may be a significant amount of staff time and resources required to support the Committee including its review of comparator municipalities and attendance at meetings.
22. It should be noted that the Council Compensation Review Committee may propose recommendations that could impact future Business Plans associated with the 2022-2026 term of Council.

LINKAGE TO 2018-2022 STRATEGIC PLAN

23. The recommendation(s) included in this Staff Report are not directly related to the goals identified in the 2018-2022 Strategic Plan.

APPENDIX "A"

PROPOSED COUNCIL COMPENSATION REVIEW COMMITTEE TERMS OF REFERENCE

1. Mandate

The mandate of the Council Compensation Review Committee is to undertake an examination of Council compensation, including the following topics:

- a) Mayor and Council base compensation and benefits;
- b) Options and recommendations for benefits plan changes as presented by City staff;
- c) Expense account amounts and allocation of expenses including communication related matters;
- d) Remuneration associated with all boards and committees of Council
- e) Council expense related policies; and
- f) Such other compensation-related matters as determined by the Committee.

2. Composition

The Council Compensation Review Committee shall be composed of 5 citizen representatives.

All Committee members shall be selected by City Council. If a Committee member is unable to complete the term as set out in Section 3 below, a new Committee member will be selected by City Council.

3. Term

The term of the Council Compensation Committee will be May 2021 to January 2022.

4. Frequency of Meetings

Committee meetings shall generally be scheduled once per month or may be scheduled at the call of the Chair.

All meetings shall be open to the public in accordance with the City of Barrie's Procedural By-law and the *Municipal Act*. A meeting of the Committee may only be closed to the public, if the subject matter being considered meets the criteria established in Section 239 of the *Municipal Act*.

The following are currently included as subject matters in Section 239 that may be discussed during a closed meeting:

- (2) A meeting or part of a meeting may be closed to the public if the subject matter being considered is,
 - a) The security of the property of the City or local board;
 - b) Personal matters about an identifiable individual, including municipal or local board employees;
 - c) A proposed or pending acquisition or disposition of land by the municipality or local board;

- d) Labour relations or employee negotiations;
- e) Litigation or potential litigation, including matters before administrative tribunals affecting the municipality or local board;
- f) Advice that is subject to solicitor-client privilege, including communications necessary for that purpose;
- g) A matter in respect of which a Council, board, committee or other body may hold a closed meeting under another Act;
- h) Information explicitly supplied in confidence to the municipality or local board by Canada, a province or territory or a Crown agency of any of them;
- i) A trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization;
- k) A trade secret or scientific, technical, commercial or financial information that belongs to the municipality or local board and has monetary value or potential monetary value; or
- l) A position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board. 2001, c. 25, s. 239 (2); 2017, c. 10, Sched. 1, s. 26.

Other criteria

- (3) A meeting or part of a meeting shall be closed to the public if the subject matter being considered is,
 - (a) a request under the *Municipal Freedom of Information and Protection of Privacy Act*, if the council, board, commission or other body is the head of an institution for the purposes of that Act; or
 - (b) an ongoing investigation respecting the municipality, a local board or a municipally-controlled corporation by the Ombudsman appointed under the *Ombudsman Act*, an Ombudsman referred to in subsection 223.13 (1) of this Act, or the investigator referred to in subsection 239.2 (1). 2014, c. 13, Sched. 9, s. 22.

Educational or training sessions

- (3.1) A meeting of a council or local board or of a committee of either of them may be closed to the public if the following conditions are both satisfied:
 - (a) The meeting is held for the purpose of educating or training the members.
 - (b) At the meeting, no member discusses or otherwise deals with any matter in a way that materially advances the business or decision-making of the council, local board or committee. 2006, c. 32, Sched. A, s. 103 (1).

5. Selection of the Chair and Vice-Chair

The Chair and Vice-Chair (if necessary) shall be selected by the Committee at the first meeting.

6. Role of the Chair and Vice-Chair

The Chair shall preside over the meetings of the Committee and assist the Committee in reaching consensus on fundamental policy issues of concern to the Committee.

The Vice-Chair shall assume the authority and perform all the duties of the Chair in the absence of the Chair.

7. Roles and Responsibilities of Members

Committee Members shall:

- a) Attend and actively participate in all meetings;
- b) Work with other members to attempt to reach consensus on decisions before the Committee; and
- c) Adhere to these terms of reference, the City of Barrie's Procedural By-law, Purchasing By-law, the Council/Committee Code of Conduct and any other by-laws, policies or procedures that apply to Committee members.

8. Rules Governing the Proceedings of Committees

The business of the Council Compensation Review Committee shall be conducted in accordance with the City of Barrie's Procedural By-law.

9. Quorum

In accordance with the City of Barrie's Procedural By-law a quorum shall be a majority of the Committee Members.

If the quorum for a Committee is not present within thirty (30) minutes of the time appointed for the meeting, the Committee Support Clerk shall record the names present and the meeting shall stand adjourned until the next scheduled meeting.

10. Voting

In accordance with the City of Barrie's Procedural By-law, when an issue arises, the Committee will attempt to reach a consensus on how the Committee should resolve the issue.

A question before the Committee will be put to a vote and each Committee Member will be entitled to one vote.

A motion shall be deemed to be carried when a majority of the members present and voting have expressed agreement with the question. Consequently, on a tie vote, the motion is lost.

11. Resources

Staff from the Legislative and Court Services Department will act as recording secretary and provide administrative support to the Committee. Staff from the Finance and Human Resources Departments will provide support and review all of the Committee's recommendations.

12. Application of the Code of Conduct

The Committee shall, at all times follow the policies and procedures set out in the City of Barrie's Council/Committee Code of Conduct.