

**Coordinating Committee of the Councillors Office Report to
Combined Meeting of Council
2019 July 22**

**ISC: UNRESTRICTED
C2019-0788**

COUNCIL COMPENSATION REVIEW COMMITTEE BYLAW

EXECUTIVE SUMMARY

Council is requested to consider a proposed bylaw to establish a Council Compensation Review Committee. Adoption of the bylaw facilitates execution of the decision of Council to complete a review of Council compensation every four years, as part of the amended standing decision made by Council on 2014 November 17, commencing with the appointment of members to a Council Compensation Review Committee (CCRC) at the October 2019 Organizational Meeting of Council as the first step.

RECOMMENDATIONS:

That Council

1. Give three readings to proposed bylaw 30M2019 to establish a new Council Compensation Review Committee (Attachment 1).
2. Direct the City Manager to identify a funding source not to exceed \$50,000 to be administered by the City Clerk's Office in order to support the Council Compensation Review Committees execution of its mandate.

PREVIOUS COUNCIL DIRECTION / POLICY

The first CCRC was established under Bylaw 31M2002 and reported to Council 2003 March 24. Through that initial final report Council adopted a resolution that a Task Force be appointed every three years to review Council Compensation.

Subsequent bylaws created CCRCs which reported to Council 2006 July 17 and 2012 January 23.

Bylaw 32M2008 established a CCRC to report in 2009 but a Committee was never appointed.

Council decided 2009 January 26 (C2009-11, 29M2009) to defer the appointment of the Committee to Organization Day 2010. That Committee reported 2012 January 23 pursuant to Bylaw 32M2008, as amended, with the final report recommending a change to the timing of Council Compensation Task Force reviews to be delivered every four years instead of every three years with the final report of the committee coming forward no later than July of the last year of Council's term.

Bylaw 25M2015 was adopted on 2015 July 27 to establish the CCRC with appointments completed as of the 2015 Organizational Meeting of Council. The final report received from the CCRC was at the 2017 May 29 Regular Meeting of Council.

During the Regular Meeting of Council held 2017 May 29, Council carried a motion arising that, with respect to Report CCRC2017-0508, Council direct the Coordinating Committee of the Councillors Office (CCCO) to undertake a review of the Terms of Reference of the Council Compensation Review Committee and review of Bylaw Number 25M2015 to return directly to Council no later than 2018 May.

CCCO began reviewing Bylaw Number 25M2015 during its 2017 September 14 and during its

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subsequent meetings on 2018 April 11, 2018 May 02, 2019 January 16, 2019 February 20, 2019 March 13, 2019 April 10, and 2019 May 08.

During its 2018 May 02 meeting, CCCO determined a more fulsome review of Bylaw Number 25M2015 and the overall process in determining Member of Council compensation should be completed as part of its review of Bylaw Number 25M2015. CCCO also decided that a new proposed bylaw that incorporated the CCRC terms of reference be presented back to Council.

As a result of this addition to CCCO's review, the decision on what to present to Council, and during the 2018 May 02 CCCO meeting, CCCO decided to have the Chair, CCCO request an extension on the report back to Council, whereby there was an extension to report back by 2019 January 20.

During a Combined Meeting of Council on 2019 January 14, a motion was carried by Council with respect to Notice of Motion NM2017-18 regarding, Report C2019-0058 (the Chief Financial Officer's Report to Combined Meeting of Council 2019 January 14), that CCCO return as soon as possible, among other things, that the CCRC be reconvened no later than Q1 2020, after review of the CCRC process dictated by report C2018-0608 to perform a complete evaluation of Council's overall benefits, including but not limited to: pension for elected officials; salary comparison relative to position responsibilities; alternatives to adjusting compensation on an annual basis; and direct Administration to make available the proper administrative support to the CCRC so that they can complete the mandate requested of them by Q4 2020.

BACKGROUND

By practice, each CCRC has been established through adoption of a bylaw including provision to repeal the previous CCRC bylaw within it.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Proposed bylaw 30M2019 establishing a CCRC has been drafted as the mechanism to comply with Council direction to undertake a review of Council compensation and allow for the recruitment and selection of membership through the 2019 October 28 Organizational Meeting of Council in accordance with Council Policy.

Based on the experience in the administration of the previous CCRC Bylaw 25M2015, proposed bylaw 30M2019 has been drafted to incorporate the following:

- Part I – Interpretation and Definitions: this part has been added to define the terms used within the bylaw, add clarity and mitigate the need to interpret the bylaw;
- Part II – Committee: this part outlines the composition of the Committee; the role of the Chair; the term (start and end dates) of the Committee; the application process (which is made in accordance with Governance and Appointments of Boards, Commissions and Committees (CP2016-03)); Committee Member eligibility and qualifications; the selection and appointment of Committee Members; Committee meetings and resources; reimbursement of Committee-related expenses; further direction; and external communications and public information updates;

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- Part III – Mandate: this part defines the Committee's mandate; and outlines Compensation Package recommendations (which may include, but is not limited to, transition allowance and pension plan);
- Part IV – Committee Work Plan: this part outlines what information may be included in the Committee's Final Report to Council and provides that the Committee may engage a third-party service provider;
- Part V – Additional Recommendations: this part outlines what the Committee may do in relation to Base Salary adjustment recommendations (which may include benchmarking and assessment); policy and bylaw recommendations (which may include review of the Maternity and Parental Leave for Members of Council Bylaw 38M2018); and citizen engagement recommendations; and
- Part VI – Final Report: this part outlines what the Committee's Final Report to Council may include.

Where a specific provision is not provided in the bylaw, the Procedure Bylaw 35M2018, as amended, may be consulted in accordance with Section 2 that identifies it as the bylaw, "that applies to all meetings of *Council*, *Council Committees* and *other City BCC's*".

The proposed bylaw also includes specific references regarding the following:

- Addressing eligibility of previously elected municipal government officials to serve as members of the CCRC;
- Incorporating or referencing existing policies that CCRC members must comply with, such as the Code of Conduct for Citizen Members Appointed to Council Established Boards Commissions and Committees (CC045);
- Allowing CCCO, should it decide to do so, to receive applications and conduct interviews of possible candidates in order to provide a short list of recommended candidates to the Nominations Committee for consideration and recommendation to the 2019 Organizational Meeting of Council;
- Providing CCRC the ability to provide an interim report to the to the Priorities and Finance Committee during its term if challenges arise in the delivery of its mandate that require Council resolution or direction; and
- Ensuring the Committee's term ends, at the latest, on the day before the start of the next "campaign period" as defined in the Local Authorities Election Act, R.S.A. 2000, c L-21.

Stakeholder Engagement, Research and Communication

Members of Council through CCCO.

Strategic Alignment

N/A

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Social, Environmental, Economic (External)

N/A

Financial Capacity

Current and Future Operating Budget:

The establishment of the CCRC will require a budget to facilitate the execution of its mandate.

A recommendation is included in this report for the City Manager to identify a funding source up to a maximum of \$50,000. This budget would be used to cover Committee-related expenses; possible third-party service provider consultation; and support required by the Committee in drafting its Final Report to Council or other Committee-related duties deemed as necessary in execution of its mandate.

Current and Future Capital Budget:

N/A

Risk Assessment

Adoption of the proposed bylaw to establish the CCRC committee is required prior to 2019 September to comply with policy to solicit and recruit members to Boards Committees and Commissions at the 2019 October 28 Organizational meeting of Council.

Delay in adoption of the proposed CCRC bylaw may necessitate expenses associated with conducting a separate recruitment campaign solely for the purpose of recruiting CCRC candidates.

In addition to the added expenses, a resolution of Council to exempt CCRC member recruitment from the procedure outlined in the Governance and Appointments of Boards, Commissions and Committees (CP2016-03) would be required.

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REASON(S) FOR RECOMMENDATION(S):

Establishment of a CCRC and the identification of funding source supports the first steps to deliver Council's direction of 2014 November 17 decision for Council to review Council compensation every 4 years with final reporting presented no later than July of the last year of the existing Council's term.

The proposed bylaw also incorporates the recent discussion points made during Council meetings regarding what should (or should not) be included as part of the Council Compensation Package, including, but not limited to, transition allowance and pension plan.

The proposed bylaw also gives the CCRC, as part of its mandate, the ability to review and recommend changes or amendments to the Elected Officials Benefit and Pension Policy (CC038) and the Maternity and Parental Leave for Members of Council Bylaw 38M2018, should it wish to do so.

As the CCRC is not a continuing Committee of Council with a standing terms of reference, the proposed bylaw incorporates what, in essence, is the Committee's terms of reference, which should be available to Committee Members as it improves clarity and understanding in what the Committee should do in execution of its mandate.

ATTACHMENT

1. Proposed bylaw 30M2019.