



Report Number: C2019-0575

Meeting: Combined Meeting of Council

Meeting Date: 2019 April 29

NOTICE OF MOTION

RE: REFORMING CITY COUNCIL'S GOLDEN PENSIONS

Sponsoring Councillor: JEROMY FARKAS

WHEREAS according to the City of Calgary's 2016 Annual Report listing the contribution rates for the Local Authorities Pension Plan, the City contributes 11.39% of the employee's salary, up to an employee's yearly maximum pensionable earnings for the Canada Pension Plan, while city employees contribute 10.39%, working out to a ratio of approximately \$1.10 to \$1.00;

WHEREAS from 2007 to 2016, Calgary City Council's pension benefits through the Elected Officials Pension Plan cost taxpayers \$6.1 million, while council members only contributed \$1.2 million towards their pension benefits, working out to a ratio of approximately \$5.08 to \$1.00;

WHEREAS from 2007 to 2016, the City of Calgary spent more on its city council's pension benefits than Edmonton, Ottawa and Vancouver combined;

WHEREAS of Canada's ten largest municipalities, Calgary is the only city to offer its Mayor two pensions through the additional Supplementary Pension Plan for Elected Officials;

WHEREAS by guaranteeing Council members a payment throughout their retirement years, the City has taken on tremendous risk, at times requiring lump sum "bail out" payments, such as \$298,000 in 2011, \$246,000 in 2012, and \$1,067,000 in 2013;

WHEREAS while it is the City of Calgary's policy to strike an independent citizens committee to determine Council's compensation, Council ignored a key recommendation from the last committee to eliminate council's transition payments;

WHEREAS pursuing reductions in benefits before job layoffs aligns with a "least harm" approach to budgetary decisions;

AND WHEREAS leaders must be willing to do themselves, what they ask of others;

NOW THEREFORE BE IT RESOLVED that effective June 10th 2019, the Supplementary Pension Plan for Elected Officials is frozen, with benefits accrued to date to be honoured, but not grow based on increases in salary or future contributions;

AND FURTHER BE IT RESOLVED that effective June 10th 2019, the Elected Officials Pension Plan is frozen, with benefits accrued to date to be honoured, but not grow based on increases in salary or future contributions;

AND FURTHER BE IT RESOLVED that effective June 10th 2019, in replacement of the frozen pension plans, City Council adopts the equitable retirement benefit system currently in place for City Council members in the City of Edmonton, namely, giving the choice to participate in one of the following options:

- **11% contribution by the City of Calgary to elected official's total annual salary to support retirement; or**
- **12% contribution by the City of Calgary directed to Alberta Urban Municipalities Association (AUMA) Defined Contribution Pension Plan**