

# Agenda

## Council Compensation Review Task Force

6th Meeting of the Council Compensation Review Task Force

March 9, 2022, 10:00 AM

Virtual Meeting - during the COVID-19 Emergency

Please check the City website for current details of COVID-19 service impacts.

### Members

D. Ross (Chair), D. Bryant, J. Lyons, C. Scrimgeour and J. Tudhope

To make a request specific to this meeting, including registration to view the meeting in person or remotely, please contact [abush@london.ca](mailto:abush@london.ca)

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Pages

1. **Call to Order**
  - 1.1. Disclosures of Pecuniary Interest
2. **Scheduled Items**
  - 2.1. Public Participation Meeting - Not to be heard before 10:00 AM 2
3. **Consent**
  - 3.1. Report of the 5th Meeting of the Council Compensation Review Task Force 20
4. **Items for Discussion**
5. **Adjournment**

# COUNCIL COMPENSATION REVIEW TASK FORCE (CCRTF)


PUBLIC PARTICIPATION MEETING

MARCH 9, 2022 AT 10:00 AM

Reports to Council through Strategic Priorities and Policy Committee

The Task Force is responsible for reviewing and providing recommendations on Councillors' compensation, including:

- a) the review of the most recent median full time employment income data for Londoners;
- b) review, consider and continue work on the recommendations of any previous Council Compensation Review Task Force that the Task Force feels are relevant;
- c) making recommendations regarding implementation of any changes in compensation, which may include phasing in and indexing.



WHAT ARE  
THE  
DUTIES OF  
THE  
CCRTF?

## **GUIDING PRINCIPLES**

### **COUNCIL COMPENSATION REVIEW TASK FORCE**

1. No Councillor should seek to serve in public office solely for financial gain. The key motivation should be to serve and improve the well-being of the citizens of London.
2. The system of remuneration must be transparent, open and easily understandable.
3. Remuneration needs to be sensitive to local market conditions, recognizing that the role of Councillor is neither a full-time nor part-time role, but rather a unique role.
4. Fair compensation that is reflective of the legislative responsibilities and day-to-day duties undertaken to fulfil the role of a municipal Councillor.



# CURRENT COUNCIL COMPENSATION

- Stipends for elected officials and appointed citizen members of local boards and commissions are to be adjusted annually retroactively to January 1st by the percentage increase reflected in the Labour Index<sup>1</sup>, on the understanding that:
  - if such an index reflects a negative percentage, the annual adjustment to the salaries of the elected officials and appointed citizen members will be 0%;
  - on the further understanding that if the Labour Index has increased by a percentage greater than the Consumer Price Index, Ontario, the annual percentage increase in the salaries and honorariums of the elected officials and appointed citizen members will be no greater than the increase in the Consumer Price Index, Ontario; and
  - the escalator for annual adjustment purposes shall not be applied in those years where the non-union staff wages are frozen.

NOTE: (1) Labour Index is defined as Stats Canada Table: 14-010-0213-01 “Fixed weighted index of average hourly earnings for all employees by industry, monthly”

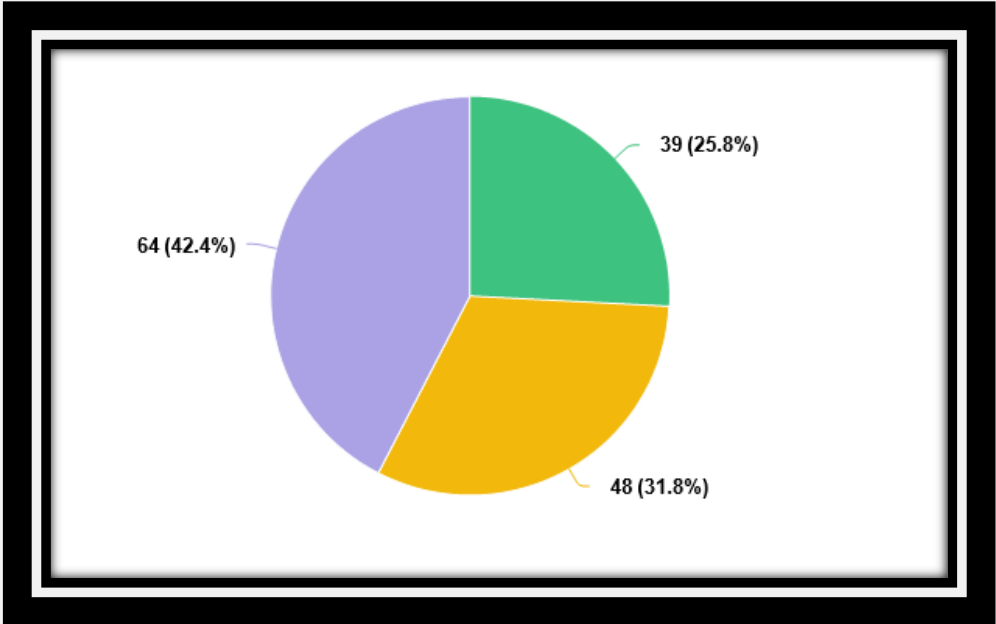
# PUBLIC SURVEY RESPONSE

**Councillors' current compensation rate is \$52,725 annually**

**Do you feel Councillors are currently?**

- Overpaid – 39 (25.8%)
- Paid Appropriately – 48 (31.8%)
- Underpaid – 64 (42.4%)

- *Source: Council Compensation Survey from Get Involved*
- *150 responses, 4 skipped*



## CURRENT COUNCIL TERM COMPENSATION

- Total Increase from 2018 to 2021 \$1,544
- Average yearly increase over three years \$514.67
- Average 1% increase each year
  
- *Note for 2022: Statistics Canada had not released the Labour Index numbers at time of preparing this presentation.*

Year	Compensation	Percentage %	Amount \$
2018	\$ 51,181	start	start
2019	\$ 52,358	2.30 %	\$ 1,177
2020	\$ 52,358	0.00 %	\$ 0
2021	\$ 52,725	0.70 %	\$ 367
<b>Total</b>			<b>\$ 1,544</b>

## PROPOSED COUNCIL COMPENSATION

- a. to continue annual compensation for Councillors based on the most recent median full time employment income for Londoners determined from census data published by Statistics Canada with annual compensation adjustments thereafter to be based on the average annual variation in median full time employment income over the most recent census period as opposed to the Labour Index or CPI
- b. that the annual adjustment in Councillor compensation be automatic and administered by Civic Administration



# PROPOSED COUNCIL COMPENSATION

## BASED ON VARIATIONS TO THE MEDIAN EMPLOYMENT INCOME

### **2011 Census Data**

- Median employment income in 2010 for full-year full-time workers
  - \$ 47,805

### **2016 Census Data**

- Median employment income in 2015 for full-year full-time workers
  - \$ 51,181
- Average of 1.374% increase or \$675 each year between 2011 and 2016

PROPOSED COUNCIL  
COMPENSATION  
BASED ON PREVIOUS  
CENSUS PERIOD  
(2011-2016)

- Total Increase from 2018 to 2021 \$2,139 based on variations to the median rather than cost of living
- Average yearly increase over three years \$713.
- 1.374% increase each year

Year	Compensation	Percentage %	Amount \$
2018	\$ 51,181	start	start
2019	\$ 51,884	1.374 %	\$ 703
2020	\$ 52,597	1.374 %	\$ 713
2021	\$ 53,320	1.374 %	\$ 723
<b>Total</b>			<b>\$ 2,139</b>

# COMPARISON BETWEEN CURRENT AND PROPOSED METHODS

## CURRENT METHOD

LABOUR INDEX / CPI

Year	Compensation	Percentage %	Amount \$
2018	\$ 51,181	start	start
2019	\$ 52,358	2.30 %	\$ 1,117
2020	\$ 52,358	0.00 %	\$ 0
2021	\$ 52,725	0.70 %	\$ 367
<b>Total</b>			<b>\$ 1,544</b>

## PROPOSED METHOD

VARIATIONS TO THE MEDIAN

Year	Compensation	Percentage %	Amount \$
2018	\$ 51,181	start	start
2019	\$ 51,884	1.374 %	\$ 713
2020	\$ 52,597	1.374 %	\$ 713
2021	\$ 53,320	1.374 %	\$ 723
<b>Total</b>			<b>\$ 2,149</b>

# PROPOSED COUNCIL COMPENSATION CONSIDERATIONS

- the most recent median full time employment income for Londoners from the 2021 Census will be available **July 13, 2022**
  - **This data would start the new rate on remuneration for elected officials January 1, 2023**
- update to Council Policy – Remuneration for Elected Officials and Appointed Citizen Members Policy would be required

## NEXT STEPS



The CCRTF will hold Public Participation Meeting on **March 9, 2022, at 10:00 AM**



The CCRTF review all public comments/input and provide direction on Final Report at its meeting **March 25, 2022, at 2:00 PM**



The CCRTF will submit their Final Report Strategic Priorities and Policy Committee on **April 5, 2022, at 4:00 PM**



## FEEDBACK / COMMENT



## **Council Compensation Review Task Force (CCRTF)**

Public Participation Meeting

March 9, 2022 at 10:00 AM

### **What are the Duties of the CCRTF?**

Reports to Council through Strategic Priorities and Policy Committee

The Task Force is responsible for reviewing and providing recommendations on Councillors' compensation, including:

- a) the review of the most recent median full time employment income data for Londoners;
- b) review, consider and continue work on the recommendations of any previous Council Compensation Review Task Force that the Task Force feels are relevant;
- c) making recommendations regarding implementation of any changes in compensation, which may include phasing in and indexing.

### **Guiding Principles of Council Compensation Review Task Force**

1. No Councillor should seek to serve in public office solely for financial gain. The key motivation should be to serve and improve the well-being of the citizens of London.
2. The system of remuneration must be transparent, open and easily understandable.
3. Remuneration needs to be sensitive to local market conditions, recognizing that the role of Councillor is neither a full-time nor part-time role, but rather a unique role.
4. Fair compensation that is reflective of the legislative responsibilities and day-to-day duties undertaken to fulfil the role of a municipal Councillor.

### **Current Council Compensation**

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  - if such an index reflects a negative percentage, the annual adjustment to the salaries of the elected officials and appointed citizen members will be 0%;
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NOTE: (1) Labour Index is defined as Stats Canada Table:14-010-0213-01 "Fixed weighted index of average hourly earnings for all employees by industry, monthly"

### **Public Survey Response**

Councillors' current compensation rate is \$52,725 annually

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## Current Council Term Compensation

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## Proposed Council Compensation

- a. to continue annual compensation for Councillors based on the most recent median full time employment income for Londoners determined from census data published by Statistics Canada with annual compensation adjustments thereafter to be based on the average annual variation in median full time employment income over the most recent census period as opposed to the Labour Index or CPI.
- b. that the annual adjustment in Councillor compensation be automatic and administered by Civic Administration.

## Proposed Council Compensation Based on Variations to the Median Employment Income

### 2011 Census Data

- Median employment income in 2010 for full-year full-time workers
  - \$ 47,805

### 2016 Census Data

- Median employment income in 2015 for full-year full-time workers
  - \$ 51,181
- Average of 1.374% increase or \$675 each year between 2011 and 2016

## Proposed Council Compensation Based on Previous Census Period (2011-2016)

- Total Increase from 2018 to 2021 \$2,139 based on variations to the median rather than cost of living
- Average yearly increase over three years \$713.
- 1.374% increase each year



## Comparison Between Current and Proposed Methods

Current Method Labour Index / CPI

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<b>Total</b>			<b>\$ 1,544</b>

## Proposed Method Variations to the Median

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## Proposed Council Compensation Considerations

- the most recent median full time employment income for Londoners from the 2021 Census will be available July 13, 2022
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- update to Council Policy – Remuneration for Elected Officials and Appointed Citizen Members Policy would be required

## Next Steps

- The CCRTF holds Public Participation Meeting on **March 9, 2022, at 10:00 AM**
- The CCRTF review all public comments/input and provide direction on Final Report at its meeting **March 25, 2022, at 2:00 PM**
- The CCRTF will submit their Final Report Strategic Priorities and Policy Committee on **April 5, 2022, at 4:00 PM**

## Feedback / Comment

**From:** bill brock  
**Date:** February 21, 2022 at 11:04:33 AM EST  
**To:** "Schulthess, Michael" <[mschulth@london.ca](mailto:mschulth@london.ca)>  
**Subject:** [EXTERNAL] Compensation Task Force letter

Mr. Mike Schulthess, City Clerk,

Re: Letter to Compensation Task Force.

Mr Dan Ross, Chairman,

Compensation Task Force,

Further to previous discussions I have reviewed the tapes and minutes of the 4 meetings and note the following:

1. At the first meeting the City Clerk (Cathy Saunders) indicated the task force could look at anything.
2. Task Force took the position that it would only look at compensation process.
3. Task Force felt Brock brief should go somewhere else; noting questions of them not addressed.
4. Chair and task force did recognize that Councilors did have access to \$10,000. in benefits and up to \$15,000. expense account  
  
in addition to salary.
5. There was too much diversity in Councilors and therefore not practical to deal with difference between compensation and ability.

6. Public meeting would be about updated formula for compensation with automatic annual updates.

7. At last meeting Sandy Levin; former councilor , was available to answer any questions on role and never asked.

Media also attended.

During the last meeting the reference was made to "Executive Function" and it is my belief until one can hold Councilors accountable for what they do (not just at election time) and know what the role involves can't be done. However, it raises the question as to role of councilor and role of staff. Executives set policy and priorities usually. The "Expertise staff" provide the guidance and advise.

The councilors serve the public so the discussions and debate must be done in public noting work is done at committees and then verified through full Council. If run like a private business the public is left out. In our case the staff and councilors have had discussions before public gets involved therefore minimizing public knowledge.

Compensation goes with accountability! Failure to link these two and hold all councilors to taking turns on tasks what they do denies the public fair and equal representation!

The question I'm left with is if not this group then who?

Thanks for letting me participate!

William Brock

Also, access for meeting tomorrow in case I can make it!

Thanks.

# Council Compensation Review Task Force Report

5th Meeting of the Council Compensation Review Task Force  
February 22, 2022

Virtual Meeting - during the COVID-19 Emergency

Please check the City website for current details of COVID-19 service impacts.

PRESENT: D. Bryant, J. Lyons, D. Ross, C. Scrimgeour and J. Tudhope

ALSO PRESENT: A. Bush, S. Corman and B. Westlake-Power

The meeting was called to order at 10:00 AM; it being noted that J. Lyons, C. Scrimgeour and J. Tudhope were in remote attendance.

## 1. Call to Order

### 1.1 Disclosures of Pecuniary Interest

That it BE NOTED that no pecuniary interests were disclosed.

## 2. Scheduled Items

None.

## 3. Consent

### 3.1 Report of the 4th Meeting of the Council Compensation Review Task Force

BRYANT AND LYONS

That the 4th Report of the Council Compensation Review Task Force, from its meeting held on February 4, 2022, BE RECEIVED.

**Motion Passed**

## 4. Items for Discussion

### 4.1 Public Participation Meeting - General Discussion

BRYANT AND TUDHOPE

That it BE NOTED that the Council Compensation Review Task Force held general discussions regarding the scheduled March 9, 2022 Public Participation Meeting and received the attached communication dated February 21, 2022 from William H. Brock.

**Motion Passed**

## 5. Adjournment

BRYANT AND TUDHOPE

That the meeting be ADJOURNED.

**Motion Passed**

The meeting adjourned at 10:48 AM.