

<b>TO:</b>	<b>CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON JULY 19, 2016</b>
<b>FROM:</b>	<b>MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER</b>
<b>SUBJECT:</b>	<b>COUNCIL REMUNERATION REPORTING PROCESS</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, and with the concurrence of the Managing Director, Corporate Services and Chief Human Resources Officer, the following action **BE TAKEN** with respect to publicly reporting Council Remuneration:

- a) That Civic Administration **BE DIRECTED** to post on an annual basis, information related to Council Member's annual remuneration, on the City of London's website, in a format similar to Appendix A.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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Councillors' Expense Reporting – (June 8, 2016 meeting of Corporate Services Committee)  
<http://sire.london.ca/agdocs.aspx?doctype=minutes&itemid=44038>

Statement of Remuneration and Expenses – Elected and Appointed Officials - (March 8, 2016 meeting of Corporate Services Committee) <http://sire.london.ca/agdocs.aspx?doctype=minutes&itemid=41003>

<b>BACKGROUND</b>
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At the June 8, 2016 Corporate Service Committee meeting with respect to a communication received from Councillors, a resolution was passed requesting that:

“the communication **BE REFERRED** to the Civic Administration for review and report back at the next meeting of the Corporate Services Committee regarding the request for changes to the reporting processes;”

and

“the Civic Administration **BE DIRECTED** to post the 2015 Statement of Remuneration for Council Members on the City of London's website in addition to the quarterly reporting data.”

This report is in response to that communication and continuation of the matters discussed at the June 8, 2016 meeting and Civic Administration are reporting back as requested.

## **Annual Statement of Remuneration and Expenses of Elected and Appointed Officials**

Section 284 of the *Municipal Act, 2001* requires the Treasurer of every municipality, on or before the 31<sup>st</sup> of March in each year, to submit to the City Council an itemized statement of remuneration and expenses paid to each member of Council for the preceding year.

The report is brought forward annually to this Committee, usually in early March of each year. The report includes the following details:

- Statement of Remuneration and Expenses paid to or on behalf of Elected and Appointed Officials;
- Statement of Out-of-Town Travel and Expenses as submitted and reviewed by Senior Administrative Officials of London Transit Commission, London Police Services Board, London Convention Centre and London Public Library;
- Statement of Out-of-Town Travel and Expenses as submitted and reviewed by Senior Administrative Officials of the City of London;
- Mayor's Office expenses; and
- Council Remuneration and estimated taxable equivalent.

A resolution of the June 8<sup>th</sup> Corporate Services Committee directed staff to post the 2015 Statement of Remuneration on the City of London's website. As the entire report is 7 pages in length and contains a volume of financial information, Civic Administration has attempted to display this information in an easy-to-read format by providing only excerpts from the 2015 report. The excerpts posted are derived from page 1 of Appendix A of the report and have now been posted to the website, on the City Council and Mayor's Office webpages.

## **Council Remuneration Reporting Process**

The current annual reporting is reconciled to the financial accounting system and to the annual filing of the T4's and T4 Summary that is filed with the Canada Revenue Agency by February 28<sup>th</sup> each year to ensure accuracy and completeness of the information.

As Members of Council are paid a stipend vs hourly wages, the stipends paid from month to month do not change significantly. To modify the process and move to a quarterly reporting of remuneration will increase the workload of Financial Services and Employee Systems staff. Currently these same staff are heavily involved in year-end reporting and liaise heavily with the external auditors during the first 2 quarters of the year. Adding additional reporting during this time, while possible, will cause more hours of work for these staff during an already busy workload. Civic Administration does not believe providing this information quarterly would provide significant additional benefit.

In order to accomplish the goal of being more open and transparent, staff researched other municipalities' websites for possible alternatives of remuneration reporting and of note, were the following cities that provided remuneration information on Members of Council, on their websites:

- City of Toronto;
- City of Vancouver; and
- City of Calgary.

Appendix A attached, is a suggested format the City of London could use, modelled after the City of Toronto's format.

This format would require updating only once per year, or on a specific occasion if a change was implemented. Civic Administration feels this format is useful information to report on the website and at the same time does not require much additional work to provide. Civic Administration staff are recommending this format be adopted.

**Acknowledgements**

This report was prepared with the assistance of Employee Systems and Financial Services staff.

<b>PREPARED BY:</b>	
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<b>CONCURRED BY:</b>	
<b>ANNA LISA BARBON DIRECTOR, FINANCIAL SERVICES</b>	<b>VERONICA MCALEA MAJOR MANAGING DIRECTOR, CORPORATE SERVICES AND CHIEF HUMAN RESOURCES OFFICER</b>
<b>RECOMMENDED BY:</b>	
<b>MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER</b>	

Attach.

## Appendix “A”

### Remuneration and Benefits

Remuneration and benefits for Members of Council:

<b>2016 Stipends</b>		
Council Position	Remuneration, with one-third tax exempt provision <sup>1</sup>	Estimated Taxable Equivalent <sup>2,3</sup>
Mayor	\$104,258	\$130,916
Councillor	\$33,465	\$36,262
Committee Chair	\$34,714	\$37,615
<b>Benefits</b>		
Extended Health	Employer 100%	
Dental Care	Employer 100%	
Deluxe Travel	Employer 100%	
Basic Life Insurance	Employer 100%	
Accidental Death & Dismemberment	Employer 100%	
Long-term Disability	Employer 100%	
OMERS Pension Plan	Yes	
Mileage - Mayor	\$8,400 per annum	
Mileage - Councillor	Annually select one of the following options: A) a monthly transportation allowance in the amount of up to \$150.00 maximum; OR B) a per kilometer rate of \$0.50, based upon submission and approval of a “Corporate Car Allowance Statement” claim form, which provides for both parking and kilometre usage	

<sup>1</sup> Council remuneration has been frozen at the 2013 rate.

<sup>2</sup> Estimated taxable equivalent based on marginal tax rates per <http://www.taxtips.ca/taxrates/on.htm>

<sup>3</sup> The taxable equivalent remuneration listed is a calculation to estimate the gross annual remuneration required to result in the same 2016 annual remuneration, if the one-third tax exemption was removed.

The report on the 2015 Statement of Remuneration and Expenses can be found in its entirety on the City of London website at the following link:

[2015 Statement of Remuneration and Expenses - Elected and Appointed Officials \(March 8, 2016 meeting of Corporate Services Committee\)](#)