

Report to Corporate Services Committee

To: Chair and Members
Corporate Services Committee

From: Anna Lisa Barbon, Deputy City Manager, Finance Supports

Subject: Elected Officials and Appointed Citizen Members 2021 Remuneration

Date: May 10, 2021

Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, the report dated May 10, 2021 entitled “Elected Officials and Appointed Citizen Members 2021 Remuneration” BE RECEIVED for information.

Executive Summary

Remuneration for the City of London’s elected officials and appointed citizen members of local boards and commissions, where stipends are paid, is adjusted annually as set out in the ‘Remuneration for Elected Officials and Appointed Citizen Members Policy’ adopted by By-law No. CPOL.-70(a)-408. In accordance with this policy, 2021 remuneration will increase by 0.7% over 2020 effective January 1, 2021. This reflects the lesser of the Labour Index, or the Consumer Price Index, Ontario.

Linkage to the Corporate Strategic Plan

Council’s 2019-2023 Strategic Plan for the City of London identifies ‘Leading in Public Services’ as a strategic area of focus. By reporting out on this increase, this achieves the expected result of improving public accountability and transparency.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

Strategic Priorities and Policy Committee, August 21, 2017, Item # 3, Final Report of the Council Compensation Review Task Force

Corporate Services Committee, April 16, 2019, Consent Item # 2.1, Appointed Citizen Members 2019 Remuneration

2.0 Discussion and Considerations

2.1 Annual Adjustment

The ‘Remuneration for Elected Officials and Appointed Citizen Members Policy’ (the Policy) sets out the formula for how the annual remuneration is adjusted for elected officials and appointed citizen members of local boards and commissions whose remuneration is paid by the City of London. As part of the ‘Final Report of the 2016 Council Compensation Review Task Force’ this formula was reviewed, and this approach was recommended to be continued.

Stipends for elected officials and appointed citizen members of local boards and commissions are to be adjusted annually on January 1st by the percentage increase reflected in the Labour Index, 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
- whereby the escalator for annual adjustment purposes shall not be applied in those years where the non-union staff wages are frozen.

For 2021, non-union staff wages are not frozen, so a compensation adjustment for elected officials and appointed citizen members of local boards and commissions, where a stipend is paid, will follow the Policy.

As at the end of December 2020, the Labour Index increased by 2.7%^a over the prior year whereas the Consumer Price Index, Ontario increased by 0.7%^b. The table below outlines the impact on the remuneration of elected officials for 2021 with the 0.7% increase applied.

	Current Remuneration	2021 Remuneration as adjusted
Mayor	\$ 141,200	\$ 142,188
Councillor	\$ 52,358	\$ 52,725

3.0 Financial Impact/Considerations

The recommended increases for 2021 have been accommodated within the approved 2020-2023 Multi-year Operating Budget.

Conclusion

In accordance with Council Policy, elected officials and appointed citizen members to local boards and commissions, where stipends are paid, will receive a 0.7% increase in remuneration effective (retroactively), January 1, 2021.

Prepared and Submitted by: Ian Collins, CPA, CMA,
Director, Financial Services

Recommended by: Anna Lisa Barbon, CPA, CGA,
Deputy City Manager, Finance Supports

^a CANSIM Table 14-10-0213-01 'Fixed weighted index of average hourly earnings for all employees, by industry, monthly.

^b CANSIM Table 18-10-0005-01 'Consumer Price Index, annual average, not seasonally adjusted