# **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 2022

Remuneration

Date: March 28, 2022

## Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, the report dated March 28, 2022, entitled "Elected Officials and Appointed Citizen Members 2022 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 3.5% over 2021 effective January 1, 2022. 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 Background

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.

#### 1.2 Previous Reports Related to this Matter

- Strategic Priorities and Policy Committee, August 21, 2017, Final Report of the Council Compensation Review Task Force, Item # 3,
- Corporate Services Committee, April 16, 2019, Appointed Citizen Members 2019 Remuneration Consent, Item # 2.1
- Corporate Services Committee, May 10, 2021, Elected Officials and Appointed Citizen Members 2021 Remuneration, Item # 2.6

#### 2.0 Discussion and Considerations

## 2.1 2022 Annual Adjustment

For 2022, 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 2021, the Labour Index increased by 3.9%<sup>a</sup> over the prior year whereas the Consumer Price Index, Ontario increased by 3.5%<sup>b</sup>. The table below outlines the impact on the remuneration of elected officials for 2022 with the 3.5% increase applied.

	Current Remuneration		2022 Remuneration as adjusted	
Mayor	\$	141,200	\$	146,142
Councillor	\$	52,358	\$	54,191

#### 3.0 Financial Impact/Considerations

The recommended increases for 2022 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 3.5% increase in remuneration effective (retroactively), January 1, 2022.

Prepared and submitted by: Ian Collins, CPA, CMA, Director, Financial

Services

Recommended by: Anna Lisa Barbon, CPA, CGA, Deputy City

**Manager, Finance Supports** 

<sup>&</sup>lt;sup>a</sup> CANSIM Table 14-10-0213-01 'Fixed weighted index of average hourly earnings for all employees, by industry, monthly for Canada.

<sup>&</sup>lt;sup>b</sup> CANSIM Table 18-10-0005-01 'Consumer Price Index, annual average, not seasonally adjusted for Ontario