

**THE REGIONAL MUNICIPALITY OF NIAGARA
CITIZEN COMMITTEE ON COUNCIL REMUNERATION
MINUTES**

**CCCR 3-2019
Friday, October 4, 2019
Campbell East (CE) 103
Niagara Region Headquarters, Campbell East
1815 Sir Isaac Brock Way, Thorold**

Committee: B. Haig , S. Hill, M. Pinder (Committee Chair)

Staff: K. Angrilli, Manager, Total Rewards, F. Meffe, Acting Director,
Human Resources, A.-M. Norio, Regional Clerk

1. CALL TO ORDER

Margo Pinder, Committee Chair, called the meeting to order at 2:11 p.m.

2. DISCLOSURES OF PECUNIARY INTEREST

There were no disclosures of pecuniary interest.

3. PRESENTATIONS

There were no presentations.

4. DELEGATIONS

There were no delegations.

5. ITEMS FOR CONSIDERATION

5.1 CCCR-C 5-2019

Town of Banff - Council Remuneration Review Committee Report

Moved by S. Hill

Seconded by B. Haig

That Correspondence Item CCCR-C 5-2019, being the Council Remuneration Review Committee Report from the Town of Banff, **BE RECEIVED** for information.

Carried

Committee member S. Hill, prepared a summary of the Town of Banff report for use by the Committee. The summary is attached to these minutes.

5.2 CCCR-C 6-2019

Approach Outline for Citizen Committee on Council Remuneration

Moved by B. Haig

Seconded by S. Hill

That Correspondence Item CCCR-C 6-2019, being the Approach Outline for Citizen Committee on Council Remuneration, **BE APPROVED** as the basis for making determinations respecting council remuneration.

Carried

The Committee conducted a thorough discussion of the approach outline and decided that the final report would recommend to maintain the existing comparator group of municipalities and that Council increases would be tied to the non-union staff increase.

The Committee decided the final report should contain:

- the options the Committee considered and why some were excluded
- annual methodology
- reference to the City of St. Catharines methodology; and
- reference to the consideration of union and non-union increases

6. **CONSENT ITEMS FOR INFORMATION**

6.1 CCCR 2-2019

Minutes - Citizen Committee on Council Remuneration
Tuesday, September 17, 2019

Moved by B. Haig

Seconded by S. Hill

That Minutes CCCR 2-2019, being the minutes of the Citizen Committee on Council Remuneration meeting held on Tuesday, September 17, 2019, **BE RECEIVED** for information.

Carried

Committee Information Request(s):

Amend bullet point 6 in Minute Item #3 to clarify "unionized staff increases".

7. **OTHER BUSINESS**

There were no items of other business.

8. **NEXT MEETING**

The next meeting will be held on Wednesday, October 16, 2019 at 9:30 a.m. in Room CE 103.

9. **ADJOURNMENT**

There being no further business, the meeting adjourned at 3:21 p.m.

Margo Pinder
Committee Chair

Ann-Marie Norio
Regional Clerk

Citizen Committee on Council Remuneration

Meeting Notes for October 4th, 2019

The Banff Report

Similarities Between Banff and Niagara - Why I wanted Banff included in this review

- Banff's objectives and methodology overlap with ours in that we are both seeking 1. an evidence-based approach consistent with, 2. transparency, simplicity, and fairness, while being 3. fiscally responsible. PG25
- "The residents of Banff believe that ... Councillors bring value to the community and should be remunerated appropriately in accordance with Banff's unique iconic stature as an international tourist destination¹ and associated public profile of its elected officials." PG6
- "The philosophy is to base the compensation for ... Councillors on a realistic scale² and should reflect the demanding nature and responsibilities of that public office in order to attract capable candidates; however such compensation must also be reasonable to both members of council and to the citizens of Banff." PG6
- "The position of councillor continues should continue to be considered part-time..." PG11
- "Councillors' responsibilities require members to prepare for and attend meetings and events in addition to keeping informed on current issues while maintaining contact with residents. It should be understood that Councillors in a small community have a high public profile and that they are often required to be engaged with constituents on a daily basis." While the Regional Municipality of Niagara is considerable in size and population, many of the members of council come from small communities where they must, and indeed do, interact with their constituents. PG11

Concerns - or areas where our objectives differ from that of Banff's

- The new policy (Banff) stipulated that a comprehensive remuneration review would take place every election year prior to the election, this is unnecessary if appropriate language is drafted that builds in the cost of labour³. The formula or process that determines 'total increases' for non-union employees - by the total rewards director - for the region seems to achieve this task.
- The 'remuneration of councillors are tied to the mayor's base salary.' This is problematic as it creates the incentive (for council) to drive up the mayor's compensation package as it will automatically trigger a pay raise for the rest of council. PG11

¹ In 2017-18, about 4.2 million people visited Banff, an increase of about 28 per cent from 3.3 million five years ago. It is estimated that around 30 million people visit Niagara Falls each year.

² Median total income of households in Niagara in 2015: \$65,086 - Data for income earned from a part-time position was not available in time for the submission of this document.

³ Tangentially, CPI and normal inflation would be factored into any rewards packages or the total increases calculation (and adjustments) by Region staff.

- The Banff policy addressed a number of other compensation packages that are outside the scope of our committee. PG13

Conclusion

- Considering the 'broader general principles' as laid out in previous meetings, I still feel that the CCCR should have more carefully considered the idea of seeking input from council members through the form of testimony or a questionnaire. Questions posed to council related to past, current and future demands being placed on council and the compensation received for performing their duties would have helped us by furthering our insight of the demands of the job. PG8
- Banff sought a balance between providing a "compensation package that attracts suitable candidates" and a "commitment to an effective stewardship of public funds." PG8
- "Council Base Remuneration continue to be adjusted effective January 1⁴ of each year by the same market formula used in the annual adjustment for Town wages approved in the Financial Plan for all Town of Banff employees." That the CCCR draft's a policy recommendation for council that is; 1. increases to councillor remuneration is tied to non-union staff employed by the region, 2. self-guiding in the sense that, unlike Banff, the issue does not need to be revisited every election cycle, and that 3. features language that strongly suggests that if the council wishes to change their remuneration package, that another CCCR be formed to review the feasibility and rationale behind any increase in compensation packages. PG12
- In the interest of accountability and transparency, cores values as established by the guiding document, "Due to the perceived conflict of interest in the process for wage adjustments, the level of compensation from members of council should be adjusted from time to time by an arm's length process." Tying remuneration to the increases received by non-union regional staff keeps up with inflation and removes the need for council to frequently revisit this issue. PG12
- While optically it is reasonable to consider basing (the) 'total increases to council remuneration' to the same increases unionized workers in the Region receive, especially considering they various unions represent a total of approximately eighty percent of the workforce, though because of logistics and the nature of the bargaining process, such a process is unfeasible at this time. PG26
- I don't believe that CPI (as it is redundant) should be a part of the formula for determining remuneration (directly) and that the Conference Board of Canada percentage is not an ideal metric⁵ and should not be considered as a part of the formula for future increases. The process of determining increases for non-union employees by the total rewards staff already considers inflation.
- Continuing a thought from the last point, the only issue I foresee with this formula (basing council increases to the percentage increase of non-union employees) is to effectively communicate the process and mechanism to determine said increases to the residents of the Region. An effort would need to be made by this committee to simply explain it to residents in a manner all might understand. (Broader General Principle 1) PG25

⁴ The date can be amended to a more suitable time if necessary. This date is just a place holder and borrowed from the Banff outline.

⁵ Some part of the Conference percentage is based on self-reporting. This is at odds with our stated goals of transparency and evidence-based information - and, considering the possibility of a questionnaire was rejected because questions over integrity, reliability, and relevance of submissions from Region councillors.