

Policy Title: Council Compensation Policy			Policy Number ADM 190
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Approval: Chief Administrative Officer		Point of Contact Director, Corporate Services & City Solicitor	

Policy Objective

The objective of this Policy is to:

1. Provide consistent rules and guidelines for the Mayor and Members of Council with respect to salary, expenses and communications of elected officials; and,
2. Provide guidelines to staff to ensure all expenses are submitted and approved in accordance with the established parameters of the Policy.

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01 Definitions

- 01.01 **Allowable or Eligible Expense** - shall mean an expense that is provided for in this Policy.
- 01.02 **Cooperative Letter** - shall mean a letter or other printed document that contains information of interest to residents in more than one ward and which shall be mailed or distributed beyond a ward boundary.
- 01.03 **Councillor** - shall mean all Members of Council, excluding the Mayor.
- 01.04 **Ineligible Expense** - shall mean an expense that is not provided for in this Policy.
- 01.05 **Members of Council** - shall include the Mayor and all Members of Council.
- 01.06 **Neighbourhood Letter** - shall mean a document that is prepared on letterhead and/or signed by a Member of Council and sent to a defined neighbourhood or community of interest within the constituency of a Member of Council.
- 01.07 **Newsletter** - shall mean a document that is printed on both sides and shall contain information of interest to the constituents of a Member of Council.
- 01.08 **Telecommunications Equipment** - shall include all equipment capable of transmitting over landlines and/or wireless modes.
- 01.09 **Website** - shall mean a site on the World Wide Web that contains information of interest to the constituents of a Member of Council.

02 Principles

When interpreting this Policy, the following principles should be kept in mind:

02.01 **Autonomy of Council** - City Council, as the decision-making body of the City, is separate and distinct from City administration.

02.02 **Integrity of Council** - The integrity of City Council as a whole and the Office of the Members of Council must be protected. The interest of City Council as a whole takes precedence over the personal interests of individual Members of Council.

02.03 **Accountability** - Since Members of Council use public funds when they perform their duties, the public expects public funds to be used prudently. Members of Council are the stewards of City resources and are ultimately accountable to the public and their constituents for the type and level of expenses they incur. Members of Council expenses must be reasonable and reflect what the public expects of an elected official.

02.04 **Transparency** - The public has a right to know how public funds allocated to Members of Council are spent. The public's right to Council expense information must be balanced against the need to protect privacy and personal information, and allow time for proper accounting and reconciliation of expenses.

03 Responsibilities

03.01 Members of Council to:

- a) adhere to and support the Council Compensation Policy;
- b) consider amendments as presented by the Chief Administrative Officer;
- c) meet all financial, legal, and income tax obligations; and,
- d) stay within budget guidelines and expenditure categories.

03.02 Chief Administrative Officer to:

- a) support the Council Compensation Policy.

03.03 City Clerk to:

- a) approve any expenditures in accordance with the Policy;
- b) advise Members of Council of the status of their budgets;
- c) advise Members of Council if any item appears to breach the Council Compensation Policy; and,

- d) make sure that supporting documentation is in place, and that expenditures conform with the Policy.

04 General

- 04.01 This Policy shall be reviewed every four years prior to the budget meetings that follow the general municipal election, or as directed by Council.
- 04.02 When a vacancy occurs and is subsequently filled, compensation, benefits and allowances shall be pro-rated to the term of office.
- 04.03 Items purchased for and expense reimbursements by the City and provided to a Member of Council will be charged to the Member's budget.
- 04.04 Reimbursement or payment by the City will not be made if it is not specifically provided for in this Policy.
- 04.05 No budget amount shall be provided to a new Member of Council in an election year.
- 04.06 No remaining current budget allocations or allowances can be carried forward into future years.
- 04.07 Individual Members of Council shall not use City funds to make individual grants or donations to organizations or persons for any form of sponsorship or fundraising.
- 04.08 Members of Council will not be reimbursed for expenditures purchased through the use of rewards or point programs or gift cards.
- 04.09 Detailed listings of Council expenses are prepared on a monthly basis for each Member of Council and publicly disclosed on the City's website.

05 Accounting Procedures

- 05.01 Member of Council claims for expenses must follow basic accounting and audit principles:
 - a) expenses must relate to the business of the City of Pickering;
 - b) complete pages of all documentation pertinent to the expenditure must be attached to the expense reimbursement form;
 - c) Members of Council must incur the expenses. Expenses incurred by third parties cannot be claimed;
 - d) Members of Council must provide proper documentation, including detailed original receipts, invoices or e-bills, for all expense claims. Credit card receipts or statements alone are not sufficient and will not

be accepted. In the case of any internet online purchases, a copy of the confirmation is not enough for reimbursement the credit card statement must also accompany the documentation;

- e) invoices must include a description of the goods purchased or services rendered, the cost, applicable taxes and HST Registration Number;
- f) original signatures are required on all expense forms and invoices. Documentation with only signature stamps or electronic signatures will not be accepted;
- g) expenses must be submitted for reimbursement within 60 days of the expenditure; and,
- h) Members of Council who charge for goods against the current year must have received the goods and or services from the vendor before December 31st of the year.

05.02 Reimbursement of expenses must be completed by filling out the designated form, submitting all invoices with original signatures and appropriate authorization to Accounting Services by 12:00 noon on Wednesday in order for it to be processed in that week's cheque run.

05.03 External Service Providers - payment shall be made directly by the City to the service provider upon submission of an original detailed invoice. An invoice for external services must contain, in addition to the name, address, date and additional details of services provided such as itemizing hours by day, HST business registration number and description of work provided. All invoices require sign off by the Councillor to indicate that services were received prior to authorization, and before payment can be processed.

06 Salary

06.01 The remuneration payable to the Mayor shall be:

- a) \$115,902.00 per annum effective January 1, 2020; and,
- b) Starting in 2022 thereafter, the annual salary of the Mayor shall be increased at the same rate/percentage provided to those employees covered by the Collective Agreement for CUPE Local 129 on April 1st of the immediate preceding year.

06.02 The remuneration payable to a Councillor shall be:

- a) \$53,122.00 per annum effective January 1, 2020;
- b) Starting in 2022 thereafter, the annual salary of a Councillor shall be increased at the same rate/percentage provided to those employees

covered by the Collective Agreement for CUPE Local 129 on April 1st of the immediate preceding year;

- c) a Councillor shall be paid a per diem rate of 1.0 percent of their annual salary for a total of 10 days for attending a full day meeting, workshop, seminar or convention; and,
- d) per diem payments payable to Councillors shall be paid monthly. Per diem payments shall cease on the last day that the Councillors remain in office and shall be pro-rated accordingly.

06.03 Remuneration payable to Members of Council shall be based on an annual rate and paid bi-weekly. Remuneration to Members of Council shall cease on the last day that the Member remains on the Council of the City of Pickering.

07 Benefits:

07.01 Health Plan

- a) An Extended Health Plan as is provided to the non-union employees shall be available to all Members of Council and their families, which includes a prescription and dental plan, vision care plan and semi-private hospital coverage;
- b) Members shall have access to a health care spending account for \$5,000 per year with no carry over provision or unused amount paid out;
- c) For a Member of Council who has completed 16 years of continuous service and ceases to be a Member for the reasons set out in Section 07.04 a), the Corporation shall pay 100 percent of the premium cost of the Extended Health, Dental and Vision Care Benefit Plans, including the health care spending account referenced in 7.01 b), until the earlier of:
 - i) the date which is 10 years after the Member has left office; or,
 - ii) the date on which the Member attains the age of 85.
- d) Following a Council Member's death while in service, the Corporation shall continue to pay 100 percent of the premium costs of the Extended Health, Dental and Vision Care Benefit Plans in respect of a Member's surviving spouse and dependents for up to 24 calendar months.

07.02 Current sitting Members of Council, up to age 70, shall be provided a Term Life Insurance Policy paid to the designated beneficiary as follows:

- a) Mayor \$200,000.00;
- b) Councillor \$100,000.00;

- c) accidental death and dismemberment insurance coverage; and,
- d) current sitting Members of Council will be eligible for an additional \$100,000.00 payment to their designated beneficiary at the time of their death.

07.03 A Member of Council may maintain a Registered Retirement Savings Plan (RRSP), either own or spousal, under Federal legislation to which the Corporation shall contribute a maximum of 13 percent of the Member's earned salary each year.

- a) To have the City make the contribution or reimburse for the contribution, the Member of Council must provide:
 - i) written confirmation that a member has sufficient contribution room, as provided by the Canada Revenue Agency on their notice of assessment, to accommodate the City's contribution, shall be provided to the Treasurer no later than December 31st in any given year and the City's contribution shall be made directly to the RRSP no later than January 31st of the next calendar year;
 - OR**
 - ii) evidence of a contribution by a Member towards an RRSP shall be provided to the Treasurer no later than December 31st in any given year. The member will then be reimbursed for the contribution, to a maximum of 13 percent of the Member's earned salary, no later than January 31st of the next calendar year.
- b) For the purpose of calculating the 13 percent RRSP contribution amount, the word "salary" shall mean the annual base salary, prorated for a Member not holding office for an entire calendar year, of the Mayor and Councillors and it excludes all taxable benefits and allowances.
- c) The contribution to an RRSP is a taxable benefit regardless of whether it is paid to the Member of Council or the financial institution.
- d) The City shall make its contribution only in the month of January of the next calendar year regardless of when the Member of Council made a contribution, except when a Member of Council ceases to hold office during the year, in which case a whole or partial contribution will be made in that year.

- 07.04 a) A Member of Council, who has completed a term, may, upon written application to the Treasurer by the Member, or by a representative appointed in writing by the Member, receive severance remuneration upon ceasing to be a Member by reason of:
- i) election defeat;
 - ii) resignation;
 - iii) election to another government body; or,

- iv) dying while in office if the Member is 70 years of age or over and not eligible to receive benefits under the City's group life insurance program.
- b) No Member of Council shall be entitled to receive severance remuneration if he or she ceases to be a Member by reason of resignation which is a result of or given in anticipation of:
 - i) removal from office by judicial process; or,
 - ii) notwithstanding the above, disqualification under or by operation of any Act of the Parliament of Canada or the Legislature of the Province of Ontario.
- c) Severance remuneration shall be equal to one month of salary for a Member of Council, times the number of years of consecutive, uninterrupted full service of the Member, to a maximum amount payable of 36 months remuneration. Severance remuneration shall be calculated from the day the Member took office to the last day that the Member ceases to hold office.
- d) A written application for severance remuneration must be received by the Treasurer within 6 calendar months of a Member of Council ceasing to be a Member; otherwise any entitlement to severance remuneration shall be forfeited. Upon approval of the application by the Treasurer, a payment arrangement shall be agreed to that does not extend beyond four years. Interest is not earned on the severance remuneration if a payment arrangement is agreed on.

08 Vehicle Allowance

- 08.01 A vehicle allowance is provided for in the annual Current Budget on a monthly basis to each Member of Council.
- a) The vehicle allowance shall be deemed to provide for all travel and travel-related expenses less than 50 km one way from the Civic Complex and shall include but not be limited to fuel, parking, highway tolls, taxi fares, public transportation fares and valet services.
 - b) Travel of more than 50 km one way from the Civic Complex shall be paid for the outgoing and return trip in excess of 100 kilometres at the per kilometre rate of reimbursement approved by Council or economy class return air fare between Toronto and the destination, whichever is the lesser.

09 Professional and Business Development

- 09.01 A budget of \$12,000 per term for each Member of Council shall be provided. This will be an allocation of \$3,000 per Member of Council in each annual budget for professional and business development related to City business.

- 09.02 Members of Council may attend the following programs that are relevant to a Member of Council's role/duties and relates to City business:
- a) conferences and seminars;
 - b) professional education and development programs;
 - c) skills development programs;
 - d) business development, trade missions, research/study trips; and,
 - e) other City business or other travel requested by City Council.
- 09.03 Expenses shall include actual accommodation costs, registration costs, travel if applicable, hotel internet/telephone charges and meals if not provided by conference event and where such expenses are not otherwise claimed or paid for by another person or body.
- 09.04 Accommodation expenses shall be at the event headquarters and if not available, then at the nearest suitable hotel, motel, etc. and at a single occupancy room rate. All expenses over a single occupancy room rate will be the responsibility of the Member of Council.
- 09.05 Travel necessary for professional and business development in excess of 50 kilometres one way, 100 kilometres return from the Civic Complex, shall be paid at the per kilometre rate of reimbursement approved in the Current Budget or economy class return air fare between Toronto and destination whichever is the lesser. Economy plus standard is permitted for air travel over five hours. Other travel related expenses such as parking, vehicle rentals, taxi fares, public transportation fares and highway tolls incurred for travel beyond 50 kilometres one way, 100 kilometres return shall also be reimbursed upon presentation of receipts.
- 09.06 Lost receipts will not be reimbursed.
- 09.07 Councillors must have Council approval in order for expenses to be reimbursed for any event outside of North America unless the Mayor has delegated his authority under section 226.1 of the *Municipal Act* to represent the City in his place to the Deputy Mayor or a Councillor, if the Deputy Mayor cannot attend.
- 09.08 Council approval is not required for international air travel, accommodations, registration fees and meals for economic development initiatives.

10 Councillors Stationery and Office Supply Budget

- 10.01 An annual budget of \$750.00 is provided for each Councillor for office supplies used for City business such as; personalized letterhead,

business cards, toner cartridges, Commissioner Stamps, publications/books relating to City business.

10.02 All letterhead and business cards must comply with the City's template guidelines.

11 Meals, Receptions, Promotions & Special/Community Events

11.01 An annual budget of \$5,000.00 is provided for each Councillor for meals, individual ads, receptions, promotions and special events where the Member of Council is required to attend in an official capacity and the event relates to City/constituent business.

11.02 Where an invitation is extended to a Member of Council to attend a function in his or her capacity as an elected official, the Member may request reimbursement for one additional ticket for a spouse or guest, where appropriate and reasonable.

11.03 Individual ads (i.e. newspaper ads, business card ads) must be placed in news or advertising media circulated within the City of Pickering. Copies of print ads must be provided with the invoice.

Meal Reimbursement

11.04 Reimbursement shall be provided to Members of Council for the cost of meals attended for the purpose of discussing matters of City business as follows:

- a) reimbursement shall only be provided for reasonable food and alcohol expenses upon submission of the original restaurant bill providing details of the purchase and the HST number. The attendees and the purpose of the meeting is to be noted on the reverse side of the bill;
- b) reimbursement for alcohol alone is not allowed; and,
- c) Members of Council will not be reimbursed for any food, drink or alcohol for any social meal/event when taking City/Regional staff or Advisory Committee/Board members out (i.e. lunches, retirement functions, holiday lunches).

12 Communications

12.01 A Capital Budget of \$10,000.00 per term, per Member of Council, shall be provided for the acquisition of computer hardware/software and telecommunications equipment.

- a) Expenditures of this allocation shall only be made in the first 40 months of office following a general election.

- b) No replacement computer hardware/software, telecommunications equipment or smart phones shall be purchased or leased for Members of Council unless it is lost or stolen, or no longer operates and cannot be repaired to its initial operating specifications. The old equipment must be returned, and/or affidavit that the equipment has been lost or stolen must be submitted. Any replacement equipment purchased under this Section will be charged to the Councillor's budget.
- c) Following a general municipal election, by-election or appointment, the new Member(s) of Council shall be contacted by staff to determine their needs. Members of Council may choose to be supplied with equipment recommended by City staff or they may choose to be supplied with equipment of their choice. The Division Head, Information Technology must be consulted to verify compatibility and to clarify IT support opportunities before purchase. At the point of delivery of the equipment, Members of Council shall be required to sign a Home Equipment Agreement which shall set out the equipment that has been supplied to the Member and the conditions under which it has been supplied.

12.02 Returning of equipment by Members of Council:

- a) the equipment issued to Members of Council remains the property of the City and shall be returned on completion of the term of office;
- b) every Member of Council who does not continue to hold municipal office shall return all computer hardware/software, telecommunications equipment and any other equipment purchased or leased on their behalf to the City by November 30th following a general municipal election or within 21 days of ceasing to hold office;
- c) notwithstanding section 12.02 b), an outgoing Member may request the purchase of such equipment. The Treasurer shall consider each request when submitted, taking into consideration the age of the equipment, its market value and any licensed software on equipment;
- d) a Member of Council will be provided with the opportunity to purchase City owned equipment if he or she:
 - i) has held office for at least one full term;
 - ii) is not standing for re-election; or
 - iii) has been unsuccessful in seeking re-election;
- e) the opportunity to purchase will not be available to a Member of Council who is disqualified or dismissed from holding office; and,

- f) in the event the above-noted items are not returned or purchased by the said date, the matter shall be referred to the Director, Corporate Services & City Solicitor to pursue recovery.

12.03 The City will reimburse each Member of Council for phone/internet usage as follows:

- a) smart phone plans, iPad plans, one landline for Pickering residence (landline reimbursement expires on November 14, 2022) and home internet usage costs incurred in the course of City business; and,
- b) Members of Council who are planning to travel out-of-province or out-of-country must contact the City's IT staff or the provider to determine the appropriate voice and data roaming plan. Roaming charges will not be reimbursed by the City for usage costs for electronic devices that are accidentally turned on or left on.

13 Constituent Communications

It is recognized that there are many communications media available to Members of Council to communicate with their constituents, including newsletters, neighbourhood letters, cooperative letters, websites and social media accounts.

13.01 An annual budget of \$10,000 for the first, second and third calendar years and an annual budget of \$4,000 for the fourth year for website expenditures will be provided to each Councillor for constituent communications. The City shall cover the cost of preparing, printing and mailing newsletters, neighbourhood letters and cooperative letters, as well as the cost of creating and maintaining a website and/or social media account security measures as follows:

- a) a newsletter shall not be mailed or otherwise distributed beyond the boundaries of the constituency of a Member of Council except where postal walks cross beyond the boundaries of his/her ward;
- b) in instances where Members of Council are assigned or appointed to additional duties, or where it is determined that the same information is being sent out by another Member, and combining information is fiscally responsible, cross-ward boundary communication exceptions may be permitted in the discretion of the City Clerk;
- c) a newsletter, neighbourhood letter, cooperative letter, City-funded website or other communications media shall not contain information that would promote any candidate in an election;
- d) a newsletter, neighbourhood letter, cooperative letter, City-funded website or other communications media shall not contain advertising that would promote a product or service of a company, organization or individual;

- e) a Member of Council shall only be reimbursed for communication expenses relating to City business incurred through media that have general circulation in the City of Pickering, such as a newspaper, radio or television station; and,
- f) in the fourth year of a term of office, all communications must be delivered to the mailing address by April 30th in order to be reimbursed by the City.

14 Websites

The City will reimburse Members of Council for the cost associated with development, licensing and maintaining a website as follows:

- 14.01 a link to the Councillor's City-funded constituent website will only be provided from the City of Pickering website under the Councillor's profile link;
- 14.02 Members of Council cannot convert an existing Councillor's City-funded constituent website to an election campaign website;
- 14.03 the City will reimburse for the purchase of one domain name registration, web hosting fees and website maintenance fees;
- 14.04 Members of Council's City-funded constituent websites will be hosted outside of the City's internet URL address and are entirely the responsibility of Members of Council;
- 14.05 City staff cannot provide any advice related to these external sites, including wording for disclaimers;
- 14.06 the City recommends that Members of Council choose a web-hosting company operating in Canada to reduce the risk of breaching the privacy of constituents under conditions of the *United States Patriot Act*;
- 14.07 use of the City logo and symbols must comply with all applicable City policies;
- 14.08 Members of Council's City-funded constituent websites cannot advocate for a political party, other levels of government, for-profit organizations or individuals not related to the business of the City, or for candidates in any municipal, provincial, federal election or by-election, or promote consent or rejection of a question on a ballot that has been submitted to electors; and,
- 14.09 Members of Council's City-funded constituent websites cannot contain advertising that would promote a product or service of any company, organization or individual.

15 In an Election Year

- 15.01 The *Municipal Elections Act, 1996* states that the City cannot provide a subsidy to any candidate in a municipal election campaign. Therefore, special conditions for expense reimbursement for Members of Council apply during an election year.
- 15.02 In an election year the following conditions shall apply effective May 1st:
- a) no Member of Council shall use the facilities, equipment, supplies, services, staff or other resources of the municipality for any election campaign or campaign-related activities;
 - b) no Member of Council shall undertake any campaign-related activities on any municipal property;
 - c) no mailing or distribution of constituent communications where the costs are borne by the City;
 - d) no mailing or distribution of generic neighbourhood letters or cooperative letters shall occur where the costs are borne by the City;
 - e) no individual advertising shall occur where the costs are borne by the City (i.e. newspaper ads, business card ads); and,
 - f) no community events can be organized by a Member of Council where the costs are borne by the City (i.e. safety meetings, government info meetings).

Please refer to all associated Procedures and Standard Operating Procedures, if applicable, for detailed processes regarding this Policy.