

Saskatoon Municipal Review Commission: Remuneration Report (Third Report)



Saskatoon, Saskatchewan
Issued September 8, 2022

Saskatoon Municipal Review Commission Membership:

Paul S. Jaspar (Chair)

Linda Moulin (Vice-Chair)

Jennifer Lester – Remuneration Report Lead

Joan White

Adele Buettner

Researcher:

Kurt Terfloth

Contents

- Preamble 1
- Introduction – History of the Saskatoon Municipal Review Commission 2
- Remuneration Report Methodology 2
 - Comparator Approach 3
- Current State of Remuneration 3
 - The 2019 Federal Change in Municipal Council Tax Exempt Status 3
 - Mayor Base Salary 4
 - Members of Council Base Salary 5
- Mayor and Council Benefits and Expenses (Non CCRA) 6
 - Council Benefits 6
 - Travel and Expenses Members of City Council 7
 - Policy C01-023 - City Councillors' Common Travel and Training 7
 - Common Travel and Training Budget 8
 - Councillor’s Individual Travel and Training Budget 8
 - Website: Mayor and Councillors – Benefits and Entitlements 9
- Communications and Constituency Relations Allowance (CCRA) 10
 - Administrative Findings and Recommendations 10
 - CCRA – Election Dates 10
 - Reimbursements 11
 - Independent Review of the CCRA 11
 - CCRA Expenditures and Usage 13
 - Mayor CCRA Expenditures 13
 - Council CCRA Expenditures 13
- Detailed Findings and Recommendations 14
 - Sections Allowable Expenses 3.2 a) – e). 14
 - Section 3.2 Allowable Expenses –(f) Constituency Relations 15
 - Section 3.2 Allowable Expenses –(j) Websites, Social Media Tools, Software & Accessories 17
- Appendix 1 - Key Links and Sources of Information 19
- Appendix 2: Status of Recommendations - SMRC Remuneration First Report 21
- Appendix 3: Status of Recommendations - SMRC Remuneration Second Report 24

Preamble

This Remuneration Report discusses the City of Saskatoon's Council remuneration policies and examines *Policy C01-006 - Remuneration - Members of City Council, the tax treatment of salaries, Policy C01-023 - City Councillors' Travel and Training, Policy C01-027 - Communications and Constituency Relations Allowance (the CCRA)*; support for members of council; and benefit plan provisions.

The recommendations made within this report, previous reports contain concepts or actions that the SMRC believes are critical to ensuring that these values are reflected in the topic areas mandated to us for analysis and insight. The SMRC's core values of accountability, transparency, fairness, and predictability are the foundational elements of the work completed on behalf of the citizens of Saskatoon, and the 11 recommendations provided herein, in accordance with the scope and mandate that was set by *Bylaw 9242*.

The SMRC presents the Commission's third report, which provides an update on the status of Council remuneration and includes 11 recommendations based on the scope of the review as outlined.

The SMRC would like to thank the members of the Saskatoon City Council for their input and feedback which informs this report.

The SMRC would also like to thank the offices of the City Clerk and the Human Resources City Employee Benefits, for their time and information throughout the review period.

Introduction – History of the Saskatoon Municipal Review Commission

In 2014, the Government of Saskatchewan announced plans to amend *The Cities Act* to require a Municipal Code of Ethics. As the City would require a policy review, the City of Saskatoon (the City) created a recommending body formed of community members, that was independent of the City Council. The City decided that this commission was to cover the full range of policies that guided and provided support for Council. In 2014, the City approved *Bylaw No. 9242*, The Saskatoon Municipal Review Commission (SMRC) was created.

The mandate of the SMRC's Remuneration Committee, according to the *Bylaw 9242*, is as follows:

"14. (1) The Remuneration Committee shall inquire into and make recommendations with respect to any or all of the following:

- (a) the salaries to be paid to the Mayor and Councillors;*
- (b) the remuneration to be paid to a Councillor appointed as deputy mayor;*
- (c) professional allowances;*
- (d) vacation leave;*
- (e) health and disability benefits;*
- (f) pension benefits and additional retirement benefits;*
- (g) general in-town and out-of-town expenses;*

(2) The Remuneration Committee may inquire into and make recommendations with respect to the following:

- (a) the support staff, facilities and equipment for members of Council;*
- (b) communications allowances."*

Remuneration Report Methodology

The basis of the SMRC's recommendations originate from a survey/question guide provided to members of the Saskatoon City Council, literature reviews, news articles, remuneration policies, other Municipal Review Commission/Committee remuneration reviews, and actual expenses reports.

To inform this third report numerous data sources were examined including a:

- Review of the status of 2016 and 2018 report recommendations
- Review of primary data from a survey submitted to members of Council
- Review of *Policy C01-006 - Remuneration - Members of City Council*
- Review the changed (2019) tax-exempt portion of municipal salaries and impacts
- Review of *Policy C01-023 - City Councillors' Travel and Training*

- Review of *Policy C01-027 - Communications and Constituency Relations Allowance (CCRA)*
- Review of CCRA expenditure reports from 2015-2022
- Review *Policy C01-031 - Leaves of Absence for Members of City Council*
- Review of current compensation policies of similar jurisdictions, with special attention to policies that were used as models
- Review of other Canadian municipal review commissions and the like, that examined remuneration policies and adjustments
- Review of remuneration alignment to the Provincial Cabinet Minister’s salaries
- Review of Council’s benefit programs

The City Clerk’s Office assisted in the compilation compiled and forwarded information it had available, made enquires requesting additional information, and made the administrative arrangements to the Council survey.

Comparator Approach

The SMRC compared the base remuneration for the City of Saskatoon Mayor and Council with twenty-two (22) comparator cities that were published remuneration policies and budgets. They included:

Barrie, ON	Kelowna, BC	Richmond , BC
Burnaby, BC	Kingston, ON	Surrey, BC
Calgary, AB	Kitchener, ON	Toronto, ON
Coquitlam, BC	London, ON	Vancouver, BC
Edmonton, AB	Mississauga, ON	Windsor, ON
Guelph, ON	Oshawa, ON	Winnipeg, MB
Halifax, NS	Ottawa, ON	
Hamilton, ON	Regina, SK	

Current State of Remuneration

The 2019 Federal Change in Municipal Council Tax Exempt Status

On January 1, 2019, the federal government approved the elimination of the one-third Tax exemption for elected officials. Under the City’s Council remuneration policy at that time, the mayor was paid the equivalent of 85% of a Saskatchewan Cabinet Minister’s salary, and a Councillor earned the equivalent of 46% of the Mayor’s annual salary.

In 2019, the Cities of Saskatoon and Regina both adjusted their mayor’s salary to be the full rate of a Saskatchewan Cabinet Minister. In Saskatoon, this 15% increase was to offset the loss of income as a result of the Income Tax change.

Mayor Base Salary

As reported in the 2021 Census data, the City of Saskatoon had a population of 266,141. Saskatoon's closest comparators by 2021 Census data of population size (within 50,000 constituents, together averaging 253,000) are Burnaby, Kitchener, Regina, Richmond and Windsor. Within this comparative range, the Mayor of Saskatoon has a salary that is slightly lower than the comparator average - \$151, 694, compared to \$164,268., However, Saskatoon's Mayor's base salary cost per capita is \$0.57, with the comparator cities averaging \$0.56.

2021 Mayor Base Salary By Population			
Canadian Municipality	Census City Population	Mayor Base Salary	Mayor Base Salary Cost per Capita
Toronto, ON	2,794,356	\$198,075	\$0.07
Calgary, AB	1,306,784	200,586	0.15
Ottawa, ON	1,017,449	188,896	0.19
Edmonton, AB	1,010,899	206,511	0.20
Winnipeg, MB	749,607	198,440	0.26
Mississauga, ON	717,961	144,295	0.20
Vancouver, BC	662,248	178,800	0.27
Hamilton, ON	569,353	184,663	0.32
Surrey, BC	568,322	156,697	0.28
London, ON	422,324	141,200	0.33
Halifax, NS	348,634	190,072	0.55
Saskatoon, SK	266,141	151,694	0.57
Kitchener, ON	256,885	107,139	0.42
Burnaby, BC	249,125	182,525	0.38
Windsor, ON	229,660	199,204	0.87
Regina, SK	226,404	150,217	0.66
Richmond, BC	209,937	182,253	0.46
Oshawa, ON	175,383	130,082	0.74
Coquitlam, BC	148,625	183,365	1.23
Barrie, ON	147,829	121,350	0.82
Kelowna, BC	144,576	113,691	0.79
Guelph, ON	143,740	152,500	0.87
Kingston, ON	132,485	100,434	0.76

In the 2022 SMRC remuneration survey/discussion guide, Council members expressed satisfaction with the salary allocated to the Mayor, and with the compensation methodology. Similarly, the SMRC found that the City of Saskatoon's compensation for the Mayor's salary was within an appropriate range.

Based on the above findings and rationale, no change is recommended.

Members of Council Base Salary

The following table outlines the base salary for members of Council across the twenty-two comparator cities, sorted by an assumed ward density, which is calculated by the total city population, divided by the number of wards.

The table also highlights the Council salary as a percentage of the corresponding city's Mayor (Council Base Salary/Mayor Base Salary = % of Mayor Base Salary) as an additional metric for examination.

2021 Councillor Base Salary By City Population						
Canadian Municipality	Census City Population	# Ward Councillors	Ward Density (Pop/Ward)	Councillor Base Salary	Council Salary as % of Mayor	Councillor Base Salary Cost per Capita
Toronto, ON	2,794,356	25	111,774	\$117,614	59%	\$0.04
Calgary, AB	1,306,784	14	93,342	113,526	57%	0.09
Ottawa, ON	1,017,449	23	44,237	105,684	57%	0.10
Edmonton, AB	1,010,899	12	84,242	116,672	62%	0.12
Winnipeg, MB	749,607	15	49,974	123,209	69%	0.16
Mississauga, ON	717,961	11	65,269	91,700	64%	0.13
Vancouver, BC	662,248	10	66,225	88,515	45%	0.13
Hamilton, ON	569,353	15	37,957	97,357	62%	0.17
Surrey, BC	568,322	8	71,169	86,789	42%	0.15
London, ON	422,324	14	30,166	52,358	28%	0.12
Halifax, NS	348,634	16	21,790	92,258	51%	0.26
Saskatoon, SK	266,141	10	26,614	69,780	46%	0.26
Kitchener, ON	256,885	10	25,689	55,120	30%	0.21
Burnaby, BC	249,125	8	31,141	83,497	59%	0.34
Windsor, ON	229,660	10	22,966	61,294	31%	0.27
Regina, SK	226,404	10	22,640	49,818	33%	0.22
Richmond, BC	209,937	8	26,242	82,636	77%	0.39
Oshawa, ON	175,383	10	17,538	47,739	39%	0.27
Coquitlam, BC	148,625	8	18,578	73,087	56%	0.49
Barrie, ON	147,829	10	14,783	39,400	35%	0.27
Kelowna, BC	144,576	8	18,072	38,147	21%	0.26
Guelph, ON	143,740	12	11,978	41,412	27%	0.29
Kingston, ON	132,485	12	11,040	31,428	31%	0.24

Recommendation 1

That the City employ an independent professional human resources consulting firm or similar to review the work required of Council members and their council assistants, to determine what additional support may be required. It is important to note that Council work, as elected officials is not equivalently comparable to a traditional employee role. The recommended task of evaluating hours is to ensure they have the resources necessary to conduct the base requirements of the elected role.

Rationale

In 2016, the SMRC conducted a self-reporting exercise to estimate the number of hours a Councillor spent on various tasks and found that Councillors were averaging in the higher end of part-time. At that time, the median of the hours was 120 hours per month.

Also in 2016, the SMRC recommended increasing the staff complement of the City Clerk's Office by one full-time position, to two full-time-equivalent positions, with the understanding that this position would be dedicated to Councillor support. Following a City review that indicated that "Compared to most other cities, Saskatoon is at the low end of Council support, an additional assistant was added to the team, with two assistants helping the ten Councillors.

In the SMRC 2022 remuneration survey/question guide, nine of the ten respondents also indicated that Councillors had a need for additional administrative support. Some asserted that many of the tasks required would best be provided by an employee familiar the systems and procedures of the city.

Eight of the nine responding Councillors expressed a perception that they were working full-time in that role. Comments related to workload indicated that there was additional committee work, and that the scope of work had increased with the addition of strategic files.

Mayor and Council Benefits and Expenses (Non CCRA)

Council Benefits

Benefits are linked indicators such as, City staff compensation and union benefits.

The Mayor receives *City Group Insurance*, which covers life insurance, accidental death and dismemberment, short-term disability, and long-term disability benefits.

All members of City Council are provided access to benefits, including the iA Financial Group RRSP, SUMA Employee Family Assistance Program (counselling), and SUMA Group Insurance (Extended Health Care, Dental Care), and they gain compulsory life insurance. Currently members of City Council have access to the following SUMA benefit programs:

- Dental – Plan C #335477
- Extended Health Care - Plan B #335477
- Basic Life - Plan #336150

Recently, the City of Saskatoon reviewed Council's benefit programs, in its investigation of the Saskatchewan (SUMA) Employee and Family Assistance Program (EFAP) and Leaves of Absence for Members of City Council.

In the future, the City may be encouraged to review short-term and long-term disability benefits for Councillors. However, as most Councillors who participated in the discussion guide

identified that they are not in need of additional benefits, no changes are recommended to the benefits structure at this time.

Travel and Expenses Members of City Council

The purpose of Policy C01-006 is to provide compensation sufficient to attract and retain competent and well qualified community-minded persons for the offices of Mayor and Councillor. *Policy C01-006* also describes travel expenses in *Section 2.3, Expenses* within the City's remuneration policy:

"2.3 Expenses

a) Out-of-town Expenses - A member of Council, absent from the City on business of Council or attending a convention, shall, pursuant to authorization of Council, receive \$100.00 per day plus reimbursement for actual expenses incurred.

b) In-town Expenses - A member of Council attending in-town business on behalf of Council, shall be reimbursed for all actual expenses incidental to such business, to a maximum of \$100.00 per day.

c) Councillors shall be reimbursed for use of their personal vehicle for City business, based on a per kilometre reimbursement equal to the limits set by the Canada Revenue Agency for tax-exempt allowances for the use of personal vehicles."

Travel expenses may be best outlined within a designated travel policy, such as the *City of Saskatoon - Local Travel - Employees Policy*. Via discussions in the development of this report it was identified that there may be confusion as to which policy to use, *Policy C01-006* or *Policy C01-023 – City Councillors' Travel and Training*, and when.

It was suggested that there may a risk to public funds if an expense claim was submitted against both policies -duplicating the claim.

Recommendation 2

That the City reviews the multiple existing policies related to Councillor travel expenses and consolidates them into one clear and consistent policy document.

Rationale

Members of the Council and the Clerk's Office would benefit from clarity in in-town and travel expenses, and the interaction between these policies.

Policy C01-023 - City Councillors' Common Travel and Training

The purpose of this policy is to enable City Councillors to attend appropriate meetings, conferences, seminars, and training sessions which will facilitate them in the performance of their duties.

Common Travel and Training Budget

This policy is funded by a Common Travel and Training budget which is intended to be used by Councillors to attend annual conferences, board meetings of organization to which they are appointed as an official representative of the City of Saskatoon, or as a Board member for the Canadian Urban Transit Association or the Federation of Canadian Municipalities (FCM).

In 2020-2021 the fund was decreased, likely due to reduced need during the pandemic. In 2020 the fund was decreased to 10/12 to accommodate the election period. In 2018 and 2019, the fund was over utilized.

	2021	2020	2019	2018	2017
Common Budget	\$6,000	\$20,000	\$24,000	\$24,000	\$24,000
Total expenditures, less GST	\$2,966	\$8,337	\$33,779	\$26,420	\$22,837

Councillor's Individual Travel and Training Budget

Policy C01-023 also oversees the Councillor's Individual Travel and Training Budget. This funds general travel and training, such as attendance at the annual Saskatchewan Urban Municipalities Association (SUMA) convention and FCM conference. In 2020-2021 the fund was decreased due to a lack of demand, due to the pandemic. In 2020 the fund was decreased to 10/12 to accommodate the election period.

	2021	2020	2019	2018	2017
Individual Travel and Training Budget	\$9,000	\$29,167	\$35,000	\$35,000	\$35,000
Actual Expenditures Incurred	\$4,071	\$2,463	\$17,372	\$25,516	\$25,749

In discussions with members of Council during the development of this review, some members noted that SUMA and FCM events were valuable and necessary experiences, but budgeting for these left a perceived minimal budget for other events.

Recommendation 3

That the City amend *Policy C01-023 - City Councillors' Travel and Training* to include a section that specifies funding for attendance at SUMA and FCM events. It is recommended that language used in the City of Edmonton *Council Policy Councillors Budget and Expenses, policy C618A, section 5 (d) Common Travel and Conferences* is reviewed and considered a strong example of a potential verbiage.

Rationale

Building in official flexibility in the common and individual funds may encourage Councillors to pursue additional training and community outreach, which was identified during SMRC discussions with some members of Council. The City of Edmonton *Council Policy Councillors Budget and Expenses, policy C618A, section 5.(d) Common Travel and Conferences* addressed

wanting to protect funding for certain events and other opportunities:

“d. If funds are not available for all Councillors wishing to attend the Alberta Urban Municipalities Association and the Federation of Canadian Municipalities conferences, then the budget will be prorated to provide equal funding.

If funds are not available for all Councillors wishing to attend the Alberta Urban Municipalities Association and the Federation of Canadian Municipalities conferences, then the budget will be prorated to provide equal funding.”

Recommendation 4

That the City amend *Policy C01-023 - City Councillors' Travel and Training, Section 4.3*, and replace the words “*Executive Committee*” with “*Governance and Priorities Committee*”.

Rationale

Within Policy C01-023, Section 4 outlines the responsibilities of the policy. It contains outdated verbiage: “*4.3 Executive Committee is responsible for reviewing proposed amendments to this Policy and forwarding recommendations to City Council for approval.*”

The Governance and Priorities Committee should be used in all policies and documents the term “*Executive Committee*” is used, as per current City terminology.

Website: Mayor and Councillors – Benefits and Entitlements

The City of Saskatoon is transparent in practices, such as the availability of policies, searchable databases of policies and bylaws, policies that provide clear descriptions of how remuneration is calculated, and the regular and prompt reporting of salaries and expenses. As Council member benefits regularly change, these policies are available upon request.

The SMRC noted that the City had an out-of-date Council remuneration document posted online (taken down in July 2022), titled *Mayor and Councillors – Benefits & Entitlements (MCBE)*. The document described:

- Council’s administrative support, work areas, equipment supplied.
- Remuneration details included base salaries for Mayor, Deputy Mayor, and Councillors
- Allowable Expenses (general expenses, in-town expenses, and out-of-town expense).
- Benefits including group and life insurance, pensions, and extended health care.
- Expense allowances for travel, car allowance and parking.
- Communications Allowance (pre-CCRA).

Recommendation 5

That the City expands the City webpage - *Council Member Expenses* – so that it describes all Mayor and Councillor benefits and entitlements, and links to the described policies and

expense reports.

Rationale

Although this document was out of date (2015), it provided comprehensive information in a format that was useful to the public. The City of Saskatoon website section - Council Member Expenses, provides reports of Council members' expenses, but the MCBE demonstrates what it is lacking – a section that provides accessibility to all Council remuneration information, including policies.

The City would demonstrate improved transparency by having short summaries on this information and links to the described policies, etc. presented on the City website, in a manner resembling the Council Member Expenses website.

Communications and Constituency Relations Allowance (CCRA)

The Communications and Constituency Relations Allowance (CCRA) Policy C01-027 was established in June 2016 and was last updated on October 23, 2017. The purpose of this policy and allowance is to provide a communications and constituency relations allowance to support members of City Council in communications with constituents as part of their role as members of City Council for the City of Saskatoon.

Council's CCRA expenses are posted quarterly to the City of Saskatoon website in accordance with the CCRA policy.

In 2021, the CCRA allocated an annual accountable allowance of \$132,300 to the Mayor, and \$10,000 to each Councillor. CCRA allotments and expenses are reviewed by the City Clerk's Office, and by the SMRC in 2016, 2018, and 2022. It is important to note that the SMRC review is not a full program review or audit of expenditures. A review to understand impacts or outcomes from spending has not been completed since the establishment of the fund.

The following outlines the findings from the SMRC review of CCRA expenditures and related recommendations. For ease and clarity, the information has been grouped into common themes:

- Administration Related Findings and Recommendations
- Expenditures and Usage
- Detailed Findings and Recommendations related to Allowable Expenses

Administrative Findings and Recommendations

CCRA – Election Dates

The CCRA refers to specific election dates – *Section 3.1 - In the year of a civic election, all Communications and Constituency Relations Allowance funded communications must cease from September 1 to October 31.* The inclusion of specific dates may be problematic should the dates for a Municipal Election be shifted by the Province.

Recommendation 6

That the City review *Policy Communications and Constituency Relations Allowance C01-027*, and revise references to the election period in generalized terms rather than specific dates, ensuring an appropriate prorated reduction to the CCRA spending is enforced – two months.

Rationale

With the potential for change to currently static dates, it is important to adjust the policy before the situation arises. The City of Saskatoon noted an awareness of this potential issues in February 2021 but has not fully actioned the item with a policy update.

Reimbursements

Section 3.2 Allowable Expenses (f) Constituency Relations indicates that a member may provide an invoice as proof of purchase. Following this statement, in *Section 3.4 – Reimbursements*, this requirement is again outlined stating:

“3.4 Reimbursements

Members of City Council must provide the City Clerk’s Office with proper documentation, including detailed original receipts for claims. Credit card receipts or statements alone are not sufficient and will not be accepted. In the case of any online purchases, a copy of the confirmation must be attached to the claim.

Dated invoices/receipts must include a description of the goods purchased or services rendered, the cost, and any applicable taxes. Expenses must be charged to the year in which they occurred.

Expenses cannot be carried forward to future years. Charges for goods against the current year must be received by members of City Council and/or services from the vendor before December 31st of that year.”

Recommendation 7

That the City amend *Policy Communications and Constituency Relations Allowance C01-027*, *Section 3.4 Reimbursements*, and *Section 3.2 (f) - Constituency Relations – Conditions*, to note that a paid receipt is always required.

Rationale

Proof of the payment must be primary to the expense process. A paid receipt should always be the standard practice, as an invoice as a purchase could be canceled after the invoice was issued.

Independent Review of the CCRA

In each of the first two Remuneration Reports the SMRC expressed that an independent body with more capacity for a robust and comprehensive assessment conduct an in-depth analysis of

the CCRA's functionality and impact on constituents. The City has chosen to assign this role to the SMRC, in CCRA Section 4.3.

"4.3 Municipal Review Commission Remuneration Committee

Two years after the establishment of this policy, the Saskatoon Municipal Review Commission Remuneration Committee will review the following, and that time, report on how often a review is required:

(a) Usage of funds – by whom, where, types of expenses submitted.

(b) Summary of impacts – in an attempt to measure community engagement through the fund.

(c) Validation of expenditure appropriateness based on policy.

(d) Validation that the current policy reflects needs of the allowance and provides for an opportunity to revise policy as required."

In accordance with the first line of *Section 4.3*, the SMRC reviewed the CCRA in 2016, and in 2018. The SMRC provides remuneration reviews every four years. For the purposes of this report, the SMRC have complied with the direction of the City as best as possible with the resources and capacity of the SMRC.

Although largely successful on items *4.3 (a) Usage of funds* and *(c) expenditure appropriateness*, the SMRC's intended robust analysis was not possible for *4.3 (b) Summary of impacts* and *(d) policy reflects needs*. To understand what the concern is, the 2018 report (page 15) best describes what the SMRC meant by a robust third-party review:

"Applying the Treasury Board of Canada's methodology for program reviews will ensure a detailed review of expenditures is undertaken, while also outlining what the public has gained by members of Council using these funds. While the SMRC was able to review expenditures against stated policy it is unable to undertake an analysis of outcomes of the expenditures. The resources required (time and capacity) to undertake such a study are outside the scope of this commission."

Recommendation 8

That the City amend the *Communications and Constituency Relations Allowance, Policy C01-027, Section 4.3*, to require that an independent and professional third party, with the capacity to apply the Treasury Board of Canada's methodology for program reviews, conduct a robust review of this policy, to identify outcomes related to spending that include:

- usage of funds – by whom, where, and the types of expense claims submitted;
- a summary of impacts – to measure community engagement through the fund;
- an authentication of expenditure appropriateness based on policy; and
- the confirmation that the current policy reflects and meets the needs of Council members and their constituents

Rationale

Applying the Treasury Board of Canada's methodology for program reviews the impact of investment in the CCRA would be better understood. Measuring performance is an essential

link in the program design cycle (design, implementation, and evaluation). Evaluations should produce timely, relevant, credible, and objective findings and conclusions on program performance, based on valid and reliable data collection and analysis, and present them in a clear and balanced manner that indicates the reliability of the findings. To conduct a review at this level requires additional capacity and resources that is beyond what the SMRC has available to provide.

CCRA Expenditures and Usage

Mayor CCRA Expenditures

Since 2013, the Mayor’s allowance has increased, but the Mayor rarely exceeds the original limit of \$100,000. A review of the 2018-2022 Mayor’s CCRA expenditures found consistent spending patterns, with most funds employing the services of a Policy and a Communications Advisor and Social Media Manager.

Mayor's CCRA Annual Expenditure				
Mayor Clark	2021	2020	2019	2018
Budget	\$132,300	\$130,000	\$128,000	\$128,000
Actual Expensed (Rounded)	\$91,839	\$85,792	\$111,550	\$102,702

Council CCRA Expenditures

The amount of CCRA funds allocated to the Councillor’s has remained at \$10,000 since 2016, with a decrease during 2020 to account for the election period. Overall, Councillors expense approximately \$7,300 on average, and although there is considerable individual variation, spending trends have been consistent.

Councillor’s greatest expenses remained on newsletters and flyers, with the next highest expense being advertising and promotion signage, such as billboards and bus stops, and other advertisements. Both costs are now intertwined with online service and social media advertising costs, and expenses have increased for websites, social media tools, software, and accessories. Other expenses categories, such as event tickets, administrative assistants, supplies, as well as gifts and sponsorships are overall low, with a few individual exceptions. Although some Councillors indicated a preference for an inflation escalator during SMRC discussions, a review of the CCRA expenditures indicates that members of Council do not reach the limits of this fund and have not requested an increase to it, to date publicly. At this time no adjustment to the CCRA limit is recommended, however consideration may be given to indexing the amount.

CCRA 2021-2018 Sorted by Average Annual Expenditure					
		2021	2020	2019	2018
	Budget	\$10,000	\$8,333	\$10,000	\$10,000
Councillor	Ward	Expensed	Expensed	Expensed	Expensed
Hill	1	\$9,770	\$7,130	\$6,807	\$4,353
Gough	2	\$3,334	\$1,236	\$4,373	\$5,701
Iwanchuk	3*	N/A	\$180	\$8,302	\$8,972
Kirton	3*	\$2,130	\$1,438	N/A	N/A
Davies	4	\$9,556	\$5,699	\$9,988	\$9,995
Donauer	5	\$8,703	\$7,144	\$9,633	\$9,329
Block	6	\$7,836	\$6,875	\$6,077	\$7,278
Loewen	7	\$3,096	\$4,874	\$6,032	\$4,013
Gersher	8	\$8,843	\$2,122	\$3,979	\$3,935
Dubois	9	\$7,697	\$7,621	\$9,950	\$9,309
Jeffries	10	\$9,856	\$7,922	\$9,995	\$9,908
	Average	\$7,082	\$4,749	\$7,514	\$7,279

**Ward 3: Councillor Iwanchuk did not run for re-election in 2020 and Councillor Kirton was subsequently elected.*

Detailed Findings and Recommendations

As directed by the members of the City Council, the SMRC has conducted a review of the expenses incurred by Council and allocated to the CCRA for the years 2018-2021. The intent of the CCRA is to support members of City Council in communications with constituents as part of their role as members of City Council for the City of Saskatoon.

The SMRC, as part of the scope within this report, conducted a review of the actual expenditures by Council members to:

- Ensure expenditures claimed were within the stated policy guidelines
- Validate, as much as possible, that the public funds expended were done so in the spirit and intent of the CCRA
- Identify trends related to usage by Council
- Identify potential recommendations for improvements to the CCRA policy

Sections Allowable Expenses 3.2 a) – e).

- Administrative Staff Support
- Advertising and Promotion
- Books and Magazines
- Community Events
- General Office Supplies

There were no items flagged by the SMRC review within these categories of the CCRA, as such there are no additional comments or recommendations.

Section 3.2 Allowable Expenses –(f) Constituency Relations

This policy guideline *relates to* constituency gifts and sponsorships.

“f) Constituency Relations

- i) Promotional items such as fridge magnets, t-shirts, pens.*
- ii) Table prizes for local community groups.*
- iii) Facility rental for hosting an event.*
- iv) Council members’ expenses for food and non-alcoholic beverages related to community events, meals or receptions when hosting constituents or representatives of other levels of government.*

Conditions

- Ineligible expenses include gifts for staff or other employees of the City, boards and committees.*
- Members of City Council must provide an original invoice or receipt detailing gift items, quantity, cost and purpose of the items.”*

The verbiage of this policy is not explicit in its intent and provides minimal risk mitigation for the use of funds within this “category”.

Over the years, as noted in Appendix 4 and 5, the SMRC has provided several recommendations regarding this, each addressing various concerns, but all related to the potential risk for funds to be expended outside the true intent of the CCRA.

The conditions found in *Section 3.2 (f)* provide little guidance and clarity is required.

Recommendation 9

That the City amends the *Policy Communications and Constituency Relations Allowance C01-027, Section 3.2 (f) - Constituency Relations – Conditions* by adding a condition that states that gift and sponsorship expenditures require heightened transparency, and that Councillors must provide clarification of these expenditures by describing the nature of the donation, as well as the benefit to the Councillor’s Ward and the City.

Rationale

To avoid potential controversy and to mitigate risk, Councillors should be explicit in describing exactly what is being donated, to whom and include how the donation relates to benefitting the ward and the City. It is important that Council members refer to and abide by *Section 3.3 – Purchasing Procedures* in advance of making CCRA related expenditures.

“3.3 Purchasing Procedures Purchases of goods, services and work from outside parties are to be made in accordance with Policy C02-030 – Purchase of Goods, Services and Work. Information and advice on purchasing procedures, vendor lists, obtaining quotations and preparation of purchasing documents can be obtained from the Director of Materials Management.

Regardless of the value, it is recommended that competitive prices be obtained. Purchases up to \$250 attained locally allows for payment by Automatic Payment Voucher (administered by City Clerk's Office)

- *Purchases up to \$5000 (including taxes and freight) may be made through a Departmental Purchase Order (administered by City Clerk's Office). It is recommended that competitive prices are attained; however, this is to be balanced off with the value of the purchase, the time required to get competitive prices, and the potential (or lack of) savings that can be achieved.*
- *Consulting Services must follow standard procedures (consult with the City Clerk's Office)."*

The SMRC previously outlined a recommendation in it's second report :

"Recommendation 2: It is recommended that the CCRA be amended to clarify that passive event sponsorships are not within the scope of the policy. A passive sponsorship is not an activity resulting in increased communications with constituents – as intended by the allowance."

There is not a specific mention within the CCRA of allowing passive sponsorships to organizations. This section of the policy, *Section 3.2 (f) - Constituency Relations* , which addresses gifts is the most closely "aligned" with the potential usage of CCRA funds to provide sponsorships.

While it is not specifically articulated in the CCRA policy that these expenditures are not acceptable uses of the CCRA, it is also not specifically articulated within the policy that they are acceptable.

Recommendation 10

That the City amends the *Policy Communications and Constituency Relations Allowance C01-027, Section 3.2 (f) - Constituency Relations: Conditions* to clarify that passive event sponsorships are not within the scope of the policy. A passive sponsorship is not an activity resulting in increased communications with constituents – as intended by the allowance.

Rationale

The topic of sponsorships, and passive sponsorships, was raised as the CCRA has been used many times over the past five years to provide sponsorships to community and charity events. The SMRC considered these gifts to be sponsorships as the donations were relatively nondescript, and the recipient organization provided a Councillor with official gratitude in their printed media.

An example of such a regulation, appears the City of Edmonton policy - *Council Policy Councillors Budget and Expenses, Section 9 (f) - Communications* . This clause (below) provides the following condition, which would help clarify the CCRA.

*"Council Policy Councillors Budget and Expenses
9. Communications (page 4)*

(f) Ineligible expenses:

o Advertising that promotes for-profit organizations, other orders of government, political parties, or candidates in any election campaigns”

Section 3.2 Allowable Expenses –(j) Websites, Social Media Tools, Software & Accessories

During interviews with the SMRC’s Code of Conduct and Elections reports, Councillors and City administrators discussed problems inherent within the *CCRA, Section 3.2 - j) Websites, Social Media Tools, Software & Accessories* . There is a complex arrangement related to nature of Councillor and City “property ownership” of online and electronic information resources during the election period.

“j) Websites, Social Media Tools, Software & Accessories

i) Costs associated with the creation of Twitter accounts, Facebook accounts, web pages, or other social media tools for communicating as a member of Council.

ii) Additional communications management tools such as database management tools and software accessories.

Conditions

- Tools or software accessories not supported or not integrated with the City systems or connected to the corporate network are not supported by the City’s Information Technology Division.*
- Members of City Council are responsible for the protection of any personal information collected or used for City Council business in accordance with The Local Authority Freedom of*
- Information and Protection of Privacy Act.*
- Members of City Council must adhere to the requirements of the Code of Conduct dealing with “Actions during Civic Election Periods”, including conversion of any city-funded websites and social media tools to an election campaign site.”*

During an SMRC interview with the Office of the Clerk it was noted that they planned to revise *CCRA, Section 3.2 - j)*, but it may also be helpful to refer to a more comprehensive policy. The City of Toronto has developed a comprehensive and clear policy which extensively covers this issue and may be a strong example to build from – the *Use of City Resources during an Election Period Policy*.

Recommendation 11

That the City revise the *Policy Communications and Constituency Relations Allowance C01-027, Section 3.2 - j) Websites, Social Media Tools, Software & Accessories* to address City property ownership of online and electronic information resources, as they relate to the election period.

That the City develop a policy resembling that of the City of Toronto *Use of City Resources During an Election Period Policy*, to help address the complex issues of Council members’ online and electronic information resources, as described in the *Policy Communications and*

Constituency Relations Allowance C01-027, Section 3.2 - j) Websites, Social Media Tools, Software & Accessories.

Note that the SMRC understands that similar work related to this recommendation is being conducted by the City in relation to recommendations made by the SMRC's Code of Conduct report. If this work is completed under that workstream this recommendation can be considered resolved.

Rationale

There is a need for clear and direct policy as it relates to the usage and ownership of Social Media Tools by members of Council.

Appendix 1 - Key Links and Sources of Information

Policy C01-006 - Remuneration - Members of City Council

<https://www.saskatoon.ca/sites/default/files/documents/city-clerk/council-policies/c01-006.pdf>

FCM Change in “one-third” federal tax exemption for elected officials. A guide for Canadian municipalities.

https://www.abmunis.ca/sites/default/files/fcm_taxexemption_guide.pdf

Policy C01-023 - City Councillors' Travel and Training

<https://www.saskatoon.ca/sites/default/files/documents/city-clerk/council-policies/c01-023.pdf>

Policy C01-027, Communications and Constituency Relations Allowance (CCRA)

<https://www.saskatoon.ca/sites/default/files/documents/city-clerk/council-policies/c01-027.pdf>

Bylaw No. 9242 The Saskatoon Municipal Review Commission Bylaw, 2014

<https://www.saskatoon.ca/sites/default/files/documents/city-clerk/bylaws/9242.pdf>

Government of Saskatchewan: Cities Act, C-11.1 (Section 3.1 - Model Code of Ethics)

<https://pubsaskdev.blob.core.windows.net/pubsask-prod/457/C11-1.pdf>

SMRC Remuneration First Report April 18, 2016

https://www.saskatoon.ca/sites/default/files/documents/city-clerk/reports-publications/revise_d_report_-_saskatoon_municipal_review_commission_-_remuneration_co.pdf

SMRC Remuneration Second Report May 28, 2018

https://www.saskatoon.ca/sites/default/files/documents/city-clerk/boards-committees/mrc_remuneration_report_-_june_2018.pdf

City of Saskatoon - Council Member Expenses

<https://www.saskatoon.ca/city-hall/mayor-city-councillors/council-member-expenses>

Leave of Absence Policy: A Report to the Governance and Priorities Committee of Council

<https://pub-saskatoon.escribemeetings.com/filestream.ashx?DocumentId=138310>

City of Regina: CR20-73 : Report of the Elected Official Compensation Review Commission – see CC Committee Report Printout

https://reginask.iqm2.com/Citizens/Detail_Meeting.aspx?ID=4861

Statistics Canada - Profile table, Census Profile, 2021 Census of Population - Saskatoon, City (CY) [Census subdivision], Saskatchewan

<https://www.statcan.gc.ca/search/results/site-search?q=city%2520of%2520Saskatoon%2520population&fq=stclac:2&sort=score%20desc&rows=25&page=1>

Legislative Assembly Of Saskatchewan - Salaries & Allowances of Members (Effective April 1, 2022)

<https://www.legassembly.sk.ca/media/1155/annualschedule.pdf>

London Free Press - Is your pay increasing 3.5% this year? You must be a city councillor (March 23, 2022)

<https://lfpres.com/news/local-news/is-your-pay-increasing-3-5-this-year-you-must-be-a-city-councillor>

CBC News - Salaries of Halifax mayor, councillors frozen until late 2021 (June 23, 2020)

<https://www.cbc.ca/news/canada/nova-scotia/wages-halifax-council-freeze-2021-1.5624563>

The City of Windsor Elected Officials Compensation Review Final Report – April 8, 2022 – Gallagher Benefit Service (Canada) Group Inc.

<https://www.citywindsor.ca/cityhall/committeesofcouncil/Advisory-Committees/council-compensation-review-committee/Documents/FINAL%20CONSULTANTS%20REPORT%202.pdf>

City of Guelph -City Council Remuneration and Support Advisory Committee Report

<https://pub-guelph.escribemeetings.com/filestream.ashx?DocumentId=23822>

City of Kingston: Citizen Committee to Review Council Remuneration – Final Report to City Council, 2022

https://www.cityofkingston.ca/documents/10180/39277528/City-Council_Meeting-08-2022_Report-36_Citizen-Committee-to-Review-Council-Remuneration.pdf/8e809523-aa67-7f4d-3bf1-1d6cc293431c?t=1648673742100

City of Saskatoon – Leg Report: Absences and Support for City Councillors (April 23, 2018)

<https://pub-saskatoon.escribemeetings.com/filestream.ashx?DocumentId=50824>

City of Saskatoon - 10 Strategic Priorities & Council Leads

<https://www.saskatoon.ca/city-hall/mayor-city-councillors/lets-talk-2020>

City of Edmonton – City Policy 618A - Councillors' Budget and Expenses

<https://www.edmonton.ca/public-files/assets/document?path=PoliciesDirectives/C618A.pdf>

City of Saskatoon Information Report: City Council Employee and Family Assistance Program

<https://pub-saskatoon.escribemeetings.com/filestream.ashx?DocumentId=135563>

Government of Canada- CRA - Elected or appointed officials

<https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/payroll-deductions-contributions/special-payments/elected-appointed-officials.html>

Final Report of the Council Compensation Review Committee – City of Calgary

<https://pub-calgary.escribemeetings.com/filestream.ashx?DocumentId=148388>

City of Edmonton – Council Compensation

https://www.edmonton.ca/city_government/city_organization/council-compensation

The Quebec Act Respecting The Remuneration of Elected Municipal Officers

<https://www.legisquebec.gouv.qc.ca/fr/document/lc/T-11.001?langCont=en>

City of Saskatoon – Information Report: Council Communications and Constituency Relations Allowance – 2020 (February 16, 2021)

<https://pub-saskatoon.escribemeetings.com/filestream.ashx?DocumentId=129993>

The Government of Canada Revenue Agency - Sponsorships

<https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/operating-a-registered-charity/receiving-gifts/sponsorship.html>

City of Ottawa Council Expense Policy

<https://ottawa.ca/en/city-hall/open-transparent-and-accountable-government/public-disclosure/disclosure-office-expenses#section-64d9b72c-fef5-485c-9e8b-f2f959c0e2be>

City of Toronto - Use of City Resources during an Election Period Policy. Attachment #1 EX30.16

<https://www.toronto.ca/legdocs/mmis/2018/ex/bgrd/backgroundfile-110725.pdf>

Government of Canada - Treasury Board of Canada Secretariat: The Review Process

<https://www.canada.ca/en/treasury-board-secretariat/services/access-information-privacy/reviewing-access-information/the-review-process.html>

Appendix 2: Status of Recommendations - SMRC Remuneration First Report

SMRC Report Recommendation		Status
Recommendation 1	<i>“Request the Government of Saskatchewan to change The Cities Act in order to permit municipalities to adopt fully taxable remuneration for mayors and councillors.”</i>	Status: Complete
Recommendation 2	<i>“No change should be made in the current linkage and adjustment formulas for the Mayor’s salary.”</i>	Status: Complete
Recommendation 3	<i>“Change the Deputy Mayor section of the Council Remuneration Policy document to state that all Councillors shall be deemed to have received remuneration in recognition of Deputy Mayor duties as part of their annual remuneration as Councillors.”</i>	Status: Complete
Recommendation 4	<i>“Maintain the current method of determining Councillors’ salaries but increase percentage to 46% of the Mayor’s salary in recognition that compensation for Deputy Mayor duties would now be incorporated in the Councillor’s base salary.”</i>	Status: Complete
Recommendation 5	<i>“Change the name of Communications Allowance to Communications and Constituency Relations Allowance (CCRA).”</i>	Status: Complete
Recommendation 6	<i>“Eliminate (1) the General Entertainment section from the Guidelines and Parameters of the allowance, (2) the “gift baskets and flowers for constituents for special occasions” from the Gifts and Promotions section, and (3) “business contacts” from the list of groups hosted by Councillors that are eligible for reimbursement.”</i>	Status: Complete
Recommendation 7	<i>“Combine the Gifts and Promotions section of the guidelines with the Hospitality Expenses section and rename Constituency Relations.”</i>	Status: Complete
Recommendation 8	<i>“Change the Responsibility of City Clerk’s Office section to indicate all expenses will be posted quarterly within 60 days of the end of the quarter.”</i>	Status: Complete

Recommendation 9	<i>“Add to the General Guidelines section a statement that in the year of a civic election the allowance cannot be used from September 1 through October 31.”</i>	Status: Complete
Recommendation 10	<i>“Add to the General Guidelines section a statement that, in the year of an election, 8/12 of the allowance will be allocated to the sitting Council, and 2/12 of the allowance will be allocated to the newly elected Council.”</i>	Status: Complete
Recommendation 11	<i>“Add to the General Guidelines section a statement that no goods or services purchased with the allowance (including such purchases as a website annual domain registration or billboard signage) may be used during an election period.”</i>	Status: Complete
Recommendation 12	<i>“Change the wording to indicate that all of the guidelines and policies are applicable to Council as a whole --that is, to the Mayor as well as Councillors.”</i>	Status: Complete
Recommendation 13	<i>“Approve additional housekeeping changes: • Clarify under the General Guidelines section that funds cannot be carried forward to the next fiscal year. • Add to the Reimbursements section that invoices/receipts must be dated. • Change references to the Executive Committee to the Governance and Priorities Committee or the Integrity Commissioner, as appropriate.”</i>	Status: Complete
Recommendation 14	<i>“Adopt revised guidelines as set out in Appendix III and establish them as Council policy with the understanding that a violation of the policy would be a violation of the Code of Conduct and any irregularities would be subject to investigation by the Integrity Commissioner.”</i>	Status: Complete
Recommendation 15	<i>“Once the revised guidelines are established as policy, require that a third-party review of the allowance be conducted at least every two years in order to provide additional guidance and perspective on the appropriate use of this fund. The review should include: • usage of funds – by whom, where, and types of expense claims submitted; • summary of impacts – in an attempt to measure community engagement through the fund; • validation of expenditure appropriateness based on policy; and • validation that the current policy reflects the</i>	Status: Incomplete. This policy was implemented, but with the SMRC as the third-party, which was not the SRMC’s intent. This was followed up in 2018 but was rejected. This item is revisited in this Third Report under Reviews of the CCRA (page 26) and Recommendation 14.

	<i>needs of Council members and their constituents. Following each review, Council should be provided the opportunity to revise the policy as appropriate."</i>	
Recommendation 16	<i>"Add to the Responsibility of the City Clerk's Office section of the guidelines the responsibility for facilitating and coordinating with the Integrity Commissioner the bi-annual reviews of the fund. This can occur through the engagement of a third-party committee or the issuance of a formal request for proposals from external vendors as determined by the Integrity Commissioner."</i>	Status: Incomplete. This recommendation was accepted, however, not implemented.
Recommendation 17	<i>"That City Council consider adding an additional staff member (1 FTE) to the City Clerk's Office. This position would be dedicated to providing support for Councillors."</i>	Status: Complete
Recommendation 18	<i>"If a member of Council who is enrolled in the SUMA Extended Health Plan is no longer eligible to receive benefits because of the benefit limitation placed on older plan members, that person shall be provided additional compensation equal to the employer's premium cost for single coverage in the plan."</i>	Status: Pending – at this time the recommendation has not been required to be implemented. –

Appendix 3: Status of Recommendations - SMRC Remuneration Second Report

SMRC Report Recommendation		Status
Recommendation 1	<i>“The previously identified, documented and approved recommendations from the first Remuneration Committee Report (May 2016) are reviewed with appropriate City Administrators to confirm plans for implementation.”</i>	Status: Complete
Recommendation 2	<i>“It is recommended that the Communications and Constituency Relations Allowance (CCRA) be amended to clarify that passive event sponsorships are not within the scope of the policy. A passive sponsorship is not an activity resulting in increased communications with constituents – as intended by the allowance.”</i>	Status: Incomplete. The language in the CCRA does not discuss sponsorships. This item is revisited in this Third Report under Constituency Relations - Sponsorships (page 23) and Recommendation 9.
Recommendation 3	<i>“Implement the appointment of the recommended Integrity Commissioner to review potential misuses (unintentional or otherwise) of the CCRA funds.”</i>	Status: Incomplete. Implemented in-part. Bylaw No. 9537, The Code of Ethical Conduct for Members of City Council Bylaw, 2019 gives the Integrity Commissioner the ability to rule on that policy, but Section 17, Statutory Obligations, which states this, is unclear.

<p>Recommendation 4</p>	<p><i>“The SMRC recommends that the City of Saskatoon conduct a fulsome, robust third-party review of the CCRA to identify outcomes related to spending and to confirm alignment to the stated policy.”</i></p>	<p>Status: Incomplete. This policy was implemented, but with the SMRC as the third-party, which was not the SRMC’s intent. This was originally stated in 2016, as recommendation 15, but was implemented in a manner contrary to the SMRC’s intent. This item is revisited in this Third Report under Reviews of the CCRA (page 26) and Recommendation 14.</p>
<p>Recommendation 5</p>	<p><i>“If the federal government eliminates the non-accountable allowance (tax exemption for one-third of salary) for members of city councils, in order to maintain the integrity of Saskatoon’s compensation model an adjustment of the Mayor’s salary to 100% of a Cabinet Minister’s salary and providing the corresponding adjustments to the salaries of Councillors will be required.”</i></p>	<p>Status: Complete</p>
<p>Recommendation 6</p>	<p><i>“No recommendation related to change in the calculation of benefits is required, until such time that the tax exemption is removed.”</i></p>	<p>Status: Complete</p>
<p>Recommendation 7</p>	<p><i>“Implement a “threshold amount of expenditure” that is processed through a senior member of the Finance Department (or similar) rather than all expenses submitted to the City Clerk.”</i></p>	<p>Status: Complete</p>
<p>Recommendation 8</p>	<p><i>“Implement a pre-approval process for expenditures of a certain dollar amount. Key areas include expenditures related to travel and training.”</i></p>	<p>Status: Complete</p>