

Committee of the Whole (2) Report

DATE: Tuesday, November 7, 2023

WARD(S): ALL

TITLE: COUNCIL EXPENSE POLICY

FROM:

Michael Coroneos, Deputy City Manager, Corporate Services, City Treasurer and Chief Financial Officer

ACTION: DECISION

Purpose

To revise the existing Council Member Expense policy to reflect cost increases in expense categories and provide flexibility to support the changing needs of the new Term of Council.

Report Highlights

- Spending limits are revised to reflect the current costs of expense categories.
- Other recommendations include amendments and new additions to eligibility and ineligibility criteria for certain expenses.
- Deletion of the section on election year expenses which continues to be guided by policy 03.C.08 - Use of Corporate Resources for Election Purposes policy.

Recommendations

1. That Council approve the recommended amendments and new additions to the Council Member Expense policy.
2. That the updated policy be effective upon Council approval.

Background

Each Member of Council receives an annual budget to allow Councillors to administer their offices, represent the City at functions or events, and serve their constituents. These budgets include discretionary expenditures such as community engagement

activities, newsletters, labour and related benefits. The Council Member Expense policy provides guidance on the discretionary expenditures that support Councillors in performing their roles. The policy assists Councillors in allocating and administering their annual budgets, provides clarifications on which expenses are eligible or ineligible, and recognizes Councillors accountability for managing City resources allocated to their offices.

The policy was last updated in September 2017 following a Findings Report prepared by a Council Expenditure and Code of Conduct Review Task Force and presented to the Finance, Administration and Audit Committee. The policy requires a refresh to reflect cost escalations and amendments to the eligibility/ineligibility criteria for certain expense categories. The proposed changes and updates to the Council Member Expense policy were developed based on the following:

- The guiding principles of the City's Sustainable Fiscal Framework;
- The changing needs of the new Term of Council;
- Flexibility for Council Members to administer their offices; and
- A jurisdictional scan of municipalities in the Greater Toronto Area.

The total 2023 discretionary budget for Council Members is \$2.8 million (\$2.3 million Labour; \$0.5 million Non-Labour). A Council Corporate Budget of \$97 thousand is budgeted in the Office of the City Clerk for expenses shared by Council Members.

There is a separate Councillors Discretionary Budget report to the Committee of the Whole as requested during the Committee Working Session on [January 18, 2023, Item 2, Report No. 1](#). The discretionary budget report is also seeking Council approval to adopt a change to the allocation methodology for non-labour discretionary budget for Council Members. Given the close alignment between the Council Member Expense policy and the Councillors Discretionary Budget report, it was determined that both sets of recommendations be brought forward for consideration at the same meeting.

Previous Reports/Authority

[Council Expenditure and Code of Conduct Review Task Force: Findings Report, Item 3, Report No. 8 – September 26, 2017](#)

Analysis and Options

The updates to the Council Member Expense policy include revisions to terms, definitions, and language to reflect current roles, responsibilities, and organization structure. Also included are recommended updates and new additions to the eligibility

and ineligibility criteria for specific sections of the policy, as well as the removal of some expenditure restrictions, replacing cost per occasion limits with total cost for the year.

A jurisdictional scan compared Council Member Expense policies and statements of council member expenses from 2018 to 2022 of other municipalities with Vaughan to establish reasonability of Vaughan’s non-labour discretionary budgets for Council Members. The municipalities examined include Toronto, Markham, Oakville, Mississauga, and Brampton.

The recommended updates and additions to the Council Member Expense policy are outlined in Attachment 1.

Spending limits for various expenditures have been increased to reflect current costs, as shown in Table 1 below:

Table 1: Updated Spending Limits

	Policy Section	Existing Limits	Updated Limits
1	Advertising	Council Members: \$2,000 per year Mayor: \$4,000 per year	Local Councillors: \$7,000 / year Regional Councillors: \$10,000 / year Mayor: \$12,500 / year
2	Community Expense (Gifts and Promotion for special occasions)	MOC: \$1,000 / year, \$100 / occasion	MOC: \$5,000 / year
3	Social Community/Special Events hosted by a Council Member	MOC: \$1,500 / per event (excluding staff time) 2 events / year	MOC: \$7,500 / per event (excluding staff time) ► Preapproval required from Council to spend more than \$15,000 per budget year.
4	Mileage Allowance for Transportation	MOC: \$9,216 / year (\$768 monthly)	Council Members: \$12,000 Mayor: \$14,400
5	Business Travel Within the GTA	MOC: \$2,950 / trip	MOC: \$5,000 / trip
6	Business Travel Outside the GTA	MOC: \$3,800 / trip	MOC: \$7,500 / trip

Financial Impact

Updates to the Council Member Expense policy have no financial impact. The policy provides guidelines on non-labour expenditures to support Council members in administering their offices, representing the City at functions or events, and serving their constituents. Actual spending must follow the guidelines in the policy and total spending including labour and non-labour must be within the overall budget of their individual offices set and approved annually during the budget process.

Operational Impact

The updates to the Council Member Expense policy as outlined above and included in Attachment 1, will result in operational changes in administering Council Member office expenses.

Broader Regional Impacts/Considerations

This report addresses the local component of the discretionary expenditures of the Mayor, Regional and Local Councillors. The Regional component of costs incurred by these offices is the responsibility of The Regional Municipality of York.

Conclusion

The recommended updates and changes for the Council Member Expense policy provide more flexibility for Members of Council to administer their offices, while maintaining the integrity of Members of Council and ensuring prudence is exercised when using public funds. The jurisdictional scan of other municipalities supports the reasonability of Council Member's discretionary budget. The policy updates ensure that Member of Council's responsibility towards the residents of Vaughan remain priority and at reasonable levels.

For more information, please contact:

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Attachments

1. Key updates by policy section
2. Council Member Expense policy

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