



REPORT FOR ACTION

Recalibrating City Council's Governance System for 26 Members

Date: November 26, 2018

To: City Council

From: City Manager and City Clerk

Wards: All

SUMMARY

The Province of Ontario's *Better Local Government Act, 2018*, reduced the number of Toronto's municipal wards and Councillors to 25 from 47 previously approved by City Council for the 2018 to 2022 term and 44 in the previous term. This will place increased demands on Council Members' time to carry out both their legislative and constituency duties. City Councillors now serve wards of significantly larger geographic size and up to double the number of constituents.

City Council's governance structure is currently calibrated for 45 Members (the Mayor and 44 Councillors) and would be challenged to remain effective and sustainable with 26 Members.

Without changes to the governance structure, Council Members would:

- Hold 97 seats on 14 Council committees (Standing Committees, Executive Committee and special committees);
- Hold 388 seats on 170 City and external boards;
- Interview more than 900 public members for 450 appointees to City boards and committees;
- Experience difficulty attending all required meetings, potentially causing quorum issues and impairing the ability of committees and boards to function effectively; and
- Establish an Executive Committee of 13 members representing half of the new City Council and potentially impacting the role of City Council as the final decision-making body.

Also, the new ward boundaries make the existing boundaries of Community Councils redundant. No meetings of Community Councils can be held, including statutory hearings under the *Planning Act*, until City Council adopts new boundaries.

To address these challenges, the City Manager and the City Clerk recommend City Council:

- Adopt an interim committee structure closely modelled on the existing structure but recalibrated for 26 Council Members;
- Establish a Special Committee on Governance composed of five Council Members to review City Council's governance structure, including how the interim structure is functioning, and make any necessary recommendations to City Council;
- Adopt new Community Council boundaries reflecting City Council's June 2018 decision;
- Reduce the number of Council Member appointments to City boards and committees and external bodies to better manage demands on Council Members' time for meetings; and
- Amend the public appointments process to boards, committees and tribunals to reduce demands on Council Members' time for interview panels and to ensure public member vacancies and expired terms can be filled in a timely fashion.

RECOMMENDATIONS

The City Manager and the City Clerk recommend that:

Special Committee on Governance

1. City Council establish a Special Committee on Governance with the following terms of reference:

- a. The Special Committee will consider the impacts on the City's governance structure and processes arising from the reduction in the size of Council and make recommendations to City Council on any further changes to its governance structure.
- b. The Special Committee will establish a work plan and engagement process for the governance review.
- c. The Special Committee is composed of the Mayor or Council Member-designate appointed by the Mayor as Chair and four Council Members appointed by City Council on the recommendation of the Striking Committee.
- d. The Special Committee reports directly to City Council.
- e. Meetings of the Special Committee will be held at the call of the Chair.
- f. The Special Committee will conduct its proceedings in accordance with Toronto Municipal Code Chapter 27, Council Procedures. The Committee's meetings will be open to the public and will comply with the Open Meeting Requirements of the *City of Toronto Act, 2006*.
- g. The City Manager and the City Clerk will provide policy, research and engagement support to the Special Committee.

h. The City Clerk will provide meeting management support to the Special Committee.

i. The Special Committee's mandate will end when it makes its final recommendations to City Council.

Interim committee structure

2. City Council adopt the following interim committee structure and mandates and amend Toronto Municipal Code Chapter 27, Council Procedures, accordingly:

a. Four Standing Committees composed of six members and the Mayor by right-of-office:

1. **Community and Economic Development Committee** - The Community and Economic Development Committee's primary focus is on social cohesion and the economy, with a mandate to monitor and make recommendations on strengthening communities, neighbourhoods and the economy.

2. **General Government and Licensing Committee** - The General Government and Licensing Committee's primary focus is on City government assets and resources and business licensing, with a mandate to monitor and make recommendations on the administrative operations of the City and the licensing of businesses.

3. **Infrastructure and Environment Committee** - The Infrastructure and Environment Committee's primary focus is on infrastructure and the natural environment, with a mandate to monitor and make recommendations on Toronto's infrastructure needs and services, parks and forestry and the sustainable use of Toronto's environment.

4. **Planning and Housing Committee** - The Planning and Housing Committee's primary focus is on urban form and housing development, with a mandate to monitor and make recommendations on planning, property standards, growth and housing development.

b. Executive Committee is composed of eight members as follows:

1. the Mayor
2. the Deputy Mayor
3. the four Standing Committee Chairs
4. the Budget Committee Chair to be appointed by the Mayor
5. one Member at-large who is a Member of Council appointed by Council

If the Mayor appoints the First Deputy Mayor as a Standing Committee Chair, City Council will appoint another Member of Council as an at-large member.

c. Executive Committee's mandate is amended by removing human resources policy (as this is now part of the General Government and Licensing Committee's mandate) and by adding the following:

1. Providing strategic policy direction and receiving routine updates on collective bargaining relating to the City.

2. Providing strategic direction to staff in negotiating City collective agreements and considering updates on the progress of collective bargaining.

3. The Executive Committee or any sub-committee struck for these purposes is not an alternative to established employee and union dispute-resolution mechanisms.

d. Employee and Labour Relations Committee is deleted from the list of special committees.

e. Striking Committee is reduced from seven Council Members to five Council Members including the Mayor as Chair, or the Deputy Mayor as Chair if so assigned by the Mayor and the restriction that prohibits Striking Committee members from being appointed to more than one of the Civic Theatres Toronto Board or the Toronto Police Services Board is deleted.

f. Civic Appointments Committee is reduced from nine Council Members to five Council Members including the Mayor or Mayor's designate as Chair appointed by the Mayor.

g. Budget Committee is reduced from six Council Members to five Council Members and the restriction that prohibits Budget Committee members from being members of the Audit Committee is deleted.

h. Audit Committee is reduced from six Council Members to five Council Members and the restrictions that prohibit Audit Committee members from being a Committee Chair or a member of the Budget Committee are deleted.

3. City Council amend Section 27-126C of the Council Procedures, headed "Delegated Duties of Standing Committees", to reflect that under the interim committee structure, the Planning and Housing Committee and the General Government and Licensing Committee will exercise the authority previously delegated to the Planning and Growth Management Committee and the Government Management Committee in this Section, as applicable.

Community Council boundaries

4. City Council amend the now redundant provisions of Toronto Municipal Code Chapter 27, Council Procedures by adopting the following new community council boundaries:

a. Etobicoke York Community Council:

- Ward 1 - Etobicoke North
- Ward 2 - Etobicoke Centre
- Ward 3 - Etobicoke-Lakeshore
- Ward 5 - York South-Weston
- Ward 7 - Humber River-Black Creek

b. North York Community Council:

- Ward 6 - York Centre
- Ward 8 - Eglinton-Lawrence
- Ward 15 - Don Valley West
- Ward 16 - Don Valley East
- Ward 17 - Don Valley North
- Ward 18 - Willowdale

c. Scarborough Community Council:

- Ward 20 - Scarborough Southwest
- Ward 21 - Scarborough Centre
- Ward 22 - Scarborough-Agincourt
- Ward 23 - Scarborough North
- Ward 24 - Scarborough-Guildwood
- Ward 25 - Scarborough-Rouge Park

d. Toronto and East York Community Council:

- Ward 4 - Parkdale-High Park
- Ward 9 - Davenport
- Ward 10 - Spadina-Fort York
- Ward 11 - University-Rosedale
- Ward 12 - Toronto-St. Paul's
- Ward 13 - Toronto Centre
- Ward 14 - Toronto-Danforth
- Ward 19 - Beaches-East York

Council member appointments

5. City Council reduce the appointments of Council Members to the boards, committees and external bodies outlined below and City Council amend the relevant City By-laws including chapters of the Toronto Municipal Code, Relationship Frameworks and Shareholder Directions accordingly:

a. Artscape Toronto Board of Directors – reduce by one Council Member;

b. Canadian National Exhibition Association, Municipal Section – reduce appointments by 11 Council Members and City Council request the City Manager and the City Clerk to review the composition of the Municipal Section;

- c. Civic Theatres Toronto Board of Directors – reduce by two Council Members by deleting the two ward-specific appointments and also delete the requirement that one Member be a member of a specific committee;
- d. CreateTO Board of Directors – reduce by one Council Member and City Council also delete the requirement that Members be from different Community Councils;
- e. Debenture Committee – remove the Deputy Mayor;
- f. Heritage Toronto Board of Directors – reduce by one Council Member;
- g. Toronto Accessibility Advisory Committee – reduce by two Council Members;
- h. Toronto Atmospheric Fund Board of Directors – reduce by two Council Members;
- i. Toronto Community Housing Corporation Board of Directors – reduce by one Council Member;
- j. Toronto Preservation Board - reduce by two Council Members;
- k. Toronto Public Library Board – reduce by two Council Members;
- l. Toronto Transit Commission Board of Directors – reduce by two Council Members; and
- m. Toronto Zoo Board of Management – reduce by one Council Member.

6. City Council convert Council Member appointments to public or staff appointments as outlined below:

- a. Design Exchange Board of Directors – convert the two Council Member appointments to two public members;
- b. FoodShare Board of Directors – convert the Council Member appointment to a staff appointment and authorize the City Manager to appoint a staff member representative to the Board;
- c. George R. Gardiner Museum of Ceramic Art Board of Trustees – convert the one Council Member appointment to a public member;
- d. Golden Horseshoe Food and Farming Alliance – convert the one Council Member appointment plus alternate to a staff appointment and authorize the City Manager to appoint a staff member representative and alternate to the Alliance;
- e. Harbourfront Centre Board of Directors – convert the three Council Member appointments to one Council Member and two public members;

- f. Toronto and Region Conservation Authority Board – convert four Council Member appointments to public members so that Council will appoint five Council Members and nine public members;
- g. Toronto Arts Council – convert the five Council Member appointments to two Council Members and three public members;
- h. Toronto Financial Services Alliance – convert the appointment of the Mayor or designate and the Chair of the Economic Development Committee to two public members; and
- i. York Employees' Pension and Benefit Fund Committee, and for consistency with the other Pension Plan Boards, City Council appoint the City Manager or designate and the Chief Financial Officer or designate as voting members by-right-of-position (two positions).

7. City Council discontinue the appointment of Members of Council to the following City bodies and in lieu of board membership direct that the Councillor for the ward where the facility or organization is located be entitled to notice, agendas and minutes for all meetings and be entitled to attend all meetings of the Board, including closed sessions and City Council amend the relevant chapters of the Toronto Municipal Code accordingly:

- a. 70 Berkeley Street Community Centre (University Alumnae Dramatic Club) (one position);
- b. 192 Carlton Street (Second Mile Club) (one position);
- c. Balmy Beach Park Board of Management (one position);
- d. Community Preservation Panels (nine positions);
- e. Haven Toronto Board of Directors (one position); and
- f. University Settlement Community Centre Committee (one position).

8. City Council discontinue the appointment of Members of Council to the following City bodies and external bodies:

- a. 12 Alexander Street Theatre Project Board of Directors (one position);
- b. Canadian Film Centre Board of Directors (one position);
- c. Canadian Stage Company Board of Directors (two positions);
- d. Crescent Town Recreation Club Inc. Board of Directors (one position);
- e. Dora Mavor Moore Awards Board of Directors (one position);

- f. East York Foundation Nominating Committee (one position);
- g. Greater Toronto Marketing Alliance (one position);
- h. Guild Renaissance Group Board of Directors (one position);
- i. Homes First Society (one position);
- j. L'Association française des municipalités de l'Ontario/Association of Francophone Municipalities of Ontario (one position);
- k. Occupational Health and Safety Coordinating Committee (one position);
- l. Ontario Good Roads Association Board of Directors effective February 26, 2020 when the current Council Member appointee's term ends (one position);
- m. Royal Agricultural Winter Fair Board of Governors (one position);
- n. Ryerson Centre Board of Directors (one position);
- o. Salvation Army Toronto Grace Health Centre Board of Trustees (one position);
- p. Scarborough Arts Council (one position);
- q. Thistletown Multi-Service Centre Board of Management (one position);
- r. Toronto and Region Conservation Authority Regional Watershed Alliance – optional Municipal Representative (one position);
- s. Toronto Business Development Centre Board of Directors (one position);
- t. Toronto Foundation for Student Success (one position);
- u. Toronto Symphony Board of Directors (one position);
- v. Town of York Historical Society (one position);
- w. UrbanArts Community Arts Council (two positions);
- x. York Community Information (one position);
- y. Young Ambassadors Selection Committee for Learnx Foundation (one position); and
- z. Young People's Theatre Board of Directors (two positions).

9. City Council amend the composition of the Arena and Community Centre Boards of Management in Chapter 25 of the former Toronto Municipal Code, and former Leaside By-law 1374, as amended to provide that:

- a. the Councillor for the Ward in which an Arena or Community Centre is located shall be a member of the board by-right-of-office;
- b. Ward Councillor positions shall be excluded from the calculation to determine quorum of the board, consistent with the relationship frameworks for arenas and community centres; and
- c. despite Part 9.b above, a ward councillor attending a meeting of a board may be counted in order to achieve quorum,

and City Council authorize the City Solicitor to submit a Bill to Council to re-enact Chapter 25 of the former Toronto Municipal Code and the applicable provisions in former Leaside By-law 1374, as a new chapter of the current Municipal Code.

10. City Council amend the composition of its Business Improvement Area Boards of Management to provide that Councillors for the ward(s) in which a Business Improvement Area is located shall be members of the board by-right-of-office and that Chapter 19 of the Toronto Municipal Code be amended accordingly.

Public member appointments

11. City Council adopt the following new process for the screening, interviewing and recommending of public appointees to agencies, corporations and tribunals, and the Public Appointments Policy be amended accordingly:

a. the Civic Appointments Committee will screen, interview and recommend to City Council public appointments to the following agency boards:

1. Board of Health;
2. Exhibition Place Board of Governors;
3. Ports Toronto;
4. Toronto Investment Board;
5. Toronto Parking Authority;
6. Toronto Police Services Board;
7. Toronto Public Library;
8. Toronto and Region Conservation Authority;
9. Toronto Transit Commission; and
10. Toronto Zoo;

b. the Mayor's Corporations Nominating Panel will screen, interview and recommend to City Council public appointments to the following boards:

1. CreateTO;
2. Metropolitan Toronto Convention Centre;
3. Toronto Community Housing Corporation;

4. Toronto Hydro; and
5. Waterfront Toronto;

c. City Council establish a Tribunals Nominating Panel with the following Terms of Reference:

1. The Tribunals Nominating Panel is a roster composed of up to nine public members; members from the roster will convene in panels as determined by the City Clerk;

2. The Tribunals Nominating Panel will screen, interview and recommend to City Council public appointments to the following Quasi-Judicial Bodies and Tribunals:

- a. Administrative Penalty Tribunal;
- b. Committee of Adjustment;
- c. Compliance Audit Committee;
- d. Dangerous Dog Tribunal;
- e. Property Standards Committee;
- f. Rooming House Commissioner;
- g. Sign Variance Committee;
- h. Toronto Licensing Tribunal; and
- i. Toronto Local Appeal Body;

3. The City Clerk will recruit the Tribunals Nominating Panel members in accordance with the provisions of the Public Appointments Policy and will recommend the appointment of members to City Council; City Council appoints the Chair;

4. The Tribunals Nominating Panel will conduct proceedings in accordance with Toronto Municipal Code Chapter 27, Council Procedures; Panel meetings will begin and end in public and will comply with the Open Meeting Requirements of the *City of Toronto Act, 2006*;

5. The City Clerk provides policy support to the Tribunals Nominating Panel;

6. The City Clerk provides meeting management support to the Tribunals Nominating Panel; and

7. The Tribunals Nominating Panel submit recommendations to City Council through the City Clerk;

d. City Council authorize the City Clerk to screen, interview and recommend the balance of the public appointments to City Council through the Civic Appointments Committee, or to Community Council where public appointments have been delegated.

12. City Council approve a per diem for Tribunals Nominating Panel Members of \$250 per half-day to a maximum of \$5,000 per calendar year pro-rated on an annual basis from the time of appointment and direct the Chief Financial Officer to include a budget of \$45,000 for this purpose in the 2019 budget.

Transition provisions

13. City Council direct that as a transition provision, bills previously authorized by a Community Council decision made under delegated authority shall be submitted to and enacted by the Community Council having geographic jurisdiction for the matter effective December 1, 2018.

14. City Council amend Toronto Municipal Code Chapter 169, City Officials to authorize the City Solicitor, in consultation with the City Clerk, to submit bills to City Council to update the Municipal Code to reflect organizational or governance changes, to refresh chapters for readability, accessible and clear language and to reflect current code style.

15. City Council authorize the City Manager to execute and deliver to their respective chief executive officers amendments to the Shareholder Directions of the various corporations that reflect City Council's decision, in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

The estimated annual cost for Tribunal Nominating Panel Members' honoraria is \$45,000. If City Council decides to make adjustments to components of the City Council budget to address the impacts on Members' offices, there will be financial implications that are addressed in detail in the body of this report.

There are no other immediate financial implications resulting from the adoption of the recommendations in this report. It should be noted that the City Manager or City Clerk will report back on any impacts arising from the final governance changes to be implemented by City Council.

The Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

On August 14, 2018 the Province of Ontario passed Bill 5, the *Better Local Government Act, 2018*, reducing the number of Toronto City wards from 47 to 25 with the boundaries aligning with current federal and provincial electoral ridings.

<https://www.ola.org/en/legislative-business/bills/parliament-42/session-1/bill-5>

On July 23, 2018 City Council amended the Standing Committee Mandates contained in Toronto Municipal Code Chapter 27, Council Procedures to reorganize its Standing Committees with the introduction of a new Housing Committee.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.CC44.29>

On June 26, 2018 City Council adopted with amendments new boundaries for the City's four Community Councils to align them with the 47 ward boundaries adopted by Council in November 2016. City Council's amendments included adding former Ward 17, under the 47 ward Council, to the Toronto East York Community Council.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX35.2>

COMMENTS

1. Create a Special Committee on Governance to review City Council's governance structure

While it is important that City Council make decisions about its governance structure at its First Meeting, City Council should also establish a process for a more deliberate and careful review on the impacts of the reduction in wards. This would allow for public input, review of available research and data, and an early evaluation of impacts under an interim structure.

City Council should establish a time-limited Special Committee on Governance to lead the review. This committee should be composed of five Council Members including the Mayor or Mayor's designate as Chair.

The Special Committee would establish a work plan and engagement process for the governance review supported by the City Manager's and the City Clerk's Offices. The committee would report to City Council and recommend any changes to Council's governance structure for implementation. The Special Committee's mandate would end after making its final recommendations to City Council.

The Special Committee on Governance should also consider reviewing the process for establishing Council Advisory Bodies to ensure that they are appropriately constituted to support Council term priorities.

The City Clerk would provide meeting management support to the Special Committee. The Special Committee would conduct its proceedings in accordance with Toronto Municipal Code Chapter 27, Council Procedures. The Committee's meetings would be open to the public and comply with the Open Meeting Requirements of the *City of Toronto Act, 2006*.

2. Adopt an interim committee structure calibrated for 26 Council members so City Council can govern effectively

City Council should adopt an interim committee structure so that committees can start meeting in early 2019 and process City business.

Last term, 45 Members of Council occupied 97 seats on Council's Standing Committees, Executive Committee and special committees. City Council should adopt a new committee structure that would maintain the same ratio of Members to seats (average of two committees per Member) by realigning the committee mandates, reducing the number of committees and reducing the number of Members of some committees.

Figure 1 - Number of seats on Council Committees: Previous term vs recommended

Council committee	Number of seats previous term	Number of seats recommended
Standing Committees	42	24
Executive Committee	13	8
Special Committees: Budget, Audit, Civic Appointments, Striking, Employee and Labour Relations*, Affordable Housing*	42	20*
<i>Total</i>	<i>97</i>	<i>52</i>

* Mandates of Employee and Labour Relations and Affordable Housing Committees align with new Standing Committees.

City Council should maintain the current practice of each Council Member serving on at least one Standing Committee or Executive Committee. This allows for an even distribution of work among Councillors and upholds the principle that every Council Member has equal rights and responsibilities.

Align policy mandates across four Standing Committees

Under the Council Procedures the Standing Committees are responsible for:

- Providing direction, setting priorities, and ensuring co-ordination between related policies, programs, and services;
- Providing forums for public participation and detailed discussions of the City's decision-making;
- Providing forums for substantial policy debate within their respective mandates;
- Making policy recommendations to Council and recommending priorities;
- Considering reports from City officials on implementing program and policy decisions within the committee's mandate; and
- Promoting accountability and interaction with Council on behalf of agencies.

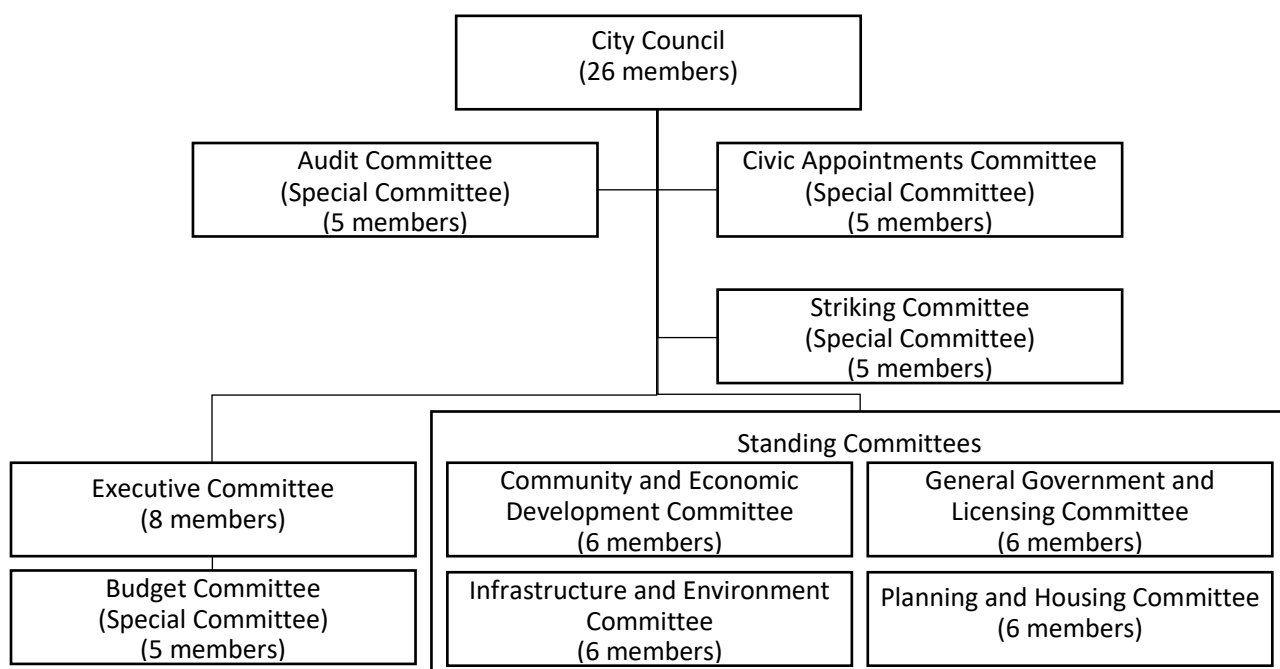
The mandates of the Standing Committees are stated thematically and designed to cover all dimensions of the City's powers and duties, for example, social cohesion, the economy, and urban form.

As noted, the allocation of 26 Members to the current constellation of seven Standing Committees plus the Executive Committee is not sustainable.

To achieve an even distribution of committee membership, City Council should establish four Standing Committees composed of six Councillors each. The recommended mandates of each Standing Committee is distinct and workload is distributed relatively evenly. As a result, the time Councillors spend attending Standing Committee meetings would be better balanced with their increased constituency workload.

Figure 2 - Council Committees: Recommended Model

Standing Committee	Mandate
Community and Economic Development Committee	The Community and Economic Development Committee's primary focus is on social cohesion and the economy, with a mandate to monitor and make recommendations on strengthening communities, neighbourhoods and the economy.
General Government and Licensing Committee	The General Government and Licensing Committee's primary focus is on City government assets and resources and business licensing, with a mandate to monitor and make recommendations on the administrative operations of the City and the licensing of businesses.
Infrastructure and Environment Committee	The Infrastructure and Environment Committee's primary focus is on infrastructure and the natural environment, with a mandate to monitor and make recommendations on Toronto's infrastructure needs and services, parks and forestry and the sustainable use of Toronto's environment.
Planning and Housing Committee	The Planning and Housing Committee's primary focus is on urban form and housing development, with a mandate to monitor and make recommendations on planning, property standards, growth and housing development.



Some of the considerations in developing new Standing Committee mandates include:

- Standing Committee mandates should cover the range of business considered by City Council -- there should be a home for all possible agenda items;
- The division of Standing Committee mandates should take into account the projected number of agenda items, public presenters and meeting hours; and
- Standing Committee mandates should be mutually exclusive to ensure clear delineation between the responsibilities of each deliberative body.

Amend the composition of Executive Committee accordingly

Currently the Executive Committee is composed of 13 Members including the Mayor, Deputy Mayor, seven Standing Committee Chairs and four Members at-large appointed by City Council. This equals half of the new Council membership and is too large.

City Council should maintain the principle of Standing Committee Chairs being cross appointed to the Executive Committee and appointment of an at-large Member.

Under the current procedures the Budget Committee Chair is elected by the Executive Committee from among the four at-large Members, however Council should consider streamlining that process by authorizing the Mayor to appoint the Budget Committee Chair as a Member of the Executive Committee.

City Council should amend the composition of the Executive Committee to be as follows:

- Mayor;
- Deputy Mayor;
- The four Standing Committee Chairs;
- Budget Committee Chair, to be appointed from among Members of Council by the Mayor; and
- One Member at-large who is a Member of Council appointed by Council.

To manage agenda items across Council committees and ensure Executive Committee remains a strong, central deliberative body, Executive Committee would maintain responsibility for labour relations, collective agreements and collective bargaining, but responsibility for human resources would be transferred to the new General Government and Licensing Committee.

Streamline the number and composition of special committees

In contrast to Standing Committees, special committees meet at the call of the Chair when business presents itself. Serving on special committees is optional and is over and above a Council Member's requirement to serve on at least one Standing Committee or Executive Committee.

The Special Committees of City Council are: Budget, Audit, Civic Appointments, Employee and Labour Relations and Striking.

Budget Committee

The Budget Committee should remain a special committee reporting to Executive Committee. Budget Committee plays a vital role in managing the budget process and hearing from residents, organizations and businesses in deciding the City's operating and capital budgets. The Chair of Budget Committee, appointed by the Mayor would continue to sit on Executive Committee.

Audit Committee

The Audit Committee makes recommendations to City Council on Auditor General's reports plus a variety of appointments of auditors and auditor's statements. This committee should be continued although its role and mandate could be studied as part of a governance review. City Council should reduce Audit Committee from its current membership of six Members to five to reflect the overall reduction in the size of Council.

Civic Appointments Committee

The Civic Appointments Committee is responsible for recommending public members for appointments to certain City and external bodies. The committee should be continued to recommend appointments to bodies identified elsewhere in this report. City Council should reduce Civic Appointments Committee from its current membership of nine Members to five to reflect the overall reduction in the size of Council.

Striking Committee

The Striking Committee is responsible for the appointment of Council Members to Council committees as well as City and external bodies and the annual schedule of meetings. The committee should be continued to perform these necessary functions. City Council should reduce Striking Committee from its current membership of seven Members to five to reflect the overall reduction in the size of Council.

Employee and Labour Relations Committee

The Employee and Labour Relations Committee makes recommendations to Executive Committee on a range of labour relations matters including collective bargaining. It meets infrequently at the call of the Chair. As the overall responsibility for labour relations lies with Executive Committee, this committee can be deleted and the agenda items considered by Executive Committee. If desired, Executive Committee can appoint a sub-committee of its members from time-to-time to handle certain tasks. This would result in six fewer committee seats to be filled. The remaining human resources matters will be considered by the General Government and Licensing Committee.

Streamline various restrictions on cross-appointments

Over time City Council has adopted several restrictions on cross-appointments between committees. Conversely, it has also adopted composition for some committees that draw on membership from other committees.

City Council should eliminate some of these rules to give it the greatest flexibility in making appointments and balancing Council Member workloads.

Council should continue the practice that the Speaker is not be eligible to serve as Chair of a Standing Committee, special committee or Community Council. This eliminates any possibility of the Speaker being placed in a situation where they must rule on a committee item on which they have already made a ruling.

3. Community Council boundaries must be adopted

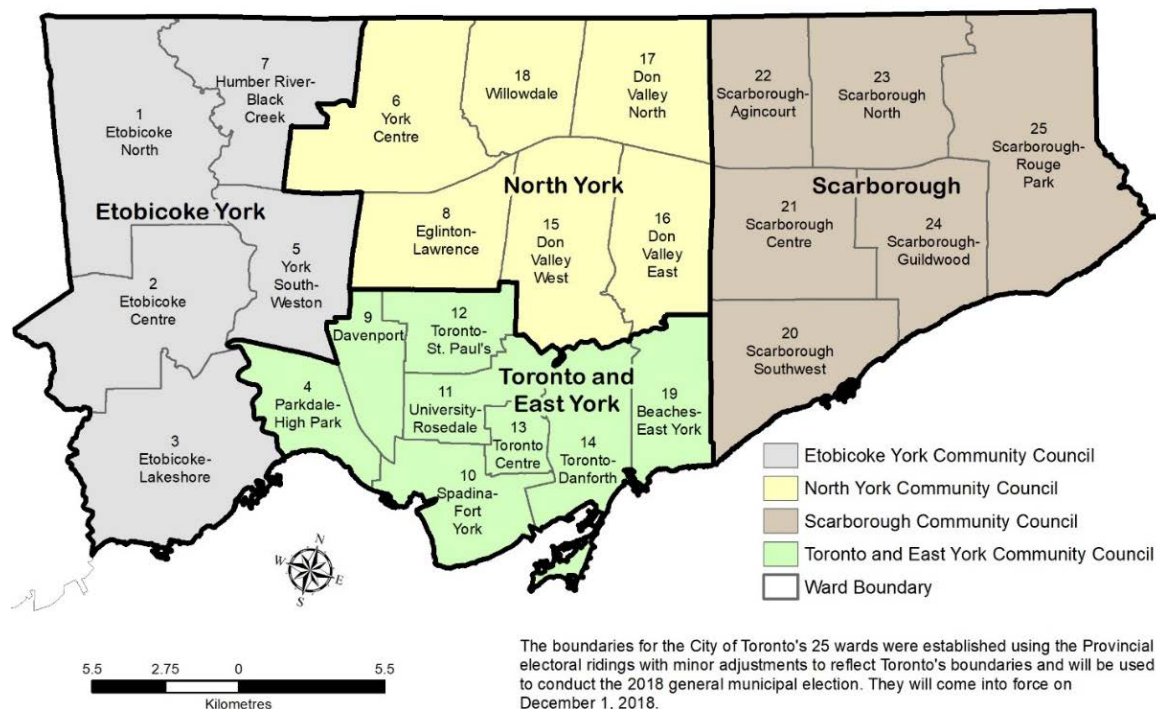
Community Councils are Standing Committees of City Council that consider local matters including planning, transportation, recreation and other related matters. They are composed of the Members for the wards assigned to them.

City Council must adopt new community boundaries using the new ward boundaries. The new ward boundaries do not align with the previous Community Council boundaries or the new boundaries adopted by Council for implementation with a 47-ward Council.

City Council must act on this at the First Meeting of City Council as no Community Council business can be transacted until it does. The previous Community Councils cease exist on November 30, 2018. Decisions delegated by City Council to Community Councils cannot be made until new Community Councils are established, including statutory hearings under the *Planning Act* for local official plan and zoning by-law amendments.

City Council should adopt Community Council boundaries that reflect the most recent Council decision by adopting boundaries that most closely resemble those approved for the then-approved 47 ward council (Figure 3).

Figure 3 - Proposed Community Council boundaries



The boundaries for the City of Toronto's 25 wards were established using the Provincial electoral ridings with minor adjustments to reflect Toronto's boundaries and will be used to conduct the 2018 general municipal election. They will come into force on December 1, 2018.

City Council should consider all other Community Council options during the proposed governance review and not delay the adoption of new boundaries at the First Meeting if it wishes to avoid further delays in processing Community Council business.

4. Streamlined Council Member appointments to City and external bodies

Last term, Council Members were appointed to 388 seats on 170 boards. This placed excessive demands on 45 Council Members and would pose significant challenges for 26 Council Members. Failing to address this issue before City Council makes appointments at its first meeting will lead to attendance and quorum problems for many of these bodies.

City Council should make minor reductions to Council appointments on these boards to help Council Members balance their workload while still maintaining appropriate oversight and accountability over these organizations.

In most cases Council Members are the minority on these boards and a reduction in Council appointments will not change the balance of power between Council and public members. Routine appointments of Council Members to external non-profit and community-based organizations are generally the result of historic requests and should be reviewed to consider Council's priorities and workload.

City Council should consider a range of strategies to streamline Council Member appointments to these bodies, including:

- Reduce the number of appointments of Council Members to boards, committees and external bodies;
- Convert Council Member appointments to public or staff appointments for certain bodies;
- Discontinue the appointment of Council Members to certain bodies, and in some cases replacing Council membership with a right-of-access to meetings for the ward councillor; and
- Provide that the local ward Councillors for Business Improvement Areas, arena boards of management and community centre boards of management be appointed to the boards by-virtue-of-office, but directing that Council Members not be counted for quorum when not present.

A detailed summary of the bodies to which Council appoints Council Members can be found in Attachment 1 including proposals for reductions.

5. Streamlined public appointments process

The current public appointment process is not sustainable with 26 Members

City Council should amend the public appointments process to reduce demands on Council Members' time for interview panels and meetings. Last term 34 different Council Members took part in 21 different nominating panels to recommend more than 450

appointments to City Council. Council Members conducted more than 900 interviews with candidates.

This approach in which every candidate for every appointment is interviewed by panels of Council Members will demand too much time from Members of a smaller Council with larger constituencies. Continuing this approach would mean:

- It will be difficult to attract Council Members to serve on the nominating panels given the time commitments required;
- If formed, it will be difficult to schedule meetings and keep quorum at these nominating panel meetings; and
- Processing of public appointments will take too long and accumulating vacancies may prevent boards from transacting business.

City Council should adopt a mixed approach to screen and interview for different types of public appointments. The approach for public appointments is described in detail in Attachment 2. It would allow Council to:

- Allocate Council Members' time to screening and interviewing for the most high-profile local boards requiring the highest degree of political oversight;
- Expand the use of citizen-based nominating panels for recommending quasi-judicial tribunal appointments;
- Assign the screening and interviewing of candidates for administrative and related boards to City officials; and
- Make public appointments in a timely fashion while preserving City Council's authority to make public appointments.

By involving citizen interviewers with mediation or adjudication backgrounds in the screening of tribunal members, the City will be better able to assess those skills in candidates for public appointment.

The appointment of a panel of citizen experts to assist Council by recommending tribunal candidates will require the City to compensate those panel members. City Council should approve a per diem of \$250 per half-day to a maximum of \$5,000 per calendar year pro-rated on an annual basis from the time of appointment. City Council should direct the Chief Financial Officer to include an amount of \$45,000 in the 2019 budget.

City Council retains final approval authority for public appointments

City Council would retain the final authority to make appointments after scrutinizing the recommendations of the nominating panels. It would have the authority to refer back, amend or adopt the recommendations before it.

6. Impact on Councillor resources

Impact on Councillor office operations

Given the significant change to wards, including increased population, geography, and growing diversity and complexities, Councillors are going to have to work differently under 25 ward model in order to continue to meet constituent expectations. There are significant impacts on the ability for Councillors to conduct their constituency business. In the same way that 25 Members cannot sit on the same number of committees and boards as 44 Members, Councillors cannot attend the same number of ward-based events and meetings, nor respond to the increased number of inquiries and issues in their larger wards with the same amount of resources.

A recent study by the Association of Municipal Managers, Clerks and Treasurers of Ontario (AMCTO) noted that the role of councillor is constantly expanding, and that new technologies and the expansion of social media has created greater expectations in terms of responsiveness, essentially making the job 24/7. Changes to Council members' staffing and office budgets are necessary to maintain the same level of service to constituents as before the ward reduction.

Current Council budget structure

The Council budget has three main components:

1. The per-Councillor staffing and office budget is allocated to and managed by individual members. In 2018, this consisted of \$238,039.83 per Councillor for staffing, and \$33,420.22 per Councillor for office budget. The salary envelope is equivalent to the total of the top of the salary ranges of an Executive Assistant, an Administrative Assistant and a Constituency Assistant. Councillors may hire any number of staff within this envelope to operate their offices as they see fit.
2. The Council general budget funds Councillor salaries and benefits, Council staff benefits, newsletter postage, IT equipment and furniture, constituency offices, and other expenses. The 2019 general budget includes Consumer Price Index (CPI) and Cost-of-Living Adjustment increases. It also needs to be adjusted by \$511,000 in 2019 to reflect actual spending over the last three years, and to ensure that the Council budget does not continue to run a deficit and that Council transition and furniture reserves are replenished. These adjustments have been built into the options outlined below.
3. The Council business travel budget pays for the travel expenses of Members who serve in an official capacity on an organization of which the City is a member (e.g. Federation of Canadian Municipalities).

Concerns have been raised about Council staffing and office budget allocations. Many Members have described the challenges they face due to the demands of a larger constituency and have expressed concern about the adequacy of the resources available to them. Increasing the per Councillor staff salary envelopes would help members maintain the same level of service to constituents as under the previous ward model.

The increased cost to communicate with ward residents will put pressure on Councillors' office budget. While the cost of postage for one newsletter to all households is covered by the Council general budget, the cost of printing newsletters or flyers is charged to a Member's office budget. An increase to the office budget envelope would ensure members could communicate with their constituents when needed.

Allocations for the month of December 2018

For December, Councillors have each been allocated a pro-rated amount of the current staffing envelope (\$19,152.63) and office budgets (\$2,785.02). Many Councillors have indicated that they need to be able to hire additional staff as soon as possible, so Council should consider making any staffing and office budget changes effective as of December 2018.

Options for adjusting the Council staffing and office budget allocations

We have met with all of the Councillors and have developed the following options to help address many of the concerns they have raised. Three options are summarized in Figure 4, and are described below.

Figure 4 - Budget impacts of changes to Councillor office and staffing budgets (000s)

	Status Quo	Option 1	Option 2	Option 3
Councillor Salary Envelope	\$241	\$424	\$460	\$482
Councillor Office Budget	\$34	\$61	\$50	\$69
Total 2019 Council budget, including general and travel budgets	\$13,199	\$19,661	\$20,620	\$21,740
Budget change from 2018 (\$)	-\$7,421	-\$959	\$0	\$1,120
Budget change from 2018 (%)	-36.0%	-4.7%	0%	5.4%

Status quo

If Council makes no changes and the 2018 budget and policies were applied to the new Council, there would be a savings of \$7.421 million in 2019. These savings would result from the elimination of office budgets and staff salary envelopes for 19 offices and 19 Members' salaries, benefits, telecommunications and related costs.

If Council does nothing, the 2019 staff salary envelope per Councillor will be \$241K and the office budget will be \$34K.

Option 1 - Redistribute the total office budgets and staff salary envelopes from 44 members evenly among the 25 members

This option would take the existing staffing and office resources allocated to 44 Councillors and divide it by 25 Members. This option would maintain the same level of staffing and office resources as before.

The staff salary envelope would increase to \$424K from \$241K per Member. Members would continue to have the discretion and flexibility to hire people in various combinations provided they stay within the salary envelope.

The office budget would increase from \$34K to \$61K per Member. Members' expenses would continue to be bound by the Constituency Services and Office Budget policy.

The overall savings to the City would be \$959K (4.7%) over 2018.

Option 2 - Redistribute all of the savings from the Council reduction evenly among the remaining members

Under this option all of the savings arising from the reduction in wards would be evenly distributed among remaining Members. This includes the staff salary envelopes and the office budgets contained in Option 1 plus the general fund expenses attributable to 19 fewer Members (Councillor salaries, benefits and telecom).

For each Councillor, the staff salary envelope would increase to \$460K, and the office budget would increase to \$50K.

This option means the 2019 total Council budget would be the same as the 2018 budget.

Option 3 - Double the staffing and office budget envelopes for all Councillors

Some Members have suggested a doubling of the office and staff salary budgets to reflect the doubling of many of the ward sizes.

Under this option the per-Member budgets for staff salary envelopes and office budgets would be doubled.

The staff salary budget would increase to \$482K, and the office budget would increase to \$69K.

This option would result in an increased budget over 2018 of 5.4% or \$1.120 million.

Additional considerations

Some Members of Council have suggested that further staffing resources are required in certain parts of the City to be able to effectively manage the complexities in some of these new wards. This includes demands associated with significant development activity and related growth, as well as social complexities that warrant the need for specialized staffing to respond to challenging issues like homelessness, opioid

addiction, and social housing. Other Members suggested that additional resources be allocated to Councillors who take on additional responsibilities, such as committee Chairs or Deputy Mayors.

If Council wishes to assign additional resources to some Councillors for any of the above reasons, it would need to establish clear, measurable criteria. In 2010, Council directed that Councillors that had 50% more than the median of both population and households in their wards be allocated one additional constituency assistant paid from the Council general budget. None of the new wards qualifies for this top up.

The current salary for Councillors is \$114,306.06, and the Mayor's salary is \$192,503.43. Council last considered Member remuneration in 2014 at which time it rescinded the requirement for a remuneration study before the beginning of each Council term. At that time, it also directed that Council Members' remuneration be increased annually by the Toronto Consumer Price Index (see item 2014 EX41.4).

The size and complexity of the City of Toronto makes it quite difficult to easily provide comparators; Members of Parliament and Members of Provincial Parliament provide different services to their constituents, and there are no Councils of similar size or character in Canada.

If Council wants to review member compensation, the most common methods are to either have a consultant complete the review, or to place the matter in the hands of an independent committee of citizens.

Funding for constituency offices

It is anticipated that the need for constituency offices will increase this term because of the ward boundary changes.

Each Councillor can use up to \$19,755.79 from the Council general budget annually for constituency office rent in either City-owned or privately-owned space. Market rent has outpaced the annual CPI increase to this budget, making it very difficult to find space in some areas of the city.

Real Estate Services has provided market rent breakdowns for each ward (see Attachment 3). Council should consider amending the Parameters for Councillor Constituency Offices policy to increase this budget based on market rents. The net budget impact is estimated at around \$50,000 per year.

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ATTACHMENTS

Attachment 1: Summary of Proposed Council Member Appointments based on
Recommended Approach

Attachment 2: Mixed Approach to Screen and Interview Public Appointment Candidates

Attachment 3: Summary of Market Rents by Ward