

COUNCIL EXPENDITURE AND CODE OF CONDUCT REVIEW TASK FORCE **JULY 5, 2016**

COUNCIL EXPENDITURE POLICY DELIBERATIONS **(Referred)**

The Council Expenditure and Code of Conduct Review Task Force, at its meeting of June 10, 2016 recommended the following (Report No. 4):

- 1) That consideration of this matter be deferred to the Council Expenditure and Code of Conduct Review Task Force meeting of July 5, 2016; and
- 2) That Communication C1, presentation material entitled, "*Council Expenditure and Code of Conduct Review Task Force*", dated June 10, 2016, be received.

Report of the City Clerk, dated June 10, 2016

Recommendation

The City Clerk and the Chief Financial Officer & City Treasurer recommend:

1. That this report and the accompanying presentation be received for information.

Contribution to Sustainability

Council is responsible for overall governance and policy making, which directly influences the financial and operational sustainability of the municipality.

Economic Impact

There is no direct economic impact from this report.

Communications Plan

Meetings of the Task Force are open to the public and appear on Council's calendar of meetings posted to the City's web site.

Purpose

The purpose of this report is:

- to present the results of a survey of the Council Offices on the type of paid advertisements typically made;
- to facilitate the Task Force's consideration of expense policy matters relating to Community Events and Sponsorships, and General Office Expenses; and
- to summarize the recommendations made by the Task Force to date.

Background - Analysis and Options

To date the substantive work of the Task Force has focused on Council's expense policy. At the April 13, 2016 meeting of the Task Force discussion centred on advertising and other direct-to-public communication expenses; at its June 10 meeting the Task Force is expected to discuss both Community Events and Sponsorship Expenses, as well as General Office Expenses in addition to any follow-up discussion to be had with respect to advertising expenses.

Once its work is complete the Task Force will apply its findings and recommendations on the Council expense policy to the implications of those changes on the Council Code of Conduct, and will also entertain more general changes to the Council Code of Conduct.

The conclusions and recommendations made by the Task Force to date are set out at Attachment 1.

Paid Advertising Survey

On April 13, 2016 the Council Offices were surveyed on the types of paid advertisements they typically place. Information was sought on ads ranging from 'business card' placements to more elaborate forms of paid advertising, including through social media.

The overall indication from the survey is that very little paid advertising is made by Council Offices. The only reported activity involved:

- Hard copy newsletters distributed once or twice per year;
- Joint Passover greetings shared between two Council Offices;
- Small giveaways at an annual summer event (bags, magnets) with contact information imprinted;
- Rosh Hashanah greetings in a synagogue calendar;
- Passover Greetings in a magazine;
- Chanukah greetings in a City Playhouse programme;
- Mobile signage;
- Paid 'boosts' to social media postings.

Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

This report supports the goals established by Council in the Term of Council Service Excellence Strategy Map (2014-2018), particularly those relating to the Corporate Governance and Accountability Framework

Regional Implications

There are no regional implications from this report.

Conclusion

This report supports the continuing deliberations of the Council Expenditure and Code of Conduct Review Task Force.

Attachments

1. Up to date listing of substantive Task Force recommendations
2. Communication C1 from the June 10, 2016 Council Expenditure and Code of Conduct Review Task Force meeting.

Report prepared by:

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City Clerk

Substantive Recommendations To Date

Consolidated formal recommendations:

The following recommendations have been made by the Task Force to date (subject to consolidation into the Council Expenditure and Code of Conduct Review Task Force Findings Report):

1. That consideration be given to establishing a requirement that the source of funding be identified in any advertisements placed by the Mayor and Members of Council in on-line publications, or larger than a quarter page ad (5 inches by 5 inches) in printed form;
2. That in an election year, paid advertisements or corporate newsletters (including e-newsletters) after the cut-off date be directly related to city business such as communicating with respect to a pending Planning Act application or development matter, the facilitation of a community meeting, the opening of a city facility, and community consultations relating to a matter to be considered by Council before the end of the term. Publications shall not be placed to issue greetings on behalf of a councillor or merely to provide contact information.

Consolidated recommendations made by consensus:

The following recommendations have been made by consensus and are subject to formal approval and consolidation into the Council Expenditure and Code of Conduct Review Task Force Findings Report:

- a) Business card publications should be permitted; however care should be taken to avoid multiple business cards from different Council Offices in one publication. In those cases a corporate ad should be placed instead;
- b) If a corporate greeting is placed, no individual ads (or business cards) should be permitted, particularly for holiday greetings;
- c) As a principle, the manner of advertising chosen should be made on the principle of reaching the most residents for the lowest cost;
- d) Congratulatory letters (provided they are at no cost) should not be subject to the restrictions in the expense policy regarding paid advertising;
- e) 'On-line publications' should be added to the list of media eligible for paid postings;
- f) The election year advertising cut-off date should be established once amendments to the *Municipal Elections Act* are approved;
- g) The \$2000/4000 (Council Member/Mayor) limit for advertisements in 'charitable' publications should be maintained, but there should be no maximum otherwise so long as the advertising expense is within budget.

Pending recommendations:

The following issues, amongst others, have been raised by the Task Force but are at this point in time are unresolved:

- The treatment to be given to car wraps
- Whether the use of sponsorship money or personal funds should be subject to the conditions set out in the expense policy, and if used, how to make those activities transparent.

C1
Council Expenditure
and Code of Conduct
Review Task Force
June 10, 2016
Item 1

Council Expenditure and Code of Conduct Review Task Force

June 10, 2016



Purpose

- Facilitate Taskforce deliberation on possible changes to the Council Member Expense Policy to ensure clarity and consistency with the Code of Ethical Conduct for Members of Council
 - April 13, 2016: Advertising and other direct-to-public communication Expense – **completed**
 - May 10, 2016 **cancelled**
 - June 10, 2016: Community Events and Sponsorship Expenses and General Office Expenses
 - TBD: Travel and Education Expenses
 - TBD: Code of Conduct

Today's Agenda

- Section 9.13 Community Expense (Hosting Events by Council Members)
- Questions to be discussed:
 - Is the \$1500 maximum per event still reasonable?
 - Is the maximum gross or net of sponsorships and in-kind contributions?
 - What kinds of events should be allowed/disallowed?
 - What approvals from Council should be required?
 - What disclosures or reporting should be required?

Maximum Expenditure

- Currently set at \$1500 for event; does not specify whether gross or net
- Options:
 - Increase or eliminate the maximum, subject to budget availability
 - Specify that the limit is net of in-kind sponsorships
- Allowable expenses include advertising the event and all costs of producing the event.

Events

- Current section does not list allowable types of events but does distinguish two types of ineligible events
 - Events hosted by third-parties without a Councillor's participation
 - Events occurring after June 30th of an election year.
- Should there be additional restrictions on the type of event?
- Is the June 30th cutoff reasonable?

Approvals

- Current section requires pre-approval from Council if accepting donations or sponsorship to avoid being offside of the Code of Conduct
- The Code of Conduct allows an exception to the prohibition on receiving gifts and benefits for:
 - “Sponsorships and donations for community events or initiatives organized or run by a member or third party on behalf of a Member *where Council has authorized or endorsed the event or initiative*”

Disclosures and Reporting

- Hosting expenses are currently subject to the same disclosure requirements as all other Council expenses
- Should special disclosure requirements exist for events?
- Should special disclosure requirements exist for sponsorships received?

General Office Expenditures

- Books, Magazines, Newspapers (Subscriptions)
- Appreciation expenses for staff
- Business meetings (staff, external parties, Council)
- Cable TV
- Memberships
- Office Décor/maintenance
- Office Furniture
- Office equipment (non computer related)
- Office Supplies/Printing services/Toner
- Technology (computer/laptop/printer/mobile devices)
- Home Office (Internet services, home phone) for business use
- Training/Conferences/Seminars
- Mileage/Car allowance
- Other Transportation including bus, taxi and rental
- ETR407

Task Force Recommendations?