

TO: CITY MANAGER 1998 July 07
 FROM: DIRECTOR FINANCE File: C58-1
 SUBJECT: 1998 COUNCIL INDEMNITIES
 PURPOSE: To set Council indemnities in accordance with the formula set by
 the Council Indemnity Advisory Committee.

RECOMMENDATIONS:

1. THAT Council indemnities for 1998 be set as detailed in the report; and
2. THAT the City Solicitor bring down a bylaw to establish the new indemnities effective 1998 January 01.

REPORT

1998 Indemnities

In 1992, Council established a Council Indemnity Advisory Committee comprised of five representatives from the local community. Their mandate was to review and report on Council indemnities. The Committee established a formula to calculate the increase in the 1992 indemnities and Council endorsed the continuation of the formula for establishing the 1993 to 1997 indemnities. The formula has again been used to establish the 1998 indemnities.

Using the formula, the percentage increase for 1998 is calculated as:

1997 Consumer Price Index Increase - Vancouver	0.2%
1997 Industrial Aggregate wage increase - B.C.	0.4%
1997 Canadian Union of Public Employees, Local 23 increase	0.0%
Average of the above three indicators	0.2%

This increase would result in the following recommended indemnities:

	<u>1997</u>	<u>1998</u>
Mayor	\$73,300	\$73,447
Each Councillor	25,462	25,513

The following is a comparison between the recommended indemnities and the indemnities for other local communities. The relative ranking of the seven municipalities surveyed is shown in brackets.

	<u>Councillor</u>	<u>Mayor</u>	<u>Population</u> (1996 census)
Vancouver *	\$41,824(1)	\$94,940(1)	514,008(1)
Surrey	27,896(2)	75,933(2)	304,477(2)
Richmond	26,008(3)	66,908(5)	148,867(4)
Burnaby	25,513(4)	73,447(3)	179,209(3)
Coquitlam	20,515(5)	68,385(4)	101,820(5)
Delta	20,458(6)	61,644(6)	95,411(6)
Langley (Township)	16,688(7)	50,064(7)	80,179(7)

* total indemnity is taxable.

The recommended indemnities are:

	<u>Total</u> <u>Indemnity</u>	<u>Expense</u> <u>Allowance</u> <u>Portion</u> (1/3)	<u>Balance</u> <u>of</u> <u>Indemnity</u> (2/3)
Mayor	\$73,447	\$24,482	\$48,965
Each Councillor	25,513	8,504	17,009


 Rick Earle
 DIRECTOR FINANCE

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