

TO: CITY MANAGER

1999 July 16
File: C58-1

FROM: DIRECTOR FINANCE

SUBJECT: 1999 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 1999 be set as detailed in the report; and
2. THAT the City Solicitor bring down a bylaw to establish the new indemnities effective 1999 January 01.

REPORT

1999 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 1998 indemnities. The formula has again been used to establish the 1999 indemnities.

Using the formula, the percentage increase for 1999 is calculated as:

1998 Consumer Price Index Increase - Vancouver	0.6%
1998 Industrial Aggregate wage increase - B.C.	0.7%
1998 Canadian Union of Public Employees, Local 23 increase	1.0%
Average of the above three indicators	0.8%

This increase would result in the following recommended indemnities:

	<u>1998</u>	<u>1999</u>
Mayor	\$73,447	\$74,035
Each Councillor	25,513	25,717

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	28,119	(2)	76,601	(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	20,927	(5)	69,760	(4)	101,820	(5)
Delta	20,458	(6)	61,644	(6)	95,411	(6)
Langley, Township of	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 of</u> <u>Indemnity</u> (2/3)
Mayor	\$74,035	\$24,678	\$49,357
Each Councillor	25,717	8,572	17,145


Rick Earle
DIRECTOR FINANCE

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