

**TO: CITY MANAGER**

**2003 July 31**

**FROM: DIRECTOR FINANCE**

**File: C58-1**

**SUBJECT: COUNCIL INDEMNITIES**

**PURPOSE:** To set Council indemnities in accordance with the formula set by the Council Indemnity Advisory Committee

RECOMMENDATIONS:

1. THAT Council indemnities be set as detailed in the report; and
2. THAT the City Solicitor bring down a bylaw to establish the new indemnities effective 2003 January 01

REPORT

2003 Indemnities

In 2001, Council established a new Council Indemnity Advisory Committee comprised of three 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 2001 indemnities and Council endorsed the continuation of the formula to keep up with the cost of living in establishing future indemnities.

The formula has again been used to establish the 2003 indemnities.

Using the formula, the percentage increase for 2003 is calculated as:

2002 Consumer Price Index Increase - Vancouver	3.2%
2002 Average weekly wage increase - B.C.	5.1%
2002 Canadian Union of Public Employees, Local 23 increase	3.0%
Average of the above three indicators	3.77%

This increase would result in the following recommended indemnities:

	<u>2002</u>	<u>2003</u>
Mayor	\$80,834	\$83,881
Each Councillor	35,926	37,280

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

	<u>Councillor</u>		<u>Mayor</u>		<u>Population</u> <u>(2001 census)</u>	
Vancouver *	\$44,663	(1)	\$101,385	(1)	545,671	(1)
Surrey	41,857	(2)	82,274	(3)	347,825	(2)
Burnaby	37,280	(3)	83,881	(2)	193,954	(3)
Richmond	29,543	(4)	73,856	(4)	164,345	(4)
Coquitlam	25,971	(5)	71,155	(5)	112,890	(5)
Delta	25,581	(6)	68,211	(6)	96,950	(6)

\* total indemnity is taxable

The recommended indemnities are:

	<u>Total</u> <u>Indemnity</u>	<u>Expense</u> <u>Allowance</u> <u>Portion</u> <u>(1/3)</u>	<u>Balance of</u> <u>Indemnity</u> <u>(2/3)</u>
Mayor	\$83,881	\$27,960	\$55,921
Each Councillor	37,280	12,427	24,853

  
Rick Earle  
DIRECTOR FINANCE

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