
TO: CITY MANAGER **DATE:** 2005 July 05

FROM: DIRECTOR FINANCE **FILE:** 2410 20

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 2005 January 01.

REPORT

2005 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 2005 indemnities.

Using the formula, the percentage increase for 2005 is calculated as:

2004 Consumer Price Index Increase - Vancouver	2.1%
2004 Average weekly wage increase - B.C.	1.7%
2004 Canadian Union of Public Employees, Local 23 increase	2.5%
Average of the above three indicators	2.10%

This increase would result in the following recommended indemnities:

	<u>2004</u>	<u>2005</u>
Mayor	\$86,003	\$87,809
Each Councillor	38,223	39,026

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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> (2001 census)
Vancouver *	\$51,053 (1)	\$115,890 (1)	583,296 (1)
Surrey	45,600 (2)	90,125 (3)	383,831 (2)
Burnaby	39,026 (3)	87,809 (4)	202,966 (3)
Richmond	31,436 (5)	78,589 (5)	172,714 (4)
Coquitlam	35,665 (4)	98,656 (2)	121,463 (5)
Delta	27,838 (6)	74,549 (6)	101,843 (6)

* total indemnity is taxable

The recommended indemnities are:

	<u>Total Indemnity</u>	<u>Expense Allowance Portion</u> (1/3)	<u>Balance of Indemnity</u> (2/3)
Mayor	\$87,809	\$29,270	\$58,539
Each Councillor	39,026	13,009	26,017

for 
 Rick Earle
 DIRECTOR FINANCE

CAR:aj