

# MEMORANDUM

**DATE:** June 14, 2002

**TO:** David Shipclark, City Clerk

**FROM:** Council Indemnity Review Committee

**SUBJECT:** Mayor and Councillor Remuneration

## **RECOMMENDATIONS:**

THAT the Mayor's remuneration be increased by 2.6% (\$1,866.00) 1/3 of the increase to be tax free to cover expenses which would have been covered under the annual budget previously created to cover sundry expenses approved by Council. (This is in addition to the annual CPI adjustment recommended below.)

AND THAT the Councillors' remuneration be increased by 2.67% (\$555.00) 1/3 of the increase to be tax free to cover expenses which would have been covered under the annual budget previously created to cover sundry expenses approved by Council. (This is in addition to the annual CPI adjustment recommended below.)

AND THAT the Mayor and Councillors continue to receive the annual increases based on the CPI Cost of Living Index.

AND THAT the annual budget to accommodate and pay expenses approved by Council (Policy 287, approved February 2, 2002) be eliminated.

AND THAT the workspace at City Hall for Councillors which was recommended by the Council Indemnity Review Committee in 1999 be provided.

AND THAT the policy of encouraging outside organizations inviting Council Members to participate in their function to pay the cost for the Mayor and/or Councillors to attend be continued.

AND FURTHER THAT a 20 hour per week position be created or the equivalent be built into existing positions to provide administrative support to City Councillors.

Refer to "Attachment A" in support of recommendations.

**COUNCIL INDEMNITY REVIEW COMMITTEE  
IN SUPPORT OF RECOMMENDATIONS**

The following 3 factors weighed heavily in our recommendations:

- (1) The belief that salaries and benefits should be established based on the market, i.e. compensation in comparable positions in comparable industries.
- (2) The answers and feedback received in the questionnaires distributed to Council on our behalf indicate a general overall satisfaction with remuneration. However, there were issues regarding expenses, workload distribution, cell phones, pagers, computers and administrative support.
- (3) The current downsizing throughout the Province of British Columbia in the Public Sector decreases the public's appetite to see remuneration increases in the short term.

In the case of Factor #1:

- (a) When comparing the Mayor's remuneration to 10 other cities in Canada of a like size with similar growth potential and a full time Mayor, the current remuneration paid to the Mayor of Kelowna would be in the top 20%. When compared to similar sized cities here in B.C., current remuneration paid to the Mayor of Kelowna would be in the top 10%.
- (b) When comparing the remuneration for the City of Kelowna Councillors to 12 other Canadian cities of a like size with similar growth potential, the Kelowna City Councillors current remuneration would be in the top 10%. In comparing their remuneration to similar sized cities in B.C., they would be in the top 20%.

In the case of Factor #2:

- (a) The current Mayor rates his satisfaction of his current remuneration in the top quartile.
- (b) Overall satisfaction rating for City Councillors is also in the top quartile.

Expenses were raised as an issue however, a budget of \$10,000.00 annually was set aside for sundry expenses and last year only \$2,349.00 was accessed.

The issue of Internet access was raised however, we understand all members of council have been issued laptop computers and have dial in capability to the City's Intranet site.

Cellular telephones were also raised as an issue by some.

Administrative support, working space at City Hall, parking at City Hall, were also raised as issues.

Factor #3:

General input from citizens solicited at random confirms increases in remuneration even if justified by the other research, would not be well received.

## **SUMMARY**

We feel with our recommendations the remuneration of our Mayor and Council will remain in the top quartile as compared to other cities in both the Province of British Columbia and Canada.

The 2.6% adjustment for the Mayor and 2.67% adjustment for the Councillors will address the sundry issues of parking, cellular telephones, out-of-pocket expenses, etc. in a more equitable fashion which also has the benefit of being less cumbersome administratively.

The creation of dedicated support for the Councillors will help reduce some of the hours they currently work particularly as it relates to administration tasks.

We thank you for the opportunity to serve our City.

## **2002 Council Indemnity Review Committee**

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Bruce Jones, Committee Member

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Lawrence Bates, Committee Member

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Ben Lee, Committee Member