

Memo



Date: September 07, 2011
File: 0605-20
To: City Manager
From: Deputy City Clerk
Subject: Supplemental Report - Council Remuneration Review

Recommendation:

THAT Council receives for information the Supplemental Report of the Deputy City Clerk dated September 07, 2011, regarding the Council Remuneration review.

Purpose:

To provide Council with information related to the Council Remuneration Review Task Force report considered at the May 16, 2011 meeting including; comparative data of Mayor and Council remuneration in selected BC Municipalities; information regarding the proposed Health Benefits Plan for the Mayor; and options for ways to conduct a remuneration review for Council members who are appointed to committees.

Background:

Currently, council remuneration and expenses follow Bylaw No. 7547, being the Council Remuneration and Expense Bylaw (attached), with Council remuneration adjusted annually based on the Consumer Price Index (attached). Upon consideration of the information provided in the supplemental report, Council has three options:

1. Accept the recommendations of the Task Force as contained in the report of the Council Remuneration Review Task Force dated May 10, 2011;
2. accept or amend some of the recommendations of the Task Force; or
3. receive the supplemental report for information with no further direction to staff.

Further to the request of Council, information that was considered by the Council Remuneration Review Task Force during their deliberations is being provided here for further clarification.

1. Compensation Review of Elected Officials - on behalf of the City of Abbotsford (attached)

Comparator Municipalities:

Municipality	Approximately 2008 Population	Municipality	Approximately 2008 Population

Surrey	433, 924	Coquitlam	121,452
Kelowna	118,507	Richmond	189,027
Saanich	113,209	Nanaimo	82,937
Langley Township	101,342	New Westminster	63,745
Delta	99,508	Abbotsford	133,556
Maple Ridge	73,957		

Averages and medians were used throughout this review to provide an overview of the data, with the median value being the number that falls within the middle of the number of observations as noted below:

Quartiles (based on Population)	Mayor Annual Base Indemnity (\$)	Councillors Annual Base Indemnity (\$)
P25 91,200	87,100	33,900
P50 (Median) 113,200	89,700	36,000
P75 127,500	103,700	47,200
Average 139,200	95,400	39,500
City of Kelowna* (118,507)	89,458	31,310

*added for comparison

2. Review of Council Remuneration -on behalf of the City of Prince George (non-published)

Comparator Municipalities:

Organization	Approx. 2008 Population	Organization	Approx. 2008 Population
City of Coquitlam	121,452	City of Kamloops	86,236
City of Kelowna	118,507	District of North Vancouver	86,066
District of Saanich	113,209	City of Nanaimo	82,937
Langley Township	101,347	City of Victoria	81,874
Corporation of Delta	99,508	City of Prince George	74,092

Data analyzed based on size of municipality and regional differences. The consultant did not find a correlation between size of municipality (population) and council remuneration; however, there was a difference between lower mainland municipalities and those outside the lower mainland:

Position	Lower Mainland Average (comparator group) Annual Base Indemnity (\$)	Other BC Average (comparator group) Annual Base Indemnity (\$)	City of Kelowna* Annual Base Indemnity (\$)
Mayor	97,124	87,592	89,458
Councillor	39,922	28,421	31,310

*added for comparison

3. Group Insurance for Elected Officials - UBCM/Pacific Blue Cross (attached)
 - New rates will be presented for the 2011-2014 Council term
 - As indicated in the May 10, 2011 Task Force Report, Financial/Budgetary Considerations, “should the recommendation to cost-share a Health Benefits plan for the Mayor be adopted, there would be an annual cost for the City portion of the premium of approximately \$1700.00.”
4. Options for conducting committee remuneration review.

Considerations to include in terms of reference:

- Review of *Community Charter* provisions respecting Municipal Government and Procedures - Council Roles and Responsibilities as these apply to committee work;
- Review of statutory committees - i.e. those committees that Council must create or appoint members to;
- Review of committees created by Council, i.e. non-statutory committees;
- Review of Council appointees to external bodies;
- Review whether the Council member is a voting or non-voting (liaison) member of a statutory, non-statutory or external committee;
- Review of which committees may already offer either remuneration or expense reimbursement;
- Review of which committees may prohibit a member from receiving any form of remuneration for serving on the committee; and
- Information from any other municipalities that offer remuneration for Council committee responsibilities.

A formal review could be conducted by any one of the following:

- A citizen task force;
- The recently-disbanded Council Remuneration Review Task Force;
- A consultant; or
- Staff.

Considerations not applicable to this report:

Internal Circulation

Legal/Statutory Authority

Legal/Statutory Procedural Requirements

Existing Policy

Financial/Budgetary Considerations

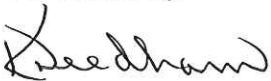
Personnel Implications

External Agency/Public Comments

Community & Media Relations Comments

Alternate Recommendation:

Submitted by:



Karen Needham
Deputy City Clerk

Approved for inclusion:



R. Mayne, Director Corporate Services

*Tim Dillon & Associates
Strategic Compensation Services Inc.
300 - 1275 West 6th Avenue
Vancouver BC V6H 1A6
604.909.1176
www.timdillon.ca*

**City of
Abbotsford**
Compensation
Review for Elected Officials

January 31, 2011

**For questions about this report, please
contact:**

**Julie M. Case, B.A., M.A., CCP
Compensation Consultant
Tim Dillon & Associates
604.552.4484
juliecase@shaw.ca**

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INTRODUCTION & BACKGROUND

The City of Abbotsford (the City) wishes to conduct a compensation review to measure the competitiveness of its elected official compensation opportunities. The City has asked for assistance from Tim Dillon & Associates to conduct this review. The City also wishes to develop a formal process and policy for guiding and determining elected official compensation in the future.

METHODOLOGY

We drafted a questionnaire to capture data on base salary, allowances, benefits, and perquisites for the mayor and councilor positions. We emailed the questionnaire to the ten municipalities that make up the City's existing defined comparator market. We then reviewed the data, identified anomalies, and followed up where necessary.

The following municipalities are currently defined as the City of Abbotsford's comparator market:

- | | |
|--------------------|-----------------------|
| 1. Coquitlam | 2. Delta |
| 3. Kelowna | 4. Langley (Township) |
| 5. Maple Ridge | 6. Nanaimo |
| 7. New Westminster | 8. Richmond |
| 9. Saanich | 10. Surrey |

A summary profile of the municipalities is shown in Table 1. The measures of comparison (i.e., annual expenses and population) were collected from government websites (www.cd.gov.bc.ca) to ensure a consistent and reliable comparison of the most recent data available.

All compensation data collected from the comparator market municipalities reflects a common effective date of January 1, 2010.

The data in this report has been rounded and summarized using tables. Averages and medians have been used throughout the report to provide an overview of the data:

- An average is the sum of all data divided by the number of observations included.
- A median value is the number that falls within the middle of a series of observations (e.g., if there are seven data observations and they are ranked in order of highest to lowest, the number or observation that is in the fourth position is the middle value and represents the median value).
- The 25th and 75th percentiles (P25 and P75), also referred to as the first and third quartiles, offer an indication as to the "spread" or range of the data. At the 75th percentile, 75 percent of the observations are at this level or below. Similarly, at the 25th percentile, 25 percent of the observations are at this level or below.
- It is important to note that a minimum number of observations is required to report data and still maintain confidentiality. A minimum of three observations is required to report the average, four to report the median, and five to report the quartiles (i.e., P25 and P75).
- The number of observations indicates the number of organizations that provided data.

Table 1 – Summary Profile of Comparator Municipalities

BC Municipality	BC Stats Population Estimates (2008)	BC Consolidated Expenses as of December 31, 2008 (\$ millions)	Number of full-time employees	Number of elected officials
Surrey	433,924	345.7	2,200	9
Richmond	189,027	230.4	1,243	9
Kelowna	118,507	164.0	769	9
Delta	99,508	134.7	860	7
Coquitlam	121,452	131.2	868	9
Abbotsford	133,556	126.4	838	9
Saanich	113,209	110.9	746	9
New Westminster	63,745	100.4	575	7
Nanaimo	82,937	98.7	630	9
Langley Township	101,342	95.0	498	9
Maple Ridge	73,957	71.1	338	7
Summary (does not including Abbotsford information)				
P25	87,100	99.1	590	8
P50 (Median)	107,300	121.0	760	9
P75	120,700	156.7	870	9
Average	139,800	148.2	870	8

FINDINGS – BASE SALARY COMPENSATION FOR MAYOR & COUNCILORS

Table 2 provides a summary of the base salary findings for the mayor and councilor positions from the ten municipalities. The table also indicates the comparison to the current base salary rates at the City of Abbotsford.

Table 3 summarizes the ratio of annual base salary of the mayor position relative to the councilor position. The table also indicates the current ratio at the City of Abbotsford.

All ten municipalities indicated the base salaries for mayor and councilor positions were one-third tax free. It is our understanding that the City of Abbotsford positions have their base salaries one-third tax free.

Four municipalities do not compensate councilors with an acting mayor allowance. Of the six municipalities that do compensate councilors with an acting mayor allowance, it is done one of two ways: a percentage of the mayor’s base salary added to their own base salary or a lump sum (e.g., monthly or daily rate).

Table 2 – Summary of 2010 Annual Base Salary Findings for Mayor & Councilors

	Mayor Annual Base Salary (\$)	Councilors Annual Base Salary (\$)
P25	87,400	33,800
P50 (median)	91,700	36,100
P75	105,400	49,300
Average	96,300	40,000
City of Abbotsford (effective January 2007)	86,600	34,700
<i>City of Abbotsford current base salaries as percent of median 2010 findings</i>	94%	96%

Table 3 – Summary of Ratio of Base Salary Findings between Mayor & Councilors

	Ratio of Mayor Base Salary : Councilor Base Salary
Minimum	2.0 : 1
Maximum	3.0 : 1
P50 (median)	2.5 : 1
Average	2.5 : 1
City of Abbotsford	2.5 : 1

FINDINGS – CAR ALLOWANCE FOR MAYOR & COUNCILORS

Five municipalities offer a car allowance to the mayor. Three of these five municipalities extend the car allowance to councilors.

Municipalities that do not offer a car allowance do reimburse for mileage at a rate of \$0.52 per kilometre or at a rate set by the Canada Revenue Agency.

Table 4 – Summary of Car Allowance Findings for Mayor & Councilors

	Mayor Annual Car Allowance	Councilors Annual Car Allowance
Count	5	3
P50 (median)	\$7,500	-
Average	\$8,800	\$4,200
City of Abbotsford	No car allowance provided	No car allowance provided

FINDINGS – BENEFITS & PERQUISITES

It is our understanding that the City of Abbotsford does not offer any benefits or perquisites to its mayor and councilor positions. Table 5 indicates how many of the ten municipalities offer the benefit or perquisite surveyed. We did not collect information on the value of the benefits or perquisites. Typically, the benefit or perquisite offered to the mayor and councilor positions is at the same level as offered to staff.

Table 5 – Summary of Prevalence of Benefits & Perquisites Offered to Mayor & Councilors

	Mayor	Councilors
Pension/RRSP	0	0
Provincial health care	8	8
Extended health plan	8	8
Dental care	8	8
Vision care	8	8
Short-term disability	0	0
Long-term disability	2	1
Life insurance	8	7
Parking	8	8

FINDINGS – OTHER ALLOWANCES & EXPENSES

None of the municipalities pay any honorariums, allowances, or stipends for meetings related to their own municipal work (e.g., Council meetings, committee meetings etc.). All lower mainland

municipalities indicated the mayor and/or councilors are paid to attend meetings held by the Metro Vancouver Regional District. The regional district pays the mayor and/or councilors. It is our understanding that the Fraser Valley Regional District pays the mayor and councilors of the City of Abbotsford to attend its meetings.

All municipalities reimburse elected officials for expenses incurred while on official municipal business. Most municipalities have an expense policy that aligns to the staff expense policy. In the case of conferences, most municipalities have a per diem rate.

With regard to community events or special events (e.g., fundraisers, charitable events) that elected officials pay to attend, there are three main ways municipalities handle these costs:

- In some municipalities the one third tax free base salary is expected to cover the cost of these events.
- Some municipalities have a specific annual budget allocated to each elected official that covers the costs of these events (with proof of receipts).
- Some municipalities have an annual budget that collectively covers the costs of these events (with proof of receipts).

FINDINGS – PROCESS FOR SETTING COMPENSATION FOR MAYOR & COUNCILORS

The majority of municipalities use a combination of market surveys and average annual adjustments to set their compensation levels for their mayor and councilor positions.

Most survey a number of similar sized municipalities to set the base salary. Those municipalities that do not survey every year typically will review their compensation yearly and make adjustments based on some or all of the following factors:

- Staff (CUPE, IAFF, and/or exempt) adjustments
- Average adjustments given in other municipalities
- CPI (Consumer Price Index)
- The overall economy

While a couple of municipalities have established a formal compensation policy for elected officials, most have not.

FINDINGS – PAST AND FUTURE ADJUSTMENTS TO COMPENSATION FOR MAYOR & COUNCILORS

Seven municipalities either froze or adjusted by just one percent, the base salary for their elected officials in 2010. The average for the other three municipalities was 3.4 percent and 3.8 percent for mayor and councilors respectively.

For 2011, five municipalities indicated any adjustment was yet to be determined. One municipality intends to follow the staff increase (4 percent) and one municipality intends to adjust by the CPI. Most municipalities indicated that any adjustments would take place in the first quarter of 2011 with the majority effective the first of January (or retroactive to the first of January). The average adjustment for the five municipalities that have already made adjustments for 2011 is 3.0 percent.

RECOMMENDATIONS

Base Salary

Table 6 presents our recommended base salary for mayor and councilor positions to be implemented December 1, 2011. Our recommendations reflect the 2010 median level of the defined market place plus a three percent adjustment for 2011 (as previously stated, the average of the five municipalities that have already made adjustments for 2011 is three percent).

It is our understanding that the current rates of pay for the City of Abbotsford’s mayor and councilor positions were implemented in January 2007. Therefore, the recommended base salaries for implementation on December 1, 2011 will represent an *average annual* increase of less than two percent over the nearly five year time period since base salaries were last adjusted.

In the future, we recommend the City of Abbotsford continue to undertake a comprehensive formal compensation review every three years. For the non-survey (in between) years we recommend the City make adjustments based on the average annual Consumer Price Index for Vancouver.

Table 6 – Recommended December 1, 2011 Annual Base Salaries for Mayor & Councilors

City of Abbotsford	Mayor	Councilors
December 1, 2011 Recommended Annual Base Salary	\$94,500	\$37,200
January 1, 2007 – November 30, 2011 Annual Base Salary	\$86,600	\$34,700

Benefits

Currently the City of Abbotsford does not offer any benefits to its elected officials. Most of the comparator municipalities offer basic health and extended health (including dental and vision) as minimum benefits. Therefore, we are recommending the City of Abbotsford offer basic health and extended health (including dental) to its elected officials for the duration of their elected term only.

The City’s human resources department has contacted its benefit provider (AON) and obtained 2011 estimated premium rates. The sum of the estimated monthly (exempt) premium rates (and therefore estimated cost to the City) for MSP, extended health, and dental care is \$154.00 for a single person.

Vehicle Allowance

We are recommending the City of Abbotsford maintain the current mileage reimbursement. We are not recommending a vehicle allowance since so few municipalities in the comparator group follow this practice. We believe that the current arrangements in place are fair and equitable.

Community / Special Events Allowances

After discussion with Council on the current allowance arrangements in this area, we are recommending an annual fixed allowance of \$2,500 for the mayor and \$1,000 for each councilor to be used for attendance at community events. This represents no additional cost to the City as costs are currently aggregated for Council on an annual basis. We are recommending formalizing this allowance on a per elected official basis.

Conference Allowance

After discussion with Council, we are recommending an annual conference allowance of \$4,000 for the mayor and \$2,000 for each councilor to be used for attendance at conferences. Once again, there is no additional cost for this allowance as it is currently part of the council budget.

SUMMARY

The findings summarized in this report clearly indicate there is not a single or even consistent manner in which to determine elected official compensation. We certainly tend to see more consistency across municipalities when determining compensation for exempt staff in BC.

In our experience, a formal documented compensation policy is extremely helpful in communicating an organization's goals and strategies for determining compensation. We have attached a draft compensation policy for elected officials for the City of Abbotsford.

ATTACHMENT 1 – CITY OF ABBOTSFORD COMPENSATION POLICY FOR ELECTED OFFICIALS (DRAFT)

The purpose of this compensation policy is to detail the City of Abbotsford's goals and principles in regard to elected official's compensation.

This policy is subject to review and change at least every three years when we will undertake a comprehensive review of elected official's compensation. We will hire an external consultant to conduct the review and present the findings to council.

Our compensation strategy is to pay fair and equitable salaries to our elected officials: we aim to pay at the middle (i.e., **median or 50th percentile**) of our defined marketplace. We will review this target level to ensure it remains competitive and valid. This target level may be adjusted as business and market conditions change. Our defined marketplace consists of other similar sized municipalities in the geographic area of British Columbia. This marketplace also serves as the defined marketplace for the exempt staff at the City. The ten municipalities include:

1. Coquitlam
2. Delta
3. Kelowna
4. Langley (Township)
5. Maple Ridge
6. Nanaimo
7. New Westminster
8. Richmond
9. Saanich
10. Surrey

Within the three year cycle, the City will adjust elected official's compensation on January 1st by the annual CPI for Vancouver (for the previous year).

Councilors designated as acting mayor will receive an additional ten percent in addition to their regular salary.

The mayor will receive an annual fixed allowance of \$2,500 and each councilor will receive \$1,000 to be used for attendance at community events.

The mayor will receive an annual conference allowance of \$4,000 and each councilor will receive \$2,000 to be used for attendance at conferences.

Elected officials will be eligible to receive basic health and extended health (including dental) benefits for the duration of their elected term only.

MEMORANDUM

TO: **Mayor/Chair and Council/Board**

CC: Benefits Administrator

FROM: Anna-Maria Wijesinghe
Manager, Member and Association Services

DATE: November 18, 2008

RE: **Group Insurance For Elected Officials**

UBCM offers comprehensive group insurance coverage to municipalities and regional districts in British Columbia. In addition, UBCM also provides coverage for elected officials.

A. BACKGROUND

In the past, following local government elections, UBCM has offered group insurance benefits to elected officials. A number of our members have taken advantage of these benefits and once again we are pleased to be extending this offer to your elected officials.

B. COVERAGE OFFERED TO ELECTED OFFICIALS

The following is information and procedures for enrollment in the UBCM Group Benefits Plan offered by our current carrier, Pacific Blue Cross/ BC Life.

1. Available Benefits

Elected officials who meet the eligibility requirements may now participate in the following benefits:

- Extended Health Care & Dental
- Optional Life Insurance
- Optional Accidental Death and Dismemberment

2. Eligibility

To enroll, there must be a minimum of three (3) elected official applicants per local government. For local governments that **do not currently** have their staff benefit plans under the UBCM Group Benefits Plan, each request will be reviewed on an individual basis.

3. Benefit Provisions & Costs

Extended Health and Dental

We have made a change this time for those local governments with existing staff contracts with us in that the elected officials will be added **as a separate group to your existing contract**. You will need to fill out the attached group enrollment form so we can make the necessary amendments to your contract. The changes are needed to address the definition of employee and eligibility (hours of work), which are standard components of our group contracts.

This is because elected officials are not normally classified as "employees" nor do they work standard weekly hours.

If you provide benefits to your non-union staff through the UBCM Group Benefits Plan, you have the option to provide your elected officials with the same benefits that you provide to the non-union staff. Under this approach, the existing group rates for the non-union plan would apply.

If you do not have staff benefits under the UBCM Group Benefits Plan, or you do not wish to provide the same level to Elected Officials, then you can choose a standard package. The standard plan costs and benefit limits include:

- **Extended Health:**
 - 80% reimbursement of eligible expenses
 - lifetime maximum of \$50,000
 - \$25.00 per year single or family deductible
 - premium of **\$34.60** per month for single coverage and **\$77.85** per month for family coverage
- **Dental:**
 - 80% reimbursement of Plan A "Routine" expenses
 - 50% reimbursement of Plan B "Major Restorative" expenses
 - no annual maximum on Plan A or B
 - premium of **\$43.32** per month for single coverage and **\$112.39** per month for family coverage

Optional Life Insurance

Optional Group Life can be purchased in multiples of \$10,000 or \$25,000. However, only one multiple can be chosen and will apply to everyone in the group purchasing the optional group life coverage. **A rate sheet is attached.**

Optional Accidental Death & Dismemberment (AD&D)

BC Life's Optional Accidental Death & Dismemberment provides added financial security should one be faced with accidental death, accidental dismemberment of part or all of a limb, or loss of sight, hearing or speech. This benefit would pay an additional amount equal to the Optional Group Life Insurance benefit in the event of death and fractions of the total benefit for other losses or dismemberment.

The monthly cost of this benefit is **\$0.055 per \$1,000 of coverage.**

It would be our preference that the payment of premiums follows the same structure as your non-union plans. That is, if your non-union plans are 100% employer paid then have that arrangement continue, understanding that each local government has different policies.

4. Enrollment

Elected officials can enroll in:

- (a) either the optional life or/and optional accidental death and dismemberment benefits (applications can be made independent of one another)
- (b) extended health/dental benefits (must make application for both)
- (c) a combination of option (a) and (b)

Enrollment for benefits must be within four (4) months of appointment to council, therefore the **deadline for enrollment is March 31, 2009**. Failure to apply within the required timeline may necessitate providing medical evidence, which would be subject to approval by Pacific Blue Cross/BC Life.

Enrollment in the UBCM Group Benefit Plan must be for the **full term of office**; this is to protect against abuse of the Plan.

To enroll, regardless if you are already covered under the UBCM Group Benefits plan, please use the "Application for Group Benefits" form attached and for optional life you will need to fill out the form entitled the "Application for Optional Life" and for optional AD&D you will need to fill out the form "Voluntary Accidental Death & Dismemberment," also attached. Then complete the attached forms and include a covering letter summarizing the elected officials that are applying for these benefits you should forward everything to:

Paul Stephens, Account Manager
Elected Officials' Benefits
Pacific Blue Cross
PO Box 7000, Vancouver, B.C. V6B 4E1

For further details regarding coverage or if your municipality/regional district is not covered under the UBCM Group Benefits Plan, please contact Paul Stephens, Account Manager, Ph: 1.877.275.4768 or Fax: 604.419.2163 or Email: pstephens@pac.bluecross.ca.

Please keep us informed if you are interested in this program or contact me if you would like assistance with the enrollment of your elected officials (Ph: 604.270.8226 ext. 111; Fax: 604.270.9116; Email: amwijesinghe@civicnet.bc.ca).

If you are not currently with the UBCM Group Benefits Plan, we would encourage you to request a quote. We will demonstrate the cost savings available to you as well as the other advantages of participation that many municipal/regional district staff are already enjoying.

5. Retiring Council Members or Elected Officials Not In Office

Please note that retiring council members or elected officials not currently in office should **not** remain on your benefits plans. You must inform Pacific Blue Cross/BC Life that coverage is to be terminated. The effective date of termination will be at the end of December.

Retiring council members and elected officials no longer in office have the option of converting to individual policies. For health and dental benefits we would encourage you to provide the following links to your affected council members for more information:
http://www.pac.bluecross.ca/individual/blue_choice/

For benefits with BC Life retiring council members and elected officials have the option of converting to an individual life insurance policy without medical evidence, within **31 days** after terminating the group coverage if they are under age 65. For more information regarding conversion, members may contact BC Life at:

Medical Underwriting, British Columbia Life & Casualty Company
PO Box 7000, Vancouver, BC V6B 4E1
Email Medunderwriting@pac.bluecross.ca

SUMMARY:

The Council Remuneration and Expense Bylaw sets out the annual salaries and eligible expenses for the Mayor and Councillors. It also provides for an optional benefit plan and for the City to pay for accident insurance coverage for the members of council and the use of a vehicle for the Mayor.

This bylaw is a 'consolidated' version and includes amendments up to the date listed in the bylaw heading. It is placed on the Internet for convenience only, is not the official or legal version, and should not be used in place of certified copies which can be obtained through the Office of the City Clerk at City Hall. Plans, pictures, other graphics or text in the legal version may be missing or altered in this electronic version.

CITY OF KELOWNA
BYLAW NO. 7547
REVISED: March 2009

**CONSOLIDATED FOR CONVENIENCE TO INCLUDE
BYLAW NOS. 8072, 8472, 8503, 8515, 8890, 9436, 10009 and 10165**

**A Bylaw Pursuant to the *Local Government Act* to provide for benefits,
remuneration, and expenses for Members of Council**

The Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. This bylaw may be cited as 'Council Remuneration and Expense Bylaw, No. 7547.'

2. Mayor's Indemnity

BL8472, BL8890, 9436 and BL10009 amended sections 2.1 & 2.2:

2.1 Effective January 1st, 2009, the Mayor shall be paid an annual indemnity of \$85,797.76, of which one-third is an allowance for expenses incidental to the discharge of the duties of the Mayor's office.

2.2 Effective January 1st, 2009 and every January 1st thereafter, the Mayor's Indemnity shall receive an annual adjustment based on the Consumer Price Index (CPI) published by Statistics Canada for Vancouver (2002=100) for the twelve month period January to December of the previous year.

3. Councillors' Indemnity

BL8472, BL8890, BL9436 and BL10009 amended subsection 3.1 or deleted subsection 3.2:

3.1 (a) Effective January 1, 2009 a Councillor's indemnity shall be 34% of the Mayor's indemnity after adjustment by the Consumer Price Index;

(b) Effective January 1, 2010 a Councillor's indemnity shall be 35% of the Mayor's indemnity after adjustment by the Consumer Price Index.

BL8503 amended Section 4 and Section 4.1:

4. Deputy Mayor's Indemnity

4.1 Effective October 1st, 1994, Councillors appointed to the position of Deputy Mayor shall receive an additional \$350.00 per month (\$161.00 bi-weekly), of which one-third shall be considered an allowance for expenses incidental to the discharge of their duties as Deputy Mayor.

- 4.2 Effective October 1st, 1994, if the Mayor is unable to perform his/her mayoralty duties for more than 30 days, Councillors appointed to the position of Acting Mayor shall be entitled to the same remuneration as the Mayor, pro-rated accordingly, during the period of time served as Acting Mayor.

BL10009 added subsection 4.3:

- 4.3 For clarity, the Deputy Mayor is not entitled to incur expenses as per subsection 5.6.

5. Expenses

- 5.1 During his or her term of office, the Mayor is entitled to the use of a vehicle for City purposes, with all costs to be borne by the City.

BL8503 amended subsection 5.2:

- 5.2 The Mayor and Deputy Mayor when attending on behalf of the Mayor are hereby authorized to, and shall be entitled for reimbursement of, expenses incurred for the entertainment of guests of the City or to promote the interests of the City.

- 5.3 When authorized by Council to undertake City affairs beyond the boundaries of the City, the member shall be entitled to reimbursement of expenses incurred during their absences from the City in accordance with Schedule 'A' - **Schedule of Expenses** attached to and forming part of this bylaw.

- 5.4 Members of Council who are authorized or appointed by Council to represent the City on a Board or organization within the boundaries of the City shall be entitled to reimbursement of expenses incurred as a result of this representation, with the exception of meals and mileage.

BL8472 and BL8515 amended subsection 5.5:

- 5.5 When authorized by Council Policy No. 287, members of Council representing the City at functions or special training within the boundaries of the Central Okanagan Regional District shall be entitled to reimbursement of actual expenses incurred as a result of this representation, with the exception of mileage. Expenses greater than \$100.00 per member per function shall only be reimbursed when authorized by Council resolution.

BL10009 added subsection 5.6:

- 5.6 During his or her term of office, the Mayor shall be budgeted an annual amount not to exceed \$1,500.00 in any one year, with no provision for carry-over to the next year of any unused funds, for reimbursement of receipted meal expenses with the exception of alcohol incurred in carrying out the duties of Mayor. Reimbursements will be made on a monthly basis upon completion of the form attached as Schedule 'B' - **Mayor Reimbursement for Meal Expenses** to and forming part of this bylaw.

6. Benefits

- 6.1 The City is hereby authorized to enter into agreements for benefits for Council members and their dependants.

- 6.2 Participation in any or all of the benefit plans shall be at the member's option.

Consolidated Bylaw No. 7547 - Page 4.

- 6.3 With the exception of Section 6.4, members shall be responsible for the full costs of premiums as charged to the City.
- 6.4 Accident Insurance Coverage to an amount of \$100,000.00 shall be extended to all members, and the costs of such coverage shall be borne by the City.
- 7. 'Mayor and Councillors Indemnity Bylaw No. 7043' is hereby repealed.

Read a first, second and third time by the Municipal Council this 13th day of September, 1994.

Reconsidered, finally passed and adopted by the Municipal Council of the City of Kelowna this 27th day of September, 1994.

"J.H. Stuart"

Mayor

"D.L. Shipclark"

City Clerk

SCHEDULE 'A' - BYLAW 7547

SCHEDULE OF EXPENSES

BL10165 amended Section 1:

1. Basic Allowance

- 1.1 Members of Council who are entitled to reimbursement of out-of-town expenses shall be entitled to a per diem of \$70.00 per day in accordance with this Schedule. The per diem shall cover all meals, gratuities, dry cleaning, local telephone calls and other miscellaneous costs for trips involving more than one day away from Kelowna.
- 1.2 The per diem allowance for the day of departure and day of return will be calculated on a pro-rata basis with one-half the per diem payable for any portion of the day prior to 12:00 noon and one-half the per diem payable for any portion of the day after 12:00 noon.

2. Hotel Accommodation

- 2.1 The full costs of actual hotel room (single rate), substantiated by receipts will be reimbursed.

3. Transportation

- 3.1 Actual air fare at economy rate, substantiated by receipts will be paid. If travel is by car, equivalent air fare or mileage may be claimed, whichever is the lesser.
- 3.2 Actual airport limousine costs, taxis, tolls and long distance telephone calls for City business, substantiated by receipts, will also be reimbursed.

BL9436, BL10009, BL10165 amended subsection 3.3:

- 3.3 Out of town mileage shall be reimbursed at the tax exempt per kilometre allowance recommended by the Canada Revenue Agency.

4. Expenses for Spouse

- 4.1 When authorized to attend a conference or convention by Council, the spouse of a member of Council shall be entitled to claim the following expenses:
 - .1 Actual registration fees for the spouse, substantiated by a receipt.
 - .2 Incremental hotel room costs for the difference between single and double room accommodation, substantiated by a receipt.
 - .3 The per diem allowance in Subsection 1.1 shall be increased by \$20.00 per day when a spouse has been authorized by Council to attend an conference or convention.

CITY OF KELOWNA COUNCIL INDEMNITY FOR 2011 (Effective Jan 1/11)

Used the annual CPI by City and not monthly table per bylaw

CPI 2011	114.90	(using 2010 avg CPI)
CPI 2010	112.90	(using 2009 avg CPI)
Annual Change	<u>2.00</u>	1.7714792%

Percentage Change 1.7700%

MAYOR'S REMUNERATION *		<u>2010 Annual</u>	<u>2011 Annual</u>	<u>2011 Bi-weekly</u>	<u>2011 Hourly</u>
Note: 2009 base changed to	\$87,902	87,902.04	89,457.91	3,428.95	48.9850
Taxable Portion		58,601.36	59,638.60	2,285.97	32.6567
Non Taxable Portion		29,300.68	29,819.30	1,142.98	16.3283
		<u>87,902.04</u>	<u>89,457.91</u>	<u>3,428.95</u>	<u>48.9850</u>

* Per Council Bylaw 7547 Jun 2008
See Consol Bylaw 8072 and 8472

COUNCILLOR'S REMUNERATION		<u>2010 Annual</u>	<u>2011 Annual</u>	<u>2011 Bi-weekly</u>	<u>2011 Hourly</u>
Bylaw Jan.1,2011 35.0% of Mayor's			<u>\$89457.91.04 x 35.0%</u>		
		29,859.68	31,310.27	1,200.13	17.1448
Taxable Portion		19,906.45	20,873.51	800.09	11.4298
Non Taxable Portion		9,953.23	10,436.76	400.04	5.7149
		<u>29,859.68</u>	<u>31,310.27</u>	<u>1,200.13</u>	<u>17.1448</u>

see site

<http://www.statcan.ca/english/econoid/cpicit.htm>

for confirmation

Stephen Fleming reconfirmed CPI index for 2006 use and councillor's remuneration Feb. 3,2006
We must use the annual CPI for Vancouver 2005 year end. Using the Monthly in the past is not covered under the current Bylaw. The councillors wage is % based of the Mayor's salary after the CPI is added to the current year's base.

Jan.26/08 CPI is based on 2002 = 100 now instead of 1992 =100

Reason for the CPI to drop and not being inlined with 2007 figures.

Feb.1, 2009 New revised by-law on Councillor's remuneration for 2009/2010

1/25/2011
7:32 AM

P:\Financial_Services\Payroll_Invest_UB\PAYROLL\mayor_sal.xls2011 CPI ADJUSTMENT

[Home](#) > [Summary tables](#) >

 Related tables: [Consumer price indexes](#).

**Consumer Price Index, by city
(Index)**

	All-Items	2006	2007	2008	2009	2010
		2002=100				
St. John's (N.L.)		109.1	110.7	114.0	114.7	117.4
Charlottetown and Summerside (P.E.I.)		111.0	113.2	116.9	117.1	119.2
Halifax (N.S.)		109.8	112.0	115.2	115.3	117.6
Saint John (N.B.)		109.2	111.2	113.2	113.7	116.3
Québec (Que.)		108.7	110.1	112.4	113.2	114.8
Montréal (Que.)		108.6	110.3	112.6	113.5	114.8
Ottawa-Gatineau, (Ont. part)		108.6	110.7	113.1	113.7	116.6
Toronto (Ont.)		108.4	110.5	113.1	113.6	116.5
Thunder Bay (Ont.)		106.9	108.1	110.4	110.5	112.8
Winnipeg (Man.)		108.5	110.8	113.3	113.9	114.8
Regina (Sask.)		108.9	111.7	115.2	117.2	118.9
Saskatoon (Sask.)		109.0	112.7	117.1	118.2	119.6
Edmonton (Alta.)		112.0	117.4	121.4	121.6	122.9
Calgary (Alta.)		112.3	118.0	121.8	121.7	122.7
Vancouver (B.C.)		108.0	110.2	112.8	112.9	114.9
Victoria (B.C.)		108.5	109.8	111.8	111.9	113.1
Whitehorse (Y.T.)		106.8	109.5	113.4	113.8	114.7
Yellowknife (N.W.T.)		107.7	110.8	115.2	115.9	117.9

Note: Annual average indexes are obtained by averaging the indexes for the 12 months of the calendar year.
 Source: Statistics Canada, CANSIM, table (for fee) 326-0021.
 Last modified: 2011-01-24.

 To learn more about the Consumer Price Index, see [Your Guide to the Consumer Price Index](#).

[Find information](#) related to this table (CANSIM table(s); Definitions, data sources and methods; *The Daily*; publications; and related Summary tables).

Date Modified: 2011-01-24