



REPORT TO COUNCIL

TO: Richmond City Council
FROM: Councillor Ken Johnston, Chair
Finance Select Committee
RE: **YEAR 2000 COUNCIL INDEMNITY BYLAW**

DATE: April 7th, 2000
FILE: 0105-08

The Finance Select Committee, at its meeting held on Thursday, April 6th, 2000, considered the attached report, and recommends as follows:

COMMITTEE RECOMMENDATION

- (1) ***That Council Indemnity and Expense Reimbursement Bylaw No. 6934 Repeal Bylaw No. 7125 be introduced and given first, second and third readings;***
- (2) ***That the Year 2000 Council members remuneration of \$70,903.00 (\$42,542 taxable) for the Mayor and \$28,361 (\$18,718 taxable) for each Councillor, be approved; and that Council indemnities be increased annually by the Consumer Price Index (CPI) for Vancouver, unless otherwise directed;***
- (3) ***That the 1999 Council Remuneration and Expense Report be received for information; and***
- (4) ***That the Council Expense Reimbursement Policy (attached to the report dated March 29th, 2000, from the General Manager, Finance & Corporate Services), be adopted.***

Councillor Ken Johnston, Chair
Finance Select Committee

Attach.

VARIANCE

Please note that staff recommended the following for Part (2):

- (2) That the Year 2000 Council members remuneration of \$70,903.00 (\$42,542 taxable) for the Mayor and \$28,361 (\$18,718 taxable) for each Councillor, be approved;

STAFF REPORT

ORIGIN

Each year the General Manager of Finance and Corporate Services prepares a report detailing a recommended remuneration for all members of Council. The approval of the remuneration was required to be established by bylaw as per Section 185 of the Municipal Act.

With the passage of Bill 88 the requirement for a bylaw to establish Council remuneration has been removed. There is only a requirement to produce a year end report detailing, by each member of Council, the total of all remuneration paid as well as expenses incurred. We have always produced such a report so this requirement will be followed as has been past practice.

This report addresses the Council remuneration for the Year 2000.

ANALYSIS

Council, several years ago (1992) established a Citizens Task Force with a mandate to review Council members remunerations and to establish an equitable process to provide for future increases.

The Task Force established what they believed would be a system for remuneration equity that would consider such criteria as duties performed, hours required to perform those duties as well as the level of administrative involvement in the daily operations of the City.

The overall results of the study also indicated that all remunerations should be increased annually by the Consumer Price Index (CPI) for the Vancouver area and that based on workloads that a Councillors remuneration should be 40% of that provided to the Mayor.

Since 1992 we have shown what the remuneration for each member of Council should be based upon the recommendations of the Task Force. Council over this same period of time has not always followed the Task Force recommendation. In some years they have not taken the full CPI entitlement. In other years they have frozen their remuneration at the prior years level.

Over this time period, staff have kept detailed information as to what the remuneration should have been had the Task Force recommendations been followed.

Again this year, staff have prepared a similar remuneration proposal which is detailed in the Financial Impact section.

FINANCIAL IMPACT

The maximum financial impact of implementing the staff proposals as detailed below equals \$22,819.00. Below is the detail for each proposal.

1. Remuneration (see attachment 1.)

Mayor

present remuneration	\$66,908.00
proposed remuneration ⁽¹⁾ ⁽²⁾	\$70,903.00
Increase	\$ 3,995.00
% increase	6%

Councillors

present remuneration	\$26,008.00
proposed remuneration ⁽¹⁾ ⁽²⁾	\$28,361.00
Increase	\$ 2,353.00
% increase	9.1%

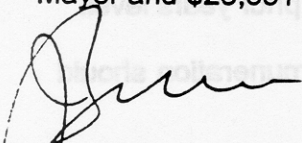
⁽¹⁾ according to Revenue Canada regulations only 2/3 of the remuneration is taxable

⁽²⁾ reflects remuneration based on 1992 Task Force Report

The Year 2000 provisional budget included the appropriate maximum funding requirement.

CONCLUSION

That Council approve the Year 2000 remuneration of \$70,903.00 (\$42,542 taxable) for the Mayor and \$28,361 (\$18,718 taxable) for each Councillor.



Jim Bruce
General Manager, Finance and Corporate Services

JWB:naw

Attach.2

**COUNCIL REMUNERATION
YEAR 2000 WORK SHEET**

			Task Force Recommendation	Actual	Difference
1992	Mayor	\$62,568	\$62,568	\$62,568	0
	Councillors	\$62,568 X 40 %	\$25,027	\$22,246	2,781.00
1993	Mayor	\$62,568 X 1,038	\$64,946	\$64,946	0
	Councillors	\$64,946 X 40 %	\$25,978	\$24,534	1,444.00
1994	Mayor	\$64,946 X 1.025	\$66,570	\$64,946	1,624.00
	Councillors	\$66,570 X 40 %	\$26,628	\$24,534	2,094.00
1995	Mayor	\$66,570 X 1.02	\$67,901	\$66,245	1,656.00
	Councillors	\$67,901 X 40 %	\$26,161	\$25,750	411.00
1996	Mayor	\$67,901 X 1.007	\$68,376	\$66,245	2,131.00
	Councillors	\$68,376 X 40 %	\$27,351	\$25,750	1,601.00
1997	Mayor	\$68,376 X 1.005	\$68,718	\$66,245	2,473.00
	Councillors	\$68,718 X 40 %	\$27,487	\$25,750	1,737.00
1998	Mayor	\$68,718 X 1.005	\$69,062	\$66,908	2,154.00
	Councillors	\$69,062 X 40 %	\$27,625	\$26,008	1,617.00
1999	Mayor	\$69,062 X 1.009	\$69,684	\$66,908	2,776.00
	Councillors	\$69,684 X 40 %	\$27,873	\$26,008	1,865.00

**Remuneration Shortfall
1992-1999**

Mayor \$12,814

Council \$13,550

2000	Mayor	\$69,684 X 1.0175	\$70,903	\$66,908	3,995.00
	Councillors	\$70,903 X 40 %	\$28,361	\$26,008	2,353.00

1999 ACTUAL VS 2000 RECOMMENDED

Mayor	Should Be	\$70,903
	Actual	<u>66,908</u>
	Difference	\$ 3,995
	% Change	6.0 %
Councillor	Should Be	\$28,361
	Actual	<u>26,008</u>
	Difference	\$ 2,353
	% Change	9.1 %
Total Increases Mayor	1 X \$3,995 =	\$ 3,995
	8 X \$2,353 =	<u>\$18,824</u>

TOTAL INCREASE		\$22,819
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CITY OF RICHMOND
**COUNCIL INDEMNITY & EXPENSE REIMBURSEMENT
BYLAW NO. 6934, REPEAL BYLAW NO. 7125**

The Council of the City of Richmond enacts as follows:

1. Council Indemnity and Expense Reimbursement Bylaw No. 6934 is hereby repealed.
2. This bylaw is cited as **“Council Indemnity & Expense Reimbursement Bylaw No. 6934, Repeal Bylaw No. 7125”**.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept.
APPROVED for legality by Solicitor

MAYOR

CITY CLERK

TO BE REPEALED.

CITY CLERK

CITY OF RICHMOND

**COUNCIL INDEMNITY AND EXPENSE REIMBURSEMENT
BYLAW NO. 6934**

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

PART 1: ANNUAL INDEMNITY

1.1 The City shall:

- (a) pay an annual indemnity to the Mayor, in the amount of **\$66,908**, of which the amount of **\$22,303**, is considered an allowance for expenses incidental to the discharging of the duties of the Office of Mayor, within the City; and
- (b) make available to the Mayor, a City-owned vehicle for business and personal use, and the appropriate Revenue Canada rules for employer provided vehicles shall apply.

1.2 The City shall pay an annual indemnity to each Councillor in the amount of **\$26,008**, of which the amount of **\$8,669**, is considered an allowance for expenses incidental to the discharging of the duties of Councillor, within the City.

1.3 The City shall:

- (a) provide for the payment of all of the premiums for an accident insurance policy insuring the Mayor and each Councillor, on a group insurance basis, against accident or injury while on official business for the City;
- (b) obtain and maintain any insurance policies and benefit and indemnity programs obtained pursuant to this Bylaw, for the Mayor and each Councillor while engaged on City business, in substantially the same manner as those for officers of the City.
- (c) subject to clause (a) of section 1.3, offer to the Mayor and each Councillor the opportunity to obtain coverage under the Medical and Dental Health and Insurance plans available to the City, and such coverage shall be in a manner similar to that for the exempt staff of the City, provided that each member of Council seeking such coverage shall be responsible for the cost of the premiums associated with the coverage chosen;

PART 2: EXPENSE REIMBURSEMENT

2.1 Subject to this Bylaw, the Mayor and each Councillor may be reimbursed for, or the City may where applicable, pay on behalf of that member of Council, the following expenses which are incurred when the Council member is representing the City, engaging in the City's business, or attending a meeting, course or convention.

2.1.1 Personal Vehicle Use at the City's "casual mileage rate schedule, for the actual travel distance incurred from the City boundary to the point of destination and return, up to an amount equal to the cost of return-trip economy airfare, plus airport transportation, for travel from the City to the point of destination.

- 2.1.2 Vehicle Parking costs incurred outside the boundaries of the City.
- 2.1.3 Meal Expenses incurred outside the boundaries of the City.
- 2.1.4 Accommodation costs incurred outside the boundaries of the City,
- (a) for accommodation other than in connection with a course or convention, provided the cost does not exceed the hotels posted rate for a standard double occupancy room; and,
 - (b) for accommodation in connection with a course or convention, provided the cost does not exceed the rate offered by the hotel to attendees for a standard double occupancy room.
- 2.1.5 Event registration costs incurred for business meetings, courses, conventions.
- 2.1.6 Transportation costs incurred for all travel outside the boundaries of the City, including but not limited to airfares, taxi fares, car rentals, and public transportation.
- 2.1.7 Telephone Calls and Fax Message costs incurred to a Council member's home, place of business or a City owned facility.

PART 3: GENERAL PROVISIONS

- 3.1 Council members will be offered for their convenience, the use of a corporate charge card issued in the name of the City, for use only for the expenses permitted under Part 2.
- 3.2. Council members reimbursement claims must be supported by receipts, and the appropriate City expense reimbursement claim form must be submitted and signed by the member of Council in question.
- 3.3. Should any member of Council receive reimbursement for an expense which is not in accordance with Part 2, that member of Council will be required to reimburse the City in the amount of the rejected claim.
- 3.4. Council Indemnity and Expense Bylaw No. 6299, and Amendment Bylaws 6470 and 6667 are hereby repealed in their entirety.
- 3.5. This Bylaw may be cited as "Council Indemnity and Expense Reimbursement Bylaw No. 6934".

FIRST READING

JUN 0 8 1998

SECOND READING

JUN 0 8 1998

THIRD READING

JUN 0 8 1998

ADOPTED

JUN 2 2 1998

CITY OF RICHMOND
APPROV for conten. originating
<i>[Signature]</i>
APPROVED for legality by Selector

[Signature]
 MAYOR

[Signature]
 CITY CLERK

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- 3.3 Should any member of Council receive reimbursement for an expense which is not in accordance with Part 2, that member of Council will be required to reimburse the City in the amount of the rejected claim.
- 3.4 Council Indemnity and Expense Bylaw No. 6299, and Amendment Bylaws 6470 and 6687 are hereby repealed in their entirety.
- 3.5 This Bylaw may be cited as "Council Indemnity and Expense Reimbursement Bylaw No. 6934".

Total

FILE: \\SHARED\97WP\97COUNCL							
1999 Council Expenses							
	Salaries ac 4000	Misc. Oper ac 4300	Travel ac 4182	Vehicles ac 4261	Memberships ac 4210	Sem & Conf ac 4211	Final Totals
Renumeration							
salary	\$273,634.69						\$273,634.69
Expenditures							
Cell Phone							\$0.00
Bi-weekly vehicle				\$6,500.00			\$6,500.00
Miscellaneous		\$ 25.00					\$25.00
Taxi						24.00	\$24.00
Travel						722.48	\$722.48
Parking		\$191.15				30.80	\$221.95
Workshops/Conventions/Registration		\$22.47				2,789.10	\$2,811.57
Meals		\$245.56				5.03	\$271.59
Memberships							\$0.00
Accommodations						540.48	\$540.48
Miscellaneous							\$0.00
Total expenditures	\$273,634.69	\$484.18	0.00	\$6,500.00	\$0.00	\$4,111.89	\$284,751.76

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1999 COUNCIL REMUNERATION EXPENSES

EXPENSES										
NAME	REMUNERATION	REGISTRATION	ACCOMODATION	MEALS	PARKING	TAXI	VEHICLE	TRAVEL	MISCELLANEOUS	TOTAL
Mayor Halsey-Brandt	\$66,714.20	\$626.62	\$540.48	\$250.59	\$146.15	\$24.00	\$6,500.00	\$722.48	\$25.00	\$75,549.52
Councillor McNulty	\$25,932.60	\$35.00	\$0.00				\$0.00	\$0.00		\$25,967.60
Councillor Steves	\$25,932.60	\$0.00	\$0.00				\$0.00	\$0.00		\$25,932.60
Councillor Dang	\$25,932.60	\$22.47	\$0.00	\$21.00	\$45.00		\$0.00	\$0.00		\$26,021.07
Councillor Johnston	\$25,392.60	\$0.00	\$0.00				\$0.00	\$0.00		\$25,392.60
Councillor Greenhill	\$25,932.60	\$300.32	\$0.00		\$30.80		\$0.00	\$0.00		\$26,263.72
Councillor Percival-Smith	\$24,931.98	\$1,591.31	\$0.00				\$0.00	\$0.00		\$26,523.29
Councillor Brodie	\$25,932.60	\$0.00	\$0.00				\$0.00	\$0.00		\$25,932.60
Councillor Kumagal	\$25,932.60	\$35.00	\$0.00				\$0.00	\$0.00		\$25,967.60
Councillor Barnes	\$1,000.31	\$200.85								\$1,201.16
Total	\$273,634.69	\$2,811.57	\$540.48	\$271.59	\$221.95	\$24.00	\$6,500.00	\$722.48	\$25.00	\$284,751.76

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POLICY 3704

It is Council policy that:

SECTION 1 – EXPENSE REIMBURSEMENT

- 1.1 The Mayor and each Councillor may be reimbursed for, or the City may, where applicable, pay on behalf of that member of Council, the following expenses which are incurred when the Council member is representing the City, engaging in the City's business, or attending a meeting, course or convention.
 - 1.1.1 Personal vehicle use at the City's "casual mileage" rate schedule, for the actual travel distance incurred from the City boundary to the point of destination and return, up to an amount equal to the cost of return-trip economy airfare, plus airport transportation, for travel from the City to the point of destination.
 - 1.1.2 Vehicle parking costs incurred outside the boundaries of the City.
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 - 1.1.7 Telephone calls and fax message costs incurred to a Council member's home, place of business or a City-owned facility.



SECTION 2 - GENERAL PROVISIONS

- 2.1 Council members will be offered, for their convenience, the use of a corporate charge card issued in the name of the City, for use only for the expenses permitted under Section 1.
- 2.2 Council members' reimbursement claims must be supported by receipts, and the appropriate City expense reimbursement claim form must be submitted and signed by the member of Council in question.
- 2.3 Should any member of Council receive reimbursement for an expense which is not in accordance with Section 1, that member of Council will be required to reimburse the City in the amount of the rejected claim.

(Finance & Corporate Services Division)