



# REPORT TO COUNCIL

To: **Mayor Schaffer and Councillors**

Subject **Council Remuneration CO-61**

Report #: 17-062

File #: 1610.00

From: Darrin Leite, CPA, CA  
Director of Corporate Services

Doc #: 152108

Date: November 23, 2017

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## RECOMMENDATION:

THAT City Council adopt the revised Council Remuneration Policy CO-61.

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## PURPOSE:

The Council Remuneration policy has been revised to increase the Mayor and Council member remuneration over two years and to compensate them for the income tax effect of the removal of the 1/3 non-accountable municipal officer's allowance as proposed in the 2017 Federal budget.

## POLICY:

CO-61

## COMMENTS/ANALYSIS:

City Council engaged an independent consultant to review the Council remuneration and how it compares to other municipalities in the region. Based on this information in order to improve the equity compared to other municipalities, City Council felt that the Council remuneration should be increased.

The existing Council remuneration policy is based on principle that the Mayor's remuneration should be set at a percentage of the median of the other municipalities in the Metro Vancouver region. Presently it is set at 85% of the market median and Council desires to increase this to 100% of the market median making the adjustment over two years.

Council members currently are paid 40% of the Mayor's remuneration and this has been increased to 45% in 2018 to reflect the relative time the Council members spend on Council related activities compared to the Mayor.

Additionally, the Federal Government announced starting in 2019, that the 1/3 non-accountable allowance elected officials use to reduce their income tax burden will be eliminated. As all the remuneration provided by the City would now be taxable, the Mayor's remuneration would need to increase 11% to keep the same net pay he had before the Federal Government's change. This increase is considering the City income only and not other sources of income that the Mayor or a Council member may receive, which may change their level of taxes payable. Council members will be compensated in the same way as their remuneration is based on the Mayor's remuneration.

#### **BUDGET IMPLICATIONS:**

The 2018 Financial Plan will increase \$53,750 (18%) in 2018 and a further \$69,970 (20%) in 2019 to accommodate the proposed changes.

#### **ALTERNATIVES:**

The changes to the remuneration could be deferred to take effect in 2019 at the start of the newly elected Council mandate.

The remuneration could be maintained with no adjustments.

Respectfully Submitted,



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Darrin Leite, CPA, CA  
Director of Corporate Services

Attachment: Council Remuneration Policy CO-61

#### **CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:**

I support the recommendation.



Francis Cheung, P. Eng.  
Chief Administrative Officer