



Corporate *NO: R009*

Report *COUNCIL DATE: January 20, 2003*

REGULAR			
TO:	Mayor & Council	DATE:	January 16, 2003
FROM:	General Manager, Finance, Technology & HR	FILE:	0420-001
SUBJECT:	Council Indemnity Adjustment		

RECOMMENDATION

That Council approve:

1. An interim 2% indemnity adjustment for all members of Council for 2003, and
2. Authorize staff to make a final indemnity adjustment once 2003 employee increases have been finalized.

BACKGROUND

Council Resolution CC00-127 approved the following formula that is used to calculate annual indemnity adjustments for all members of Council:

An average of the following:

- * The most recent Consumer Price Index for Vancouver, represented as the annual change over the same month of the previous year;
- * City of Surrey exempt employee increase for the upcoming year (2003), and
- * City of Surrey union employee increase for the upcoming year (2003).

DISCUSSION

The most recent Collective Agreement between the City of Surrey and the Canadian Union of Public Employees expired at the end of December 2002. Although, negotiations have commenced, it may be some time before the new agreement is ratified.

In the meantime, guided by the average annual CPI figure for Vancouver, Council may wish to grant an interim increase of 2.0% effective January 1st, 2003. Once all of the figures for the above formula have been determined, we can make any necessary adjustments retroactive to January 1st.

CONCLUSION

Since a portion of the current formula used to make annual adjustments to Council's indemnities, relies on employee salary increases that have not yet been determined, Council may wish to grant an interim increase of 2.0% effective January 1st, 2003. Once all of the figures for the above formula have been determined, staff can make any necessary adjustments retroactive to

January 1st.

Vivienne Wilke, CGA

General Manager, Finance,

Technology & HR