

# Report to Council



**Date:** March 25, 2024  
**To:** Council  
**From:** City Manager  
**Subject:** Council Remuneration Update  
**Department:** Office of the City Clerk

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## **Recommendation:**

THAT Council receives, for information, the report from Office of the City Clerk dated March 25, 2024 regarding Council Remuneration Update;

ANT THAT Council direct staff to bring forward amendments to Council Remuneration and Expense Bylaw No. 7547 for Council consideration.

## **Purpose:**

To provide Council with information regarding Council remuneration as compared to other municipalities in BC and recommend an increase.

## **Background:**

Council remuneration in BC is determined by each municipality. Setting an appropriate remuneration amount should reflect the council member time commitment, employment and financial impacts of being an elected official, the complexity and the responsibilities that come with being in office. Low remuneration should not be a barrier to attracting candidates to run for office, nor so high as to negate the concept of public service that motivates individuals to run for office in the first place.

The annual adjustment for mayor and councillor remuneration is currently tied to CPI (for Vancouver) for the previous year. This model has resulted in the remuneration offered to Kelowna Council members falling significantly behind similar sized municipalities. Benefits were added to Council remuneration at the beginning of this Council term. The focus of this report is on the actual remuneration paid.

## **Discussion:**

The last Task Force on Council Remuneration presented to Council on Monday, May 16, 2011, and recommended the indemnity be tied to CPI for Vancouver starting January 1<sup>st</sup>, 2014 and that councillor remuneration be set at 35% of the amount paid to the mayor. These recommendations were accepted

and Council Remuneration and Expense Bylaw No. 7547 was amended. Councils since 2014 have chosen to keep the funding formulae in place.

An internal staff review of Council remuneration was circulated to the previous Council for information in April 2022 (see Attachment 1). Kelowna remuneration was shown to be among the lowest when compared with municipalities of similar population (Group 1) or smaller population (Group 2). Group 3 identified remuneration for Penticton, Vernon, and West Kelowna.

A more recent comprehensive review of 12 BC municipalities by the City of Victoria identified Kelowna mayor remuneration to be lower than all municipal comparable cities with the exception of Kamloops. Councillor remuneration, both as a base percentage of the mayor’s remuneration and in actual dollars, was last.

	<b>Current 2024</b>	<b>Victoria Study median</b>	<b>Victoria Study average</b>	<b>Victoria Study 60<sup>th</sup> Percentile</b>	<b>Recommendation</b>
Mayor	\$126,497.29	\$140,500	\$144,100	\$145,200	\$145,200
Councillor	\$42,991.14	\$54,300	\$56,300	\$56,100	40% of mayor (\$58,080)

*\*Note: the 60<sup>th</sup> percentile of comparable municipalities in BC is consistent with the Council endorsed practice for setting management salary bands for the City of Kelowna.*

It is further acknowledged that the breadth and depth of services provided by the City of Kelowna, as compared to some comparators, is much greater. For example, the City of Kelowna provides numerous regional services on behalf of the Regional District of the Central Okanagan (Air Quality, Rescue, EOC, etc.), owns and operates the regional landfill, owns and operates an international airport, and is responsible for a regional RCMP detachment.

**Conclusion:**

Council remuneration in Kelowna is low compared with comparable BC municipalities, in particular for councillors. Staff recommend Council remuneration be adjusted by increasing the mayor remuneration to match the 60<sup>th</sup> percentile of the comparable BC Cities identified in the Victoria report and that the councillor remuneration be raised to 40% of the mayor’s.

**Financial/Budgetary Considerations:**

The total cost of the above noted recommendation is \$139,413.60 and will be funded from financial savings identified through implementation of the digital transformation strategy. All changes, if approved, would be in effect as of adoption of the associated bylaw amendment.

**Internal Circulation:**

City Manager  
City Clerk

**Considerations applicable to this report:**

**Legal/Statutory Authority:**

**Legal/Statutory Procedural Requirements:**

***Existing Policy:***

***Consultation and Engagement:***

***Communications Comments:***

**Considerations not applicable to this report:**

Submitted by:

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