

STAFF REPORT

TO: Mayor and Councillors

FROM: Chief Executive

REFERENCE: C780

DATE: 28 February 2006

SUBJECT: Elected Members Remuneration 2006/2007

PURPOSE/REASON FOR REPORT

To advise Council that the Remuneration Authority has provided us with the figures for the new 2006/07 remuneration pool as per the attached Funding Formulae and Factors. This is to come into effect as from 1 July 2006, and will be gazetted prior to that date.

BACKGROUND

The 2005/06 remuneration determination had a pool of \$471,794.00 which included the Mayor's salary of \$88,003. This was gazetted on 30 June 2005 and had immediate effect, with an expiry of 30 June 2006.

Taking into account factors such as an increase in population, council expenses and assets, the Remuneration Authority has now calculated the 2006/07 pool, which is set at \$487,270 and includes the Mayor's salary of \$90,307. The difference between the pool and the Mayor's salary equates to \$396,963, which is available for distribution between councillors and community board members during the next financial year.

DISCUSSION

The Remuneration Authority requests confirmation of the distribution of this net pool into salaries, and that they be advised of the methodology if council proposes any significant change in the way the pool is to be distributed.

In November 2004 the Council along with the Motueka and Golden Bay Community Boards resolved to adopt Model "G" as the funding formula to distribute the net pool to elected members. Model "G" is based on a points allocation system, and was accepted by the Remuneration Authority.

Model "G" has been used successfully since the new remuneration pool system came into effect, and there appears to be no dissent for the Model "G" formula from elected members.

OPTIONS

To accommodate the remuneration pool increase Council could:

- (i) continue to use the Model "G" formula; or
- (ii) reconsider the way elected members should be remunerated, noting that the Remuneration Authority would have the final ruling on this.

RECOMMENDATION

THAT Council use the Model "G" formula to calculate the salaries from the increased pool:

Model 'G'.

The 06/07 Remuneration Pool is \$487,270 (including Mayor's Salary of \$90,307).

Available Remuneration Pool (06/07 year)	\$396,963.00
Total Points	184
Point Value	\$2,157.41

	Total Points	Current Salary/ Member/Year	Proposed Salary/	Total Remuneration from Pool
4 Chairs @ 16 points	64	\$33,373.12	\$34,518.56	\$138,074.24
9 Councillors @ 12 points	108	\$25,029.84	\$25,888.92	\$233,000.28
2 Com Bd Chairs @ 4.8 points	4.8*	\$10,011.94	\$10,355.57	\$10,355.57
6 Com Bd members @ 2.4 points	7.2*	\$5,005.97	\$5,177.78	\$15,533.35
	184			\$396,963.44

*NB – Half the Community Board remuneration is outside of the remuneration pool.

R G Dickinson
Chief Executive

<http://tdctoday:82/Shared Documents/Meetings/Council/Full Council/Reports/2006/2006-07 Elected members remuneration pool.doc>