## **Backgrounder: Taxpayer Contributions for Council Retirement Benefits**

|          | 2007        | 2008      | 2009      | 2010        | 2011      | 2012      | 2013        | 2014      | 2015      | 2016      |
|----------|-------------|-----------|-----------|-------------|-----------|-----------|-------------|-----------|-----------|-----------|
| Calgary  |             |           |           |             |           |           |             |           |           |           |
| (Plan 1) | \$1,230,000 | \$254,000 | \$247,000 | \$1,535,000 | \$298,000 | \$246,000 | \$1,067,000 | \$303,000 | \$309,000 | \$314,000 |
| Calgary  |             |           |           |             |           |           |             |           |           |           |
| (Plan 2) | ?           | \$94,961  | \$24,357  | \$23,438    | \$33,194  | \$34,701  | \$35,048    | \$28,445  | \$27,407  | \$27,626  |
| Edmonton | \$100,808   | \$113,692 | \$119,130 | \$119,731   | \$126,891 | \$129,251 | \$137,223   | \$150,828 | \$151,098 | \$156,084 |

Calgary Total: \$6,132 Edmonton Total: \$1.304

**\$6,132,177** (Cost of both plans) **\$1,304.736** 

Notes/sources:

**Calgary Plan 1** refers to the defined benefit pension plan (Pension Plan for Elected Officials of the City of Calgary) that is available for all members of council. These figures were compiled from the City of Calgary's annual reports. Some council members have stressed the funding formula for this plan is only a "2:1" ratio. The plan's funding formula requires the City of Calgary to contribute 18.64% of pensionable earnings for each council member while councillors only contribute 9.00%. However, that calculation does not account for other large contributions by the city in 2007, 2010 and 2013. Unless council changes the structure of its benefit system (i.e. move council into a new, less costly plan), taxpayers could be on the hook for large bailouts again in the future.

**Calgary Plan 2** refers to the defined benefits provided through the Supplementary Pension Plan for Elected Officials – a plan for which <u>only the mayor qualifies</u>. These figures are not public – they were obtained through a Freedom of Information request by the CTF – <u>http://www.taxpayer.com/media/FOI-CalgarySecondPension(1).pdf</u>

**Edmonton** figures represent the total cost of retirement benefits for council members. According to the <u>City of Edmonton</u>, their council can choose between "11% contribution by the City of Edmonton to elected official's total annual salary to support retirement" or "12% contribution by the City of Edmonton directed to Alberta Urban Municipalities Association (AUMA) Defined Contribution Pension Plan." The cost for these benefits was obtained through a Freedom of Information request (see news release for link).

