

Staff Report to Council

Administrative Services

FILE: 09-3900-02/25

REPORT DATE: March 03, 2025

MEETING DATE:

March 11, 2025

TO: Mayor and Council

FROM: Kate Barchard, Corporate Officer

SUBJECT: Indemnification Bylaw Update

CHIEF ADMINISTRATIVE OFFICER REVIEW/APPROVAL:

RECOMMENDATION(S):

THAT Council:

A. Grant first, second, and third readings to Indemnification Bylaw No. 3016, 2025, as presented at the March 11, 2025 Council meeting; OR

B. Other.

PURPOSE

The purpose of this report is to present to Council a new Indemnification Bylaw for their review and approval.

□ Information Report

Decision Report

□ Direction Report

DISCUSSION

Background:

The City's Indemnification Bylaw was flagged for review this year as part of our good governance practices. Staff have now completed that review and, although the recommended changes are minor, are recommending a repeal and replacement to bring the bylaw up to current standards. Please see **Attachment A** for a copy of the recommended draft bylaw.

Relevant Policy, Bylaw or Legislation:

Community Charter, section 187 [*Indemnification against proceedings*] – allows a municipality to indemnify its elected officials, employees and other City representatives in accordance with the scope established by the Local Government Act.

Local Government Act, section 740 [indemnification against proceedings] – establishes the parameters and limitations for indemnifying municipal officials against actions or prosecutions brought against them in connection with the performance of their duties.

Analysis:

The City's Indemnification Bylaw provides legal and financial protection for Council members, employees, and other City officials against legal actions resulting from the performance of their City duties. The *Local Government Act (LGA)* establishes the parameters and limits to how and when a local government may indemnify its officials; the current Indemnification Bylaw exercises the full scope of that authority. Overall, the current bylaw is legislatively sound; Staff have only minor amendments to recommend at this time.

Current provisions:

The current bylaw indemnifies all groups allowed by the *LGA*, including Council members, employees, volunteer firefighters, committee members and other City volunteers who work under the supervision of a City employee. The scope of the indemnification is limited by the provisions of the *LGA* [section 740], including the following examples:

- The City can indemnify a person against liability claims, but not criminal offences;
- The City can indemnify a person for matters related to the performance of their Cityrelated functions, but not for personal or other matters;
- The City can indemnify an employee, but not a contractor or independent service provider.

Recommended additions:

Staff recommend the following minor amendments to this bylaw, which are marked in red font in Attachment A:

- Updates to provincial legislation references (see preamble and section 4.d.iv);
- Inclusion of standard interpretation clauses included in all new City bylaws (see sections 2 and 3);
- Clarification of the groups of individuals included in the definition of 'City Official' (see section 4) [*this change to the definition does not change or expand the groups of individuals covered by the indemnification bylaw, but simply makes it more transparent]; and

COUNCIL STRATEGIC PLAN ALIGNMENT

Principled Governa	nce 🗌 Bala	anced Economic Pros	sperity	Infrastructure
□ Community Spirit &	Wellbeing	□ Corporate Pride	□ P	ublic Safety
WORKPLAN IMPLICAT	<u>LIONS</u>			
⊠ Already accounted	for in departm	nent workplan / no a	adjustme	nts required
Emergent issue / wi	ill require defe	erral of other priority	/(ies)	
□ Other				
FINANCIAL IMPLICATI	<u>ONS</u>			
⊠ None □ Budg □ Other	get Previously	Approved 🗌	Referral	to Business Planning
The amendments to th officials. Therefore, th	•	•		nnification offered to City I with this report.
PUBLIC PARTICIPATIO	<u>IN</u>			
⊠ Inform □ Cons	sult 🗆 Invo	olve 🗌 Collabora	ite	Empower
KATZIE FIRST NATION	CONSIDERAT	IONS		
Referral 🗆 Yes 🛛	⊠ No □ Oth	er		
<u>SIGN-OFFS</u>				
Written by:		Review	ed by:	
Kate Barchard,		Mark R		
Kale Barcharu,			oberts,	

ATTACHMENT(S):

A. Indemnification Bylaw No. 3016, 2025