



**INDEPENDENT COMMISSION ON COMPENSATION FOR ELECTED OFFICIALS
AGENDA**

**Lower Level Council Chambers – 57 East First Street
Tuesday, November 3, 2015 – 2:00 P.M.**

Compensation Commission:

Pete Lesar	Bryan Raines
Gary Levine	Claudia Walters
Anne McCawley	

Citizen Participation

All citizens are permitted and encouraged to speak on agenda items. If you wish to speak to the Commission on any item on the agenda, please fill out a "Notice" slip with your name and the item number about which you wish to speak. Hand this to a staff person or take it to the front table. The Chairperson will call upon you in turn.

1. Introductions.
2. Purpose of the Commission by Staff liaison, Linda White.
3. Election of the Commission Chairperson.
4. Election of the Commission Vice Chairperson.
5. Hear a presentation regarding the Arizona Open Meeting Law and Parliamentary Procedure, by Deputy City Attorney, Alfred Smith.
6. Hear a presentation and discuss the Duties of the Commission and the Timeline for Presenting Recommendations to the City Council, and if approved, when they would become effective, by Alfred Smith.
7. Staff summary of 2012 and 2013 meetings and report.
8. Hear a presentation and discuss updated Compensation and Benefits Data Collected for Elected Officials of Similarly Situated Municipalities, by Linda White.
9. Hear a presentation and discuss an overview of the City's retiree benefits and eligibility provisions, by Gary Manning and Human Resources Staff.
10. Discuss and provide direction to City staff as to what additional information the Commission may need at a future meeting, or direction on the Commission's recommendation to the City Council regarding the compensation and retiree benefits for Mayor and City Council.

11. Approval of minutes from the Commission meeting held on November 5, 2013.
12. Discuss and set dates for upcoming meetings.
13. Items from citizens present.

The City of Mesa is committed to making its public meetings accessible to persons with disabilities. For special accommodations, please contact the City Manager's Office at (480) 644-3333 or AZRelay 7-1-1 at least 48 hours in advance of the meeting.

Agenda Item 5

THE OPEN MEETING LAW

A.R.S. 38-431 et. seq.

THE OPEN MEETING LAW

Arizona law states:

- ▶ All meetings of any public body shall be public meetings and all persons so desiring shall be permitted to attend and listen to the deliberations and proceedings. All legal action of public bodies shall occur during a public meeting. A.R.S. §38-431.01(A)

PURPOSE OF THE OPEN MEETING LAW

- ▶ To ensure that the public has an opportunity to observe what the government is doing, and how it is being done.

State Policy A.R.S. 38-431.09

- ▶ Meetings of public bodies shall be conducted openly
- ▶ Notices and agendas provided for meetings with information reasonably necessary to inform the public of matters to be discussed or decided
- ▶ Construe OML in favor of “open and public meetings”

COMMITTEES AND SUBCOMMITTEES

- ▶ Open meeting law applies to all public officials discussing or conducting public business.
- ▶ Applies to advisory boards and subcommittees.

WHAT IS A MEETING?

- ▶ Meeting: the gathering, in person or through technological devices, of a quorum of members of a public body at which they discuss, propose or take legal action, including any deliberations by a quorum with respect to such action. A.R.S. §38-431(4).

What if only social event?

- ▶ A.G. recommends that you post the event if a quorum will be present.
- ▶ Identify time, date, location, and purpose.
- ▶ State that no legal action will be taken.

FACTORS TO CONSIDER

- ▶ Quorum of the Committee/Subcommittee
 - 7 member committee: Quorum = 4 members
 - 3 member subcommittee: Quorum = 2 members
- ▶ Subject that is reasonably likely to come before the committee/subcommittee.

FACTORS CONTINUED

- ▶ Methods of communications
 - Phone call
 - E-mail
 - Letters
 - Blogs
 - Using staff to transmit information

COMMUNICATION WITH STAFF

- ▶ Council may communicate with staff.
- ▶ Staff can provide the Council with factual information outside a public meeting.
- ▶ Staff cannot be used to side step the open meeting law.

Agenda

- ▶ Must be posted 24 hours in advance (excludes Sundays and Legal Holidays).
- ▶ Back up material must be available 24 hours in advance.
- ▶ Must “reasonably” inform public of issues to be discussed.
- ▶ All discussions must be “reasonably” related to an agenda item.

Conducting Meetings

- ▶ The Chair manages the meeting, subject to motions approved by the Board.
- ▶ Public bodies may impose reasonable time, place, and manner restrictions on speakers.

Conducting Meetings, cont.

- ▶ Robert's Rules are guidance only.
- ▶ Board may require speakers on same side with no new comments to select a spokesperson.
- ▶ Open Call to the Public is permitted, but not required.

AGENDA

- ▶ Even during a public meeting:
 - Cannot discuss any item that is not on the agenda.
- ▶ Reason: People that are interested in this issue may not be present because did not know that the committee would discuss this issue.

Public Access Only

- ▶ The OML gives the public the right to attend the meeting, and listen to the deliberations.
- ▶ G/R: The OML does not give the public the right to speak at a meeting.
- ▶ Exception: for zoning ordinances, a public hearing is required at planning commission. A.R.S. 9-462.04(A).

Minutes

- ▶ Date, time, place of meeting
- ▶ Members present/absent
- ▶ Description of matters discussed
- ▶ Description of legal action proposed, discussed or taken
- ▶ Name of person who made motion
- ▶ Name of each person making comment
- ▶ Vote results

Minutes, cont.

- ▶ Must be available to public within 3 working days after the meeting.
- ▶ May be stamped “draft” until approved by public body.
- ▶ Also need to post on internet either a recording of the meeting or statement of legal actions taken (marked agenda) w/in 3 working days after the meeting.

Executive Session

- ▶ Must be properly posted and agendized.
- ▶ Majority of Council must vote to convene into executive session.
- ▶ Only members of the public body and those individuals whose presence is reasonably necessary for the public body to carry out its duty are permitted to attend the executive session.

Executive Session, cont.

- ▶ Personnel Matters
- ▶ Legal Advice
- ▶ Litigation, Contract Negotiations, and Settlement Discussions
- ▶ Purchase, Sale or Lease of Real Property

Executive Session, cont..

- ▶ Discussion ONLY.
- ▶ Can give direction in some cases.
- ▶ All legal action must be in public meeting.
- ▶ Must keep minutes of e-session.
- ▶ Minutes are confidential except in limited circumstances.

▶ **QUESTIONS???**

PARLIAMENTARY PROCEDURE

1

MESA CITY ATTORNEY
(480) 644-2325

Parliamentary Procedure

2

- Mesa has NOT adopted Robert's Rules of Parliamentary Procedure.
- Mesa Code gives Mayor/Chairperson authority to run the meeting "so as to accomplish the public's business fairly, yet efficiently." MCC1-5-8.

Authority of Chairperson

3

- 1. To determine the order in which persons speak
- 2. To require a group to designate a spokesperson
- 3. Establish time limits for speakers
- 4. Take other actions needed to properly conduct the meeting
- MCC 1-5-8

Authority of Chairperson

4

- **The Chairperson's decision regarding an issue of parliamentary procedure is final unless 2/3 of Board vote to overturn the decision.**

AGENDA LANGUAGE

5

- The agenda language must contain enough information to “reasonably inform the public” of the items to be discussed.
- Avoid agenda items such as “Director’s Report” and “Chairperson Comments”
- Agenda must be available 24 hours in advance of the meeting

AGENDA LANGUAGE

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- Council uses the following language on Council agendas:
 - Hear a presentation, discuss and take action on ...
 - Hear a presentation, discuss and make a recommendation to Council regarding . . .

PROCESS TO VOTE

7

- **Mesa has historically followed this process:**
 - Read agenda item
 - Discussion by Board
 - Motion
 - Second
 - Further discussion
 - Vote

MOTION FAILS IF:

8

- **Motion does not receive a second**
- **The issue fails to receive a majority of the vote.**
 - In case of a tie vote, the motion fails.

Definition of Majority

9

- **Boards may adopt bylaws stating that only a majority of the members present is needed for a motion to pass.**
- **If bylaws have not been adopted, must have a majority of entire board for motion to pass. Mesa City Charter Section 209(D).**

Motion for Reconsideration

10

- **Must be made by a Board member who voted with the majority.**
- **When motion to reconsider must be made:**
 - Before the Board's recommendation is presented to the Council.

- **QUESTIONS?**

Agenda Item 8

MAYOR AND COUNCIL SALARY/BENEFITS INFORMATION
11/3/2015

Last revision date: 10/29/2015

Color Key:

Out of State

City	Pop.	Annual Mayor Salary	Annual Mayor Base Salary Adjusted with Salary Calculator*	<u>TOTAL COMPENSATION</u> Annual Mayor Total Compensation Adjusted with Salary Calculator and includes vehicle, phone, expense allowance	Annual Councilmember Salary	Annual Council Base Salary Adjusted with Salary Calculator*	<u>TOTAL COMPENSATION</u> Annual Council Total Compensation Adjusted with Salary Calculator and includes vehicle, phone, expense allowance	Vehicle Allowance per month/year. Allowance is the same for both Mayor and Council unless noted below	Additional Phone, Communications or Expense allowance per month/year. Allowance is the same for both Mayor and Council unless noted below	Provides Retiree Health Insurance Options to elected officials?
Arlington, TX	365,438	\$3,000.00	\$2,970.26	\$3,912.26	\$2,400.00	\$2,376.21	\$3,318.21	No	\$78.50 mos - \$942 yr. Note: all but 2 council members receive phone allowances	Arlington does not provide Retiree Health Insurance to our elected officials.
Aurora, CO	332,354	\$58,548.00	\$55,932.87	\$67,403.87	\$13,451.00	\$12,850.19	\$26,296.19	Mayor \$789.75 mos - \$9,477 yr.; Council \$760.50 mos/ \$9,126 yr.	Exp Allowance (i.e. supplies, mileage, transportation, meals, lodging): Mayor \$166 mos - \$1,994 yr.; Council \$360 mos - \$4,320 yr.	Yes. Elected officials hired before 11/2013 must be at least 56 and have completed 6 years of service. Elected Officials hired after 11/2013 must be at least 62 and have completed 6 years of service.
Fresno, CA	500,121	\$130,000.00	\$120,786.95	\$120,786.95	\$65,000.00	\$60,393.47	\$60,393.47	No	No	No. Not in their retirement system.
Glendale, AZ	226,721	\$48,000.00	---	\$48,000.00	\$34,000.00	---	\$34,900.00	No	Council Members Only \$75 mos - \$900 yr.	Retiree Health Benefits are offered to elected officials. Cost/requirements and options are the same as those for regular employee retirees.
Kansas City, MO	459,787	\$123,156.00	\$126,821.92	\$126,821.92	\$61,569.00	\$63,401.69	\$63,401.69	No	City provides phone (no additional comp)	Yes. Any retiree can be part of health insurance options, they pay the full cost (employee and City costs)

City	Pop.	Annual Mayor Salary	Annual Mayor Base Salary Adjusted with Salary Calculator*	<u>TOTAL COMPENSATION</u> Annual Mayor Total Compensation Adjusted with Salary Calculator and includes vehicle, phone, expense allowance	Annual Councilmember Salary	Annual Council Base Salary Adjusted with Salary Calculator*	<u>TOTAL COMPENSATION</u> Annual Council Total Compensation Adjusted with Salary Calculator and includes vehicle, phone, expense allowance	Vehicle Allowance per month/year. Allowance is the same for both Mayor and Council unless noted below	Additional Phone, Communications or Expense allowance per month/year. Allowance is the same for both Mayor and Council unless noted below	Provides Retiree Health Insurance Options to elected officials?
Long Beach, CA	472,779	\$136,152.00	\$118,176.29	\$123,936.29	\$34,044.00	\$29,549.28	\$35,309.28	\$450 mos - \$5,400 yr	\$30 mos - \$360 yr	Yes. Provided Open Enrollment link http://www.longbeach.gov/hr/media-library/documents/city-employees/employee-benefits/open-enrollment-benefit-guides/2015-city-of-long-beach-retiree-benefit-brochure---final/
Mesa, AZ	462,376	\$73,545.00	---	\$81,105.00	\$36,832.00	---	\$41,992.00	Mayor \$550 mos - \$6,600 yr. Council \$350 mos - \$4,200 yr.	\$80 mos - \$960 yr.	
Peoria, AZ	165,000	\$31,337.52	---	\$34,337.52	\$20,891.68	---	\$26,111.68	Council = \$275 mos - \$3,300 yr. Note: current Mayor does not receive allowance he is provided a vehicle.	Mayor \$250 mos - \$3,000 yr. Council \$160 mos - \$1,920 yr.	No
Phoenix, AZ	1,451,966	\$88,000.00	---	\$94,420.00	\$61,600.00	---	\$68,020.00	\$435 mos - \$5,220 yr.	\$100 mos - \$1,200 yr.	Handled through the State's EORP.
Sacramento, CA	485,199	\$120,218.00	\$104,615.96	\$118,815.96	\$63,272.00	\$55,060.48	\$63,560.48	Mayor \$600 mos - \$7200 yr. Council \$400 mos - \$4800 yr.	Tech Allowance: Mayor \$166 mos - \$2000 per year; Council \$100 mos - \$1200 per year Expense: Mayor \$417mos - \$5000 yr. Council \$208 mos - \$2500 yr.	Retiree benefits for Elected Officials are the same as the City employees (costs tiered by number of years worked).

City	Pop.	Annual Mayor Salary	Annual Mayor Base Salary Adjusted with Salary Calculator*	<u>TOTAL COMPENSATION</u> Annual Mayor Total Compensation Adjusted with Salary Calculator and includes vehicle, phone, expense allowance	Annual Councilmember Salary	Annual Council Base Salary Adjusted with Salary Calculator*	<u>TOTAL COMPENSATION</u> Annual Council Total Compensation Adjusted with Salary Calculator and includes vehicle, phone, expense allowance	Vehicle Allowance per month/year. Allowance is the same for both Mayor and Council unless noted below	Additional Phone, Communications or Expense allowance per month/year. Allowance is the same for both Mayor and Council unless noted below	Provides Retiree Health Insurance Options to elected officials?
San Jose, CA NOTE: San Jose's Salary Setting Commission voted to put an initiative on a ballot to raise both Mayor and Council compensation. This is currently not scheduled to be acted upon. If approved, the new amounts would be \$125,000 per year for the Mayor; \$92,000 for members of Council.	967,487	\$114,000.00	\$89,149.55	\$94,249.55	\$81,000.00	\$63,343.10	\$68,443.10	\$350 mos - \$4,200 yr.	\$75 mos - \$900 yr.	San Jose does not offer Retiree Health Insurance to elected officials. However, if an elected official was a City employee, AND if that former employee was in Tier 1 for retirement benefits AND if they had 15 years of service, only then would they be eligible for health insurance benefits.
Tacoma, WA	204,000	\$96,117.00	\$92,484.93	\$99,084.96	\$43,576.00	\$41,929.35	\$41,929.35	Mayor only: \$550 mos - \$6,600 yr.	No	No
Tempe, AZ	161,719	\$57,262.00	---	\$57,262.00	\$28,334.00	---	\$28,334.00	No	City will pay personal cell phone, if they choose to have their phone plan through the City (Verizon) Plan.	Yes. Eligible for retiree benefits if they have 8 years of continuous service. If they were hired after 2009, they would receive an HRA like regular employees.

City	Pop.	Annual Mayor Salary	Annual Mayor Base Salary Adjusted with Salary Calculator*	<u>TOTAL COMPENSATION</u> Annual Mayor Total Compensation Adjusted with Salary Calculator and includes vehicle, phone, expense allowance	Annual Councilmember Salary	Annual Council Base Salary Adjusted with Salary Calculator*	<u>TOTAL COMPENSATION</u> Annual Council Total Compensation Adjusted with Salary Calculator and includes vehicle, phone, expense allowance	Vehicle Allowance per month/year. Allowance is the same for both Mayor and Council unless noted below	Additional Phone, Communications or Expense allowance per month/year. Allowance is the same for both Mayor and Council unless noted below	Provides Retiree Health Insurance Options to elected officials?
Tucson, AZ NOTE: Tucson's Citizens' Commission on Public Service and Compensation voted to put an initiative on the November ballot to raise both Mayor and Council compensation. If approved, the new amounts would be \$48,360 per year for the Mayor and \$27,456 for members of Council	524,295	\$42,000.00	---	\$42,000.00	\$24,000.00	---	\$24,000.00	No	No	Yes, if eligible for retirement under EORP/PSPRS/TSRS they would be eligible for retire insurance. Medical is only if under 65. If they are not eligible for one of the retirement pensions they wouldn't be considered retirees therefore would not be eligible.
Virginia Beach, VA	447,021	\$30,000.00	\$29,074.79	\$29,074.79	\$28,000.00	\$27,136.47	\$27,136.47	No	No	No

Footnotes: *The cost of living calculator used for this report is City Rating.com (<http://www.cityrating.com/costofliving.asp>) which is mainly based on the Consumer Price Index (CPI) (published by the U.S. Bureau of Labor Statistics):

Agenda Item 9



CITY RETIREE BENEFITS



PRESENTATION TO COUNCIL COMPENSATION COMMISSION
NOVEMBER 03, 2015

Current Retiree Benefit Plan Overview

- ❑ **The City provides three main insurance related retiree benefits**
 - ❑ Medical – 3 PPO plan designs
 - ❑ Dental – 3 PPO plan designs
 - ❑ Vision – choice of 2 plan designs (fully insured)
 - ❖ Supplemental Term Life/Basic AD&D (fully paid for by retiree and can be ported)
- ❑ **Retiree Benefits funded through the Benefit Trust Fund**
 - ❑ Contributions from the City
 - ❑ Retiree premiums
 - ❑ Arizona State Retirement System (ASRS) subsidies

Current Retiree Benefit Eligibility Provisions

3

- ❑ **To be eligible for City sponsored retiree benefits:**
 - ❑ Must retire from ASRS or PSPRS
 - ❑ Must be enrolled in Medical, Dental and/or Vision plans
 - ❑ Must have required years of City service
 - ❑ Hire 1991 – 2000 = 10 years
 - ❑ Hire 2001 – 2005 = 15 years
 - ❑ Hire 2006 – 2008 = 20 years
 - ❑ Hire 2009 – Present = 20 years, *no City contributions* (employee pays full cost - City and retiree contributions)
- ❑ **Current Plan Document:**
 - ❑ defines hire date as “most recent”
 - ❑ Stipulates years of service must be *consecutive* (gaps in service do not count)

Medical Plan Premium Calculations

4

- ❑ **Retiree medical plan costs are actuarially rated separately**
- ❑ **Retiree monthly premiums based on coverage (single or family) and plan selected**
- ❑ **Other calculation factors:**
 - ❑ Level of City contribution dependent on years of service and plan
 - ❑ Retirees receive a monthly subsidy from ASRS that is applied towards monthly premiums
 - ❑ Subsidy amounts range from \$100 to \$260 per month depending on years of service in ASRS/PSPRS and Medicare eligibility

Elected Officials

5

- ❑ **Current Elected Officials may enroll in City benefits like regular, active employees (premiums calculated like regular employees)**
- ❑ **Elected Officials under current requirements would never be eligible for City retiree coverage (with or without City contribution)**
 - ❑ Could not satisfy the 20-years consecutive service requirement
- ❑ **Two former elected officials have health plan retiree coverage**
 - ❑ Both satisfied years of service requirements under the Plan Document provisions applicable at the time

Agenda Item 11

INDEPENDENT COMMISSION ON COMPENSATION FOR ELECTED OFFICIALS MINUTES

November 5, 2013

The Independent Commission on Compensation for Elected Officials met in the lower level meeting room of the Council Chambers, 57 East 1st Street, on November 5, 2013 at 4:30 p.m.

MEMBERS PRESENT

Kate Ali'varius
Stacy Holmstedt
Gary Levine
Tom Rhodes
Marty Whalen

MEMBERS ABSENT

None

STAFF PRESENT

John Pombier
Debbie Spinner
Dee Ann Mickelsen
Jill Kotsur

Chairperson Ali'varius welcomed everyone to the meeting.

1. Introduction of new Commission Member Marty Whalen.

Commission Member Whalen provided brief background with respect to his professional and community activities.

Commission Member Whalen stated that he and Commission Member Rhodes are both members of the Rotary Club and often have lunch together at the meetings. He inquired, with respect to the Open Meeting Law, whether it would be necessary for the City to post a notice of the Rotary Club meetings since both he and Commission Member Rhodes serve on this Commission.

City Attorney Debbie Spinner responded that it would not be necessary to post a notice of the Rotary Club meetings. She clarified, however, that the City is required to post a meeting notice any time that a quorum of this Commission meets and are likely to discuss an item that will be presented to the members.

Commission Member Whalen stated that he had no intention of discussing any issues related to this Commission with Commission Member Rhodes at the Rotary Club meetings. He added that he simply wanted the record to disclose his association with Commission Member Rhodes as outlined above.

Chairperson Ali'varius welcomed back Commission Member Levine, who was reappointed to serve another term on the Commission.

2. Items from citizens present.

There were no items from citizens present.

3. Approval of the minutes of the Independent Commission on Compensation for Elected Officials meeting held on November 8, 2012.

It was moved by Commission Member Rhodes, seconded by Commission Member Levine, that the minutes of the Independent Commission on Compensation for Elected Officials meeting held on November 8, 2012 be approved.

Upon tabulation of votes, it showed:

AYES – Ali'varius-Holmstedt-Levine-Rhodes
ABSTAIN – Whalen

Chairperson Ali'varius declared the motion carried unanimously by those present and voting.

4. Staff summary of 2012 meetings and report.

Ms. Spinner referred to a document titled "Report and Recommendations to the Mayor and City Council, City of Mesa, Arizona, Submitted by the Independent Commission on Compensation for Elected Officials," which is dated November 8, 2012. **(See Attachment 1)** She explained that the report summarizes the work and the actions of the Commission last year. She noted that the Commission held a number of meetings; solicited input from citizens in the community; and were provided a significant amount of research from staff relative to salaries paid to elected officials in comparable cities, the history of the Mesa City Council's compensation, and certain Mesa City Charter requirements in that regard. She added that Page 4 of the document outlines the Commission's recommendations that were forwarded on to the City Council.

Ms. Spinner, in addition, commented that it is the responsibility of the Commission to provide a report and recommendations to the Council. She noted that the recommendations of the Commission must be approved or rejected as a whole by the City Council. She stated that last year, the City Council did not adopt the Commission's recommendations. She noted, however, that the Commission made a recommendation to reconvene this year in an effort to continue to evaluate the compensation for Mesa's Elected Officials.

5. Hear a presentation from staff updating the compensation data collected for Elected Officials of similarly-situated municipalities.

The Commission Members had no questions or concerns with respect to the updated compensation data. **(See Attachments 2 and 3)**

6. Take action on the Report and Recommendations to the Mayor and City Council regarding the compensation for Mesa's Elected Officials.

Chairperson Ali'varius stated that last year, the Commission made a proposal to the City Council after taking a significant amount of time and effort to conduct research, review and discuss an extensive amount of data that was provided by staff. She noted that the Mayor and

the Councilmembers did not adopt the Commission's recommendations, but pointed out that things were different a year ago than they are now. She also commented that in reviewing the minutes from last year's Commission meetings, some concerns were expressed with respect to the Mayor and the Councilmembers' pay increases being on par. She clarified that last year, the Commission proposed a 90% salary increase for the Mayor and an 85% salary increase for the Councilmembers.

Chairperson Ali'varius stated that she would propose a 90% salary increase for both the Mayor and the Councilmembers. She distributed a document to her fellow Commission Members that she prepared which illustrates certain computations in that regard. **(See Attachment 4)**

Chairperson Ali'varius explained that by taking the 90% increase that the Commission arrived at last year and breaking it down over the 15 years, which was the last time that the Mayor and the Councilmembers received a salary increase, and allowing for the fact that the proposed increase would not go into effect until 2015, would result in an estimated 4.5% increase compounded over 16 years. She further remarked that such a proposal would increase the Councilmembers' salary from \$19,032 to \$36,832 and from \$38,002 to \$73,545 for the Mayor's salary. She also highlighted the bottom of Attachment 4, which reflects constant dollars based on the actual inflation rate.

Chairperson Ali'varius, in addition, remarked that for purposes of today's discussion, she suggested that her fellow Commission Members focus on the 4.5% increase rate. She pointed out that over the last few years, City employees have received 5% salary increases, whereas the 4.5% salary increase would reflect over the last 16 years for the Mayor and the Councilmembers.

Chairperson Ali'varius further commented that she would propose to leave as is the other recommendations that the Commission made last year. She stated that perhaps the Mayor and the Councilmembers might approve the salary increase this time, since it will not go into effect until January 2015. She added that those voting may not be affected by the increase, as was the Mayor and the Councilmembers' concern last year.

Chairperson Ali'varius advised that the City of Mesa has continued to accumulate a great many successes and is allowing City employees to receive 5% salary increases. She said that based on those facts, she would propose the following:

- That the Councilmembers' salary be raised to \$36,832 and the Mayor's salary be raised to \$73,545.
- That the annual salaries for the Mayor and the Councilmembers will be adjusted by a cost of living adjustment, if any, provided to Mesa City employees.
- Vehicle Allowance: The elected officials use their private vehicles to travel throughout the county and should be compensated for this expense. The Commission recommends that the Mayor receive \$450 and the Councilmembers receive \$300 as a vehicle allowance.
- Communication Allowance. The elected officials use their private cell phones for City business and should be compensated for this expense. The Commission recommends that the Mayor and the Councilmembers receive \$80 per month as a communication allowance.

- **City Benefits.** The Commission recommends that the Mayor and the Councilmembers be eligible for City benefits consistent with those provided to Executive-level City employees which may, from time to time, be amended as employee benefits are amended.

Commission Member Holmstedt referred to Attachments 2 and 3 and inquired if the slight compensation increases in Tempe and Phoenix were automatic increases or due to City Charter requirements.

Deputy City Manager John Pombier responded that it was his understanding that the City's Human Resources Department contacted all of the cities listed on the documents to obtain salary updates. He explained that if a comment is not included in the footnote at the bottom of the page, staff was unaware of the origin of the salary increase.

Chairperson Ali'varius referred to Page 3 of Attachment 1 and inquired if staff updated any of the bullet points related to a summary of the Commission discussions and if anything had changed. She cited, for instance, that Mesa's population increased by approximately 11,000 people and questioned whether the salary rankings for Mesa's Mayor and the Councilmembers had changed.

Mr. Pombier clarified that it appeared as though the rankings have not changed based on the updated numbers. He noted that the Councilmembers are still ranked No. 6 out of the six cities surveyed, and the Mayor's salary ranked No. 5 out of the six cities.

Commission Member Levine commented that since the cost of gasoline and vehicle maintenance continues to grow, he would suggest that the vehicle allowance be increased to \$550 for the Mayor and \$350 for the Councilmembers.

Responding to a question from Chairperson Ali'varius, Mr. Pombier explained that with respect to car allowances, Executive staff receive a set amount per month (\$300), but do not receive reimbursement for expenses that are incurred above that amount.

In response to a comment from Commission Member Rhodes, Chairperson Ali'varius clarified that she did not make a formal motion, but simply brought forward a proposal for discussion purposes.

Commission Member Rhodes inquired if Commission Member Levine's proposal relative to increasing the vehicle allowance would be appropriate if a formal motion had not been made or seconded.

Ms. Spinner clarified that if Chairperson Ali'varius has not made a formal motion on the floor, she could incorporate Commission Member Levine's comment into her motion if she chose to do so.

Commission Member Rhodes stated that he would withdraw his inquiry.

Chairperson Ali'varius inquired if her fellow Commission Members were comfortable with the manner in which they were proceeding at today's meeting. She commented that the Commission previously took an extensive period of time to collectively come up with a proposal

and said that she is now proposing a slight amendment to that proposal. She added that Commission Member Levine is offering a further amendment, with which she is in agreement.

It was moved by Chairperson Ali'varius, that the compensation for Mesa's Elected Officials be as follows: That the Mayor's salary be increased to \$73,545; that the Councilmembers' salary be increased to \$36,832; that the Mayor and the Councilmembers are eligible for cost of living adjustments, if any, provided to Mesa City employees; that the Mayor and the Councilmembers would receive \$550 and \$350 respectively per month car allowance and an \$80 per month communication allowance; and that the Mayor and the Councilmembers would be eligible for City benefits consistent with those provided to Executive-level City employees.

Commission Member Whalen seconded the motion.

Discussion ensued relative to the \$80 per month communication allowance; that the Mayor and the Councilmembers use their private cell phones for City business and also utilize City-provided iPads; that when the Mayor or the Councilmembers' cell phone contracts expire, the City does not replace those devices; that Executive-level City employees receive an \$80 per month communication allowance; and that as a result of the above-referenced discussion, the Commission Members were comfortable with the \$80 per month communication allowance.

Chairperson Ali'varius called for the vote.

Chairperson Ali'varius declared the motion carried unanimously.

Ms. Spinner explained that the Ordinance states that the Commission will provide a report and recommendations to the City Council regarding this matter. She stated that with the Commission's permission, she has made a few revisions to last year's "Report and Recommendations to the Mayor and City Council" and has also handwritten in the changes that were discussed today. **(See Attachment 5)**

Ms. Spinner distributed copies of the document to the Commission Members and highlighted the various modifications. She stated that if the Commission Members were comfortable with the revisions, staff would simply forward on this report to the City Council and the Commission would not have to meet again this year. She added that the last page of the document includes signature lines for each of the Commission Members, but suggested that if there were no objections, it would only be necessary for the Chairperson to sign it.

In response to a question from Commission Member Whalen, Ms. Spinner clarified that the Ordinance states that the Commission will meet at least every two years.

Commission Member Whalen commented that the Ordinance provides a mechanism to ensure that the City "does not fall behind again" with respect to the Mayor and the Councilmembers' salaries.

Responding to a question from Commission Member Rhodes, Ms. Spinner explained that once the Commission has adopted the report, it will be placed on the City Council agenda at the request of the City Manager, the Mayor or three Councilmembers. She reiterated that per the Arizona Constitution, the salaries will not be adjusted until January 2015.

Chairperson Ali'varius stated that the Commission Members were comfortable with the revisions included on Attachment 5.

It was moved by Commission Member Rhodes, seconded by Commission Member Whalen, that the "Report and Recommendations to the Mayor and City Council" dated November 5, 2013 be approved.

Chairperson Ali'varius declared the motion carried unanimously.

7. Discuss dates for future meetings.

Chairperson Ali'varius inquired if the Commission Members would like to reconvene a year from now or two years from now.

Commission Member Rhodes stated that if the City Council approves the Commission's recommendations, he would see no need for the Commission to meet until two years from now. He noted, on the other hand, if the City Council does not approve the Commission's recommendations, it would be appropriate for the Commission to meet in 2014.

In response to a question from Chairperson Ali'varius, Ms. Spinner verified that as Chairperson, she could call a meeting at any time she chose to do so.

Chairperson Ali'varius thanked everyone for their attendance.

8. Adjournment.

Without objection, the Independent Commission on Compensation for Elected Officials meeting adjourned at 5:04 p.m.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Independent Commission on Compensation for Elected Officials held on the 5th day of November, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

**REPORT AND RECOMMENDATIONS
TO THE MAYOR AND CITY COUNCIL
CITY OF MESA, AZ
Submitted by
INDEPENDENT COMMISSION ON COMPENSATION
FOR ELECTED OFFICIALS**

November 8, 2012

BACKGROUND

On August 20, 2012, the Mesa City Council created the Independent Commission on Compensation for Elected Officials. The purpose of the Commission is to establish a fair and reasonable compensation for Mesa's elected officials. The Commission is to ensure that the Mayor and City Council are "compensated for their time, and effort on behalf of the City at a level that (1) is reasonable in light of the compensation paid to elected officials in other municipalities in the United States of similar size, (2) will include the costs and expenses necessary to perform their duties, (3) is likely to attract competent and effective people to serve in public office, (4) makes public service possible for every eligible citizen, not just those whose financial status enables them to serve, (5) takes into account the financial circumstances of the City, and (6) is determined by an Independent Commission on Compensation for Elected Officials." (2-25-1).

The Ordinance states that the Commission shall determine the compensation of the Council and the Mayor by comparing the compensation provided to elected officials in similarly situated cities within the United States. (2-25-3(B))

The Commission is to provide a report and recommendation to the Council within ninety (90) days following its initial meeting. "The recommendations of the Commission must be approved or rejected as a whole by the City Council." (2-25-3(A)).

To accomplish its purpose, the Commission held several public meetings, received and reviewed compensation data from numerous comparable cities across the United States; and held a public hearing to receive input from the public.

MEMBERS OF THE COMMISSION: The following Mesa residents were appointed to serve on the Independent Commission: Kate Ali'varius (chairperson), Gary Levine (vice-chairperson), Stacy Holmstedt, Tom Rhodes, and Dan Wollam.

INFORMATION PROVIDED AND REVIEWED BY THE COMMISSION:

At the request of the Commission, staff provided the following information:

- Data from comparable cities across the United States which included: (1) the annual salaries for the elected officials; (2) benefits provided to the elected officials (e.g., vehicle allowance, communication allowance, medical/dental insurance); (3) historical salary adjustments for elected officials in Tucson and Phoenix; and (4) the structure of the Council (e.g., Mayor-Council form of government, district or at-large, number of constituents per district; and the number of Councilmembers).
- History of Mesa's City Council compensation from 1967 through 2012.
- Information from the Peoria's Council Salary Review Commission.
- Spreadsheets of Mayor and Council salaries of similarly situated cities as compared to population, compiled by Commission members Rhodes and Levine.
- Spreadsheets with compensation options for Mesa's elected officials, requested by the Chairperson.
- Chart Titled "City of Mesa Employee, Executive, and Elected Officials Benefits."

HISTORY OF MESA'S CITY COUNCIL COMPENSATION

Since adoption of the Mesa Charter in 1967, the compensation for the Mesa City Council has been adjusted twice. In 1986, the annual salaries were adjusted to \$19,200 for Mayor and \$9,600 for Councilmember. In 1998, the annual salaries were adjusted to \$33,600 for Mayor and \$16,800 for Councilmember. The salaries have not been adjusted since 1998.¹

A review of the salaries paid to elected officials in comparable cities reveals that the salaries for Mesa's elected officials are significantly below that paid to other similarly situated elected officials. The Commission believes the salaries of Mesa's Mayor and City Council should be commensurate with other comparable cities.

Since 2001, the Mayor and Councilmembers have received a \$150/month vehicle allowance and since 2005, they have received an \$80/month communication allowance. These allowances have not been adjusted since their initial adoption.

SUMMARY OF COMMISSION DISCUSSIONS:

The Commission has met several times to review and discuss the materials provided by City staff. The Commission also held a public hearing on October 29, 2012, where several

¹ The Mayor and Council have received cost of living adjustments provided to all City employees.

individuals spoke about the demands and time commitment needed to serve as Mayor and Councilmember for the City of Mesa.

The following is a summary of the Commission discussions:

- In 45 years, the salaries for Mesa's elected officials have been adjusted 2 times. These adjustments occurred in 1986 and 1998.
- The annual salaries for Mesa's elected officials have not been adjusted since 1998.
- Mesa's population in 1998 was 382,479. In 2012, Mesa's population is 439,041.
- At the public hearing on October 29, 2012, several residents, including current and former Mayor and Councilmembers spoke regarding the responsibilities of the Mayor and Councilmembers, specifically as to the significant time commitment that is required of elected officials. The Mayor and Councilmembers must be well versed on all areas of City business. Mesa is the 38th largest city in the United States and is a billion dollar organization. The Mayor and Council are the Board of Directors of the organization. They are called upon to make decisions in all areas of its operations, including, but not limited to, the budget, economic development, and the capital improvement program.
- The Mayor and Councilmembers are called to participate on numerous boards and committees, including local, state and national boards. Participation on these boards is critical to the regional leadership role that Mesa holds. The Mayor and Council are expected to attend various meetings including regularly scheduled City Council and Study Sessions; various local, state, and national conferences, and seminars; and attend other city events.
- The Commission discussed the compensation provided to Mesa's elected officials and those of comparable cities. The data shows that Mesa's Mayor and Councilmembers are not adequately compensated, as compared to 15 similarly situated cities around the country. Of the 15 cities reviewed Mesa's salary for Mayor ranked No. 12. For Councilmembers, Mesa's salary ranked No. 14. (A copy of the comparison data is attached to this report.)
- Mesa is the third largest city in the State of Arizona.
- As compared to other Arizona cities, Mesa's salary for Mayor ranked No. 5 out of the six cities surveyed. For Councilmember, Mesa's salary ranked No. 6 out of the six cities.
- The Commission agreed that an adjustment to the salaries for both Mayor and Council should be considered in order to attract competent and effective people to serve in office.
- At the November 8, 2012 meeting, the Commission heard from a resident who supported a compensation adjustment for the elected officials, but felt that given the state of the economy, a tiered approach to the adjustments may be better received by the Mesa residents and the City employee organizations. The resident asked several questions of the City Manager's Office. The City Manager's Office explained how the City conducts salary surveys and that the goal of the City of Mesa is to be at or above the average compensation for similar employee positions in the Valley. The resident also asked

whether the Mayor and Councilmembers are expected to be full time employees. The City Manager's Office explained that it is left to the discretion of the individual elected official as to the time needed to fulfill his/her responsibilities.

RECOMMENDATIONS

To accomplish the goals set forth in the Ordinance, and to ensure that Mesa can attract competent and effective leaders to serve as Mayor and Council, the Commission recommends that the Mesa City Council approve the following compensation package for Mesa's elected officials.

Annual Salary:

Mayor: \$70,304

Councilmembers: \$35,209

The annual salary will be adjusted by a cost of living adjustment, if any, provided to Mesa City employees.

Vehicle Allowance: The elected officials use their private vehicles to travel throughout the county and should be compensated for this expense. The Commission recommends that the Mayor receive \$450/month and Councilmembers receive \$300/month as a vehicle allowance.

Communication Allowance: The elected officials use their private cell phones for City business and should be compensated for this expense. The Commission recommends that the Mayor and Councilmembers continue to receive \$80/month as a communication allowance.

City Benefits: The Commission recommends that the Mayor and Councilmembers be eligible for City benefits consistent with those provided to executive level City employees, which may, from time-to-time be amended, as employee benefits are amended.

Future Meeting: The Commission recommends that it reconvene within the next 12 months to continue to evaluate the compensation for Mesa's elected officials.

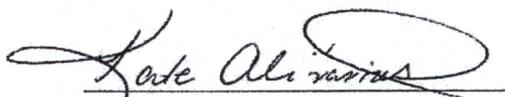
CONCLUSION

The members of the Independent Compensation Commission feel strongly that Mesa must continue to attract effective leaders for the positions of Mayor and Councilmember. To do so, the City must reasonably compensate its elected officials to ensure that public service is available to all residents. The compensation for Mesa's elected officials should be commensurate with

elected officials in similarly situated cities. The Commission believes that these recommendations will help Mesa move toward this goal, but that additional adjustments should be considered in the future to fully satisfy this goal.

The Commission requests that the City Council adopt the recommendations of this Independent Compensation Commission.

Respectfully submitted this 8th day of November, 2012.



Kate Ali'varius
Chairperson



Gary Levine
Vice Chairperson

MAYOR AND COUNCIL SALARY/BENEFITS INFORMATION
Ranked by Mayor Total Adjusted Compensation
Thursday, November 8, 2012

Color Key: Out of State

Rank by Mayor Total Adjusted Comp	City	Pop.	Mayor Base Salary Adjusted*	Council Base Salary Adjusted*	Vehicle Allowance per mos	Phone allowance per mos	Mayor Total Compensation Adjusted	Councilmember Total Compensation Adjusted
1	Fresno, CA	500,121	\$ 128,677.96	\$ 64,338.98	No	No	\$ 128,677.96	\$ 64,338.98
2	Kansas City, MO	459,787	\$ 128,426.72	\$ 64,203.98	No	City provides phone (no additional comp)	\$ 128,426.72	\$ 64,203.98
3	Long Beach, CA	461,564	\$ 90,899.38	\$ 22,724.85	\$ 450.00	\$ 30.00	\$ 96,659.38	\$ 28,484.85
4	Tacoma, WA	204,000	\$ 86,948.74	\$ 39,412.88	\$550 per month; mayor only	No	\$ 93,548.74	\$ 39,412.88
5	Phoenix, AZ	1,445,632	\$ 88,000.00	\$ 61,600.00	\$ 435.00	No	\$ 93,220.00	\$ 66,820.00
6	Sacramento, CA	466,488	\$ 83,066.92	\$ 43,308.64	\$ 400.00	Tech Allowance: Mayor \$2000 per year; Council \$1200 per year	\$ 89,866.92	\$ 49,308.64
7	Aurora, CO	332,354	\$ 44,142.85	\$ 10,234.92	\$ 760.50	Tech Allowance: Mayor \$4320 per year; Council \$2700 per year	\$ 57,588.85	\$ 22,060.92
8	Tempe, AZ	161,719	\$ 55,496.00	\$ 27,747.00	No	Available if they choose	\$ 55,496.00	\$ 27,747.00
9	Glendale, AZ	226,721	\$ 48,000.00	\$ 34,000.00	No	No	\$ 48,000.00	\$ 34,000.00
10	San Jose, CA	967,487	\$ 42,917.89	\$ 33,108.09	\$ 350.00	No	\$ 47,117.89	\$ 37,308.09
11	Tucson, AZ	520,116	\$ 42,000.00	\$ 24,000.00	No	No	\$ 42,000.00	\$ 24,000.00
12	Mesa, AZ	439,041	\$ 38,601.60	\$ 19,032.00	\$ 150.00	\$ 80.00	\$ 41,361.60	\$ 21,792.00
13	Peoria, AZ	158,000	\$ 30,277.80	\$ 20,185.20	\$ 275.00	Mayor \$250 Council \$160	\$ 36,577.80	\$ 25,405.20
14	Virginia Beach, VA	437,994	\$ 32,368.05	\$ 30,210.18	No	No	\$ 32,368.05	\$ 30,210.18
15	Arlington, TX	364,000	\$ 2,502.71	\$ 2,002.17	No	\$ 75.00	\$ 3,402.71	\$ 2,902.17

Footnotes: ***The cost of living calculator used for this report is City Rating.com (<http://www.cityrating.com/costofliving.asp>) which is mainly based on the Consumer Price Index (CPI) (published by the U.S. Bureau of Labor Statistics):

MAYOR AND COUNCIL SALARY/BENEFITS INFORMATION
Ranked by Council Total Adjusted Compensation
Thursday, November 8, 2012

Color Key: Out of State

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MAYOR AND COUNCIL SALARY/BENEFITS INFORMATION
Ranked by Council Total Adjusted Compensation
Monday, November 4, 2013 (UPDATED)

Color Key: Out of State

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5	Tacoma, WA	204,000	\$ 89,337.17	\$ 40,494.24	\$550 per month; mayor only	No	\$ 95,937.17	\$ 40,494.24
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8	Virginia Beach, VA	447,021	\$ 32,368.05	\$ 30,210.18	No	No	\$ 32,368.05	\$ 30,210.18
9	Long Beach, CA	467,646	\$ 92,627.03	\$ 23,156.76	\$ 450.00	\$ 30.00	\$ 98,387.03	\$ 28,916.76
10	Tempe, AZ	161,719	\$ 56,064.00	\$ 28,032.00	No	Available if they choose	\$ 56,064.00	\$ 28,032.00
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12	Tucson, AZ	524,295	\$ 42,000.00	\$ 24,000.00	No	No	\$ 42,000.00	\$ 24,000.00
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15	Arlington, TX	365,438	\$ 2,502.71	\$ 2,002.17	No	\$ 78.50	\$ 3,444.71	\$ 2,944.17

Updated
 Updated
 No Change
 Updated Population Only
 Updated
 Updated
 No Change
 Updated Population Only
 Revised Mayor's Salary = Typo previously
 Updated

Footnotes: ***The cost of living calculator used for this report is City Rating.com (<http://www.cityrating.com/costofliving.asp>) which is mainly based on the Consumer Price Index (CPI) (published by the U.S. Bureau of Labor Statistics):

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Monday, November 4, 2013 (UPDATED)

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		constant rate @4.5%	Council	Mayor
1998	0	0.045	19,032.00	38,002.00
1999	1		19,888.44	39,712.09
2000	2		20,783.42	41,499.13
2001	3		21,718.67	43,366.60
2002	4		22,696.01	45,318.09
2003	5		23,717.33	47,357.41
2004	6		24,784.61	49,488.49
2005	7		25,899.92	51,715.47
2006	8		27,065.42	54,042.67
2007	9		28,283.36	56,474.59
2008	10		29,556.11	59,015.94
2009	11		30,886.14	61,671.66
2010	12		32,276.02	64,446.89
2011	13		33,728.44	67,347.00
2012	14		35,246.22	70,377.61
2013	16		36,832.30	73,544.60

In constant dollars based on actual inflation rate

		inflation rate		
1998	0		19,032.00	38,002.00
1999	1	0.0157	19,330.80	38,598.63
2000	2	0.0167	19,653.63	39,243.23
2001	3	0.0274	20,192.14	40,318.49
2002	4	0.0373	20,945.30	41,822.37
2003	5	0.0114	21,184.08	42,299.15
2004	6	0.026	21,734.87	43,398.93
2005	7	0.0193	22,154.35	44,236.52
2006	8	0.0297	22,812.33	45,550.35
2007	9	0.0399	23,722.54	47,367.81
2008	10	0.0208	24,215.97	48,353.06
2009	11	0.0428	25,252.42	50,422.57
2010	12	0.03	26,009.99	51,935.25
2011	13	0.0263	26,694.05	53,301.14
2012	14	0.0163	27,129.17	54,169.95
2013	15	0.0293	27,924.05	55,757.13
2014	16	0.0159	28,368.04	56,643.67

**REPORT AND RECOMMENDATIONS
TO THE MAYOR AND CITY COUNCIL
CITY OF MESA, AZ**

**Submitted by
INDEPENDENT COMMISSION ON COMPENSATION
FOR ELECTED OFFICIALS**

November 5, 2013

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The Ordinance states that the Commission shall determine the compensation of the Council and the Mayor by comparing the compensation provided to elected officials in similarly situated cities within the United States. (2-25-3(B))

The Commission is to provide a report and recommendation to the Council within ninety (90) days following its initial meeting. "The recommendations of the Commission must be approved or rejected as a whole by the City Council." (2-25-3(A)).

To accomplish its purpose, the Commission held several public meetings, received and reviewed compensation data from numerous comparable cities across the United States; and held a public hearing to receive input from the public.

MEMBERS OF THE COMMISSION: The following Mesa residents were appointed to serve on the Independent Commission: Kate Ali'varius (chairperson), Gary Levine, Stacy Holmstedt, Tom Rhodes, and Marty Whalen.

INFORMATION PROVIDED AND REVIEWED BY THE COMMISSION:

At the request of the Commission, staff provided the following information:

- Data from comparable cities across the United States which included: (1) the annual salaries for the elected officials; (2) benefits provided to the elected officials (e.g., vehicle allowance, communication allowance, medical/dental insurance); (3) historical salary adjustments for elected officials in Tucson and Phoenix; and (4) the structure of the Council (e.g., Mayor-Council form of government, district or at-large, number of constituents per district; and the number of Councilmembers).
- History of Mesa's City Council compensation from 1967 through 2012.
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HISTORY OF MESA'S CITY COUNCIL COMPENSATION

Since adoption of the Mesa Charter in 1967, the compensation for the Mesa City Council has been adjusted twice. In 1986, the annual salaries were adjusted to \$19,200 for Mayor and \$9,600 for Councilmember. In 1998, the annual salaries were adjusted to \$33,600 for Mayor and \$16,800 for Councilmember. The salaries have not been adjusted since 1998.¹

A review of the salaries paid to elected officials in comparable cities reveals that the salaries for Mesa's elected officials are significantly below that paid to other similarly situated elected officials. The Commission believes the salaries of Mesa's Mayor and City Council should be commensurate with other comparable cities.

Since 2001, the Mayor and Councilmembers have received a \$150/month vehicle allowance and since 2005, they have received an \$80/month communication allowance. These allowances have not been adjusted since their initial adoption.

SUMMARY OF COMMISSION DISCUSSIONS:

In 2012, the Commission met several times to review and discuss the materials provided by City staff. The Commission also held a public hearing on October 29, 2012, where several

¹ The Mayor and Council have received cost of living adjustments provided to all City employees per Ordinance 3445, adopted March 2, 1998.

individuals spoke about the demands and time commitment needed to serve as Mayor and Councilmember for the City of Mesa.

The following is a summary of the Commission discussions in 2012:

- In 45 years, the salaries for Mesa's elected officials have been adjusted 2 times. These adjustments occurred in 1986 and 1998.
- The annual salaries for Mesa's elected officials have not been adjusted since 1998.
- Mesa's population in 1998 was 382,479. In 2012, Mesa's population is 439,041.
- At the public hearing on October 29, 2012, several residents, including current and former Mayor and Councilmembers spoke regarding the responsibilities of the Mayor and Councilmembers, specifically as to the significant time commitment that is required of elected officials. The Mayor and Councilmembers must be well versed on all areas of City business. Mesa is the 38th largest city in the United States and is a billion dollar organization. The Mayor and Council are the Board of Directors of the organization. They are called upon to make decisions in all areas of its operations, including, but not limited to, the budget, economic development, and the capital improvement program.
- The Mayor and Councilmembers are called to participate on numerous boards and committees, including local, state and national boards. Participation on these boards is critical to the regional leadership role that Mesa holds. The Mayor and Council are expected to attend various meetings including regularly scheduled City Council and Study Sessions; various local, state, and national conferences, and seminars; and attend other city events.
- The Commission discussed the compensation provided to Mesa's elected officials and those of comparable cities. The data shows that Mesa's Mayor and Councilmembers are not adequately compensated, as compared to 15 similarly situated cities around the country. Of the 15 cities reviewed Mesa's salary for Mayor ranked No. 12. For Councilmembers, Mesa's salary ranked No. 14. (A copy of the comparison data is attached to this report.)
- Mesa is the third largest city in the State of Arizona.
- As compared to other Arizona cities, Mesa's salary for Mayor ranked No. 5 out of the six cities surveyed. For Councilmember, Mesa's salary ranked No. 6 out of the six cities.
- The Commission agreed that an adjustment to the salaries for both Mayor and Council should be considered in order to attract competent and effective people to serve in office.
- At the November 8, 2012 meeting, the Commission heard from a resident who supported a compensation adjustment for the elected officials, but felt that given the state of the economy, a tiered approach to the adjustments may be better received by the Mesa residents and the City employee organizations. The resident asked several questions of the City Manager's Office. The City Manager's Office explained how the City conducts salary surveys and that the goal of the City of Mesa is to be at or above the average compensation for similar employee positions in the Valley. The resident also asked

whether the Mayor and Councilmembers are expected to be full time employees. The City Manager's Office explained that it is left to the discretion of the individual elected official as to the time needed to fulfill his/her responsibilities.

The following is a summary of the Commission discussions in 2013:

- The Commission was updated on all information set forth above, including data regarding compensation paid to elected officials in other municipalities of similar size.
- In 2013, the population of Mesa is approximately 450,000.

RECOMMENDATIONS

To accomplish the goals set forth in the Ordinance, and to ensure that Mesa can attract competent and effective leaders to serve as Mayor and Council, the Commission recommends that the Mesa City Council approve the following compensation package for Mesa's elected officials.

Annual Salary:

Mayor: ~~5~~ 73,545
Councilmembers: ~~2~~ 36,832

The annual salary will be adjusted by a cost of living adjustment, if any, provided to Mesa City employees.

Vehicle Allowance: The elected officials use their private vehicles to travel throughout the county and should be compensated for this expense. The Commission recommends that the Mayor receive \$~~400~~⁵⁵⁰/month and Councilmembers receive \$~~300~~³⁵⁰/month as a vehicle allowance.

Communication Allowance: The elected officials use their private cell phones for City business and should be compensated for this expense. The Commission recommends that the Mayor and Councilmembers continue to receive \$80/month as a communication allowance.

City Benefits: The Commission recommends that the Mayor and Councilmembers be eligible for City benefits consistent with those provided to executive level City employees, which may, from time-to-time be amended, as employee benefits are amended.

CONCLUSION

The members of the Independent Compensation Commission feel strongly that Mesa must continue to attract effective leaders for the positions of Mayor and Councilmember. To do so, the City must reasonably compensate its elected officials to ensure that public service is available to all residents. The compensation for Mesa's elected officials should be commensurate with elected officials in similarly situated cities. The Commission believes that these recommendations will help Mesa move toward this goal, but that additional adjustments should be considered in the future to fully satisfy this goal.

The Commission requests that the City Council adopt the recommendations of this Independent Compensation Commission.

Respectfully submitted this 5th day of November, 2013.

Kate Ali'varius
Chairperson

Gary Levine

Stacy Holmstedt

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