



Legislation Text

File #: 18-065, Version: 1

Agenda Item Title:

City Council Office recommending compensation discussion.

Presenter:

Mike Applegarth, Council Office Director

Description/Background:

Utah Code Annotated 10-3-818 pertains to salaries in municipalities. Section 10-3-818 says, "Upon its own motion the governing body may review or consider the compensation of any officer or officers of the municipality or a salary schedule applicable to any officer or officers of the city for the purpose of determining whether or not it should be adopted, changed, or amended. In the event that the governing body decides that the compensation or compensation schedules should be adopted, changed, or amended, it shall set a time and place for a public hearing at which all interested persons shall be given an opportunity to be heard.

The FY 2017-18 Budget does not include a minimum and maximum bi-weekly salary range for elected officials. In March 2016 the City Council adopted a policy on Council Member compensation which established a weekly stipend amount, and for payroll purposes, a base hourly rate and the number of hours in weekly paid status. According to the Staffing and Compensation Plan adopted within the budget, the Mayor and City Council Members' compensation is adjusted annually on July 1 by an amount equivalent to the average pay increase to the city employees. There is no mechanism which determines the Mayor's base salary rate. The Council Office recommends that the City Council provide direction on mayoral maximum and minimum bi-weekly range and starting salary.

Salary Range

Good practice in establishing elected compensation involves an evaluation of comparison cities. Important criteria when selecting comparison cities includes form of government, population, and whether the elected position requires full or part time service. The table below provides information on the most populated 14 cities in Utah.

City	Population	Form of Government	Full-time?	Mayor's Salary
Salt Lake City	193,744	Council-Mayor	Yes	\$139,513
West Valley City	136,574	Council-Manager	No	\$35,875
Provo	116,868	Council-Mayor	Yes	\$120,000
West Jordan	113,699	Council-Manager	Yes	\$89,500
Orem city	97,499	Council-Manager	No	\$39,600
Sandy	95,836	Council-Mayor	Yes	
Ogden	86,701	Council-Mayor	Yes	\$123,674
St. George	82,318	Council-Manager	No	\$50,142
Layton	75,655	Council-Manager	No	\$21,862
Taylorsville	58,652	Council-Mayor	Yes	\$85,813

South Jordan	50,418	Council-Manager	No	\$21,500
Logan	48,174	Council-Mayor	Yes	\$94,238
Lehi	47,407	Council-Manager	No	\$18,000
Murray	46,746	Council-Mayor	Yes	\$113,131

The cities which most closely satisfy the comparison criteria include Provo and Ogden because they are similar in population, form of government, and mayoral responsibility. The average of the mayoral salaries in these jurisdictions is \$121,837. It is important to note that neither salary represents a range, but a set amount established either through ordinance (Ogden) or a committee process (Provo). Expanding the analysis to other cities with the same form of government yields a similar average mayoral salary, however the population deviation expands. For the sake of this analysis, Taylorsville was not included because it is a contract city with only 36 full-time employees, and therefore operationally different despite technically having the the same form of government.

City	Average Mayoral Salary
Provo, Ogden	\$121,837
Provo, Ogden, Salt Lake	\$127,729
Provo, Ogden, Salt Lake, Logan	\$119,356
Provo, Ogden, Salt Lake, Logan, Murray	\$118,111

The Mayor recently reestablished his salary at \$119,000. Given the above analysis that figure is a reasonable salary minimum consistent with the averages of similarly situated cities. Based on the Council's previous acceptance of the former mayor's salary, the Council Office recommends that the maximum of the range be set at \$144,000. The average "spread" among the salary ranges of administration and department head level positions is \$48,726.

Starting Salary

The Council Office recommends a salary range minimum of \$119,000, but additionally recommends that the actual starting wage be allowed to be set administratively if it is within 5% of that minimum. If a starting mayoral salary is desired above 5% of the range minimum, a public hearing should be scheduled per UCA 10-3-818. The City Council should maintain the Staffing and Compensation Plan policy for annual elected compensation adjustment. Therefore, the minimum will be adjusted annually commensurate with the citywide pay plan.

Other/Future Considerations:

Cities establish elected compensation in a variety of ways. In the future, the Council may want to evaluate other options such as establishing amounts via ordinance, convening an expert compensation panel possibly to include citizen representation, or indexing compensation to a predetermined subset of comparator cities. Key principles for consideration include checks and balances in establishing compensation between both branches of government, and the clarity of salary information displayed in the budget document or online.

Fiscal Impact:

There is no additional General Fund impact associated with this item as the recommended salary range does not exceed total appropriations.

Further action to be taken:

The Finance Department will include the adopted salary range in the FY 2019 Budget.

Recommended Action and/or Suggested Motion:

1. Motion to direct the Finance Department to include the mayoral salary range in the FY 2019 budget as indicated in the staff report.
2. Motion to direct Council staff to formalize and bring back a policy on starting mayoral salary.