



ADMINISTRATION DEPARTMENT MEMO

To: Government Affairs Committee

From: Administration – Human Resources

Meeting Date: November 12, 2024

Subject: Discussion and Consideration of Common Council Compensation for 2026 and 2028

A. Issue

The compensation for the Common Council, Mayor and Alderpersons, is only periodically adjusted and may only be adjusted in advance of a succeeding term of office. It is NOT legal for an elected body to grant themselves as incumbents an increase in compensation. In this instance any modification can and would be effective with the next term of office. In the case of Alderpersons, April of 2026 and, Mayor, in April of 2028. In terms of budgetary impact that will be adjusted with the 2026 and 2028 budgets, respectively.

The purpose of this report is only to begin a discussion as to how the body wants to look at the issue. Herein I have not attempted to suggest the positions have changed in the fundamental nature of what the roles entail or to reconsider the attraction to the position. Instead, I have left those consideration to the body and relied on simply bringing current the compensation based on an inflation adjustment as is often the baseline of compensation review. In addition, for comparative review is an attachment of compensation in several other municipalities.

B. Background/Options

The most recent two adjustments to the Aldermanic 'stipend' were an increase to \$350 per month in 1982 and \$450 in 2018. The current cumulative budget amount is \$86,400. In adopting the modification pay associated with the referendum creating 12 aldermanic seats; the Common Council set in policy that the cumulative pay to the 16 Alders would be divided by 12 once that change takes place. This change will bring the Aldermanic pay to \$600 per month. If one adjusts for inflation from 1982; the monthly stipend would be \$1,166 or from 2018 calculates to \$576 per month.

The pay for the position of Mayor was most recently adjusted in 2012 to a monthly amount of \$2,500 per month. Brining this current to 2024 would be an adjustment to \$3,477 per month or \$41,724 annually.

C. Strategic Plan (Area of Focus)

This issue most closely aligns with the overall Vision, Mission, and Values of the organization.

D. Fiscal Impact

The fiscal impact is quite varied depending on the approach one takes. For descriptive purposes, \$1,166 per month for 12 Alders is a budgetary increase of \$81,504 annually and about $\frac{3}{4}$ of that in



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2026 as a partial year. Likewise, if you use the adjustment from 2018 but then divide by 12 instead of 16 you arrive at an annual adjustment of \$24,192 (partial in 2026).

In the case of the position of Mayor; simply adjusting for inflation is an adjustment of \$11,724 in 2028 and beyond.

E. Recommendation

First, I would suggest taking time over the next couple months to consider the soundness of our current structure and if resolved that it preserves the functions as it has for many years the issue becomes quickly one of how to adjust to bring forward the compensation. In this instance, and from among other questions the committee may have, staff can be responsive with an explicit recommendation. Last, each of these inflation adjustments brings the number to 2024. We would prefer adjusting forward to 2026 and 2028 so that value is not 'outdated' upon adoption.