



## Legislation Text

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**File #:** 16-376, **Version:** 1

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**City Council Meeting Date:** August 23, 2016

**To:** Mayor and City Council

**From:** City Administrator

Discuss 2017 and 2018 Mayor and City Council Compensation.

**Action Requested:**

Discussion of Mayor and Council Compensation.

City Administrator Martig is recommending the City Council have a first reading of an ordinance on September 6 that would increase the Mayor and City Council salaries by 1.5% commencing January 1, 2017 and another increase of 1.5% commencing January 1, 2018.

**Summary Report:**

The following ordinance has set the current compensation of the Mayor and City Council:

Article II. City Council Division 1. - Generally

Sec. 2-26. - Compensation.

- (a) The annual salary for the elected members of the city council shall be in the amount of \$8,028.00 commencing January 1, 2015, and shall be increased to the amount of \$8,188.00 commencing January 1, 2016.
- (b) The annual salary for the mayor shall be in the amount of \$10,704.00 commencing January 1, 2015, and shall be increased to the amount of \$10,918.00 commencing January 1, 2016.
- (c) The salaries established shall be paid on a biweekly basis.
- (d) The salaries established by this section shall be effective as of the dates set forth above and shall continue in the amounts which will be effective January 1, 2015, until changed as provided by state law.

(Code 1986, § 100:45; Ord. No. 816, 10-18-2004; Ord. No. 959, 8-5-2014)

**State Law reference-** Authority to fix salary of council, Minn. Stat. § 415.11.

The following state law requires that there shall be no change in wages until after the next succeeding municipal election:

**415.11 SECOND TO FOURTH CLASS CITIES; GOVERNING BODY SALARIES.**

**Subdivision 1. Set by ordinance.**

Notwithstanding the provisions of any general or special law, charter, or ordinance, the governing body of any statutory or home rule charter city of the second, third or fourth class may by ordinance fix their own salaries as

members of such governing body, and the salary of the chief elected executive officer of such city, in such amount as they deem reasonable.

**Subd. 2. After next election.**

No change in salary shall take effect until after the next succeeding municipal election.

**Subd. 3. Temporary reductions.**

Notwithstanding subdivision 2 or a charter provision to the contrary, the governing body may enact an ordinance to take effect before the next succeeding municipal election that reduces the salaries of the members of the governing body. The ordinance shall be in effect for 12 months, unless another period of time is specified in the ordinance, after which the salary of the members reverts to the salary in effect immediately before the ordinance was enacted.

**History:**

*Ex 1967 c 42 s 1, 2; 1976 c 44 s 34 <<https://www.revisor.mn.gov/laws/?id=44&year=1976&type=0>>; 2009 c 152 s 17 <<https://www.revisor.mn.gov/laws/?id=152&year=2009&type=0>>*

Attached is the Council background information from the last ordinance that was adopted.

City Administrator Martig is suggesting to follow city employees general wage increase from the last two years of 2015 and 2016 for the Mayor and Council's 2017 and 2018 compensation increase. Their increase was a 1% increase January 1 and 1% increase on July first for each year. Martig is suggesting using the annual average which would be an increase of 1.5%

	Current	Proposed 2017	Proposed 2018
Mayor	\$10,918.00	\$11,081.77	\$11,248.00
Council	\$ 8,188.00	\$8,310.82	\$8,435.49

Below are some comparable cities current compensation for reference:

Owatonna	Mayor \$10,200	Council \$7,800
White Bear Lake	Mayor \$9,600	Council \$7,500
Elk River	Mayor \$10,000	Council \$7,500
Faribault	Mayor \$8,400	Council \$7,800
Crystal	Mayor \$10,619.84	Council \$8,169.72
Hastings	Mayor \$9,400	Council \$7,200
New Brighton	Mayor \$8,600	Council \$7,000
New Hope	Mayor \$12,037	Council \$8,791
South St. Paul	Mayor \$12,300	Council \$8,700
Forest Lake	Mayor \$6,500	Council \$5,500
West St. Paul	Mayor \$8,910	Council \$7,150
Columbia Heights	Mayor \$13,800	Council \$7,800
Stillwater	Mayor \$9,000	Council \$7,200

In order to implement a change to be effective for anytime between 2017 and 2018, the Council would need to

initiate a first reading on September 6. The tentative timeline is summarized below. Staff will develop a draft ordinance for consideration depending on Council discussion and direction.

**Alternative Options:**

A. Take no action. The City Council would not need to take any action. In this case, the compensation would remain at the current levels at least through the end of 2018.

B. Propose other increase or decrease from the recommended level.

**Financial Impacts:**

The increase each year is proposed at 1.5% for the Mayor and City Council.

The proposed 2017 budget impact for the Mayor and Council would be an additional expense of \$900.69. The proposed 2018 budget impact for the Mayor and Council would be an additional expense of \$914.25.

**Tentative Timelines:**

September 6 First Reading of Ordinance

September 20 Second Reading of Ordinance

September 28 Publication

October 28 Ordinance Effective 30 days following publication

November 8 Election Day