

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

August 10, 2021

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 state of Arizona of similar size, or other municipalities in the United States of similar size, upon request of the Independent Commission on Compensation for Elected Officials, (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 based on comparative information regarding the compensation of elected officials of municipalities in the state of Arizona of similar size. (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 a public meeting, received and reviewed compensation and benefits data from numerous comparable cities within the state of Arizona.

MEMBERS OF THE COMMISSION: The following Mesa residents were appointed to serve on the Independent Commission: Claudia Walters (chairperson – reappointment), Bryan Raines (vice-chairperson - reappointment), Jo Wilson (reappointment), Rich Adams (reappointment), and one vacancy.

INFORMATION PROVIDED AND REVIEWED BY THE COMMISSION:

Based on the request of the past and current Commission members, staff provided the following information:

- The 2018 Commission’s report and recommendations to the City Council.
- Data from nine cities in the state of Arizona (including Mesa): (1) the annual salaries for the elected officials; (2) benefits provided to the elected officials (e.g., vehicle allowance, communication allowance; (3) population; (4) total municipality budget; (6) any expected salary increases prior to 2022.
- Scenario representing a 3% salary increase to the Mayor and Council current salaries.

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 three times. 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.¹ In 2015, the annual salaries were adjusted to \$73,545 for Mayor and \$36,832 for Councilmember. In 2017, the annual salary was not adjusted for Mayor, remaining at \$73,545, and the annual salary for Councilmember was adjusted to \$40,582.

The Commission believes that salaries of Mesa’s Mayor and Councilmembers should be commensurate with that of comparable cities, especially those in the State of Arizona.

In 2001, the Mayor and Councilmembers began receiving a \$150/month vehicle allowance. In 2015, the vehicle allowance was adjusted to \$550/month for Mayor and \$350/month for Councilmember. In 2017 there were no adjustments to the vehicle allowance; Mayor remained at \$550/month and Councilmember at \$350/month. In 2005, the Mayor and Councilmembers began receiving an \$80/month communication allowance. In 2017, the communication allowance was adjusted to \$100/month for Mayor and Councilmember.

SUMMARY OF COMMISSION DISCUSSIONS:

On June 10, 2021 the Commission met to review and discuss the materials provided by City staff and finalized their recommendations.

The following is a summary of the Commission discussions:

- City staff informed the Commission that a salary adjustment for the Mayor and Council would take effect January 2023. The Commission mentioned that because the 2018

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

adjustment recommendation was not accepted by the Council, it would be a minimum of six years without a salary adjustment.

- The Commission discussed the compensation that is provided to Mesa's elected officials and those of other Arizona cities.
- A 3% salary increase for the Mayor and Council was considered, and City staff informed the Commission that 3% would be in line with the City's budget projections and employee salary increases.
- The previous philosophy of the Commission was discussed, relating to the ratio of Councilmember salary to Mayor salary, and that if 3% were given to the Mayor, as well as the Council, the gap would not decrease.
- In an effort to decrease the ratio between the Mayor and Council salaries, an increase of a fixed dollar amount of \$100 a month, or \$1,200 a year, was suggested and discussed by the Commission.
- After further discussion, the Commission agreed that an annual salary increase of \$1,200 for the Mayor and Councilmembers would be recommended.
- The vehicle allowance for Mayor and Council was considered and the Commission agreed that the current vehicle allowances for Mayor and Council are adequate and do not warrant adjustment at this time.
- The communication allowance for Mayor and Council was considered and the Commission agreed that the current communication allowance for Mayor and Council are adequate and do not warrant adjustment at this time.

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: \$74,745.16 – (Increase of \$1,200)

Councilmembers: \$41,782.10 – (Increase of \$1,200)

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 continue to receive \$550/month and Councilmembers continue to receive \$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 \$100/month as a communication allowance.

City Benefits: The Commission recommends no change to the City benefits for the Mayor and Councilmembers. The Mayor and Councilmembers will continue to 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.


Retiree Benefits: The Commission recommends no change to retiree benefits. There is not a City retiree benefits package for the Mayor or Councilmembers.

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 Arizona cities of similar size. The Commission believes that these recommendations will help Mesa move toward this goal, but that additional adjustments may need to 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 10th day of August, 2021.



Claudia Walters, Chairperson