

ORDINANCE NO. 5840

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA: REPEALING TITLE 2, CHAPTER 25 OF THE MESA CITY CODE, ENTITLED “INDEPENDENT COMMISSION ON COMPENSATION FOR ELECTED OFFICIALS”; AND CREATING A NEW MESA CITY CODE TITLE 1, CHAPTER 5, SECTION 10, TITLED “MAYOR AND COUNCILMEMBER COMPENSATION.”

WHEREAS, the City wishes to maintain market competitiveness and attract qualified individuals for elected positions within Mesa.

WHEREAS, Ordinance No. 5109 created Title 2, Chapter 25 of the Mesa City Code establishing an Independent Commission on Compensation for Elected Officials (“Independent Compensation Commission”) which is required to meet at least once every three years to provide a report and recommendation to the City Manager on the compensation of the Mayor and Councilmembers, and said recommendation must be approved or rejected as a whole by the City Council.

WHEREAS, it is to the benefit of the City to establish fair compensation for Mesa’s elected officials as it ensures the elected officials are compensated for their time and effort on behalf of the City at a level that is reasonable, likely to attract competent and effective persons to serve in public office, and makes public service possible for every eligible citizen, not just those whose financial situation enables them to serve.

WHEREAS, the current compensation of the Mayor and Councilmembers is set forth in Ordinance No. 5650 which was based upon the report and recommendation of the Independent Compensation Commission dated August 10, 2021 (“2021 Report”).

WHEREAS, the City Council confirms that the recommendations from the 2021 Report established fair and reasonable compensation for elected officials, and finds that the compensation established by Ordinance No. 5650 may be used to create a formula and mechanism by which future compensation for Mesa’s elected officials may be set through biennial compensation adjustments in a manner that takes into account the financial circumstances of the City and that would not require further reports or recommendations from the Independent Compensation Commission, nor the continued existence of the Independent Compensation Commission.

WHEREAS, Article 4, Part 2, Section 17 of the Arizona Constitution and Section 202 of the Mesa City Charter sets forth certain limitations and requirements for changes to the salaries of the Mayor and Councilmembers (the “Constitution and Charter Limitations”).

WHEREAS, the United States Bureau of Labor Statistics (“BLS”) is the principal fact-finding agency in the field of labor economics and statistics, measuring labor market activity,

working conditions, price changes, and productivity in the U.S. economy to support public and private decision making.

WHEREAS, according to the BLS Consumer Price Index Inflation Calculator, \$100.00 in August 2021 has the same buying power of \$112.47 in October 2023. This calculation represents changes in prices goods and services purchased for consumption by urban households, and the change in buying power is evidence of the market inflation that has occurred since the 2021 Report from the Independent Compensation Commission.

WHEREAS, in order to continue to ensure market competitiveness and the attraction of qualified individuals for elected positions within Mesa, a modification to the compensation received by the Mayor and Councilmembers is warranted that both takes into account changes in the market and meets the requirements of the Constitution and Charter Limitations.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1: ORDINANCE NO. 5650. That Ordinance No. 5650 dated November 15, 2021, setting forth the salary, vehicle allowance, communication allowance, and city benefits for the offices of the Mayor and Councilmembers shall remain in full force and effect until modified by this Ordinance.

SECTION 2: INDEPENDENT COMPENSATION COMMISSION. That Mesa City Code Title 2, Chapter 25 titled “Independent Commission on Compensation for Elected Officials” is hereby repealed in its entirety, and the Independent Commission on Compensation is hereby dissolved.

SECTION 3: CREATION OF MESA CITY CODE, TITLE 1, CHAPTER 5, SECTION 10. That a new Mesa City Code Title 1, Chapter 5, Section 10, titled “Mayor and Councilmember Compensation” is created as follows with the new ordinance language shown in **bold font**:

SECTION 10: MAYOR AND COUNCILMEMBER COMPENSATION.

- (A) **Effective beginning the first full City employee pay period occurring after the date of the first City Council meeting in January 2025, the annual salary of the offices of the Mayor and Councilmembers will be increased by seven percent (7%).**
- (B) **For the purposes of Subsection (C):**
 - 1. The annual salary, monthly vehicle allowance, and monthly communication allowance of the Mayor shall be referred to collectively as the “Mayor’s Compensation.”**
 - 2. The annual salary, monthly vehicle allowance, and monthly communication allowance of a Councilmember shall be referred to collectively as the “Councilmember’s Compensation.”**

- (C) **Beginning in the year 2027, for any odd-numbered year in which the Mayor or a Councilmember will commence a term of office in January of such odd-numbered year, the Mayor's Compensation and the Councilmember's Compensation shall each be increased, effective beginning the first full City employee pay period occurring after the date of the first City Council meeting in January, by the lesser of either:**
- 1. If there is an increase in the escalation factor for the preceding two (2) calendar years in the U.S. Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) or such other, similar consumer price index established by the United States Bureau of Labor Statistics, then the amount of such increase; or**
 - 2. The total percentage salary step pay increases adopted as a part of the budget during the preceding two (2) years that are applicable to non-represented employee groups, which are defined as those employees not covered under a Memorandum of Understanding (MOU).**

SECTION 4: COMPENSATION ADJUSTMENT EXAMPLE. For the purposes of clarity and not limitation in the application of the compensation adjustments established in Section 3 of this Ordinance, an example is provided in this Section 4 for the Mayor's Compensation and Councilmember's Compensation in 2027.

- A. If the CPI-W in 2025 changed by a total of +4% and in 2026 changed by a total of +3%, the total combined percentage change for the CPI-W for the two-year period would be +7%. If the step pay increase for non-represented employee groups changed in 2025 by +3% and changed in 2026 by +2%, the total percentage salary step pay increase for the two-year period would be +5%.
- B. Applying the percentages used in this example to the formula set forth in Section 3(C) above, effective as of the first City Council meeting in January 2027, as the step pay increase for the two-year period was less than the CPI-W change over the same time, the Mayor's Compensation and Councilmember's Compensation would each increase by +5%.

SECTION 5: INTENT. It is the intent of the City Council that this Ordinance comply with, and be interpreted to comply with, the Constitution and Charter Limitations (as that term is defined in the Recitals). Without limiting the previous sentence, any increase to salary, compensation, or allowance pursuant to this Ordinance and Title 1, Chapter 5, Section 10 of the Mesa City Code will only be implemented in compliance with the Constitution and Charter Limitations; by way of example and not limitation, if the first City Council meeting in January in an odd-numbered year beginning in or after 2027 were to occur prior to the swearing in of a Councilmember, any increase to the Mayor's Compensation or a Councilmember's Compensation would not be effective until the swearing in of a Councilmember.

SECTION 6: RECITALS. The recitals above are fully incorporated in this Ordinance by reference.

SECTION 7: SEVERABILITY. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance, or any part of the material adopted herein by reference, is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 8: EFFECTIVE DATE. The effective date of this Ordinance shall be thirty (30) days following adoption by the Mesa City Council. This Ordinance does not affect the rights and duties that matured, penalties that were incurred, or proceedings that were begun before the effective date of this Ordinance.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, this 11th day of December, 2023.

APPROVED:

Mayor

ATTEST:

City Clerk