

City of Alexandria, Virginia

MEMORANDUM

DATE: MAY 1, 2018

TO: THE HONORABLE MAYOR AND CITY COUNCIL

FROM: THE AD HOC COMMITTEE ON COUNCIL COMPENSATION

SUBJECT: MAYOR AND CITY COUNCIL COMPENSATION RECOMMENDATION

ISSUE: Whether or not, and if so by how much, to increase the Mayor and Council members' annual compensation for the January 2019 through December 2021 Council term?

RECOMMENDATION: The committee recommends that the Mayor and Council members' annual compensation be increased to \$41,600 and \$37,500, respectively, in order to account for the cost of living increase since 2003. Further, a committee should be formed no later than November 15, 2020, to conduct the compensation review for the 2022-2025 term, in order to provide more opportunities for study and public input on appropriate compensation levels.

BACKGROUND: The current compensation levels for the Mayor and City Council members were set at \$30,500 and \$27,500, respectively, in 2003. These compensation levels must be reviewed every three years to consider whether an adjustment is warranted based on an increase in the cost of living. *See* Code of Ordinances § 2-1-4(e).

On January 9, 2018, City Council established an ad hoc committee to make recommendations for mayor and council compensation for the 2019 term. The City Manager appointed five Alexandria residents with expertise in government policymaking, business and governmental management, organizational governance, and experience with Council. The committee was chaired by David Mercer and included Mark Abramson, Judy Coleman, Francis Fannon, and Ramon McMillan.

The City Charter and state law require compensation for the Mayor and City Council to be set by ordinance. If Council approves a change to annual compensation, council would need to take final action on the ordinance at least four months prior to the next City Council election on November 6, 2018. Therefore, any increase would need to be adopted by July 6, 2018.

DISCUSSION: The annual compensation for the Mayor and Council has not been increased in 15 years. The committee unanimously agreed that the compensation should be increased. Four of the committee members joined the recommendation to increase compensation to account for the cost of living increase since 2003; one member dissented on the ground that the increase should have been greater.

The City currently provides the lowest compensation of any major Northern Virginia jurisdiction. (See attachment 2.) Although differences in governance structure and population density preclude a true “apples to apples” comparison, the direction of other jurisdictions is clearly to adjust compensation to reflect, at a minimum, the increase in the cost of living. Arlington County recently increased its board members’ annual compensation to \$53,282 (\$59,610 for the chair). In 2017, Loudon County voted to substantially increase its board’s compensation to \$66,826 (\$81,100 for the chair) beginning January 1, 2020¹.

The following are some of the considerations that were relevant to one or more committee members in recommending a cost of living increase (and no more) at this time:

- The City’s ordinance identifies the cost of living as a factor that not only should but “shall” be considered in setting compensation.
- Failing to adjust compensation for public officials to reflect the cost of living is inequitable.
- Adjusting for the cost of living increase from 2003-2019 results in a one-time increase of approximately 30%, and such steep jumps should be avoided in the future.
- Using the City’s median income of approximately \$89,000 as a rough proxy for median full-time salary, compensation of \$44,500 would be a proxy for a half-time position.
- The Mayor and Council members have access to most City-managed benefit programs, in addition to their salary.

The committee agreed that forming an ad hoc citizens’ committee to review compensation every three years is a sound practice. However, the committee recommends that the next committee be established and appointed by November 15, 2020, or about six months prior to when a recommendation must be provided to Council to permit a timely vote before the statutory deadline in July. This additional time would permit the committee to request more comprehensive reports from City staff, and to solicit public input. The 2020 study should include a benchmarking approach to evaluate Alexandria’s Council compensation to other jurisdictions.

FISCAL IMPACT: If Council decides to increase compensation rates for the future Mayor and Councils, the fiscal impact will begin on January 1, 2019.

ATTACHMENTS:

1. Comparative Jurisdiction Data for Northern Virginia Region
2. Docket Memo to Increase Mayor Council Members and Council Aides (14-4698)

¹ The compensation schedule for the Loudoun County Board of Supervisors includes planned increases through 2023 to eventually raise their compensation to \$70,916.29 (\$86,063.97 for the chair).

Attachment 1: Comparative Jurisdiction Data for Northern Virginia Region

Accurate as of April 2018

Jurisdiction	Jurisdiction Population*	Number of Board Members	Board Member Salary	Board Chair or Mayor Salary	Considered Part Time or Full Time	Planned Increase
Alexandria City	151,473	7	\$ 27,500.00	\$ 30,500.00	Part Time	-
Arlington County	226,092	5	\$ 53,282.00	\$ 59,610.00	Part Time	No
Falls Church	13,597	7	\$ 9,200.00	\$ 9,800.00	Part Time	Unknown
Fairfax City (unconfirmed)	23,620	7	\$ 13,000.00	\$ 12,000.00	Part Time	Unknown
Fairfax County	1,132,887	10	\$ 95,000.00	\$ 100,000.00	Full Time	No
Montgomery County	1,026,371	9	\$ 136,258.00	\$ 149,883.00	Full Time	No
Prince George's County	897,693	9	\$ 120,347.00	\$ 126,364.00	Full Time	Unknown
Loudoun County	362,435	9	\$ 41,200.00	\$ 50,000.00	N/A	Yes**
Prince William County	443,630	8	\$ 43,422.00	\$ 49,452.00	Part Time	Unknown

*2016 ACS 5-year estimates

**On July 20, 2017 the Loudoun County Board of Supervisors approved a new compensation schedule for the 2020-2023 Board. This new schedule includes planned increases each year of the next Board's term up till \$70,916.29 for Board Members and \$86,063.97 for the Chair.

City of Alexandria, Virginia

MEMORANDUM

DATE: DECEMBER 4, 2015
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

..TITLE

Consideration of an Ordinance Increasing Mayor, Council Members and Council Aides Annual Salaries

..BODY

ISSUE: Whether or not, and if so by how much, to increase the Mayor and Council members' salaries for the January 2016 through December 2019 Council term?

RECOMMENDATION: Consider whether to approve on first reading and set for public hearing on December 12, an ordinance establishing the Mayor's annual salary at \$50,000 and Council members' annual salaries at \$45,000 starting in 2016 (these are placeholder amounts for Council discussion purposes).

BACKGROUND: At its November 24 meeting, Council discussed whether or not to increase its annual salaries for the upcoming term of Council. Council salaries were last increased to \$30,500 for the Mayor and \$27,500 for Council members effective with the Council term beginning July 2003. Alexandria Mayor and Council members' salaries are currently the lowest in the Washington, D.C. metropolitan region for a major local governing body.

City Council salaries are set by ordinance, and such an elected official salary-setting ordinance under the City Charter is required to be in place prior to the next Council taking office in January 2016. If Council approves a change, Council would need to take final action on the ordinance at its December 12 meeting. Absent any action, the annual Mayor and Council members' salaries would remain at the current levels through at least 2019.

When setting elected officials' salaries, comparing elected officials' salaries with neighboring jurisdictions is a reasonable way to benchmark salary levels. Staff prepared this benchmark as of November 2015, and found a large range of salaries among major local governments in the Washington, D.C. metropolitan region (Attachment 2). Salaries range from (Mayor or Chair / Member) from Alexandria's current (\$30,500/\$27,500) to the District of Columbia (\$190,000/\$132,000). Given that in the District and the adjacent major Maryland jurisdictions

elected heads and members of the local government legislative body are considered full-time, salaries are much higher. In Virginia, most city and county elected mayors and chairs, as well as the board members and council members are typically considered part-time citizen legislators and therefore salaries are reflective of that status¹. A comparison of only the part-time Northern Virginia mayors and chairs and members' salaries, finds Alexandria (\$30,500/\$27,500) at the low end of the range and Fairfax County at the high end of the salary range (\$100,000/\$95,000). The salaries of other jurisdictions tend to cluster average \$45,000 to \$50,000 with Prince William (\$49,452/\$43,422), Loudoun (\$50,000/\$41,200), and Arlington (\$56,629/\$51,480) having similar salaries.

If Council were to set salaries at a level near most of its part-time neighboring jurisdictions (excluding Fairfax whose salaries are about double other major Northern Virginia jurisdictions), the salary for the Mayor could be set around \$50,000 and Council members at \$45,000. This would establish Council salaries at not the lowest or highest level when compared to neighboring jurisdictions. This approach is similar to Council's adopted pay philosophy used to set pay levels of City employees.

There are many ways to look at how to provide compensation for the responsibilities of the Alexandria's Mayor and Members of Council. While Alexandria is a smaller jurisdiction with regard to geography and population in comparison with other major Northern Virginia jurisdictions, the City is more complex in the issues that it addresses such as mixed-use density related issues, diversity of its population, historic preservation, urban redevelopment, and inter-jurisdictional transportation challenges. Alexandria is also responsible for its roads and streets, but in Fairfax, Loudoun and Prince William these are VDOT's responsibilities. There is little correlation between a jurisdictions population levels and the workload of the members of its elected governing body. Many of the City's adjacent jurisdictions' land use patterns are more suburban and residential in nature. When comparing with neighboring jurisdictions, population does not correlate well with Council member duties.

In addition, the nature of the duties of the Mayor and Council members has changed over time, with more time now devoted to regional issues such as transportation. Thirty years ago there was neither a Virginia Railway Express nor a Northern Virginia Transportation Authority governing bodies (which require the attention and evening meeting attendance by elected officials). Also, serving on the Washington Metropolitan Area Transit Authority Board is now a more time consuming responsibility. In addition, as likely result of electronic media and increased expectations of near-instant government response to citizens inquires, complaints and requests, the Mayor and Council members now devote more time to constituent matters. This means, the number of hours that the Mayor and Council members devote to City matters in order to be responsive and effective has increased over the last several decades. Finally, as the City has increasingly focused on long-term strategic planning, master plans and more detailed small area plans, the workload of Council has increased for those reasons as well.

¹ Note that "full-time" and "part-time" represents the official status. Some "full-time" elected officials are also employed) outside of their local government, and some listed "part-time" elected officials devote more than 40 hours per week to their local government positions.

Council also requested that the salaries of Council aides be reviewed. Currently, the Council aides' annual salary is \$21,411 for a part-time (no uniform established hours) position and \$56,589 for the Mayor's full-time aide. This compares with governing body aide salaries in Northern Virginia (Attachment 3) (where Council or Board members are considered part-time) of between \$31,380 and \$107,063. Aides to other governing bodies in Northern Virginia localities are full-time employees who also receive health insurance and retirement benefits. Alexandria Council Member aides are classified as part-time/temporary and do not qualify under City policy to receive health insurance or retirement benefits. The Mayor's Aide is considered full-time and receives health insurance and retirement benefits.

Given the great disparity between Council aides' salaries in Alexandria and the other Northern Virginia localities, if Council is interested increasing aide salaries, staff recommends that the City's Human Resource Department undertake a study and bring back the results of its analysis for Council review and possible action in January. Unlike Council salaries, aide salaries can be increased at any time, so this issue can be decided in 2016, after the new Council takes office.

FISCAL IMPACT: The impact for each \$5,000 that Council raises the Mayor and Council member salaries is about \$40,000 per year (salary and benefits). If the amounts of \$50,000/\$45,000 are approved, the annual added impact to the City budget would be approximately \$50,000 per year

ATTACHMENTS:

- Attachment 1 – Council Compensation Ordinance
- Attachment 2 – Salaries of Elected Officials – DC, MD, and VA
- Attachment 3 – Salaries of Aides to Elected Officials - VA