



OFFICE OF THE
CITY MANAGER

CITY OF SACRAMENTO
CALIFORNIA

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August 11, 2009

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Compensation Commission
Sacramento, California

Honorable Members in Session:

SUBJECT: Annual Review and Potential Consideration of Adjustments to the
Compensation of the Mayor and City Council

RECOMMENDATION:

This report provides information relative to the compensation of the Mayor and City Council. This report also requests direction and appropriate action by the Commission relative to adjustments to the Mayor and City Council compensation for FY2009/10.

CONTACT PERSON: Patti Bisharat, 808-8197

FOR THE MEETING OF: August 20, 2009

BACKGROUND

The City Charter establishing the Compensation Commission requires that the Commission meet at least once a year. This meeting of August 20, 2009 fulfills that requirement. As part of the annual meeting, staff seeks direction and action by the Commission relating to adjustment to the Mayor and City Council Members compensation for FY2009/10.

In June 2004, the Commission agreed and directed staff on the following:

- The Commission will conduct a yearly review of the Mayor and Councilmember pay for possible adjustment.
- Adjustments should be considered yearly to avoid a large 'catch-up' adjustment every few years.
- Staff will provide information ahead of time to the Commission on salary adjustments provided to city charter officers, exempt management and represented employees.

- Staff will conduct a market survey regularly of comparison cities.
- Benefits for the Mayor and Councilmembers will not be reviewed annually and will remain aligned with those provided charter officers.
- Reaffirmed that any adjustments to the Mayor and Councilmember compensation would align with the City fiscal year and be effective the first paycheck in July.

Per the Commission's direction, the following information is attached:

Attachment A - History of salary adjustments for charter, exempt and represented city employees

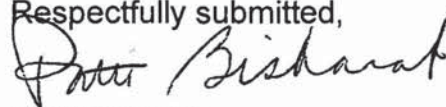
Attachment B – Market survey of other cities current salaries/% change and history of Salary Adjustments

Attachment C – Current Mayor/Council compensation

In the FY2009/10 budget, labor unions for represented public safety employees agreed to a freeze in wage adjustment in order to avoid reductions in Fire and Police. Other represented groups received an average increase of 4%. Exempt management and Administrative/Confidential employees adjustments are made through a performance based process. However, no funding has been allocated for performance-based adjustments for exempt management and administrative/confidential for FY2009/10. Charter Officers are also subject to a performance adjustment prior to the end of the calendar year.

Attachment E shows the additional cost for adjustment to Mayor and Council salary by each percentage change. A draft resolution is provided as Attachment F should the Commission wish to take action to adjust the Mayor and City Council compensation for FY2009/10.

Respectfully submitted,



Patti Bisharat
Commission Staff

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HISTORY OF SALARY ADJUSTMENTS APRIL 2003 – PRESENT

	Charter+	Exempt Mgmt	Admin/Confidential	Represented
July 2003	0%	2% general	2% general	2% cost of living
October 2003	2% general**	0%	0%	0%
January 2004	5% performance based**	0%	0%	0%
July 2004	Up to 2% general	Up to 2% general	Up to 2% general	2% cost of living
October 2004	3.22% - 8.77%	0%	0%	0%
June 2005	10%	0%	0%	4%
October 2005	0%	0% – 8%	0% – 8%	0%
December 2005	0%	0%	0%	1%
June 2006	1.5% - 9.73%	0% – 8%	0% – 8%	5%
June 2007	5%	0% – 8%	0% – 8%	5%
June 2008	0%	0% – 8%	0% – 8%	5%
June 2009	TBD	0%	0%	0% Public Safety 4% Other

**Does not include City Clerk.

Adjustment to Mayor and City Council Compensation per action by the Compensation Commission

	Mayor	Council
FY2008/09	4%	4%
FY2007/08	5%	5%
FY2006/07	5%	5%
FY2005-06	4%	4%
FY2004-05	2%	2%
FY2003-04*	\$95,000	\$50,000

*First action by the Compensation Commission to establish compensation levels.

City of Sacramento Mayor and Council Survey

As of 8-10-09

Agency	2006 Mayor Annual Salary	2008 Mayor Annual Salary	2009 Mayor Annual Salary	Percent Change	2006 Council Annual Salary	2008 Council Annual Salary	2009 Council Annual Salary	Percent Change
Albuquerque, City of	\$96,159	\$103,043	\$109,325	6.10%	\$9,610	\$10,317	\$10,941	6.05%
*Aurora, City of	\$50,880	\$54,246	\$55,331	2.00%	\$11,797	\$12,577	\$12,829	2.00%
*Austin, City of	\$52,988	\$52,998	\$72,134	36.11%	\$45,001	\$59,758	\$61,256	2.51%
*Cincinnati, City of	\$124,930	\$131,904	\$131,904	0.00%	\$62,465	\$65,952	\$65,952	0.00%
Fresno, City of	\$99,360	\$130,000	\$130,000	0.00%	\$44,510	\$65,000	\$65,000	0.00%
*Kansas City, City of	\$105,269	\$113,856	\$118,416	4.01%	\$52,628	\$56,916	\$59,196	4.01%
*Long Beach, City of	\$111,326	\$120,168	\$125,345	4.31%	\$27,832	\$30,042	\$31,338	4.32%
Oakland, City of	\$115,372	\$183,395	\$183,395	0.00%	\$63,000	\$66,896	\$66,896	0.00%
Portland, City of	\$107,806	\$113,818	\$121,451	6.71%	\$90,813	\$95,867	\$102,294	6.70%
*Riverside, City of	\$75,072	\$78,828	\$78,828	0.00%	\$37,536	\$39,408	\$39,408	0.00%
*San Jose, City of	\$105,019	\$105,019	\$105,019	0.00%	\$75,005	\$82,493	\$86,632	5.02%
Seattle, City of	\$147,971	\$159,440	\$166,622	4.50%	\$103,480	\$108,733	\$113,587	4.46%
*Stockton, City of	\$75,108	\$82,089	\$82,089	0.00%	\$22,680	\$23,927	\$23,927	0.00%
AVERAGES	\$97,482	\$109,908	\$113,835	4.90%	\$49,720	\$55,222	\$56,866	2.70%

*Benchmark cities.

ATTACHMENT B

[illegible]

MAYOR/CITY COUNCIL COMPENSATION

CHANGE AND COST OF SALARY ADJUSTMENT OPTIONS

FY2009/10

	Mayor	Annual Salary	City Council	Annual Salary	Addtl Annual Salary Cost
Current Salary	\$115,550		\$60,816		
Adjustment Options:					
3%	\$3,467	\$119,017	\$1,824	\$62,640	\$19,887
4%	\$4,622	\$120,172	\$2,433	\$63,249	\$26,516
5%	\$5,778	\$121,328	\$3,041	\$63,857	\$33,145
6%	\$6,933	\$122,483	\$3,649	\$64,465	\$39,774
7%	\$8,089	\$123,639	\$4,257	\$65,073	\$46,403
8%	\$9,244	\$124,794	\$4,865	\$65,681	\$53,032
9%	\$10,400	\$125,950	\$5,473	\$66,289	\$59,660
10%	\$11,555	\$127,105	\$6,082	\$66,898	\$66,289

ATTACHMENT D

**RESOLUTION OF THE COMPENSATION COMMISSION OF THE CITY OF
SACRAMENTO ADJUSTING THE COMPENSATION OF
THE MAYOR AND CITY COUNCIL FOR FY2009/10**

WHEREAS, Charter Section 29 provides for a Compensation Commission whose function shall be to establish the compensation for the Mayor, members of the City Council and the public members of City Boards and Commissions, and

WHEREAS, the Compensation Commission shall set a compensation for the Mayor and City Council that is reasonable and consistent with other cities similar in size and structure, and

WHEREAS, the Compensation Commission has reviewed current compensation data in comparison cities for the Mayor and City Council and determined that an adjustment to the Mayor and City Council salary is appropriate, and

NOW, THEREFORE, BE IT RESOLVED by the Compensation Commission of the City of Sacramento:

The salary of the Mayor shall be adjusted by X% effective _____, 2009.

The salary of the City Council shall be adjusted by X% effective _____, 2009.

The fringe health and welfare contribution for the Mayor and City Council shall be aligned with those provided Charter Officers per Article 3.1.c(1) of the Personnel Resolution Covering Unrepresented Officers and Employees.

The deferred compensation contribution 401(a) shall be aligned with those provided Charter Officers per Article 3.4.a of the Personnel Resolution Covering Unrepresented Officers and Employees.

The technology and auto allowance received by City Council shall be aligned with those received by Charter Officers. The technology and auto allowance received by the Mayor shall be adjusted commensurate to adjustments made to City Council technology and auto allowance.

The Mayor shall be compensated as summarized below:

- Annual Salary: \$xxxxxxx
- Expense Allowance: \$5,000
- Technology Allowance: \$2,000
- Auto Allowance: \$7,200

- Medical: Up to \$12,600 depending on plan until December 31, 2009; up to \$14,400 depending on plan effective January 1, 2010
- Life Insurance: \$828 (\$150,000 policy)
- A 10% contribution for Medical, Retirement or Deferred Compensation consistent with the Health & Welfare benefits received by Charter Officers
 - Retirement, insurance plans or deferred compensation
- Deferred Compensation 401(A): 4% of salary - requires 5% Mayor match
- City paid Long Term Disability Insurance

The City Council members shall be compensated as summarized below:

- Annual Salary: \$xxxxxxx
- Expense Allowance: \$2,500
- Technology Allowance: \$1,200
- Auto Allowance: \$4,800
- Medical: Up to \$12,600 depending on plan until December 31, 2009; up to \$14,400 depending on plan effective January 1, 2010
- Life Insurance: \$552 (\$100,000 policy)
- A 10% contribution for Medical, Retirement or Deferred Compensation consistent with the Health & Welfare benefits received by Charter Officers
 - Retirement, insurance plans or deferred compensation
- Deferred Compensation 401(A): 4% of salary (requires 5% Council match)
- City paid Long Term Disability Insurance

Raul R. Ramirez, Chair

Approved by the Compensation Commission on _____, 2009.



COMPENSATION COMMISSION

July 23, 2008 7:00 pm
City of Sacramento City Hall
915 I Street, Room 1217
Sacramento, CA

Raul R. Ramirez (Chair)
William Edgar
Virginia Moose

Donna Giles
Deborah Yue

For purposes of the Brown Act (Government Code Section 54954.2(a), the numbered items as shown on this agenda give a brief general description of each item of business to be transacted or discussed at this meeting. The recommendations of the staff, as shown, do not prevent the Compensation Commission from taking other action.

AGENDA

Call to Order

Roll Call

1. Approval of Minutes for meeting of June 7, 2007.

RECOMMENDATION: Approve minutes.

2. Confirmation of Compensation of City Boards and Commissions

RECOMMENDATION: Confirm and approve compensation.

3. Annual Review and Potential Consideration of Adjustments to the Compensation of the Mayor and City Council

RECOMMENDATION: Direction and appropriate action regarding adjustment to the compensation of the Mayor and City Council.

4. Citizens Addressing the Compensation Commission

ADJOURNMENT