

AGENDA ITEM COVER SHEET

SUBJECT

Consideration and possible action to revise the compensation provided to the Mayor and Councilmembers

ITEM SUMMARY

The Council Compensation Committee appointed by the Georgetown City Council met on March 26, 2008. The Committee's agenda was to review and discuss Council compensation, including comparison with similar cities in the region, and to prepare a compensation recommendation for the City Council. The Committee partitioned its work into two parts:

- 1) First, the discussion focused on the general philosophy supporting compensation for members of the Council and for the Mayor.
- 2) Second, the discussion focused on implementing a recommendation that represented the Committee's agreed upon philosophy for compensation.

The unanimous recommendation of the Compensation Committee is the following:

- 1) The City Council should strive to have members representing the full spectrum of citizens in the community of Georgetown, and candidates for these offices should not be unduly inhibited for serving by the expenses of the office or by the financial sacrifices they make while performing city duties. The decision to run for these offices should not be primarily driven by economic considerations. Council diversity will not be only the result of compensation, but the Committee is unanimous in its belief that compensation is an important factor in the equation.
- 2) The Committee reviewed compensation data from other regional cities. Responding to the standard of excellence that the city has demonstrated by its heritage, lifestyle and values, the Committee does not recommend trying to use a direct comparison of the Council's compensation with any other regional cities. They are not Georgetown. Council seats are viewed by our citizens as neither full volunteer positions or as fully compensated positions. The Committee attempted to find a middle ground between these two extremes.
- 3) It is recommended that there be two distinct forms of compensation implemented immediately.

Base Operational Expense compensation is intended to defer a portion of the normal expenses incurred while serving in the office, transportation costs and maintaining communication with constituents. This monthly payment should be \$300 for each council member and \$450 for the mayor. No expense statement or accounting of the detailed expenses incurred will be required.

Personal Expense compensation is intended to be an optional stipend for those council members and the mayor who wish to accept it as a way to partially offset the economic loss they incur as a result of serving on the council. A payment of \$800 per month for council members and for the mayor is recommended to be an annual option available.

FINANCIAL IMPACT

Council Line Item 100-620-5010-00 Salaries (officials) contains a current budget of \$21,000.00 for fiscal year 2007/2008. The impact of the proposed increase in salaries would mean an additional \$4,000.00

would be needed for the remainder of the fiscal year. The increase in payment is to start following the May 10, 2008 Election. In order to allow sufficient reserve for the additional stipend of \$800 per month, an additional \$32,000.00 is needed. The total increase to this year's budget line item would be \$36,000.00. This money would need to come from other City Council budget line items, such as from 100-620-5306-00 Travel and Training, or 100-620-5307-00 Subscriptions and Dues, 100-620-5502-00 Special Events, or 100-620-5501-00 Council Contingency.

So, next year's (2008-2009) budget would increase by \$9,600 for the base salaries and \$78,600 for the stipend.

ATTACHMENTS:

none

Submitted by:

Henry Carr Henry Carr, Chair of the Council Compensation Committee

Sandra D. Lee Sandra Lee, City Secretary