

FISCAL IMPACT NOTE

**Legislation No:** O-12-17

**First Reader Date:** 2-27-17

**Note Date:** 3-8-17

**Legislation Title: Compensation of the Mayor, Aldermen/Alderwomen and City Manager**

**Description:** For the purpose of specifying compensation and allowances to be paid to the Mayor and Aldermen/Alderwomen for the term of office commencing on the first Monday in December, 2017; and for specifying compensation and allowances to be paid to the City Manager.

**Analysis of Fiscal Impact:** The Council Compensation Commission provided recommendations on compensation for the positions of Mayor, Alderman/Alderwoman and City Manager via Resolution 3-17. Based on the analysis below, their recommendation would result in a negative fiscal impact of \$28,589.80.

The Commission recommended no change in the Mayor's compensation.

The Commission recommended a salary increase from \$13,500 to \$15,000 for Council members. This recommendation will become effective the term of office commencing on the first Monday in December, 2017.

The Commission recommended that the City Manager salary range be set between \$140,000 and \$180,000, rather than the current salary range of \$120,000 and \$180,000. The increase in the base compensation will become effective July 1, 2017.

See the chart below for a comparison of current costs and recommended changes assuming the City Manager salary is at the bottom of the play plan.

	Mayor	Council Members	City Manager	
<u>Current</u>				
Salary	98,000.00	108,000.00	130,000.00	
Retirement Contribution (10.94%)	10,721.20	11,815.20	14,222.00	
FICA and Medicare	7,312.00	8,262.00	9,945.00	
Vehicle Benefit			6,000.00	
	116,033.20	128,077.20	160,167.00	
Expense Allotment		12,000.00		
Severance (3 months salary)			32,500.00	
	116,033.20	140,077.20	192,667.00	
<u>Recommended at Maximum</u>				
Salary	98,000.00	120,000.00	140,000.00	
Retirement Contribution (10.94%)	10,721.20	13,128.00	15,316.00	
FICA and Medicare	7,312.00	9,180.00	10,710.00	
Vehicle Benefit			6,000.00	
	116,033.20	142,308.00	172,026.00	
Expense Allotment		12,000.00		
Severance (3 months salary)			35,000.00	
	116,033.20	154,308.00	207,026.00	
Difference	0.00	14,230.80	14,359.00	<b>28,589.80</b>