

City of Albuquerque P.O. BOX 1293, ALBUQUERQUE, NM 87103

Interoffice Memorandum

February 26, 2013

To:

Amy Bailey, City Clerk

From:

John Carey, Chairman, Citizens' Independent Salary Commission

SUBJECT:

Salaries for the Mayor and City Councilors

The Citizens' Independent Salary Commission was approved by City of Albuquerque voters as an amendment to the City Charter (Article XVIII). The Commission was created with the authority to set the salaries of the Mayor and City Councilors. The Commission has the authority to evaluate the annual salaries and determine whether they should be increased or decreased. Neither the Mayor nor Councilors have requested a pay increase.

The Citizens' Independent Salary Commission studied the roles of the Mayor and City Councilors, sought input from the public on an interactive website that allows for public comment, and studied like-sized municipalities in determining this outcome.

After careful study and a transparent review process, the Commission believes the salaries of the City Councilors and the Mayor are adequate at this time.

In conclusion, the Commission thanks the Mayor and the Council for their dedicated service to the City of Albuquerque and its citizens.

The complete report is available at www.cabq.gov/audit/citizens-independent-salary-commission If you have additional questions contact: John Carey, Chairman, 505-980-0723; jaccarey@comcast.net.

Citizens' Independent Salary Commission Report and Recommendations

Executive Summary

As a result of the Regular Municipal Election on October 6, 2009, voters established the Citizens' Independent Salary Commission. The Commission was created and charged with the task of studying and setting the salaries of the Mayor and City Councilors.

The five member Commission deliberated over several months to produce this report and recommendations with the assistance of exceptional staff support. The Commission has determined that City Councilor members will receive no increase to annual salary of \$17,500 that was set by the Commission beginning with the Councilors elected in 2011.

The Commission believes the Mayor's salary is not consistent with the average compensation of a chief executive officer for a \$500 million corporation with 6,000 full time employees. However, the Commission believes the wage provided the mayor is adequate at this time.

In reaching these conclusions, the Commission considered the following:

- The Mayor's salary of \$103,854 is exclusive of benefits. The Mayor receives the same benefit package as other city workers, and the package is approximately 40% of the salary.
- The City Councilors received a much-deserved salary increase of 69% in 2011.
- The Commission carefully reviews the salary of the Mayor and Council every two years, so it has the ability to react to changing economic conditions and realities.
- The Commission is mindful of the severe economic downturn of the past several years and realizes this condition has forced both the public and private sectors of the economy to be more lean and productive. Public agencies, as well as private businesses, have had to tighten their belts. In fact, many private businesses have not survived the recent downturn.

Charter Amendment

Through the charter amendment, the Commission was given the authority to evaluate the annual salaries and determine whether they should be increased or decreased. The Commission has authority to consider all factors relevant to the salaries. Parameters given to the Commission are as follows:

- (a) The Commission shall consist of five members selected by the Accountability in Government Oversight Committee. All members shall be residents of the City of Albuquerque and shall not be an officer, official or employee of the city or an immediate family member of the same. The term of each member shall be for four years, unless a member is selected to fill a vacancy, and no member shall be appointed to more than two terms. The initial terms of members of the newly established Commission shall be staggered; the initial term for two members shall be two years and the initial term of three members shall be four years.
- (b) At least one year prior to each regular municipal election, the Commission shall review the salaries paid by the city to the Mayor and Councilors. If after such review the

Commission determines that the salary should be increased or decreased, the Commission shall file a written salary schedule with the City Clerk indicating the proposed salary.

- (c) Changes to the salaries shall not be effective for the incumbent Mayor and Councilors, but shall be effective at the beginning of the next term.
- (d) Any change to salaries recommended by the Commission shall be subject to the referendum procedures as provided for in Article III, Section 2 of the Charter.
- (e) All meetings of the Commission shall be open to the public and subject to the Open Meetings Act, Sections 10-15-1 et seq. NMSA 1978.

Commission Members

The Accountability in Government Oversight Committee appointed the following people to serve on the Commission:

Name	Term End Date
John A. Carey, Chairperson	2014
Joe Conte	2014
Randolph M. Sanchez	2014
Kenneth Petrulis	2016
Ellen Driber-Hassall	2016

As specified in its charter, the Commission was selected through a process established by the Accountability in Government Oversight Committee. Members have no ties or conflicts with the City of Albuquerque, the Mayor or Council. The Commission carefully approached its work with a thoughtful approach to research and utmost transparency.

Neither the Mayor nor Council has requested a pay increase. All have previously acknowledged knowing the salary for the positions prior to seeking election and chose to do so for many reasons other than the salary.

The Commission sought public input through an interactive website that allows for public comment. All Commission meetings were open to the public.

Salary Information

Presently, the Mayor of Albuquerque is paid \$103,854 annually. This reflects a voluntary five percent (5%) pay decrease sought by the Mayor in 2010. The Mayor's salary was set by Charter in 1974 at \$33,000 and has evolved to its current level following the same process as increases for City employees.

City Councilors are paid a salary of \$17,500 with an additional stipend of \$2,000 for the Council President. This salary was set by the Commission in 2011.

Duties of Office

The Commission studied the requirements of both the Mayor and City Councilors' positions during its initial deliberations dating back to 2010. That work included a questionnaire seeking information regarding typical daily and weekly functions, the amount of time devoted, and motivation for seeking office. The amount of time devoted varies among Council members;

however, on average it seems to require about 30 hours per week. The Mayor's position is more than a regular 40-hour week position. Since the original Charter of 1974, the Commission is convinced that the duties of office have evolved and increased over time.

Recommendations

After careful and transparent study, the Commission decided not to adjust the annual salary of \$17,500 beginning with the Councilors who were elected in 2011. Although the Commission reached consensus that this salary is low for the work and hours city councilors commit to their positions, it determined the financial health of the City of Albuquerque does not warrant an increase at this time. City workers have not received salary increases since 2009 and the Commission is sensitive to this fact.

The Commission believes the Mayor's salary is not consistent with the average compensation of a chief executive officer for a \$500 million corporation with 6,000 full time employees. However, the Commission believes the wage provided the mayor is adequate at this time.

Municipal budgets nationwide, including ours, require that cities work hard to cut costs and be more efficient. The Commission realizes that governmental salaries cannot equate to private sector salaries at the top leadership level. City executive leadership should, the Commission agreed, accept the same salary constraints that the city work force accepts. It is clear that city employees and leaders face the same salary constraints and challenges that have been seen in the private sector during the recent economic downturn.

The Commission did not reach consensus on the Mayor's salary. One member dissented, believing the Commission should affirm a 5% salary increase for the Mayor, which effectively would have taken the Mayor back to the level he had prior to the voluntary 5% cut he took in 2010. As the Commission is an ongoing working group, it will continually consider salaries for the Mayor and Council.

It became quite clear early on in the Commission's deliberations that Council members are required to devote a vast majority of their time to Council business. Attending Council meetings, public gatherings, constituent relations and research for meetings is a significant undertaking. The Commission considered the impact of the time commitment on one's ability to serve as a City Councilor. The Commission continues to believe the current structure appears to allow only certain types of citizens to seek office. However, it believes the 2011 salary increase for Councilors is a big step in the right direction.

Summary

The citizens of Albuquerque elected to establish the Citizens' Independent Salary Commission. The Commission studied the roles of Councilor and Mayor, sought input from the public and studied like-sized municipalities in determining this outcome. As the Commission continues its work, it will also continue to seek input from interested persons.

In conclusion, the Commission thanks the Mayor and the Council for their dedicated service to the City of Albuquerque and its people.

City of Albuquerque Citizens' Independent Salary Commission

City	Population [2010 Census Bureau]	FT Employees	Form of Government (Mayor - Council or Council - Manager)	Annual Operating Budget (FY 13 or most current FY)	Mayor Salary	Manager Salary		Additional Information	Mayoral Salaries		
									Methodology	Responsible Par	y Frequency
Albuquerque NM	545,852	5,880	Mayor - Council	\$ 883,401,000	\$ 103,854	\$ 145,600	\$19,500 (President) \$17,500 (member)		Salary commission	City Council	Every two years
Austin TX	790,390	Total FTEs: 12,331 Adjusted FTEs: 7,157	Council - Manager	Total budget: \$3.1 billion Adjusted budget: \$1,403,768,250	\$ 77,688		\$ 65,957	FTEs and Budget adjusted for comparison purposes. Austin's total budget includes Energy Dept, Water Dept, & Debt Service.	Cost-of-living adjustment will be consdered during the annual budget process	Administration	Annual
Denver CO	600,158	10,000	Mayor - Council	\$ 1,490,000,000	\$145,601*	N/A	\$87,539* (President) \$78,173 (members)	* Salary increases go into effect July 2013 & July 2014	Set by charter & city ordinance	City Council	Reviewed in years of a general election
El Paso TX	649,121	6,281	Council - Manager	\$ 756,804,795		\$ 238,959	\$ 29,000		Set by charter	City Council	Increases given in conjunction with classified employees.
Kansas City MO	459,787	4,407	Council - Manager	\$ 1,314,453,744					Set by City ordinance	City Council	No Set Interval
Las Cruces NM	97,618	1,341	Council - Manager	\$ 298,900,000	\$ 73,892	\$ 163,000	\$ 29,557		Set by City ordinance	City Council	Time to time
Las Vegas NV	583,756	2,380	Council - Manager	\$ 1,200,000,000	\$ 134,472	\$ 177,975	\$ 74,534	74	Set by City ordinance	City Council	Decided by Mgt & council
Mesa AZ	439,041	3,663	Council - Manager	\$ 1,264,000,000	\$38,002*	\$ 210,000	\$19,032*	* Salary increase proposed. Council vote 12/10/12	Salary commission	City Council	Minimum every two years
Oklahoma City OK	579,999	4,511	Council - Manager	\$ 594,000,000	\$ 24,000	\$ 215,109	\$ 12,000		HR - Personnel Class and Comp Division	City Charter Change - Vote of the People	No Set Interval
Salt Lake City UT	186,440	2,600	Mayor - Council	\$ 802,714,184	\$ 118,745	N/A	\$ 23,749		Salary commission - Annual salary survey conducted & reviewed by the City's Citizens' Compensation Advisory Committtee	City Council	Annual
Tucson AZ	520,116	4,386	Council - Manager	\$ 1,314,260,620	\$ 42,000	\$ 201,989	\$ 24,000		Salary commission	Voters - during general election	Every two years
Tulsa OK	391,906	3,643	Mayor - Council	\$ 703,100,000	\$ 105,000	N/A	\$ 18,000		Majority vote by City Council	City Council	No Set Interval