

..Title

Resolution to Determine Salaries of the Mayor and City Council Members for FY 2023 and FY 2024

..Body

Whereas, The Local Officers Compensation Commission is authorized by the Michigan Home Rule City Act, MCL 117.5c and Chapter 22 of Ann Arbor City Code to determine the salaries of the Mayor and City Council in each odd numbered year;

Whereas, The members of the Local Officers Compensation Commission ("The Commission") wish to ensure that service as a member of City Council and as Mayor is accessible to all those eligible to run for office, regardless of their financial status;

Whereas, The Commission recognizes that serving on City Council and as Mayor requires a significant amount of time in excess of a part time position in order to listen to, act on behalf of, and be accessible to constituents; to review information that informs policy-making; to attend commission and task force meetings and meetings with City staff; and to attend Council meetings;

Whereas, The Commission recognizes that the cost of living in Ann Arbor continues to climb, and that serving on City Council and as Mayor now and in the future should not be limited to those with greater financial wealth;

Whereas, The Commission also recognizes that the City budget has a great number of demands, and wishes to both compensate City Council Members and the Mayor fairly, while also being fiscally responsible and mindful of the need for financial resources everywhere;

Whereas, At its 2019 session, the Commission determined that salaries of the City Council members should be set at 50% of the Mayor's salary;

Whereas, The Commission recognizes that the Mayor's responsibilities include but also extend beyond those of the other City Council members, but continues to be concerned about the significant gap between the compensation of the City Council Members and the Mayor;

Whereas, The Commission, while recognizing that it cannot bind future Commission determinations, believes that City Council Members' salaries should ultimately be set at no less than 60% of the Mayor's salary, but believes that incremental increases toward this goal is appropriate; and

Whereas, The Commission has employed the following measures and process to determine the change in salaries:

The Council Mmembers' salaries are set to 5052.5% of the Mayor's salary for FY 2023 and 55% of the Mayor's salary for FY 2024 each year. The Mayor's salary is increased in the next two fiscal years according to a cost-of-living calculation as follows:

The increase in salaries for each fiscal year is equal to the average of the annual percent change in CPI for the fiscal years July 2019-July 2020 and July 2020-July 2021 ~~for the year 2020~~ and the annual percent change in City nonunion employee compensation for the years 2020 and 2021.

July 2019-July 2020 CPI change = 1.0%
July 2020-July 2021 CPI change = 5.4%
City nonunion wage change 2020 = 0%
City nonunion wage change 2021 = 3%
Average percent change (1.0%+5.4%+0%+3%)/4 = 2.4%

~~The percent change in CPI from December 2019 to December 2020 is 1.4%. The CPI used is the U.S. CPI-U (U.S.; all items; base 1982-1984 = 100; non-seasonally adjusted) published by the federal Bureau of Labor Statistics.~~

~~The percent change in City nonunion employee compensation for 2020 is 0%.~~

~~The average of the CPI and City nonunion compensation is therefore (1.4% + 0%) / 2 = 0.7%.~~

RESOLVED, That the Local Officers Compensation Commission of the City of Ann Arbor, in its 2021 session, determines the following salaries for the Mayor and Council members of the City of Ann Arbor:

Mayor:

Current FY 2022 salary:	\$47,452.63
FY 2023 salary (start July 1, 2022):	\$47,452.63 x 1.007 = \$47,784.80
FY 2024 salary (start July 1, 2023):	\$47,784.80 x 1.007 = \$48,119.29
<u>FY 2023 salary (start July 1, 2022):</u>	<u>\$47,452.63 x 1.024 = \$48,591.49</u>
<u>FY 2024 salary (start July 1, 2023):</u>	<u>\$48,591.49 x 1.024 = \$49,757.69</u>

Council members (10 members):

Current FY 2022 salary:	\$23,726.32
<u>(50% of Mayor's FY22 salary)</u>	
FY 2023 salary (start July 1, 2022):	\$47,784.80 x .5 = \$23,892.40
FY 2024 salary (start July 1, 2023):	\$48,119.29 x .5 = \$24,059.65
<u>FY 2023 salary (start July 1, 2022):</u>	<u>\$48,591.49 x .525 = \$25,510.53</u>
<u>(52.5% of Mayor's FY23 Salary)</u>	

FY 2024 salary (start July 1, 2023): \$49,757.69 x .55 = **\$27,366.73**
(55% of Mayor's FY23 Salary)

Total salaries (Mayor plus 10 Council members):

Current FY 2022 salaries: \$284,715.83

~~FY 2023 salaries (start July 1, 2022): **\$286,708.80**~~

~~FY 2024 salaries (start July 1, 2023): **\$288,715.79**~~

FY 2023 salaries (start July 1, 2022): **\$303,696.79**

FY 2024 salaries (start July 1, 2023): **\$323,424.99**

RESOLVED, That this resolution be filed with the City Clerk and transmitted to the City Council as soon as practicable.