

## **MEMORANDUM TO CHARTER REVIEW COMMITTEE**

**DATE:** January 14, 2020  
**RE:** Commissioner Compensation

### **RELEVANT CHARTER PROVISIONS:**

#### **Sec. 3.06: - General powers and duties.**

All powers of the city shall be vested in the commission, except as otherwise provided for by law or this Charter, and the commission shall provide for the exercise thereof and for the performance of all duties and obligations imposed on the city by law. The city commission may establish by ordinance city departments, offices and agencies, and may prescribe their functions and duties.

[There is no specific reference to compensation in the Charter. If one were added, I would suggest adding to Sec. 3.06]

### **OTHER RELEVANT LAW**

#### **Sec. 2-31. - Compensation and expenses.**

The commission may determine the annual salary of commissioners by majority vote of the commission either as part of the annual approval of the budget or, at any other time, by resolution if no overall increase to the general fund is required, or ordinance if an overall increase to the general fund is required. If the commission takes no action, the salary shall be adjusted (COLA) as part of the budget process each year at the same rate of increase as that of city employees. Commissioners shall receive their actual and necessary expenses incurred in the performance of their duties of office as preauthorized by the city commission.

(Ord. No. 85-23, § 2, 9-19-1985; Ord. No. 2007-13, § 1, 8-1-2007; Ord. No. 2017-16, § 1, 8-2-2017)

### **ISSUE OR QUESTION:**

Per Mr. Garson:

I believe that the pay of the Commissioners should not be left to them. Any changes in their compensation can become quite political. Also, I think there are some real problems with how they are compensated now.

I have no problem with their base pay which I believe is \$35,000 per year. I have a big problem with how the travel allowance is handled, and to be honest, I am not sure how the health insurance reimbursement is set up.

If the Commissioners pay is in the Charter, it should not be fixed until the next charter review. I would increase it every year using some COLA figure. I would have 2020 finish at the present rate, and use the COLA to determine their pay for 2021 and going forward.

The way travel expenses are handled is a disaster in my opinion. Essentially we are asking the Commissioners to pay for their own travel. They have \$10,000 in an account to pay for travel related to their job as a Commissioner and whatever they don't spend, they keep. In essence, they start the year getting \$45,000 and deduct from that any travel that they do on city business. It comes from their pay. Why should they have to pay themselves for travel for the city? We should go back to the old system where each elected official has a budget of \$10,000 for city related travel. If they don't use all of the money, the balance stays with the city. If they use up the \$10,000, they can ask the Commission to approve an additional money for travel. This takes away the disincentive to travel for city business.

As I said, I am not sure how the payment for health benefits work now. I would propose a couple of things. An elected official can be reimbursed for their health care insurance costs up to the amount the city pays for the insurance of a full time employee. If the costs of a city employee are greater than the elected official pays for their health insurance, they only get what they pay out themselves. If the officials health insurance costs more than the city pays for their employees, then the official would get an amount equal to what the city pays. Also, if it was possible, I would let an elected official opt into the city health insurance plan. Their costs would be the same as any other city employee gets. I am assuming that the cost to the city is the same for hourly and salaried employees. If there is a difference, the cost to the city of the salaried employee would be the figure used.

#### **OTHER ADMINISTRATIVE INFORMATION:**

The Mayor and City Commissioners are budgeted an annual insurance allocation amount, based on the insurance costs that the City has negotiated for all employees, that is to be used for health/dental/vision/life insurance coverage, or other related expenses, such as medical/dental/vision procedures and prescriptions. For Fiscal Year 2020, a total of \$15,020 was budgeted for each elected official. The amount budgeted varies each Fiscal Year depending on the City negotiated cost for each insurance policy. Each elected official has the option to either select the City insurance coverage or purchase their own individual policy. If the City insurance policy was selected, the Human Resources Department automatically deducts the corresponding insurance deduction from the allocated funds. If a separate policy is selected, the Human Resources Department reimburses the amount, based on actual receipts, up to the annual allocated insurance amount. Elected officials may also submit receipts for medical/dental/vision related procedures or prescriptions that they will receive reimbursement, up to the annual allocated insurance amount. At the end of each Fiscal Year, the total remaining unspent allocated

funds are disbursed to each elected official as a refund, through payroll. Elected officials will only be reimbursed up to the annual insurance allocation amount.

#### **COMPARATIVE LEGAL REVIEW:**

A review of Municode Library for Florida revealed that the vast majority of municipal governments do not reference commissioner compensation in their Charter, but rather have guidelines in their Code of Ordinances, as the City currently has. Below are some potentially relevant Charter provisions that were identified on this subject:

##### **Sunrise, FL Charter Sec. 3.15. - Compensation of Commissioners and Mayor.**

The compensation of the Mayor and Commissioners shall be fixed by ordinance from time to time. The Mayor and Commissioners may receive their actual and necessary expenses incurred in the performance of their duties.

##### **Pahokee, FL, Charter Section 2.03. - Compensation.**

The salary and other compensation of the mayor-commissioner and the other commissioners shall be set by ordinance; however, no increase in salary may benefit any incumbent mayor-commissioner or commissioner during his current term of office.

##### **Lakeland, FL Charter Sec. 18. - Compensation of city commission.**

The city commission shall fix the salary or compensation of the mayor and the city commissioners by appropriation in the city budget; provided, however, that before the compensation of the mayor or the other city commissioners may be increased from their respective compensations received in the next preceding budget year, the city commission shall first hold a public hearing upon the matter of the increase, notice of which hearing shall be published in a newspaper of general circulation in the City of Lakeland one time not less than thirty (30) days prior to the hearing. The salary or compensation of the mayor as determined herein shall not be an amount less than one hundred fifty (150) percent of the salary or compensation of a city commissioner.

##### **Callaway, FL Section 2.08. - Compensation and benefits of city commission.**

Each City Commissioner shall be entitled to compensation in an annual amount as set by ordinance of City Commission, payable in monthly installments for each month that he or she serves in office, unless any City Commissioner elects to participate in and receive the benefits of the retirement system offered by the City, in which case such City Commissioner(s) shall be entitled to receive compensation in a lesser annual amount as set by ordinance of City Commission, payable in monthly installments for each month he or she serves in office. Group insurance, including but not limited to, health, life, dental, accident or hospitalization shall be offered to each City Commissioner; however, the City shall not pay any portion of the cost of any premium for any such group insurance plan offered to any City Commissioner.

**Wildwood, FL Charter Section 4-5. - Compensation of officers and employees.**

Pursuant to the authority granted by this Charter, the city commission shall be resolution fix the compensation of its members, including the mayor-commissioner; and any increase voted under the foregoing by the city commission shall not become effective until after the next regular city election.

**Apopka, FL Charter Sec. 2.03. - Compensation; expenses of council.**

The mayor and all members of the city council shall receive a salary as now provided by law and ordinance or as hereafter provided by the city council by law or ordinance. No change in the compensation ordinance for a city commissioner shall become effective until the duties of commencement of the terms of commissioners elected at the next regular election, provided that such election follows the adoption of such law or ordinance by at least six months. The mayor and each city commissioner shall be reimbursed from the city treasury to cover the expenditures naturally and necessarily incurred in the performance of their duties of office and said reimbursement procedure shall be established by ordinance and/or resolution.

**Polk City, FL Charter § C-8. - Compensation.**

A. The City Commissioners of the city shall receive the sum of fifty dollars (\$50.00) per month and the Mayor-Commissioner shall receive the sum of one hundred dollars (\$100.00) per month as compensation for their respective services to the city during the time they hold office. The compensation of Commissioners may be increased from time to time by ordinance.

B. All Commissioners shall be authorized to receive reimbursement for expenses incurred in connection with performing official duties for the city, and a fund shall be provided in the annual budget for the purpose; provided, however, that the city in no way shall be obligated for the payment of such expenses unless and until the City Commission shall have expressly approved the same in an open public meeting.

**Anna Maria, FL Charter Sec. 3.04. - Compensation.**

The City Commission shall determine the annual compensation of the City Commissioners by ordinance. No City Commission member's compensation shall be increased during his or her current term of office. Annual compensation of City Commissioners may be increased for subsequent terms served.