



Takoma Park City Council Meeting – October 13, 2021 Agenda Item 4

Work Session

Discussion of Council Compensation Committee recommendations and potential change to Council salary or benefit changes.

Recommended Council Action

Review recommendations presented by the Council Compensation Committee from April of 2020, and discuss potential changes to Council compensation.

Context with Key Issues

The Council Compensation Task Force was appointed on November 18, 2019 to review the salary and other compensation for the Mayor and Councilmembers, and to recommend changes. Those recommendations were presented to Council on April 22, 2020.

The Committee's recommended changes included an increase to the salary and additional benefits for both the Mayor and Councilmembers. The Director of Human Resources then met with Council on June 17, 2020, to discuss current benefit options available and potential changes to Council benefits.

Section 2.04.100(A) and (B) of the City Code designate that the salaries of the Mayor and Councilmembers be increased at the start of each fiscal year. As such, Council salaries are generally increased on July 1 of each year by the amount of the Employment Cost Index.

Per the Maryland Constitution and City Charter, Council may not amend their own salary or benefits. Therefore, any Council compensation changes will go into effect with the next Council, elected in 2022.

Updated wage information for regional Councils will be presented, as well as options for changes to the Mayor and Councilmember salaries.

Council Priority

An Engaged, Responsive & Service-oriented Government

Environmental Considerations

There are no environmental impacts which would occur.

Fiscal Considerations

The fiscal impact will depend on the determination of Council.

Racial Equity Considerations

Race equity was one of the factors considered by the Council Compensation Task Force, as to whether current salary and benefits are considered barriers to running for office or serving on Council.

Attachments and Links

- [Council Compensation Task Force Recommendations \(Presented on 4/22/20\)](#)
- City Code Sections: 2.04.100, 2.04.105, 2.04.110
- Salary Comparison Research (October 2021)

2.04.100 Salary of Mayor and Councilmembers.

A. The Mayor shall receive an annual salary of \$13,000.00 through the date on which the Mayor elected in November 2013 is sworn in. For the period from the day following the swearing in of November 2013 until June 30, 2014, the salary shall be \$13,000.00 as adjusted according to the 12-month percent of change in the annual Wage and Salaries Employment Cost Index for State and Local Government calculated as of December 2012, or 0.0%, whichever is greater. Thereafter, the Mayor's salary shall be adjusted on July 1st of each year pursuant to the above index, or 0.0%, whichever is greater.

B. Each Councilmember shall receive an annual salary of \$10,000.00 through the date on which the Councilmembers elected in November 2013 are sworn in. For the period from the day following the swearing in of November 2013 until June 30, 2014, the salary shall be \$10,000.00 as adjusted according to the 12-month percent of change in the annual Wage and Salaries Employment Cost Index for State and Local Government calculated as of December 2012, or 0.0%, whichever is greater. Thereafter, the salary of each Councilmember shall be adjusted on July 1st of each year pursuant to the above index, or 0.0%, whichever is greater.

C. In the event that a staff wage adjustment is suspended due to financial constraints, adjustments to the salaries of the Mayor and each Councilmember shall also be suspended.

D. The Mayor and Councilmembers shall be paid biweekly in accordance with the City's regular payroll schedule. (Ord. 2015-51 § 1, 2015/Ord. 2012-53 § 1, 2012/Ord. 2007-42, 2007/Ord. 2004-3 (part), 2004)

2.04.105 Health insurance benefits of Mayor and Councilmembers.

Effective the day after the Mayor and Councilmembers are sworn in following the November 2013 election, the Mayor and each Councilmember may participate in the City's health insurance program on a cost sharing basis, with the City paying 50% of the lowest cost base premium rate for individual coverage. (Ord. 2015-51 § 1, 2015/Ord. 2012-53 § 1, 2012)

2.04.110 Periodic review of council compensation.

A. Council Compensation Committee. The Council shall appoint a committee of City residents, at least every four years, to serve as the Council Compensation Committee. The Committee shall review the salaries of the Mayor and Councilmembers and recommend to the Council whether such salaries should be changed, as well as review the principles of compensation.

B. Principles of Compensation. The purpose of compensation is to provide the Mayor and Councilmembers with salary and nonsalary benefits which promote a more equitable incentive and opportunity for residents to run for elected office. The Council Compensation Committee shall apply the following principles to guide its recommendations:

1. The City of Takoma Park is committed to the fair and equitable administration of compensation, which includes salary and benefits;
2. Compensation shall be balanced between the City's financial condition and fiscal capacity, and the service and stewardship provided by the Mayor and Councilmembers;

3. In recognition of the complex community-oriented nature of the work performed by the Takoma Park City Council, the City should strive to maintain a compensation structure that provides fair and reasonable compensation which need not be comparable with municipalities of similar size;
4. To recognize increased responsibility, the Mayor's salary shall be greater than that of the Councilmembers; and
5. Information regarding compensation of the Mayor and Councilmembers shall be transparent and easily accessible.

C. Effective Date of Council Salary Adjustment. Any change in the salary paid to the Mayor and Councilmembers shall be adopted prior to the next municipal election and takes effect only as to the next succeeding Mayor and Councilmembers as prescribed in Sections 302(c) and 304(c) of the Municipal Charter. (Ord. 2020-29, 2020/Ord. 2004-3 (part), 2004)

Mayor and Council Member Current Annual Salaries (October 2021)

Local Cities	Mayor	Council Member	Year the Current Salary was Set	Health Benefits Included	Notes
Annapolis	\$98,000.00		2017	Yes	Mayor is entitled to the benefits afforded to the City's exempt service employees.
Annapolis		\$15,000 increased by the CPI (increase by \$1,000 plus the CPI in years 2, 3, and 4 - see detailed note)	Dec-21		The salary of each Alderman and Alderwoman for the term of office commencing on the first Monday in December, 2021, shall be an annual salary of fifteen thousand dollars increased by the percentage of the consumer price index (CPI), as calculated for the twelve-month average annually for the Washington-Baltimore Metropolitan Area. In year two of their term, the annual salary shall first increase by one thousand dollars, then increase by the CPI rate as described in year one. In year three, the annual salary shall first increase by an additional one thousand dollars, then increase by the CPI rate as described in year one. In year four, the annual salary will first increase by an additional one thousand dollars, then increase by the CPI rate as described in year one. Each Alderman and Alderwoman shall be afforded an annual allowance of two thousand dollars to be used exclusively for expenses related to the performance of usual and customary constituent services; such expenses may include supplies for town halls and constituent outreach, education, and training. Aldermen and Alderwomen shall participate in the Maryland State Retirement and Pension System.
Bowie	\$ 24,460.80	\$ 16,461.12	2020	No	Option to elect health and dental but must pay the full cost
College Park	\$ 10,500.00	\$ 7,000.00	2018	No	
Gaithersburg	\$ 30,000.00	\$ 24,000.00	2018	No	
Greenbelt	\$ 12,000.00	\$ 10,000.00	2009	No	
Hyattsville	\$ 16,151.00	\$ 10,809.00	2019	No	Option to elect health and dental but must pay the full cost
Laurel	\$ 10,000.00	\$ 4,000.00	1987	No	
Mount Rainier	\$ 10,000.00	\$ 7,500.00	Mayor salary set in 2017; Council salary set in 2019	No	
New Carrollton	\$ 9,600.00	\$ 6,000.00	2020	No	Participate in State retirement
Riverdale Park	\$ 12,000.00	\$ 6,000.00	2013	No	
Rockville	\$ 34,983.00	\$ 28,392.00	2019	No	
Takoma Park	\$ 15,413.05	\$ 11,856.24	2021	Yes	Increased by the prior year ECI for state and local government employees annually. City paying 50% of the lowest cost base premium rate for individual coverage