

Background

Like several other large American cities, Columbus currently establishes compensation for elected officials by ordinance. While there is great variability in the way salaries are established across the nation's largest cities, several emerging practices attempt to balance the desire to remove a perception of politics in setting appropriate levels of officeholder compensation with the need to maintain accountability to voters. Staff suggests the Charter Review Commission recommend adoption of a citizens' commission process to recommend salaries for the city's elected officials to adequately address those issues, while requiring Council action constrained by those recommendations.

Issue Overview – Current City Practices

Currently, the Columbus City Charter states that the salary of the officers and employees of the city shall be established by ordinance of Council (Sec. 15). The charter limits Council's discretion related to elected officials as follows:

- Councilmember salary may not be less than \$4,800 a year (Sec. 7)
- Salary for "officers and employees" must be "uniform for like service" (Sec. 15)
- Changes in salary may not be made "midterm" (Sec. 15)
- Mayoral salary may not be less than \$5,000 a year (Sec. 59)
- Mayoral salary must be set at least one year before the start of a term of office (Sec. 59)

In line with these provisions, Council establishes compensation for city elected officials on a periodic basis. Currently, compensation has been established through 2017 for the city attorney, auditor and council members, and 2019 for the mayor.

While the city has previously used processes such as consultant studies to research and recommend appropriate pay for city employees, the charter does not require that Council consider objective factors, conduct market analysis, or otherwise substantiate changes to officeholder salaries. However, Council's actions will, as with any legislative act, be subject to the court of public opinion and the power of the ballot box.

Common Practices

In reviewing of the compensation sections of the charter, staff was asked to research common practices in the nation's 30 largest cities. Research demonstrates that citizens across the country have wrestled with two competing goals: limiting elected officials' ability to set their own pay, while assuring that voters can hold someone accountable when elected officials' pay is set.

Indeed, this struggle goes back to the Bill of Rights in the US Constitution. At the same time the Bill of Rights was proposed (1787), states were presented with a constitutional amendment to limit congress' ability to change or establish their salaries mid-term or without an intervening election. What is now

known as the 27th – and most recent – Amendment to the US Constitution was not ratified by sufficient states until 1992.

While this long-standing tension has resulted in great variability in the way salaries are established across the nation’s largest cities, a review of those cities reveals a growing trend towards “arm’s length” citizen processes to inform or establish officeholder compensation.

Of the nation’s 30 largest cities, including the seven largest Ohio cities not in that category, a majority establish elected official compensation by a method other than discretionary ordinance. The most common methods are citizen commissions on compensation, charter-established salaries, and state law.

METHOD OF SETTING SALARIES	
Review of 30 largest US cities, including Ohio's largest cities	
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Charter-established pay provisions primarily exist in Southwestern cities, where officeholders are expected to work part-time and receive minimal compensation. One exception is Cincinnati, which establishes city manager pay by ordinance, but relies on a charter-prescribed formula to establish councilmember pay.

State law provisions for salary generally arise where the municipality’s charter is a creature of state law or home rule provisions are significantly more restricted than Ohio’s.

The use of citizens’ commissions continues to gain traction at the municipal and state level across the country. This year, Minnesota voters will consider a constitutional amendment to establish such a commission for all elected officials. Similar processes have already been established for state officials in 19 states.¹

In each instance, voters have affirmed their desire to remove some discretion in establishing compensation, while retaining a measure of accountability.

These trends stand in contrast to an ordinance-driven process, whereby a paid consultant study or one-time commission created by ordinance makes non-binding salary recommendations. The ordinance-based approach does not provide long-term consistency or predictability in establishing compensation, and, as with any ordinance, could be repealed at any time.

¹ <http://www.ncsl.org/research/about-state-legislatures/pay-problem.aspx>

Conclusion

Based on a close review of the charter provisions in Baltimore, Dayton, Detroit, Phoenix, San Diego, San Francisco, San Jose and Toledo, staff recommends the establishment, in the charter, of a Citizens' Commission on Elected Official Compensation. Columbus has the opportunity to embrace greater public involvement in setting elected official compensation, while maintaining the core principle that, at the end of the day, elected officials must be accountable for their decisions.

To facilitate Commission consideration of this recommendation, staff has worked with internal stakeholders to develop draft amendment language for your consideration.

~~Sec. 7. Salary and attendance.~~

~~Each member of the council shall receive a salary of not less than four thousand eight hundred dollars a year, payable in equal monthly installments. Absence from eight consecutive regular meetings shall operate to vacate the seat of a member unless the absence is excused by resolution of council setting forth such excuse and entered upon the journal.~~

Sec. 15. Compensation of officers and employees.

Subject to the provision of this charter as to the salary of council members, the auditor, the city attorney, and the mayor, council shall fix by ordinance, the salary or compensation of all officers and employees of the city government: ~~provided, however, that the board of health, and the trustees of the sinking fund shall have the power to fix the salary or compensation of the officers and employees in their respective departments.~~ The salary or compensation so fixed shall be uniform for like service. All such salaries and rates of pay shall be reported to the civil service commission forthwith. The salary of any officer, employee, or member of a board or commission in the unclassified service of the city who was elected or appointed for a definite term shall not be increased or diminished during the term for which the individual was elected or appointed, and all fees pertaining to any office shall be paid into the city treasury.

Sec. 15-1. Citizens' commission on elected official compensation.

The salary of all elective officers provided for in this charter shall be established by ordinance upon recommendation from a citizens' commission on elected official compensation.

Sec. 15-2. Commission membership.

The citizens' commission on elected official compensation shall consist of five members, who shall be qualified electors of the city, shall not hold any other office or employment in the city government, and shall serve without compensation. Two members shall be appointed by the council, two members shall be appointed by the mayor, and one member shall be jointly appointed by the council and the mayor, such member serving as chair of the commission. Such appointments shall take place at the second regular meeting of council in 2018 and of each succeeding fourth year thereafter; except that the first

commission shall be appointed at the second regular meeting of council in 2015. Vacancies shall be filled in the same manner as prescribed for the original appointment. The meetings and records of the commission shall be open to the public as provided for in this charter and general laws of the state.

Sec. 15-3. Commission duties.

The commission shall conduct a review of salaries for like positions in the public sectors. The review shall be made for the purpose of recommending salaries appropriate to the duties and responsibilities of each elective officer of the city.

Sec. 15-4. Commission report.

Within three months of appointment, the commission shall submit to the city clerk a report of recommendations for the salary of each elective officer of the city, including an annual cost of living adjustment which shall not exceed the average increase in the consumer price index, or successor thereto, during the preceding four years. If the commission fails to timely submit the report, the council may compel a meeting of the commission to prepare and submit the same.

Sec. 15-5. Council action to establish salaries.

Within thirty days after the report is submitted, council shall by ordinance either accept the commission recommendations or any portion thereof, or reject the same. If council rejects the recommendations, the salaries then in effect shall remain unchanged. In no event may council adopt an ordinance establishing salaries which exceed the recommendations of the commission.

Sec. 59. Salary of mayor.

The salary of the mayor shall be five thousand dollars per annum; but said salary may be changed by ordinance of council, provided that such ordinance must be passed at least one year prior to the beginning of the term of the mayor to be affected thereby.

ELECTED OFFICIAL COMPENSATION

CITY	STATE	METHOD SUMMARY
Cincinnati	OH	Charter
Dallas	TX	Charter
El Paso	TX	Charter
Fort Worth	TX	Charter
Los Angeles	CA	Charter
Memphis	TN	Charter
Oklahoma City	OK	Charter
San Antonio	TX	Charter
Washington	DC	Charter
Baltimore	MD	Commission
Dayton	OH	Commission
Detroit	MI	Commission
Phoenix	AZ	Commission
San Diego	CA	Commission
San Francisco	CA	Commission
San Jose	CA	Commission
Toledo	OH	Commission
Akron	OH	Ordinance
Austin	TX	Ordinance
Boston	MA	Ordinance
Charlotte	NC	Ordinance
Chicago	IL	Ordinance
Cleveland	OH	Ordinance
Columbus	OH	Ordinance
Denver	CO	Ordinance
Las Vegas	NV	Ordinance
Nashville-Davidson	TN	Ordinance
New York	NY	Ordinance
Philadelphia	PA	Ordinance
Youngstown	OH	Ordinance
Indianapolis	IN	Ordinance
Portland	OR	Ordinance
Seattle	WA	Ordinance
Houston	TX	State law
Jacksonville	FL	State law
Louisville-Jefferson County	KY	State law
Milwaukee	WI	State law