CITY OF STOUGHTON
FINANCE DEPARTMENT
207 S Forrest, Stoughton, WI 53589

(608) 873-6677 www.ci.stoughton.wi.us

Date: December 9, 2021

To: Finance Committee

From: Jamin Friedl

Subject: Council Member Pay Changes

During the second Committee of the Whole Workshop for the 2022 budget, the members requested that City staff review the statutory requirements and obtain information from surrounding communities as it relates to governing body compensation. City of Stoughton Common Council members are currently paid $3,600 per annum and that amount has not changed in many years.

City staff reached out to five surrounding municipalities and found the average pay (excluding Stoughton) to be approximately $6,100 per annum. Select municipalities also offer the Council/Village President additional compensation as well. A detailed listing of the municipalities surveyed is attached to this letter.

The League of Wisconsin Municipalities recently released an article discussing the nuances of making changes to governing body compensation. The key factors to considering while making decisions regarding governing body compensation changes are outlined below:

- Changes to governing body compensation must be made within a certain time frame, and mid-term compensation changes for governing body members are prohibited
- Changes made during a governing body member's term can take effect if and when that officer is elected for a new term
- Establishing salaries for governing body members requires a three-fourths vote of all the members of the governing body
    - Once established, the salaries of governing body members remain in effect for ensuing terms unless changed by ordinance
    - Subsequent changes to the ordinance may be made without an extraordinary vote (i.e., made by a majority vote) unless local procedure dictates otherwise
- Compensation for governing body members must be established before the earliest time for filing nomination papers for the office

    - After that time or date, no changes to governing body compensation may be made that apply to the term of office for which the deadline or date applies
    - This deadline passed on 12/1/21 for the upcoming elections, so any proposed changes to the governing body compensation would not take effect until newly/re-elected members are sworn in in 2023
- Wisconsin Statutes prohibits city and village officials from collecting, during their term of office, salary in excess of the salary provided at the time they took office
    - This prohibition does not prevent governing body members from receiving prescheduled salary increases during the middle of their term
    - It simply prohibits mid-term increases determined by current governing body members
    - A governing body may decide that a salary increase will take effect at the beginning of the next term, or at some other time, such as after the first year of the next term
    - If seats are staggered, as is the case with Stoughton, this means that newly elected officers could receive more compensation than officers continuing to serve out their terms
- Automatic cost-of-living increases are not advisable
- Different compensation levels based on governing body member's years of service is not advisable

The entire article posted by the League of Wisconsin Municipalities can be found using the link below.

11 21 THE MUNICIPALITY By the Numbers.pdf (constantcontact.com)

Respectfully,

Jamin Friedl

ANNUAL PAY RATES FOR SURROUNDING GOVERNING BODIES

Verona:

Council Members	$	5,148
Mayor	$	8,364

- Verona applies COLA annually

Waunakee:

Village Trustees	$	7,400
Mayor	$	4,250

- Waunakee's rates are set by ordinance and have not changed in many years

Monona:

Council Members	$	4,800
Mayor	$	7,800

- Monona's rates are set by ordinance and have not changed in six years

Sun Prairie:

Council Members (elected 2021)	$	6,963
Council Members (elected 2022)	$	7,207
Council President	$	11,087
Mayor	$	21,245

- Sun Prairie's rates are set by ordinance and a 3.5% increase will occur for members elected in 2022. Since the pay is set by ordinance, Council cannot vote on pay increases for themselves and the increases are implemented over time based upon when members are up for election.

Fitchburg:

Council Members	$	5,000
Council President	$	5,500
Mayor	$	10,000

Stoughton:

Council Members	$	3,600

- Stoughton is the only municipality with a full-time mayor

ANNUAL BUDGET IMPACT

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
January	$ 3,600	$ 3,600	$ 3,933	$ 4,267	$ 4,600	$ 4,933	$ 5,267	$ 5,600	$ 5,767	$ 5,933
February	$ 3,600	$ 3,600	$ 3,933	$ 4,267	$ 4,600	$ 4,933	$ 5,267	$ 5,600	$ 5,767	$ 5,933
March	$ 3,600	$ 3,600	$ 3,933	$ 4,267	$ 4,600	$ 4,933	$ 5,267	$ 5,600	$ 5,767	$ 5,933
April	$ 3,600	$ 3,600	$ 3,933	$ 4,267	$ 4,600	$ 4,933	$ 5,267	$ 5,600	$ 5,767	$ 5,933
May	$ 3,600	$ 3,933	$ 4,267	$ 4,600	$ 4,933	$ 5,267	$ 5,600	$ 5,767	$ 5,933	$ 6,100
June	$ 3,600	$ 3,933	$ 4,267	$ 4,600	$ 4,933	$ 5,267	$ 5,600	$ 5,767	$ 5,933	$ 6,100
July	$ 3,600	$ 3,933	$ 4,267	$ 4,600	$ 4,933	$ 5,267	$ 5,600	$ 5,767	$ 5,933	$ 6,100
August	$ 3,600	$ 3,933	$ 4,267	$ 4,600	$ 4,933	$ 5,267	$ 5,600	$ 5,767	$ 5,933	$ 6,100
September	$ 3,600	$ 3,933	$ 4,267	$ 4,600	$ 4,933	$ 5,267	$ 5,600	$ 5,767	$ 5,933	$ 6,100
October	$ 3,600	$ 3,933	$ 4,267	$ 4,600	$ 4,933	$ 5,267	$ 5,600	$ 5,767	$ 5,933	$ 6,100
November	$ 3,600	$ 3,933	$ 4,267	$ 4,600	$ 4,933	$ 5,267	$ 5,600	$ 5,767	$ 5,933	$ 6,100
December	$ 3,600	$ 3,933	$ 4,267	$ 4,600	$ 4,933	$ 5,267	$ 5,600	$ 5,767	$ 5,933	$ 6,100
	$ 43,200	$ 45,867	$ 49,866	$ 53,866	$ 57,866	$ 61,866	$ 65,866	$ 68,532	$ 70,533	$ 72,533
Budget Impact	**$ -**	**$ 2,667**	**$ 4,000**	**$ 4,000**	**$ 4,000**	**$ 4,000**	**$ 4,000**	**$ 2,667**	**$ 2,000**	**$ 2,000**
High Pay	**$ 3,600**	**$ 4,600**	**$ 4,600**	**$ 4,600**	**$ 5,600**	**$ 5,600**	**$ 5,600**	**$ 6,100**	**$ 6,100**	**$ 6,100**
Low Pay	**$ 3,600**	**$ 3,600**	**$ 3,600**	**$ 4,600**	**$ 4,600**	**$ 4,600**	**$ 5,600**	**$ 5,600**	**$ 5,600**	**$ 6,100**
Change	**$ -**	**$ 1,000**	**$ 1,000**	**$ -**	**$ 1,000**	**$ 1,000**	**$ -**	**$ 500**	**$ 500**	**$ -**