

AN ORDINANCE TO ADOPT A NEW METHODOLOGY FOR CALCULATING CITY COUNCIL SALARIES AND TO ESTABLISH SALARIES OF CITY COUNCIL MEMBERS FOR THE 109TH COUNCIL SESSION TO BE EFFECTIVE AS OF JANUARY 7, 2025

#0431

Sponsors:

Council
Member
Johnson

WHEREAS, City Charter Section 2-100 provides, in relevant part, that the terms of City Council Members shall be for four (4) years commencing on the first Tuesday of the month of January following the year in which they were elected; that each Council Member shall receive a salary at the rate of eight thousand dollars (\$8,000.00) per annum, or such other sum as the Council may from time-to-time ordain; that the annual salary shall not be increased during the current term of Council Members enacting such ordinance; that no change shall be made in the compensation of Council Members during the final six months of the terms of the Council Members; and that the Council President shall receive, in addition to the sum paid the Council Members, the sum of one thousand dollars (\$1,000.00) per annum; and

WHEREAS, pursuant to City Charter Section 2-100, the current salaries of Council Members were established by Substitute No. 1 to Ordinance No. 20-018, which became effective as of the first Tuesday in January 2022; and

WHEREAS, Council has historically followed the recommendations contained in the May 1987 Report (the "Report") of the Council Compensation Commission (the "Commission"), including the recommendation that Council review its salary structure at least every four (4) years, using the considerations set forth in the Report, to avoid the need for large catch-up increases in salaries of Council Members;

WHEREAS, over time, these recommendations resulted in a significant lag compared to non-union employees and legislators elected to similar legislative bodies, with Council Members receiving salary disproportionate to both non-union employees and legislators in similar legislative bodies; and

WHEREAS, Council retained a financial consulting group (“PFM”) to perform a professional study to determine that type(s) of increase that should occur for the 109th Session; and

WHEREAS, PFM’s February 2024 Compensation Study/Executive and Legislative Salary Benchmarking Report (“PFM Report”) recommended aligning Councilmember salaries with the Regional Wilmington, DE-MD-NJ Consumer Price Index for the Urban Wage Earners and Clerical Workers (“CPI-W”); and

WHEREAS, Council hereby adopts the PFM Report, attached as Exhibit A, as part of the methodology used to calculate salaries for the 109th Council Session; and

WHEREAS, Council’s most recent findings, including adopting the PFM Report, done pursuant to City Council Rule 26, reflect the cumulative compound increase in pay for non-union City employees and propose proportional, increased salaries for the 109th Council Session Council Members, which would be effective as of January 7, 2025; and

WHEREAS, this proportionate salary increase aligns Council Member salaries with the salaries of comparative legislative bodies; and

WHEREAS, if the yearly CPI-W is negative, then Council members shall receive a 0% salary increase; and

WHEREAS, in January 2025, the Council President and any Council Member may elect in writing to decline the salary increase otherwise authorized by Section 1 of this Ordinance.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON HEREBY ORDAINS:

SECTION 1. The salaries of the Council President, the Finance Committee Chair, the President Pro Tempore, and the other Council Members for the 109th Council Session shall be as follows:

Calendar Year 2025	
Council President	\$45,358.00 per annum
Finance Committee Chair	\$42,176.00 per annum
President Pro Tempore	\$40,751.00 per annum
Council Members	\$35,885.00 per annum

Calendar Year 2026	
Council President	CY 2025 Salary with 2026 CPI-W Index (Cumulative Effect) per annum
Finance Committee Chair	CY 2025 Salary with 2026 CPI-W Index (Cumulative Effect) per annum
President Pro Tempore	CY 2025 Salary with 2026 CPI-W Index (Cumulative Effect) per annum
Council Members	CY 2025 Salary with 2026 CPI-W Index (Cumulative Effect) per annum

Calendar Year 2027	
Council President	CY 2026 Salary with 2027 CPI-W Index (Cumulative Effect) per annum
Finance Committee Chair	CY 2026 Salary with 2027 CPI-W Index (Cumulative Effect) per annum
President Pro Tempore	CY 2026 Salary with 2027 CPI-W Index (Cumulative Effect) per annum
Council Members	CY 2026 Salary with 2027 CPI-W Index (Cumulative Effect) per annum

Calendar Year 2028	
Council President	CY 2027 Salary with 2028 CPI-W Index (Cumulative Effect) per annum
Finance Committee Chair	CY 2027 Salary with 2028 CPI-W Index (Cumulative Effect) per annum
President Pro Tempore	CY 2027 Salary with 2028 CPI-W Index (Cumulative Effect) per annum
Council Members	CY 2027 Salary with 2028 CPI-W Index (Cumulative Effect) per annum

SECTION 2. The City Council Members who will take office on January 7, 2025, and the future Council Members thereafter, shall review the Council's salary structure every four (4) years, using the methodology set forth in this Ordinance and the PFM Report, in order to avoid overly long periods between adjustments or a need for large catch-up increases in salaries. The Council Members shall avoid the use of any formula or other mechanism that would relieve any of them from their responsibility for dealing with the issue of the compensation to be paid Members of City Council.

SECTION 3. The effective date of the salaries of the Council President, the Finance Committee Chair, the President Pro Tempore, and the Council Members set forth in Section 1 of this Ordinance shall be January 7, 2025. Within five (5) business days following January 7, 2025, the Council President and any Council Member may elect in writing, signed and filed with the City Treasurer, to decline the salary increase authorized by the provisions of Section 1 of this Ordinance, said amount to be pro-rated in each pay period for the term of said President or said Council Member. In the event of a vacancy occurring during the term of the office of the Council President or of any Council Member, the duly appointed successor-President or successor-Member shall receive the full salary authorized for the position, unless within five (5) business days of taking such office, said successor elects in writing to decline the full salary by declining the salary increase in the aforementioned manner. The balance of the provisions of this Ordinance shall become effective upon its passage by City Council and approval by the Mayor.

First Reading..... May 2, 2024
Second Reading..... May 2, 2024
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2024.

Mayor

SYNOPSIS: Pursuant to City Charter Section 2-100 and City Council Rule 26, City Council adopts the February 2024 PFM Compensation Study/Executive and Legislative Salary Benchmarking Report. Additionally, this Ordinance establishes increased salaries for the Council Members to be elected in November 2024 to comprise the 109th Council Session and take office on January 7, 2025.

FISCAL IMPACT STATEMENT: See attached.

FISCAL IMPACT STATEMENT AN ORDINANCE TO ADOPT A NEW METHODOLOGY FOR CALCULATING CITY COUNCIL SALARIES AND TO ESTABLISH SALARIES OF CITY COUNCIL MEMBERS FOR THE 109TH COUNCIL SESSION TO BE EFFECTIVE AS OF JANUARY 7, 2025

Ord# 20-018	
President Salary	\$36,727
President Pro Tempore	\$32,997
Finance Committee Chair	\$34,151
Council Members	\$29,057

Base Salary Growth, 2017 to Present (per PFM Figure#1)

Council	3.00%
Mayor	5.10%
Treasurer	5.10%
FF	25.60%
FOP	25.30%
1102	33.90%
320	10.70%

		Councilmember	Pres. Pro Temp	Finance Chair	President
*E&M MEETS	18.50%	\$5,375.55	\$34,432.55	\$39,101.45	\$40,468.94
**CPI-W	23.50%	\$6,828.40	\$35,885.40	\$40,751.30	\$42,176.49
what if %	30%	\$8,717.10	\$37,774.10	\$42,896.10	\$44,396.30
what if %	35%	\$10,169.95	\$39,226.95	\$44,545.95	\$46,103.85
what if %	40%	\$11,622.80	\$40,679.80	\$46,195.80	\$47,811.40

Per PFM Report:	Salary	Population	Revenues (2022)
State of DE/Senators/R	\$49,202	1,018,396	\$13,284,872,000
NCC Council	\$49,415	575,182	\$813,000,000
City Council	\$29,057	71,568	\$211,083,192
Dover, DE	\$18,000	38,879	\$133,700,000
Newark, DE	\$15,600	30,655	\$104,299,021
Rockville, MD	\$30,483	66,915	\$141,309,025
Salem County, NJ	\$23,695	65,117	\$97,204,909
Allentown, PA	\$6,162	125,105	\$181,304,407
Reading, PA	\$5,000	94,860	\$200,478,000

Current Salary	Council	Pres. Pro Temp	Finance Chair	President
	\$29,057	\$32,997	\$34,151	\$36,727

Proposed Scenarios (Per PFM Report - Recommended to use E&M Meets Expectations)

Per 1983 Comp Study (8.77%)	\$31,606	\$35,892	\$37,147	\$39,949
Use State of DE Midpoint (35%)	\$39,227	\$44,546	\$46,104	\$49,581
*Use E&M Meets (18.5%)	\$34,433	\$39,101	\$40,459	\$43,521
**Use CPI-W (23.5%)	\$35,885	\$40,751	\$42,176	\$45,358

Assumption: Leveling Salary and going forward (Ordinance - list salary for the next 4 years, per year, for next session of Council)

BASE SALARY (Use CPI-W)			CUM	
YEAR1 -2025	qualifer CPI-W	2.50%	2.50%	\$36,782.53
YEAR1 -2026	qualifer CPI-W	2.50%	5.06%	\$38,644.65
YEAR1 -2027	qualifer CPI-W	2.50%	7.69%	\$41,616.06
YEAR1 -2028	qualifer CPI-W	2.50%	10.38%	\$45,936.34

ASSUMES CPI-W FOR ILLUSTRATION PURPOSES IS 2.50% EACH YEAR

	108th Session Current Salary	109th Session Salary SALARY	DIFFERENCE	0.062 FICA	0.0145 MED TAX	0.0775 PENSION	TOTAL
Councilperson (10 members)	\$29,057	\$35,885	\$6,828	\$423.36	\$99.01	\$529.20	\$78,800
President Pro Tempore	\$32,997	\$40,751	\$7,754	\$480.77	\$112.44	\$600.96	\$8,948
Finance Committee Chair	\$34,151	\$42,176	\$8,025	\$497.58	\$116.37	\$621.98	\$9,261
President	\$36,727	\$45,358	\$8,631	\$535.11	\$125.15	\$668.89	\$9,960
TOTAL ADDITIONAL COSTS:							\$106,970
Total FY2025 Fiscal Impact effective 1/7/2025:							\$53,484.77

AGENDA# 0431

CY2025 FISCAL IMPACT: **\$53,484.77**

FISCAL IMPACT FOR DURATION OF THE 109TH SESSION DEPENDS UPON THE CPI-W PER CALENDAR YEAR, IF ASSUME 2.50% CPI-W PER YEAR, IMPACT IS ~10.38% INCREA

FISCAL IMPACT STATEMENT AN ORDINANCE TO ADOPT A NEW METHODOLOGY FOR CALCULATING CITY COUNCIL SALARIES AND TO ESTABLISH SALARIES OF CITY COUNCIL MEMBERS FOR THE 109TH COUNCIL SESSION TO BE EFFECTIVE AS OF JANUARY 7, 2025

Declared Rate Mayor	2025	\$200,000	17.17%
Declared Rate Mayor	2024	\$170,685	4.99%
Declared Rate Mayor	2023	\$162,577	

320 Full Time Positions - July 1, 2020 - June 30, 2026			
Gen Labor II	Grade C	\$30,727 - \$36,791	<i>pay scale adjust to increase \$1,000</i>
Gen Labor III	Grade D	\$31,920 - \$38,235	
Nursery Technician			
Labor Forman I	Grade E	\$33,168 - \$39,748	
Maintenance Mechanic I			
Technical Maintenance Mechanic I			
Sanitation Worker (Chucker - SW)		\$36,733 - \$41,333	
Sanitation Worker (Driver- SD)		\$37,167 - \$44,632	
Equip Oper IV	Grade F	\$34,477 - \$41,333	
Maintenance Mechanic II			
Building Technician I	Grade G	\$35,849 - \$42,995	
Maintenance Mechanic III			
Pool Mechanic			
Traffic Maintenance Technician II			
Traffic Technician II			
Tree Climber I			
Equip Oper V	Grade H	\$37,288 - \$44,738	
Maintenance Mechanic IV			
Plant Mechanic II			
Plant Oper. III			
Signal Electrician			
Small Engine Mechanic			
Welder			
Small Engine Mechanic	Grade I	\$38,717 - \$46,277	
Sr. Signal Electrician	Grade J	\$40,204 - \$48,018	

EXHIBIT A



CONFIDENTIAL WORKING DRAFT – SUBJECT TO CHANGE



City of Wilmington, Delaware

Executive and Legislative Salary Benchmarking: City Council

CONFIDENTIAL WORKING DRAFT – SUBJECT TO CHANGE

February 2024

PFM Group Consulting LLC
1735 Market Street
42nd Floor
Philadelphia, PA 19103



Methodology

This report presents the results from an analysis of salary ranges and major benefit categories for individuals in the key roles of City Council President and City Councilmember.

Within the region, PFM selected the following jurisdictions for evaluation:

- Large Delaware public employers:
 - State of Delaware
 - New Castle County

- The next two largest Delaware cities:
 - City of Newark, DE
 - City of Dover, DE

- Largest public employer in the Philadelphia-Reading-Camden, PA-NJ-DE-MD Combined Statistical Area (CSA) within which Wilmington is located:
 - Philadelphia, PA

- Six additional Mid-Atlantic governments to provide further insight into regional approaches:
 - Baltimore, MD
 - Rockville, MD
 - Salem County, NJ
 - Allentown, PA
 - Delaware County, PA
 - Reading, PA

As noted in the overview, these governments represent a broad range of reference points with regard to factors including scale, level of government, organizational and functional structure, and community characteristics. Accordingly, to provide additional context for interpreting the base salary comparisons to follow, **Table 1** below summarizes a range of governance and scale considerations, and **Table 2** highlights economic and fiscal factors.



Table 1: Governance and Scale Characteristics of the Survey Group¹

	Government Type	Resident Population	Revenues: All Funds (2022)	Employees (2022)
Wilmington, DE	City	71,568	\$311,063,192	1,087
State of Delaware	State	1,018,396	\$13,284,872,000	34,657
New Castle County, DE	County	575,494	\$427,667,000	1,629
Dover, DE	City	38,879	\$133,700,000	382
Newark, DE	City	30,655	\$104,299,021	272
Philadelphia, PA	City/County	1,567,258	\$10,214,400,000	26,408
Delaware County, PA	County	575,182	\$813,000,000	2,742
Baltimore, MD	City	569,931	\$3,383,352,000	13,747
Allentown, PA	City	125,105	\$181,304,407	810
Reading, PA	City	94,860	\$200,478,000 ²	660
Rockville, MD	City	66,915	\$141,309,025	525
Salem County, NJ	County	65,117	\$97,204,909	549 ⁴

Table 2: Economic and Fiscal Characteristics of the Survey Group³

	Median Earnings Residents 25+	Median Household Income	Poverty Rate	Median Home Value	Completed Higher Education	Moody's Credit Rating	S&P Credit Rating
Wilmington, DE	\$46,474	\$52,768	22.2%	\$217,300	35.1%	Aa2	AA
State of Delaware	\$50,835	\$82,174	9.4%	\$337,200	36.5%	Aaa	AAA
New Castle County, DE	\$53,801	\$86,020	9.6%	\$330,900	40.1%	Aaa	AAA
Dover, DE	\$39,276	\$54,438	20.0%	\$222,800	26.2%	N/A	N/A
Newark, DE	\$50,560	\$67,738	24.4%	\$334,400	55.9%	N/A	N/A
Philadelphia, PA	\$46,550	\$56,517	21.7%	\$237,900	36.2%	A1	A
Delaware County, PA	\$54,337	\$83,960	9.7%	\$316,200	41.7%	N/A	N/A
Baltimore, MD	\$48,858	\$55,198	18.5%	\$210,300	34.8%	Aa3	AA-
Allentown, PA	\$37,233	\$55,949	19.1%	\$206,200	20.4%	A3	A
Reading, PA	\$35,282	\$43,496	26.8%	\$111,900	10.5%	Baa2	A-
Rockville, MD	\$71,003	\$106,338	12.9%	\$662,400	64.1%	Aaa	AAA
Salem County, NJ	\$51,932	\$77,898	10.5%	\$232,700	25.1%	N/A	AA-

¹ Sources: US Census Bureau, American Community Survey, 5-yr and 1-yr estimates (2022), Population. Budgets, all funds.

² Draft 2022 figure

³ Sources: US Census Bureau, American Community Survey, 5-yr and 1-yr estimates (2022), Resident Earnings, Per Capita Income, Median Household Income, Poverty Rate, Median Home Value, Education Attainment: US Census Bureau, American Community Survey, 5-yr and 1-yr estimates (2022).



City Council Member/Leadership Positions

Wilmington City Councilmembers and associated leadership positions are considered part-time, consistent with their counterparts in other Delaware governments, although staff size and the number of sessions held per year vary. When looking to out-of-state locations, council members in the larger cities of Philadelphia and Baltimore are considered full-time. Compared to other jurisdictions, such as the State and New Castle County, which have larger budgets and staff levels, Wilmington's legislative operations are more modest in scale. However, despite its smaller size and part-time status, Wilmington's legislature remains active, with a significant number of committee meetings and sessions held throughout the year.

Table 3: City Council Responsibilities

	Legislature Budget (2023)	Legislature Staff	Members (#)	Standing Committees (#)	Committee Meetings per Year (# Combined)	Legislative Sessions per Year (#)	Status
Wilmington, DE	\$2,887,031⁴	27	12	8	72	24	PT
State of Delaware	\$21,730,100	104	21 (S) 41 (H)	16 (S) 23 (H)	131	44	PT
New Castle County, DE	\$4,680,735	35	13	6	65	22	PT
Dover, DE	\$260,000 ⁴	17	9	4	72	50	PT
Newark, DE	\$1,407,620	7	6	0	N/A	28	PT
Philadelphia, PA	\$19,011,585	203	17	24	103	32	FT
Delaware County, PA	\$574,411	8	5	6	48	25	PT
Baltimore, MD	\$9,471,593 ⁴	81	15	8	117	25	FT
Allentown, PA	\$908,806 ⁴	10	7	7	87	38	PT
Reading, PA	\$534,441	3	6	4	31	48	PT
Rockville, MD	\$1,255,730 ⁴	4	6	0	N/A	53	PT
Salem County, NJ	\$256,000	—	5	6	22	22	PT

⁴ 2024 legislative department budget figures



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Similar to other executive salaries, the salaries of Wilmington City Councilmembers (\$29,057) fall below their counterparts in the County (\$49,415) and the State (\$49,202), but above those for the smaller jurisdictions of Dover (\$18,000) and Newark (\$15,600). The full-time City Councilmembers in Philadelphia (\$142,751) and Baltimore (\$80,541) earn significantly more than Wilmington while those in Allentown (\$6,162) and Reading (\$5,000) earn significantly less.

Table 4: Councilmember Salaries

	Job Match	Status	Salary (2023)
Wilmington, DE	Councilmember	PT	\$29,057
State of Delaware	Senator/Representative	PT	\$49,202
New Castle County, DE	Councilmember	PT	\$49,415
Dover, DE	Councilmember	PT	\$18,000
Newark, DE	Councilmember	PT	\$15,600
Philadelphia, PA	Councilmember	FT	\$142,751
Delaware County, PA	Councilmember	PT	\$26,700
Baltimore, MD	Councilmember	FT	\$80,541
Allentown, PA	Councilmember	PT	\$6,162
Reading, PA	Councilmember	PT	\$5,000
Rockville, MD	Councilmember	PT	\$30,483
Salem County, NJ	County Commissioner	PT	\$23,695

In all jurisdictions except Newark and Rockville, a Councilmember is designated to an advisory position tasked with overseeing the management and administrative duties of the Council. This position, often but not always referred to as the Council President, is either elected directly at-large by the population or by the other Council members. Given these additional responsibilities, these advisory roles typically earn higher compensation than the rest of Council.

Similar to other locations, such as Philadelphia (\$179,167) and Baltimore (\$138,470), the Wilmington Council President (\$36,727) is responsible for both committee assignments and administrative duties within the Council, chairing the Committee of the Whole, convening regular and special legislative meetings, ensuring decorum, and controlling the agenda.



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Table 5: Council Advisory Role Salary and Responsibilities

Location	Role	Salary (2023)	Elected		Committee Responsibilities				Administrative Duties			Other Duties
			At-large	By Members	Member of All Committees	Chair of the Committee of the Whole	Appoints Committee Chair and Members	Convenes regular and special legislative meetings	Ensure Decorum/Enforce Absences	Controls Agenda	Signs legislation	Serve as Vice-Executive
Wilmington, DE	Council President	\$36,727	✓		✓	✓	✓	✓	✓	✓	✓	
State of Delaware	Speaker	\$69,140		✓		✓	✓	✓	✓	✓	✓	
New Castle County, DE	Council President	\$54,356	✓				✓	✓	✓	✓	✓	
Dover, DE	Council President	\$23,000		✓		✓	See note ⁵	✓	✓	✓		✓
Newark, DE	N/A	N/A										
Philadelphia, PA	Council President	\$179,167		✓	✓	✓	✓	✓	✓	✓	✓	
Delaware County, PA	Council Chairman	\$30,300		✓			✓	✓	✓	✓		
Baltimore, MD	Council President	\$138,470	✓			✓	✓	✓	✓			✓
Allentown, PA	Council President	\$6,656		✓			✓	✓		✓	✓	
Reading, PA	Council President	\$5,500	✓		✓		✓	✓	✓	✓		
Rockville, MD	N/A	N/A										
Salem County, NJ	Director of County Commissioners	\$24,627		✓			✓	✓	✓			

In addition to the appointment of a Councilmember to the advisory role of President (as well as Chairman or Director), there are a handful of other leadership positions within the legislative branch that offer higher compensation than a Councilmember.

⁵ Committee of the Whole Subcommittees (issue-based areas like finance, admin, parks and rec, safety, utility, etc.) include all Council Members and 2 city residents, appointed by Council President and Chair and confirmed by Council. President selects the chair of these subcommittees but doesn't appoint council members as they are all on all of them. Other committees and commissions have mixture of membership, who selects members, who confirms members, how chairs are chosen but for the most part are independent of Council president powers



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Table 6: Other Leadership Role Salaries and Responsibilities

	Positions	Salary (2023)	Responsibilities
Wilmington, DE	Finance Committee Chair	\$34,151	Presides over Finance Committee meetings and serves on four finance-related organizations
	President Pro Tempore	\$32,997	In the event of the Council President's absence or disability, is selected by Council to fulfill the President's role
State of Delaware	Majority/Minority Leaders	\$61,578	The member chosen by each Chamber's political party caucus to lead it
	Joint Finance Chair and Vice Chair	\$60,661	Chairs the committee which writes the annual operating budget and grant-in-aid acts and convenes annual public hearings
	Majority/Minority Whips	\$56,996	The member chosen by each Chamber's political party caucus to encourage membership attendance, count votes, and sometimes oversee personnel
	Capital Imp. Chair and Vice Chair	\$53,780	Chairs the committee which writes the annual Bond Bill and convenes annual public hearings
Newark, DE	N/A	N/A	N/A
Philadelphia, PA	Majority/Minority Leaders	\$153,845	The member chosen by each Chamber's political party caucus to lead it and serves as a member of every committee except Committee on Ethics
	Majority/Minority Whips	\$150,676	The member chose by each Chamber's political party caucus to encourage membership attendance, count votes, and sometimes oversee personnel
	Deputy Whips	\$145,921	The member chosen by each Chamber's political part caucus to assist the whip
Baltimore, MD	Vice President	\$84,741	In the event of the Council President's absence or disability, is selected by Council to fulfill the President's role
Allentown, PA	Vice President	\$6,162	Acts as presiding officer in absence of Council President. Serves on Rules and Chambers Committee with President
Rockville, MD	N/A	N/A	N/A

Unlike the smaller in-state jurisdictions of Dover and Newark, and the out-of-state jurisdictions of Allentown, Reading, and Salem County, Wilmington City Councilmembers are eligible for the same health and pension benefits as City employees, aligning with the larger jurisdictions of the State of Delaware and New Castle County. Regarding retirement benefits, Baltimore offers a specific plan



CONFIDENTIAL WORKING DRAFT – SUBJECT TO CHANGE

for elected officials, while Philadelphia allows for earlier vesting for elected officials. Details regarding these benefits are included in the Appendix A.

In terms of expenses, the majority of Councilmembers and leadership roles are not eligible for a specified expense allowance but are reimbursed for travel and other costs incurred during official duty. In Wilmington, like the Mayor and Treasurer, the Council President is offered a take-home car.

Table 7: City Councilmembers and Leadership Role Fringe Benefits

	Job Match	Health Insurance	Retirement	Expense Allowance
Wilmington, DE	Council Member	Same as regular EEs	Same as regular EEs	Travel Reimbursement; Council President paid job-related travel and take-home car available
State of Delaware	Senator/Representative	Same as regular EEs	Same as regular EEs	\$1,500
New Castle County, DE	Council Member	Same as regular EEs	Same as regular EEs	Travel reimbursement
Dover, DE	Council Member	Not eligible	Not eligible	Reimbursed for official duties
Newark, DE	Council Member	Not eligible	Less than regular EEs	Not eligible
Philadelphia, PA	Council Member	Same as regular EEs	Same plan; earlier vesting	—
Delaware County, PA	Council Member	—	—	\$1,000 travel
Baltimore, MD	Council Member	Same as regular EEs	Different plan	—
Allentown, PA	Council Member	Not eligible	Not eligible	Not eligible
Reading, PA	Council Member	Not eligible	Not eligible	Travel reimbursement
Rockville, MD	Council Member	Less than regular EEs	Not eligible	\$6,000 travel
Salem County, NJ	County Commissioner	Not eligible	Not eligible	Not eligible



Mechanisms for Periodic Adjustments to Compensation

Nearly half of the governments evaluated maintain a mechanism to adjust executive compensation other than an ad hoc process solely triggered and implemented by a legislative body. For the City of Wilmington City Council, wage adjustments are enacted through ordinance based on recommendations laid out in the May 1987 Report of the Council Compensation Commission. This report recommends that Council review its salary structure at least every four years and adopt periodic adjustments based on the increase in compensation of non-union City employees.

While each mechanism is different in the other governments reviewed, they often include a four-year review process, an adjustment at least partially informed by general inflation or local wage increases, and a third-party means of determining the recommended size of the compensation adjustment. While most processes require legislative action to implement any changes, some jurisdictions rely on referendum or adjustment to other employment unit salaries to be confirmed.

Table 8: Mechanisms for periodic adjustments to compensation

	Trigger for Salary Adjustment	Size of Salary Adjustment	Implementation	Other Provisions	Restrictions?	Covers
Wilmington, DE	Every four years	Determined by Council	Passed by Council	Proportional to non-union pay increases	No increases for current term	Council
State of Delaware	Every four years	Determined by Compensation Commission Study	Passed by legislature	—	—	Executive, Legislature, Cabinet, Judiciary
New Castle County, DE	At least every four years	Tied to CPI	Passed by Council	Consider COLA in County pay ordinances	—	County Executive and Council
Baltimore, MD	Annual	2.5%	—	Automatic unless 0 of 5 employee associations receive adjustment	—	Elected Officials
Allentown, PA	Council Vote	Council	Voter referendum	—	—	Council
Rockville, MD	Every four years	Determined by Compensation Commission Study	Passed or rejected by council, implemented after 60 days if no action	Compensation tied to area CPI-U	No increases for current term	Mayor and Council



Compensation Commissions

As shown above, three governments within the survey group use compensation commissions in the process of determining compensation adjustments. The other eight governments evaluated do not use this mechanism.

These commissions are typically independent and tasked with evaluating various factors such as economic conditions, job responsibilities, market comparisons, and budgetary constraints to make fair and objective recommendations regarding compensation. The goal of a Compensation Commission is to ensure that salaries and wages are competitive, reasonable, and commensurate with the responsibilities and qualifications of the individuals holding the positions in question. Of the three commissions examined, all are advisory bodies with members selected by the executives and legislatures whose compensation they evaluate.

Table 9: Compensation Commissions

	Compensation Commission?	How established?	Who appoints?	Members	Advisory or Binding?	Covers
State of Delaware	Y	Statute	Governor and Legislative Leaders	6 voting members, 1 non-voting	Advisory	Executive, Legislature, Cabinet, Judiciary
New Castle County, DE	Y	Statute	County Executive and Council	7 voting members, 1 non-voting	Advisory	County Executive and Council
Rockville, MD	Y	Ordinance	Mayor and Council	5 voting	Advisory	Mayor and Council

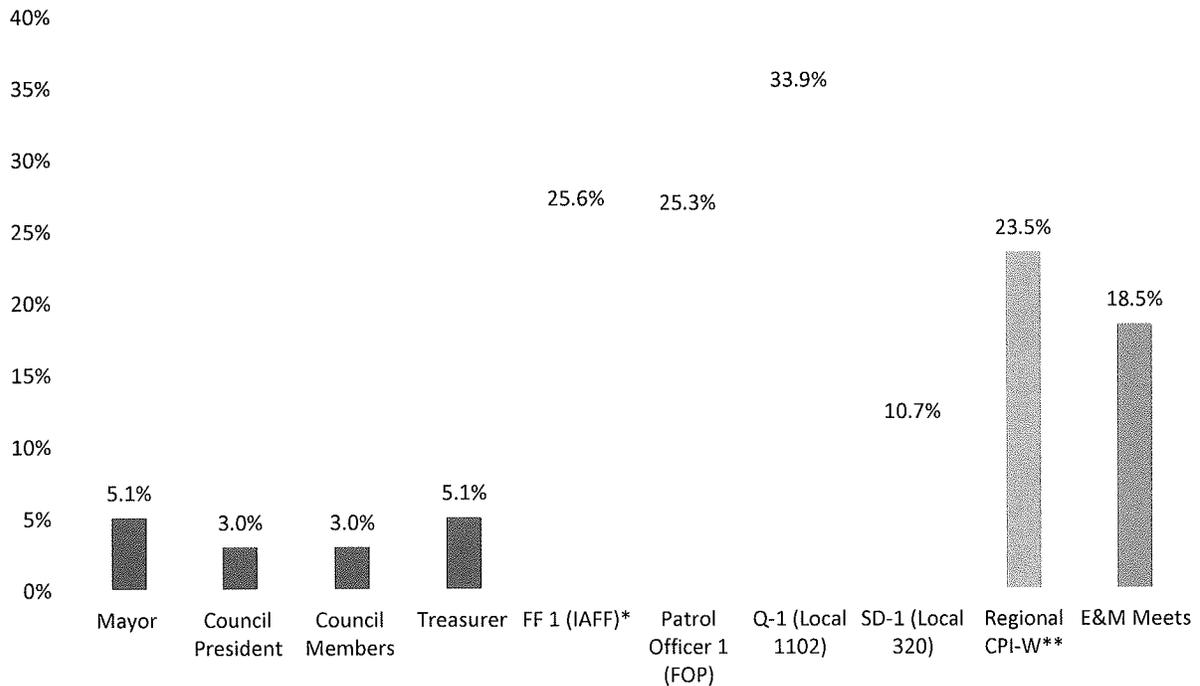


Base Salary Growth

In the decade proceeding the current Wilmington administration (2007- 2017), the base salaries of Wilmington’s Mayor and Treasurer grew faster (13 percent) than the highest AFSCME Local 1102-represented pay grade (Q-1, 6.9 percent) and IAFF members (11 percent); and slower than AFSCME Local 320’s highest pay grade (SD-1, 16.6 percent), police (16.9 percent), regional inflation (16.9 percent), and City of Wilmington Executive and Management (E&M) employees’ salary increase with a consistent “Meets Expectations” performance review (18.5 percent). Council salaries increased only 2.0 percent between 2009 and 2017, slower than any examined union or executive role.

Since 2017, executive base salaries have lagged every union comparison and regional CPI. It is worth noting that in some recent collective bargaining agreements, premium pay has been integrated into the base salary for several bargaining units. This integration makes the base salary growth seem greater than if considering the entire compensation package over time. However, even with the exclusion of premium pay integration, such as in the case of SD-1 Local 302, and when considering the Regional CPI-W, the base salary growth for executive positions lags significantly.

Figure 1: Base Salary Growth, 2017-Present



* As of 6/30/2023

** Weighted CPI-W for January 2017 (December 2016 and February 2017)



Salary Recommendations

Establishing executive compensation levels for elected positions can be challenging, given that these are public service roles and that elected officials themselves are often sensitive to tax and budgetary pressures on their constituents. At the same time, it is important to maintain compensation that attracts quality leadership for critical executive and legislative responsibilities in a complex environment.

In addition, while compensation for elected officials rarely if ever matches the levels provided to private sector executives with comparable responsibilities, it is also important to ensure that pay and benefits are sufficient to allow for economic diversity across the representatives of the public. If only wealthy individuals can afford to serve in elected roles, this would lead to less representative options for public leadership.

City Council

In 2017, Wilmington City Councilmembers earned a salary of \$28,205. In 2022, salaries were adjusted by 3.0 percent to \$29,057 based on the Council's quadrennial review based on recommended methodologies from a 1987 Compensation Commission report which includes reviewing the increases of compensation of non-union City employees. Wilmington's City Council President also received the same 3.0 percent adjustment, starting at \$35,650 in 2017 and increasing to the current salary of \$36,727 in 2022.

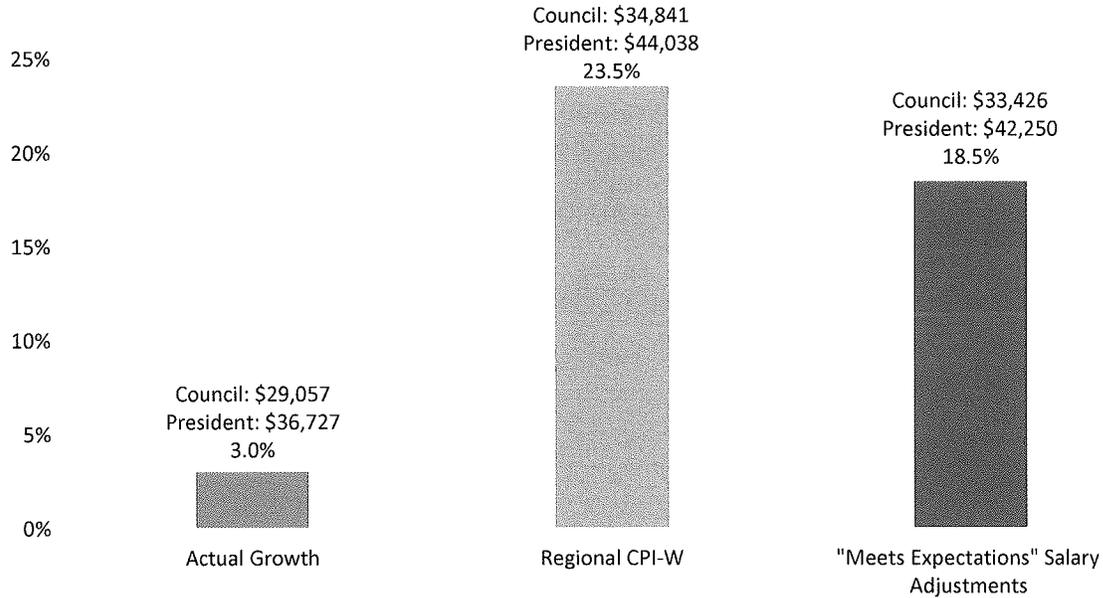
Over the same time period, consumer prices, as measured by the Philadelphia-Camden-Wilmington CPI-W, increased by 23.5 percent such that the purchasing power of City Council's salaries declined in real terms. In contrast, when financially feasible, City of Wilmington Executive and Managerial (E&M) employees outside of the elected ranks receive annual performance-based salary increases. For instance, an E&M employee consistently "meeting expectations" in performance reviews from FY18 through FY24 would have had their salary adjusted by up to 18.5 percent over this time period.

Similar to the other elected positions reviewed, Wilmington City Councilmembers (\$29,057) earn less than their State (\$49,202) and County (\$49,415) counterparts and more than the smaller cities of Dover (\$18,000) and Newark (\$15,600). Similarly, Wilmington Councilmembers receive the same benefits as full-time general employees, consistent with State and New Castle County legislators.

As previously outlined, Wilmington City Council already has a process in place for reviewing and adjusting salaries based on non-union City employees' wages – a review structure consistent with good financial practices. Going forward, we recommend that Council consider building on this process to include an assessment of the salaries and benefits for legislators in other Delaware jurisdictions, a more detailed review of changes in responsibilities and activities over time, and also to focus particularly on City E&M "Meets Expectations" salary adjustments.



Figure 2: City Council and City Council President Salary Growth v. Regional CPI-W v. E&M "Meets Expectations" Salary Adjustments (2017-Present)



Based on this approach, a somewhat higher adjustment during the 2024 review may be warranted to realign with the E&M-based approach. For example, adjusting to align with E&M increases since just 2017 would result in an increase in City Council salaries to \$33,426 and the City Council President's salary to \$42,250. Looking back even longer-term, City Council wage increases have consistently lagged the other groups analyzed for at least the past 15 years. Since the enactment of Ordinance No. 08-035 in 2008, which raised City Council salaries to \$27,650 and the City Council President's salary to \$34,950 (effective January 2009), there have been only two subsequent increases: a 2 percent increase effective January 2017 and a 3 percent increase effective January 2022, resulting in a cumulative increase of 5.1 percent over more than a decade and a half.

Table 10: City Council Wage Adjustments, January 2009-Present

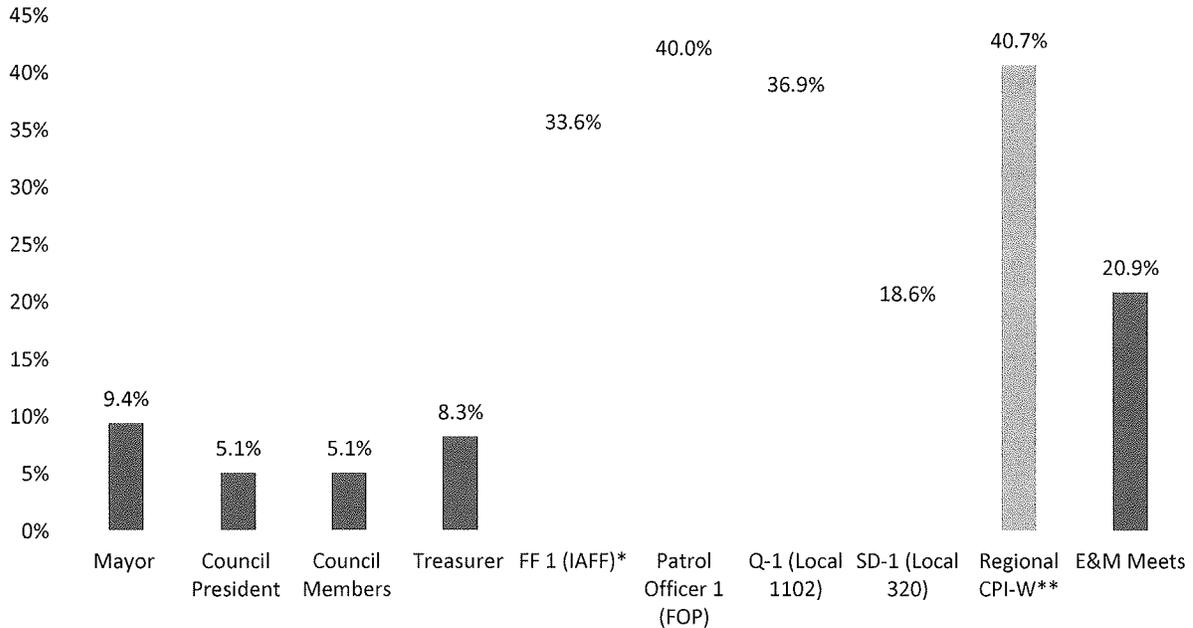
Year	Ordinance No.	Effective Date	City Council Salary	City Council President Salary	Percent Increase
2008	08-035	Jan-09	\$27,650	\$34,950	-
2012			<i>No Increase</i>		
2016	16-022	Jan-17	\$28,205	\$35,650	2.0%
2020	20-018	Jan-22	\$29,057	\$36,727	3.0%
Cumulative Increase Jan-09 to Jan-22					5.1%

It is important to note that, despite the position's part-time status, this comparatively modest compensation for City of Wilmington City Council may discourage individuals without personal



wealth or flexible primary employment from seeking office, potentially excluding a segment of the population, and diminishing economic diversity within elected bodies. Council's wage increases (5.1 percent) over this longer time period significantly lag the CPI (40.7 percent), union increases (FOP, 40 percent; Local 1102, 36.9 percent; IAFF, 33.6 percent; Local 320, 18.6 percent), and the E&M "Meets Expectations" salary adjustments (20.9 percent).

Figure 3: City Council and City Council President Salary Growth (2009-Present)



* As of 6/30/2023

** Weighted CPI-W for January 2009 (December 2008 and February 2009)

In addition to reevaluating salary, City Council might also consider the implementation of a Defined Contribution (DC) match as a substitute for traditional pensions. This approach might help to manage costs, particularly in light of the proposed salary increases, while contributing meaningfully toward retirement security for key positions that may not always entail a multi-decade career commitment.



Appendix A: Special Elected-only Benefit Plans

	Roles with different benefits	Plan Type	Elected Plan	Regular EE Plan⁶
Newark, DE	Mayor and Council	Retirement	Only access to 457 Deferred Compensation Plan Elected pays 100% of plan cost	Defined Benefit plans with employer contributions
Philadelphia, PA	Mayor and Council	Retirement	Vesting in 8 years Higher contribution rate	Vesting in 10 years
Baltimore, MD	Mayor and Council	Retirement	Defined Benefit plan 12 years of service to retire 2.5% benefit multiplier	Hybrid plan 30 years of service or 5 years of service at age 65 to retire 1% benefit multiplier
Rockville, MD	Mayor and Council	Health Insurance and Fringe	Access to all benefits Elected pays 100% of premiums ⁷	City contributes to health, dental, vision, legal and life insurance plans

⁶ Regular Employee Plans are plans available to newly hired non-represented, non-uniformed, full-time, and permanent employees.

⁷ According to the Rockville Compensation Commission, as of August 2023, no elected official had opted-in to the municipal benefits program.