



MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: Kathleen Dooley, City Attorney
SUBJECT: Restoration of City Council pre-COVID salary levels
DATE: June 15, 2021 (for the June 22, 2021 Council Meeting)

ISSUE

Shall City Council adopt an ordinance restoring salaries of the Mayor and Council members to their pre-COVID levels, to be effective after the November 2021 election?

UPDATE:

City Council adopted this ordinance on a vote of 6-1 on June 8, 2021. If the ordinance is adopted on second reading on June 22, 2021, then the effective date of the restoration of Council salaries will be July 1, 2022, unless the General Assembly authorizes an earlier effective date. The full salary amounts first went into effect July 1, 2000.

RECOMMENDATION

The decision is within Council's sound discretion. Council took action in June 2020 to temporarily reduce their salaries in light of reduced City revenues due to COVID. However, since that time, City revenues have stabilized; employee salary reductions have ended. The action requires the adoption of an ordinance, and the 3% increase in salaries will not be effective until July 1, 2022, under current law.

DISCUSSION

City Code §§2-31 and 2-82 establish the salary of members of Council and the Mayor, respectively. The annual salary in each case is consistent with the cap established under state law of \$12,000 for Council members and \$13,000 for the Mayor. The City Code incorporated these amounts in the appropriate sections.

City Council adopted ordinance 20-13 on June 23, 2020, reducing the salaries of the Council and Mayor by 3%, the same reduction that applied to City employees who earn more than \$70k annually. The Council member salary reduced from \$12,000 to \$11,640; the Mayor's salary was reduced from \$13,000 to \$12,610. The City's revenues have recovered and City employee wages and salaries have been restored to pre-COVID levels. However, salaries for members of City Council are subject to special legal constraints, and have not been restored yet.

Virginia Code §15.2-1414.6 governs the establishment of salaries for members of City Council, including the Mayor. It requires that salaries be set by ordinance; and the ordinance shall be adopted at least four months prior to the date of the next municipal election. No increase in the

salary of a member of Council shall take effect until July 1 after the next regularly scheduled general election of council members.

City Council elections have now been moved from May, 2022 to November 2021. Thus, Council should act to adopt an ordinance restoring Council salaries to pre-COVID levels prior to July 1, 2021, to become effective July 1, 2022. The increase in salaries is slight, but the reduction in salaries was intended to be temporary in nature and not permanent.

The ordinance has been drafted to provide for an earlier effective date if approved by the General Assembly. The existing statute -- §15.2-1414.6 – makes an increase in salary effective the July 1 following the City Council general election. However, this section has not been revised in light of SB1157, which moved all May elections to November, and moved all term commencement dates from July 1 to January 1 following the Council election. If the General Assembly addresses this now-anomaly, the ordinance will follow.

FISCAL IMPACT

The total fiscal impact of the restoration of all seven salaries is \$2,550 (\$360 per year per Council member and \$390 per year for the Mayor.)



June 22, 2021
Regular Meeting
Ordinance No. 21-18

MOTION:

SECOND:

RE: Restoring the Salaries of the Mayor and Members of City Council to Pre-COVID Levels

ACTION: APPROVED: Ayes: 0; Nays: 0

FIRST READ: June 8, 2022 SECOND READ:

Sec. I. Introduction.

City Council salaries are established by ordinance, codified in the City Code, as required by state law. On June 23, 2020, City Council adopted Ord. 20-13, reducing the salaries of the Mayor and members of City Council in light of reduced revenue projections due to the impacts of COVID-19. The salary reductions of 3% were consistent with the rate of reduction applied to City employees who earn more than \$70,000 annually. Since that time, City revenues have recovered, and City employee salaries have been restored. Council members now wish to provide for the restoration of the salaries of Council members and the Mayor, following the process established in Virginia Code §15.2-1414.6, to become effective July 1, 2022 unless the General Assembly permits an earlier effective date.

Sec. II. City Code amendment.

1. Sec. 2-31. Compensation of City Council members.

Each member of the City Council, excluding the Mayor, shall be allowed and paid out of the City levy an annual salary of \$12,000 ~~11,640~~, payable in equal monthly installments, for services in attending the meetings of the City Council and in discharging the duties imposed by law upon the City Council member.

2. Sec. 2-82. Compensation of Mayor.

The Mayor shall be allowed and paid out of the City levy an annual salary of \$13,000 ~~12,610~~, payable in equal monthly installments, for services in attending the meetings of the City Council and in discharging the duties imposed by law upon the Mayor.

Sec. III. Effective date.

As provided in Virginia Code §15.2-1414.6, this ordinance shall become effective July 1, 2022. However, if this statute is amended to provide for an earlier effective date, such as January 1, 2022, then this ordinance shall take effect on the earlier effective date.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Approved as to form:

Kathleen Dooley, City Attorney

Clerk's Certificate

I, the undersigned, certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Ordinance No. 21-18 duly adopted at a meeting of the City Council meeting held June 22, 2021 at which a quorum was present and voted.

***Tonya B. Lacey, MMC
Clerk of Council***