

Commissioner Compensation

April 18, 2022

Ben Canada, Assistant to the County Manager
Denise Foreman, Assistant County Manager

@wakegov    



wakegov.com

Today's Agenda

- Recap March committee meeting
- Summarize comparison data and other research
- Review scenarios
- Committee discuss scenarios

Goals for today's discussion

- Understand options available to Commissioners
- Commissioners provide as much specific guidance to staff as possible
- Committee advances question to full Board
- For FY 2023 budget, staff needs guidance by May 9 work session

Forms of Elected Official Compensation

Salary

Commissioners receive a paycheck twice per month.

Applicable taxes are paid.

Benefits

Commissioners eligible for the same health, dental and life insurance plans as full-time employees.

Not eligible for State-administered retirement or 401K

Allowances

Cash allowances are included in a Commissioner's paycheck.

Commissioners currently receive \$250/month for in-County travel and are eligible for a cell phone allowance

Stipends

Cash stipends are *not* included in a paycheck, but available for a Commissioner to spend on select expenses.

Commissioners presently have a \$6,500 stipend for training and travel.

Salary Increases

As a practice, adjustments tied to the base increase, or average increase, budgeted for full-time employees

Fiscal Year	Percent Increase
2022	4.0%
2021	-
2020	3.0%
2019	3.0%
2018	3.0%
2017	3.0%
2016	3.0%
2015	2.7%
2014	2.7%
2013	2.0%
2012	2.0%
2011	-

Insurance and Other Benefits

These benefits available to employees and Commissioners.

Employees pay additional premiums or fees

Benefit
Health Insurance/Rx
Dental Insurance
Flexible Spending Account – Health Care
Flexible Spending Account – Dependent Care
Health Savings Account – if enrolled in the Consumer Driven Health Plan
Vision Insurance
Employer Paid Life Insurance
Employer Paid Accidental Death & Dismemberment Insurance
Employee Supplemental Life Insurance
Employee Supplemental Accidental Death & Dismemberment Insurance
Spouse Life Insurance
Spouse Accidental Death & Dismemberment Insurance
Child Life Insurance
Short Term Disability
Aflac Accident Plan
Aflac Hospital Indemnity Plan
Aflac Critical Illness Plans
Employee Assistance Program
Pet Insurance
LegalShield & IDShield

Committee Requests in March

- Comparison data from other jurisdictions
 - Not just in State, around the nation
 - Ideally, Counties of similar population, budget, Commissioner responsibilities
- Research options for a retirement benefit
 - Elected officials not eligible for State-administered LGERS or 401k
- Develop options for out-of-County travel stipend
 - Committee will address travel in next meeting

North Carolina Context

- UNC School of Government 2020 survey
- Highest salary 10 counties
- Note: some listed counties increased compensation since this survey

County	2020 Commissioner Salary
Mecklenburg	30,791
Buncombe	28,916
Brunswick	26,791
Durham	25,417
Wake	24,315
Cumberland	22,618
Orange	20,951
Guilford	20,700
Ashe	18,400
New Hanover	18,356

In-State Comparison Data

2022 Current Amounts

	Wake County	City of Raleigh	Mecklenburg County	Guilford County
Population	1.13 million	488,334	1.12 million	541,299
Salary	25,288	18,021	31,715	31,200
Allowances				
In-County Travel/Vehicle	3,000	1,200	4,775	-
Technology/Phone	300	504	5,235	-
Expense	-	-	9,765	-
Other	-	1,200	-	-
Retirement Benefit	-	-	-	-
Total Identified Cash Compensation	28,588	20,925	51,490	31,200

Note: Raleigh City Council presently considering compensation changes

National Comparisons

- Data considerations
 - Challenging to identify “like” county governments
 - Focused on counties with similar 2020 Census population
 - Low response rate and information not online
- Observations
 - Almost every county has a higher commissioner salary than Wake County
 - Wide range of compensation totals
 - Minimal reported use of allowances
 - Minimal reported use of retirement benefit

National Comparisons

	County	2020 Population	Salary	Total Cash Compensation
North Carolina	Wake County	1.13 million	25,288	28,588
	City of Raleigh	488,334	18,021	20,925
	Mecklenburg County	1.12 million	31,715	51,490
	Guilford County	541,299	31,200	31,200
National	Collin County, TX (Plano/Dallas)	1.07 million	136,599	136,599
	Fresno County, CA (Fresno)	1.01 million	135,044	144,250
	Fulton County, GA (Atlanta)	1.07 million	47,329	48,276
	Hennepin County, MN (Minneapolis)	1.28 million	113,566	113,566
	Oakland County, MI (Pontiac/Detroit)	1.27 million	36,130	36,130
	Pima County, AZ (Tucson)	1.05 million	76,600	76,600
	St. Louis County, MO (St. Louis)	997,187	20,000	20,000

Three Options for Elected Official Retirement

Option 1 Consider Retirement Savings as Part of Salary Change

- No explicit retirement benefit
- Consider an increase to salary in lieu of a retirement benefit

Three Options for Elected Official Retirement

Option 2 Retirement Allowance

- Cash payment in lieu of a traditional retirement benefit
- Allowance would be taxable income
- Could put funds in a qualified post-tax contribution plan

Three Options for Elected Official Retirement

Option 3 County Contribution to a Retirement Plan

- County may contribute to Commissioner account in a *County-administered* retirement plan
- All retirement plan rules apply (457b, Roth)
- Portable plan—Commissioner can transfer to own IRA, etc., when leave office
- County contribution could be a flat amount or a percentage (such as 5%)
- County contributions pre-tax only
- Commissioner contribution can be pre-tax or after-tax Roth plan
- Commissioners would need to vote to amend County 457 plan

Allowances

Commissioners presently receive two allowances

- In County Travel – \$3,000 annually
 - Intended to cover vehicle fuel and general commuting expenses
- Cell Phone – \$300 annually, same benefit available to employees
- Allowances are taxed like salary
- Commissioners expressed interest in allowance changes to cover meals for meetings

Timing and Future Increases

- Implementation timing
 - Adopt change with the annual budget ordinance
 - Consider effective date for changes: July 1 or December 1?
- Guidance on practice for future increases
 - Instruct staff to continue basing salary increases on the base (or average) budgeted increase for County employees with more comprehensive review at least every 4 years
 - A specific policy may create challenges as County's evolves our approach to merit, cost of living, etc.

Scenarios

	Current	A	B	C	D	E
Salary	\$ 25,288	\$ 30,346 Current salary + 20%	\$ 37,856 Tie to Living wage	\$ 49,432 Nearly 100% current	\$ 56,784 Living wage + 50%	\$ 76,600 Comp to Tucson
Allowances:						
In-County Travel / Expense	\$ 3,000	\$ 3,600	\$ 4,200	\$ 4,800	\$ 4,800	\$ 4,800
Cell phone	\$ 300	\$ 300	-	-	-	-
Technology	-	-	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800
Retirement Benefit	-	-	-	-	\$ 2,839 5% salary	\$ 3,830 5% salary
Total Cash Compensation	\$ 28,588	\$ 34,246	\$ 43,856	\$ 56,032	\$ 66,223	\$ 87,030
% Change in Cash Compensation		20%	53%	96%	132%	204%

Other Considerations

- Chair salary
 - Listed scenarios are for base Commissioner pay
 - Does the Board want to continue offering the Chair a higher salary?
 - Currently, the Chair makes 17% more than other Commissioners

Travel Stipend

- Out of County Travel
 - Board will discuss its travel policy in future committee meeting

Next Steps

- Board provides guidance to staff by second Budget Work Session, May 9
- Consider Board travel stipend policies at next committee meeting