

CITY AND COUNTY OF DENVER

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MICHAEL B. HANCOCK Mayor

TO: **Denver City Council**

FROM: David W. Broadwell, Asst. City Attorney

RE: Background information on elected official salary-setting in Denver

Date: December 19, 2014

Section 9.3.3 of the Charter requires the City Council to adopt, by ordinance, the salaries for all Denver elected officials for the upcoming 2015-19 term of office. This task must be completed after January 1, but before the general election date of May 5, 2015. Here is a reminder of the key legal principles that guide the process:

"If any officer of said city and county of Denver shall receive any compensation whatever, he or she shall receive the same as a stated salary, the amount of which shall be fixed by the charter, or ... by ordinance within limits fixed by the charter." Colo. Const., Art. XX, Sec. 2

Since 2003, the charter has limited quadrennial increases in elected official salaries to the lesser of the cumulative increase in the CPI or in the mean salary of CSA employees in the preceding four years.

- "... no elected officer shall receive any increase or decrease in compensation under any ordinance passed during the term of office." Colo. Const. Art. XX. Sec. 2.
- "... nor shall the salary of any elected public officer be increased or decreased during the term of office for which he was elected." Colo. Const Art. XII, § 11.

Through the years, the foregoing constitutional language has been implemented in two different ways. For some terms, the salary has been set as fixed amount for the entire term. On other occasions, the salary has been set by ordinance before the beginning of the term in a way that allows for some form of "self-executing" escalation during the term.

HISTORY OF ELECTED OFFICIAL SALARIES IN DENVER

Prior to 1975

The salaries of elected charter officers were expressed as a fixed-dollar amount as set forth in the Charter. The only way for salaries to be increased was through a voter-approved charter amendment, which was attempted and failed in three separate votes during the 1960's. The charter at the time provided the following salaries:

 Mayor:
 \$27,500

 Auditor:
 \$20,000

 Council member:
 \$7,500

1975 to 1987

By virtue of a 1973 charter amendment, the fixed salaries were removed from the charter and replaced by a quadrennial salary-setting process, whereby the CSA would survey "comparable" cities and prepare an array of salaries from those cities, with the "median" city in the array determining the salaries to be paid to Denver elected officials. During the first three quadrennial cycles using this approach, the salaries were adopted as a fixed amount for the entire four year term of office.

Between 1975 and 1987, council salaries increased from \$7,500 to \$21,890.

<u>1987-2003</u>

During this time period, in addition to the quadrennial salary increase, the CSA Board recommended an annual COLA adjustment to elected officials' salary. Thus, the ordinances establishing the new salaries in each quadrennial cycle also included a "self-executing" COLA adjustment as well, meaning elected officials actually realized salary increases annually during each term of office.

Between 1987 and 2003, council salaries increased from \$21,890 to \$73,512.

2003-2015

Via another charter amendment approved in November of 2003, Denver adopted a new quadrennial process for setting elected official salaries beginning in 2007. The new system dispensed entirely with the survey and array of "comparable cities," and instead caps salary increases according to the cumulative increase in CPI or mean CSA salaries in the preceding four years, whichever is lower.

For the 2007-11 term, all salaries were raised up to the cap of 6.34% (based upon the prior four years of CPI increases), effectively immediately and with all salaries remaining constant for the entire four-year term.

For the 2011-15 term, salary increases were phased-in, with no increases occurring in the first two years of the term, but with salaries in the final year of the term eventually

reaching the cap of a 6.6% increase, again based upon CPI increases in the previous quadrennial period.

As a consequence of the 2003 charter amendment, the salaries of Denver elected officials have increased by the following amounts for the time period:

	Salary in 2003	<u>Salary in 2015</u>
Mayor	\$136,920	\$155,211
Auditor*	\$118,416	\$134,235
Council member	\$73,512	\$83,332
President of Council	\$82,320	\$93,317

^{*}Note: The office of elected Clerk and Recorder was established in 2007, and this office was assigned a salary identical to the Auditor's salary.

COMPARISON OF SELECTED STATE AND LOCAL ELECTED OFFICIAL SALARIES IN COLORADO (2015)

(Note: This list does not include <u>per diems</u>, meeting stipends, and other similar payments in excess of base salary.)

Denver District Attorney:	\$219,606 (eff. 1-1-16)
Denver Mayor	\$155,211
Chief Justice of the Colorado Supreme Court	\$142,708
Denver Auditor/Clerk and Recorder	\$134,235
County Sheriffs (largest counties)	\$111,100
Mayor of the City of Colorado Springs	\$ 96,000
President of Denver City Council	\$ 93,317
Colorado Governor	\$ 90,000
County Commissioner (largest counties)	\$ 87,300
Member of Denver City Council	\$ 83,332
Colorado Attorney General	\$ 80,000
Colorado Secretary of State/Treasurer	\$ 68,500
Mayor of Aurora	\$ 56,000*
Colorado state legislators	\$ 30,000
Member of Aurora City Council	\$ 13,000*
Member of the Colorado Springs City Council	\$ 6,250**

^{*}The **Aurora** home rule charter allows elected officials salaries to automatically escalate each year by the lesser of CPI or the average increase in employee salaries for the prior year. Earlier this year, the Aurora City Council considered but ultimately rejected the idea of a referred charter amendment that would have increased the Mayor's salary to \$80,000 and council salaries to \$40,000

^{**}Salaries in **Colorado Springs** are fixed in the home rule charter. A referred charter amendment last year proposed to increase the Council salary to \$48,000, but the measure was defeated by a 4:1 margin at the polls.