

KENAI PENINSULA BOROUGH

Kenai Peninsula Borough Assembly

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Gary Knopp, Assembly President
Charlie Pierce, Vice President

MEMORANDUM

TO: Gary Knopp, Assembly President
Kenai Peninsula Borough Assembly Members

FROM: Bill Smith, Assembly Member *Bill Smith*
Charlie Pierce, Assembly Member *CP*

DATE: April 19, 2011

RE: Ordinance 2011- 11, Amending KPB 2.04.060 to increase the salary of the Borough Mayor

In 1990, the Assembly set the salary of the Mayor in the borough code at \$79,000 per year. Since then it was raised to \$80,000 and has not changed since 1996. If this salary had been increased at the rate of inflation, it would currently be over \$135,000. If the salary had been adjusted at one percent per year (under the rate of inflation) it would be set at \$98,333 for FY2012. Please see attached chart for detail of the effect of inflation.

The salary paid to the Mayor can only be adjusted through the budget process preceding a mayoral election. No cost of living increases have been granted to the mayor's position for 21 years.

In that 21 years, most borough employees have not only received cost of living increases, they have also received step increases through the wage scale. This consideration has not been given to any mayor since 1990.

We believe the proposed salary adjustment for the office of mayor is an equitable one, and it may encourage highly experienced managers to consider public service.

Your consideration would be appreciated.