

KENAI PENINSULA BOROUGH

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MIKE NAVARRE BOROUGH MAYOR

MEMORANDUM

TO: Kelly Cooper, Assembly President

Members, Kenai Peninsula Borough Assembly

FROM: Mike Navarre, Mayor (1)

DATE: June 6, 2017

RE: Ordinance 2017- 13, Amending KPB 2.04.060 to Increase the Mayor's

Salary to \$110,000

In 2011, the assembly set the salary of the mayor in the borough code at \$99,000 per year, and the mayoral salary has not changed since this time. If this salary had been increased at the rate of inflation, it would currently be over \$110,000. If the salary had been adjusted at just one percent per year (under the rate of inflation) it would be set at \$105,000 per year for FY18. Please see attached chart for detail of the effect of inflation, specific to the Anchorage area according to the U.S. Department of Labor.

As the current mayor is terming out, it is a prudent time to evaluate the compensation for the position soon to be elected. As the mayoral position for the Kenai Peninsula Borough is a strong-mayor position, the role is responsible for direct management of a significant budget, planning, legislative and management duties, similar to a city or borough manager.

The amount of 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 the past six years. During those six years, most borough employees have received reasonable cost of living increases. This consideration has not been given to the mayor's position, and the result has left the salary behind the local competitive market.

I believe the proposed salary adjustment for the office of the mayor is an equitable one and it may encourage highly experienced managers to consider public service. This proposed change would not take effect until commencement of the next mayor's term of office.

Your consideration would be appreciated.