In the Council Chambers of the Showers City Hall, Bloomington, Indiana on Tuesday, December 10, 2024 at 7:30pm, Council President Isabel Piedmont-Smith presided over a Special Session of the Common Council.

Councilmembers present: Courtney Daily (arrived at 7:57pm), Matt Flaherty, Isabel Piedmont-Smith, Dave Rollo, Kate Rosenbarger, Andy Ruff, Hopi Stosberg, Sydney Zulich Councilmembers present via Zoom: none Councilmembers absent: Isak Nti Asare

Council President Isabel Piedmont-Smith gave a land and labor acknowledgment and summarized the agenda.

Stosberg moved and Ruff seconded to structure the discussion. The motion was approved by voice vote.

Stosberg commenced the discussion by providing a brief history of the city's elected officials' salaries and statutory authority that allowed council to fix elected officials' salaries. She noted the Ad Hoc Salary committee's context and purpose, and that the committee had opted to begin with a blank slate, not replicating past practice or have specific salaries in mind. The committee consulted with Crowe LLP who was engaged with the administration regarding civil city salaries. She explained potential options for Crowe and the committee and described the process the committee had undertaken, facilitated by Crowe. Clerk Nicole Bolden, Sharr Pechac, Director of Human Resources, and Taylor Brown, Legislative Affairs Specialist, Office of the Mayor, and Sam Roll, Council's O'Neill Fellow had all attended the committee meetings. The committee developed a set of guiding principles, established a basis of salary setting, identified relevant information and data, and set an annual process for fixing elected official salaries moving forward.

Zulich presented the guiding principles including accessibility of public service, equitable pay, quality community service, informed decisions, and transparent and documented processes. She gave details on each guiding principle.

Stosberg described the development on the basis of salary setting. She discussed several approaches like setting the mayor's salary, then setting council and clerk salaries as a percentage of the mayor's or perhaps benchmarking to other Indiana second class cities.

Rosenbarger said the approaches that most aligned with the guiding principles was setting the mayor's salary, or the clerk's salary, and basing the others on that salary. The approaches that aligned the least were to set salaries based on what was paid the previous year or benchmarking to other Indiana second class cities. She explained anchoring bias which was a cognitive bias that caused one to heavily rely on the first piece of information on a topic. That risked skewing a decision and not having an objective analysis based on a set of principles. She explained the recommended basis of salary setting, and the elected official compensation framework.

Flaherty explained that the committee started with a sequenced process, first identifying what outcomes and values were being sought. The committee considered information relevant to enable

COMMON COUNCIL SPECIAL SESSION December 10, 2024

ROLL CALL [7:30pm]

AGENDA SUMMATION [7:31pm]

Vote to structure discussion [7:35pm]

DISCUSSION OF <u>ORDINANCE</u> 2024-26 [7:35pm]

Ordinance 2024-26 – TO FIX THE SALARIES OF ALL ELECTED CITY OFFICIALS FOR THE CITY OF BLOOMINGTON FOR THE YEAR 2025 the council to make informed decisions. These items included the Civil City pay ranges, city budget constraints and capacity, consultation with Bloomington's elected officials, anonymously sourced input from councilmembers on hours required to meet expectations. The mayor and clerk provided comments to the committee. Additionally, the committee considered elected official salaries for Monroe County and other Indiana second class cities as well as the Bloomington Area Median Income (AMI) and cost of living. He provided details on each data point. The committee recommended an annual process and Flaherty briefly described the timeline. He spoke about applying the framework to develop salary recommendations based on the five guiding principles. He explained the recommended salaries for the mayor, clerk, and council with detailed rationale from the committee. The mayor would have a midpoint grade fourteen, with a salary of \$151,410. The clerk would have a midpoint grade of thirteen, with a salary of \$129,780. Councilmembers would have a salary of \$45,423, a percentage of the mayor's salary. He said the councilmember survey included time preparing for meetings, hours in noticed meetings, constituent and community services, and legislative and policy development, review, and refinement. Some examples included reading packet materials, working with staff, individual research, regular and special sessions, responding to emails, attending neighborhood meetings, review of city plans to better understand policy implementation, and more.

Rosenbarger said <u>Ordinance 2024-26</u> was part of salary increases citywide, starting with a salary study initiated by the former mayor, John Hamilton, and ending in Mayor Thomson's term. The city aimed to be an employer of choice, striving to provide a competitive total compensation package. The city valued reasonably higher salaries for leadership positions, especially those with widespread impact on the community. The committee attempted to correct historic inequities with a more significant adjustment. However, the committee opted to phase in the increase.

Shannon Madden, Crowe LLC, said Crowe's goal was to facilitate the committee meetings and to develop a structured process; not to make recommendations. She stated that committee members had presented the process well that evening. They had prioritized the values-driven framework based on the guiding principles. There had been a lot of critical thinking and analysis throughout the process. Consultants from Crowe provided a summary memorandum of the process which was included in the packet materials.

Rosenbarger presented alternatives and encouraged those with proposed changes to the salary ordinance to engage with the Elected Official Compensation Framework. Some considerations included analyzing the guiding principles, the basis of salary setting, and the application of both. If councilmembers disagreed with those items, she asked what they recommended be added or removed.

Piedmont-Smith noted the structure of debate.

Rollo said the recommended salaries were shocking but recognized the committee's good work with developing a framework. He had only seen the salary when the packet was distributed. He asked if the committee had looked at other cities in Indiana.

Stosberg had not liked the final compensation amounts and the committee had considered ways to adjust the pay. She believed the salary ordinance needed to go before the full council for debate. Ordinance 2024-26 (cont'd)

Historically, Indiana clerks and council were underpaid and she expressed concern about the community backlash. She reiterated that state code authorized council as the only body to fix elected officials' salaries so it was not surprising that pay around the state was low. Surveying other council's duties would have yielded interesting information but there had not been time to conduct a study. It was uncomfortable to discuss salaries but it was necessary and the service council provided was valuable.

Flaherty clarified that if the basis of benchmarking was the tool to be used, then the committee would have researched other cities' council's duties. Much of that research had already been done. Councilmembers had researched meeting structures, and Clerk Bolden had researched meeting frequency. It was clear that Bloomington had a much more active council with a higher expectation of community engagement and collaboration in producing policy and legislation. There were significant differences that warranted a different approach than simple comparisons. The position of clerk was historically and commonly held by women and was systemically undervalued. There was academic research highlighting that councils were often underpaid because they had to set their own salary. There was not an incentive for increasing pay which led to systemic depression of council salaries. That was not the case for mayors. He spoke about benchmarking and different ways to approach it.

Piedmont-Smith asked for clarification between accessibility of public service and quality community service.

Zulich responded that accessibility referred to whether or not anyone could hold the position while quality referred to attracting good people.

Rosenbarger added that accessibility externally referred to the qualification of the job while quality internally referred to working with staff, engaging with the community, and more.

Stosberg said that quality community service was the overall goal for all elected officials. She discussed intrinsic and extrinsic motivations for those serving in public office. Paying elected officials well, improved quality community service and addressed inequities.

Rosenbarger noted that many people chose not to serve because of the low pay. The purpose was to entice qualified candidates to run for office.

Daily asked why make the increases to elected officials' salaries that year. She said pushback from the public included raising salaries for the next council.

Flaherty reiterated that council had never fixed its own salary so the inequity had just continued over the years. And unless there were to be nine new councilmembers, then there would be councilmembers voting on their own salary regardless. The proposal was part of the citywide effort to make city salaries competitive; to correct years' of inequity. There were people in senior leadership receiving a \$30,000 increase to their salary. Increasing salary for future council had also not occurred for city council, though it had statutory requirements to do so.

Zulich commented on staff turnover during the budget process which related to retention.

Stosberg asked if not now, when. At some point, council needed to address the inequity in its compensation.

Rollo spoke about council's role in public service and acknowledged different socioeconomic statuses. He believed that taking major

Ordinance 2024-26 (cont'd)

action at the time appeared to the public as self-serving. He referenced the B Square Beacon that listed elected officials' salaries. He commented on the clerk's salary. He believed council was underpaid in comparison to other cities in Indiana and said the former administration had only done COLA increases even with high inflation. A modest increase in pay was justifiable but anything larger should be for the next council and clerk. He said the mayor's pay was fine, the clerk's salary could increase a bit, and council's should increase.

Stosberg asked what a modest number would be.

Rollo referenced other cities like Carmel and Fishers, which had salaries around \$20,000+. He recognized that Bloomington's council was more active and the high cost of living of the city. Around \$26,000 was reasonable, give or take a thousand dollars.

Piedmont-Smith asked if Rollo focused on comparisons to other cities and the cost of living in a city.

Rollo said yes. The clerk in Carmel, made approximately \$129,000 but was also clerk for the municipal court. He noted that the mayor and the clerk had benefitted by adding employees. Council had not.

Rosenbarger spoke about public service, and the value in public good, but said it was elitist and exclusionary to pay those in public service less; it went against the guiding principles such as equity. She reiterated that working in public service simply for the good of the public was not in the framework or guiding principles identified by the committee. Employees of Cook, Indiana University, or even city staff were not asked why they were paid so much. Perhaps individuals could donate a portion of their salary for the greater good instead of making a fair market wage. She urged council to use the framework.

Clerk Bolden noted the passing of Monroe County Councilor Cheryl Munson and expressed deep sympathy to her family. It was a significant loss to the community. She clarified that the mayors of Carmel, Hammond, Fishers, Fort Wayne, Noblesville, Gary, and Lafayette all made over \$140,000. Bringing Bloomington's mayoral salary to \$141,000, she would be the eighth or ninth highest paid mayor in Indiana. The increase to the clerk's salary would be large, depending on the final number. Bolden explained that Bloomington's Office of the City Clerk had adjudication duties. No city clerk in second class cities, in the state of Indiana, had controller duties; only clerk-treasurers in third class cities and towns did. The Office of the City Clerk had only recently been back to the staffing levels of Bolden's predecessor. Clerk staff had decreased while at the same time, work load increased with council meetings nearly doubling. It was a misrepresentation to say that staff had been added. Council had requested and approved an additional staff member for the clerk's office to cover additional duties.

Flaherty thanked Rollo for commenting, and believed benchmarking was important to Rollo. The committee had defined things like equitable pay according to levels of responsibility, and relative to other Bloomington elected officials and departmental leadership. He noted that perhaps Rollo defined equity through population. It was important to know what councilmembers thought about salary changes. Flaherty thought it best to phase in increases and gave examples. He cautioned only using benchmarking to other cities. Currently, there were department heads' salaries increasing from \$117,000 to \$151,000. That information was relative to the consideration of increases for elected officials. He hoped council Ordinance 2024-26 (cont'd)

was able to attain an outcome that the majority or the full council could support.

There was brief discussion on potential amendments to <u>Ordinance</u> <u>2024-26</u>.

Daily said she and Zulich were drafting an amendment which used the framework. The mayor's salary would remain as proposed in the legislation, at \$151,000 due to the mayor's actual work hours being sixty per week. Council's salary would be \$30,282. She gave reasons in support of the proposal which had phased-in increases, with a final vote in 2027 for 2028. There would be incremental \$1,500 increases per year, and in year three it would be \$3,000.

Zulich added there would be phased-in salary increases for the mayor and clerk. Using the framework, the mayor's salary would start at \$142,490.67 and the clerk's salary would start \$101,260. She provided reasons in support of the compromise.

Piedmont-Smith asked how the percentages were calculated and if it was based on council working twelve hours, part-time.

Zulich said yes and the first third of the increase would be in 2025, with additional phasing in the following years.

There was discussion on how the calculation was made.

Stosberg expressed concern that the mayor's hours were calculated to be sixty, given the extensive work of labor to establish a forty hour work week. The committee had opted to use twelve hours for council as the bare minimum. She noted a councilmember had said the work week was twenty six hours. If the proposed amendment used sixty hours for the mayor, Stosberg preferred to use, at least, the average of sixteen and two thirds for council.

Flaherty appreciated the discussion and proposal. He reiterated that the goal was not based on a dollar figure, because every year there was a COLA increase and grades changed. It was important to restructure the discussion to say, for example, midpoint grade thirteen, rather than focus on a specific dollar amount. Phasing in increases included an advancing target. Regarding hours worked, the committee had considered that the mayor likely worked more than forty hours per week, especially in emergencies. He explained how the committee had arrived at 30%. Setting a percentage basis was sound and was Bloomington-specific, given the nature of its council. He believed 20% was too low, but could possibly support 25%. He spoke about other senior leadership positions and things like tenure pay.

Rosenbarger thanked Daily and Zulich and asked for clarification on the phasing-in of increases. It was best to use percentages than dollar amounts since compensation could not be fixed past 2025.

Piedmont-Smith noted that the proposed amendments were in draft form still.

Zulich confirmed that it was the current salary plus the first third of the increase proposed by <u>Ordinance 2024-26</u>. Beyond 2025 was an expression of intent.

Rosenbarger asked for the rationale for mayor and clerk salaries. There was additional discussion on the forthcoming rationale.

Stosberg said that the proposal set a final number and worked backwards, but that in three years, the midpoint grade fourteen would be different. She asked if Ruff had anything to add. Ordinance 2024-26 (cont'd)

Ruff stated that he was listening to the discussion and did not have anything to add.

Flaherty was working on an amendment with Rosenbarger that started council salary as a percentage of the mayor's salary. He believed 20% was far too low. He reiterated that the committee had identified 30% as ideal, after considering the duties of the mayor and other senior leaders. Currently, council pay was around 16% of the mayor's. He spoke about options for phasing in increases, for the mayor and clerk. He believed the clerk was a department head. He acknowledged that council had added responsibilities to the clerk's office, such as oversight of boards and commissions.

Stosberg preferred Flaherty's phasing in plan, as it was closer to the original proposal. She gave examples and explained why.

Piedmont-Smith asked about phasing in the clerk's salary.

Flaherty said it would be steps one, two, or three of grade point twelve, though he believed it should really be grade thirteen. The amendment was a draft, and an effort to compromise.

Piedmont-Smith believed that the clerk was a department head and should be graded at thirteen. She asked for feedback.

Rosenbarger agreed that the clerk, and council attorney, were department heads and should be compensated accordingly. Bloomington's council met more than any other second class city, and included the clerk too. Additionally, there were minutes to draft and legislation to process, and more.

Stosberg had considered the city's change to a fourteen grade point range. She had requested the rubric with the list of considerations from Human Resources (HR) as well as loose definitions of grades. For department heads, the grades were thirteen and fourteen, and for division heads, the grades were elven and twelve. Public Works had been provided as an example of the differences. She had a proposed amendment, which placed the clerk at midpoint for grade eleven which was higher than entry point for grade twelve. She added as a reminder that council could not lower pay for elected officials once fixed so she preferred to start more conservatively.

Jeff Richardson believed council was a diverse representation of workers and spoke about perception. The original proposal was perceived to be self-serving as well as unintended consequences.

There was discussion on extending public comment per speaker.

Ruff moved and Zulich seconded to give five minutes of public comment per speaker, with comment to end at 10:15pm.

The motion received a roll call vote of Ayes: 8, Nays: 0, Abstain: 0.

Jeff Richardson continued his public comment and discussed working over forty hours per week.

Colleen Williamson, Assistant Administrator/Legal Research Assistant, read a comment submitted via Zoom chat by Sam Dove in regards to firefighter salaries.

Renee Miller praised Cheryl Munson and noted her passing. She supported the salary increase for the clerk, but for council, it should not be a higher increase than Fishers. Ordinance 2024-26 (cont'd)

Council discussion:

Public comment:

Vote to extend public comment time limit per speaker [9:36pm]

Steve Volan wished that Cheryl Munson rest in peace. He said anchoring bias was used when he was on council, with just a COLA. Charlotte Zietlow had written in her book, that a typical council meeting before 1971 lasted five minutes, with ordinances voted on after only reading the title. He urged council not to have reactionary politics, especially from social media. He commented on the committee's work, council's work hours, health insurance, and more. He urged council to increase its salary to \$32,000, the city's living wage ordinance amount. He said council could form a resident committee to do the Ad Hoc Salary committee's work. There was anchoring bias in comparable second class Indiana cities. He said the new paradigm carefully constructed by the Ad Hoc Salary committee, and its recommendations, were reasonably recommended.

Eric Spoonmore, President and Chief Executive Officer of the Greater Bloomington Chamber of Commerce, recognized the passing of Chervl Munson. He thanked board members and commissioners who volunteered their time with no pay or healthcare. He spoke about businesses unable to pay their part-time employees' healthcare and pension. He appreciated the committee's work and Zulich and Daily for their amendment.

Valerie Merriam acknowledged Cheryl Munson's passing. She spoke about the perception of the recommended increase in salaries for elected officials and expressed disdain. She noted high cost of property taxes, and potential tariffs under the new president. She urged council to go slowly with any increases. She wished that council even had Republicans; having only one party was horrible.

Williamson read a comment submitted via Zoom chat by Bloomington Resident regarding council's increase in salary being greater than some full-time city employees. They urged council put the question on the ballot for a vote.

Stosberg presented an alternative proposal and while she supported Council comments: the committee's framework, her proposal used a different basis for salary studies. It focused on pay equity and the wage gap and how COLA increases widened the wage gap. She discussed inflation, buying-power of dollars in 2000 and 2024, and said that the adjusted council salary should be \$29,586. She spoke about Monroe County's approach to closing the wage gap. She acknowledged that her methodology assumed that the wage gap in 2000 was ideal, and that was a flawed assumption. She explained how the proposal related to the guiding principles and noted it was not a repeatable process; a committee would have to restart the work the following year, preferably earlier in the year. She highlighted the gender bias between clerk and mayor since clerks in Indiana were positions primarily held by women. Because of those historic inequities, it was not ideal to use the wage gap to compare salaries of mayor and clerk. She shared sample salaries for mayor and council and gave reasons in support, and noted that the clerk could be similar to a division head, grade eleven.

Piedmont-Smith thanked Stosberg for her presentation. She noted that in 2000, councilmembers were making 15% of the mayor's salary which was not sufficient.

Stosberg added that the current council was making only 15% of the mayor's salary. In the sample salaries she shared, one was at 26% and the other was 21%.

Ordinance 2024-26 (cont'd)

Public comment:

Rollo asked Stosberg if she was proposing to set the mayor's salary and if so, what it would be.

Stosberg had attempted to adhere to the committee's framework; by setting the mayor's salary first, then setting council's salary as a percentage of the mayor's. She explained how she arrived at potential salaries as a step towards correcting the wage gap.

Flaherty said it was an interesting analysis and appreciated Stosberg's input. He did not find it compelling as a salary basis due to anchoring and the arbitrariness of picking 2000 as the ideal wage gap. It departed from the values-based framework. It was relevant to inform how salaries were affected over time.

Piedmont-Smith said putting the clerk at a midpoint grade eleven was too low and explained why. She would compromise with a midpoint grade twelve, given the responsibilities of a city clerk. She noted that the Mayor Thomson had made it clear that she would not sign any salary ordinance that was greater than a COLA increase for elected officials, so none of the proposals discussed that evening would be approved by the mayor. If the mayor vetoed the salary ordinance, then council would have to meet later in December, possibly on the 30th. Piedmont-Smith would follow up with councilmembers for their availability.

Stosberg commented on the elected officials' salaries and noted the mayor had the greatest increase. It was abhorrent that the mayor would veto any ordinance that would increase equity and pay amongst elected officials.

Rollo appreciated council's discussion that evening but was concerned about perception. He expressed trepidation on raising council's salaries. He believed comparing Bloomington to the other cities was defensible. He commented on the clerk's salary and his hesitation on raising it. If there was compelling information that the clerk, an elected official, was like a department head, then it needed to be presented.

Rosenbarger asked to review the committee's recommendation.

Flaherty said it would be useful because it showed how using a percentage of the mayor's salary, for council's salary, would move in tandem with moving paygrades.

Rosenbarger appreciated the committee's recommendation and the intent pertaining to increases. Council's part-time role averaged out to 43% of a full-time job. She said there was a good work-life balance at the city, including compensatory time off. She noted that Fishers council only met once per month; so comparing to other cities was not ideal. Some members of the public did not believe council spent a lot of time on council work and she questioned that assumption. She supported salary increases generally because Bloomington had such a high cost of living and ways to address that included increasing salaries. It was not appropriate to argue that since one was not paid well, others should also not be. She supported having a living wage and uplifting individuals.

Piedmont-Smith encouraged council to work collaboratively on potential amendments to avoid duplicate proposals.

Stosberg stated that the committee's recommendation addressed the wage gap concern she had.

Ordinance 2024-26 (cont'd)

Council comments:

Ruff referenced former councilmember Steve Volan's comments, the proposals discussed that evening, the committee's recommendation, and council comments. He did not believe the discussion on elected officials' salaries was self-serving. It was not greedy to serve as an elected official and being properly compensated for it, it was still community service.

Piedmont-Smith asked staff about timing for potential amendments. Lehner said it best to not to duplicate work and to allow council

staff the time to review, compile, and distribute amendments. Flaherty noted the legal perspective where local code required amendments to be written and displayed prior to adoption, even during a meeting. He gave examples.

There was additional discussion on amendments and process.

Piedmont-Smith adjourned the meeting.

Ordinance 2024-26 (cont'd)

Council comments:

ADJOURNMENT [10:33pm]

APPROVED by the Common Council of the City of Bloomington, Monroe County, Indiana upon this <u>05</u> day of <u>March</u>, 2025.

APPROVE:

Hopi Stosberg, PRESIDENT Bloomington Common Council

ATTEST:

Ide

Nicole Bolden, CLERK City of Bloomington