

REPORT OF THE  
COMMISSION ON COMPENSATION, EXPENSES,  
AND SALARIES OF ELECTED STATE OFFICIALS

January, 1983

The Commission on Compensation, Expenses, and Salaries of Elected State Officials was established by the General Assembly in 1972. It consists of fifteen members, five appointed by the Governor, five appointed by the President of the Senate, and five appointed by the Speaker of the House of Representatives. Chapter 2A of the Code of Iowa (1983) charges the Commission with a review of the compensation and expenses paid to members of the General Assembly and salaries paid to other elective state officials and statutory judicial officers. The Commission is directed to review compensation, expenses, and salaries paid for comparable positions in other states, the federal government and private enterprise and to recommend compensation and expense levels for members of the General Assembly and salary levels for elective executive officials and judges.

The members of the Commission on Compensation, Expenses, and Salaries of Elected State Officials are:

Mr. Tom Miller, Chairperson  
Publisher, Cherokee Daily Times, Cherokee  
Mr. Robert Fleming, Vice Chairperson  
Chairman of the Board, National By-Products, Inc., Carlisle  
Mr. Donald Arnold  
Vice President, Corporate Relations, Meredith Corporation,  
Des Moines  
Mr. Donald Briggs  
CPA, West Des Moines  
Mr. Jack Drake  
Self-employed farmer, Lewis  
Mr. Arnold Lindeen  
Retired farmer and businessman, Swedesburg  
Ms. Dianne Mohler  
Collection Supervisor, Credit Bureau of Waterloo, Waterloo  
Mr. John Murray  
Attorney, Fort Dodge  
Mr. Carl Nielsen  
Executive Director, Iowa State Bar Association, Altoona  
Mr. Don Rowen  
Executive Vice President, Iowa Federation of Labor, Des Moines  
Mr. William D. Scott  
Electrician, Iowa Electric Light and Power, Cedar Rapids  
Ms. Anna Smith  
Coordinator, Des Moines Housing Council, Clarinda  
Ms. Elaine Smith  
Real Estate and Business, Monticello  
Mr. Bruce Van Druff  
President, Thomas D. Murphy Company, Red Oak  
Mr. Daryl Watts  
Personnel Director, Boone Valley Cooperative, Eagle Grove

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The Commission met on November 9, 1982 and November 23, 1982 and reviewed the current salaries of the officials, its own recommendations made in December, 1980, salary levels of similar positions in other states, salary levels of subordinate employees, salary levels in private industry, and salary levels of executive department heads in Iowa.

Mr. Tom Miller was reelected as Chairperson and Mr. Robert Fleming was elected as Vice Chairperson.

It was noted that the take-home pay of most of the persons holding the offices will be reduced by \$231 during the 1983 calendar year because of an increase in covered wages under Social Security.

The Commission reviewed its previous recommendations in light of the fact that three times in prior years it had extensively evaluated the positions for which it makes recommendations, and agreed that its recommendations should reflect previous salary recommendations and not actual current salaries.

The Commission reviewed the principles that it has adopted over the past ten years and agreed:

1. That Commission deliberations should not be influenced by political considerations.
2. That recommendations should be based upon the offices themselves and not on the performances of present officeholders.
3. That recommendations should be made without regard to whether the Commission believes the General Assembly will accept or reject the recommendations.

It was brought to the Commission's attention that the salary increases and merit increases granted to unorganized state employees for the fiscal years beginning July 1, 1978 through July 1, 1982 equal an average of 40.6%, which is a cumulative increase of 47.75%. Calculations were performed to determine the percents of increases provided for each of the positions for which the Commission makes recommendations and in all cases except the legislative, and the judicial magistrates and associate judges (which were 33%), the percent of increase was less than 30. Attached to this report is a chart listing these hypothetical salaries for the executive and judicial officers.

A number of members of the Commission are knowledgeable about salary increases being granted in the private sector and it is their belief that these increases for next year are averaging from 6.5% to 7%.

Prior to making specific salary recommendations, the Commission determined the following as additional principles on which to base its recommendations:

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1. The Governor of the state should be compensated at a level higher than other state employees. It was noted that full professors at the state universities earn more than the Governor and the Commission agreed that this situation should not continue.

2. The Commission believes that the salary of the Governor is far too low for the chief executive of a \$2 billion corporation. In recent years it has been the policy of the Governor to seek to maintain the present Governor's salary, and the Commission disagrees with this philosophy.

3. The state executive officials should be earning higher salaries than their deputies. A survey of the salaries of the employees in the departments of state executive officials indicates that in several departments one or more employees earn more than the state executive official for which they work:

a. Governor - none.

b. Secretary of Agriculture - nine employees are in pay ranges with maximums higher than that of the Secretary.

c. Attorney General - one employee is in a pay range with a maximum higher than the Attorney General.

d. Auditor of State - three employees earn more than the Auditor. Four additional employees are in pay ranges with maximums higher than that of the Auditor.

e. Secretary of State - two employees are in a pay range with a maximum higher than that of the Secretary.

f. Treasurer of State - two employees earn more than the Treasurer. One additional employee is in a pay range with a maximum higher than that of the Treasurer.

4. Since the Auditor of State is one of the top financial officers of the state, the base on which salary increases are calculated should equal \$5,000 more than the base salaries on which the salary increases for the Treasurer of State and the Secretary of Agriculture are calculated. The duties of the Auditor of State have become more complex in the last few years requiring a professionally competent staff of auditors. Expanded duties include working on reimbursable audits for the federal government and reviewing audits of local governmental agencies performed by private accounting firms.

5. The base on which salary increases are calculated for the Secretary of State should equal \$1,500 less than the base on which salary increases are calculated for the Treasurer of State and Secretary of Agriculture. The Commission's original recommendation made in 1972 recognized a difference in job responsibilities,

complexity and impact between the Secretary of State and the other state elected officials and the Commission believes that these differences remain.

6. Once changes have been made in the recommended salary bases of the elected executive officials to reflect recommendations 4 and 5, the salary recommendations should provide a 5% increase for each of the next two fiscal years over the Commission's recommendations for the fiscal year beginning July 1, 1982.

7. The salary of the Attorney General should continue to keep pace with the salary paid to district court judges.

8. It is important to pay adequate salaries to members of the judicial branch in order to attract and retain top caliber attorneys to serve as judges. Information from the Iowa State Bar Association indicates that in 1980 the average salary of an attorney who has been practicing law for from 20 to 25 years is \$60,000. The Commission also believes that both the number and complexity of cases before the judiciary has increased over the past few years.

9. The salary recommendations for the judicial branch should be increased 5% for each of the next two fiscal years over the Commission's recommendations for the fiscal year beginning July 1, 1982.

10. The General Assembly should not be reluctant to grant salary increases for the members of the next General Assembly. Since there is a two-year lag from the time of the Commission's recommendations to the date upon which any salary increases could take effect, the increases must be sizable in order for the salaries to be commensurate with the complex duties and responsibilities of the office at the time they take effect. The Commission believes that the General Assembly should have granted pay increases in 1981 that would have taken effect in 1983.

11. Since the General Assembly did not act upon the Commission's recommendations in 1981 or 1982, the salaries paid to the Lieutenant Governor and the members of the General Assembly (viewing the legislative duties as requiring about 50% of full-time employment) for 1985 and 1986 should equal the recommendations made for the 1983 and 1984 calendar years rounded to the nearest five hundred dollar increment.

12. The Commission believes that the expense allowance paid to the Lieutenant Governor and members of the General Assembly should be increased in 1985 as should the per diem payments for interim and special session work.

Before members of the General Assembly and the Governor study the Commission's specific salary recommendations, consideration should be given to the salary comparison information contained on the following sheet.

SALARY COMPARISONS

To test the validity of its past recommendations, the Commission selected the period between July 1, 1977, and July 1, 1982. The Commission listed the actual salaries paid to elected executive officials and members of the judiciary on both of those dates. Then it computed the cumulative percentage of increase granted state employees over the same five-year period, amounting to 47.75%, and applied that percentage to the July 1, 1977 salaries. Finally, it entered the amounts that the Commission had recommended for the fiscal year beginning July 1, 1982 for each of the offices.

The figures are listed below, and they show that, had the officials received raises corresponding to those granted to public employees, each of the officials would have been paid more than the Commission recommended.

The results demonstrate that the Commission's judgments have been conservative.

	<u>Actual Salary 7/1/77</u>	<u>Actual Salary 7/1/82</u>	<u>Hypothetical Salary With 47.75% Increase</u>	<u>Commission Recommendation For 7/1/82</u>
Governor	\$55,000	\$60,000	\$81,262	\$70,816
Secretary of State	30,000	38,500	44,325	41,699
Auditor of State	30,000	38,500	44,325	41,699
Treasurer of State	30,000	38,500	44,325	41,699
Secretary of Agriculture	30,000	38,500	44,325	41,699
Attorney General	40,000	50,700	59,100	54,967
Supreme Court Chief Justice	50,000	62,100	70,300	68,234
Justices	45,000	57,100	63,270	61,916
Appeals Court Chief Judges	43,500 42,500	55,400 54,200	64,271 62,794	60,021 58,757
District Court Chief Judges	42,000 40,000	53,000 50,700	62,055 59,100	57,494 54,967
Associate Judges	33,000	42,000	48,758	45,490
Magistrates	8,750	11,700	12,928	12,636

RECOMMENDATIONS

Based upon these assumptions and principles, the Commission on Compensation, Salaries, and Expenses for Elected State Officials makes the following specific recommendations:

1. That section 2A.4 of the Code of Iowa be amended to allow the Commission to make annual recommendations to the Governor and the General Assembly. (A copy of a bill draft to implement this recommendation is attached to this report.)

2. That the salaries and expenses of elected state officials, judges, and members of the General Assembly be increased to equal the following:

SALARIES: ELECTED STATE OFFICIALS

	<u>1981-1982</u>	<u>1982-1983</u>
Governor	\$74,000	\$77,500
Attorney General	\$58,000	\$61,000
Auditor of State	\$49,000	\$51,500
Treasurer of State	\$43,500	\$45,500
Secretary of Agriculture	\$43,500	\$45,500
Secretary of State	\$42,000	\$44,000

EXPENSES: ELECTED STATE OFFICIALS

Governor	Remain the same
Governor-Elect	Remain the same

SALARIES: JUDICIAL BRANCH

Supreme Court		
Chief	\$70,000	\$73,000
Justices	\$65,000	\$68,000
Appeals Court		
Chief	\$63,000	\$66,000
Judges	\$62,000	\$65,000
District		
Chief	\$60,000	\$63,000
Judge	\$58,000	\$61,000
Associate	\$48,000	\$50,500
Magistrate	\$13,500	\$14,000

SALARIES: LEGISLATIVE BRANCH

	<u>1985</u>	<u>1986</u>
Lieutenant Governor	\$24,000	\$26,000
Speaker	\$24,000	\$26,000
Leaders	\$18,500	\$20,000

Members \$16,000 \$17,500

INTERIM COMPENSATION: LEGISLATIVE BRANCH

	<u>1985</u>	<u>1986</u>
Lieutenant Governor	\$70	\$75
Speaker	\$70	\$75
Leaders	\$50	\$50
Members	\$50	\$50

EXPENSES: LEGISLATIVE BRANCH

\$40 \$40

PROPOSED HOUSE/SENATE FILE \_\_\_\_\_

BY (PREFILED COMMISSION ON  
COMPENSATION BILL)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

## A BILL FOR

1 An Act to provide for annual recommendations by the commis-  
2 sion on compensation, salaries, and expenses of elected  
3 state officials.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 2A.4, Code 1983, is amended to read  
2 as follows:

3 2A.4 MEETINGS--DUTIES. The commission shall elect its  
4 ~~own-chairman~~ chairperson from among its membership and shall  
5 meet on the call of the ~~chairman-to-review-compensation-and~~  
6 ~~expenses-received-by-members-of-the-general-assembly-and~~  
7 ~~salaries-of-the-other-elective-state-officials~~ chair. The  
8 commission shall review compensation and expenses paid to  
9 members of the general assembly and salaries paid to other  
10 elective state officials, and statutory judicial officers,  
11 and shall review compensation, expenses, and salaries paid  
12 for comparable positions in other states, the federal  
13 government, and private enterprise. Based on ~~such~~ its review  
14 and other factors deemed relevant, the commission shall make  
15 its determination as to compensation and expense levels for  
16 members of the general assembly and as to salary levels for  
17 other elective state officials and statutory judicial officers  
18 to be recommended to the governor and the members of the  
19 general assembly. ~~No-later-than-February-17-1973-and-each~~  
20 ~~two-years-thereafter,-the~~ The commission shall report to the  
21 governor and to the general assembly its recommendations for  
22 compensation and expenses for members of the general assembly  
23 and for salaries for other elective state officials and  
24 statutory judicial officers not later than February 1 of each  
25 odd-numbered year, and annually if deemed necessary by the  
26 commission.

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#### EXPLANATION

28 This bill allows the compensation commission to make recom-  
29 mendations to the general assembly and governor on an annual  
30 basis if the commission deems it necessary. The Act takes  
31 effect July 1 following its enactment.

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