

May 8, 2025

TO: Woodburn City Council & Woodburn Charter Review Committee

FROM: Scott Derickson, City Administrator
McKenzie Granum, City Attorney

SUBJECT: **Stipends for Elected Officials**

RECOMMENDATION:

Accept the report and updated stipend survey data and direct staff on whether an Ordinance should be prepared for Council consideration and adoption that would implement a stipend program for elected officials.

BACKGROUND:

On March 24, 2025, the Council voted to adopt Resolution No. 2248 to formally establish the City of Woodburn Charter Review Committee, set expectations for the Committee, and appoint members to the Committee.

One charge of that Committee was to consider whether to recommend the City Council adopt an ordinance (separate and apart from the Charter amendment process) that would establish and set a financial stipend for future elected officials.

Stipends for elected officials at the municipal level of government are generally nominal sums of money that are meant to reasonably benefit or cover some of the ancillary costs incurred from serving as an elected official. These stipends are not meant or intended to provide a primary source of income to city elected officials who are generally categorized as volunteers.

DISCUSSION:

In December 2019, a staff report was prepared in response to an information request from the City Council at that time, which was intended to discuss and provide guidance on the implementation procedure for the Council to adopt a stipend program for future elected officials. No action was taken at that time on

the information provided in the report. The legal procedures discussed in the report are still applicable today.

Since 2019, a number of Oregon cities have moved ahead with adoption or updates to their elected official stipend programs. Included with the materials on stipends is an updated survey report that provides current stipend amounts for 29 cities in Oregon.

ATTACHMENTS:

- Report of Stipends for Elected Officials (December 9, 2019)
- Updated Stipend Survey – 2025



Agenda Item

December 9, 2019

TO: Honorable Mayor and City Council

FROM: Scott Derickson, City Administrator

SUBJECT: **Report on Stipends for Elected Officials**

RECOMMENDATION:

Accept the report and direct staff on whether further action is desired.

BACKGROUND:

The City of Woodburn previously provided a modest financial stipend to the Mayor and City Councilors during their terms in office. Issuance of the stipend was halted during the last economic recession and has not since been reinstated. The previous stipend provided fifty dollars (\$50) per month for the Mayor and twenty-five dollars (\$25) per month for each Councilor.

In March of 2018, the City Administrator requested a legal opinion from the City Attorney's office setting out the technical requirements and procedure for restoring a stipend for the City's elected officials. A copy of that memorandum is available to the Mayor and Councilors to review at their request. A general synopsis of the implementation procedures is provided below.

While not all cities in Oregon provide a financial stipend to their elected officials, many comparable cities to Woodburn in size and location do provide stipends to their Mayor and City Councilors. These stipends vary in amount and issuance format (i.e. monthly, yearly, etc.), but generally are nominal-type stipends that are meant to reasonably benefit or cover some of the ancillary costs incurred from serving as an elected official. These stipends are not meant or intended to provide a primary source of income to elected officials who are generally categorized as volunteers.

DISCUSSION:

Currently, the Mayor and City Councilors are eligible for expense reimbursement for City-related activities (e.g. conferences or travel), however, they do not receive a financial stipend that may otherwise assist the individual in offsetting

out-of-pocket costs associated with serving as an elected official (e.g. time away from work, costs of childcare during meetings, costs associated with attending community events, etc.).

In determining whether the restoring of a stipend program is suitable for Woodburn, it is most important for the Council to first consider how it would set or establish the stipend amounts and then how it would properly implement or enact the program.

1) Determining a Stipend Amount

In looking at adopting a reasonable and sensible stipend program for the mayor and city councilors, the Council will have broad discretion to implement an amount that it believes best fits the community and budgetary constraints of Woodburn.

In implementing or modifying the amount of a stipend, some jurisdictions utilize a compensation committee or their budget committees to assist in evaluating and setting the stipend amount. Usually these committees are formed as independent advisory-type committees that make an official recommendation to the Council on whether to implement a stipend program and at what amounts. The committee may base its decision on any number of factors, but generally considerations include, scope and expectations of elected positions, comparable regional stipend practices, and possibly a public survey or outreach campaign.

Utilization of an advisory committee as part of implementing a stipend program is completely discretionary and the Council can always elect to undertake its own review and deliberation on the matter.

In addition to the consideration of a suitable stipend amount, the Council may also want to consider whether the initial stipend amount should remain stagnant for an indefinite period of time or whether the stipend should automatically adjust based on various regional market factors (e.g. CPI). The Council may also want to consider whether any other compensation benefits such as health insurance should be provided.

In any event, a review of current jurisdictional practices may be informative and prudent for the Council during this preliminary consideration period:

CITY	POPULATION	MAYOR STIPEND (per month)	COUNCILOR STIPEND (per month)	OTHER
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BEND	95,000	\$1066	\$533	
CANBY	18,000	\$200	\$100	
CORVALLIS	58,000	\$100	None	
EUGENE	169,000	\$125	\$83	City health insurance (if desired)
FOREST GROVE	24,000	\$150	\$100	City health insurance (if desired)
HILLSBORO	107,000	\$2,000	\$700 (Pres.) \$500 (Councilor)	Rec. center annual pass; technology stipend
KEIZER	39,000	None	None	
KLAMATH FALLS	21,000	\$200	\$50	
LAKE OSWEGO	39,000	\$390	\$172	COLA increases to stipends
MCMINNVILLE	34,000	None	None	
MEDFORD	79,000	None	None	
MILWAUKIE	21,000	\$300	\$250	
NEWBERG	24,000	\$300	\$10/meeting	
OREGON CITY	36,000	None	None	
SALEM	170,000	None	None	
SPRINGFIELD	60,000	None	None	
TUALATIN	27,000	\$90	Technology stipend	
WEST LINN	27,000	\$533	\$333	
WILSONVILLE	24,000	\$750	\$350	City health insurance (if desired)
AVERAGE (of cities where a stipend provided):		\$477	\$227	

2) Implementing the Stipend Program

If the Council decides that it would like to move forward with implementing a stipend program for the mayor and councilors, then understanding the procedure and timeline for implementation is essential.

Under Section 11 of the City's Charter, the mayor and councilors are permitted to receive compensation for their services and expenses and such amounts are to be fixed by the Council. The Council could decide to adopt a Resolution that would provide the stipend and set the stipend amount. The primary aspect of concern, however, in implementing any compensation stipend for elected officials is ensuring that the Oregon government ethics law is not violated.

Oregon government ethics law prohibits public officials from using or attempting to use their official position or office to obtain financial gain for the public official.¹ And, while ORS 244.040(2) does allow an elected official to receive a compensation package as determined by that public body, councilors and the

¹ ORS 244.040(1).

mayor (if applicable) will be prevented from voting on giving themselves such a financial benefit. In application, this means that any proposal implementing a stipend program should apply only to future terms of the councilor, not to their current term of office.

By implementing the stipend program to become effective only when future councilors and mayors will be eligible to take office, councilors avoid having an actual conflict of interest under ORS 244.040(1) and would only have a potential conflict.² Councilors could then publicly announce the nature of that potential conflict of interest and then proceed to participate in any discussion, debate, or vote on the stipend.³

With the current terms of the Council, a stipend could be implemented in a staggered manner as follows:

- Effective January 2021
 - Mayor
 - Ward I Councilor
 - Ward II Councilor
 - Ward VI Councilor
- Effective January 2023
 - Ward III Councilor
 - Ward IV Councilor
 - Ward V Councilor

If a staggered implementation is not desired, the Council could also decide to enact stipends for the mayor and all councilors effective January 2023 or later. In making either implementation decision, setting the amount of the stipend and budgeting for the stipend would need to occur in the spring of the year prior to it going into effect.

FINANCIAL IMPACT:

If the Council decides it would like to move Staff time would be required for preparing any implementation instruments for a stipend program.

The implementation of a stipend program itself would be an expense that would need to be included as part of the Council's annual budgeting process.

² Councilors are advised that a potential conflict of interest should be declared for current council members who would be eligible to run for another term, or who may run for mayor.

³ ORS 244.120(2)(a). In 2018, the City of Bend implemented a stipend program for the mayor and councilors, with their proposal including provisions for a staggered implementation of the stipend based on when future councilors would be eligible to take office. Because of the staggered implementation, their program won't be fully in effect for all councilors until 2021.

April 12, 2025

TO: Woodburn Charter Review Committee

FROM: McKenzie Granum, City Attorney

SUBJECT: **Updated Stipend Survey - 2025**

CITY	POPULATION ↓	MAYOR STIPEND (per month)	COUNCILOR STIPEND (per month)	OTHER
ST. HELENS	14,400	\$ 1,388	\$925 \$ 1,110 (Pres.)	
CANBY	18,000	\$200	\$100	
SHERWOOD	20,000	None	None	
ASHLAND	21,000	\$900	\$900	
KLAMATH FALLS	21,000	\$200	\$50	
MILWAUKIE	21,000	\$300	\$250	
ROSEBURG	24,000	None	None	
NEWBERG	26,000	\$300	\$200	
WILSONVILLE	26,000	\$ 2,535	\$ 937 \$ 1,267 (Pres.)	City health insurance offered
FOREST GROVE	27,000	\$312	\$208	City health insurance offered
TUALATIN	27,000	None	None	<ul style="list-style-type: none"> • \$750 Technology stipend/year • \$20 credit on water bill/month
WEST LINN	27,000	\$533	\$333	
HAPPY VALLEY	28,000	None	None	
MCMINNVILLE	34,000	None	None	

OREGON CITY	37,000	None	None	
REDMOND	37,000	\$900	\$500	
KEIZER	39,000	None	None	
LAKE OSWEGO	40,000	\$390	\$172	
TIGARD	56,000	\$ 4,795	\$ 629	City health insurance offered
ALBANY	57,000	\$185	\$130	\$50/month technology stipend
CORVALLIS	61,000	\$560	\$360 \$410 (vp) \$460 (Pres.)	
SPRINGFIELD	61,000	None	None	
MEDFORD	85,000	None	None	
BEAVERTON	97,000	\$ 11,204 (classified as full-time employee)	\$2,089	
BEND	105,000	\$4,166	\$2,500	<ul style="list-style-type: none"> • Stipend w/COLA • City Health Insurance offered @ 90% premium coverage • Additional \$3,000/year health and wellness stipend
HILLSBORO	107,000	\$ 4,000	\$1,050 \$1,300 (Pres.)	<ul style="list-style-type: none"> • Rec. center annual pass; • Technology stipend • City health insurance offered
GRESHAM	110,000	\$ 5,780	\$ 2,361 \$ 2,588 (Pres.)	City health insurance offered @ 50% premium coverage
EUGENE	177,000	\$2,374	\$1,584	City health insurance offered
SALEM	177,000	None	None	
AVERAGE (of surveyed cities where a stipend is provided; population < 50,000)		\$723	\$416	
AVERAGE (of all surveyed cities where a stipend is provided; excluding City of Beaverton):		\$1,657	\$804 (\$1,345 Pres.)	