



## Compensation for Elected Officials and Municipal Employees

**Q. Can our town board vote to give both elected town officials and town employees a raise starting January 1?**

A. Changes to *elected* officials' compensation may *not* be made mid-term. Changes to the compensation for any elected town office must be established prior to the deadline for filing nomination papers for the office. See Wis. Stat. § 60.32(4). After that date, no increase or decrease to an elected official's compensation may be made that will apply to the upcoming/current term. Additionally, the compensation for all elected town officials must be set by a vote of the town electors at an annual or special town elector meeting. See Wis. Stats. §§ 60.32(1)(a) and 60.10(1)(b)1. There is an exception that allows town electors to authorize the town board to set the compensation for elected town officers. However, board members may never decide their *own* compensation, so the electors would still be required to vote to give town board members a raise. Therefore, if the town wants to give a raise to any elected officials up for reelection in April of 2022, the town electors would need to vote on this issue prior to the January 4, 2022 nomination paper deadline. Raises for elected officials whose current term of office will not expire until April of 2023 would not go into effect until after *that* election.

In contrast, appointed officials and town employees' wages are set by the town board and can be adjusted at any time by a board vote at a properly noticed town board meeting. This means that a town board could vote to make changes to the compensation provided to employees, poll workers, plan commissioners, and other town commission or committee members at any properly noticed town board meeting, to go into effect at any specified time. However, appointed clerks and treasurers' wages may *not* be *decreased* by the town board during the term of office for which they were appointed, whereas mid-term increases are allowable. Towns also need to check employment contracts/handbooks/agreements to determine whether any additional limitations apply before making changes to employee compensation or benefits.

**Q. I've heard that poll worker wages are exempt from tax withholdings. Is that true?**

A. Yes, depending on the amount of the poll worker's wages. Election workers are exempt from social security and Medicare tax withholdings (FICA) for wages paid up to \$2,000 in 2021. See <https://www.irs.gov/pub/irs-pdf/p15.pdf>. This threshold amount frequently increases, so check the IRS publications to determine the amount for 2022 and beyond. Additionally, election worker wages are not subject to either Wisconsin or federal income tax withholding. However, employers must file a Form W-2 for election workers who receive payments of \$600 or more in a year, even if no taxes were withheld. Examples of how to properly calculate and report election worker wages can be viewed at: <https://www.irs.gov/government-entities/federal-state-local-governments/election-workers-reporting-and-withholding>.

**Q. Are towns and villages required to provide paid sick days to municipal employees? Are there special rules in effect for sick leave related to COVID?**

A. Generally, the town or village board determines the employment policies and benefits for municipal employees. There is no state statute requiring municipalities to provide a minimum amount of paid sick leave or paid time off. Therefore, a municipality is not bound to provide paid sick days, unless the municipality has promised to do so in an employment contract/handbook/agreement.