



TO: Mayor and Councilmembers

FROM: Carmen Nichols, Deputy City Manager

SUBJECT: Council Compensation

RECOMMENDATION:

A. Consider a Draft Option 1 Ordinance No. ____ entitled, "A City Council Sponsored Ordinance of the City Of Goleta Adjusting the Salary for City Council Members and Amending the Goleta Municipal Code" that uses the US Census Bureau index on nonfamily household median income based on the 93117 Zip Code; or

- B. Consider a Draft Option 2 Ordinance No. ____ entitled, "A City Council Sponsored Ordinance of the City of Goleta Adjusting the Salary for City Council Members and Amending the Goleta Municipal Code" that uses the US Census Bureau index on nonfamily household median income based on the City of Goleta; and
- C. Direct Staff to place a Council-initiated ordinance regarding compensation rates for the Mayor and City Council on the November 6, 2018 ballot; and
- D. Direct the City Clerk to forward the Council-initiated Ordinance to the City Attorney for preparation of an Impartial Analysis.

BACKGROUND:

The City Council requested staff to perform an analysis of City Council compensation for their consideration, which addresses the question of whether a higher salary would increase resident participation in running for an elected position of Mayor or Councilmember. The matter of exploring whether City Councilmembers should be paid greater compensation, and if so, how much, is also one of the duties and responsibilities of the Public Engagement Commission (PEC) assigned by the City Council in the Resolution 17-18, as one of the items listed in the Conditional Settlement Agreement and Release between Lindsay Rojas and Hector Mendez.

The City of Goleta is a general law city and is governed by California Government Code. Pursuant to California Government Code § 36516 (b), the question of whether Councilmembers shall receive a salary for services at a different level than set by state

law, and the amount of that salary, may be submitted in a ballot measure and must be approved by the majority of the electorate.

At the April 17, 2018, City Council meeting, staff presented a report on Councilmembers' current compensation, and the limitations of salary increases under California Government Code § 36516 (Goleta Municipal Code Section 2.01.080). The purpose of the study was to provide City Council and the PEC with salary information for the City of Goleta and other general law and charter cities and provide any findings as to how salary may affect candidate participation. The report also provided information on local ballot measures in two of the tri-county cities and an example of salary increase under an ordinance. City staff offered an example of salary options based on the model that City of Santa Barbara used in its 2004 measure increasing Council compensation that successfully passed.

The City Council provided feedback and requested the Public Engagement Commission (PEC) provide input and recommendations on the matter. The City Council directed that if the PEC recommended a salary increase, then the PEC should also:

- Provide a recommendation as to a salary amount;
- Recommend an effective date of implementation; and,
- Make a recommendation on an inflation rate.

On May 2, 2018, staff presented the information to the PEC with six Commissioners present (Kyriaco recused himself prior to the presentation) and provided additional information for Goleta and other cities related to the responsibilities of City Council and their time commitments. The Commission was presented with the same salary models that had been presented to City Council on April 17, 2018: *Department of Housing and Urban Development (HUD) for the County of Santa Barbara* for a single household and the US Census Bureau Income in the Last Twelve Months for a nonfamily household.

The Commission voted 6-Aye, 1-Absent, with a recommendation to the Council to move forward with a ballot measure to increase City Council and Mayoral salary.

The Commission also recommended:

- Councilmembers receive 75% of the nonfamily household median income of the 93117 zip code, and that annual adjustments to salary be made to stay aligned with the median income.
- Mayor receive 90% of the nonfamily household median income of the 93117 zip code and the annual adjustments to salary be made to stay aligned with the median income.
- The salary be implemented following the November 2018 election.

It was suggested City Council take affirmative action immediately, so that residents learn about the possibility of an income and encourage candidate participation in this upcoming

election. The intent of the Commission in recommending a salary based on a nonfamily household median income by zip code was to narrow down the income baseline used for City of Goleta to make it affordable to live in Goleta. Since staff's research had not been on zip code, there was no further information to provide them at the time of their deliberation.

The Commission was also interested in deciding on a salary that is reflective of Council's duties. The Commission discussed that the cost of living of other cities should not be considered to determine a salary, for example, as a nonfamily household median income of Santa Barbara County takes into consideration all cities in the County.

On May 15, 2018, the City Council received a staff report which included the PEC's recommendation. The Council voted (4-1 with Councilmember Richards abstaining) to approve PEC's recommendation.

DISCUSSION:

In addition to the PEC's recommendation, the report to the City Council on May 15, 2018 also presented a staff recommendation, different from the PEC's because an index based on zip code was not available at the time of the report and presentation to the City Council. Staff presented information on the nonfamily household median income for Goleta as published by the US Census Bureau. The City Council directed staff pursue a ballot measure setting the salary by zip code as recommended by the PEC. Following the meeting, staff pursued several statisticians to gain an index with this metric. City staff was able to retrieve a report using US Census Bureau data for nonfamily household by zip code 93117 and is presented as Attachment 1.

Based on the index by zip code 93117, the nonfamily household median income is \$29,253. This income is significantly less than the index for the City of Goleta nonfamily household median income of \$56,179, presumably due to the inclusion of Isla Vista which includes college student residents' data. The 93117 indices also does not include the most eastern portion of Goleta which then does not include many single family residences.

MEDIAN INCOME – US Census Bureau Income in the Last Twelve Months – 2016 \$29,253 – Nonfamily Households for 93117 Zip Code

Median Household	Monthly	Annual
Mayor at 90%	\$2,194	\$26,328
Councilmember at 75%	\$1,828	\$21,940

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates - 93117 Zip Code

MEDIAN INCOME – US Census Bureau Income in the Last Twelve Months – 2016 \$56,179 – Nonfamily Households for Goleta

Median Household	Monthly	Annual
Mayor at 90%	\$4,213	\$50,561
Councilmember at 75%	\$3,511	\$42,134

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates - Goleta

Draft Ordinance for Council Action

Pursuant to City Council's direction, the City Attorney has prepared two draft ordinances and draft ballot language adjusting the salary for City Council members and amending the Goleta Municipal Code.

Option 1 reflects the nonfamily household median income for the 93117 zip code. **Option 2** reflects the nonfamily household median income for the City of Goleta.

The City Council is requested to approve either Option 1 or Option 2.

Should the ballot measure be approved by the majority of voters in the 2018 General Election, the ordinance will become effective and repeal Ordinance 16.05, the current standing ordinance related to Councilmember pay.

According to the proposed ordinance, the salary of each member of the City Council will be implemented at the first pay period following the swearing in of the newly elected officials. Future adjustments will be made annually on the first pay day of December, based on the US Census Bureau's data available at that time. The first salary adjustment will occur in December 2019.

Proposed Ballot Language

This agenda item also gives City Council an opportunity to discuss the proposed ballot language and provide any comments before the resolution is adopted. The proposed ballot language can be no more than 75 words (not including the title). Following is the proposed language for <u>Ordinance Option 1</u>:

MEASURE

Shall the annual salary of the members of the City Council be set at seventy five percent (75%) of the nonfamily household median income for <i>the zip code 93117 (currently \$21,940)</i> and the	YES
annual salary of the Mayor to be set at ninety percent (90%) of the nonfamily household median income for the zip code 93117 (currently \$26,328)?	NO

Should the City Council give direction to Staff to proceed with a ballot measure based on the "City" nonfamily household median income as proposed in <u>Ordinance Option 2</u>, the ballot measure language will read:

MEASURE

Shall the annual salary of the members of the City Council be set at seventy five percent (75%) of the nonfamily household median income for the <i>City of Goleta (currently \$42,134)</i> and the annual	YES
salary of the Mayor to be set at ninety percent (90%) of the	ON

In accordance with California Elections Code Section 9280, the governing body can direct the city elections official to transmit a copy of the measure to the City Attorney to prepare an impartial analysis of the measure showing the effect of the measure on existing law and the operation of the measure. The impartial analysis is required to not exceed 500 words. It is recommended that the City Clerk be directed to forward a copy of the measure to the City Attorney for preparation of an impartial analysis in accordance with state law.

FISCAL IMPACTS

The filing fees for a ballot measure in the upcoming November 2018 election will be approximately \$10,200.

The General Fund impact of increasing Councilmember and Mayor salary at Goleta's nonfamily household income respectively at 75% and 90% for FY 2018-19 is approximately \$66,553, or \$120,674 when including benefits. This is assuming the salary increase is effective in December 2018. On an annualized basis the total salary cost is approximately \$114,090 or \$206,870 when including benefits. For FY 2019/20, anticipating a 2% cost of living increase, the annual fiscal impact is approximately \$116,370 or \$211,010 when including benefits. Below is a table providing a comparison between nonfamily household median income for 93117 and City of Goleta:

Nonfamily Household Median Income Comparison (FY 2018/19*)

	93117	Goleta Variance		% DIF	
Total Salary	\$ 66,553	\$ 127,808	\$	61,256	92.0%
Total Benefits	\$ 54,122	\$ 62,860		8,738	16.1%
Total Cost	\$ 120,674	\$ 190,668	\$	69,994	58.0%

^{*}Assumes December 2018 through June 2019

Nonfamily Household Median Income Comparison (Annual Basis)

	93117	Goleta	\	/ariance	% DIF
Total Salary	\$ 114,090	\$ 219,100	\$	105,010	92.0%
Total Benefits	92,780	107,760		14,980	16.1%
Total Cost	\$ 206,870	\$ 326,860	\$	119,990	58.0%

Nonfamily Household Median Income Comparison (2% Cost of Living Adjustment*)

	93117	Goleta	\	/ariance	% DIF
Total Salary	\$ 115,460	\$ 221,730	\$	106,270	92.0%
Total Benefits	\$ 93,890	\$ 109,050		15,160	16.1%
Total Cost	\$ 209,350	\$ 330,780	\$	121,430	58.0%

^{*}Assumes 2% rate increase effective December 2019

ALTERNATIVES:

The Council is under no obligation to pursue a ballot measure and may believe the timing or consideration is not desired at this time. Council can give direction to staff to stop work on this measure or to take a different approach. Alternatively, the City Council may decide to not take further action.

Reviewed By: Legal Review By: Approved By:

Carmen Nichols Michael Jenkins

Deputy City Manager City Attorney

Michelle Greene

City Manager

ATTACHMENTS:

- US Census Bureau Income in the Last Twelve Months-2016 -Nonfamily Household for 93117 Zip Code
- 2. US Census Bureau Income in the Last Twelve Months-2016 -Nonfamily Household for Goleta
- 3. Option 1-Draft Ordinance, No. _____ entitled "A City Council Sponsored Ordinance of the City of Goleta Adjusting the Salary for City Council Members and Amending the Goleta Municipal Code"
- 4. Option 2-Draft Ordinance, No. _____ entitled "A City Council Sponsored Ordinance of the City of Goleta Adjusting the Salary for City Council Members and Amending the Goleta Municipal Code"

Attachment 1

US Census Bureau Income in the Last Twelve Months-2016 -Nonfamily Household for 93117 Zip Code



S1901

INCOME IN THE PAST 12 MONTHS (IN 2016 INFLATION-ADJUSTED DOLLARS)

2012-2016 American Community Survey 5-Year Estimates

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Tell us what you think. Provide feedback to help make American Community Survey data more useful for you.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

Subject		ZCTA5 93117							
	Housel	nolds	Famil	Married-couple families					
	Estimate	Margin of Error	Estimate	Margin of Error	Estimate				
Total	15,684	+/-405	7,902	+/-332	5,738				
Less than \$10,000	11.5%	+/-1.6	1.8%	+/-0.8	1.1%				
\$10,000 to \$14,999	6.0%	+/-1.5	2.1%	+/-1.2	0.4%				
\$15,000 to \$24,999	9.0%	+/-1.4	5.1%	+/-1.5	3.2%				
\$25,000 to \$34,999	8.9%	+/-1.5	7.1%	+/-1.7	4.8%				
\$35,000 to \$49,999	8.7%	+/-1.7	8.8%	+/-2.3	7.8%				
\$50,000 to \$74,999	14.5%	+/-1.9	17.7%	+/-3.2	17.2%				
\$75,000 to \$99,999	11.7%	+/-2.0	13.1%	+/-3.0	12.3%				
\$100,000 to \$149,999	16.3%	+/-1.9	22.8%	+/-3.4	26.8%				
\$150,000 to \$199,999	7.0%	+/-1.2	11.1%	+/-2.1	13.5%				
\$200,000 or more	6.4%	+/-1.0	10.4%	+/-1.8	13.1%				
Median income (dollars)	60,239	+/-3,587	86,972	+/-6,424	101,718				
Mean income (dollars)	79,862	+/-3,539	107,793	+/-5,442	N				
PERCENT ALLOCATED									
Household income in the past 12 months	37.7%	(X)	(X)	(X)	(X)				
Family income in the past 12 months	(X)	(X)	34.2%	(X)	(X)				
Nonfamily income in the past 12 months	(X)	(X)	(X)	(X)	(X)				

1 of 2 11

Subject		ZCTA5 93117				
	Married-couple families	Nonfamily households				
	Margin of Error	Estimate	Margin of Error			
Total	+/-277	7,782	+/-402			
Less than \$10,000	+/-0.7	21.9%	+/-3.4			
\$10,000 to \$14,999	+/-0.3	10.5%	+/-2.7			
\$15,000 to \$24,999	+/-1.1	13.0%	+/-2.5			
\$25,000 to \$34,999	+/-1.8	10.8%	+/-2.3			
\$35,000 to \$49,999	+/-2.5	9.5%	+/-2.4			
\$50,000 to \$74,999	+/-3.7	12.2%	+/-2.0			
\$75,000 to \$99,999	+/-3.0	10.0%	+/-2.4			
\$100,000 to \$149,999	+/-4.0	7.9%	+/-1.7			
\$150,000 to \$199,999	+/-2.8	2.5%	+/-0.9			
\$200,000 or more	+/-2.2	1.8%	+/-0.8			
Median income (dollars)	+/-3,016	29,253	+/-3,989			
Mean income (dollars)	N	47,243	+/-3,322			
PERCENT ALLOCATED						
Household income in the past 12 months	(X)	(X)	(X)			
Family income in the past 12 months	(X)	(X)	(X)			
Nonfamily income in the past 12 months	(X)	40.0%	(X)			

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

When information is missing or inconsistent, the Census Bureau logically assigns an acceptable value using the response to a related question or questions. If a logical assignment is not possible, data are filled using a statistical process called allocation, which uses a similar individual or household to provide a donor value. The "Allocated" section is the number of respondents who received an allocated value for a particular subject.

While the 2012-2016 American Community Survey (ACS) data generally reflect the February 2013 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

Explanation of Symbols:

- 1. An '**' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
- 2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
 - ${\it 3. \ An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.}$
 - 4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
- 5. An '***' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
 - 6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
- 7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
 - 8. An '(X)' means that the estimate is not applicable or not available.

2 of 2 12

Attachment 2

US Census Bureau Income in the Last Twelve Months-2016 -Nonfamily Household for Goleta



S1901

INCOME IN THE PAST 12 MONTHS (IN 2016 INFLATION-ADJUSTED DOLLARS)

2012-2016 American Community Survey 5-Year Estimates

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Tell us what you think. Provide feedback to help make American Community Survey data more useful for you.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

Subject	Goleta city, California							
	Housel	nolds	Famil	Married-couple families				
	Estimate	Margin of Error	Estimate	Margin of Error	Estimate			
Total	11,006	+/-343	7,097	+/-283	5,142			
Less than \$10,000	4.1%	+/-1.4	0.7%	+/-0.5	0.5%			
\$10,000 to \$14,999	3.6%	+/-1.5	2.2%	+/-1.4	0.4%			
\$15,000 to \$24,999	5.2%	+/-1.4	3.3%	+/-1.5	1.8%			
\$25,000 to \$34,999	7.2%	+/-1.4	6.3%	+/-1.3	3.0%			
\$35,000 to \$49,999	7.5%	+/-1.7	8.4%	+/-2.2	6.7%			
\$50,000 to \$74,999	18.2%	+/-2.4	19.3%	+/-3.4	18.5%			
\$75,000 to \$99,999	14.8%	+/-2.7	13.1%	+/-3.3	12.7%			
\$100,000 to \$149,999	21.6%	+/-2.5	25.2%	+/-3.8	29.2%			
\$150,000 to \$199,999	9.8%	+/-1.6	11.5%	+/-2.2	13.9%			
\$200,000 or more	8.0%	+/-1.4	10.0%	+/-2.1	13.2%			
Median income (dollars)	81,398	+/-4,285	94,069	+/-10,376	104,065			
Mean income (dollars)	97,823	+/-4,025	110,084	+/-5,583	N			
PERCENT ALLOCATED								
Household income in the past 12 months	33.0%	(X)	(X)	(X)	(X)			
Family income in the past 12 months	(X)	(X)	34.5%	(X)	(X)			
Nonfamily income in the past 12 months	(X)	(X)	(X)	(X)	(X)			

Subject	Gole	Goleta city, California					
	Married-couple families	Nonfamily households					
	Margin of Error	Estimate	Margin of Error				
Total	+/-281	3,909	+/-335				
Less than \$10,000	+/-0.5	11.0%	+/-3.9				
\$10,000 to \$14,999	+/-0.6	7.0%	+/-3.3				
\$15,000 to \$24,999	+/-0.9	8.3%	+/-2.6				
\$25,000 to \$34,999	+/-1.2	10.0%	+/-3.4				
\$35,000 to \$49,999	+/-2.2	8.5%	+/-2.9				
\$50,000 to \$74,999	+/-3.9	17.5%	+/-3.8				
\$75,000 to \$99,999	+/-3.3	16.7%	+/-3.8				
\$100,000 to \$149,999	+/-4.5	12.1%	+/-3.3				
\$150,000 to \$199,999	+/-3.0	5.5%	+/-1.8				
\$200,000 or more	+/-2.7	3.3%	+/-1.5				
Median income (dollars)	+/-6,185	56,179	+/-6,394				
Mean income (dollars)	N	67,322	+/-4,797				
PERCENT ALLOCATED							
Household income in the past 12 months	(X)	(X)	(X)				
Family income in the past 12 months	(X)	(X)	(X)				
Nonfamily income in the past 12 months	(X)	28.6%	(X)				

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

When information is missing or inconsistent, the Census Bureau logically assigns an acceptable value using the response to a related question or questions. If a logical assignment is not possible, data are filled using a statistical process called allocation, which uses a similar individual or household to provide a donor value. The "Allocated" section is the number of respondents who received an allocated value for a particular subject.

While the 2012-2016 American Community Survey (ACS) data generally reflect the February 2013 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

Explanation of Symbols:

- 1. An '**' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
- 2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
 - ${\it 3. \ An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.}$
 - 4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
- 5. An '***' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
 - 6. An '***** entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
- 7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
 - 8. An '(X)' means that the estimate is not applicable or not available.

Attachment 3

Draft Ordinance, No. _____ entitled "A CITY COUNCIL SPONSORED ORDINANCE OF THE CITY OF GOLETA ADJUSTING THE SALARY FOR CITY COUNCIL MEMBERS AND AMENDING THE GOLETA MUNICIPAL CODE"

ORDII	NANCE	NO.	
ווטאט	MAINOE	NO.	

AN ORDINANCE OF THE CITY OF GOLETA ADJUSTING THE SALARY FOR CITY COUNCIL MEMBERS AND AMENDING THE GOLETA MUNICIPAL CODE

The People of the City of Goleta do hereby ordain as follows:

Section 1. Findings.

- a. Municipal Code Section 2.01.080 establishes a salary for City Councilmembers in the amount allowed by California Government Code Section 36516(a).
- b. In accordance with subparagraph (b) of Section 36516, Councilmembers' salary may be increased beyond the amounts allowed Section 36516(a) by majority vote of the electorate.
- c. The City's Public Engagement Commission recommended to the City Council that a measure be placed on the ballot for consideration by the electorate for an increase in Councilmember salary in order to enhance community participation in City governance.
- d. Accordingly, on June 5, 2018, the City Council adopted Resolution No. ____ to place this ordinance before the electorate at the November 6, 2018 election.

<u>Section 2</u>. Section 2.01.080 of Title 2, Chapter 2.01 of the Goleta Municipal Code is amended in its entirety to read as follows:

2.72.040 Mayor and City Council Salary.

In accordance with Section 36516(b) of the Government Code of the State of California, the salary for the Mayor shall be 90% of the nonfamily household median income for the as published annually by the United States Census Bureau and the salary for each member of the City Council shall be 75% of the nonfamily household median income in the 93117 zip code as published annually by the United States Census Bureau. The foregoing salaries will be adjusted annually to conform to the median income amounts published by the United States Census Bureau.

<u>Section 3</u>. The increased salary provided for by Section 2 of this Ordinance shall first be paid for the first pay period following the date that councilmembers elected in the November 2018 election are sworn into office. Annual adjustments

will be made in the first pay period of December of each year, beginning in December 2019.

Section 4. Ordinance No. 16-05 is hereby repealed.

PASSED, APPROVED AND ADOPTED BY THE PEOPLE OF THE CITY OF GOLETA AT AN ELECTION HELD this 6th day of November 2018.

	MAYOR	
Attest:		
Deborah S. Lopez City Clerk		

ATTACHMENT 4

Option 2-Draft Ordinance, No	entitled "A City Council Sponsored Ordinance or
the City of Goleta Adjusting the Sal	lary for City Council Members and Amending the
Goleta Municipal Code "	

ORDINANCE NO.	
---------------	--

AN ORDINANCE OF THE CITY OF GOLETA ADJUSTING THE SALARY FOR CITY COUNCIL MEMBERS AND AMENDING THE GOLETA MUNICIPAL CODE

The People of the City of Goleta do hereby ordain as follows:

Section 1. Findings.

- a. Municipal Code Section 2.01.080 establishes a salary for City Councilmembers in the amount allowed by California Government Code Section 36516(a).
- b. In accordance with subparagraph (b) of Section 36516, Councilmembers' salary may be increased beyond the amounts allowed Section 36516(a) by majority vote of the electorate.
- c. The City's Public Engagement Commission recommended to the City Council that a measure be placed on the ballot for consideration by the electorate for an increase in Councilmember salary in order to enhance community participation in City governance.
- d. Accordingly, on June 5, 2018, the City Council adopted Resolution No. ____ to place this ordinance before the electorate at the November 6, 2018 election.

<u>Section 2</u>. Section 2.01.080 of Title 2, Chapter 2.01 of the Goleta Municipal Code is amended in its entirety to read as follows:

2.72.040 Mayor and City Council Salary.

In accordance with Section 36516(b) of the Government Code of the State of California, the salary for the Mayor shall be 90% of the nonfamily household median income for the City of Goleta as published annually by the United States Census Bureau and the salary for each member of the City Council shall be 75% of the nonfamily household median income for the City of Goleta as published annually by the United States Census Bureau. The foregoing salaries will be adjusted annually to conform to the median income amounts published by the United States Census Bureau.

<u>Section 3</u>. The increased salary provided for by Section 2 of this Ordinance shall first be paid for the first pay period following the date that councilmembers elected in the November 2018 election are sworn into office. Annual adjustments will be made in the first pay period of December of each year, beginning in December 2019.

<u>Section 4</u>. Ordinance No. 16-05 is hereby repealed.

PASSED, APPROVED AND ADOPTED BY THE PEOPLE OF THE CITY OF GOLETA AT AN ELECTION HELD this 6th day of November 2018.

	MAYOR	
•		
Attest:		
Deborah S. Lopez City Clerk		