

City Council Compensation

CITY COUNCIL MEETING

APRIL 17, 2017



Recommendation

Receive a report on City Council Compensation under Government Code §36516, as it applies to the City of Goleta, a General Law city.

General Law City

1. California Government Code § 36516 (Goleta Municipal Code Section 2.01.080) regulates City Council salary.
2. Ceiling initially set by population “In cities up to and including 35,000 in population, up to and including three hundred dollars (\$300) per month.”
3. Salary increases limited to 5% for each calendar year, from the date of the last adjustment, must be by an ordinance or by amendment to an ordinance.
 - a. Automatic future increases cannot be made in the ordinance.
4. Any salary change adopted by ordinance, does not take effect until the start of a new term of any one councilmembers, including re-elected.
5. An elected Mayor may receive additional compensation to councilmember pay, provided by a Council adopted ordinance, or by a majority of voters.

Goleta City Council Compensation

Goleta City Council Salary History

Ordinance Date	Effective Date	Monthly Salary	Annual Salary
2/1/2002	2/1/2002	\$300	\$3,600
6/7/2004	1/1/2005	\$330	\$3,960
9/18/2006	1/1/2007	\$363	\$4,356
9/16/2008	1/1/2009	\$400	\$4,800
9/21/2010	1/1/2011	\$440	\$5,280
10/16/2012	1/1/2013	\$484	\$5,808
9/2/2014	1/1/2015	\$532	\$6,384
9/20/16	1/1/2017	\$585	\$7,020
Projection (2018), if by Ordinance	1/1/2019	\$644	\$7,728

**The Mayor is appointed by the Council, and receives the same salary as Councilmembers. Mayor will be an elected position effective the 2018 General Election.*

All General Law Cities, up to
35,000 in population

	CITY	POPULATION		Mayor Appt.	Council Monthly	Annual	Mayor Monthly	Annual
1	Vernon	209	Charter	Appointed	\$ 2,233	\$ 26,796	\$ 2,233	\$ 26,796
2	Yountville	2,933	General Law	Elected	\$ 648	\$ 7,776	\$ 638	\$ 7,656
3	Lakeport	4,772	General Law	Appointed	\$ 300	\$ 3,600	\$ 300	\$ 3,600
4	Buellton	5,095	General Law		\$ 440	\$ 5,280	\$ 440	\$ 5,280
5	Solvang	5,802	Charter	Elected	\$ 600	\$ 7,200	\$ 700	\$ 8,400
6	Holtville	6,300	General Law	Appointed	\$ 350	\$ 4,200	\$ 350	\$ 4,200
7	Sausalito	7,000	General Law	Appointed	\$ 300	\$ 3,600	\$ 300	\$ 3,600
8	Guadalupe	7,321	General Law		\$ 150	\$ 1,800	\$ 150	\$ 1,800
9	Ojai	7,585	General Law		\$ 475	\$ 5,700	\$ 475	\$ 5,700
10	Pismo Beach	8,000	General Law	Elected	\$ 515	\$ 6,180	\$ 815	\$ 9,780
11	Westlake Village	8,370	General Law	Appointed	\$ 300	\$ 3,600	\$ 300	\$ 3,600
12	Capitola	10,180	General Law	Appointed	\$ 500	\$ 6,000	\$ 500	\$ 6,000
13	Morro Bay	11,000	General Law		\$ 500	\$ 6,000	\$ 700	\$ 8,400
14	Kingsburg	12,000	Charter	Appointed	\$ 250	\$ 3,000	\$ 300	\$ 3,600
15	Malibu	13,000	General Law	Appointed	\$ 566	\$ 6,788	\$ 566	\$ 6,788
16	Grover Beach	13,641	General Law	Elected	\$ 600	\$ 7,200	\$ 750	\$ 9,000
17	Carpinteria	13,684	General Law		\$ 310	\$ 3,720	\$ 310	\$ 3,720
18	Auburn	14,100	General Law	Appointed	\$ 300	\$ 3,600	\$ 300	\$ 3,600
19	Pacific Grove	15,045	Charter	Elected	\$ 400	\$ 4,800	\$ 700	\$ 8,400
20	Fillmore	15,610	General Law		\$ 300	\$ 3,600	\$ 300	\$ 3,600
21	Truckee	16,000	Charter	Appointed	\$ 751	\$ 9,012	\$ 645	\$ 7,740
22	Greenfield	17,500	General Law	Elected	\$ 361	\$ 4,332	\$ 481	\$ 5,772
23	Arroyo Grande	18,097	Charter		\$ 405	\$ 4,860	\$ 405	\$ 4,860
24	Patterson	21,776	General Law	Elected	\$ 300	\$ 3,600	\$ 500	\$ 6,000
25	Port Hueneme	22,277	Charter		\$ 751	\$ 9,017	\$ 751	\$ 9,017
26	Agoura Hills	23,000	General Law	Appointed	\$ 300	\$ 3,600		
27	Loma Linda	23,000	Charter	Appointed	\$ 1,067	\$ 12,801	\$ 1,067	\$ 12,801
28	Barstow	23,639	General Law	Elected	\$ 504	\$ 6,052	\$ 504	\$ 6,052
29	Calabasas	24,075	General Law	Appointed	\$ 840	\$ 10,080	\$ 840	\$ 10,080
30	Galt	25,000	General Law	Appointed	\$ 300	\$ 3,600	\$ 300	\$ 3,600
31	Lemoore	25,000	Charter	Appointed	\$ 300	\$ 3,600	\$ 400	\$ 4,800
32	Belmont	26,000	General Law	Appointed	\$ 390	\$ 4,680	\$ 390	\$ 4,680
33	Monterey	28,000	Charter	Elected	\$ 430	\$ 5,160	\$ 676	\$ 8,112
34	Atascadero	30,000	General Law	Elected	\$ 600	\$ 7,200	\$ 750	\$ 9,000
35	Santa Paula	30,335	General Law		\$ 300	\$ 3,600	\$ 300	\$ 3,600
36	Goleta	30,850	General Law	Appo/Elec	\$ 585	\$ 7,020	\$ 585	\$ 7,020
37	Los Gatos	31,000	General Law	Appointed	\$ 570	\$ 6,840	\$ 570	\$ 6,840
38	Paso Robles	32,000	General Law	Elected	\$ 600	\$ 7,200	\$ 800	\$ 9,600
39	San Dimas	33,119	General Law	Elected	\$ 620	\$ 7,440	\$ 820	\$ 9,840

General Law City-Salary Increase by Election

1. Salaries may be different from state guidelines and set only by a majority of voters in an election (California Government Code § 36516 (b)).
2. Once established through a ballot measure, future increases and decreases must be approved by the majority of the voters in an election.
3. Index increases can be incorporated in the ballot.
4. A survey was conducted to receive information about other California cities – General Law and Charter.
 - a. 71 overall cities – 48 General Law; 23 Charter Cities

General Law City-Survey

1. The sample of respondents of the 48 general law cities – reported that councilmember salaries are set by City Council ordinance, in accordance with California Government Code.
2. In 12¹ cities, the Mayor's salary was more than that of Councilmembers.
 - a. Mayor must be elected.
 - b. Must be set by adopted ordinance or by majority of voters in an election.
3. Study shows that the placement of salaries and increases is consistent with the initial application of California Government Code and the ceiling set by population.
4. Study does not indicate that the population is a factor in determining higher salaries.
5. Whether or not salary increases were implemented by City Ordinance or by Ballot Measure varied, and in some cases where ballot measures were implemented, it was still within the government code's guidelines of 5% per year – e.g. Paso Robles

¹ Updated from 10 to include Atascadero and Grover Beach, each pays Councilmembers \$600, Mayor \$750

General Law-City Council Compensation

General Law Cities with Monthly Salaries > \$1,000 per month			
City	Population	Salary Councilmember	Salary Mayor
Camarillo	67,363	\$1,425	\$1,425
Davis	68,111	\$1,050	\$1,170
La Mesa	60,000	\$1,000	\$2,000
Oxnard	207,906	\$1,701	\$1,701
Simi Valley	126,327	\$1,202	\$1,202
Thousand Oaks	129,339	\$1,750	\$1,750

Charter City

1. Has supreme authority over “municipal affairs.” Cal. Const. art. XI, § 5(b).
2. A Charter City may establish its own City Council compensation schedule.
3. Increases in pay are established by ordinance, or amendment by an ordinance. It can be clearly defined in the Ordinance, or the ordinance may refer to another council adopted document such as a resolution or salary schedule.
4. Charter cities have used ballot measure as an option to present the question to the voters.
5. The study shows that larger population charter cities tend to provide higher salaries to their elected officials; and in some cases, like Fresno, Los Angeles, San Jose, City Councilmembers work full time, and have a full time staff.

Charter-City Council Compensation

Table 2. Charter Cities with Monthly Salaries > \$1,000 per month

City	Population	Salary Councilmember	Salary Mayor
Berkeley	112,000	\$2,919	\$4,625
Fresno	520,000	\$5,417	\$10,833
Loma Linda	23,000	\$1,066	\$1,066
Napa	80,416	\$1,302	\$1,302
San Luis Obispo	48,000	\$1,200	\$1501
Santa Barbara	91,390	\$3,448	\$4,310
Santa Maria	106,280	\$1,313	\$1,563
Stockton	315,592	\$1,377	\$6,032
Vernon	209	\$2,233	\$2,233

City of Santa Barbara –Charter City

Shall the annual salary of members of the City Council be set at eighty percent (80%) of the annual Area Median Income (based on a one-person household) for Santa Barbara County (currently \$36,240) and the annual salary of the Mayor be set at one hundred percent (100%) of the annual Area Median Income (based on a one-person household) for Santa Barbara County (currently \$45,300) – Nov. 2004

1. Prior salary to passage of ballot measure: \$1,400 Mayor; \$800 Councilmember.
2. These salary amounts were established in 1986 when the most recent amendment to city charter was approved by the voters.
3. Passed at **53.66% Yes 46.34% No**

Median Income Model

1. Median Income-Department of Housing and Urban Development 2017- SB County

\$53,950 – Single Household Income

Median Household	Monthly	Annual
Mayor at 100%	\$4,496	\$53,950
Councilmember at 80%	\$3,597	\$43,160

2. Median Income – US Census Bureau Income in the Last Twelve Months – 2016

\$56,179 – Non Family Households

Median Household	Monthly	Annual
Mayor at 100%	\$4,682	\$56,179
Councilmember at 80%	\$3,745	\$44,943

Additional Ballot Measure Findings

1. City of Pismo Beach – has not received an increase in over 10 years, proposing an increase of 60% on November 2018 ballot (in accordance with Cal. Govt. Code). (General Law)
2. City of Fillmore, 2014 – rescinded a 1996 ordinance approved by the voters setting pay at \$75, and set as authorized by Cal Govt. Code, \$300 per month. (General Law)
3. Livermore, 2014 – limited future increases to lesser of CPI or 5%. (General Law)
4. City of Menifee (2014) – increase of Mayor's salary by \$100 more of councilmember pay. (General Law)
5. City of Mountain View – Salary increase from \$600/\$750 set in accordance with Cal. Govt. Code, to \$1,000/+25% for Mayor, adjusted annually based on the lesser of SF CPI, or urban wage earners of the average cost-of-living adjustment granted to the miscellaneous employee, not to exceed 5%. (Charter City)
6. Murrieta- Limits Council compensation to 15% of the City's annual median family/household income (exclusive of any amounts payable as reimbursement) and prohibits members from receiving any other benefits including memberships, medical and life insurance and pensions. (General Law).

Relationship Between Salary and Interest in Elected Office

1. League of CA Cities, ICMA and other local government resources did not reveal a study addressing this specific issue.
2. Some comments indicate that salary may have an impact on residents running for elected office (e.g. Paso Robles, October 17, 2017 Staff Report, City Manager; City of Pismo Beach, www.newtimeslo.com, March 8, 2018).
3. District Elections 2022.
4. Unopposed elections to current date = 2012 two vacant positions, 2 nominations, 1 write in; 2014 three vacant positions ran unopposed.

Next Steps

1. City Council may receive the report; or receive the report and provide further direction.
2. Should Council direct staff to proceed with further analysis for a ballot measure:
 - Council should provide input and/or direction on a model.
 - Refer item for input from the Public Engagement Commission.
 - Fiscal Impact Analysis based on model.
3. Timeline:
 - **May 15** – Return to City Council with additional information including input from PEC, fiscal impact, draft ballot measure language, and required Ordinance for County filing.
 - **June 5** – If not approved on May 15, present final draft documents for City Council adoption.
 - **June 19** – Back up and final date for City Council action under a regular meeting.
 - **July 5** – Filing County deadline for ballot measures (Approx. \$10,200 General Fund expense).