

COUNCIL COMPENSATION

Charter Review Committee Meeting December 15, 2021 Sue Gallagher, City Attorney Rob Jackson, Assistant City Attorney



- Currently, Charter Section 4 provides that Council compensation will be determined in accordance with state law, provided that the Mayor shall receive 150% of Council member salary.
- State law sets forth a schedule of Council compensation based on city population.
- For cities of comparable size --- cities with populations between 150K and 250K – state law provides for a Council member salary of \$800 per month.
- State law allows that \$800 per month salary to be increased up to 5% per calendar year.
- The increase must be adopted by Council ordinance.



- The allowable 5% increase is a flat rate, not compounded. The maximum increase is thus \$40 per month.
- The \$40 per month increase may accumulate if not immediately applied. State law allows the accumulation to be calculated "from the operative date of the last adjustment of the salary."
- The Santa Rosa Council compensation has not been adjusted for many years. The last adjustment would have been made after the City's population passed 150,000 – in the census of 2010.



- Thus under current law, the Council may adjust its monthly salary by \$40 for each of the last 10 years
- This would result in a total one-time increase in monthly salary of \$400. With existing salary at \$800, the new monthly salary would be \$1,200, resulting in an annual salary of \$14,400.
- Under state law, adjustments can be made to Council compensation only when at least one council member begins a new term. Since Council elections occur every other year, an adjustment can be made every other year.
- Adjustments cannot be approved in advance. The Council cannot provide for automatic future increases.



- The Charter's provision tying the SR City Council's compensation to state law is optional.
- The compensation of Council members is a matter of municipal affairs and fully within the discretion of the City's voters.
- The voters can set whatever Council compensation they deem appropriate.



Was tried 20 years ago Measure M

Shall language be added to Section 4 of the Charter of the City of Santa Rosa as set forth below?

<u>Section 1</u>. The following paragraph is added, as the third paragraph, to Section 4 of the Charter of the City of Santa Rosa to read as follows:

"Council members shall receive compensation of \$1,500 per month and the Mayor shall receive compensation of \$2,250 per month while serving in that position. This compensation shall be subject to an annual cost of living adjustment (COLA) which shall match the annual increase given to the City's executive staff, but which may not exceed the annual consumer price index (CPIU) increase for the San Francisco Greater Bay Area. Council members shall be allowed fringe benefits through participation in, and City contribution to, the City's retirement plan, health plans, eye and dental care programs, long-term disability (LTD) and employee assistance program (EAP)."

<u>Section 2</u>. Should both this Measure 2 and Measure 1 be adopted, Council compensation shall be controlled by this measure and its provisions only shall become effective and be inserted in the Charter as the third paragraph of Section 4. Should this Measure 2 be adopted and Measure 1 be rejected, then the provisions of the existing Section 4 of the Charter relating to Council compensation (second sentence of first paragraph of Section 4) shall be deleted from the Charter and be without further effect and the provisions of Section 1 of this measure shall be added to existing Section 4.



Rejected by the Voters

- Measure M was presented to the voters in 2002.
- It would have increased Council salaries to \$1,500 per month, with the Mayor to receive \$2,250 per month.
- It failed on a vote of about 60% opposed and 40% in favor.



Other Cities?

City	Population	Mayor	Councilmembers
		Annual	Annual
Fresno	537,100	\$85,000	\$80,000
Sacramento	525,398	\$145,440	\$96,257
Oakland	440,980	\$212,422	\$85,382
Stockton	314,835	\$90,480	\$29,363
Modesto	216,810	\$43,200	\$24,000
Santa Rosa	176,759	\$14 <mark>,400</mark>	\$9,600
Hayward	158,089	\$39,161	\$24,476
Vallejo	121,722	\$22,800	\$14,700
Berkeley	120,763	\$107,300	\$67,599
Livermore	90,761	\$16,800	\$11,600
Pleasanton	80,617	\$13,740	\$12,540
Napa	76,498	\$34,440	\$17,220
San Rafael	57,912		\$13,200
Petaluma	57,908		\$11,049
Novato	55,268		\$4,700
Rohnert Park	42,521		\$5,809
Windsor	27,447		6550
Eureka	26,194	\$7,500	\$6,000
Healdsburg	11,383		\$1,800
Sonoma	10,618		\$3,600
Sebastopol	7,356		\$3,600



Nationwide?

- Based on 55 salary profiles, last updated in November, from throughout the Country
- The average salary of a city councilmember is \$36,477 annually, but salaries vary considerably
- Not including other benefits such as health insurance



Pros and Cons?

- Undercompensation can
 - lead to elected office being open only to those wealthy enough to afford it
 - discourage potential candidates, particularly in lower income or disadvantaged communities
 - reduce candidate diversity
 - risk a less representative, accountable, and transparent government
 - create a higher risk of conflicts of interest



Pros and Cons?

- Overcompensation may
 - increase burdens on taxpayers,
 - increase the risk that elected officials will be motivated more by pecuniary incentives than civic duty, and
 - inadequately account for nonmonetary benefits of elected position

70 Stan. Law. Rev. 839 (2018) K. Zale, "Compensating City Councils"



Council Staff?

- Another means to assist Council members in their service?
- Particularly beneficial for those who work other jobs or have young children
- Perhaps more appropriate for action by ordinance or resolution, rather than Charter amendment?



Questions?