

COMMITTEE DIRECTION ON COUNCIL COMPENSATION

Charter Review Committee Meeting
March 30, 2022

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When Last We Left It

- **Varying points of view:**
 - **“Leave it to Council”** to vote raises authorized by State law
 - Council last voted themselves a raise in 2005 to \$800/month
 - Were they now to proceed again under state law, they could vote an increase of up to (\$40/month per calendar year x 17 years) = \$680 total monthly raise
 - Annual compensation would go from \$9600 to \$17,760
 - Increase of 85%
 - **“Go big or go home”**
 - To have desired effect of encouraging those who might be economically discouraged or prevented from running, it must be significant percentage of other elected or appointed officials such as Board of Supervisors (\$160,958) or Superior Court Judge (\$182,000), especially for the Mayor
 - **Consensus**
 - Equivalent to lowest salary OR average salary of City employees
 - Equivalent to area median household income (AMI) in City or % thereof

Current Charter Provision

- Charter Section 4 allows Council to adopt ordinance for Council compensation in accordance with state law
- State law provides schedule of Council compensation based on city population (Government Code section 36516)
- For cities with populations between 150K and 250K, state law provides for a Council member salary of \$800 per month
- \$800 per month salary may be increased up to 5% per year
- The increase must be adopted by Council ordinance

Current Charter Provision

- The allowable 5% increase is a flat rate, not compounded. The maximum annual increase in monthly salary is thus \$40
- The annual \$40 per month increase may accumulate if not immediately applied
- The Santa Rosa Council compensation was last increased in 2005, 17 years ago
- Adjustments can be made only when at least one council member begins new term. Council elections occur every other year, thus adjustment can be made every other year

Current Charter Provision

- Calculation:
 - \$800/month starting point = \$9,600 annual salary
 - Add \$40/month x 17 = \$680/month raise
 - Equals \$1,480/month = \$17,760 annually
 - Mayor receives 150% = \$26,640 annually
- Note: Benefits also provided, including health, vision, dental, life insurance, long-term disability, retirement and other benefits, valued between \$19,400 – \$33,700 5

City Staff Income

- Currently, the City has 1246 full-time employee positions (FTEs)
- The average annual salary is approximately \$95,000
- The lowest salary is currently \$15.85 / hour
 - At lowest salary, full time would equal \$2,747 per month / \$32,968 annually

Area Median Income

- According to HUD, the AMI in Santa Rosa in 2021 was:
 - \$72,300 for one person household
 - \$82,650 for two-person household
 - \$92,950 for three-person household

Area Median Income – Santa Rosa

Household Size	Extremely Low 30% of Median	Very Low 50% of Median	Low 60% of Median	Low 80% of Median	Median 100% of Median	Moderate 120% of Median
1 Person	\$24,450 /Year \$2,038 /Month	\$40,750 /Year \$3,396 /Month	\$48,900 /Year \$4,075 /Month	\$65,150 /Year \$5,429 /Month	\$72,300 /Year \$6,025 /Month	\$86,750 /Year \$7,229 /Month
2 Persons	\$27,950 /Year \$2,329 /Month	\$46,550 /Year \$3,879 /Month	\$55,860 /Year \$4,655 /Month	\$74,450 /Year \$6,204 /Month	\$82,650 /Year \$6,888 /Month	\$99,150 /Year \$8,263 /Month
3 Persons	\$31,450 /Year \$2,621 /Month	\$52,350 /Year \$4,363 /Month	\$62,820 /Year \$5,235 /Month	\$83,750 /Year \$6,979 /Month	\$92,950 /Year \$7,746 /Month	\$111,550 /Year \$9,296 /Month
4 Persons	\$34,900 /Year \$2,908 /Month	\$58,150 /Year \$4,846 /Month	\$69,780 /Year \$5,815 /Month	\$93,050 /Year \$7,754 /Month	\$103,300 /Year \$8,608 /Month	\$123,950 /Year \$10,329 /Month
5 Persons	\$37,700 /Year \$3,142 /Month	\$62,850 /Year \$5,238 /Month	\$75,420 /Year \$6,285 /Month	\$100,500 /Year \$8,375 /Month	\$111,550 /Year \$9,296 /Month	\$133,850 /Year \$11,154 /Month
6 Persons	\$40,500 /Year \$3,375 /Month	\$67,500 /Year \$5,625 /Month	\$81,000 /Year \$6,750 /Month	\$107,950 /Year \$8,996 /Month	\$119,850 /Year \$9,988 /Month	\$143,800 /Year \$11,983 /Month
7 Persons	\$43,300 /Year \$3,608 /Month	\$72,150 /Year \$6,013 /Month	\$86,580 /Year \$7,215 /Month	\$115,400 /Year \$9,617 /Month	\$128,100 /Year \$10,675 /Month	\$153,700 /Year \$12,808 /Month
8 Persons	\$46,100 /Year \$3,842 /Month	\$76,800 /Year \$6,400 /Month	\$92,160 /Year \$7,680 /Month	\$122,850 /Year \$10,238 /Month	\$136,350 /Year \$11,363 /Month	\$163,600 /Year \$13,633 /Month

Area Median Income

- For one-person household, at 2021 HUD standards:
 - Moderate income is 120% of AMI or \$86,750
 - Low income is 60% to 80% of AMI or \$48,900 to \$61,550
 - Very low income is 50% of AMI or \$40,750
- Based on total household income

Application of AMI: Berkeley Measure JJ

- Approved by voters in 2020
- Mayor compensation set at median three-person household income as determined by the California Department of Housing and Community Development
- Councilmember compensation set at 63% of the Mayor's compensation
- Annual increases based on changes in Area Median Income
- Compensation may be lowered for unexcused Council meeting absences or negotiated salary reductions for City employees

Decision Points

Council Compensation

- Method of Calculation
- Annual increases?
- Any deductions?

Questions and Discussion