

COUNCIL COMPENSATION APPROACHES

A Few Relevant Charter City Examples

THE SALARY COMMISSION APPROACH

- The Charter provides for an independent commission to determine appropriate compensation for councilmembers and the mayor
- The Charter can provide guidance or procedural rules, but this is not required
- Our local examples are Stockton and Modesto



STOCKTON

- Located in the Central Valley
- Population 310,000
- Simple plan with few restrictions
- Separately elected mayor

SECTION 1911. Council Salary Setting Commission.

There shall be, and there is hereby established, a Council Salary Setting Commission. The following provisions shall be applicable thereto:

(a) **Membership:** The Council Salary Setting Commission shall consist of five (5) members appointed by the Civil Service Commission. Members must be qualified electors of the City at all times during their term of office.

(b) **Terms of Office:** Except as provided herein below, the regular term of office of each member of the Council Salary Setting Commission shall be four (4) years. The initial members of the Council Salary Setting Commission shall be appointed by the Civil Service Commission during the month of June 2000. Two (2) of the members so appointed shall be appointed for a term expiring on December 31, 2002. Three (3) of the members so appointed shall be appointed for a term expiring on December 31, 2004. Commencing in December 2002, the Civil Service Commission shall, during the month of December of each even-numbered year, make appointments to fill the offices of the members whose terms are expiring at the end of such even-numbered years. Such appointments shall be for regular terms of four (4) years commencing on the first day of January of the following odd-numbered year and expiring on the thirty-first day of December of the second even-numbered year thereafter.

(c) **Vacancies:** The Civil Service Commission may remove a member from office at any time for misconduct, inefficiency or willful neglect in the performance of the duties of his or her office providing it first states in writing the reasons for such removal and gives such member an opportunity to be heard before the Civil Service Commission in his or her own defense. If a vacancy occurs before the expiration of a member's term, the Civil Service Commission shall appoint a qualified person to fill such vacancy for the remainder of the unexpired term of such member.

(d) **Powers and Duties:** The Council Salary Setting Commission shall biennially make recommendations respecting salaries for members of the Council, including the Mayor, as provided in Charter Section 410.



MODESTO

- Located in the Central Valley
- Population 215,000
- Very complex policy (3 pages total)
- Provides structure and guidance to the salary-selecting process
- Separately elected mayor

- (a) **Compensation and Reimbursement.** The Mayor and each member of the Council shall be paid as compensation for his or her services as a member of the Council for each calendar month during which he or she is a member of the Council a monthly salary together with appropriate benefits which shall be established by ordinance only after the Citizen's Salary Setting Commission has made a written recommendation for compensation pursuant to the strict limits of the section, such written recommendation has been published for review pursuant to the requirements of this section, and the mandated public hearings required by this section have been held on the recommendation.
- The Mayor and members of the Council shall also receive reimbursement for expenses incurred while performing official duties of their office only so long as evidence of such expenses incurred is presented to the City in the manner prescribed for all other employees of the City.
- No compensation or reimbursement shall be established for any member of the Council, including the Mayor, except as provided in this Section.
- (b) **Citizen's Salary Setting Commission.** There shall be established a Citizen's Salary Setting Commission, hereinafter "Commission," whose function shall be to recommend the compensation it deems appropriate for the Mayor and members of the Council. This Commission shall meet between March 1st and April 30th of every even-numbered year.
- The Citizen's Salary Setting Commission shall consist of five (5) qualified electors residing within the City and shall be appointed by the City Council pursuant to the provisions below:

THE COUNCIL AUTHORITY APPROACH

- The Charter gives the City Council the authority to determine City Council salaries
- Salaries take effect after the next election
- Can be adjusted to have some guidelines or restrictions (i.e., “Councilmember salary shall not be more than fifty percent (50%) of the amount of the salary of a Judge of the Superior Court of Merced County”).
- Our example is Folsom, CA



FOLSOM

- Located in Sacramento County
- Population 78,000
- Very simple plan
- Mayor chosen by City Council from members of City Council

2.06 City Council Compensation and Expenses:

The City Council may determine the annual salary of the Mayor, Vice Mayor, and Councilmembers by ordinance, but no ordinance increasing such salary shall become effective until the date of commencement of the terms of Councilmembers elected at the next regular election. The Mayor, Vice Mayor and Councilmembers shall receive their actual and necessary expenses incurred in the performance of their duties of office.

THE GOVERNMENT CODE APPROACH

- The Charter includes a provision adopting the salary policies of general law cities or “California Government Code”
- This policy was designed to provide councils of general law cities with the ability to increase salaries by up to 5% per year by ordinance
- This policy has staggered-election cities in mind
- The baseline salary (set in 1986, last amended in 2010) is \$600 per month for councilmembers, meaning the maximum possible salary (5% per annum increase every year since 1986) would be \$2,469.68/month if using the 1986 baseline or \$977.34/month if using the 2010 baseline.
- Ordinances with automatic raises are prohibited
- Council has the ability to set a higher salary for Mayor (no restrictions)
- This could be added with language to set the baseline above the 1986 rate (e.g., “baseline salary will be commensurate with the 1986 statutory amount, adjusted for inflation at a rate of 2.5% per annum) if the preferred baseline rate is higher than the CGC minimum \$600/month
- The example city is Chico



CHICO

- Located in Butte County, along US-99
- Population 93,000
- Allows multiple means of adjusting mayoral salary while adopting the general law salary plan since 1981, though it is unclear if the council has given itself raises pursuant to the CGC.
- Mayor and Vice Mayor chosen by City Council from members of City Council

- **Section 601. Remuneration.**
- A. Each councilmember shall receive the maximum monthly salary allowed for councilmembers in general law cities on the salary schedule set forth in California Government Code section 36516(a), as that schedule now exists or may hereafter be amended. This salary shall be adjusted pursuant to that schedule whenever the official population of the city increases or decreases, as determined by the latest decennial federal census, a subsequent census, or the state Department of Finance. The mayor shall receive, in addition to this remuneration as a councilmember, a monthly salary equal to twenty percent (20%) of the monthly salary of a councilmember. Each councilmember, including the mayor, may also be reimbursed for reasonable and necessary expenses actually incurred in the service of the city, provided that an appropriation for such expenses has been made in the budget adopted by the council as provided by this Charter.
- B. Notwithstanding subsection A, an ordinance approved by a majority of the voters voting on the measure may adjust the salary for the office of councilmember or mayor or both offices, to take effect at the commencement of the next term of office or such later time as the ordinance may provide.



MERCED

Three Legally Viable Options

The Office of the City Attorney has provided research to determine multiple legally viable options for updating the City Charter to address City Council compensation. Our office makes no recommendation nor any analysis of political expedience.

Whatever decision the commission makes, if any, our office will endeavor to produce language that can be legally placed on a ballot and applied to an amended Charter, pending voter approval.

If you have any further questions regarding legal options for city council compensation plans, please contact Schuyler Campbell, Deputy City Attorney at campbells@cityofmerced.org