



AR-1 Discussion of Elected Official Compensation Pursuant to SB 329

City Council Regular Meeting

Presentation by: Dylan Feik, City Manager

December 19, 2023

Agenda Outline

- ▶ Overview of SB 329
- ▶ Current Elected Official Compensation
- ▶ Discussion Regarding a Potential Increase to Elected Official Compensation
- ▶ Next Steps

According to the Author (Dodd)

- ▶ "City Councilmembers have one of the hardest jobs in California government. They deal with a wide range of issues, from street maintenance to emergency response duties. And all too often, they do this job with very little financial compensation. No one runs for City Council in order to make money. But the low levels of pay make it much harder for them to balance their careers and personal obligations with the calling to serve their community. The Legislature has not raised the base pay amounts for City Councilmembers since 1984. It's time those amounts caught up to the present economic reality, especially with the rapid increase in inflation we've seen recently. Raising the pay will also make it easier for members of marginalized communities to serve. City Councils should be reflective of the communities they represent and I believe raising their compensation is an important step to achieving that equitable outcome."

Overview of SB 329

- ▶ On June 29, 2023, Governor Newsom signed into law Senate Bill 329 (“SB 329”) which increases the maximum amount of salary that council members may receive.
- ▶ This legislation was intended to increase the compensation schedule for council members in general law cities, which had not been adjusted since 1984.
- ▶ SB 329 allows cities to increase the compensation to adjust for inflation in order to help keep city councils more diverse by allowing people from across different income levels to serve the public and support their families.

Overview of SB 329 (cont.)

- ▶ Currently, Government Code section 36516 authorizes a city council to enact an ordinance to provide each member of the city council a salary, with a maximum limit based upon the population of the city in accordance with a specific schedule
- ▶ Any increases in salary are also limited and cannot exceed 5% for each calendar year from the operative date of the last adjustment of the salary that is in effect when the increase is enacted
- ▶ SB 329 amends Government Code section 36516 to increase the maximum amount of salaries identified in the schedule
- ▶ SB 329 also authorizes the salary of council members to be increased beyond the specified maximum to an amount not exceeding the greater of either 5% for each calendar year from the operative date of the last adjustment of the salary or an amount equal to inflation since January 1, 2024, based on the California Consumer Price Index (Not to exceed 10% per calendar year)

Overview of SB 329 (cont.)

- ▶ No ordinance can be enacted or amended to provide automatic future increases in salary and the electors can consider the question of whether city council members should receive a salary and the amount of the salary may be submitted to the electors. Any retirement, health and welfare, federal social security benefits, or reimbursement for actual and necessary expenses **are not included** for purposes of determining salary under section 36516.
- ▶ SB 329 requires that an ordinance to increase council member compensation be considered in an open session with at least two regular meetings. The ordinance must include findings demonstrating the need for the increased compensation and there must be a least seven days between the introduction and adoption of the ordinance.
- ▶ SB 329 goes into effect on January 1, 2024. However, it is important to note that pursuant to Government Code section 36516.5, any council salary increase may take effect only when at least one member of the council commences a new term.

Overview of SB 329 (cont.)

City Population	Current Maximum	New Maximum
Up to and including 35,000	\$300/ month	\$950 / month
Over 35,000 up to and including 50,000	\$400/ month	\$1,275 / month
Over 50,000 up to and including 75,000	\$500 / month	\$1,600 / month
Over 75,000 up to and including 150,000	\$600 / month	\$1,900 / month
Over 150,000 up to and including 250,000	\$800 / month	\$2,550 / month
Over 250,000	\$1,000 / month	\$3,200 / month

SB 329 amends Government Code section 36516 to increase the maximum amount of salaries identified in the schedule

SB 329 also authorizes the salary of council members to be increased beyond the specified maximum to an amount not exceeding the greater of either 5% for each calendar year from the operative date of the last adjustment of the salary or an amount equal to inflation since January 1, 2024, based on the California Consumer Price Index (Not to exceed 10% per calendar year)

Current Elected Official Compensation

Elected Official	Current Amount
City Council	\$400 / month
City Clerk	\$400 / month
City Treasurer	\$363 / month

- ▶ Elected Officials do receive the same medical benefits offered to employees
- ▶ Elected Officials may opt out of medical benefits and direct funds towards deferred compensation
- ▶ Elected Officials do not receive compensation for use of personal vehicles, cell phones, home computers/tablets, etc.

Consideration of Increase to Elected Official Compensation

Position	Current Salary Council/Clerk \$400 Treasurer \$363	Option 1 Salary \$800	Option 2 Salary \$1,000	Option 3 Salary \$1,275
City Council (5)	\$24,000	\$48,000	\$60,000	\$76,500
City Clerk	\$4,800	\$9,600	\$12,000	\$15,300
City Treasurer	\$4,356	\$9,600	\$12,000	\$15,300
Total	\$33,156	\$67,200	\$84,000	\$107,100

- ▶ Council may approve any amount up to the maximum.

Next Steps

- ▶ Following Council Deliberation and Discussion, staff will prepare the requisite ordinance to be introduced during a public hearing. Two meetings must be held
 - ▶ Tuesday, January 15th
 - ▶ Tuesday, February 6th
 - ▶ Tuesday, February 20th (extra meeting date if necessary)
- ▶ Tuesday, March 5th - Municipal Election

Discussion & Direction

Important Links & Information

- ▶ City of Monrovia [Elected Official Compensation Information](#) for all City Official Compensation (all employees)
- ▶ [SB 329 Information](#)