

RESOLUTION NO. 25-1

**A RESOLUTION OF THE SALARY SETTING COMMISSION OF
THE CITY OF SANTA CLARA, CALIFORNIA SETTING THE
SALARIES OF THE POSITIONS OF MAYOR AND CITY
COUNCIL MEMBER FOR THE PERIOD OF JULY 1, 2025, TO
JUNE 30, 2027, INCLUSIVE, PURSUANT TO CITY CHARTER
SECTION 702**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, in accordance with City Charter Section 702, a Salary Setting Commission consisting of five qualified electors of the City was appointed by the Civil Service Commission, and commenced performance of its duties in February 2025;

WHEREAS, pursuant to the City Charter, the Salary Setting Commission is charged with establishing the compensation of the positions of Mayor and Council Member for the period commencing on July 1, 2025, and ending on June 30, 2027;

WHEREAS, the Salary Setting Commission met on four occasions in February and March of 2025, during which the compensation levels for the positions of Mayor and Council Member were discussed in detail;

WHEREAS, the Salary Setting Commission was presented with, and took into consideration, various data points including historical data regarding Mayor and Council salaries and benefits in Santa Clara, and historical data regarding Mayor and Council salaries and benefits at comparator agencies; and

WHEREAS, the final decision of the Salary Setting Commission as to the compensation for the positions of Mayor and Council Member, as set forth in this Resolution, is based upon the following:

1. The Commission finds that the pertinent history of the positions of the Mayor and Council Member compensation is as follows:
 - a. In the 2000 special election, the voters passed Measure J amending Charter Section 702 to set the salary of the Council Members at \$600 per month and

salary of the Mayor at \$1,000 per month, and allowed for an automatic annual salary increase in the amount of the local Consumer Price Index.

- b. By the time of the 2016 general election, as a result of the automatic CPI increases, the salary of the Council Members was \$855.27 per month and the salary of the Mayor was \$1,425.47 per month.
 - c. In the 2016 general election, the voters passed Measure O, which again amended Charter Section 702 to set the salary of the Council Members at \$2,000 per month and salary of the Mayor at \$2,500 per month. These salary increases more than doubled the Council Members' salaries and increased the Mayor's salary by approximately 75%.
 - d. As set forth in the Resolutions duly adopted by the Salary Setting Commission in 2019, 2021, and 2023, for many reasons, the Salary Setting Commission resolved to keep unchanged the compensation for the positions of the Mayor and Council Member for the period July 1, 2019, through June 30, 2025. Thus, the salary for these positions has remained unchanged since the electorate approved Measure O in November 2016.
2. The Mayor and Council Members are not "regular" employees of the City, subject to internal performance review. Rather, the Mayor and Council Members are elected by the voters of the City of Santa Clara; it is, therefore, solely within the purview of the voters to determine the quality of the performance of the current office holders. Accordingly, the role of the Salary Setting Commission is to set the salary for the positions of Mayor and Council Members, irrespective of the identities of the current office holders.
3. The positions of Mayor and Council Member are service-oriented, executive-level, positions paid a monthly stipend. There is no formal requirement for number of hours worked in City service per week, and the office holders may hold separate full-time

employment in addition to service in their elected position.

4. The Commission recognizes that the work of Mayor and Council does require a significant dedication of time and effort; the Measure O Charter Commission noted a time commitment of approximately 30 hours per week in 2016, and this Commission has no basis for believing that figure to be reduced in 2025. Such a commitment may have associated financial impacts, e.g. childcare or elder care, which are subject to inflationary forces. The Commission does not believe that public service should have a negative financial impact on the elected official. In addition, the Commission believes that a stipend fairly tailored to address these potential financial impacts would facilitate the attraction of a qualified and diverse group of candidates for these positions.
5. The Commission was presented with historical salary increase data from five comparator agencies and the Commission determined the following:
 - a. All five comparator agencies had applied salary increases for the positions of Mayor and Councilmember at least once in the past four years;
 - b. The current salary levels, without taking into consideration the value of any additional benefits provided, for the positions of Mayor (\$2,500 per month) and Council Member (\$2,000) were found to fall at (approximately) the median level of the five comparators;
 - c. The two comparator agencies at which the reviewed salaries fell below those of the City of Santa Clara mitigated the effects of the lower salary figures by providing medical benefits which, taken together with salary, brought the total compensation for the position of Councilmember to a level greater than the total compensation provided for that position by the Santa Clara;
 - d. If the five comparator agencies continue to provide salary increases, and Santa Clara does not, then the total compensation provided by the City of Santa Clara in 2027 for these positions is expected to significantly trail the average of the

compensation provided by the comparators;

6. The Ten-Year Financial Forecast included in the last budget indicated an expected cumulative budget shortfall for each of the next ten years, but at a much lower level than was initially forecast in June 2022. So, while the City is not yet recovered from the financial effects of the pandemic, there does appear to be significant improvement.
7. The City Charter limits salary increases to a maximum of 10% per 2-year Commission cycle. As compared with the size and scope of the City's overall Operating Budget, an increase to the salary of seven positions, capped at 10% was not deemed to create a meaningful impact to the City's fiscal outlook.
8. The Commission noted that the City of Santa Clara was the only City amongst the comparator agencies reviewed that did not provide medical benefits for the positions of Mayor and Council Member. It was noted, further, that the provision of these benefits essentially doubled the cost of the position. Due to the ongoing budget deficit, and the Commission's desire to provide the maximum salary increase allowed by Charter Section 702, medical benefits were not included in total compensation for the 2025-2027 period. The Commission is hopeful that in the next salary setting cycle (2027) the issue of medical benefits will be reviewed anew by the Commission.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE SALARY SETTING

COMMISSION OF THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the salary of the position of Mayor shall be increased to \$2,625 per month for the period July 1, 2025, to June 30, 2026.
2. That the salary for the position of Mayor shall be increased to \$2,750 per month for the period July 1, 2026, to June 30, 2027.
3. That the salary of the position of Council Member shall be increased to \$2,100 per month for the period July 1, 2025, to June 30, 2026.

4. That the salary of the position of Council Member shall be increased to \$2,200 per month for the period July 1, 2026, to June 30, 2027.

5. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 3 DAY OF MARCH, 2025, BY THE FOLLOWING VOTE:

AYES: 4

NOES: 0

ABSENT: 1

ABSTAINED: 0

ATTEST: _____



MV KUMAR, CHAIR
SALARY SETTING COMMISSION