



## Agenda Report

23-682

Agenda Date: 6/6/2023

### REPORT TO COUNCIL

#### SUBJECT

Note and File the Resolutions of the Salary Setting Commission Establishing as Unchanged the Salary for the positions of Mayor and Council and City Clerk, and increasing the Salary for the Position of Police Chief to \$313,692/annually; and Action to Adopt a Resolution Approving and Adopting the Updated Unclassified/Elected Salary Plan for the position of Police Chief for the Period of July 1, 2023 through June 30, 2025

#### COUNCIL PILLAR

Enhance Communication Engagement and Transparency

#### BACKGROUND

The Salary Setting Commission, consisting of five members appointed by the Civil Service Commission is responsible for establishing the compensation for the Mayor and Council Members (Charter Section 702), City Clerk (SCCC 2.20.015), and Police Chief (SCCC 2.80.015). For 2023, three Commissioners attended all scheduled meetings. A fourth Commissioner was appointed by the Civil Service Commission in April but did not attend the two remaining sessions.

In its evaluation, the Salary Setting Commission would be free to utilize any data and information that it deemed appropriate in setting the compensation for these positions, but in no event would any increases in salary granted by the Commission exceed 10 percent of the previous figure. After completing its discussion and analysis, the Commission adopted Resolutions holding unchanged the salaries of Mayor and Councilmember, and City Clerk. The Commission increased the salary for the position of Chief of Police by 10%, but held benefits associated with the position unchanged.

When there are changes to the compensation, California Code Regulations Section 570.5 governs and requires the adoption of updated publicly available salary schedules by the governing body.

The City of Santa Clara contracts with the California Public Employees' Retirement System (CalPERS) to provide retirement benefits for employees in both classified and unclassified positions. When modifications are made to the salary schedules for its classified or unclassified positions, the City Council must approve and adopt the publicly available salary plans to comply with California Code of Regulations (CCR) section 570.5. If the City Council does not approve these resolutions, the City will be non-compliant with CalPERS record keeping and reporting requirements. The City of Santa Clara is a contracting agency with CalPERS and is required to comply with its requirements.

As an elected department head, not subject to the Meyers-Milias-Brown Act, the Police Chief qualifies as a "local agency executive" under Government Code §3511.1. Government Code §54953 (c)(3) requires that before taking final action (in this case, to approve the updated salary schedules) there shall be an oral report provided of the new compensation level.

**DISCUSSION**

The Commission met on seven (7) occasions from February 2023, through May 2023, to discuss the salaries for the position of Mayor and Council Members, City Clerk and Police Chief for the period of July 1, 2023, up to and including June 30, 2025. As part of this evaluation, the Commission was presented with information including, but not limited to: the history of salary increases for these positions; comparator agency salary levels; requirements for the position of the City Clerk and Police Chief under the City Charter; recently negotiated agreements the City's bargaining units, and City budget projections. Upon thorough review and consideration of the various data, the Commission approved three resolutions.

- 1) On March 13, 2023, the Commission approved a resolution to leave the current salary of the Mayor and Council Members unchanged for the period of July 1, 2023, up to and including June 30, 2025. The salary for the Mayor shall remain at \$2,500/month and the salary for the Council Members shall remain at \$2,000/month.
- 2) On March 29, 2023, the Commission approved to leave the current salary of \$1,500/month for the City Clerk unchanged, for the period of July 1, 2023, up to and including June 30, 2025.
- 3) On May 8, 2023, the Commission approved for the period of July 1, 2023, to June 30, 2025, to increase the monthly salary for the position of Police Chief from \$26,141.00/monthly (\$313,692/annually) to \$28,755.00/monthly (\$345,060/annually), a 10% increase; continue to provide benefits equivalent to those currently received by members of the Unclassified Police Management (Unit 9A) under the Memorandum of Understanding set to expire on December 25, 2023; and continue to freeze any accrued leave balances held by the Police Chief (i.e. shall neither accrue increase in leave balances, nor be subject to decreases in those balances, during his/her term of elected office).

The City Code allocates the right and responsibility for reaching this decision to the Salary Setting Commission. The City Council does not have the legal authority to overturn or modify this decision. However, the City Code does state that "The City Council shall take all necessary legislative action to implement the salary set by the Salary Setting Commission." In accordance with CalPERS regulations, the adoption of an updated salary schedule is a necessary legislative action.

The recommendation includes to note and file the Commission's Resolutions, and separately approve a Resolution that amends the Unclassified/Elected Salary Plan for the position of Police Chief.

**ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

**FISCAL IMPACT**

Maintaining the current salaries for the positions of Mayor and Council, and City Clerk results in no cost increase and no additional increase to the costs included in the Biennial FY 2023/24 and FY 2024/25 Proposed Operating Budget. For the Police Chief position, the total compensation cost of the 10% increase is approximately \$50,000 annually; this amount is approximately \$16,000 higher than assumed in the Proposed Budget. It is anticipated that this additional cost will be absorbed within the Police Department budget.

### **COORDINATION**

This report has been coordinated with the City Attorney's Office.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>>.

### **RECOMMENDATION**

1. Note and file the Resolutions of the Salary Setting Commission establishing the salary for the positions of Mayor and Council, Police Chief, and City Clerk; and
2. Adopt a Resolution to approve the revised Unclassified/Elected Salary Plan for the position of Police Chief, which reflects the salary increase granted by the Salary Setting Commission, to satisfy the requirements of California Code of Regulations Section 570.5, effective July 1, 2023.

Reviewed by: Aracely Azevedo, Director of Human Resources

Approved by: Jōvan D. Grogan, City Manager

### **ATTACHMENTS**

1. Police Chief Total Compensation Survey
2. Resolution No. 23-1 of the Salary Setting Commission Setting the Compensation of the Mayor and Council Members
3. Resolution No. 23-2 of the Salary Setting Commission Setting the Compensation of the City Clerk
4. Resolution No. 23-3 of the Salary Setting Commission Setting the Compensation of the Chief of Police
5. Unclassified\_Elected Salary Plan (effective 7-1-2023) approved 6-6-2023
6. Resolution Updated Salary Plan