



Agenda Report

18-942

Agenda Date: 7/9/2018

REPORT TO CIVIL SERVICE COMMISSION

SUBJECT

Information regarding Salary Setting Commission, Charter Section 702

BACKGROUND

This is an informational report to the Commission regarding appointing the Salary Setting Commission.

DISCUSSION

In November of 2016, the City's electorate passed Measure O, which amended Charter Section 702. Measure O adjusted the monthly salaries of City Councilmembers and the Mayor, and provided that beginning on July 1, 2019 and every two years thereafter, the compensation of the Mayor and City Council shall be set by a newly formed, five-member Salary Setting Commission. The members of the Salary Setting Commission are to be appointed by the Civil Service Commission for four year terms, but initially two members would be appointed for two-year terms. The initial term commences January 1, 2019. The Salary Setting Commission would be required to establish the salary of the Mayor and Councilmembers by March 15 of every odd year, and the salaries may not exceed one hundred ten percent (110%) of the previous salaries.

Following the passage of Measure O, Council has taken action to include the setting of compensation for the elected City Clerk by the Salary Setting Commission and, at a future meeting, the Council may also consider including the compensation of the elected position of Chief of Police.

Salary Setting Commission basics:

- 5 members, appointed by Civil Service Commission
- Initial term will commence 1/1/19
 - 2 members - appointed for two-year terms
 - 3 members - appointed for four-year terms
 - All members appointed for four-year terms after initial term
- Prior to 3/15/19 and every odd year thereafter, the Commission shall establish the salary of the Mayor, Councilmembers, and City Clerk, effective the next July 1 for two years (ex: July 1, 2019 through June 30, 2021).

Function of the Commission:

The Salary Setting Commission is charged with setting compensation rates for the Mayor, City Councilmembers, and the City Clerk. Commissioners will need to be able to perform the following duties, with staff input, while serving on the Commission:

- Abide by all provisions of the California Ralph M. Brown Act, including remaining fair and impartial, and deliberating with other members of the Commission at public meetings only;

- Fully consider information presented to the Commission by staff and/or consultants;
- Review and consider compensation information from neighboring and statewide jurisdictions and Consumer Price Index (CPI) information, and any other data and information deemed appropriate in setting the compensations;
- Set the monthly salaries of the Mayor, City Councilmembers, and City Clerk.

Key dates (subject to change):

7/17/18	Presentation and discussion of process at Joint Council/Commission Dinner Meeting
9/17/18	Announcement of Commission and call for applicants at regular meeting of Civil Service Commission
TBD	Period for advertising Commission openings and accepting applications
11/19/18	Commission applicants interviewed and appointed by Civil Service Commission at last regularly set meeting) - special meeting on different date can also be scheduled, if necessary
1/1/19	Commission term commences
TBD	Meeting of Commission to study salaries, options
3/15/19	Last date to set salaries by Salary Setting Commission for July 1, 2019 - June 30, 2021

Eligibility and Conflict of Interest

Before serving on the Salary Setting Commission, any interested resident must meet eligibility requirements and, in order to avoid any potential or perceived conflict of interest, criteria may be set to limit those that are planning to run for office, are a registered lobbyist, have a relative on Council, and/or volunteer for, or make campaign contributions, to a candidate of elective office. The specific composition and eligibility requirements of the Salary Setting Commission will be set by the City Council in September.

As with all members of other boards and commissions, except for members of the Youth Commission, members must be qualified electors of the City. At the time of application, interested residents must also provide two forms of proof of residency (e.g., driver's license, passport, utility bill, etc.)

Communication Outreach Plan

There will be two different communication outreach plans as it relates to the Salary Setting Commission - one to inform the public of the roles and responsibilities of the Commission as it is created, pursuant to Measure O, and one to promote the vacancies and seek interested residents to serve.

The communications outreach plan will include the following:

- Development of a city webpage and posting news items, social media posts and the City Manager's Blog with direct links to the page for more information
- Development of a flyer to post at City facilities
- Email flyer and information to constituent database
- Email flyer and information to the Interest List maintained by the City Clerk's Office
- Post an advertisement on government access (Channel 15)
- Issue a press release to local media outlets

City staff is in the process of setting the schedule for alerting the public, educating the Civil Service Commission about the role of the Salary Setting Commission, finalizing appropriate deadlines, establishing a staff liaison to the Salary Setting Commission, and the presentation of information to the Salary Setting Commission regarding salaries, benchmarks, agencies, and other key factors in setting elected officials' salaries.

FISCAL IMPACT

It is important for the Salary Setting Commission to note that the City's current Ten-Year Financial Plan forecasts annual cumulative deficits between \$4 million to \$28 million over the next ten years. This means that ongoing expenditures are continuing to outpace ongoing revenue projections. However, by committing to fiscal discipline and addressing the annual deficits with cost reductions, alternative service delivery options, or increasing ongoing revenues it is anticipated that the City's fiscal condition will be able to stabilize.

COORDINATION

This report has been coordinated with the City Attorney's Office, Finance Department and the City Clerk's Office.

PUBLIC CONTACT

Public contact was made by posting the Civil Service Commission 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 or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

This agenda report is to provide the Civil Service Commission with information regarding the Salary Setting Commission, Charter Section 702.

Reviewed by: Vanessa Guerra, Human Resources Division Manager

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