



## Agenda Report

19-1682

Agenda Date: 1/8/2019

### REPORT TO SALARY SETTING COMMISSION

#### **SUBJECT**

Overview of Legislative Actions, Review of Comparator Agency Information and Recommendations for Process to Review and Set Elected Legislative Officials Compensation

#### **BACKGROUND**

Charter Section 702 requires the Salary Setting Commission to set the salary of the Mayor and Council prior to March 15, 2019 and thereafter, every two years. The Charter provision also provides that salaries so established by the Commission shall not exceed one hundred ten percent (110%) of the previous figure. The Charter provision is included herewith as Attachment 1.

#### **DISCUSSION**

This report is to introduce the legislative provisions establishing the Commission's purpose, relative to Mayor and Council, to provide written guidelines and parameters to the Commission on how to proceed with its work, and to introduce and discuss compensation information for the City, its elected officials, and comparative information from other agencies.

Pursuant to the Brown Act, discussion of City Clerk and Chief of Police salary or compensation may only occur at regular meetings (rather than special meetings), and will be agendaized accordingly once regular meeting dates are established. Further, setting the compensation of the Clerk and the Police Chief may involve other considerations that are not applicable to the Mayor and Council, staff will provide an analysis at a future regular meeting.

**Legislative provisions:** As described above, the governing legislative provision establishing the Commission's purpose and objectives is:

- **City Charter Section 702:** "Commencing on July 1, 2017, each member of the City Council, other than the Mayor, shall receive as compensation the sum of two thousand dollars (\$2,000) per month. The Mayor shall receive as compensation the sum of two thousand five hundred dollars (\$2,500) per month.

Commencing on July 1, 2019, and every two years on July 1 thereafter, the compensation of the City Council and Mayor shall be set by a Salary Setting Commission consisting of five members to be appointed by the Civil Service Commission from the qualified electors of the City for a term of four years. The first members shall be appointed for a term commencing January 1, 2019. Initially, the Commissioners shall be appointed in a manner so that two are appointed for two-year terms and three are appointed for four-year terms. On or before March 15 of every odd year, the Salary Setting Commission shall establish the salary of the Mayor and members of the City Council for the period commencing July 1 of that odd year and ending two years thereafter. Salaries so established by the Commission shall not exceed one hundred ten percent (110%) of the previous figure.

If a member of the City Council, including the Mayor, does not attend all meetings of the City Council or study sessions called on order of the City Council and held during the month, the compensation to him/her for such month shall be reduced by the sum of twenty-five dollars (\$25.00) for each meeting or study session not attended unless he/she is absent with the consent of or on order of the City Council.

Absence from five consecutive regular meetings, unless excused by resolution of the City Council, shall operate to vacate the seat of any member of the City Council so absent.”

**Recommended Process:**

The Commission is tasked with setting salary rates for the City’s elected legislative officials. In order to accomplish that task, the Commission will likely need to know the following:

- Current salary rates of the City’s elected legislative officials
- Legislative directives for setting compensation rates
- Compensation rates of other jurisdictions for similar positions

In general, employers, both private and public, survey their labor market to ensure their salary and benefit levels are sufficiently competitive and reflect the service performed. In the case of elected public officials, there is a broad spectrum of compensation due to the types of positions (city councils, boards of supervisors, etc.), agency size, and agency location. Staff has gathered and presented for the Commission’s consideration compensation information for other agencies based upon certain criteria:

- Nature of services provided (i.e., part time/full time officials)
- Geographical proximity of comparators
- Comparator population and form of government
- Economic similarity

Commissioners should keep in mind that the positions at issue (Mayor and Council) are part-time and unbenefited (except for an option to enroll in CalPERS retirement).

For the Commission’s first meeting, Staff recommends that the Commission become acquainted with existing salary and compensation levels for these positions and the survey information provided for comparators. Staff anticipates that the Commission will have information requests and it will be helpful in the first meeting for Staff to learn what other information the Commission needs so that there is adequate time to prepare and present it at upcoming meetings. Because the Charter requires that the Commission set compensation for the Mayor and City Council in time for the compensation to be effective July 1, 2019 and conclude it by March 15, 2019, staff recommends that the Commission conclude that process first.

**Compensation information:**

Currently, the compensation set in the Charter for the Mayor is \$2,500 per month and for Council at \$2,000 per month. The Charter limits biennial increases to 10%. The Commission may set percentage increases at any number between 0 and 10. The Commission may consider changes in cost of living and comparable compensation in other jurisdictions.

**Survey Information:**

Comparator information for the Mayor and Council is included in this report (Attachment 2). Staff will be prepared to answer Commissioner questions regarding the survey at the meeting.

**FISCAL IMPACT**

There will be no action taken by the Commission at this meeting that will have a fiscal impact.

**COORDINATION**

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

**PUBLIC CONTACT**

Public contact was made by posting the 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](mailto:clerk@santaclaraca.gov) or at the public information desk at any City of Santa Clara public library.

**RECOMMENDATION**

This item is for information and discussion only, and no action is required at this time.

Reviewed by: Teresia Zadroga-Haase, Director, Human Resources

Approved by: Nadine Nader, Assistant City Manager

**ATTACHMENTS**

1. Charter Section 702
2. Survey Information for Elected Officials