



MEMORANDUM

TO: CITY COUNCIL

FROM: JAMES BERGMAN, CITY MANAGER

BY: KELLY WETMORE, DIRECTOR OF LEGISLATIVE AND INFORMATION SERVICES/CITY CLERK

SUBJECT: CONSIDERATION OF ADOPTION OF AN ORDINANCE MODIFYING CITY COUNCIL SALARY, EFFECTIVE DECEMBER 2022

DATE: DECEMBER 10, 2019

SUMMARY OF ACTION:

Adoption of an Ordinance modifying city council salary, effective December 2022 after the November 2022 General Municipal Election.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The modification to monthly council member salary and the additional monthly mayor compensation would not be effective until December 2022; therefore, the fiscal impact in Fiscal Year 2022-23 will be \$16,380.

RECOMMENDATION:

It is recommended that the Council adopt an Ordinance amending Section 2.04.040 of Chapter 2.04 of Title 2 of the Arroyo Grande Municipal Code relating to City Council compensation.

BACKGROUND:

At its November 26, 2019 meeting, the City Council considered an Ordinance to modify the monthly council member salary in the amount of \$648, and to provide additional compensation to the mayor in the amount of \$150 per month, to be effective December 2020 following the November 2020 General Municipal Election and when one or more council members commence a new term of office. Prior to introduction, the Ordinance was modified to change the effective date to December 2022, following the November 2022 General Municipal Election and when one or more council members commence a new term of office.

ANALYSIS OF ISSUES:

The Ordinance is now ready for adoption. The Ordinance shall take effect thirty (30) days from its passage; however, the changes in compensation as noted above will not become effective until December 1, 2022.

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ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Adopt the Ordinance amending Section 2.04.040 of Chapter 2.04 of Title 2 of the Arroyo Grande Municipal Code relating to City Council compensation, to become effective in December 2022 after the November 2022 General Municipal Election;
2. Modify and re-introduce the Ordinance amending Section 2.04.040 of Chapter 2.04 of Title 2 of the Arroyo Grande Municipal Code relating to City Council compensation;
3. Do not adopt the Ordinance; or
4. Provide other direction to staff.

ADVANTAGES:

The proposed increase in Council compensation will provide elected officials with additional compensation to defray costs associated with their service.

DISADVANTAGES:

The proposed increase in Council compensation will result in additional costs beginning in Fiscal Year 2022-23.

ENVIRONMENTAL REVIEW:

No environmental review is required for this item.

PUBLIC NOTIFICATION AND COMMENTS:

No new correspondence has been received by the City since the November 26, 2019 meeting and as of the publication of this report. The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE AMENDING SECTION 2.04.040 OF CHAPTER 2.04 OF TITLE 2 OF THE ARROYO GRANDE MUNICIPAL CODE RELATING TO CITY COUNCIL COMPENSATION

WHEREAS, the City of Arroyo Grande ("City") is a municipal corporation formed pursuant to the laws of the State of California; and

WHEREAS, pursuant to Government Code Section 36516, a city council may enact an ordinance providing that each city council member receive compensation the amount of which shall be based upon the city's population; and

WHEREAS, on November 25, 1997, the City Council adopted Ordinance No. 491 increasing city council member salaries from \$300 to \$330 per month, based upon the City's population of less than 35,000 people and established a monthly expense allowance of \$75; and

WHEREAS, on September 23, 2008, the City Council adopted Ordinance No. 604, which eliminated the \$75 monthly expense allowance and instead increased council member salaries from \$330 to \$405 per month; and

WHEREAS, the compensation earned by council members and established in 1997 as modified in 2008, has not been increased, despite substantial increases in the cost of living; and

WHEREAS, based on the last federal census, the City's population is still less than 35,000 people; and

WHEREAS, pursuant to Government Code Section 36516(a)(4), council member compensation may be increased in an amount not to exceed five percent (5%) for each calendar year from the operative date of the last adjustment of the council member compensation; and

WHEREAS, by this Ordinance, the City Council intends to increase its salary from \$405 to \$648 per month; and

WHEREAS, pursuant to Government Code Section 36516.1, an elected mayor may be provided with compensation in addition to that which he or she receives as a council member; and

WHEREAS, the City has not previously provided additional compensation for the mayor but wishes to do so at this time in the amount of \$150 per month.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE DOES ORDAIN AS FOLLOWS:

SECTION 1. The above recitals are true and correct and are incorporated herein by this reference.

SECTION 2. Section 2.04.040 of Chapter 2.04 of Title 2, is hereby amended to read in its entirety as follows:

2.04.040 – Salary compensation for mayor and council members.

- A. Population. As of January 1, 2019, the estimated population of the City of Arroyo Grande is less than thirty-five thousand (35,000) residents.
- B. Council Salaries. The salary for the mayor and each council member shall be six hundred forty eight dollars (\$648) per month, effective December 1, 2022.
- C. Council Expenses. The salaries set forth herein are, and shall be, exclusive of any amount payable to the mayor and each council member for actual and necessary expenses incurred by the mayor or council member in the performance of official duties for the City.
- D. Additional Compensation for Mayor. The mayor shall receive compensation in addition to that which the mayor receives as a council member in the amount of one hundred fifty dollars (\$150) per month, effective December 1, 2022.
- E. Retirement/Benefits. Any amounts paid by the City for retirement, health and welfare, and federal social security benefits shall not be included for purposes of determining salary under this section, provided the same benefits are available and paid by the City for its employees generally.

SECTION 3. A summary of this Ordinance shall be published in a newspaper published and circulated in the City of Arroyo Grande at least five (5) days prior to the City Council meeting at which the proposed Ordinance is to be adopted. A certified copy of the full text of the proposed Ordinance shall be posted in the office of the City Clerk. Within fifteen (15) days after adoption of the Ordinance, the summary with the names of those City Council members voting for and against the Ordinance shall be published again, and the City Clerk shall post a certified copy of the full text of such adopted Ordinance.

SECTION 4. This Ordinance shall take effect and be in full force and effect thirty (30) days after its passage.

SECTION 5. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions

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of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

On motion by Council Member _____, seconded by Council Member _____, and by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

the foregoing Ordinance was adopted this 10th day of December, 2019.

CAREN RAY RUSSOM, MAYOR

ATTEST:

KELLY WETMORE, CITY CLERK

APPROVED AS TO CONTENT:

JAMES A. BERGMAN, CITY MANAGER

APPROVED AS TO FORM:

TIMOTHY J. CARMEL, CITY ATTORNEY