



STAFF REPORT

Date: July 31, 2014
To: Mayor and Members of City Council
From: William R. Galstan, Special Counsel *William R. Galstan*
Cc: Bryan H. Montgomery, City Manager; Derek P. Cole, City Attorney;
Paul Abelson, Finance Director
Subject: Discuss Potential for City Council Member Salary Increase

FOR CONSIDERATION AT THE CITY COUNCIL MEETING ON AUGUST 12, 2014

Summary and Recommendation

Discuss and provide direction to staff as to whether an ordinance should be prepared to increase Council salaries, to be effective following the November 2014 general municipal election.

Analysis

I believe it is my duty to bring this matter to City Council's attention. Should you wish action taken on this matter, please provide direction to staff.

The method of providing and adjusting City Council salaries is set in state law, with formulas provided. Government Code Sec. 36516.5 states that Council salaries are set by adoption of a local ordinance accomplished prior to a general municipal election, with the salary increase only becoming effective after the election. In this way, Council members are not necessarily voting on their own salary adjustments, as they may determine not to run in the election or may not be successful at the election. (Obviously the members not standing for election would be in a different situation, but State law provides that the increase is effective as to all members following the election.)

The Council member salary is set at \$435.00 per month and was last established in 2010, becoming effective in January 2011 following the 2010 general municipal election. State law allows a five (5%) percent increase at each adjustment. Thus if the Council is interested in pursuing this matter, the salary could increase \$21.75 per month to a new total for each member of \$456.75.



Frankly, this modest increase seems like it probably doesn't even cover Council member gasoline expenses. I would point out that the City Council did eliminate the PERS retirement benefit for Council members beginning with those elected after July 13, 2012. This action has saved, and is saving, the City's general fund substantial monies over the years. Also, the Oakley City Council does not have a health insurance benefit (Council members may pay the full cost of such benefit if they wish—none currently do) nor do they take any other benefits. City Council members in other Contra Costa cities do have retirement and health coverage benefits, so the Oakley City Council is quite modest in the salary and fringe benefit department.

If the City Council wishes to consider a salary adjustment as outlined above, please direct our office to prepare the necessary ordinance. This would have to be done soon, as the ordinance must be adopted and go into effect (30 days after adoption) prior to the November general election.

Fiscal Impact

If the City Council determines to increase the salary rate, there would be a General Fund total cost of \$1,305.00 per year.

Attachments

None.