

Committee of the Proposed City Charter
By: Lum Fobi, Deputy City Attorney
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CITY COUNCIL COMPENSATION

The compensation of City Council members, as well as other city officers and employees, is a municipal affair that the proposed city charter may expressly control. The Committee has requested information in regards to the setting and adjusting of the compensation of the members of the City Council.

I. Current Council Compensation Pursuant to State General Law

California Government Code (“G.C.”) Section 36516 regulates city council salaries. It provides that councilmembers salaries may be increased by ordinance by up to an amount equal to a non-compounding five percent (5%) for each calendar year from the operative date of the last adjustment. It further provides that unless specifically authorized by another statute or approved by a majority vote of the electors, a city council may not provide for compensation in excess of that authorized by the terms of the state law. However, G.C. § 36516 also provides that any amounts paid to councilmembers for retirement, health and welfare, and federal social security benefits, as well as to reimburse a councilmember for actual and necessary expenses, shall not be included for the purposes of determining salary. Finally, G.C. § 36516.5 precludes any approved adjustment to councilmembers salaries from taking effect until one or more councilmembers begins a new term.

The City of Carson is a general law city subject to the state statutes regulating council compensation. The City Council last adjusted its salary in 2006, Ordinance No. 06-1360, and codified in Carson Municipal Code (“CMC”) Section 2301 that each member of the City Council shall receive as salary the sum of approximately \$1,722 per month. CMC § 2301.1, adopted as Ordinance No. 06-1359, also provides for an additional salary for the performance of mayoral duties in a sum equal to ten percent (10%), which is authorized by G.C. § 36516.1; thereby authorizing the Mayor to receive a salary in the sum of approximately \$1,894 per month.

Councilmember salaries have not been adjusted since 2007. In accordance with G.C. § 36516, councilmember salaries could have been increased by approximately \$1,371, which is 5% of \$1,722 or approximately \$114 per year from 2007 to 2018. The Mayor’s salary could have been increased by approximately \$1,508, which is 5% of \$1,894 or approximately \$125, per year from 2007 to 2018. Therefore the maximum unrealized salaries for the members of the City Council and the Mayor, as authorized by state law, are approximately \$3,093 and \$3,402, respectively. This calculation only considers the councilmembers’ wages and any other payments for service on a commission, committee, board, authority, or other such body. It does not include any amounts paid to councilmembers for retirement, health and welfare, and federal social security benefits, or to reimburse a councilmember for actual and necessary expenses. The below table details the annual wages, benefits, and expenses for the members of the City Council for fiscal year 2018-2019. It also provides the unrealized wages that the City Council could have received in accordance with general law, but chose not to exercise.

COUNCIL COMPENSATION FY 18-19					
	Mayor Robles	MPT Hilton	CCM Santarina	CCM Davis-Holmes	CCM Hicks
SALARIES					
Wages	\$22,734	\$20,668	\$20,668	\$20,668	\$20,668
BENEFITS					
PERS (11.143% of wages)	-	2,303	2,303	-	-
Medicare tax (1.45% of wages)	330	300	300	300	300
Insurances (including opt-out)	10,301	22,172	10,301	10,693	12,211
EXPENSES					
Phone Allowance	840	840	840	840	840
Auto Allowance	8,400	8,400	8,400	8,400	8,400
TOTAL					
	42,606	54,683	42,812	40,901	42,419
UNREALIZED SALARIES					
Wages (GL max for annual increase since 2007)	40,828	37,118	37,118	37,118	37,118

II. Charter City Authority Over Council Compensation

Article XI, Section 5(b) of the California Constitution explicitly allows charter cities to set and subsequently adjust councilmember salaries. The Constitutional provision states that city charters shall provide that their cities, and thereby city councils, may make and enforce all ordinances in respect to municipal affairs, and specifically grants plenary authority to provide for the compensation of municipal officers. Thus, when a city charter provides for the compensation of municipal officers, the state legislature is divested of authority to fix the compensation of those officers, and G.C. § 36516 is non-applicable.

Based on this Constitutional grant of authority, a city charter may provide the manner, method, and timing by which councilmembers will be compensated or by which the city council may adopt an ordinance or resolution setting or adjusting council members' salaries. A charter city may provide for council compensation in an amount that exceeds the maximum amount determined by G.C. § 36516, as long as such action is in accordance with the terms of its charter.

The proposed city charter for the City of Carson may establish the method by which Council compensation is calculated, a new base salary amount, and/or the method by which compensation is adjusted. The proposed city charter may also provide for adjustments to Council compensation to become effective at a time different from that provided by G.C. § 36516.5. Alternatively, the proposed charter may require that council compensation be set and adjusted in the manner provided by general law or to an amount that does not exceed that permitted by general law. Therefore, if the proposed city charter is adopted, the City Council may be able to set and adjust its members' salaries in accordance with the parameters prescribed in the proposed charter.