



## Council Agenda Report

From: Ryan Cornell, Administrative Services Director

Subject: Introduction and First Reading of an Ordinance Amending Paso Robles Municipal Code Title 2, Chapter 2.40, Bonds and Salaries of Officers, Section 2.40.030(B), Salary - Amounts

CEQA Determination: The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Date: March 19, 2024

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### Facts

1. The City Council dedicates a significant amount of time to serving the community in matters of City policy and general governance. In recognition of this, the Mayor and City Councilmembers currently receive monthly compensation of \$1,400 and \$1,050, respectively.
2. The City Council also receives health and welfare benefits such as medical, dental, and vision insurances, generally consistent with the other labor groups in the City as well as a vehicle/mileage allowance.
3. The City Council last increase in compensation occurred in November 2022; previously it had been since 2006 since City Council had received a compensation increase.
4. Government Code Section 36516(c) provides that the City Council salaries may increase by up to five percent each calendar year from the operative date of the last adjustment of the salary in effect.
5. However, an ordinance changing City Council compensation does not apply to a Councilmember during their term in office. Therefore, if the Council approves and adopts an ordinance changing to City Council compensation, the change in salary could take effect for all Councilmembers in November 2024, following the next municipal election.
6. On March 19, 2024, the City Council held a discussion on this item and on a 4 to 1 vote, authorized staff to bring the draft ordinance for first reading.

### Options

1. Take no action;
2. Introduce for first reading by title only, an ordinance of the City Council of the City of El Paso de Robles amending Section 2.40.030(B), of Title 2, Chapter 2.240, Bonds and Salaries of Officers, by increasing the salary of the Mayor and City Councilmembers to \$1,540 and \$1,155, respectively;
3. Provide alternative direction to staff.

### Analysis and Conclusions

In 2022, City Council adopted Ordinance 1117, increasing the City Council compensation to be more competitive and encourage—or at least not discourage—community members to be part of public service. Before 2022, the City Council had not received a compensation increase since 2006. The City continues to be responsive and recommends Council authorize maximum compensation increases that would go into effect in November 2024.

Council can pass an ordinance or resolution increasing Councilmember compensation, provided that compensation is not increased by more than 5 percent per year (opining that the 5 percent increase allowed per year is calculated as 5 percent times the number of years since last salary adjustment and applied to the current salary but is not compounded). The City Council had an increase in salary in 2022 when the salary was set at \$1,050 for the Council; \$1,400 for the Mayor. If the Council were to approve the maximum amount, the new salaries can be increased by up to 10% and would result in \$1,155 per month for Councilmembers, an increase of \$105 per month, and \$1,540 per month for the Mayor, an increase of \$140 per month. Both would go into effective at the next election on November 5, 2024.

It has been two years since the last increase in salary for the Mayor and Council. The time commitments required by the Council have continued to increase over the past few years. In addition, as a result of increased inflation, the cost of living has increased during this period. As a result of these continually increasing obligations and increased cost of living it is appropriate to increase the salary of the Mayor and Council.

#### **Fiscal Impact**

The total cost to increase City Council compensation would be \$5,180 per year. These costs can be absorbed within General Fund activity without additional budget appropriations needed.

#### **CEQA**

The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

#### **Recommendation (Option x)**

Introduce for first reading by title only, an ordinance of the City Council of the City of El Paso de Robles amending Title 2, Chapter 2.240, Bonds and Salaries of Officers, Section 2.40.030(B) of the Paso Robles Municipal Code, increasing the Mayor and City Councilmember salary to \$1,540 and \$1,155, respectively.

#### **Attachments**

1. Ordinance XXXX – City Council Compensation