



City of Arts & Innovation

Charter Review Committee Memorandum

TO: CHARTER REVIEW COMMITTEE

DATE: August 12, 2019

FROM: CITY ATTORNEY'S OFFICE

WARDS: ALL

SUBJECT: COUNCILMEMBER SALARIES

ISSUE:

Councilmember salaries has been a recurring topic of Committee discussion. At the request of the Chair and Vice-Chair, this report provides the history of Councilmember salaries and the following options: (1) no change to the City Charter regarding Councilmember salaries; (2) amend the Charter to tie Councilmember salaries to a certain percentage of an external salary (e.g., Superior Court Judge's salary); (3) amend the Charter to create a citizen's board to make recommendations on salaries, subject to Council approval; or (4) amend the Charter to authorize Councilmembers to approve their own pay raises beyond 5%.

RECOMMENDATION:

That the Charter Review Committee determine whether to:

- (1) leave the City Charter regarding Mayor and Councilmember salaries as-is;
- (2) amend the Charter to tie Mayor and Councilmember salaries to a certain percentage of an external salary (e.g., Superior Court Judge's salary);
- (3) amend the Charter to create a citizen's board to make recommendations on Mayor and Councilmember salaries, subject to City Council approval; or
- (4) amend the Charter to authorize City Council to approve Mayor and Councilmember pay raises beyond 5%.

BACKGROUND:

In 2002, the City Charter required the Mayor and City Council to nominate and appoint seven members of the Mayor and Council Salary Commission ("Salary Commission") to "make recommendations to the City Council concerning the compensation of the Mayor and members of the City Council." This Charter provision had been in effect since at least 1986.

Here is the history of when the Salary Commission convened in January of 2002 and subsequent changes to the Charter and/or to Mayor and Councilmember salaries. In 2002, the Mayor's salary was \$58,704/year, while the Councilmembers' salary was \$23,484/year.

After multiple monthly meetings, in September of 2002 the Salary Commission made its final recommendation to the City Council to increase the Mayor's salary to \$84,000/year (a 43% raise), and to make no change to Councilmembers' salary.

On November 5, 2002, the City Council, contrary to the Salary Commission's recommendation, increased the Mayor's salary to \$75,072 (a 27.8% raise) and increased Councilmembers' salary to

\$37,536/year (a 59.8% raise).

On November 17, 2002, Jack Clarke, Jr., on behalf of the Raincross Club, authored an op-ed in the Press Enterprise regarding the foregoing processes and pay raises. Chair Clarke, Jr. has requested that this op-ed be submitted to this Committee for review; the op-ed is attached to this report.

In January 2004, the Charter Review Committee ("2004 CRC") was formally appointed by the City Council and convened to examine and make recommendations to City Council concerning City Charter amendments. Among other topics, the 2004 CRC considered amending the Charter with respect to Mayor and Councilmember salaries.

On July 13, 2004, the City Council approved placing on the ballot the CRC's recommended Charter amendments to Sections 403 and 810 (Mayor and Councilmember Salary, and Salary Commission). The amendments would, among other changes, require the City Council to review Mayor and Councilmembers' compensation every odd-numbered year, limit Councilmember salary increases to 5% of the then-existing salary, and eliminate the Salary Commission. A copy of that ballot initiative, Measure EE, is attached to this report.

In November 2004, Voters approved Measure "EE" amending City Charter Section 403 and deleting Section 810. The new City Charter Section 403, which is current to date, reads in full:

Sec. 403 Compensation.

The Mayor and members of the City Council shall receive compensation for their services as such, and in addition, when on official duty, shall receive reimbursement for their necessary expenses on order of the City Council. In January of every odd-number year, the City Council shall review the compensation including salary and benefits, of the Mayor and members of the City Council, and shall establish any increase in compensation of the Mayor and/or members of the City Council. No increase in salary shall exceed 5 percent of their then-existing salary. Compensation shall be fixed by ordinance, adopted by not fewer than five affirmative votes of the City Council, after a noticed, public hearing, notice of which has been given by publication at least fourteen days prior to such hearing.

Once a level of compensation for City Council members and the Mayor is established, such level will not be permitted to change automatically by linking such compensation to internal or external factors.

With the deletion of Section 810, the Salary Commission was eliminated.

On January 25, 2005, the City Council called a special meeting to review Mayor and Councilmember salaries as required by Measure "EE" and referred the matter to the Finance Committee.

On February 14, 2005, the Finance Committee made a recommendation to City Council that the Mayor and Councilmember salaries be decreased by 5%.

On March 1, 2005, the City Council declined to change Mayor and Councilmember salaries.

On February 2, 2007, the City Council approved 5% increases to the Mayor's salary to \$78,828/year and Councilmembers' salaries to \$39,408/year.

In 2009, 2011, and 2013, the City Council considered and declined to change Mayor and Councilmember salaries.

On February 3, 2015, the City Council approved 5% increases to the Mayor's salary to \$82,764/year and Councilmembers' salaries to \$41,376/year.

On January 24, 2017, a City Council motion to increase Mayor and Councilmember salaries by 5% was seconded but failed for lack of five affirmative votes.

Most recently, on February 26, 2019, a City Council motion to increase Mayor and Councilmember salaries by 5% was seconded but failed for lack of five affirmative votes.

The current Mayor and Councilmember salaries are \$82,764/year and \$41,376/year, respectively, and were last adjusted in February 2015 (5% raise).

FISCAL IMPACT:

None.

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Approved as to form: Gary G. Geuss, City Attorney

Attachments: July 17, 2002, Press Enterprise OpEd, "Open Letter to Riverside City Council", by Jack B. Clarke, Jr.
Measure EE