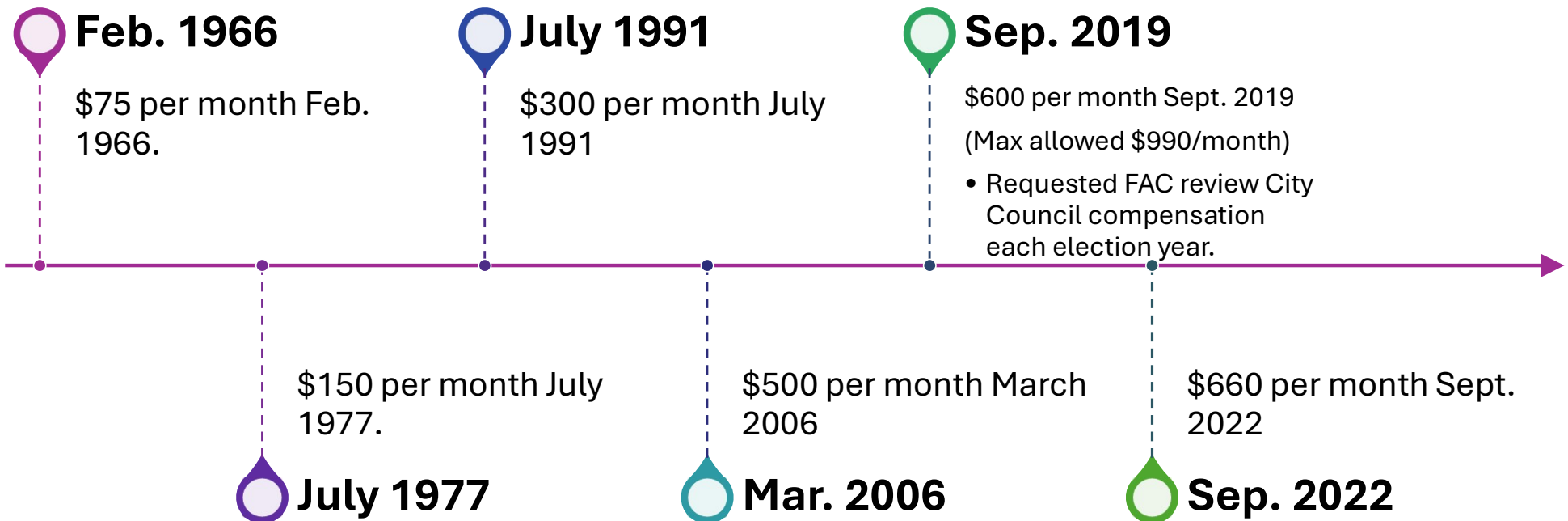




City Council
Compensation
July 25, 2024

History of City Council Compensation



City Council Compensation vs. Inflation

Senate Bill (SB) 329

- Increased maximum to \$950/month
- \$300 in 1984 is equivalent to approximately \$900 in purchasing power in 2024

SB 329 stated intent is to help keep city councils more diverse

- Allows individuals across different income levels to serve & support their families

City Council Compensation

If a City Council member spends approximately 40 hours per month in meetings and conducting City Council business

- \$950 per month = \$23.75 per hour

Adjusting City Council Compensation from \$660 to \$950 per month equals approximately \$18,000 annually

- Total City Council Compensation would increase from 0.32% to 0.46% of total payroll

Recommendation

- Finance Advisory Committee recommends an increase to Council Member to \$950 per month and introduce an Ordinance amending Capitola Municipal Code Section 2.04.275
 - Mayor Brown and Vice Mayor Brooks abstained from voting on recommendation
- Increase would go into effect following November 2024 election
 - Maximum allowable increase in 2024 is \$950 per month
 - Fiscal impact is approximately \$18,000 annually beginning in Fiscal Year 2024-25
 - Continue annual reviews during budget hearing
 - Potential inflationary adjustments every two years