



City of Grass Valley City Council Agenda Action Sheet

Title: Discussion on City Council Compensation in light of Upcoming Elections.

CEQA: Not a Project

Recommendation: That Council considers the information provided and provides direction to staff.

Prepared by: Tim Kiser, City Manager

Council Meeting Date: 05/28/2024

Date Prepared: 05/22/2024

Agenda: Administrative

Background Information: Per the City Charter, the City Council may determine the annual compensation of the mayor, vice mayor, and council members by ordinance. However, any ordinance increasing such compensation will not take effect until the commencement of the terms of council members elected at the next regular election. Compensation for council members shall not exceed the maximum amount set by the Government Code for council members in general law cities of comparable size, which is subject to periodic adjustments.

State law regulates the maximum compensation for council members and the timing of these adjustments. The compensation schedule for general law cities has not been updated since 1984, leading to councilmember compensation not keeping pace with inflation. On June 29, 2023, the Governor approved Senate Bill No. 329 (Dodd) ("SB 329"), which increases the maximum allowable salary based on the city's population. For cities with populations up to and including 35,000 people, SB 329 sets the maximum salary at \$950 per month. Currently, under the City Municipal Code, a council member receives \$275 per month, and the mayor receives \$300 per month.

Additionally, Government Code Section 36516 permits a Council compensation increase of up to five percent per calendar year from the operative date of the last adjustment. No ordinance can be enacted to provide future increases beyond this limit.

With the upcoming election, staff seeks direction on further evaluating adjustments to City Council salaries and benefits. Attached for the City Council's review is a handout from the 2011 League of California Cities Annual Conference

Council Goals/Objectives: This item executes portions of work tasks towards achieving/maintaining Strategic Plan - High Performance Government and Quality Service.

Fiscal Impact: The Fiscal Impact is not known until City Council decides on a potential action.

Funds Available: N/A

Account #: N/A

Reviewed by: ____ City Manager

Attachments: 1) 2011 League of California Cities Annual Conference Handout from the City Council Salaries and Benefits Session