



AGENDA REPORT SUMMARY

Meeting Date: January 23, 2024

Subject City Council salary and benefits

Prepared by: Jon Maginot, Assistant City Manager

Approved by: Gabriel Engeland, City Manager

Attachment(s):

1. Government Code Section 36516
2. Comparison of neighboring cities (to be distributed prior to Council meeting)

Initiated by:

City Council

Previous Council Consideration:

None

Fiscal Impact:

Unknown at this time; should Council elect to increase Council salary or benefits, this will cause an increase in General Fund expenditures

Environmental Review:

Not applicable

Policy Question(s) for Council Consideration:

- Does the Council wish to provide direction to staff regarding potentially increasing Council salary and/or benefits?

Summary:

- Currently, Council members receive a salary of \$300 per month. This number is based on previous State law
- A new State law has gone into effect increasing the amount Council members may receive up to \$950 per month (compensation is based on city population). In addition, the Council can make future increases to Council salaries by ordinance

Staff Recommendation:

Provide direction to staff regarding Council salary and benefits



Subject: City Council salary and benefits

Purpose

To consider changes to Council salary and benefits

Background

California Government Code Section 36516 outlines guidelines related to Council member salaries and benefits. Currently, Los Altos Council members receive a salary of \$300 per month and are eligible to receive certain benefits. This was the highest amount previously allowed under State law for a city the size of Los Altos.

Discussion/Analysis

SB 329 went into effect January 1, 2024 and provided amendments to GC Section 36516. Cities with a population of up to 35,000, such as Los Altos, may now offer City Council salaries of up to \$950 per month. This amount is to be set by Council ordinance. In addition, SB 329 allows cities to adopt increases in Council salaries in future ordinances.

As well, cities can also provide benefits to the Council members. These benefits do not count towards the salary amount so long as the same benefits are provided to employees. The City currently allows Council members the option of receiving health, dental and vision benefits. Council members may be reimbursed for up to \$2,119 of dental/vision expenses. Dependents are not eligible for this benefit. Funds are provided on a reimbursement basis and unused funds are not given to the individual Council member. Council members may also sign up for one of the City's Health Plans. Council members may enroll eligible dependents, but the City does not contribute toward the premium for dependents.

Staff has researched what certain neighboring cities provide to Council members. Cities selected are typical comparators to Los Altos that have a population of less than 35,000. This comparison will be distributed to the Council and public prior to the Council meeting.

Recommendation

Staff recommends Council provide direction to staff regarding Council salary and benefits