Mayoral Compensation

Recommended Section for Review: Article IV, Section 410 Compensation

Current Charter Language:

*Article IV, Section 410*

"Between March 1st and April 30th of every odd-numbered year, the Council Salary Setting Commission shall recommend to the Council the amount of monthly salary and the benefits which it deems appropriate for the members of the Council, including the Mayor, for the two-year period commencing July 1st of that odd-numbered year. The amount recommended for each Councilmember shall be the same. The amount recommended for the Mayor may exceed that of the other members of the Council, however the amount received by the Mayor shall be not less than the amount received by the Chairman of the Board of Supervisors of the County of San Joaquin. The monthly salaries and benefits shall be in an amount which takes into account the time devoted to the office of Councilmember, the full time nature of the office of Mayor and shall be commensurate with salaries and benefits then being paid for other public or private positions having similar part time and/or full time duties, responsibilities and obligations."

Recommended Charter Language:

*Article IV, Section 410*

"Between March 1st and April 30th of every odd-numbered year, the Council Salary Setting Commission shall recommend to the Council the amount of monthly salary and the benefits which it deems appropriate for the members of the Council, including the Mayor, for the two-year period commencing July 1st of that odd-numbered year. The amount recommended for each Councilmember shall be the same. The amount recommended for the Mayor may exceed that of the other members of the Council, however the amount received by the Mayor shall be not less than the amount received by the Chairman of the Board of Supervisors of the County of San Joaquin. The monthly salaries and benefits shall be in an amount which takes into account the time devoted to the office of Councilmember, and the full time nature of the office of Mayor and shall be commensurate with salaries and benefits then being paid for other public or private positions having similar part time and/or full time duties, responsibilities and obligations."
Problem Statement

The Charter requirement that the Mayor's salary shall not be less than the amount received by the Chairman of the Board of Supervisors of the County of San Joaquin is overly specific and limits the discretion of the biennial Salary Setting Commission in reviewing, assessing and recommending a salary for the position of Mayor.

Background

City Charter Article IV, section 410, outlines how the Mayor and Council compensation is to be determined by a City Council Salary Setting Commission every other year (Attachment A). The Charter also states that the Mayor's salary can be higher than that of the City Council, but stipulates that it cannot be less than the amount paid to the Chairman of the Board of Supervisors of San Joaquin County.

During the 2013 Salary Setting Commission review of compensation, the Commission made a recommendation that the City Council consider deleting the language that mandates tying the Mayor's salary to that of the Chair of the Board of Supervisors. This recommendation was made in an April 16, 2013 Council agenda item reporting on the work of the Salary Setting Commission (Attachment B). This recommendation was the result of in-depth review, extensive discussion and a February 21, 2013 public hearing on this topic. The Salary Setting Commission recommendation is to give the Commission discretion in setting the recommended salary for the Mayor. There is an existing process in place and the Commission is charged by the charter to set the salary by taking into account the time devoted to the position and the full time nature of the office of Mayor. In reality the Salary Setting Commission is very limited in taking into account any factors in setting the salary of the Mayor because it is artificially tied to the salary of the Chairman of the Board of Supervisors. By removing this requirement, it would allow the Commission as representatives of the community to determine the salary of the Mayor without being limited by a factor that is not directly connected to the scope and demands of the Office of Mayor.

Background Materials

Attachment A – City Charter, Section 410
Attachment B – April 16, 2013 Salary Setting Commission Staff Report
Attachment C – Commission Member Proposed Charter Language Amendment
SECTION 410. Compensation.

Each member of the Council, including the Mayor, shall be paid as compensation for his or her services as a member of the Council, for each calendar month during which he or she is a member of the Council, a monthly salary together with appropriate benefits, which shall be established by ordinance adopted pursuant to and in accordance with the provisions hereinafter set forth in this Section. No salary shall be established for any member of the Council, including the Mayor, except as provided in this Section.

Between March 1st and April 30th of every odd-numbered year, the Council Salary Setting Commission shall recommend to the Council the amount of monthly salary and the benefits which it deems appropriate for the members of the Council, including the Mayor, for the two-year period commencing July 1st of that odd-numbered year. The amount recommended for each Councilmember shall be the same. The amount recommended for the Mayor may exceed that of the other members of the Council, however the amount received by the Mayor shall be not less than the amount received by the Chairman of the Board of Supervisors of the County of San Joaquin. The monthly salaries and benefits shall be in an amount which takes into account the time devoted to the office of Councilmember, the full time nature of the office of Mayor and shall be commensurate with salaries and benefits then being paid for other public or private positions having similar part time and/or full time duties, responsibilities and obligations.

No recommendation shall be made except upon the affirmative vote of three (3) members of the Commission. Failure of the Commission to make a recommendation in any year within the time prescribed shall be deemed to mean a recommendation that no changes be made.

Each biennial recommendation, together with the reasons therefor, shall be made in writing. Before it submits any such recommendation to the Council, the Commission shall conduct at least one public hearing on the matter. When such a recommendation has been submitted to the Council, it shall not thereafter be amended by the Commission.

The Council shall, by ordinance, which shall be subject to the referendum provisions of this Charter, adopt the salaries as recommended by the Commission, or in some lesser amount, but in no event may it increase the amount.

Salaries established by ordinance adopted pursuant to the provisions of this section shall remain in effect until amended by a subsequent ordinance adopted pursuant to the provisions of this Section.

The compensation being paid to the Councilmembers as of the effective date of this section shall continue until established as required by this section.
TO: HONORABLE MAYOR and CITY COUNCIL

FROM: SHELLIE LIMA, Chair
Council Salary Setting Commission

SUBJECT: RECOMMENDATIONS OF THE CITY COUNCIL SALARY SETTING COMMISSION TO ADOPT ORDINANCES AMENDING TITLE 2, CHAPTER 2.08 OF THE STOCKTON MUNICIPAL CODE TO SET THE SALARIES AND BENEFITS FOR THE MAYOR AND CITY COUNCIL OF THE CITY OF STOCKTON FOR THE PERIOD JULY 1, 2013 THROUGH JUNE 30, 2015, IN ACCORDANCE WITH ARTICLE IV, SECTION 410 OF THE CITY CHARTER AND AN ADVISORY RECOMMENDATION TO CONSIDER PLACING A MEASURE ON THE BALLOT AMENDING PARTS OF CHAPTER IV, SECTION 410 OF THE CITY CHARTER

RECOMMENDATION

It is recommended that the City Council approve the recommendations of the City Council Salary Setting Commission and adopt two ordinances (1) setting the salary and benefits for the Mayor of the City of Stockton for the period beginning July 1, 2013 and ending June 30, 2015; and (2) setting the salary and benefits for members of the City Council for the period beginning July 1, 2013 and ending June 30, 2015.

Summary

Between the months of January and April of each odd-numbered year, the Salary Setting Commission meets in open session to consider the appropriate salary and benefits for the Mayor and City Council. This task is governed by City Charter section 410. Section 410 requires the Commission to adopt a biennial recommendation for salary and benefits, and to submit the recommendation to the City Council for final action.

The Commission convened its first session on January 24, 2013. At this meeting, the Commissioners received written guidelines and parameters on how to proceed with their work. The Commissioners received information provided by Human Resources which included the current annual salary of the Chairman of the San Joaquin County Board of Supervisors, and a history of past recommendations submitted by previous Commissions since its inception in 2001. Suitable assistance relating to procedural matters was afforded by the Counsel to the Salary Setting Commission, Daniel Schroeder, and the Assistant City Attorney, Michael Roush, further aiding the Commission with understanding their responsibilities.

On February 21, 2013, the Commission held a public hearing and unanimously adopted its final recommendations to be forwarded to the Stockton City Council.
RECOMMENDATIONS OF THE CITY COUNCIL SALARY SETTING COMMISSION TO ADOPT ORDINANCES AMENDING TITLE 2, CHAPTER 2.08 OF THE STOCKTON MUNICIPAL CODE TO SET THE SALARIES AND BENEFITS FOR THE MAYOR AND CITY COUNCIL OF THE CITY OF STOCKTON FOR THE PERIOD JULY 1, 2013 THROUGH JUNE 30, 2015, IN ACCORDANCE WITH ARTICLE IV, SECTION 410 OF THE CITY CHARTER AND AN ADVISORY RECOMMENDATION TO CONSIDER PLACING A MEASURE ON THE BALLOT AMENDING PARTS OF CHAPTER IV, SECTION 410 OF THE CITY CHARTER

Background

City Charter Article IV, section 410, authorizes the City Council Salary Setting Commission to recommend to the City Council the amount of monthly salary and the level of benefits for each member of the City Council and the Mayor, for a two-year period. The section provides that each Council member's salary and benefits shall be the same; however, the amount recommended for the Mayor can exceed that of the Council members but cannot be less than the amount paid to the Chairman of the Board of Supervisors for San Joaquin County (currently set at $104,790.40 annually).

The Charter also requires the Salary Setting Commission to take into account the time devoted to the office of Council member, the full-time nature of the Mayor's position, and the level of salaries and benefits being paid for other public or private positions with similar part-time or full-time duties, responsibilities, and obligations.

The following chart shows the recommendations made since the inception of the Commission:

<table>
<thead>
<tr>
<th>Year</th>
<th>Mayor Salary</th>
<th>Mayor Benefits</th>
<th>City Council Salary</th>
<th>City Council Benefits</th>
<th>Council Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>$61,365.00</td>
<td>$450 Auto + Med Ins or $696/Mo Option</td>
<td>$21,000.00</td>
<td>$300 Auto</td>
<td>Accepted</td>
</tr>
<tr>
<td>2003</td>
<td>$69,403.00</td>
<td>No Change</td>
<td>$22,050.00</td>
<td>No Change</td>
<td>Declined for Councilmembers; Mayor automatic</td>
</tr>
<tr>
<td>2005</td>
<td>$75,109.00</td>
<td>40.5 ct/mi + Med Ins or $890/mo Option</td>
<td>$22,680.00</td>
<td>40.5 ct/mi</td>
<td>Accepted</td>
</tr>
<tr>
<td>2007</td>
<td>$82,088.52</td>
<td>Medical Ins or $1054/mo Option</td>
<td>$23,927.40</td>
<td>None</td>
<td>Accepted</td>
</tr>
<tr>
<td>2009</td>
<td>$95,992.00</td>
<td>Medical Ins or $1,280/mo Option</td>
<td>No increase recommended</td>
<td>None</td>
<td>Accepted with the Mayor declining to accept increase over 2007 salary</td>
</tr>
<tr>
<td>2011</td>
<td>$102,232.00</td>
<td>Medical Ins. or $1,280/mo Option</td>
<td>No increase recommended</td>
<td>None</td>
<td>Accepted with the Mayor declining to accept increase over 2007 salary</td>
</tr>
</tbody>
</table>
At the April 26, 2011 City Council regular meeting, fully cognizant of the continuing financial difficulties the City was still going through, the incumbent Mayor, for the second consecutive time in the biannual salary setting process, declined to receive the proposed annual salary of $102,232.00 recommended by the 2011 Salary Setting Commission. The City Council unanimously voted to accept the Commission's proposal establishing the recommended salary for the Mayor. Separate from this action of the Council, the Mayor declined the receipt of the salary increase, and therefore continued to receive a salary of $82,088.52, the annual compensation recommended by the 2007 Salary Setting Commission.

Present Situation

Stockton's population is approximately 296,357, making it the fourth largest city in the Central Valley and the 13th largest California city. This Commission fully understands that with a significantly reduced annual budget of $509 million, the Mayor and City Council are given the arduous task of providing effective leadership for one of California's largest cities.

Given the preceding data and information, this Commission proceeded with its job of deliberating and eventually making its final recommendations of what it deemed to be a fair, equitable, and reasonable compensation and benefits package for the Mayor and Members of the Council. However, even with the knowledge that salary of the members of the City Council should be comparable to elected officials in other jurisdictions, the financial dilemma the City of Stockton is still faced with, coupled with the challenges brought about by the harsh economic climate simply discouraged this Commission from incorporating any significant change to go with their compensation and benefits package for the next two years. Bearing due deference and sensitivity to the present predicament of the City of Stockton's workforce and a deep sense of responsibility to the citizens of our city, this Commission is respectfully submitting the following recommendations:

With respect to the salary and benefits for members of the City Council, the Commission recommends:

1. That the salaries and benefits for members of the City Council are established for a two-year period.
RECOMMENDATIONS OF THE CITY COUNCIL SALARY SETTING COMMISSION TO ADOPT ORDINANCES AMENDING TITLE 2, CHAPTER 2.08 OF THE STOCKTON MUNICIPAL CODE TO SET THE SALARIES AND BENEFITS FOR THE MAYOR AND CITY COUNCIL OF THE CITY OF STOCKTON FOR THE PERIOD JULY 1, 2013 THROUGH JUNE 30, 2015, IN ACCORDANCE WITH ARTICLE IV, SECTION 410 OF THE CITY CHARTER AND AN ADVISORY RECOMMENDATION TO CONSIDER PLACING A MEASURE ON THE BALLOT AMENDING PARTS OF CHAPTER IV, SECTION 410 OF THE CITY CHARTER

2. That the annual salary for Council Members continue to remain at TWENTY-THREE THOUSAND NINE HUNDRED TWENTY-SEVEN and 40/100 DOLLARS ($23,927.40). The Councilmembers' salaries shall be payable on the payment schedule for City employees.

3. That no benefits are allocated for this period.

With respect to the salary and benefits for the Mayor, the Commission recommends (as required by City Charter, Section 410):

1. That the salary and benefits for the Mayor are established for a two-year period.

2. That the Mayor's annual salary shall be the same as that of the Chairman of the San Joaquin County Board of Supervisors currently set at ONE HUNDRED FOUR THOUSAND, SEVEN HUNDRED NINETY and 40/100 DOLLARS ($104,790.40).

3. That the Mayor receive the following benefits: Workers Compensation, Health Plan (with employee contribution), Vision Care Plan (with employee contribution), under the plans available to full-time employees of the City or the cash equivalent thereof, as adjusted from year to year based on the budgeted rate of full-time employees.

Other Recommendation:

At the same February 21, 2013 public hearing, this Commission also reviewed Stockton City Charter Article IV, Section 410, which addresses the Compensation of the Mayor and Members of the City Council. After an in-depth review and extensive discussion of the matter, this Commission moved to make an advisory recommendation to the City Council to consider amending Section 410 of the Charter (as identified in the attachment). Specifically, the Commission would like the Council to consider deleting language that mandates tying the Mayor's salary to that of the Chair of the Board of Supervisors, and give the Commission discretion in setting the recommended salary for the Mayor.
RECOMMENDATIONS OF THE CITY COUNCIL SALARY SETTING COMMISSION TO ADOPT ORDINANCES AMENDING TITLE 2, CHAPTER 2.08 OF THE STOCKTON MUNICIPAL CODE TO SET THE SALARIES AND BENEFITS FOR THE MAYOR AND CITY COUNCIL OF THE CITY OF STOCKTON FOR THE PERIOD JULY 1, 2013 THROUGH JUNE 30, 2015, IN ACCORDANCE WITH ARTICLE IV, SECTION 410 OF THE CITY CHARTER AND AN ADVISORY RECOMMENDATION TO CONSIDER PLACING A MEASURE ON THE BALLOT AMENDING PARTS OF CHAPTER IV, SECTION 410 OF THE CITY CHARTER

FINANCIAL SUMMARY

Upon the approval of the City Council, the Mayor's annual compensation will increase by $2,558.40 effective July 1, 2013 through June 30, 2015. However, the budgeted amount for the Mayor's salary was based on the incumbent's salary, i.e., unchanged since 2007. Therefore, the overall budget increase will be $25,858.00.

Respectfully submitted,

SHELLIE LIMA
COUNCIL SALARY SETTING COMMISSION

APPROVED:

LAURIE MONTES
DEPUTY CITY MANAGER II

Attachment A - Proposed Charter Amendment

SL:avm

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City of Stockton Charter

ARTICLE IV, SECTION 410. Compensation.

Each member of the Council, including the Mayor, shall be paid as compensation for his or her services as a member of the Council, for each calendar month during which he or she is a member of the Council, a monthly salary together with appropriate benefits, which shall be established by ordinance adopted pursuant to and in accordance with the provisions hereinafter set forth in this Section. No salary shall be established for any member of the Council, including the Mayor, except as provided in this Section.

Between March 1st and April 30th of every odd-numbered year, the Council Salary Setting Commission shall recommend to the Council the amount of monthly salary and the benefits which it deems appropriate for the members of the Council, including the Mayor, for the two-year period commencing July 1st of that odd-numbered year. The amount recommended for each Councilmember shall be the same. The amount recommended for the Mayor may exceed that of the other members of the Council, however the amount received by the Mayor shall be not less than the amount received by the Chairman of the Board of Supervisors of the County of San Joaquin. The monthly salaries and benefits shall be in an amount which takes into account the time devoted to the office of Councilmember, and the full time nature of the office of Mayor and shall be commensurate with salaries and benefits then being paid for other public or private positions having similar part-time and/or full-time duties, responsibilities and obligations.

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Each biennial recommendation, together with the reasons therefor, shall be made in writing. Before it submits any such recommendation to the Council, the Commission shall conduct at least one public hearing on the matter. When such a recommendation has been submitted to the Council, it shall not thereafter be amended by the Commission.

The Council shall, by ordinance, which shall be subject to the referendum provisions of this Charter, adopt the salaries as recommended by the Commission, or in some lesser amount, but in no event may it increase the amount.

Salaries established by ordinance adopted pursuant to the provisions of this section shall remain in effect until amended by a subsequent ordinance adopted pursuant to the provisions of this Section.

The compensation being paid to the Councilmembers as of the effective date of this section shall continue until established as required by this section.
ARGUMENTS AND PROPOSED AMENDMENTS TO ARTICLE IV SECTION 410

RECOMMENDATION

Approve forwarding amendments to Charter Article IV, SEC 410 to the full Council for consideration as presented by the Charter Review Advisory Commission.

The Charter Review Advisory Commission approved amendments to Charter Article IV - The City Council Section 410 - Compensation at their August 14, 2013 meeting. Arguments supporting the Commission’s decision prepared by Commissioner Stocking.
City of Stockton Charter

ARTICLE IV, SEC. 410 Compensation.

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The Council shall, by ordinance, which shall be subject to the referendum provisions of this Charter, adopt the salaries as recommended by the Commission, or in some lesser amount, but in no event may it increase the amount. Salaries of the Councilmembers and Mayor may be reduced at any time by a two-thirds (2/3) vote of the Council.

Salaries established by ordinance adopted pursuant to the provisions of this section shall remain in effect until amended by a subsequent ordinance adopted pursuant to the provisions of this Section.

The compensation being paid to the Councilmembers as of the effective date of this section shall continue until established as required by this section.

Argument in Favor of Amending Article IV, SEC. 410

1st Change, deletion of wording:
City of Stockton fiscal decisions should be made by the City Council and not be dictated by an outside entity, e.g. San Joaquin Board of Supervisors, that is not under legislative control of the Council.

2nd Change, deletion of wording:
This is superfluous language that is condescending to the Council Salary Setting Commission. The purpose of a city charter is to set out the city's basic laws. The charter should no be used to micromanage city legislation.
3rd Change, added sentence:
In times of fiscal crisis, the Council should have the power to reduce their salaries when they are reducing expenses in other areas of the fiscal budget. This sentence specifically allows that action on a 2/3 vote of the Council.

Submitted by:

Dale Stocking
2013-06-26
THE ORIGINAL STAFF REPORT RELATED TO THIS CHARTER AMENDMENT IS ALREADY INCLUDED AT THE BEGINNING OF THIS ATTACHMENT. IT HAS NOT BEEN INCLUDED AGAIN AS AN ATTACHMENT TO THE CRAC AGENDA TO AVOID REDUNDANCY.
3.3  **13-0955 ARGUMENTS AND PROPOSED AMENDMENTS TO ARTICLE IV SECTION 410 04:09 PM**

**Legislation Text**

**Article IV Section 410 - proposed changes**

**Block I - Section 410 Staff Report**

Commission Chair Howard Seligman, Charter Review Advisory Commission - reported that there were two parts of the recommendation and provided additional information relating to the recommendations. The first was to eliminate the tie in of the salary to that which is provided to the Chair of the Board of Supervisors and the Commission suggests that the salary should be set strictly by the Council Salary Setting Commission as is reflected in the Charter and who then makes their recommendation to the full Council for ratification. The second part of the recommendation was that the compensation of the Mayor should always be larger than the compensation of the Councilmembers, for the reason that the Mayor is under the Charter a full-time position as opposed to Councilmembers who under the Charter are fulfilling part-time positions.

Vice Chair Holman noted another significant part of this section in that the Council by 2/3rds vote can reduce salaries of the Mayor and Council, but they cannot increase the salaries.

**Motion 2013-11-12-0303** to approve forwarding amendments to Charter Article IV, SEC 410 to the full Council for consideration as presented by the Charter Review Advisory Commission.

**Moved by:** Councilmember Burgos Medina, seconded by Councilmember Holman.

**Vote:** Motion carried 3-0

**Yes:** Councilmember Miller, Councilmember Holman, and Councilmember Burgos Medina.
ARTICLE IV, SEC. 410 Compensation.

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