



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Doug Schulze, City Manager

MEETING DATE: April 9, 2024

SUBJECT: Discussion of City Council, City Clerk and City Treasurer Salary Increases

RECOMMENDATION:

Discussion of City Council salary increases and provide direction to City Manager:

- 1) Does the City Council want an ordinance prepared to consider salary increases?
- 2) What amount of increase should be included in an ordinance, if desired?

BACKGROUND:

Existing law authorizes a city council to enact an ordinance to provide each member of the city council a salary based upon the population of the city, as specified. Existing law further authorizes that amount to be increased by the city council by an amount that does not exceed five percent (5%) for each calendar year from the operative date of the last adjustment of the salary that is in effect when the increase is enacted. Existing law provides for the procedures by which a city may enact ordinances.

- The Bill would increase the maximum amount of salary that may be approved by an ordinance passed by the city council as specified based upon the population of the city.
- This Bill would authorize the salary of council members to be increased beyond the specified maximum to an amount not exceeding the following: (1) The greater of either five percent (5%) for each calendar year from the operative date of the last adjustment of the salary in effect when the ordinance or amendment is enacted, or (2) an amount equal to inflation since January 1, 2024, based upon the California Consumer Price Index (which shall not exceed 10% for each calendar year).
- The Bill would require the city council to consider the adoption of an ordinance to increase council member compensation in open session during at least two regular meetings of the city council.

The compensation schedule for general law cities has not been adjusted since 1984, which has resulted in city council compensation falling behind the rate of inflation. SB 329 amended Section 36516 of Government Code to read:

A city council may enact an ordinance providing that each member of the city council shall receive a salary based on the population of the city as set forth in paragraph (2).

(2) The salaries approved by ordinance under paragraph (1) shall be as follows:

- A. In cities up to and including 35,000 in population, up to and including nine hundred fifty dollars (\$950) per month.
- B. In cities over 35,000 up to and including 50,000 in population, up to and including one thousand

two hundred seventy-five dollars (\$1,275) per month.

The population of a city is determined by the last preceding federal census, or a subsequent census, or estimate validated by the Department of Finance. The salary of council members may be increased beyond the amount provided in the subsection by an ordinance or by an amendment to an ordinance, but the amount of the increase shall not exceed the greater of either an amount equal to 5 percent for each calendar year from the operative date of the last adjustment of the salary in effect when the ordinance or amendment is enacted or, an amount equal to inflation since January 1, 2024, based upon the California Consumer Price Index, which shall not exceed 10 percent for each calendar year. An ordinance cannot be enacted or amended to provide automatic future increases in salary.

The city council shall consider the adoption of an ordinance to increase compensation in open session during at least two regular meetings of the city council. At the first meeting, the city council shall present the proposed ordinance, which shall include findings demonstrating the need for the increased compensation. The ordinance shall not be adopted at the first meeting. At least seven days after the first meeting, the city council shall hold a second meeting to consider whether to adopt the ordinance.

JUSTIFICATION:

The last increase to city council salaries was December 2006 when salaries were set a \$390 per month, after adoption of Ordinance 1354 on October 24, 2006.

FISCAL IMPACT:

If the City Council increases salaries to the maximum of \$950 per month, the annual fiscal impact will be \$33,600.

ALTERNATIVES:

Not applicable.

ATTACHMENTS:

1. [Ordinance No. 1354 city council salaries.pdf](#)