



CITY OF MENIFEE

SUBJECT: Statutory Increase in Compensation for Members of the City Council to Take Effect after the 2024 Municipal Election

MEETING DATE: February 21, 2024

TO: Mayor and City Council

PREPARED BY: Rebekah Kramer, Assistant to the City Manager

REVIEWED BY: Armando G Villa, City Manager

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Review and discuss an increase in compensation for members of the City Council in accordance with the provisions of Government Code Section 36516 and Municipal Code Section 2.04.040; and
2. Introduce an Ordinance approving a statutory increase in compensation for members of the City Council to take effect after the 2024 municipal election.

DISCUSSION

The compensation provided to the City Council is established by statute (Government Code Section 36516) which sets a starting salary based upon city population. The salary of the Mayor has been established by a voter initiative process approved on November 4, 2014, and is set at \$100 per month more than the compensation provided for members of the City Council. If the compensation is increased for the members of the City Council the salary of the Mayor would increase by the same amount.

The City Council compensation schedule for general law cities has not been adjusted since 1984. Between 1984 and 2022, the consumer price index (CPI) for the Riverside County area, which measures inflation, rose by 116 percent (uncompounded). Senate Bill (SB) 329 was passed in June 2023 increasing the base salary for City Council members to ensure that compensation keeps pace with inflation. With the passage of SB 329 the base salary that can be paid to council members in cities with a population between 75,000 and 150,000 is now \$1,900 per month. The compensation for members of the City Council is currently set at \$650 per month and has not been increased since 2014. Since that time, the City's population has grown from close to 82,000 to over 110,000 residents. In October of this year the City of Temecula, with a

population of over 108,000 residents, adopted an ordinance increasing council compensation to \$1,900 per month.

If the Mayor and members of the City Council were to receive the allowable increase of \$1,250 per month, the compensation for the members of the City Council would total \$1,900 per month, and the compensation for the Mayor would total \$2,000 per month. Government Code section 36516.5 stipulates that an adjustment in compensation can only take place when a new term of office begins. Given that the Mayor and members of the City Council serve in staggered terms of office, any salary adjustment that is approved by ordinance would take effect following the certification of the next municipal election when new members take office in December 2024.

STRATEGIC PLAN OBJECTIVE

Regular City Business

FISCAL IMPACT

Currently the base salary for City Council is \$650 per month and \$750 for the Mayor. If the base salary for City Council is increased to the maximum allowed under the provisions of Government Code Section 36516, the monthly salary for each member would increase by \$1,250 per month for a revised monthly total of \$1,900 for each member of the City Council and \$2,000 for the Mayor. This equates to a total cost increase of \$75,000 per year once the change takes effect. Given that the change would not go into effect until December of 2024, there would be no impact to the Fiscal Year (FY) 2023/2024 operating budget. The impact to the FY 2024/2025 operating budget would equate to an increase of \$43,750 for the seven-month period extending from December 2024 through June 2025. If an increase is approved, a budget appropriation would be included in the FY 2024/2025 mid-cycle budget adjustment.

ATTACHMENTS

1. Ordinance – City Council Compensation Increase
2. Ordinance No. 2013-129
3. Ordinance No. 2014-166
4. Senate Bill 329 - Government Code Section 36516
5. Government Code Section 36516
6. Government Code Section 36516.1
7. Government Code Section 36516.5
8. BLS CIP-W Riverside County Area 1984-2022