CITY OF CARSON

Legislation Details (With Text)

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Title: ESTABLISHING ELECTED OFFICIALS' SALARIES AND BENEFITS, AND INTRODUCTION OF ORDINANCE NO. 19-1921 AMENDING SECTIONS 2301 (COUNCILMANIC SALARIES) AND 2301.1 (MAYORAL SALARY) OF CHAPTER 3 (COMPENSATION AND EXPENSES) OF ARTICLE II (ADMINISTRATION) OF THE CARSON MUNICIPAL CODE REGARDING THE DETERMINATION OF COUNCIL MEMBERS' TOTAL WAGES/COMPENSATION AND TOTAL RETIREMENT AND HEALTH CONTRIBUTIONS; ADOPTING RESOLUTION NO. 19-034, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, AMENDING THE CLASSIFICATION PLAN, RESOLUTION NO. 77-111, BY ADOPTING THE COMPENSATION, RETIREMENT AND HEALTH CONTRIBUTIONS FOR ELECTED OFFICIALS (MAYOR AND COUNCILMEMBERS); AND, SEEKING DIRECTION ON CITY CLERK AND CITY TREASURER COMPENSATION

Sponsors:

Indexes:

Code sections:

Attachments: 1. Ordinance Amending Section 2301 and 2301.1 Council And Mayor Salaries, 2. Resolution 19-034 Compensation Retirement and Health Benefits for Elected Officials

Date	Ver.	Action By	Action	Result
2/5/2019	1	City Council		

Report to Mayor and City Council

Tuesday, February 05, 2019

Discussion

SUBJECT:

ESTABLISHING ELECTED OFFICIALS' SALARIES AND BENEFITS, AND INTRODUCTION OF ORDINANCE NO. 19-1921 AMENDING SECTIONS 2301 (COUNCILMANIC SALARIES) AND 2301.1 (MAYORAL SALARY) OF CHAPTER 3 (COMPENSATION AND EXPENSES) OF ARTICLE II (ADMINISTRATION) OF THE CARSON MUNICIPAL CODE REGARDING THE DETERMINATION OF COUNCIL MEMBERS' TOTAL WAGES/COMPENSATION AND TOTAL RETIREMENT AND HEALTH CONTRIBUTIONS; ADOPTING RESOLUTION NO. 19-034, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, AMENDING THE CLASSIFICATION PLAN, RESOLUTION NO. 77-111, BY ADOPTING THE COMPENSATION, RETIREMENT AND HEALTH CONTRIBUTIONS FOR ELECTED OFFICIALS (MAYOR AND COUNCILMEMBERS); AND, SEEKING DIRECTION ON CITY CLERK AND CITY TREASURER COMPENSATION

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I. SUMMARY

This item is on the agenda because the voter-approved Charter has an effective date of January 17, 2019. The Charter establishes the Council members' and Mayor's wages/compensation and benefits and also seeks direction on City Clerk and City Treasurer's wages/compensation and benefits. The Charter states Council members' total monthly wages/compensation shall be set at the Low Income Limits for a family of four (4) as set forth by the U.S. Department of Housing and Urban Development for Los Angeles County for the year 2018. Furthermore, the existing Council/Mayor differential of 10 percent shall continue. With respect to the City Clerk and City Treasurer, the Charter says their salaries shall be set by resolution of the City Council and maintained in a range appropriate under the City's salary schedule in accordance with their highest paid subordinate or manager. The Carson Municipal Code's provisions regarding elected officials' salaries require amendments for consistency with the Charter.

II. RECOMMENDATION

1. Discuss and then consider for INTRODUCTION for first reading by title only and with further reading waived, Ordinance No. 19-1921, an Ordinance of the City Council of the City of Carson, California, Repealing and Replacing Section 2301 (Councilmanic Salaries) and Section 2301.1 (Mayoral Salary) of Chapter 3 (Compensation and Expenses) of Article II (Administration) of the Carson Municipal Code Regarding Council Total Wages/Compensation and Total Retirement and Health Contributions.

2. Adopt the attached Resolution No. 19-034 covering compensation/wages and Retirement and Health Contributions.

3. Review the City Clerk and City Treasurer's salaries and benefits and inform Staff of any desired modifications.

III. ALTERNATIVES

Take other action the Council deems appropriate.

IV. BACKGROUND

A. Council Salaries.

Pursuant to Charter Section 304, the City Council members' wages/compensation shall be the "low income limit" for a family of four (4) set by the U.S. Department of Housing and Urban Development for Los Angeles County in 2018, which is $77,500, and the existing Council/Mayor differential shall continue. Pursuant to Section 2301.1 of the Carson Municipal Code, that differential is ten percent, which sets the Mayor's wages/compensation at $85,250. The Director of Human Resources has determined

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that the Charter's reference to compensation/wages includes phone and auto allowances (as requested by the City Council) and any other vacation, sick time, allowances and excludes health and retirement benefits.

This interpretation is consistent with the California State Controller's Office's recognition of compensation in two categories: wages and benefits. The California State Controller's Office website reports all Carson employees' "Total Wages" separately from "Total Retirement and Health Benefits," and has a definition for each term. The State Controller's website's Glossary defines "Total Wages" as "total wages reported by the employer from Box 5 of the W-2. Amounts listed may include regular pay, overtime, cash payments for vacation and sick leave, and bonus payments." "Total Retirement and Health Contributions" are defined as the "amount paid by the employer toward the employer sponsored retirement plan plus health, dental, and/or vision benefits for the employee and dependents. This amount sometimes includes payments toward the unfunded liability of the employer sponsored retirement plan."

California Attorney General opinions also support Staff's determination that health and retirement benefits are not calculated toward government officials' total salaries (wages/compensation), but rather, are in addition to government officials' salaries (wages/compensation). (66 Cal. Op. Att'y Gen. 13 (1983); 62 Cal. Op. Att'y Gen. 631 (1979).)

Because the Council has previously determined that phone and car allowances shall be included in the calculation of total wages/compensation, the Councilmembers' and Mayor's compensation/wages and benefits are reflected in the Table 1 below.

Table 1

	All Council Members @ $77,500 wage base + 10% for Mayor plus Insurance and PERS				
	Mayor Robles	CCM Hilton	CCM Dear (wo/PERS)	CCM Davis-Holmes	MPT Hicks
Wages	$ 75,950	$ 68,200	$ 68,200	$ 68,200	$ 68,200
Medicare tax (1.45% of wages)	$ 1,101	$ 989	$ 989	$ 989	$ 989
Phone Allowance	$ 900	$ 900	$ 900	$ 900	$ 900
Auto Allowance ($700 per mo)	$ 8,400	$ 8,400	$ 8,400	$ 8,400	$ 8,400
Sub Total	$ 85,250	$ 77,500	$ 77,500	$ 77,500	$ 77,500
	$ -	$ -			
PERS (11.143% of wages)	$ 8,463	$ 7,600	$ -	$ 7,600	$ 7,600
Insurances (incl opt-out) & DC Match	$ 13,277	$ 24,351	$ 24,351	$ 13,356	$ 13,722
Total	$ 108,091	$ 110,439	$ 102,840	$ 99,444	$ 99,810

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Pursuant to the Charter, the Mayor and Councilmembers will not receive any additional compensation for attendance at other meetings of the City or City-affiliated commissions, committees, subcommittees, and boards of directors. Future adjustments to the salaries of City Council members shall be in accordance with, and limited by, the provisions of law as set forth in Government Code Section 36516 or any successor provision thereto.

To implement Charter Section 304 establishing Council wages/compensation, Staff recommends the introduction of the attached Ordinance repealing and replacing Sections 2301 and 2301.1 of the Carson Municipal Code with provisions consistent with the Charter. Staff also recommends adopting the attached Resolution which further clarifies Council wages/compensation and benefits.

B. City Clerk and City Treasures Salaries.

Pursuant to Charter Section 503, the City Clerk's and City Treasurer's salaries shall be set by resolution of the City Council and maintained in a range appropriate under the City's salary schedule in accordance with their highest paid subordinate or manager. The City Clerk and City Treasurer may also receive additional premiums for receiving the professional designation as "Certified California Municipal Clerk" or "Certified California Municipal Treasurer" in accordance with Council resolution. Staff requests the City Council's direction and determination regarding the "reasonable range" for calculating the City Clerk's and City Treasurer's salaries. Staff would like to note for the record that the City Clerk and City Treasurer have not had compensation increases in several years. City Clerk and City Treasurer have served the City as Elected Officials, managing respective departments, making "less" than their highest paid subordinate or manager. Staff would like to address this need as soon as possible by conducting benchmark studies of peer cities as it relates to compensation, benefits and additional premiums. Staff will bring an agenda item back to Council on February 19 with a compensation recommendation for City Clerk and City Treasurer along with the associated Resolution with consideration of their highest paid subordinate or manager.

V. FISCAL IMPACT

The Mayor's and Councilmembers' wages/compensation shall be adjusted in accordance with the attached Resolution as authorized by the attached Ordinance. Fiscal impact to the City will be confirmed by Finance on February 4 and added to Staff report.

VI. EXHIBITS

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1. Ordinance No. 19-1921, an Ordinance of the City Council of the City of Carson, California, Repealing and Replacing Section 2301 (Councilmanic Salaries) and Section 2301.1 (Mayoral Salary) of Chapter 3 (Compensation and Expenses) of Article II (Administration) of the Carson Municipal Code Regarding Council Wages/Compensation and Retirement and Health Contributions. (pgs. 5-7)

2. Resolution No. 19-034 Establishing in detail Councilmembers' and the Mayor's Salaries and Total Wages/Compensation. (pgs. 8-10)

Prepared by: Faye Moseley, Director of Human Resources and Risk Management

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