



STAFF REPORT

City Council Meeting Date: 3/12/2024
Staff Report Number: 24-042-CC

Informational Item: City Council compensation

Recommendation

This is an informational item and does not require City Council action.

Policy Issues

Although the recommendation does not represent any change to existing City policy, a future adjustment to the City Council compensation will require City Council approval to amend the Travel Policy, City Council procedures and the municipal code through the adoption of an ordinance.

Background

On Nov. 3, 1965, the City Council adopted an ordinance providing for the payment of salaries to City Councilmembers in the sum of \$150 per month, in accordance with Government Code §36514.5 (Attachment A).

The City Council subsequently amended municipal code section 2.04.160 Aug. 28, 1973 (Attachment B), Jan. 20, 1976 (Attachment C), Jan. 8, 1980 (Attachment D), Oct. 9, 1984 (Attachment E), July 11, 1989 (Attachment F) and Nov. 21, 2000, (Attachment G).

Date of adoption	Amount per month per City Councilmember
Nov. 3, 1965	\$150.00
Aug. 28, 1973	\$202.50
Jan. 20, 1976	\$223.26
Jan. 8, 1980	\$271.37
Oct. 9, 1984	\$312.08
July 11, 1989	\$374.50
Nov. 21, 2000	\$640.00

On June 29, 2023, the Governor signed Senate Bill 329 (SB 329). The bill allows cities a one-time opportunity to “reset” city council salaries to take into account inflation, the work done by local government officials, and the need to ensure that people are not discouraged from seeking city office due to the low pay and high demands of that office. The salary increase, or "reset" is based on each cities' population size.

Under Government Code §36516(a)(2)(A), for Menlo Park, which has a population of approximately 32,475, the City Council may by ordinance increase City Councilmember salaries up to \$950 per month.

SB 329 also allows future salary increases for councilmembers beyond the amount provided in Government Code §36516(a) by an ordinance or by an amendment to an ordinance, as long as the amount of the increase does not exceed the greater of either of the following:

1. An amount equal to 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.
2. An amount equal to inflation since Jan. 1, based upon the California Consumer Price Index (CPI), which shall not exceed 10% for each calendar year.

SB 329 requires any ordinance increasing city council compensation to include findings demonstrating the need for increased compensation.

In addition to their salaries, City Councilmembers are eligible to receive contribution to CalPERS, health insurance (City Councilmember and dependents), dental insurance (City Councilmember and dependents), vision insurance (City Councilmember and dependents) and group term life insurance of \$10,000. These benefits are not included for purposes of determining City Council salaries under SB 329.

Analysis

Government Code §36516(a), set certain defined salary limits for city councilmembers in general law cities depending on the size of a city's residential population. Government Code §36516(c) allows for increases in city council compensation to be authorized by an ordinance or an amendment to an ordinance, but the amount of increase may not exceed an amount equal to 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, no matter the amount of that last adjustment and an amount equal to inflation since Jan. 1, based upon the CPI, which shall not exceed 10% for each calendar year.

. While the City Council exercises fiscal prudence and conservative planning in terms of its own salaries, there are countervailing issues that the City Council may wish to consider at a future study session, which staff will be preparing.

Namely, State Senator Dodd (who is the author of SB 329) wrote in introducing the bill:

"City Councilmembers have one of the hardest jobs in California government. They deal with a wide range of issues, from street maintenance to emergency response duties. And all too often, they do this job with very little financial compensation. No one runs for City Council in order to make money. But the low levels of pay make it much harder for them to balance their careers and personal obligations with the calling to serve their community. The Legislature has not raised the base pay amounts for City Councilmembers since 1984. It's time those amounts caught up to the present economic reality, especially with the rapid increase in inflation we've seen recently. Raising the pay will also make it easier for members of marginalized communities to serve. City Councils should be reflective of the communities they represent and I believe raising their compensation is an important step to achieving that equitable outcome."

Pursuant to SB 329, the new base pay amount for City Councilmembers in Menlo Park and all other cities with populations up to 35,000 can be up to \$950 per month. That works out to up to \$11,400 per year per City Councilmember, which would be an annual total of \$57,000 inclusive of all five City Councilmember salaries. Pursuant to Ordinance No. 901 (Attachment G), City Council's current salary is \$640 per month or \$7,680 per year per City Councilmember. In light of Senator Dodd's statement – repeated by several State Legislators who voted to approve the bill – this matter will be brought to the City Council for discussion and

direction.

The City Council will have the following options to consider at the future study session:

1. Direct staff to prepare an ordinance to update City Councilmember compensation in an amount up to \$950 per month (\$11,400 per year per City Councilmember) as authorized under SB 329, which would take effect for all City Councilmembers when the next City Councilmember takes office (e.g., following the November 2024 election)
2. Provide no direction to staff, in which case staff will not prepare an item for further City Council consideration.

Staff conducted a preliminary search of neighboring cities, with populations up to 35,000, City Council salaries outlined in Table 2.

Table 2: City Council salaries			
City	Population*	Salary**	Last amended
Atherton	6,915	none	n/a
Belmont	27,225	\$950.00	2023
Brisbane	4,668	\$400.00	n/a
Burlingame	30,106	\$590.04	1999
Colma	1,577	\$961.00	2018
East Palo Alto	28,847	\$600.00	2018
Foster City	32,517	\$496.00	2009
Half Moon Bay	11,363	\$955.00	2021
Hillsborough	11,016	none	n/a
Los Altos	30,700	\$300.00	n/a
Millbrae	22,277	\$345.00	1976
San Carlos	30,034	\$950.00	2024
Saratoga	30,163	\$250.00	1990

*according to 2020 census

**per City Councilmember per month

Impact on City Resources

There is no direct impact on City resources associated with this staff report.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Ordinance No. 419
- B. Ordinance No. 545
- C. Ordinance No. 594
- D. Ordinance No. 649-A
- E. Ordinance No. 700
- F. Ordinance No. 798
- G. Ordinance No. 901

Report prepared by:

Judi A. Herren, Assistant to the City Manager/City Clerk

ORDINANCE NO. 419

AN ORDINANCE OF THE
CITY OF MENLO PARK
PROVIDING FOR THE
PAYMENT OF SALARIES
TO MEMBERS OF THE
CITY COUNCIL OF THE
CITY OF MENLO PARK.

The City Council of the
City of Menlo Park does or-
dain as follows:

SECTION 1. Purpose. This ordinance is enacted pursuant to Section 36514 of the Government Code, as added by Chapter 286 of the Statutes of 1965, authorizing the Council to provide by ordinance that each member of the Council shall receive a prescribed salary the amount of which is based upon the population of the City as determined by estimates made by the State Department of Finance.

SECTION 2. Population. As of the date of passage of this ordinance, the latest estimate of population of the City of Menlo Park made by the Department of Finance is 28,750.

SECTION 3. Salaries. Each member of the Council of the City of Menlo Park shall receive, as salary, the sum of One Hundred and Fifty Dollars (\$150.00) per month, as prescribed in said Section 36514 for cities from 5,000 to 35,000 in population, which shall be payable from and after the operative date of this ordinance at the same time and in the same manner as the salaries are paid to other officers and employees of the City of Menlo Park.

SECTION 4. Increase or Decrease. Following any new and later estimate of population made by the Department of Finance placing the City of Menlo Park in a population group other than that set forth in Section 3 hereof, the salary hereby payable to each member of the Council shall be increased or decreased accordingly to equal the sum prescribed for that population group in Section 36514 of the Government Code, as added by Chapter 286 of the Statutes of 1965; provided, however, that the salary as so increased or decreased shall become only on and after the date upon which one or more members of the Council become eligible therefor by virtue of beginning a new term of office following the next succeeding general municipal election held in the City of Menlo Park.

SECTION 5. Reimbursement. The salaries prescribed herein are and shall be exclusive of any amounts payable to each member of the Council as reimbursement for actual and necessary expenses incurred by him in the performance of official duties for the City of Menlo Park.

SECTION 6. Operative Date. This ordinance shall become operative only on and after the date upon which one or more members of the Council of the City of Menlo Park become eligible for the salary prescribed herein by virtue of beginning a new term of office following the general municipal election next succeeding its effective date.

SECTION 7. Effective Date. This ordinance shall be effective thirty (30) days from and after the date of its passage.

SECTION 8. Publication. This ordinance shall be published once in the Menlo Park Recorder, a newspaper of general circulation, printed, published and circulated in the City of Menlo Park, and shall take effect thirty days after its passage and adoption.

INTRODUCED the 28th
day of September, 1965.

PASSED AND ADOPTED
as an Ordinance of the City
of Menlo Park at a meeting
of the Council of said City
held on the 26th day of Oc-
tober, 1965, by the following
vote:

AYES: Councilmen: Be-
langie, Bonde, Calloway,
Horstkorta and Lawson.

NOES: Councilmen: None.

ABSENT: Councilmen:
None.

APPROVED:

WILLIAM R.
LAWSON
Mayor of the City
of Menlo Park.

Attest:
MARGARET E.
SNOWDEN
City Clerk

Published:
Menlo Park Recorder
Nov. 3, 1965.

ORDINANCE NO. 545

AN ORDINANCE OF THE CITY OF MENLO PARK AMENDING
CHAPTER 2.04 OF THE MENLO PARK MUNICIPAL CODE RE:
SALARIES OF COUNCILMEN.

WHEREAS, the City Council of the City of Menlo Park has heretofore in Menlo Park Municipal Code Chapter 2.04 provided for the amount of compensation to be paid to each member of the City Council; and

WHEREAS, said compensation was authorized by certain legislation enacted in 1965 and was paid pursuant to an Ordinance adopted and effective in 1965; and

WHEREAS, Section 36516.2 has been added to the Government Code of the State of California which provides that the salaries of councilmen may be increased by an amount equal to five percent (5%) of each calendar year from the operative date of the prior ordinance establishing said salaries;

NOW, THEREFORE, pursuant to the above, the City Council of the City of Menlo Park DOES ORDAIN as follows:

Section 1: That Section 2.04.160 of the Menlo Park City Code is hereby amended to read as follows:

"Sec. 2.04.160 Salaries - Established

Each member of the City Council shall receive as salary, the sum of Two Hundred Two Dollars and Fifty Cents (\$202.50) pursuant to the provisions of Sections 36514 and 36516.2 of the Government Code, which shall be payable from and after the operative date of the Ordinance codified in Section 2.04.160 at the same time and in the same manner as the salaries are paid to other officers and employees of the City."

Section 2: This City Council hereby declares that should any section, paragraph, sentence, or word of this Ordinance, or of the code hereby adopted, be declared for any reason to be invalid, it is the intent of this City Council that it would have passed all other portions of this ordinance independently of the elimination herefrom of any such portions as may be declared to be invalid.

Section 3: This Ordinance shall be published once in the Menlo-Atherton Recorder, a newspaper of general circulation, printed, published and circulated in the City of Menlo Park, and shall take effect thirty days after its passage and adoption.

INTRODUCED the 14th day of August, 1973.

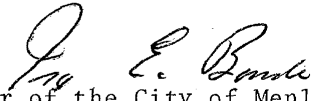
PASSED AND ADOPTED as an Ordinance of the City of Menlo Park at a regular meeting of said City Council on the 28th day of August, 1973, by the following vote:

AYES: Councilmen: BONDE, CALLOWAY, DUPEN and LIDDLE.

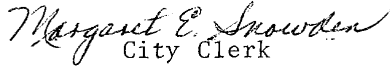
NOES: Councilmen: STEPHENS.

ABSENT: Councilmen: None.

APPROVED:


Mayor of the City of Menlo Park

ATTEST:


City Clerk

ORDINANCE NO. 594

AN ORDINANCE OF THE CITY OF MENLO PARK AMENDING
CHAPTER 2.04 OF THE MENLO PARK MUNICIPAL CODE RE:
SALARIES OF COUNCILMEMBERS.

WHEREAS, the City Council of the City of Menlo Park has heretofore in Menlo Park Municipal Code Chapter 2.04 provided for the amount of compensation to be paid to each member of the City Council; and

WHEREAS, said compensation was authorized by certain legislation enacted in 1965 and was paid pursuant to an Ordinance adopted and effective in 1965; and

WHEREAS, Section 36516.2 of the Government Code of the State of California provides that the salaries of councilmembers may be increased by an amount equal to five percent (5 percent) of each calendar year from the operative date of the prior ordinance increasing or establishing said salaries; and

WHEREAS, by Ordinance No. 545 an increase was provided to \$202.50, which increase was effective as of March, 1974; and

WHEREAS, two years will have elapsed between the effective date of said previous increase and the date of the general municipal election of March 2, 1976,

NOW, THEREFORE, pursuant to the above, the City Council of the City of Menlo Park DOES ORDAIN as follows:

Section 1: That Section 2.04.160 of the Menlo Park City Code is hereby amended to read as follows:

"Sec. 2.04.160 Salaries - Established

Each member of the City Council shall receive as salary the sum of Two Hundred Twenty Three Dollars and twenty six cents (\$223.26) pursuant to the provisions of Sections 36514 and 36516.2 of the Government Code, which shall be payable from and after the operative date of the Ordinance codified in Section 2.04.160 at the same time and in the same manner as the salaries are paid to the other officers and employees of the City."

Section 2: This City Council hereby declares that should any section, paragraph, sentence, or word of this Ordinance, or of the code hereby adopted, be declared for any reason to be invalid, it is the intent of the City Council that it would have passed all other portions of this ordinance independently of the elimination herefrom of any such portions as may be declared to be invalid.

Section 3: This Ordinance shall be published once in the Menlo-Atherton Recorder, a newspaper of general circulation, printed, published and circulated in the City of Menlo Park, and shall take effect on March 9, 1976.

INTRODUCED the 13th day of January, 1976.

PASSED AND ADOPTED as an ordinance of the City of Menlo Park at a regular meeting of said City Council on the 20th day of January, 1976, by the following vote:

ORDINANCE 649 -A

AN ORDINANCE OF THE CITY OF MENLO PARK
AMENDING CHAPTER 2.04 OF THE MENLO PARK
MUNICIPAL CODE RE: SALARIES OF COUNCIL-
MEMBERS.

WHEREAS, the City Council of the City of Menlo Park has heretofore in Menlo Park Municipal Code Chapter 2.04 provided for the amount of compensation to be paid to each member of the City Council; and

WHEREAS, said compensation was authorized by certain legislation enacted in 1965 and was paid pursuant to an Ordinance adopted and effective in 1965; and

WHEREAS, Section 36516.2 of the Government Code of the State of California provides that the salaries of Councilmembers may be increased by an amount equal to five percent (5%) for each calendar year from the operative date of the prior Ordinance increasing or establishing said salaries; and

WHEREAS, by Ordinance No. 594 an increase was provided to Two Hundred Twenty-Three Dollars and twenty-six cents (\$223.26), which increase was effective as of March 9, 1976; and

WHEREAS, four years will have elapsed between the effective date of said previous increase and the date of the general municipal election of April 8, 1980.

NOW, THEREFORE, pursuant to the above, the City Council of the City of Menlo Park DOES ORDAIN as follows:

Section 1: That Sections 2.04.140, 2.04.150, 2.04.160, and 2.04.170 of the Menlo Park Municipal Code are repealed and the following Section 2.04.160 is enacted to read as follows:

"Section 2.04.160 Salaries--Established--Each member of the City Council shall receive as salary the sum of Two Hundred Seventy-One Dollars and thirty-seven cents (\$271.37), pursuant to the provisions of Section 36516 of the Government Code, which shall be payable from and after the operative date of this Ordinance at the same time and in the same manner as the salaries are paid to the other officers and employees of the City."

Section 2: This City Council hereby declares that should any section, paragraph, sentence, or word of this Ordinance, or of the code section hereby adopted, be declared for any reason to be invalid, it is the intent of the City Council that it would have passed all other portions of this Ordinance independently of the elimination herefrom of any such portions as may be declared to be invalid.

Section 3: This Ordinance shall be published once in the Menlo-Atherton Recorder, a newspaper of general circulation, printed, published and circulated in the City of Menlo Park, and shall take effect on April 15, 1980.

INTRODUCED the 18th day of December, 1979.

PASSED AND ADOPTED as an Ordinance of the City of Menlo Park at a regular meeting of said City Council on the 8th day of January, 1980, by the following vote:

ORDINANCE 700

AN ORDINANCE OF THE CITY OF MENLO PARK AMENDING
CHAPTER 2.04 OF THE MENLO PARK MUNICIPAL CODE
RE: SALARIES OF COUNCILMEMBERS.

WHEREAS, the City Council of the City of Menlo Park has heretofore in Menlo Park Municipal Code Chapter 2.04 provided for the amount of compensation to be paid to each member of the City Council; and

WHEREAS, said compensation is currently fixed at \$271.37 per month, pursuant to Ordinance 649-A, effective April 14, 1980; and

WHEREAS, Section 36516.2 of the Government Code of the State of California provides that the salaries of Councilmembers may be increased by an amount not to exceed five percent (5%) for each calendar year from the operative date of the prior Ordinance increasing or establishing salaries.

NOW, THEREFORE, the City Council of the City of Menlo Park DOES ORDAIN as follows:

Section 1. That Section 2.04.160 of the Menlo Park Municipal Code is amended to read as follows:

"Section 2.04.160 Salaries-Established-Each member of the City Council shall receive as salary the sum of Three Hundred Twelve Dollars and eight cents (\$312.08), pursuant to the provisions of Section 36516 of the Government Code, which shall be payable from and after the operative date of this Ordinance at the same time and in the same manner as the salaries are paid to the other officers and employees of the City."

Section 2. This Ordinance shall be published once in the Menlo-Atherton Recorder, and shall take effect on November 13, 1984.

INTRODUCED the 2nd day of October, 1984.

PASSED AND ADOPTED as an Ordinance of the City of Menlo Park at a regular meeting of said Council on the 9th day of October, 1984, by the following vote:

AYES: Councilmembers: GUNN, LEHMANN, and WHITE.

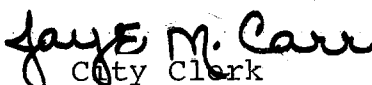
NOES: Councilmembers: MORRIS, and PAAR.

ABSENT: Councilmembers: None.

APPROVED:


Mayor of the City of Menlo Park

ATTEST:


City Clerk

ORDINANCE NO. 798

AN ORDINANCE OF THE CITY OF MENLO PARK
 AMENDING CHAPTER 2.04 OF THE MENLO PARK MUNICIPAL CODE
 RE: SALARIES OF COUNCILMEMBERS

WHEREAS, the City Council of the City of Menlo Park has heretofore, in Menlo Park Municipal Code Chapter 2.04, provided for the amount of compensation to be paid to each member of the City Council; and

WHEREAS, said compensation is currently fixed at three hundred twelve dollars and eight cents (\$312.08) per month, pursuant to Ordinance No. 700, effective November 13, 1984; and

WHEREAS, Section 36516(c) of the Government Code of the State of California provides that the salaries of Councilmembers may be increased by an amount not to exceed five percent (5%) for each calendar year from the operative date of the prior Ordinance increasing or establishing salaries.

NOW, THEREFORE, the City Council of the City of Menlo Park does ordain as follows:

SECTION 1. That Section 2.04.160 of the Menlo Park Municipal Code is amended to read as follows:

"Section 2.04.160 Salaries - Established. Each member of the City Council shall receive as salary the sum of Three Hundred Seventy Four Dollars and fifty cents (\$374.50), pursuant to the provisions of Section 36516 of the Government Code, which shall be payable from and after the operative date of this Ordinance at the same time and in the same manner as the salaries are paid to the other officers and employees of the City."

SECTION 2. This Ordinance shall be published once within 15 days of its adoption in the Menlo-Atherton Recorder, a newspaper of general circulation, printed, published and circulated in the City of Menlo Park, and shall take effect thirty days after its passage and adoption.

INTRODUCED on the 20th day of June, 1989 .

PASSED AND ADOPTED as an Ordinance of the City of Menlo Park at a regular meeting of said Council on the 11th day of July, 1989 by the following vote:

AYES:	Councilmembers:	GRANT, LA FETRA and SORENSEN.
NOES:	Councilmembers:	MORRIS.
ABSENT:	Councilmembers:	JONES.
ABSTAIN:	Councilmembers:	NONE.

APPROVED:

JAN LAFETRA

Jan La Fetra, Mayor of the
City of Menlo Park

ATTEST:

Jaye M. Carr

JAYE M. CARR, City Clerk

ORDINANCE NO. 901

AN ORDINANCE OF THE CITY OF MENLO PARK
AMENDING SECTION 2.04.160 OF CHAPTER 2.04
OF THE MENLO PARK MUNICIPAL CODE
RE: SALARIES OF COUNCILMEMBERS

WHEREAS, the City Council of the City of Menlo Park in Menlo Park Municipal Code Chapter 2.04 has provided for the amount of compensation to be paid to each member of the City Council; and

WHEREAS, said compensation is currently fixed at Three Hundred Seventy-Four and 50/100 Dollars (\$374.50) per month pursuant to Ordinance No. 798 effective July 11, 1989; and

WHEREAS, California Government Code section 36516(c) provides that the salaries of Councilmembers may be increased by an amount not to exceed five percent (5%) for each calendar year from the operative date of the prior Ordinance increasing or establishing salaries.

NOW, THEREFORE, the City Council of the City of Menlo Park does ordain as follows:

SECTION 1: Section 2.04.160 of Chapter 2.04 of the Menlo Park Municipal Code is amended to read as follows:

2.04.160 Salaries - Established. Each member of the City Council shall receive as salary the sum of Six Hundred Forty Dollars (\$640.00) per month pursuant to the provisions of California Government Code section 36516, which shall be payable from and after January 1, 2001, at the same time and in the same manner as the salaries are paid to the other officers and employees of the City.

SECTION 2: This Ordinance shall be published once within fifteen (15) days of its passage and adoption, in the Menlo-Atherton Recorder, a newspaper of general circulation, circulated in the City of Menlo Park and printed and published nearest the City of Menlo Park, and shall take effect thirty (30) days after its passage and adoption.

INTRODUCED on the 14th day of November, 2000.

PASSED AND ADOPTED as an ordinance of the City of Menlo Park at a regular meeting of said Council on the 21 day of November, 2000, by the following vote:


AYES: Councilmembers: Borak, Jellins, Collaachi, Kinney

NOES: Councilmembers: None


ABSENT: Councilmembers: Councilmember Schmidt

ABSTAIN: Councilmembers: None

APPROVED:


Mayor

ATTEST:


City Clerk