



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Honorable Mayor Ward and Members of the City Council

THROUGH: Geoff Dolan, City Manager

FROM: Marcie Scott, Director of Human Resources
Danielle Higdon, Sr. Human Resources Analyst

DATE: May 16, 2006

SUBJECT: Review of City Council Compensation

RECOMMENDATION:

Staff recommends that the City Council consider the information provided with respect to City Council salary and benefits, discuss and provide direction.

FISCAL IMPLICATION:

There are no financial impacts associated with this item. In the event the Council chooses to adjust compensation, a resolution will be brought back to Council and funds will be included in next year's budget.

BACKGROUND:

Government Code Section 36516 establishes a maximum salary for General Law cities' elected officials based on cities' population. The law was amended effective January 1, 1985 to increase the maximum from \$200 to \$300 per month for a city of our size. The law also establishes a method for determining future salary increases. The guidelines allow for a Council salary increase which "may not exceed an amount equal to five (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." In other words, the law allows for a cost of living adjustment to be applied each year. Our research indicates there has been no salary increase for at least 30 years.

DISCUSSION:

On April 4, 2006, City Council directed staff to conduct a salary and benefits survey of Council members from surrounding cities. Information was gathered from eleven (11) cities regularly surveyed by the Human Resources Department for the purpose of establishing compensation for city employees. They are Beverly Hills, Culver City, El Segundo, Inglewood, Hawthorne, Hermosa Beach, Newport Beach, Redondo Beach, San Clemente, Santa Monica, and Torrance¹.

¹ The cities of Culver City, Inglewood, Newport Beach, Redondo Beach, Santa Monica and Torrance are Charter Cities and as such, may set their own salary levels irrespective of the government code.

The information from the survey is presented in Attachment A. This data indicates the average monthly salary for Council members is \$951 (or \$653 if we remove the City of Inglewood). In addition to salary, information was gathered with respect to other benefits offered to Council members including: health and dental, retirement, life insurance, car allowance, and any other eligible benefits. Cities have many different approaches to benefits, which are reflected on the survey.

Considering the Government Code Section governing increases to City Council compensation, as well as the timeframe since the last increase, the maximum monthly City Council salary is \$867.

Attachments: A. Salary Survey

CITY COUNCIL COMPENSATION AND BENEFITS

MAY 2006

CITIES	MONTHLY SALARY	DEFERRED COMPENSATION	MEDICAL	DENTAL	RETIREMENT	CAR ALLOWANCE/ REIMBURSEMENT	COMMENTS
BEVERLY HILLS	655	N/A	City paid medical, dental, vision - Council member & dependents		City Paid PERS	N/A	Life - \$100,000
CULVER CITY	485	N/A	City paid medical, dental & vision (same as general service)		City Paid PERS		50/each Redevelopment Agency meeting attended
EL SEGUNDO	900	N/A		1,097	City Paid PERS	N/A	Eligible for Retiree Medical (Employee + spouse coverage) if vested in PERS (5years) and retire from the City of El Segundo; Lap top and cell phone plus PDA; replaced every 2-4 years
INGLEWOOD	3,937	N/A	City paid medical, dental, and vision for Council member and family		PERS - Optional; Council member pays 1%	750/month	200/month - communication expense
HAWTHORNE	900	Eligible to participate but City does not contribute	City paid Health and Dental coverage (100% for employee only, they pay \$12/month employee + 1 coverage, \$22/month employee + family coverage - City picks up the rest)		City Paid PERS	N/A	No car or cell phone allowance
HERMOSA BEACH	300	N/A	Up to 1112	Up to 149.24	City Paid PERS	300/month	Vision - 19.64; Life - \$52000
NEWPORT BEACH	1,062	N/A	788/month - can take remaining in cash		City Paid PERS	N/A	Life - \$5000
REDONDO BEACH	793	12% of salary	974/month		City Paid PERS	375/month	
SAN CLEMENTE	400	Does not receive any benefits					

CITY COUNCIL COMPENSATION AND BENEFITS

MAY 2006

CITIES	MONTHLY SALARY	DEFERRED COMPENSATION	MEDICAL	DENTAL	RETIREMENT	CAR ALLOWANCE/ REIMBURSEMENT	COMMENTS
SANTA MONICA	932	N/A	\$532 max or \$150/month cash in lieu of insurance	86.44	PERS - Optional	N/A	\$30/meeting - Redevelopment Agency; \$50/meeting - Housing and Parking Authority. They also receive \$400/month "management incentive pay"; Life - \$10,000; Vision - 11.08/month
TORRANCE	100	N/A	64.6/month per employee and dependent as well as \$188/month/employee			446/month	Mayor reimbursed for actual expenses up to 350/month, Council Members 250/month; Life - \$200,000; Reimbursed \$1500 for conferences and other travel
AVERAGE	951						
AVERAGE WITHOUT INGLEWOOD	653						
MANHATTAN BEACH	200	N/A	Up to 1049 to pay for medical and dental premiums; Cash out option of \$225/month		City Paid PERS	400/month	\$75/month - Personal Communications Technology