ORDINANCE NO. 24-1008

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTCLAIR AMENDING SECTIONS 2.12.050 AND 2.12.060 OF CHAPTER 2.12 OF THE MONTCLAIR MUNICIPAL CODE RELATED TO THE COMPENSATION SCHEDULE FOR MEMBERS OF THE CITY COUNCIL

WHEREAS, Government Code Section 36516 (§36516) establishes limits on the amount of compensation that city council members may receive for their service as elected officials; and

WHEREAS, Senate Bill 329 (SB 329), signed into law by Governor Gavin Newsom on June 29, 2023, increases the maximum base tiers for city council salaries, based upon the population of a municipality, that may be approved by a city council by an ordinance or amendment thereto; and

WHEREAS, the California Legislature passed SB 329 as acknowledgement of the important work of local governments, as well as the time and dedication that elected public service requires; and

WHEREAS, in considering SB 329, the California Legislature found that city council compensation has not kept pace with inflation; further, the Legislature determined that allowing cities to adjust their compensation for inflation may help city councils become more diverse because increased compensation can help individuals from across different income levels receive sufficient income from their service to help ensure that they can continue to serve the public and support their families; and

WHEREAS, in addition to establishing revised maximum base tiers for city council salaries, SB 329 continues to provide that salaries for council members may be increased by either by an amount not to exceed 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 by an amount equal to inflation since January 1, 2024, based upon the California Consumer Price Index (CCPI), which shall not exceed 10 percent for each calendar year applied, whichever applied formula is greater; and

WHEREAS, as amended by SB 329, §36516 provides for the following:

1. A city council may enact an ordinance, or amendment thereto, providing that each member of the city council shall receive a salary based on the population of the city as set forth below:

The base tier for salaries approved by ordinance 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—previously Three Hundred Dollars (\$300) 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—previously Four Hundred Dollars (\$400) per month.
- c. In cities over 50,000 up to and including 75,000 in population, up to and including One Thousand Six Hundred Dollars (\$1,600) per month—previously Five Hundred Dollars (\$500) per month.
- d. In cities over 75,000 up to and including 150,000 in population, up to and including One Thousand Nine Hundred Dollars (\$1,900) per month—previously Six Hundred Dollars (\$600) per month.
- e. In cities over 150,000 up to and including 250,000 in population, up to and including Two Thousand Five Hundred Fifty Dollars (\$2,550) per month—previously Eight Hundred Dollars (\$800) per month.
- f. In cities over 250,000 population, up to and including Three Thousand Two Hundred Dollars (\$3,200) per month—previously One Thousand Dollars (\$1,000) per month.

- 2. The population of a city shall be determined by the last preceding federal census, or a subsequent census, or estimate validated by the Department of Finance—for Montclair, the current census estimate as of July 1, 2022, is 37,714.
- 3. The salary of council members may be increased beyond the amount provided in SB 329 by an ordinance or by an amendment to an ordinance, but the amount of the increase shall not exceed the greater of either of the following:
 - a. 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
 - b. An amount equal to inflation as of January 1, 2024, based upon the CCPI, which shall not exceed 10 percent for each calendar year applied.
- 4. No ordinance shall be enacted or amended to provide automatic future increases in city council compensation.
- 5. Unless specifically authorized by another statute, a city council may not enact an ordinance providing for compensation to city council members in excess of that authorized by the procedures described in SB 329.
 - For the purposes of §36516, compensation includes payment for service by a city council member on a commission, committee, board, authority, or similar body on which the city council member serves. If other statutes authorizing such service do not specify the amount of compensation, the maximum amount shall be One Hundred Fifty Dollars (\$150) per month for each commission, committee, board, authority, or similar body.
- 6. Any amounts paid by a city for retirement, health and welfare, and federal social security benefits shall not be included for purposes of determining salary under §36516, provided that the same benefits are available and paid by the city for its employees.
- 7. Any amounts paid by a city to reimburse a council member for actual and necessary expenses pursuant to Government Code Section 36514.5 (§36514.5) shall not be included for purposes of determining salary.
- 8. A city council shall consider the adoption of an ordinance, or amendment thereto, to increase compensation in open session during at least two regular meetings of the city council as follows:
 - a. 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.
 - b. At least seven days after the first meeting, the city council shall hold a second meeting to consider whether to adopt the ordinance.

WHEREAS, Government Code Section 36516.5 (§36516.5) specifies that a change in city council compensation shall not apply to a council member during their term of office; however, this prohibition does not prevent the adjustment of compensation for all members of a city council serving staggered terms whenever one or more members of such city council begin a new term of office; and

WHEREAS, Government Code Section 36516.1 (§36516.1) allows a directly elected mayor to be provided with compensation in addition to that which they receive as a city council member, which may be provided by an ordinance or amendment to an ordinance adopted by a city council or by a majority vote of the electors voting on such proposition at a municipal election; and

WHEREAS, pursuant to the State Board of Equalization, the 2024-25 California Consumer Price Index (CCPI) shows that, rounded to the nearest one-thousandth of 1 percent, the CCPI increased by 3.181 percent; therefore, because the CCPI is less than 5 percent, and does not achieve the State Legislature's objectives, as stated in SB 329—to

help city councils become more diverse because increased compensation can help individuals from across different income levels receive sufficient income from their service to help ensure that they can continue to serve the public and support their families—the preferred adjustment to the monthly salary for members of the Montclair City Council, as provided for herein, shall be based on 5 percent for each calendar year from the operative date of the last adjustment on January 1, 2019; and

WHEREAS, the last increase to the compensation schedule of Montclair City Council Members occurred five years ago on January 1, 2019, with the adoption of Ordinance No. 17-970; and

WHEREAS, the City Council is eligible to receive a 25 percent increase [5-years \times 5% rate increase = 25%] in compensation; and

WHEREAS, the 25 percent increase in compensation would apply to the existing monthly city council salary rate of One Thousand One Hundred Fifty Dollars (\$1,150), resulting in a monthly increase of Two Hundred Eighty-Eight Dollars (\$288), rounded to the nearest dollar, for a revised monthly salary of One Thousand Four Hundred Thirty-Eight Dollars (\$1,438) per month, rounded to the nearest dollar; and

WHEREAS, the City Council has elected to continue providing for additional compensation to be received by the Mayor at a rate of Seven Hundred Fifty Dollars (\$750) per month; and

WHEREAS, any increase in City Council/Mayor compensation cannot occur until after certification of the November 2024 General Municipal Election and the elected City Council Members are seated; and

WHEREAS, because members of the City Council are compensated on a monthly basis, the effective date of any compensation adjustment to City Council/Mayor salaries would not be implemented until January 1, 2025; and

WHEREAS, the City Council does so desire to modify the salary compensation for all members of the City Council.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTCLAIR DOES HEREBY ORDAIN AS FOLLOWS:

SECTION I. Amendment of Code

Sections 2.12.050 and 2.12.060 of Chapter 2.12 of Title 2 of the Montclair Municipal Code is hereby amended to read as follows:

Section 2.12.050. Compensation—Salary Schedule and Effective Date—Exclusion of Benefit Costs in Salary Computation.

- A. Schedule. Each member of the City Council shall receive as salary the sum, rounded to the nearest dollar, of One Thousand Four Hundred Thirty-Eight Dollars (\$1,438) per month.
- B. Effective Date. Any increase in compensation shall become effective for all members of the City Council no sooner than the first day of the calendar month that next succeeds the beginning of a new term of office for any member of the City Council following the adoption of such increase.

Section 2.12.060. Additional Compensation for Mayor.

Compensation provided to the Mayor, in addition to that received as a Council Member, shall be Seven Hundred Fifty Dollars (\$750) per month.

SECTION II. Severability. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase of this Ordinance or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be declared unconstitutional.

SECTION III. Posting. The City Clerk shall certify to the passage of this Ordinance and cause the same to be posted pursuant to Government Code Section 36933.

<u>SECTION IV.</u> <u>Effective Date.</u> This ordinance shall take effect and be in full force thirty (30) days from and after its final passage.

APPROVED AND ADOPTED this 18th day of March, 2024.

ATTEST:

City Clerk

Mayor

I, Andrea M. Myrick, City Clerk of the City of Montclair, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Ordinance No. 24-1008 of said City, which was introduced at a regular meeting of the City Council held on the 4th day of March, 2024, and finally passed not less than seven (7) days thereafter at a regular meeting of the City Council held on the 18th day of March, 2024, by the following vote, to-wit:

AYES:

Martinez, Johnson, Dutrey

NOES:

Ruh

ABSTAIN: ABSENT: Lopez None

Andrea M. Myrick

City Clerk