

## **CHAPTER TWO COUNCIL COMPENSATION**

Council compensation and benefits are established every other year by Council action after the Council Compensation Committee conducts a biennial review and makes a recommendation (see Section 2.6).

### **2.1 SALARIES FOR MAYOR AND COUNCIL MEMBERS**

Compensation for services rendered in an official capacity shall be established by resolution duly adopted and consistent with the rules established in the Charter.

#### **2.1.1 CONSUMER PRICE INDEX INCREASES**

Consumer Price Index (CPI) increases will be applied to Council, Planning Commission, and Architectural Review Commission salaries biennially. CPI increases are not subject to review by a Council Compensation Committee.

### **2.2 RETIREMENT, MEDICAL, DENTAL, VISION AND LIFE INSURANCE**

The Mayor and Council Members shall be entitled to City-funded participation in P.E.R.S. retirement. The City shall contribute an amount equivalent to that received by City department heads monthly towards the Mayor and Council Members' participation in PEMCHA, dental, vision, and life insurance. Any unexpended amount shall not be distributed to the Mayor and Council Members in cash. If the Mayor and Council Members elect to opt out of medical, dental, and vision that individual member will receive the opt-out amount equal to City department heads.

Individual Council Members may waive any or all of the compensation provided to them. Such a waiver shall affect only the individual choosing to waive compensation for the period of time specified by that individual. An individual waiver shall not be binding on any other current or future Council Member. Should any Council Member wish to make a change in their individual compensation, staff will process a personnel action form to effectuate this change.

### **2.3 PROFESSIONAL DEVELOPMENT**

Allowances shall be budgeted for the Mayor and each Council Member as follows:

#### **2.3.1 PROFESSIONAL DEVELOPMENT - INCLUDING TRIPS AND MEETINGS**

For costs of professional development and educational conferences designed to improve understanding of and proficiency in municipal affairs. Said allowance shall be used for out-of-county expenses only and shall be reimbursed in accordance with accepted City Travel Guidelines.

### **2.3.2 START UP ALLOWANCE**

An additional professional development allowance shall be budgeted to each new Mayor and Council Member to help accelerate their comprehension of municipal and legislative operations during the first 12 months following the taking of office and the amounts shall be as set forth in the applicable financial plan adopted by the Council.

## **2.4 CITY BUSINESS AND MILEAGE REIMBURSEMENT**

Quarterly allowances shall be budgeted for the Mayor and each Council Member as stated in the Financial Plan.

### **2.4.1 CITY BUSINESS**

For costs incurred in connection with official City business. Said allowance shall be used for in-county expenses and shall include all meals, tickets, periodicals, dues, subscriptions, and similar miscellaneous expenses.

### **2.4.2 MILEAGE**

For official travel within the County of San Luis Obispo, reimbursement shall be made upon submittal of an official mileage expense form:

## **2.5 GENERAL PROCEDURES AND LIMITATIONS**

Appropriate budgetary practices and accounting controls shall be established to ensure that expenditures and reimbursements are in compliance with approved budget allocations. The Mayor and each Council Member is expected to plan business activities so as to stay within their budget. When exceptional circumstances require that additional amounts be allocated to accounts, formal Council action shall be required.

### **2.5.1 ACCOUNTING**

An account shall be established in the name of each Council Member with all expenditures charged to the individual Council Member or Mayor. If any account is depleted prior to the end of the fiscal year, additional allocations shall require a specific action of the City Council. Claims for reimbursement as specified in Section 2.4, above, may be submitted monthly but the aggregate of three-monthly claims may not exceed the quarterly maximum. Receipts shall be submitted within the fiscal year. The Council budget shall be available for review in the City Clerk's Office and the Mayor and Council Members shall receive periodic statements.

## **2.5.2 REIMBURSEMENT LIMITATION**

The City's adopted Travel Guidelines shall govern all expenditures for non local professional development and conferences. These guidelines include all non local official meals, tuition or fees, transportation to meeting sites, materials, and telephone usage.

## **2.5.3 SPECIAL EXPENSES**

For occasions when the Mayor and/or a Council Member is designated by the City Council to represent the City at special meetings, reimbursement shall be made from an unallocated Travel Expense Account.

## **2.5.4 OTHER GUIDELINES**

Any other travel-related issue not specifically governed in these Policies and Procedures shall be adjudicated in accordance with the City of San Luis Obispo adopted Travel Guidelines.

## **2.5.5 DISCLOSURE AND REPORTING REQUIREMENTS**

The Political Reform Act of 1974 (Government Code sections 87200) requires local public officials to file a Statement of Economic Interest (Form 700) to disclose certain investments, interests in real property, sources of income, gifts, loans and business positions when assuming office, annually and when leaving office.

## **2.6 COUNCIL COMPENSATION COMMITTEE**

A seven-member review committee may be appointed no later than the last City Council meeting in January in even-numbered years and shall bring its proposed recommendations in resolution form to the City Council no later than the first City Council meeting in May.

### **2.6.1 MEMBERSHIP**

The committee membership shall have as broad a representation as possible, including but not limited to, one previously elected official, one Personnel Board member, and one citizen at large.

### **2.6.2 REVIEW RESPONSIBILITY**

The committee shall review the full Council compensation package including salary, benefits, expense reimbursement, professional development allowances, and any other compensation provided the City Council. Review should include, but shall not be limited to:

- 1) Compensation of Council Members and Mayors of cities of similar population/budget size;

- 2) Compensation practices of both Charter and General Law cities;
- 3) Government Code provisions for General Law cities;
- 4) Council Member and Mayor responsibilities in San Luis Obispo at the time of the committee's review;
- 5) Any structural changes that may have occurred in municipal government either as a result of state legislation or by actions of the local electorate that may have added to, or deducted, from the duties and responsibilities of the Council Members and/or Mayor.