

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Randi Johl, Director of Legislative Affairs/City Clerk

DATE: August 8, 2023

SUBJECT: Receive Report Regarding Senate Bill 329 Pertaining to City Council Compensation and Provide General Direction Regarding the Same (At the Request of Council Member Brown)

PREPARED BY: Randi Johl, Director of Legislative Affairs/City Clerk

RECOMMENDATION: That the City Council receive a report regarding Senate Bill 329 pertaining to City Council compensation and provide general direction regarding the same.

BACKGROUND: The City of Temecula is a general law city formed under the laws of the State of California. The City Council compensation schedule for general law cities is set forth in Government Code Section 36516 *et seq.* Current City Council compensation is \$600 per month pursuant to Temecula Municipal Code Section 2.04.050. City Council compensation was last set in June 2003 via Ordinance No. 03-07 (attached).

On June 29, 2023, Senate Bill 329 (SB 329) was signed into law setting forth a new compensation schedule for City Council members. The full text of SB 329 is attached. SB 329, sponsored by the League of California Cities, declares that the compensation schedule for general law cities has not been adjusted since 1984, indicating compensation has not kept pace with inflation. The Legislature also declared that compensation adjustments for inflation may help city councils become more diverse allowing individuals from across different income levels to serve the public and support their families. SB 329 is permissive and not mandatory. Generally, SB 329 increases the maximum amount of City Council salaries based upon population size, permits salary adjustment by ordinance at two public meetings, and allows for additional modification under specific circumstances. Automatic adjustments for CPI or otherwise are prohibited. For cities 75,000 - 150,000 in population, compensation is set at up to and including one thousand nine hundred dollars (\$1,900) per month. While SB 329 sets forth an alternative calculation to the \$1,900 amount based on a maximum 5% increase per year from the date of the last adjustment (2003-2023=20 years), this amount is \$1,200, and less than the \$1,900 amount set by population. As such, the \$1,900 amount remains the maximum cap for compensation adjustment at this time.

It is recommended that the City Council receive the report regarding SB 329 and provided related direction to staff. Should the City Council provide direction to adjust compensation, staff will

return with a related ordinance for the City Council's consideration at a future meeting. Pursuant to Government Code Section 36516.5, a change in compensation does not apply to a council member during the council member's term of office. This prohibition does not prevent the adjustment of the compensation of all members of a council serving staggered terms whenever one or more members of the city council becomes eligible for a salary increase by virtue of the council member beginning a new term of office. As such, any adjustment will be effective and applicable to the full City Council after the certification of the November 2024 general municipal election.

FISCAL IMPACT: There is no fiscal impact associated with the consideration of this item. A fiscal impact may exist after the results of the November 2024 election are declared depending upon any future action the City Council takes regarding compensation.

ATTACHMENTS:

1. Ordinance No. 03-07
2. SB 329 – Bill Text