



CITY OF CORONADO

CITY COUNCIL STAFF REPORT

November 19, 2024

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CONSIDER AND INTRODUCE ORDINANCE ADJUSTING THE MONTHLY SALARY FOR THE MAYOR AND MEMBERS OF THE CITY COUNCIL AS AUTHORIZED BY GOVERNMENT CODE SECTIONS 36516, 35516.1 AND 36516.5

RECOMMENDATION:

Consider and introduce an ordinance to adjust the monthly salary paid to the Mayor and Members of the City Council effective after the new term of office from the November 2024 election commences.

BACKGROUND:

The monthly salary for each Councilmember is \$913.50. The monthly salary for the Mayor is also \$913.50. The City Council last adjusted the monthly salaries in 2018, and they became effective after the November 2018 election. The last increase prior to 2018 was in 1996.

Under state law, as a general law city, the City Council is to establish by ordinance a salary up to a ceiling dependent on the population of the city. The salary established by the City Council may be increased, "but the amount of the increase may not exceed an amount equal to five percent for each calendar year from the operative date of the last adjustment of salary" unless the electorate approves a higher salary.¹ The five percent increase is non-compounded.² The adjustment is computed as five (5) percent multiplied by the number of years since the last salary adjustment.

Under SB 329, the Legislature increased the salary cap to \$950 for cities with a population up to 35,000. Alternatively, Council may adjust the monthly salary to the new cap and in an amount equal to inflation since January 1, 2024, but not exceeding 10 percent, based upon the California Consumer Price Index.³ The CPI for September 2024 is 2.5 percent.⁴

This item is before the City Council to consider and introduce an ordinance to increase the monthly salary for the Mayor and Councilmembers, with the adjustment taking effect after the new term of office commences in December 2024.

ANALYSIS:

As noted above, any increase to the Council monthly salary is dictated by a formula established in state law—either five percent multiplied by the number of years since the last adjustment or adjusted for inflation since January 2024 according to the Consumer Price Index.

Using the traditional method, five percent of \$913.50 is \$45.68. If the Council adopts the salary adjustment in December 2024, six years will have passed since the last adjustment became

¹ Gov. Code, § 36516, subd.(a)(4)(A).

² 89 Ops.Cal.Atty.Gen. 159 (2006).

³ Gov. Code, § 36516, subd. (a)(4)(B).

⁴ https://www.bls.gov/regions/west/news-release/consumerpriceindex_sandiego.htm

operative in December 2018. Thus, the Council may adjust its monthly compensation by up to \$274.00 ($\$45.68 \times 6 = \274.00) for a maximum total monthly salary of **\$1187.50**.

While the Mayor is a separately elected office, the monthly salary is the same and the calculations above applies.

Per Government Code section 36516.5, a change in compensation does not apply to an elected official during their term in office. However, the compensation of all members of a City Council serving staggered terms can be adjusted by virtue of the beginning of a new term of office for a single member. Therefore, any approved salary increase will not take place until the new terms begin in December.

Attached for introduction is an ordinance amending Coronado Municipal Code (CMC) sections 2.02.030 and 2.03.030 to reflect an increase for the salaries of each of the members of the City Council from \$913.50 to an amount not to exceed \$1,187.50 per month, to take effect after a new term of office commences in December 2024, should the Council decide to make adjustments to its monthly salaries.

FISCAL IMPACT:

The 2024-25 FY Budget has sufficient funds to absorb the contemplated increases.

ALTERNATIVE:

The City Council could elect to not proceed or provide additional direction.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

Not a project under CEQA.

PUBLIC NOTICE:

No notice required.

ATTACHMENTS:

1. Draft Ordinance 2024 - 11

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