



Staff Report

File #: 24-0319

REQUEST FOR CITY COUNCIL ACTION

DATE: April 17, 2024

TO: Honorable Mayor and City Council Members

FROM: City Manager's Office

SUBJECT:

AN ORDINANCE TO AMEND SECTION 2.08.120 OF THE CORONA MUNICIPAL CODE TO ESTABLISH NEW COMPENSATION LIMITS FOR MEMBERS OF THE CITY COUNCIL, EFFECTIVE IN 2025

EXECUTIVE SUMMARY:

This staff report provides a proposed ordinance to amend Corona Municipal Code Section 2.08.120 regarding City Council Compensation. It has been at least 40 years since California law has increased the compensation levels for City Council Members of general law cities. However, Senate Bill 329 was signed into law in 2023, increasing the authorized compensation levels based on population size. The compensation for a City of Corona's size is up to \$2,550.

Following a presentation during last Fall's Council Workshop, the City Council directed staff to prepare a proposed ordinance to increase compensation to \$1,900 monthly, less than the \$2,550 authorized by state law. That ordinance has been prepared and is before you tonight.

The City Council also asked staff to research whether members who serve on certain Joint Power Authority's ("JPA's") could be compensated an additional \$100 per month for serving on such boards. Staff have identified a way in which members serving on certain JPA's or other legislative bodies can be paid an additional \$100 per month in compensation. Thus, staff has prepared an optional ordinance to accomplish this, which is also before the City Council tonight.

If either ordinance is adopted, the increase in compensation will not go into effect until January 1, 2025.

RECOMMENDED ACTION:

That the City Council introduce by title only and waive full reading of either Ordinance No. 3397 or Optional Ordinance No. 3397, first reading of an Ordinance of the City of Corona, California, amending Section 2.08.120 of the Corona Municipal Code to establish the compensation for members

of the City Council.

BACKGROUND & HISTORY:

PRIOR STATE LAW

For several decades, Government Code Section 36516 (“GC 36516”) had limited the compensation for City Council Members serving general law cities to an amount based upon the following thresholds:

OLD STATE LAW COMPENSATION LIMITS (GC SECTION 36516(A))	
CITY POPULATION	MONTHLY COMPENSATION
Up to 35,000	\$300
35,001 - 50,000	\$400
50,001 - 75,000	\$500
75,001 - 150,000	\$600
150,001 - 250,000	\$800
250,001 or higher	\$1,000

GC 36516 had also authorized City Council’s to increase their compensation above these limits, so long as all of the following limitations were met: (1) no increase could exceed 5% per year since the last increase; (2) no automatic increase could be put in place, so the City Council had to adopt a new ordinance for each increase; and (3) no increase could go into effect until one or more members of the City Council began a new term of office (i.e. following an election).

CURRENT CORONA COMPENSATION

Notably, as mentioned above with respect to the prior state law, the City could have increased its compensation by 5% per year for every year since the last known increase in 1984. Accordingly, even under the prior law, the Council’s compensation could have been increased by 200% to \$2,400. However, the Corona Municipal Code (“CMC”) Section 2.08.120 has tracked exactly the limits above for at least the last 40 years (1984). Thus, no 5% annual increase authorized by GC 36516 has ever been adopted by Corona and the City Council is paid \$800 per month since 2010, when Corona’s population passed 150,001.

NEW STATE LAW - SB 329

Senate Bill No. 329 (“SB 329”) was signed into law by Governor Newsom on June 29, 2023, amending subsection (A) of GC 36516 to increase the compensation thresholds as follows:

NEW STATE LAW COMPENSATION LIMITS (GC SECTION 36516(A))	
CITY POPULATION	MONTHLY COMPENSATION
Up to 35,000	\$950
35,001 - 50,000	\$1,275
50,001 - 75,000	\$1,600

75,001 - 150,000	\$1,900
150,001 - 250,000	\$2,550
250,001 or higher	\$3,200

ANALYSIS:
NEW COMPENSATION

As discussed above, SB 329 authorizes the City Council to increase its compensation to \$2,550. As directed by the City Council, however, staff has prepared the attached ordinance to increase it to the lower amount of \$1,900, effective January 1, 2025.

Ordinance No. 3397

The City Council can implement this new compensation by voting in favor of Ordinance No. 3397 attached to this report.

RESEARCH REQUEST - POSSIBLE COMPENSATION (\$100) FOR CERTAIN JPA'S

During the 2023 Fall Policy Workshop, staff was also asked to research whether Council Members who serve on certain JPA's, namely the Western Riverside County Regional Wastewater Authority (WRCRWA) and the Bedford Coldwater Groundwater Sustainability Authority (BCGSA), could be paid an additional \$100 per month in compensation for serving on such boards. That is, while some separate boards and agencies, such as the Riverside County Transportation Commission, have used separate statutory authority to pay their members directly, others like WRCRWA and BCGSA either do not have such separate statutory authority or have not used the authority they have to have to pay their members directly.

GC 36516(C) Authority - Not Likely

The City Attorney's Office, with assistance from outside legal counsel, researched this issue. The relevant portion of GC 36516 is subsection (c), which reads as follows:

(c) 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 subdivisions (a) and (b). For the purposes of this section, 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 the other statute that authorizes the compensation does 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.

Subsection (c) essentially provides that unless there is a *separate statute* which authorizes the City Council to compensate its members for serving on another board, such as WRCRWA and BCGSA, then their compensation is limited to the amount provided in the subsection (A) limits noted above (e.g. \$2,550). That is, without such a statute, the City Council would not have up to an additional \$150 per month to compensate its members (i.e. up to \$2,700).

While the legal issue is not clear and is likely to be clarified by case law or Attorney General opinions overtime, the best advice of the City Attorney's Office is that GC 36516 (C) does not allow for compensation up to \$150 per month for serving on the WRCRWA and BCGSA boards.

GC 36516(A) Authority - Yes

Although GC 36516 (C) may not allow for compensation for serving on the WRCRWA and BCGSA boards, the City Council does have the ability to provide for such compensation under GC 36516(A), given the fact that the City Council has not opted to utilize all of the \$2,550 compensation authorized by state law.

That is, by establishing a base compensation of \$1,900 for Council Members, you have an additional \$650 to authorize for serving on certain JPA's or other legislative bodies, if you wish.

Optional Ordinance No. 3397

If the City Council wishes to have the ability to pay an additional \$100 per month for members who serve on certain JPA's or other legislative bodies, you can implement this new compensation by voting in favor of the Optional Ordinance No. 3397, which is also attached to this report. This Optional Ordinance No 3397 does not identify exactly which JPAs or other legislative bodies would qualify for this additional \$100 per month in compensation but instead leaves that determination to be made by Resolution of the City Council in the future, if and when desired.

FINANCIAL IMPACT:

Approval of the recommended action to amend Section 2.08.120 of the Corona Municipal Code to establish compensation for members of the City Council will result in an annual increase of \$75,975 in the General Fund 110. For Fiscal Year 2025 (January - June), the budget increase of \$37,898 will be incorporated through the FY 2025 budget adoption process. . If the optional ordinance is approved, the annual estimated costs will be included in the future agenda report when the resolution that identifies the JPAs or other legislative bodies is presented for consideration.

ENVIRONMENTAL ANALYSIS:

This action is exempt under Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may substantially affect the environment, the activity is not subject to CEQA. This action seeks direction from the Council regarding compensation and thus has no potential for causing a significant effect on the environment.

PREPARED BY: PATRICK MANN, CITY MANAGEMENT FELLOW

REVIEWED BY: DEAN DERLETH, CITY ATTORNEY

REVIEWED BY: BRETT CHANNING, ASSISTANT CITY MANAGER

Attachments:

1. Exhibit 1 - Primary Ordinance No. 3397
2. Exhibit 2 - Primary Ordinance No. 3397 (Redline)

3. Exhibit 3 - Optional Ordinance No. 3397
4. Exhibit 4 - Optional Ordinance No. 3397 (Redline)