



CITY COUNCIL AGENDA REPORT

MEETING DATE: April 21, 2009

ITEM NUMBER: VIII-2(a)

SUBJECT: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA REGARDING THE TIMING OF ADJUSTMENTS TO CITY COUNCIL COMPENSATION

DATE: MARCH 13, 2009

FROM: ALLAN R. MANSOOR, MAYOR

PRESENTATION BY: ALLAN L. ROEDER, CITY MANAGER

FOR FURTHER INFORMATION CONTACT: STEVE MANDOKI, ADMINISTRATIVE SERVICES DIRECTOR AT (714) 754-5069

RECOMMENDATION:

That the City Council consider a proposed Ordinance adjusting the City Council Compensation by a reduction amount to be determined by the City Council and to give the introduction and first reading of the Ordinance.

BACKGROUND:

Staff was requested by Mayor Allan Mansoor to prepare the necessary documents for City Council consideration of an adjustment to its compensation. An ordinance adjusting City Council compensation is attached for the first reading. If approved at this meeting, the second reading and adoption would be scheduled for the City Council meeting of April 21, 2009.

The City Council last reduced its salary in 1992 due to the impacts of the State budget on local government and economic conditions at the time. A copy of the minutes from the June 15, 1992 deliberations on this matter is attached. Also attached is a copy of Ordinance 92-27 implementing the City Council's action at the time.

ANALYSIS:

Proposed Ordinance 09-xx would allow for a decrease in the salaries of the City Council that would not go into effect until the new Council terms begin after the next general election in 2010. The current monthly salary is \$952.00 per month. The Fiscal Review section of this report addresses a range of percentage adjustments the City Council may consider along with the corresponding dollar value.

As noted above, the City Council may not institute an "immediately effective" salary reduction by law. Compensation adjustments - whether increases or decreases – can only be made effective following the next general election. Whether or not the City Council chooses to take action to reduce its salary, there may be an interest in seeking action at

the State level to change the current Government Code language to allow for salary reductions to be made effective upon adoption.

ALTERNATIVES CONSIDERED:

The alternative would be to not give the first reading to Ordinance 09-xx Adjusting Salaries of the City Council Members.

FISCAL REVIEW:

The adjustment could be at any percentage that the City Council would agree upon. Various percentage amounts are as follows:

1% = a reduction of \$9.07 per month to \$942.48

5% = a reduction of \$47.60 per to month to \$904.40

7.5% - a reduction of \$71.40 per month to \$880.60

10% = a reduction of \$95.20 per month to \$856.80

If approved, the City Council salaries would go into effect when the new Council terms begin after the next general election in 2010.

LEGAL REVIEW:

The City Attorney's Office has reviewed the attached documents and, where appropriate, approved them as to form.

CONCLUSION:

If given the first reading, the proposed ordinance 09-xx decreasing salaries of the City Council that would go into effect when the new Council terms begin after the next general election in 2010. The actual adjustment would depend upon the amount agreed upon by the City Council.

Allan L. Roeder
City Manager

Steve Mandoki
Administrative Services Director

DISTRIBUTION: City Manager
City Attorney
Department Directors
Deputy City Clerk

ATTACHMENTS: 1 [Ordinance No. 09-](#)
2 [Ordinance No. 92-27](#)
3 [Excerpt from 6/15/92 and 12/21/92
Council Minutes](#)

