



City of Culver City

Mike Balkman
Council Chambers
9770 Culver Blvd.
Culver City, CA 90232
(310) 253-5851

Staff Report

File #: 25-282, Version: 1

Item #: A-1.

CC - ACTION ITEM: (1) Introduction of an Ordinance Amending Culver City Municipal Code Section 3.01.005 to Increase the Salary of City Council Members from \$485.10 Per Month to \$1,261.26 Per Month; and (2) FOUR-FIFTHS VOTE REQUIREMENT - Approval of a Related Budget Amendment Appropriating \$27,162 from the General Fund Unassigned Balance.

Meeting Date: September 23, 2024

Contact Person/Dept: Lisa Soghor/Finance
Heather Baker/City Attorney

Phone Number: 310-253-5865
310-253-5660

Fiscal Impact: Yes No

General Fund: Yes No

Attachments: Yes No

Public Notification: (E-Mail) Meetings and Agendas - City Council (09/17/2024)

Department Approval: Lisa Soghor (09/16/2024); Heather Baker (09/16/2024)

RECOMMENDATION

Staff recommends the City Council (1) introduce an ordinance amending Culver City Municipal Code (CCMC) Section 3.01.005 to increase the salary of each city council member from \$485.10 per month to \$1,261.26 per month (Attachment 1); and approve a related budget amendment appropriating \$27,162 from the General Fund Unassigned Balance (**budget amendment requires a four-fifth vote**).

BACKGROUND/DISCUSSION

At its September 9, 2024 meeting, the City Council discussed the current amount of council member compensation and directed staff to return with an ordinance increasing the salary of city council members from \$485.10 per month to \$1,261.26 per month.

Current Council Member Compensation

Section 603 of the Culver City Charter states, in pertinent part that, "Council Members shall receive

compensation for their services in accordance with the provisions of State law.”

State law, Government Code Section 36516, authorizes a city council to adopt an ordinance establishing a salary based on a city’s population. In 2023, the state law related to City Council compensation was amended with the passage of SB 329 ([≤ https://legiscan.com/CA/text/SB329/id/2832037 ≥](https://legiscan.com/CA/text/SB329/id/2832037)), which increased compensation thresholds, provided a methodology for future increases, and listed limited guidelines for determining salaries. Based on SB 329, for cities over 35,000 up to and including 50,000 in population, such as Culver City, the salary may be initially established up to and including \$1,275 per month.

The current council member compensation was effectuated by Ordinance No. 91-021, adopted on September 10, 1991, which amended Culver City Municipal Code (CCMC) Section 3.01.005 to establish the salary for each council member at \$485.10 per month effective May 1, 1992. No further salary increases have been adopted to date.

Proposed Salary Increase

The proposed salary increase is authorized pursuant to Government Code Section 36516(a)(4), which allows an increase of 5% for each calendar year from the operative date of the last adjustment. No ordinance may include automatic future increases.

The calculation of the 5% increase for each calendar year from the operative date of the last adjustment may not be compounded, according to a 2006 Attorney General Opinion: [≤ https://oag.ca.gov/system/files/opinions/pdfs/06-504.pdf ≥](https://oag.ca.gov/system/files/opinions/pdfs/06-504.pdf)

The increase must be based on what the actual salary is, not on what it could have been had increases been adopted each year. In other words, the City may not apply the 5% to the currently received salary amount for the first year, and then apply it to the newly calculated amount for the second year, and so on. Therefore, the calculation for the permissible increase in this scenario is based on following:

$$\begin{aligned} \$485.10 \times 5\% &= \$24.255 \\ \$24.255 \times 32 \text{ calendar years} &= \$776.16 \text{ (permissible increase)} \end{aligned}$$

Based on the foregoing, the proposed Ordinance amends the CCMC to increase a council member’s salary from \$485.10 per month to \$1,261.26 per month.

Under state law any salary increase may take effect only when at least one member of the council commences a new term, which would be December 9, 2024. In addition, a salary increase begins at the start of a pay period. Therefore, if adopted, the salary increase will become effective on December 16, 2024.

Other Cities’ Council Compensation

The following is a sampling of salaries paid to surrounding cities’ council members. Culver City’s council members have the lowest salaries among the sample cities.

City	Population	Type	Service	Mayor Salary/Mo.	Council Salary/Mo.
Culver City	40,213	Charter	Full-Service	Same as Council Member	\$ 485.10
West Hollywood	35,075	General Law	Contract	Same as Council Member	\$ 1,568.00
Beverly Hills	31,806	General Law	Full-Service	Same as Council Member	\$ 785.81
Santa Monica	92,912	Charter	Full-Service	\$ 1,789.00	\$ 1,492.00
Inglewood	106,065	Charter	Full-Service	\$ 9,275.25	\$ 5,055.01
Manhattan Beach	34,195	General Law	Full-Service	Same as Council Member	\$ 500.00

Applicable Conflict of Interest Regulations

Pursuant to Government Code Section 87100, a public official may not make, participate in making, or in any way attempt to use their official position to influence a governmental decision in which they know or have reason to know they have a financial interest. An official has a “financial interest” within the meaning of Section 87100 if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on the official or on other specified sources of economic interest, such as sources of income or their personal finances or those of their immediate family. (Government Code Section 87103.) “Salary. . . received from a state, local, or federal government agency” are excluded from “sources of income.” (Government Code Section 92030(b)(2).) Similarly, a “salary...the public official...receives from a federal, state, or local government” is excluded as “personal finances” unless “the decision is to... *set a salary for the official...which is different from salaries paid to other employees of the government agency in the same job classification or position...*” (Cal. Code Regs., tit. 2, § 18705.5(b); emphasis added.)

All Council Members would benefit equally from the proposed increase. As such, all Council Members may participate in this agenda item.

FISCAL ANALYSIS

If the proposed Ordinance is introduced and adopted, it will increase the council member salary budget from \$29,106 to \$75,675 per fiscal year. The Adopted Budget for Fiscal Year 2024-2025 does not include funding for the proposed salary increase. To pay for the salary increase in Fiscal Year 2024-2025, a budget amendment appropriating \$27,162 from the General Fund Unassigned Balance is necessary. If the Ordinance is adopted, the new salaries will be incorporated into future budgets.

ATTACHMENTS

1. 2024-09-23_Proposed Ordinance Amending CCMC Section 3.01.005

MOTIONS

That the City Council:

1. Introduce an ordinance amending Culver City Municipal Code Section 3.01.005 to increase the salary of each city council member from \$485.10 per month to \$1,261.26 per

month; and

2. Approve a related budget amendment appropriating \$27,162 from the General Fund Unassigned Balance (**budget amendment requires a four-fifth vote**).