



# AGENDA REPORT

Meeting Date

10/6/2008

**Prepared By:** William P. Curley, III, City Attorney *WPC/III*

**Reviewed By:** Josey Julian, Treasury Manager *JJ*

**Submitted By:** Dennis Wilberg, City Manager *DW*

**Agenda Title**

Consideration of Introduction of Ordinance, City Council Salary Amendment Pursuant to Statute

**Recommended Action**

Receive report and introduce Ordinance 08-XXX, Amending Section 2.04.050 of the Mission Viejo Municipal Code.

**Executive Summary**

The City Council of the City of Mission Viejo had its monthly compensation set, by ordinance, at the time of adoption of its Municipal Code in or about 1988. At that time, the City Council determined that the one hundred percent (100%) allowable amount of compensation was appropriate for the commitment of time and resources required to effectively provide the services to the community that are required for first-class governance. The amount of the compensation is not intended to serve as a salary for a full time legislator but instead is an amount that recognizes the deferred opportunities and expenses that are incurred in the performance of a councilmember's duties.

The City of Mission Viejo has not pursued the allowable annual increases of five percent (5%) that are authorized by the State law that regulates City Council compensation. However, the law anticipates that Councilmembers may not put themselves first and so allows an aggregate act that serves to update the City Council compensation to the sum it would be if the annual increases had occurred.

Simple math tells us that five percent (5%) of \$500.00 is \$25.00. That \$25.00 annual increase, when deferred for 20 years, achieves a total of \$500.00. Accordingly, the City Council compensation is, at present, \$500.00 per month below the defined statutory amount. To achieve equity and to recognize that other jurisdictions have, in varying forms and amount, also exercised the compensation due under the law, this City Council may properly introduce and subsequently pass, the ordinance that is attached.

This ordinance simply updates the Municipal Code to reflect the sum that is defined in statute for City Council compensation.

Attachment 1 is a chart that describes the compensation accorded to other Orange County cities. It demonstrates that most cities update their Council compensation from time to time and rates a range of compensation from \$1,500.00 per month on down. Mission Viejo's amended compensation amount is within the high and low ranges adopted by the various cities.

Attached for your consideration is Attachment 2, the draft ordinance entitled "An Ordinance of the City Council of the City of Mission Viejo, California Amending Section 2.04.050 of the Mission Viejo Municipal Code." This office will be present should you have any questions about this ordinance.

**Fiscal Impact:**

**Amount Requested \$17,500**

**Sufficient Budgeted Funds Available?: No (If no, see attached fiscal analysis)**

<b>Prog/Fund #</b>	<b>Category:</b>	<b>Pers.</b>	<b>Optg.</b>	<b>Cap.</b>	<b>-or- CIP#</b>	<b>Fund#</b>
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Budget to be increased as part of FY 08-09 Budget Amendment Report on 10/20/08

**Previous Relevant Council Actions for This Item**

**Attachments**

Compensation Chart of other Orange County Cities

Draft Ordinance



**CITY OF MISSION VIEJO**  
OFFICE OF THE CITY ATTORNEY  
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**MEMORANDUM**

**TO:** William P. Curley III, City Attorney  
**FROM:** Susan E. Rusnak, Assistant City Attorney  
**CC:** Irwin Bornstein, Assistant City Manager  
**DATE:** September 27, 2008  
**SUBJECT:** Survey of Compensation for City Council Members Representing Cities Throughout Orange County

**SURVEY OF COMPENSATION FOR CITY COUNCIL MEMBERS  
REPRESENTING CITIES THROUGHOUT ORANGE COUNTY**

<b>CITY</b>	<b>DATE ORDINANCE PASSED/AMENDED</b>	<b>SALARY PAID</b>	<b>EXPENSES PAID</b>	<b>OTHER BENEFITS</b>
Anaheim	1991	\$1,500/month	Yes	\$300 car allowance per pay period (twice monthly)
Buena Park	1999; Amended 2002, 2004, 2006	\$1,087/month	Yes	N/A
Costa Mesa	1973; Amended 1975, 1982, 1984, 1986, 1990, 1992, 2002, 2003, 2004	\$952/month	N/A	N/A
Cypress	1985; Amended 1988, 1989, 1991, 1996, 1998, 2000, 2002, 2004, 2006	\$832/month	Yes	N/A
Dana Point	1990; Amended 1999, 2002	\$718/month	Yes	1. Auto Allowance \$275/month 2. Health & Welfare Benefit Option 3. Health/Life Insurance Self Pay
FountainValley	1997	\$500/month	N/A	N/A

ATTACHMENT "1"

CITY OF MISSION VIEJO  
 William P. Curley III, City Attorney

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CITY	DATE ORDINANCE PASSED/AMENDED	SALARY PAID	EXPENSES PAID	OTHER BENEFITS
Fullerton	1944; Amended 1958, 1966, 1972, 1975, 1977, 1980, 1990, 2006	\$750/month	N/A	N/A
Huntington Beach	1967; Amended 1976, 1982, 1989	None	1. \$698/month Council 2. \$936/month Mayor Both described as expense allowances, not salaries. These are paid in addition to actual and necessary expenses, so as a practical matter they are probably salaries.	Each City Council member receives all fringe benefits granted to City department heads.
Irvine	1976; Amended 1988, 1998, 2005	\$800/month	N/A	N/A
La Habra	1982; Amended 1983, 1990, 1999	\$500/month	Yes	N/A
La Palma	1979; Amended 1986	\$300/month	Yes	N/A
Laguna Hills	1998; Amended 2001, 2005	\$623.66/month	Yes	N/A
Laguna Niguel	1989	\$400/month	Yes	N/A
Laguna Woods	1999	\$300/month	Yes	N/A

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<b>CITY</b>	<b>DATE ORDINANCE PASSED/AMENDED</b>	<b>SALARY PAID</b>	<b>EXPENSES PAID</b>	<b>OTHER BENEFITS</b>
Newport Beach	1958; Amended 1966, 1974, 1980	None	\$441.15/month plus actual and necessary expenses	N/A
Orange	1984; Amended 1988	1. \$690/month for Council 2. \$120/month for RDA	Yes	N/A
Rancho Santa Margarita	2000	\$463.50/month	Yes	N/A
San Clemente	1995; Amended 1999	\$400/month	N/A	N/A
Santa Ana	1988	\$125/month	Yes	N/A
San Juan Capistrano	1985; Amended 1986	\$300/month + compensation for service on board or commission	Yes	N/A
Stanton	1980; Amended 1988, 1998, 2003, 2006	\$850/month	N/A	N/A
Tustin	1979; Amended 1982, 1984, 1985, 1988, 1991, 2000, 2007	\$947.90/month	Yes	N/A
Yorba Linda	1991, Amended 1992	\$500/month	Yes	N/A