

Agenda Report

June 16, 2025

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: CITY MANAGER
CITY CLERK

SUBJECT: APPROVAL OF APPOINTMENTS TO THE COMMITTEE ON CITY COUNCILMEMBER COMPENSATION, AND CONVENING THE COMMITTEE TO STUDY COUNCIL COMPENSATION PURSUANT TO THE PROVISIONS AND REQUIREMENTS SET FORTH IN CITY CHARTER SECTION 405

RECOMMENDATION:

It is recommended that the City Council:

- (1) Find that the proposed action is exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15061(b)(3), the Common-Sense Exemption, which states that CEQA only applies to projects that may have an effect on the environment; and
- (2) Approve the following appointments to the Committee on City Councilmember Compensation in accordance with City Charter Section 405:

Rita Moreno – Mayoral Nomination
Lena Louise Kennedy – District 1 Nomination
Steve Olivas – District 2 Nomination
Renee Morgan Hampton – District 3 Nomination
Donald Nanney – District 4 Nomination
Vanessa Rodriguez – District 5 Nomination
Ken Chawkins – District 6 Nomination
Elizabeth Wilson – District 7 Nomination

- (3) Review the topics suggested for the Committee's compensation review, and provide feedback and direction.

BACKGROUND:

On May 19, 2025, the City Council approved a recommendation for City staff to initiate the process to convene a Committee on City Councilmember Compensation, as detailed in City Charter Section 405. This action was in response to a recent City Charter amendment, which added the following Charter requirement:

Article IV, Section 405 – COMPENSATION “The Committee [on City Councilmember Compensation] shall be convened not less than once every five years.”

TOPICS FOR COMPENSATION COMMITTEE REVIEW

Following is a list of topics (sourced from the Legislative Policy Committee and Charter Study Task Force) that the Compensation Committee can consider as part of its review. The City Council may wish to add to this list, or provide further direction/information related to any of the topics listed below that might help to focus the work of the Committee:

- Replacing the term “childcare” with “family care” as an eligible reimbursable expense of office. This broader definition would enhance City support for individuals caring for a spouse or parent (not just children) while serving on the City Council.
- Consider applying annual Consumer Price Index (CPI) increases to benefits that fall outside of City Council monthly stipends or health and welfare benefits.
- Create separate categories for certain eligible expenses (i.e., childcare/family care) that would be separate and apart from the current general expense reimbursement allowance.
- Take a fresh look at overall compensation to address issues related to diversity and ability to serve (goal: broaden the pool of residents able to serve).
- Consider additional benefit categories, such as education reimbursement.
- Consider a “cafeteria plan” approach for eligible expenses.
- Compare eligible benefits and expenses with those provided by other cities.

Recommended changes by a Compensation Committee will be submitted as part of a Final Report before October 1, 2025. Approval by a 2/3 majority of the City Council is required to ratify any recommended changes pursuant to City Charter Section 405 – Compensation (Attachment B). If approved by 2/3 majority of the City Council, an ordinance will be prepared amending the appropriate provisions in Pasadena Municipal Code Sections 2.05.210 (Attachment C) and/or 2.05.220 (Attachment D). A summary listing of compensation and benefits provided to the City Council is detailed in Attachment E.

Compensation Committee Requirements

The City Charter contains specific provisions detailing the Committee's composition, work, and purpose. Following is a summary of those provisions:

- Charge: Study, take public input, and make recommendations regarding compensation paid to City Council, including benefits such as allowances and reimbursements;
- "Each member of the City Council shall nominate one person to the Committee, subject to the approval of the City Council" (One appointment per member of the City Council for a total of eight Committee members);
- "Each member of the Committee shall be an elector of the City."
- Former officers or employees of the City (serving in the last five years), or those with personal or business-related contractual relations with the City, are not eligible to serve on the Committee;
- Deadline for the Committee to complete its work and submit its report to the City Council is October 1, 2025;
- City Council may, by ordinance, adjust their compensation by an amount "not to exceed" the Committee's recommendations, with a 2/3 majority vote of the City Council required to approve said ordinance;
- No more than one ordinance amending the compensation of City Council members may be adopted in any two calendar year period; and
- Any compensation exceeding the Committee's recommendation added by the City Council would require voter approval.

The work of the Compensation Committee will be supported by the Offices of the City Manager, City Attorney, and City Clerk, with input from the Human Resources Department as necessary. Meetings will be held at City Hall, which will allow members of the public to participate in person and via Zoom technology.

Following is a rough timeline for the Compensation Committee to complete a review of the City Council's current compensation:

City Council to appoint and convene Committee, as well as acknowledge topic list/charge/scope of review	June 16, 2025
Chair of Committee to provide an update and report back to City Council	August 18, 2025
Committee to complete work and submit Final Report and recommendations to the City Council	September 29, 2025

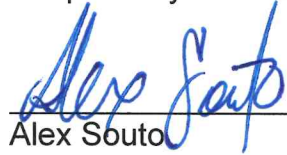
The Compensation Committee's draft work plan is included as Attachment A. The Committee will be scheduled to convene at a yet to be determined date in June and complete its work over the course of up to six bi-weekly meetings that will occur between June and September, with a status update scheduled to be presented to the

City Council in August. The Committee will be presented with data related to monthly stipends for the Mayor and Councilmembers and fringe benefits available to Council members in Pasadena and comparator agencies, including retirement and deferred compensation benefits, health and welfare benefits, and allotments and reimbursements. The Committee will be tasked with recommending to the City Council compensation and/or allowance or reimbursement enhancements or changes consistent with Council direction and the Committee's charge as defined in the City Charter by no later than October 1. The Committee is tentatively scheduled to present its final report to the City Council on September 29.

FISCAL IMPACT:

Staff is proposing that the work of the Compensation Committee be handled in-house by City staff members from the City Manager, City Attorney, and City Clerk's Offices. Costs to support the work would be limited to overtime and other administrative expenses, which can be shared and supported by each of the three Charter offices. It is believed that the total amount to support the Compensation Committee's review will be less than \$15,000. Sufficient funds exist in each department's budget to absorb these expenses.

Respectfully submitted,



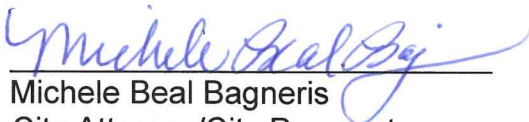
Alex Souto
Deputy City Manager

Respectfully submitted,



Mark Jonsky
City Clerk

Concurrence:



Michele Beal Bagneris
City Attorney/City Prosecutor



Miguel Márquez
City Manager

ATTACHMENTS:

- Attachment A – Compensation Committee Draft Work Plan
- Attachment B – City Charter Article IV, Section 405. - COMPENSATION
- Attachment C – Pasadena Municipal Code Section 2.05.210
- Attachment D – Pasadena Municipal Code Section 2.05.220
- Attachment E – Summary list of compensation and benefits provided to the City Council