

Right now, you can see, sit over here with a lot of abuse and you don't get nothing. You don't get medical. You don't get . . .

---Tony Wu, Councilmember & Former Mayor

City Council Meeting, September 19, 2023

Agenda Item 6. Council Compensation and Benefits

DECISIONMAKING

City Council's Outrageous 165% "Salary" Increase: A Slight of Hand

In the American system of government, constituents have legal opportunities to submit comments to their elected representatives. Elected officials are expected to consider constituent views when making decisions. Public sector agencies meet legal requirements and constituent expectations by following specific operational rules and regulations. For example, policy is typically developed or updated before process/procedures are approved and subsequently implemented.

At the November 7, 2023 residents expressed concern the Council was giving themselves a huge "salary" increase as part of the consent calendar.¹ ***Residents were wrong.*** The Council actually approved their compensation increases on September 19 during the latter portion of that meeting. The Council approved their benefit policy at the November 7th meeting. Both decisions were made using personal opinions, faulty data and without a serious financial analysis on the long-term financial impact. A review of the process underway indicates City Council actions were not finalized because the required ordinance and resolution needed to be done.² This paper is the first of several that will take a look at city council compensation/benefits.

CITY COUNCIL COMPENSATION APPROVAL ACTIONS

1. **Council Request:** At the December 6, 2022 City Council meeting, outgoing Mayor and former Councilmember Dario Castellanos requested staff prepare a report on the feasibility increasing the City Council's pay (stipend) and benefits. The former councilmember's request was acted upon this year.

2. **September 19, 2023. Agenda Item 6. Council Compensation and Benefits**
(Department Regular Matter)

Action Taken: Unanimously approved increasing Council Compensation and Allowances to the maximum.

This is action increased council "salary" and added additional benefits to what council currently receives. Cost estimates were under estimated and ambiguous.

3. **November 7, 2023. Agenda Item 5. November 7, 2023 Changes to City Council's Allowance and Council Expense & Reimbursement Policy**
(Consent Calendar Item)

Action Taken: Unanimously approved changes to policy. (Mayor Pro Tem Tabatabai was absent).

This policy action step retroactively approved the salary increase and additional benefits the Council approved at the September 19, 2023 council meeting. In effect, policy was approved after the action was taken.

4. **Upcoming Agenda Item: December 2023** The November 7th Agenda Staff Report states, "Changes to compensation will come before City Council in December."

Council compensation was brought back at the December 5th and December 19th City Council meetings. The Council unanimously approved giving themselves an outrageous compensation and benefit package increase.

Our Concern

The City Council is following an opaque and ambiguous process with this issue. The Council is apparently updating the city ordinance related to council compensation and resolutions on city council benefits as two separate actions. Residents assumed it was one process. Ambiguous processes are a concern because they are typically intended to give constituents perfunctory input while meeting the letter of the law.

During the September 19th council meeting discussion, councilmembers gave numerous reasons for increasing council compensation that ranged from it had been 30 years since their "salary" was increased; previous councils reduced and/or eliminated benefits; a desire to help young people run for office who do not have the money and/or time wealthy residents and retirees have; a desire to encourage the underemployed and renters run for office; a desire to network with colleagues in other cities, a desire to lobby Sacramento and Washington, DC., a desire to attend conferences, to travel, to support future councils, etc.

None of the "salary" and benefit options presented include a financial analysis that evaluates "both the short-term and long-term financial implications of significant spending decisions" as recommended by the State Auditor and residents expect. Critical estimates such as annual council compensation and cost of various benefits are misleading, grossly under estimated, non-existent, and/or show a one-year expenditure estimate of the impact to the general fund.

At the November 7th meeting, residents expressed concern over compensation increases, the under estimating, and that the item was on the consent calendar. ***No councilmember responded to resident concerns.***

Changes We Would Like to See

We would like to see a return to the good governance practices of determining policy first followed by deciding what the process and details will be. Equally important, appropriate conventional fiscal analysis on the city's ability to sustain a given course of action must be followed as recommended by the State Auditor. We would also like to see resident input and viewpoints taken seriously as the previous city council had done.

Additional Information

City of West Covina. (September 19, 2023) City Council Meeting. Agenda Item 6. Consideration of Council and Commissioner Compensation and Benefits. YouTube. Approximate Timestamp: 2:13:53
<https://youtu.be/an1qjIEdNws?si=LTHyzGgWX9xOG3pP&t=8033>

City of West Covina. (September 19, 2023) City Council Meeting. Draft Meeting Minutes.

City of West Covina. (September 19, 2023) City Council Meeting. Staff Report. Agenda Item 6. Consideration of Council and Commissioner Compensation and Benefits.

City of West Covina. (November 7, 2023) City Council Meeting. Staff Report. Agenda Item 5. Consideration of Changes to City Council's Allowance and Council Expense & Reimbursement Policy.

Notes

¹ The City of West Covina Regular Council Meeting Agendas state, "All matters listed under CONSENT CALENDAR are considered to be routine and can be acted on by one roll call vote. There will be no separate discussion of these items unless members of the City Council/Community Development Commission request specific items to be removed from the Consent Calendar for separate discussion or action."

² Councilmembers used the terms "salary", "stipend" and "benefits" interchangeably. There are differences.