



## CITY COUNCIL STAFF REPORT

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**TO:** Honorable Mayor and City Council                      **DATE:** September 18, 2017

**FROM:** Matthew Bronson, City Manager

**PREPARED BY:** Matthew Bronson, City Manager

**SUBJECT:** Council Compensation Review and Direction

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### **RECOMMENDATION**

Receive report on amending Council compensation and provide direction to staff on providing medical insurance and technology devices for Council Members.

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### **BACKGROUND**

The Council raised the topic of compensation and technology equipment provided to Council Members during consideration of the proposed 2017-18 budget and provided direction for staff to place this topic on a future Council agenda. This topic was brought to the Council on August 21, 2017 where the Council reviewed compensation (stipends) and equipment provided in other cities within the county in comparison to what is provided to members of the Council in Grover Beach. At the conclusion of that discussion, the Council provided direction for staff to proceed with preparing a draft Ordinance to amend stipends for elected officials to a level similar to that of Atascadero (i.e., \$600 for Council Members and \$750 for the directly-elected Mayor). Staff is intending to bring such an Ordinance to the Council for a first reading on October 16, 2017 pending any further changes by Council to the stipend levels. Although the Ordinance would become effective 30 days after second reading, the Council affirmed their preference for the change in Council compensation levels to become effective in December 2018, after the next General Municipal Election.

Additionally at the City Council meeting on August 21, the Council received information regarding two other items specific to elected officials: insurance benefits and technology needs. Staff is seeking Council's direction on whether to proceed with one or both items which can be implemented at any time without an Ordinance.

### **City Council Insurance Benefits**

A survey of Council benefits within San Luis Obispo County indicated that Grover Beach is the only city in the county that does not provide insurance benefits to Council Members while they are in office. Each of the other cities surveyed varied as to whether the agency contributed a specific amount towards the cost of insurance or paid the full amount. In response to Council direction, staff analyzed the costs to provide medical insurance to elected officials in the table on the following page:

<b>Elected Officials – Monthly Medical Rates</b>					
<b>Benefit Plan</b>	<b>Employee Only</b>	<b>Employee + Child</b>	<b>Employee + Children</b>	<b>Employee + Spouse</b>	<b>Employee + Family</b>
Medical	654.74	1309.48	1702.32	1309.48	1702.32
Vision	7.90	13.70	13.70	14.90	19.40
Dental	44.62	84.05	136.18	84.05	136.18
<b>TOTAL</b>	<b>\$707.26</b>	<b>\$1407.23</b>	<b>\$1852.20</b>	<b>\$1408.43</b>	<b>\$1857.90</b>
City Contribution/ Employee	Currently varies by labor group				
City Contribution/ Dependent(s)	Currently varies by labor group				

The total annual cost of these benefits is \$42,435.60 to \$111,474 if all five members of the Council accepted these benefits. This upper range includes full family coverage, which the other cities within the county provide to their Council Members. Any member of the Council who currently receives insurance benefits elsewhere could elect not to receive such benefits which would lower the City's annual cost. Staff is seeking Council's direction on whether to offer such benefits to Council Members, whether to include dependent coverage, and what the City's contribution would be for the "employee only" and "employee plus dependents". Currently the City does not offer full dependent coverage to its employees and the City's contribution towards medical costs varies by employee labor group.

Staff has contacted CalPERS, the City's medical benefit provider, to determine whether medical benefits for elected officials could be implemented during this year's open enrollment process currently underway and begin on January 1, 2018.

### **City Council Technology Needs**

Staff surveyed other cities to identify technology equipment (not including cell phones) provided to Council Members and found that other cities either provide such equipment and/or provide an expense allowance or stipend for technology needs as indicated in the table below:

<b>Elected Officials – Technology Needs*</b>				
<b>Agency</b>	<b>Laptop</b>	<b>Mobile Device</b>	<b>Data Plan</b>	<b>Comments</b>
Atascadero	N/A	iPads w/ Goodreader	None provided	2 use iPads (but not for Council agenda packets or at Council mtgs); others use their own mobile device or were not interested in having a City-issued mobile device.
Arroyo Grande	N/A	iPads w/ GoodReader	None provided	All use devices for agenda packets and City email (no printed packets distributed)
Grover Beach	Not provided	Not provided	N/A	4 receive printed agenda packets 1 accesses the agenda packet posted online
Morro Bay	(user choice, none issued currently) w/ Microsoft Office	(user choice) MacBook or Surface Pro 4 w/ Microsoft Office	None provided	None use mobile device for agenda packets (printed packets distributed)

Paso Robles	City laptop, upon request or as needed (None issued to date)	iPads	None provided, but reimburse "reasonable" expenses (typically at 75% of total expense for ink, Internet, etc)	None use iPads for Council meetings or receiving electronic agenda packets (printed copies provided in binders)
Pismo Beach	N/A	iPads w/ installed web browser and Adobe Reader	None provided Internet/DSL Allowance = \$40.00/month	3 use iPads at Council meetings 2 receive printed copies of agenda packet
San Luis Obispo	Choice of basic Windows laptop or a mobile device	Dell / Windows w/ Office 365, MS Office, One Note, and access to the City network	None provided	4 use mobile devices at Council meetings and access electronic agenda packet, 1 receives a printed agenda packet

\* Not including cell phones

**Definitions:**

GoodReader = application for downloading, viewing, and annotating documents in PDF format

Office 365 = a subscription based application enabled over the Internet (cloud service)

MS Office/Microsoft Office = a suite of program applications compatible with other programs included in one package

One Note = application for handwritten or typed notes

Council has expressed initial interest in receiving technology equipment to support the Council in constituent outreach, policy research, and other uses. Such technology would also enable the Council to view Council meeting materials electronically to make the agenda process more efficient. Staff is requesting additional Council input on receiving a City-issued technology device this fiscal year and what device would best meet the Council's needs. Staff would suggest a tablet device such as an iPad or Android device would be a particularly good fit given a tablet's size, ease of use, and cost. Depending upon the device, the total cost for five mobile devices without a data plan would be approximately \$2,000 - \$5,250, including shipping (i.e., approximately \$350 - \$1,000 per device). Data plans for connectivity without a Wi-Fi network would add approximately \$3,200 annually in total costs. Pending Council input, staff would purchase the mobile devices this fall and work with Council Members on training and setup.

**FISCAL IMPACT**

The annual fiscal impact for providing medical benefits would be \$42,435.60 to \$111,474, depending upon the coverage provided and whether dependent coverage is included. The initial fiscal impact for providing technology devices, without a data plan, would be approximately \$2,000 to \$5,250, depending upon the device provided. Data plans would add approximately \$3,200 annually in total costs.

**ALTERNATIVES**

The City Council has the following alternatives to consider:

1. Receive report on amending Council compensation and provide direction to staff on providing medical insurance and technology devices for Council Members; or
2. Provide alternate direction to staff.

**PUBLIC NOTIFICATION**

The agenda was posted in accordance with the Brown Act.

**ATTACHMENTS**

None