

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

**SUBJECT: Executive Summary to Item 12A Final Report from the
Council Compensation and Charter Study Committee**

RECOMMENDATION

The City Manager recommends that City Council accept and file the Final Report from the Council Compensation and Charter Study Committee covering the period of February 15, 2007 to May 10, 2007.

Funding

N/A

BACKGROUND/ ANALYSIS

On January 23, 2007, Your Honorable Body established the Council Compensation and Charter Study Committee (Committee). The Committee was charged with studying and making recommendations on the following topics:

- Current City Charter provisions for compensation;
- Historical patterns and laws related to City Council compensation;
- Similar size cities and their level of Council compensation;
- Determining levels of compensation;
- Obsolete language as recommended by the City Attorney;
- Changing the City Clerk position from elected to appointed;
- Changing the City Treasurer position from elected to appointed;
- Extending term limits for the City Council; and
- Moving the date of the City election.

Since the creation of the Council Compensation and Charter Study Committee, the Committee members met every other Thursday from February 15, 2007 to May 10, 2007.

Members prioritized the discussion of topics and voted in the order below:

- Change the current City Charter provisions for compensation ----- 1 Yes, 7 No
- Change the City Clerk position from elected to appointed ----- 0 Yes, 8 No
- Changing the City Treasurer position from elected to appointed ----- 0 Yes, 8 No
- Extend the term limits for the City Council ----- 2 Yes, 6 No
- Move the date of the City election ----- 1 Yes, 9 No

The table below provides a summary of each meeting with Committee action:

February 15, 2007

- Introductions of Committee members and staff
- Selection of Chair & Vice-Chair
- Prioritization of issues
- Request for City Clerk and City Treasurer to present their positions at a future meeting

March 1, 2007

Issue #1: *City Council provisions for compensation.*

- Members requested compensation and benefit information from all South Bay Cities, as well as comparable size charter cities in the Southern California Association of Government (SCAG) region.

March 15, 2007

Issue #1: *City Council provisions for compensation.*

- Committee members had an opportunity to discuss the findings of the surveys and share their individual positions.
- Members considered establishing a Consumer Price Index (CPI) provision to provide annual increases in compensation tied to the CPI through an ordinance.

March 29, 2007

Issue #2: *Changing the City Clerk position from elected to appointed*

Issue #3: *Changing the City Treasurer position from elected to appointed*

Committee met with Sue Herbers, City Clerk, and Linda Barnett, City Treasurer, to discuss the issue of elected versus appointed City Clerk and City Treasurer.

- City Clerk Herbers favored altering the City Clerk position from elected to appointed.
- City Treasurer Barnett expressed her satisfaction with the current system of electing a City Treasurer.

Members requested a position paper from Tatia Strader, Deputy City Attorney, regarding the placement of qualification requirements for the positions of City Clerk and City Treasurer.

April 12, 2007

Issue #1: *City Council provisions for compensation.*

Issue #2: *Changing the City Clerk position from elected to appointed*

Issue #3: *Changing the City Treasurer position from elected to appointed*

Issue #4: *Extending term limits for the City Council*

At the conclusion of the discussion, a motion was made to add a CPI index to City Council compensation. ***The motion failed*** (1-7). The majority of the members voted to maintain the status quo provision of the Charter.

At the conclusion of the meeting, separate votes were taken related to the City Clerk and City Treasurer positions. **Members voted unanimously** (8-0) to maintain both positions as elected.

Additional discussion followed regarding Term Limits.

April 26, 2007

Issue #4: *Extending term limits for the City Council*

Issue #5: *Moving the date of the City election*

Issue #6: *Obsolete language as recommended by the City Attorney*

A motion was made to maintain the current term limits for City Councilmembers. **The motion passed** (6-2) in favor of the status quo.

The next topic of discussion was the issue of moving the date of the City election from June to November. After the discussion, a motion was made to maintain the status quo election date. **The final vote was unanimous** (8-0).

The City Attorneys Office did not have any recommended changes to the language in the Charter.

At the conclusion of the meeting, staff was asked to provide the Committee members with the 1992 Blue Ribbon Committee additional topics as well as additional materials related to mail only ballots at its final meeting of May 10, 2007.

May 10, 2007

Additional issue added by the Committee: Mail only ballots for future City elections

The main issue of discussion was the mail only ballot for future elections. A motion was made to recommend that the City Council consider vote by mail for future Municipal and all other Special Elections in accordance with Article 5, Section 500 of the Torrance Municipal Code. A roll call vote was taken and **the motion passed** (9-1)

Respectfully submitted,

LeROY J. JACKSON
CITY MANAGER

By *Aram Chaparyan*
Aram Chaparyan
Assistant to the City Manager

NOTED:


LeRoy J. Jackson
City Manager

Council Meeting of
July 17, 2007

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

**SUBJECT: City Manager – Accept and file the final report from the Council
Compensation and Charter Study Committee.**

RECOMMENDATION

The City Manager recommends that City Council accept and file the final report from the Council Compensation and Charter Study Committee covering the period of February 15, 2007 to May 10, 2007.

FUNDING

N/A

BACKGROUND/ ANALYSIS

Pursuant to the requirements of the enabling Resolution for the subject Committee, the Committee is transmitting their final status report to the City Council.

Committee membership is as follows:

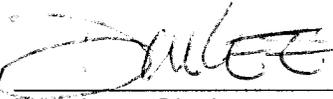
- Don Lee – Chair
- Jack Messerlian – Vice Chair
- John Bailey
- Steven M. Busch
- Karen K. Fitch
- Deborah Fox
- Gerry Rische
- Toni Sargent
- Marla Shwartz
- Reva Skoll

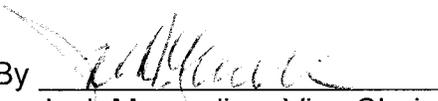
It is recommended that the report be accepted and filed upon completion of a brief presentation from the Committee.

Respectfully submitted,

LeROY J. JACKSON
CITY MANAGER

By 
Aram Chaparyan
Assistant to the City Manager

By 
Don Lee, Chair
Council Compensation and
Charter Study Committee

By 
Jack Messerlian, Vice Chair
Council Compensation and
Charter Study Committee

NOTED:


LeRoy J. Jackson
City Manager

Attachment: Final Report of the Council Compensation and Charter Study Committee

CITY OF TORRANCE
COUNCIL COMPENSATION AND CHARTER STUDY COMMITTEE

FINAL REPORT TO THE CITY COUNCIL
July 17, 2007

The Council Compensation and Charter Study Committee (Committee) was established by City Council Resolution 2007-10 on January 23, 2007. The scope of the Committee was amended by Resolution 2007-17 on February 6, 2007 to include additional areas of study. The final areas of study and recommendation included the following topics:

1. Current City Charter provisions for compensation.
2. Historical patterns and laws related to City Council compensation
3. Similar size cities and their level of Council compensation
4. Determining levels of compensation
5. Obsolete language as recommended by the City Attorney
6. Changing the City Clerk position from elected to appointed
7. Changing the City Treasurer position from elected to appointed
8. Extending term limits for the City Council
9. Moving the date of the City election

Since the creation of the Council Compensation and Charter Study Committee, members met on February 15, 2007, March 1, 2007, March 15, 2007, March 29, 2007, April 12, 2007, April 26, 2007 and May 10, 2007. Committee membership is as follows:

- Don Lee - Chair
- Jack Messerlian - Vice Chair
- John Bailey
- Steven M. Busch
- Karen K. Fitch
- Deborah Fox
- Gerry Rische
- Toni Sargent
- Marla Shwartz
- Reva Skoll

During the first meeting, members of the Committee decided to prioritize the topics of discussion and assigned staff with specific research tasks. The first area of study focused on current City Charter provisions for compensation. Members requested compensation and benefit information from all South Bay Cities, as well as comparable size charter cities in the Southern California Association of Government (SCAG) region. The attached matrix provides a summary of findings (Attachment 1).

On March 15, 2007, the Committee members had an opportunity to discuss the findings of the surveys and share their individual positions. The discussion that followed focused on determining whether the current Charter provision for compensation is

adequate. Most members of the Committee felt that the current compensation provisions should remain unchanged. Members discussed all aspects of Council compensation inclusive of other benefits such as health insurance, vehicle allowance, travel allowance, monthly expense reimbursements, deferred compensation plans and use of city equipment such as cell phone and computers.

Members determined that the motivation for running for office was not linked to compensation and that notwithstanding the current amount of compensation, many residents remain willing to commit their time to serve the public. Members supporting the compensation increase felt the compensation should be increased slightly at most by one hundred dollars to a maximum of two hundred dollars.

Additional discussion focused on other options such as making the compensation provisions of the City Charter the same as that of General Law Cities. Under the California Government Code, the compensation for City Council members for General Law Cities is determined by population. Upon further discussion, other options were also considered such as establishing a Consumer Price Index (CPI) provision to provide annual increases in compensation tied to the CPI through an ordinance. The Committee requested staff to research the legality of adding a CPI index to the Council compensation provision of the Charter.

On March 29, 2007, the Committee had an opportunity to meet with Sue Herbers, City Clerk and Linda Barnett, City Treasurer. Each elected official had an opportunity to present her position on the issue of elected versus appointed City Clerk and City Treasurer (Attachment 2 and 3). City Clerk Herbers shared her experiences and provided the Committee members with a broad overview of the City Clerk's position. According to City Clerk Herbers, the position has evolved over time and is now very professional, technically demanding and requires an individual with a background directly related to the duties of the position. Her position was to alter the City Clerk position from elected to appointed. City Clerk Herbers believes that there are many qualified professionals in the field and that they are currently precluded from obtaining the position by simply not being a resident of the City.

Linda Barnett, City Treasurer also had an opportunity to address the Committee. City Treasurer Barnett expressed her satisfaction with the current system of electing a City Treasurer. She emphasized the need to keep the position elected as a way to maintain a balance between functions. According to City Treasurer Barnett, most cities that have switched the position of City Treasurer from elected to appointed end up consolidating the Treasurer functions as a part of the City's Finance Department. Therefore, the position's effectiveness and impact is reduced. City Treasurer Barnett mentioned the City of Culver City as an example of a City that required certain educational and technical requirements as part of the City Treasurer position.

Upon conclusion of the presentations, Committee members had an opportunity to ask questions. Chairman Lee asked that each Committee member take time to determine their individual position on these issues and be ready to discuss at the next meeting of

April 12, 2007. As a follow up request, members requested a position paper from Tatia Strader, Deputy City Attorney regarding the placement of qualification requirements for the positions of City Clerk and City Treasurer.

During the April 12, 2007 meeting, members had an opportunity to further discuss the CPI index provision and the placement of qualifications for the positions of City Clerk and City Treasurer. Prior to the meeting, Tatia Strader, Deputy City Attorney provided the Committee with a memo related to the CPI issue (Attachment 4) and a memo related to the issue of qualifications (Attachment 5). The Committee also received an excerpt of sample CPI index language from the City of Santa Monica charter (Attachment 6). At the conclusion of the discussion a vote was taken. The majority of the members voted to maintain the status quo provision of the charter.

A common sentiment shared by some members related to the cost of holding an election. Those members did not feel justified to spend in excess of \$100,000 to increase Council compensation by a few hundred dollars. Vice Chair Messerlian, acting as Chair at the April 12th meeting reiterated the objective of the Committee to explore options that are in the best interests of the community and not to be constrained by what it would cost to place Charter amendments on the ballot. Vice Chair Messerlian emphasized the need to have a thorough discussion regarding the topics assigned to the Committee and stressed that recommendations ought to be guided by what is in the best interest of the community while considering the ramifications of any changes as recommended by the Committee. In relation to this discussion, City Clerk Herbers provided the Committee with a memo related to the cost of an election (Attachment 7).

Also during the April 12, 2007 meeting, members of the Committee had an opportunity to have an in depth discussion regarding the positions of City Clerk and City Treasurer. Prior to the meeting, City Treasurer Barnett provided the Committee members with sample language from the Culver City charter with requirement language for the elected City Treasurer position (Attachment 8). City Clerk Herbers provided sample qualification language per Committee's request. (Attachment 9).

The general sentiment of the Committee was to keep the positions as elected. Most members felt that the Torrance electorate was sophisticated and would determine which candidates were qualified for the positions. They also felt that there are many professionals from the field of finance and banking who live in the City and would make excellent City Treasurers. Discussion also focused on the benefits and pay package of each position as a way to attract qualified and viable candidates. The issue of checks and balances was also discussed. Members discussed the possibility of having inexperienced candidates run for office and jeopardize the solid legacy established by the current elected officials. Members also discussed the possibility of dismissal by City Council of an elected official in the positions of City Clerk and City Treasurer due to incompetence.

At the conclusion of the meeting, separate votes were taken related to the City Clerk and City Treasurer positions. Majority of the members decided to maintain both positions as elected. Committee members felt that by maintaining the positions

independent and elected, the Torrance residents will have the opportunity for direct oversight.

Additional discussion followed regarding Term Limits. The discussion focused on several theoretical concepts inclusive of placing limitations on direct democracy, exercising ones option to vote, avoiding complacency, creating opportunities for fresh ideas, and maintaining a mechanism to transition power. Member were supportive of the existing staggered election which guarantees that there are always tenured Council members available to assist with newly elected members transitioning to their new roles. Upon further discussion, members moved to adjourn the meeting and to continue the discussion on April 26.

On April 26, the Committee had the opportunity to discuss term limits, moving the date of the City election and removing obsolete language as recommended by the City Attorney. The discussion regarding extending term limits was brief, since the Committee members had an opportunity to address the topic at the April 12 meeting. A motion was made to maintain the current term-limits for City Council members. The final vote was 6 to 2 in favor of the status quo.

The next topic of discussion was the issue of moving the date of the City election from June to November. Vice-Chair Messerlian, encouraged members to engage in a discussion to state their individual positions on this issue. The discussion that followed focused on the issue of consolidated elections versus stand alone City elections. Members discussed voter turnout, stand alone election yielding local turnout. Members also discussed the cost of a local election, as well as faster ballot count and control issues. The power of incumbency due to high turnout was also discussed. Some members expressed satisfaction with holding the City election in June due to weather and daylight. Members felt that as a practical point, June elections were better because they provided candidates for office with more daylight and preferred campaign in the Spring prior to the June election. Another reservation to changing the existing date to coincide with the General Election focused on the length of the ballot during the consolidated election. Members were in favor of keeping the election local and maintaining the status quo date. Once again, a motion was made to keep the election date as is. The final vote of the Committee was unanimous at 8-0.

At the conclusion of the meeting, members expressed their satisfaction with the process, congratulated each other for their commitment to the residents of Torrance, and expressed their gratitude to staff. Members confirmed their role as appointed by Council to address complex topics in a short period of time. As a follow up prior to concluding the mission of the Committee, staff was directed to finalize the final report to the City Council. Members determined that the Chair of the Committee would present the final report to the City Council upon completion of all meetings. In addition, staff was asked to provide the Committee members with the 1992 Blue Ribbon Committee additional topics as well as additional materials related to mail only ballots at its final meeting of May 10, 2007.

On May 10, 2007, Committee members had the opportunity to discuss changes to the draft report to the City Council and additional topics for inclusion in the final report to the City Council. The main issue of discussion was the mail only ballot for future elections. City Clerk Herbers was in attendance at the meeting and provided insight with this issue. City Clerk Herbers indicated her support of the mail only ballot and cited the benefits to include a potential increase in voter turnout, reduction of staff required to work the polls, and flexibility to hold City elections as needed. Other members of the committee discussed the advantages and disadvantages of mail only balloting. Member Rische stated that she was uncomfortable with the mail only ballot process and was bothered by the lack of paper trail. Member Bailey read a portion of the Torrance Municipal Code which relates to amending the procedure of holding City election by ordinance rather than a Charter amendment. Deputy City Attorney Strader indicated that she would need to further research the option of implementing a mail ballot only provision for Municipal and Special Elections with direction from the City Council. In conclusion, a motion was made to recommend that the City Council consider vote by mail for future Municipal and all other Special Elections in accordance with Article 5, Section 500 of the Torrance Municipal Code. A roll call vote was taken and the motion passed 9 to 1. During the oral communication portion of the meeting, members expressed their appreciation for the opportunity to serve on the Committee and complimented the Chair, Vice Chair and members of the staff for their hard work and professionalism. Members also requested to be notified of the date that the Final Report would be presented to the City Council.

ATTACHMENTS: (available in the City Clerk's Office)

1. Matrix of South Bay Cities and Comparable Size Charter Cities
2. Position paper from Sue Herbers, City Clerk
3. Position paper from Linda Barnett, City Treasurer
4. Memo regarding CIP Index from Tatia Strader, Deputy City Attorney
5. Memo regarding positions qualifications from Tatia Strader, Deputy City Attorney
6. Copy of language from the Santa Monica Charter related to CPI
7. Memo regarding cost of conducting a City Election from Sue Herbers, City Clerk
8. Copy of language from Culver City Charter
9. Sample City Clerk qualification from Sue Herbers, City Clerk
10. Minutes of the Council Compensation and Charter Study Committee