

RESOLUTION NO. 7751

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE
AMENDING RESOLUTION NO. 6454 (SALARY RESOLUTION AND POSITION
CLASSIFICATION PLAN) AMENDING THE BENEFITS OF CITY COUNCIL
MEMBERS**

WHEREAS, the City may, from time to time, amend the salary and benefits of the various bargaining units and/or elected officials; and

WHEREAS, the salary and benefits of City Council members has not been changed for many years; and

WHEREAS, City Council members currently receive a salary of \$600.00 per month, regardless of the number of meetings; and

WHEREAS, City Council members currently receive a car allowance of \$150.00 per month; and

WHEREAS, City Council members currently receive a communications allowance of \$100.00 per month; and

WHEREAS, City Council members currently receive other benefits such as retirement, health insurance and life insurance; and

WHEREAS, per California Government Code Section 36516 (a)(4), the City Council may increase its salary by up to 5% per year, although the increase cannot take effect until after a municipal election, per California Government Code Section 36516.5; and

WHEREAS, on July 26, 2016, the City Council, at a publicly noticed and duly held City Council meeting, discussed, considered, deliberated and ultimately approved changes to the salary and benefits of the City Council;

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE DOES
HEREBY RESOLVE AS FOLLOWS:**

SECTION 1. The City Council has, on March 28, 2017, introduced Ordinance No. 2335 amending Section 1.04.065.2 (Salary of Members – Compensation), to Chapter 1.04 (City Council), to Title 1 (Administration and Personnel), of the South Gate Municipal Code to increase the City Council's salary from \$600.00 per month to \$650.00 per month, effective May 14, 2017.

SECTION 2. On April 11, 2017, the City Council will consider a second reading to adopt Ordinance No. 2335 amending Section 1.04.065.2 (Salary of Members – Compensation), to Chapter 1.04 (City Council), to Title 1 (Administration and Personnel), of the South Gate

Municipal Code to increase the City Council's salary from \$600.00 per month to \$650.00 per month, effective May 14, 2017.

SECTION 3. The City Council hereby approves and adopts the "Schedule of Salary and Benefits" attached hereto as "Exhibit No.1" which serves to document the salary and benefits provided to City Council members, including the benefit changes previously approved on July 26, 2016, which were as follows:

- Increase the car allowance from \$150.00 per month to \$475.00 per month
- Implement a matching deferred compensation benefit equal to up to 100% of base salary

SECTION 4. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption, although the changes specified in Section 3 above shall not become effective until May 14, 2017.

PASSED, APPROVED and ADOPTED this 28th day of March 2017.

CITY OF SOUTH GATE:



W. H. (Bill) De Witt, Mayor

ATTEST:



Carmen Avalos, City Clerk

(SEAL)

APPROVED AS TO FORM:



Raul F. Salinas, City Attorney

As part of Resolution No. 7751, adopted on March 28, 2017, and effective May 14, 2017, the City Council of the City of South Gate hereby approves the following schedule of salary and benefits for City Council Members.

SCHEDULE OF SALARY AND BENEFITS FOR CITY COUNCIL MEMBERS

ARTICLE I COMPENSATION

SECTION 1 – SALARY:

The salary of City Council members is established by Ordinance amending the South Gate Municipal Code pursuant to California Government Code Section 36516.

SECTION 2 – AUTO ALLOWANCE:

The City shall reimburse the City Council members for the use of their personal automobiles to conduct City business at the rate of \$475.00 per month, which shall be taxable as compensation.

SECTION 3 – COMMUNICATIONS ALLOWANCE:

The City shall reimburse the City Council members for the use of their personal communication devices to conduct City business at the rate of \$100.00 per month, which shall be taxable as compensation.

ARTICLE II INSURANCE BENEFITS

SECTION 1 – MEDICAL INSURANCE:

- 1.1 The City will pay the premium for health insurance coverage for City Council members and legal dependents up to the maximum of the Employee+2 (family) Kaiser insurance premium. City Council members who select a more expensive plan will be responsible for the difference in premiums.
- 1.2 If a City Council member demonstrates proof of insurance by other means, and elects not to participate in the City's medical plan, the City will contribute the sum of \$360.60 per month to the City Council member's deferred compensation account.

SECTION 2 – DENTAL & VISION INSURANCE:

- 2.1 The City will pay the premium for dental insurance coverage for City Council members and legal dependents up to the maximum of the family HMO plan premium. City Council members who select a more expensive plan will be responsible for the difference in premiums.
- 2.2 The City will pay the premium for vision insurance coverage for City Council members and legal dependents up to the maximum of the family HMO plan premium. City Council members who select a more expensive plan will be responsible for the difference in premiums.
- 2.3 If a City Council member demonstrates proof of insurance by other means, and elects not to participate in the City's dental plan, the City will contribute the sum of \$17.95 per month to the City Council member's deferred compensation account.

SECTION 3 – LIFE INSURANCE:

The City will provide a \$20,000.00 Term Life Insurance policy and a \$20,000.00 Accidental Death and Dismemberment policy for each City Council member at no cost to the City Council member. Consistent with current industry standards, coverage will reduce to 65% at age 65; 40% at age 70; 25% at age 75; and 15% at age 80. Additional voluntary life insurance coverage is also available at the City Council member's own expense.

ARTICLE III RETIREMENT BENEFITS

SECTION 1 – RETIREMENT PLAN:

The City provides City Council members with a defined benefit retirement plan through the California Public Employees' Retirement System (CalPERS). Classic Members (those hired prior to January 1, 2013) are covered under the 2.7% at 55 retirement formula, with the City paying the 8% employee share on behalf of the City Council member. PEPRAs Members (those hired on or after January 1, 2013) are covered under the 2% at 62 retirement formula, with the City Council member paying the 6.75% employee share.

SECTION 2 – DEFERRED COMPENSATION PLAN:

- 2.1 The City sponsors a voluntary deferred compensation plan through which City Council members may voluntarily defer up to 100% of their base salary.

- 2.2 City Council members are eligible for a "dollar-for-dollar" match of the City Council member's voluntary contribution into the City's deferred compensation plan, up to a maximum of 100% of the City Council member's salary, subject to the terms of said plan.

**ARTICLE IV
MISCELLANEOUS BENEFITS**

SECTION 1 – SECTION 125 PLAN:

The City will provide an Internal Revenue Code (IRC) Section 125 plan in order for City Council members to deduct excess health insurance premiums, unreimbursed medical expenses, and/or child care expenses before taxes.

SECTION 2 – FITNESS BENEFIT:

City Council members will receive a free membership at the South Gate Sports Center which will include privileges for a spouse and up to three (3) dependent children under the age of 18.

**ARTICLE V
OTHER**

SECTION 1 – DURATION:

This Schedule of Salary and Benefits for City Council members shall be in full force and effect from May 14, 2017, until such time as it is amended by the City Council by subsequent resolution.

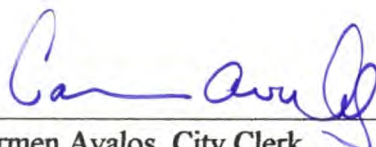
RESOLUTION CERTIFICATION PAGE

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF SOUTH GATE)

I, Carmen Avalos, City Clerk of the City of South Gate, California, hereby certify that the whole number of Members of the City Council of said City is five; that Resolution No. 7751 was adopted by the City Council at their Regular Meeting held on March 28, 2017, by the following vote:

Ayes: Council Members: Davila, Bernal and Morales
Noes: Council Members: None
Absent: Council Members: De Witt and Hurtado
Abstain: Council Members: None

Witness my hand and the seal of said City on April 3, 2017.



Carmen Avalos, City Clerk
City of South Gate, California