



Town of Yountville

6550 Yount Street
Yountville, CA 94599

Staff Report

Agenda Item #: {{section.number}}C

Yountville Town Council Staff Report

DATE: June 6, 2023

TO: Mayor and Town Council

FROM: John Ferons, Public Works Director

PREPARED BY: Gary Bell, Town Attorney

SUBJECT:

Discussion and Possible Direction Regarding Benefits for Councilmembers

DISCUSSION/BACKGROUND

State law includes strict controls on salaries paid to Councilmembers. Specifically, Government Code section 36516 provides, for a Town of 35,000 or fewer people, that salary paid to Councilmembers may not exceed \$300 per month increased by no more than 5% per year. A salary increase may not apply to a Councilmember during the Councilmembers' term of office; however, a salary increase may apply to all Councilmembers serving staggered terms whenever one or more Councilmembers becomes eligible for a salary increase by virtue of beginning a new term of office. (Gov. Code, § 36516.5.) In practice, this means a salary increase applies to all Councilmembers during the first pay period following the swearing in of Councilmembers after a General Municipal Election. The next General Municipal Election is in November 2024.

Councilmembers are authorized to participate in the Town's "health and welfare benefits" provided the benefits are "no greater than that received by non-safety employees" of the Town. (Gov. Code, §§ 53208, 53208.5.) A "health and welfare benefit" means any one or more of the following: hospital, medical, surgical, disability, legal expense or related benefits including, but not limited to, medical, dental, life, legal expense, and income protection insurance or benefits, whether provided on an insurance or a service basis, and includes group life insurance as defined" (Gov. Code, § 53200, subd. (b), (d).)

To ensure salary controls are not overridden by providing health and welfare benefits, the California Attorney General in at least two opinions has opined that cash payments in lieu of benefits are not permitted, and that the Town may either: (1) provide benefits by paying a service provider, or (2) reimburse Councilmembers for actual expenses incurred. (83 Ops.Cal.Atty.Gen. 124 (May 3, 2000); 103 Ops.Cal.Atty.Gen. 8 (March 3, 2020).) In either case, the provision of benefits or reimbursement must be "no greater than that received by non-safety employees."

On May 7, 2019, the Town Council adopted Resolution Number 19-3546 "Amending Town Council Benefits Plan for Elected Officials," a copy of which is attached to this staff report. A question was asked regarding health and welfare benefits for Councilmembers and spouses and reimbursement for certain Expenses. With the above background information in mind, staff is requesting direction from the Town Council regarding any amendments to this resolution. If consensus direction is provided, staff will return at a future meeting with a revised resolution for consideration by the Town Council.

ENVIRONMENTAL REVIEW

Not Applicable

FISCAL IMPACT

Is there a Fiscal Impact? Yes

Is it Currently Budgeted? Yes

Where is it Budgeted? Town Council Budget: 01-1001

Is it Mandatory or Discretionary? Discretionary

Is there a Staff Resource Impact? No

STRATEGIC PLAN GOAL

Is item Identified in Strategic Plan? No

If yes, Identify Strategic Goal and Objective. N/A

Briefly Explain Relationship to Strategic Plan Goal and Objective. N/A

RECOMMENDATION

Receive staff report and direct questions to staff.

Receive public comment.

Conduct Council discussion and provide possible direction regarding benefits for Councilmembers.