



CITY OF SEBASTOPOL CITY COUNCIL

AGENDA ITEM REPORT FOR MEETING OF:

July 21, 2026

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To: Honorable Mayor and City Councilmembers
 From: City Attorney Alex Mog
 City Manager Mary Gourley
 Department: City Administration
 Subject: First Reading and Introduction of Ordinance Amending Municipal Code Chapter 2.44 to
 Increase Council Member Compensation to \$950.00 per Month

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RECOMMENDATION(s): Staff recommends that the City Council:

1. Introduce and waive the first reading of an Ordinance to amend Municipal Code Chapter 2.44 to increase City Council member compensation to \$950.00 per month; and
2. Direct staff to return with the ordinance for second reading and adoption at a subsequent regular meeting.

PROCESS OF AGENDA ITEM:

If the item remains on the Consent Calendar, no presentation is required, and the item will be approved as part of the Consent Calendar.

If the item is removed from the Consent Calendar, it will be heard as a regular agenda item and will proceed as follows:

- Presentation by staff
- Council questions and discussion
- Public hearing/comment
- Council deliberation and action

EXECUTIVE SUMMARY:

Following the City Council’s direction on May 19, 2026, staff has prepared the attached ordinance to increase City Council compensation from \$300.00 to \$950.00 per month.

Per state law (Government Code § 36516.5) and the explicit terms of the ordinance, the new compensation rate will not become effective until January 2027, following the November 2026 election.

This ensures full compliance with Government Code section 36516.5, which prohibits salary increases until at least one member of the Council begins a new term.

BACKGROUND:

In July 2023, in an effort to increase equitable representation at city government levels, the State of California passed legislation (SB 329), which increases the salary that may be paid by ordinance to City Councilmembers in general law cities. SB 329 does not apply to charter cities.

According to the League of California Cities, SB 329 was adopted because lengthy time commitments and limited pay discourage many, especially low-income residents, single parents, people of color, and young people, from running for public office. SB 329 requires any ordinance increasing city council compensation to include findings demonstrating the need for increased compensation.

Existing law authorizes a City Council to enact an ordinance to provide each City Councilmember with a salary based on the population of the city, subject to possible annual adjustment. Increasing City Council compensation makes serving on a City Council viable for individuals from across different income levels.

SB 329 allows future salary increases for City Councilmembers beyond the amount provided in Government Code §36516(a) by an ordinance or by an amendment to an ordinance, as long as the amount of the increase does not exceed the greater of either of the following:

1. An amount equal to 5% for each calendar year from the operative date of the last adjustment of the salary in effect when the ordinance or amendment is enacted. (For Sebastopol, there has been no adjustment since inception: 1984).
2. An amount equal to inflation since January 1, 2024, based upon the California Consumer Price Index (CPI), which shall not exceed 10% for each calendar year.

In addition to their salaries, the City provides some benefits to elected officials. These benefits are not included for purposes of determining City Council salaries under SB 329. Benefits to elected officials for Sebastopol are listed below:

Benefit	Description
Medical Insurance	Council members may enroll in either Kaiser or Blue Cross health insurance. Coverage is provided for the council member. Family coverage is available; however, the council member is responsible for paying the difference between the single premium and the applicable double or family premium.
Dental & Vision Insurance	Dental and vision coverage is available for council members. Family enrollment is permitted, with the council member responsible for the additional cost above the single coverage premium.
Health Insurance Reimbursement Option	Council members who decline City-sponsored medical coverage and obtain insurance through a spouse's plan may request reimbursement for their personal health insurance premium costs, up to the amount of the lower City single medical premium.
Life Insurance	The City provides \$20,000 of term life insurance coverage for each council member.
Mileage & Travel Reimbursement	Council members are eligible for reimbursement of approved mileage and business-related travel expenses incurred while conducting City business.

Prior to SB 329, the maximum monthly salary for councilmembers in cities with populations of 35,000 or less was \$300 per month. The law also allowed annual increases in compensation by up to 5% per year (not compounded). Because of the requirements in the law, cities who increased their compensation by the maximum amount every year had significantly greater maximum compensation than those cities who only increased compensation occasionally. The bill's intent was to address stagnant pay, which can deter candidates from lower-income backgrounds, single parents, younger people, and people of color due to the significant time commitment of council service.

Currently, Sebastopol City Councilmembers are estimated to spend approximately 8 hours per month attending regular City Council meetings. This estimate does not include special meetings such as closed sessions, workshops, conferences, nor does it include the additional hours required to review agenda reports and backup materials, meet with staff, review and respond to communications from community members, attend community or regional events and meetings, or serve on City, County, Regional, and State agencies or committees. These uncompensated responsibilities significantly increase the overall time commitment of public service.

DISCUSSION:

City Council salary can be changed by ordinance or ballot measure. The legislation authorizes an increase in salary by ordinance based on the population of the city. In cities with populations up to and including 35,000, the maximum salary is \$950 per month. State law authorizes future increases to this amount, but any such increase would require a subsequent ordinance of the City Council.

The ordinance must be presented in two regular meetings of the City Council. At the first meeting, the proposed ordinance would be presented with findings demonstrating the need for the increased compensation. At the second meeting, the ordinance would be considered for adoption.

Pursuant to Government Code §36516.5, any City Council salary increase may take effect only when at least one member of the City Council commences a new term of office. Accordingly, if an ordinance is adopted approving a salary increase, it will take effect for all councilmembers following the November 2026 election.

A potential ordinance could increase City Council compensation from \$300 per month per City Councilmember to a maximum of \$950 per month per City Councilmember. If the City Council would like to consider an amount greater than \$950, the question of salary can be submitted to the voters in any municipal election.

The Council could also consider a lower amount than the legislation allows.

STAFF ANALYSIS: Since 1984, state law set City Councilmember compensation at a maximum of \$300 per month for cities under 35,000 population. Historically, compensation could be increased by a maximum of 5% per year since the last adjustment. However, the City of Sebastopol has never adjusted its City Council compensation. Therefore, compensation has not kept pace with inflation for nearly 40 years. This, combined with the substantial time commitment required of Sebastopol City Councilmembers supports the need for increased

CITY COUNCIL GOALS/PRIORITIES/ AND OR GENERAL PLAN CONSISTENCY:

This agenda item represents the City Council goals/priorities as follows:

Goal 4: HIGH PERFORMANCE ORGANIZATION

Restore public trust, improve public communications, and strengthen collaborative partnerships with outside agencies and service providers.

PUBLIC COMMENT: As of the preparation of this staff report, no public comments have been received on this item. Any comments received after distribution of the report will be provided to the City Council as supplemental materials. Public comment will also be accepted during the meeting.

COMMUNITY OUTREACH: This item has been noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to the scheduled meeting date.

FISCAL IMPACT: The increase would raise annual compensation costs from approximately \$18,000.00 to \$57,000.00 (+\$39,000.00 per year). Because the new rate will not take effect until January 2027, the total cost for FY 26/27 would increase from \$18,000 to \$37,500. \$18,000 has been allocated in the FY 26 27 budget (January – June 2027).

RESTATED RECOMMENDATION: That the City Council:

1. Introduce and waive the first reading of an Ordinance to amend Municipal Code Chapter 2.44 to increase City Council member compensation to \$950.00; and
2. Direct staff to return with the ordinance for second reading and adoption at a subsequent regular meeting.

CITY COUNCIL OPTIONS:

1. Deny the Ordinance;
2. Amend the ordinance and provide specific direction to staff

ATTACHMENT(S):

Ordinance

APPROVALS:

Department Head Approval: Approval Date: 07/01/2026

CEQA Determination (Planning): Approval Date: NA

The proposed action is not a project under the California Environmental Quality Act (CEQA). Pursuant to CEQA Guidelines Section 15378, the recommended action is not a "project" subject to the California Environmental Quality Act (CEQA) because it does not have a potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In the alternative, the recommended action is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the recommended action may have a significant effect on the environment.

General Plan Goal (Planning): Approval Date: 07/01/2026

Administrative Services (Financial) Approval Date: 07/01/2026

Costs authorized in City Approved Budget: Yes No N/A

Account Code (if applicable) _____

City Attorney Approval: Approval Date: 07/01/2026

City Manager Approval: Approval Date: 07/01/2026

ORDINANCE NO. XXXX**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SEBASTOPOL AMENDING SEBASTOPOL MUNICIPAL CODE CHAPTER 2.44, CITY COUNCIL SALARIES, TO INCREASE COMPENSATION FOR CITY COUNCIL MEMBERS TO NINE HUNDRED FIFTY DOLLARS (\$950.00) PER MONTH, EFFECTIVE JANUARY 1, 2027**

WHEREAS, California Government Code section 36516 authorizes the legislative body of a general law city to enact an ordinance providing compensation for members of the city council, with the amount based upon the population of the city; and

WHEREAS, on June 29, 2023, the Governor signed Senate Bill 329 (SB 329), which amended Government Code section 36516 to increase the maximum monthly compensation that may be paid to City Council members in cities with populations of 35,000 or less to Nine Hundred Fifty Dollars and Zero Cents (\$950.00) per month, subject to annual adjustment; and

WHEREAS, the City of Sebastopol has not adjusted compensation for members of the City Council since at least 1984 — a period of more than forty (40) years — during which time the responsibilities, time commitment, and complexity of local governance have increased substantially while compensation has remained static; and

WHEREAS, currently City Council members receive compensation of Three Hundred Dollars (\$300.00) per month, which, when adjusted for inflation, represents a significant reduction in real purchasing power over four decades; and

WHEREAS, in addition to attending regular City Council meeting, there is substantial additional time required of Council Members for special meetings, closed sessions, workshops, study sessions, review of lengthy agenda packets and supporting materials, preparation for meetings, responding to constituent communications, attending community events, serving on City committees and regional agencies, participating in intergovernmental meetings, and fulfilling other duties of public office; and

WHEREAS, the significant time commitment required of City Council members, combined with relatively low compensation, can create financial barriers that deter qualified individuals, particularly those from lower-income backgrounds, younger candidates, single parents, and people of color, from seeking or continuing in public office, thereby limiting the diversity of perspectives on the City Council; and

WHEREAS, SB 329 was enacted in part to address these barriers and to make service on city councils more accessible to a broader cross-section of the community; and

WHEREAS, the proposed compensation of Nine Hundred Fifty Dollars and Zero Cents (\$950.00) per month is consistent with compensation levels adopted by comparable cities in Sonoma County; and

WHEREAS, increasing City Council compensation supports the City Council's goals and priorities, including maintaining a High Performance Organization, restoring and maintaining public trust through transparent and effective governance, and improving community engagement; and

WHEREAS, the Budget Committee of the City Council reviewed this matter at its meeting of May 11, 2026, and recommended support for increasing compensation to \$950.00 per month; and

WHEREAS, on May 19, 2026, the City Council considered a staff report on this matter, received public comment, and directed staff to prepare an ordinance to implement the compensation increase; and

WHEREAS, Government Code section 36516.5 provides that any ordinance increasing the compensation of City Council members may take effect only when at least one member of the City Council commences a new term of office following a municipal election; and

WHEREAS, the City Council desires to adopt this ordinance in full compliance with all applicable provisions of state law.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEBASTOPOL DOES ORDAIN AS FOLLOWS:

Section 1. Findings. The City Council hereby adopts and incorporates by reference all of the recitals set forth above as its findings demonstrating the need for the increased compensation established by this ordinance, as required by Government Code section 36516.

Section 2. Amendment of Municipal Code. Chapter 2.44, City Council Salaries, of the Sebastopol Municipal Code is hereby amended to read as follows (with deletions in ~~striketrough~~ and additions underlined):

Chapter 2.44 City Council Salaries

2.44.010 Establish salary.

Section 36516 of the Government Code of the State of California authorizes the City Council to establish a salary for said City Council members, in cities up to and including 35,000 in population, up to and including \$950.00 ~~\$300.00~~ per month, subject to annual adjustment as set forth in Section 36516. Population of the City of Sebastopol is less than 35,000.

2.44.020 Salary amount.

Effective January 1, 2027, there is herewith established a salary for each City Council member in the sum of \$950.00 ~~\$300.00~~ per month.

~~**2.44.030 Effective date:**~~

~~Payment of the increased salary as provided in the previous section shall be effective January 1 in accordance with Section 36516.5 of the Government Code of the State of California.~~

~~**2.44.040 Continuance of salary:**~~

~~The existing salary as provided by Ordinance No. 771 shall continue for each Council member until said sum is increased as authorized by law.~~

Section 3. Implementation. In accordance with Government Code section 36516.5, the compensation established by this ordinance shall not be paid until January 1, 2027, following the November 2026 municipal election. Until January 1, 2027, Councilmembers shall continue to review a salary of \$300 per month.

Section 4. Supersession. This ordinance supersedes and replaces any prior ordinance, resolution, or provision of the Sebastopol Municipal Code that established a different amount of compensation for members of the City Council.

Section 5. Severability. If any section, subsection, sentence, clause, or phrase of this ordinance is held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council declares that it would have adopted this ordinance and each section, subsection, sentence, clause, and phrase thereof regardless of the fact that any

one or more sections, subsections, sentences, clauses, or phrases may be declared invalid or unconstitutional.

Section 6. Publication. The City Clerk is directed to cause this ordinance to be published in the manner and within the time required by law.

Section 7. Effective Date of Ordinance. This ordinance shall take effect and be in full force and effect thirty (30) days after its final adoption, subject to the implementation date established in Section 3.

APPROVED FOR FIRST READING AND INTRODUCTION OF ORDINANCE at a regular meeting of the City Council of the City of Sebastopol held on the 7th day of July, 2026.

SCHEDULED FOR SECOND READING AND ADOPTION OF ORDINANCE at a regular meeting of the City Council of the City of Sebastopol scheduled to be held on the 21st day of July, 2026.

VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: _____
Mayor, Jill McLewis

ATTEST: _____
Mary Gourley, City Manager

APPROVED AS TO FORM: _____
Alex Mog, City Attorney