CITY OF OAKLAND
Public Ethics Commission

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TO: Public Ethics Commission
FROM: Daniel Purnell
DATE: July 7, 2010

RE: **A Staff Report And Action To Be Taken Regarding A Proposal From The Public Ethics Commission For The City Council To Appoint A Task Force To Review City Charter Section 202 Pertaining To City Council Salaries**

At its regular meeting of June 7, 2010, the Commission directed staff to prepare a communication on behalf of the Commission to the City Council. The purpose of the letter is to express the Commission's desire for the City Council to form a special task force to review and propose revisions in the manner by which City Council salaries are adjusted.

Attached for the Commission's consideration is a draft letter to the City Council. ***Attachment 1.*** The Commission is encouraged to make any revisions to the draft before directing staff to submit it to the City Council.

Respectfully submitted,

Daniel D. Purnell
Executive Director

DRAFT -- FOR DISCUSSION ONLY

Honorable Members of the
Oakland City Council

Dear Councilmembers:

As you know, City Charter Section 202(c) authorizes and directs the Public Ethics Commission "to annually adjust the salary for the office of Councilmember by the increase in the consumer price index [CPI] over the preceding year." The Commission may, in its discretion, adjust salaries beyond the increase in the CPI up to a maximum of five percent annually, but any increase beyond five percent must be approved by public vote.

Since 1994 (when the current Charter language took effect), the Commission has made the following adjustments to City Council salaries:

June, 2004	5 percent
June, 2005	2.1 percent (CPI)
June, 2006	4 percent
June, 2007	5 percent
June, 2008	2.9 percent (CPI)
June, 2009	0.8 percent (CPI)
June, 2010	1.7 percent (CPI)

In recent years, the Commission has become acutely aware of the financial difficulties facing the City. The City Charter's requirement for the Commission to pass through a mandatory CPI adjustment frequently places the Commission, as well as the City Council, in a position that is arguably contrary to public perceptions of what is fair and what should constitute "shared sacrifice" during these difficult times.

This letter respectfully requests that the City Council take action to create and appoint a special task force for the purpose of reviewing Charter Section 202(c) and developing policy alternatives regarding future adjustments to City Council salaries. While the Commission has dutifully executed its obligations under current law, the Commission suggests that the job of adjusting City Council salaries might be more appropriately delegated to a board or panel with more expertise in setting levels of compensation. To Commission staff's knowledge, no other ethics commission in the country exercises this type of authority with respect to elected officials.

The Commission also notes that the City Charter provides different procedures for setting and adjusting compensation levels for the City's other elected officials. The task force authorization may wish to address whether to consolidate the authority for determining and adjusting compensation for all of Oakland's elected officials. While selection of the task force is wholly within the City Council's discretion, the Commission suggests that it could include former

and current elected officials, a member of the Commission, interested community stakeholders and be staffed by employees from the Office of Personnel and City Attorney.

The Commission wishes to thank the City Council for its consideration of this proposal and to express its willingness to assist in any reasonable way.

Very truly yours,