

**CITY OF OAKLAND**  
**Public Ethics Commission**

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Barbara Newcombe  
Peter Reinke  
Lily Kimura  
Jon Sylvester  
Kathryn Kasch



Daniel D. Purnell, Executive Director

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One Frank Ogawa Plaza, 4<sup>th</sup> Floor, Oakland, CA 94612 (510) 238-3593 Fax: (510) 238-3315

**TO:** Public Ethics Commission  
**FROM:** Daniel Purnell  
**DATE:** September 8, 2003

**RE: A Report And Action To Be Taken On The Measure X Limited Charter Review Committee's Recommendation Pertaining To The Public Ethics commission And City Council Salaries**

**I. BACKGROUND**

In 1998, Oakland voters approved ballot Measure X. This ballot measure amended the Oakland City Charter in a number of areas, including the provisions governing City Council salary adjustments. Before Measure X, the Public Ethics Commission had the authority to adjust City Council salaries in every odd-numbered year in an amount not to exceed 10 percent of the base salary level, as adjusted. The Commission established the base salary level in 1997 in the amount of \$60,000. Measure X provided the additional language that "no increase in compensation for Councilmembers shall take effect unless it has been approved by a vote of the people."

The effect of Measure X was to require any Commission action to adjust Councilmember salaries to be placed on the ballot for voter approval. The Office of the City Attorney concluded that only the City Council may place an item on the ballot, thus making any Commission action subject to both City Council and voter approval. Since the adoption of Measure X, only one salary adjustment has gone before the voters. The measure failed by a vote of XX to XX percent.

Measure X is scheduled to terminate ("sunset") in November, 2004, unless Oakland voters re-affirm it.

## II. MEASURE X LIMITED CHARTER REVIEW COMMITTEE

Earlier this year, the City Council created a "Measure X Limited Charter Review Committee." The Committee was directed to review the provisions of Measure X and develop alternatives for future City Council and voter consideration.

The Measure X Committee discussed the issue of City Council salaries extensively. Its recommendation on the issue reads as follows:

**"Provide annual automatic pay increases tied to the CPI [Consumer Price Index] with a cap of 5%. The Public Ethics Commission can provide increases over CPI but only up to 5 % annually. Increases over 5% recommended by the Public Ethics Commission require voter approval."**

The Committee's rationale for the above recommendation noted the "inequity" of requiring City Council salaries to be approved by voters. The Committee noted that Councilmembers have not had a salary adjustment since 1996 (actually 1997) while other elected officials have enjoyed regular salary adjustments that did not require voter approval during this same period. The Committee expressed its desire to "preserve the spirit" of Measure X by requiring that any salary recommendation greater than five percent annually be publicly approved. The proposal would permit the Commission to adjust Councilmember salaries without further approval or ratification so long as the adjustments were limited to five percent per year.

The only opposition voiced to the above recommendation was that the five percent annual cap was arbitrary and did not permit Councilmember salaries to keep pace with the cost of living during times of high inflation.

A copy of the relevant portions of the Measure X Committee report is found at ***Attachment 1***.

## III. ANALYSIS AND RECOMMENDATION

The Measure X Committee recommendation appears to strike a reasonable compromise between the Commission's responsibilities as they existed before and after Measure X. The most significant proposed change is that salary reviews would have to be performed annually instead of every other year. The proposed five percent per year cap on salary adjustments is comparable to the current 10 percent cap every other year. The recommendation also permits the Commission to recommend salary adjustments in excess of the current and proposed ceilings which it does not currently have the authority to do.

This item has been agendaized to permit the Commission to express an opinion on the proposed recommendation and communicate it to the City Council before the first scheduled hearing on the Committee's report on September 11, 2003.