

FILED
OFFICE OF THE CITY CLERK
OAKLAND

11 JUN 23 PM 4:56

CITY OF OAKLAND



ONE FRANK OGAWA PLAZA • 2ND FLOOR • OAKLAND, CALIFORNIA 94612

Ignacio De La Fuente
City Council Member, District 5

(510) 238-7005
FAX:(510) 238-6129
TTY/TDD:(510) 839-6451

June 28, 2011

Dear Colleagues,

All of us know that the economic downturn and current recession have resulted in significant reductions to budget revenues for the City of Oakland. Since fiscal year 08-09, we as a Council have been forced to implement layoffs, reductions in compensation for City employees, cuts in programs and services and City furlough days to balance the budget. Today we are grappling to close a \$58 million deficit in FY 11-12 and another \$76 million deficit in FY 12-13.

A number of City Councilmember's have expressed their desire to decline to accept the 2.8% salary increase approved by the Public Ethics Commission on June 6, 2011. The Oakland City Charter mandates the ethics commission annually adjust the salary for the office of Councilmember by the increase in the consumer price index over the preceding year. Although they ethics commission adopted resolution number 11-01 (attachment A) on June 6th increasing the salary, they also included in their resolution the following resolved: *"That the Commission respectfully requests that the City Council decline to accept the salary adjustment mandated but Charter section 202 (c) due to significant budgetary shortfallsfacing the City in Fiscal years 2011-2013."*

I believe it is in the best interest of the City for Councilmembers to decline to accept the salary increase and thus I bring to you for consideration the attached resolution.

The resolution indicates that each Councilmember who votes in favor of this Resolution by virtue of his/her affirmative vote hereby gives notice to the City Administrator of his/her decision to decline to accept the 2.8% salary increase. In addition, the salary of any Councilmember who is absent or who abstains from voting on this Resolution will be adjusted by the 2.8% salary increase unless such Councilmember submits in writing to the City Administrator declining to accept the 2.8% salary increase.

Sincerely,

IGNACIO DE LA FUENTE

Item: _____
City Council
June 28, 2011

DRAFT

OFFICE OF THE CITY CLERK
OAKLAND

2011 JUN 28 PM 4:57

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER IGNACIO DE LA FUENTE

A Resolution Declining to Accept the Public Ethics Commission-Approved 2.8% Increase in the Salary for the Office of Councilmember

WHEREAS, City Charter section 202(C) mandates that the Public Ethics Commission annually adjust the salary for the Office of Councilmember by the increase in the consumer price index over the preceding year; and

WHEREAS, City Charter section 202 (C) further authorizes the Public Ethics Commission to increase salaries beyond the increase in the consumer price index up to a total of five percent; and

WHEREAS, in accordance with its powers and duties under the City Charter, the Public Ethics Commission has increased the salary for the Office of Councilmember by 2.8% effective July 1, 2011; and

WHEREAS, in light of the City Charter mandate, each Councilmember will receive the 2.8% salary increase unless he/she advises the City Administrator that he/she declines to accept the increase; and

WHEREAS, in light of the City Charter mandate, the Council as a body cannot by motion, resolution or ordinance compel individual Councilmembers to decline the salary increase; and

WHEREAS, given the economic downturn, and recession that have caused significant budget deficits for the City of Oakland requiring layoffs, reductions in compensation for City employees, cuts in programs and services and City shutdown days to balance the budget, a number of City Councilmembers have expressed their desire to decline to accept the 2.8% salary increase and the City Council believes it is in the best interest of the City for Councilmembers to decline to accept the salary increase; now therefore be it

RESOLVED: That the City Council finds and determines as a matter of policy that it is in the best interest of the City for Councilmembers to decline to accept the 2.8% salary increase that the Public Ethics Commission approved to take effect July 1, 2011; and be it

FURTHER RESOLVED: That an affirmative vote on this resolution serves as notice to the City Administrator of such Councilmember's decision to decline to accept the 2.8% salary increase; and be it

Item: _____
City Council
June 28, 2011

FURTHER RESOLVED: That in accordance with City Charter section 202 (C) the salary of each Councilmember who votes against the resolution shall be adjusted by the 2.8% salary increase that the Public Ethics Commission approved unless and until such Councilmember submits a writing to the City Administrator declining to accept the 2.8% salary increase; and be it

FURTHER RESOLVED: That the salary of any Councilmember who is absent or who abstains from voting on this Resolution will be adjusted by the 2.8% salary increase unless and until such Councilmember states in writing to the City Administrator that they declining to accept the 2.8% salary increase.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2011
PASSED BY THE FOLLOWING VOTE:

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN,
NADEL, SCHAAF, AND PRESIDENT REID

NOES -

ABSENT -

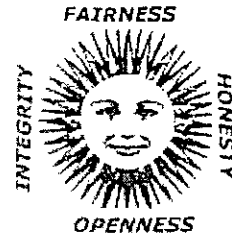
ABSTENTION-

Attest: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

Item: _____
City Council
June 28, 2011

Attachment A

**CITY OF OAKLAND
PUBLIC ETHICS COMMISSION
RESOLUTION NO. 11-01
[Adopted 6-6-11]**



BY ACTION OF THE OAKLAND PUBLIC ETHICS COMMISSION:

WHEREAS, Oakland City Charter Section 202(c) previously authorized the Oakland Public Ethics Commission ("Commission") to establish a base salary for City Councilmembers; and

WHEREAS, after substantial study and review, the Commission took action in October, 1997, to establish a base salary for City Councilmembers in the amount of \$60,000 per year; and

WHEREAS, in March, 2004, Oakland voters amended City Charter Section 202(c) to provide that the Commission shall annually adjust City Councilmember salaries by the increase in the consumer price index over the preceding year, and that the Commission may adjust salaries beyond the increase in the consumer price index up to a total of five percent; and

WHEREAS, the current authorized salary for Oakland City Councilmembers is \$74,098 per year; and

WHEREAS, the consumer price index for the San Francisco Bay Area increased by a total of 2.8 percent between April 2010, and April 2011, inclusive; and

WHEREAS, a review of California cities demonstrates that Oakland City Council salaries are almost identical to the average salaries provided to councilmembers of the eight largest cities in California; and

WHEREAS, Oakland is facing a general fund budget shortfall estimated at \$58 million in FY 2011-2012, and at \$76 million in FY 2012-2013, based on current levels of service and revenues; and

WHEREAS, the City is contemplating layoffs, mandatory business shut-downs and reductions in critical and discretionary City services to bring the City's finances into balance;

NOW, THEREFORE BE IT

RESOLVED, that the Commission does hereby increase and adjust the salary for the office of City Councilmember by 2.8 percent effective as of the first payroll period of Fiscal Year 2011-2012 as mandated by City Charter Section 202(c); and

Attachment A

RESOLVED, that the Commission respectfully requests that the City Council decline to accept the salary adjustment mandated by City Charter Section 202(c) due to the significant budgetary shortfalls facing the City in Fiscal Years 2011-2013; and

RESOLVED, that the Commission authorizes the Executive Director to make any changes to draft versions of this Resolution as directed by the Commission and to certify and issue a final version of this Resolution without further approval by the Commission.

CERTIFICATION RE: APPROVAL OF RESOLUTION

The foregoing Resolution was presented for approval at a duly noticed meeting of the City of Oakland Public Ethics Commission ("Commission") held on June 6, 2011. A quorum of the membership of the Commission was present at the meeting. A motion approving the Resolution was made and seconded, and the motion was adopted by a majority of said quorum.

I hereby certify that the foregoing is true and correct.

Dated: June _____, 2011

_____/s/_____
Daniel D. Purnell
Executive Director
Oakland Public Ethics Commission