

10D. City Clerk – Discuss and Consider Amending Torrance Municipal Code Regarding Changes to Commission Compensation. Expenditure: None.

Recommendation of the City Clerk that City Council:

1. Discuss and consider amending the Torrance Municipal Code regarding changes to Commission Compensation; and
2. Discuss and Consider directing the City Clerk to bring back an **ORDINANCE** amending Torrance Municipal Code Sections 13.1.1, 13.2.1, 13.3.1, 13.4.1, 13.5.1, 13.9.1, 13.10.1, 13.11.1, 13.15.1, 13.16.1, 13.18.1, 13.20.010 and 13.21.020 all titled “Created, Composition, Compensation, and Qualifications”; and
3. Determine that the project is exempt from California Environmental Quality Act (CEQA) pursuant to Sections 15378 and 15061(b)(3) of the CEQA Guidelines.



Date: January 14, 2024

To: Honorable Mayor and Members of the City Council

From: Rebecca Poirier, City Clerk | CityClerk@TorranceCA.gov

Subject: City Clerk – Discuss and Consider Amending Torrance Municipal Code Regarding Changes to Commission Compensation. Expenditure: None.

RECOMMENDATION

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3. Determine that the project is exempt from California Environmental Quality Act (CEQA) pursuant to Sections 15378 and 15061(b)(3) of the CEQA Guidelines.

DISCUSSION

At the City Council meeting of July 2, 2024, Councilmember Asam Sheikh received concurrence to request that an item be brought back to consider possible changes to the compensation for commissioners. The City Clerk contacted other cities to research compensation for commissioners. Below is a chart with the name of the City and what they provide to their Commissioners for Council's review and consideration.

The City Attorney's Office researched the issue of whether commissioners should receive a Form W-2 and concluded that City Commissioners are considered employees for federal tax purposes. Accordingly, the City should revise the processes and provide commissioners with Form W-2's for the stipends earned.

Upland	Only Planning Commissioners are paid \$100 per meeting; Regular meetings once a month; maximum of \$200 per month.
La Mirada	Community Services Commission, Planning Commission, and Public Safety & Traffic Commission are paid \$35 per meeting – no parameters. If they don't attend, they don't get paid. Youth Council, Senior Council, Historical Preservation Advisory Council do not receive compensation.
Firebaugh	Do not pay commissioners

Sunnyvale	Do not pay commissioners
Santa Cruz	Do not pay commissioners – item being brought before Council to begin paying them in 2025 \$75 per meeting attended
Pacific Grove	Do not pay commissioners
Union City	Set by Resolution – do not pay Youth Commissioners. \$39 for most; \$155 for Planning
Grand Terrace	\$50 per meeting
Gilroy	Set in the Charter that Commissioners can't receive compensation.
La Habra	Only has two Commissions – Planning and Community Services. Planning Commission meets twice per month and each commissioner receives \$100 per month (\$50/meeting). Paid monthly. If they are absent from only one meeting, they still receive the full \$100; if they are absent from both meetings in the same month, they would receive zero. The Community Services Commission meets once per month and each commissioner receives \$50 per month, unless they are absent then they would receive zero.
Irwindale	Four Commissions – Parks and Recreation \$175 per meeting attended; Planning \$200 per meeting attended; Senior Citizen Commission \$100 per meeting attended; Youth Council is not paid. Commissioners are not paid if they do not attend. Parks and Recreation and Planning receive medical benefits for themselves and dependents. Meetings are once a month, paid monthly.
Livermore	Planning Commission is paid half of what Council receives, currently \$535. If they miss six meetings a year, they can be removed from the commission. Commissioners are paid even if they are absent from the meeting. No other commissions are paid.
Montebello	Commissioners have a \$50 stipend for each meeting attended, not to exceed 2 or 4 meetings in a calendar month (depending on the Commission). The exception is the Fiscal Accountability Committee who does not have a stipend for attending the meetings. Everyone with a stipend has the choice to waive their stipend.
Emeryville	Only Planning Commissioners
Plymouth	Only Planning Commissioners - \$25 per meeting attended
Antioch	All Boards, Commissions, and Committees are volunteer positions – no compensation.
Fullerton	Planning Commissioners - \$75 per meeting attended. No others are paid.
Santa Ana	Commissioners receive \$100 per meeting attended – limit on how many meetings per month depending on commission. Not paid if absent. Community Development & Housing Commission receive \$20 monthly auto

	allowance; Planning Commission & Rental Housing Board receive \$50 monthly auto allowance.
Pleasantville	Architectural Review (\$30) and Planning Commissions (\$50) per meeting attended, and they receive the payment once every six months.
Bakersfield	Planning Commission, Miscellaneous Civil Service Board, Police Civil Service Board and Fire Civil Service Board receive \$25 per regular meeting attended. Other boards/commissions/committees do not receive compensation.
Napa	The City of Napa pays a \$100 per meeting stipend to our Planning Commissioners and \$50 stipend to our Housing Authority Members. Remaining commissions do not receive any stipend.
Menlo Park	Menlo Park is currently doing a pilot for a Planning Commission stipend. Per Government Code §36506, the City is authorized to pay appointed Planning Commissioners by resolution. The City Council has adopted a resolution with an amount not to exceed \$200 per month per Planning Commissioner. Per the IRS (Internal Revenue Services), "public officer" also includes appointed members of advisory boards and committees and commissions. The Planning Commission stipend is taxable income and each member will receive a W-2.
Sacramento	Most commissioners receive \$50 for attendance at meetings and they typically have 10 per year. Planning and Design Commission receives \$100 per meeting and they meet 20ish times per year. They get paid for meeting attendance.
Monrovia	Do not pay commissioners. Only have 5 commissions. Hold Commission recognition event every year and each commissioner receives a \$30 gift card.
Irvine	Commissioners receive \$225 per month in Irvine and may be allowed reasonable travel and/or other expenses incurred while traveling or engaged in business by the Commission. There is something in the respective bylaws that speaks to excessive absences, but other than that, there are not any other parameters with respect to receiving their pay.
Glendora	Do not pay commissioners.
Bell Gardens	\$100 per meeting attended, meetings are held once per month.
Torrance	\$10 per meeting attended; must attend 2/3rds of the meeting to receive pay. Payments made quarterly.
Chula Vista	Do not pay commissioners.
Redondo Beach	Do not pay commissioners.
San Dimas	Only Planning Commissioners are paid \$50 per meeting attended.
Hillsborough	Do not pay commissioners

San Carlos	Do not pay commissioners
Lawndale	Only two commissions receive a stipend (They have five commissions/committees). The Planning Commission and Parks and Recreation Commission each receive a \$50.00 stipend per meeting, limited to no more than \$100.00 per month, or \$1,200.00 annually. Members are not compensated for meetings not attended or cancelled.
Town of Windsor	Do not pay commissioners.
Baldwin Park	All 4 commissions are paid \$50 per meeting attended; no term limits.
Lomita	Does not pay commissioners.
Gardena	Planning Commission \$100 per meeting attended; Human Resources, Recreation & Parks, Senior Citizens, and Rent Board \$50 per meeting attended; all others are not paid. May sit on more than one commission.
Rolling Hills	Does not pay commissioners.
Rancho Palos Verdes	Does not pay commissioners.
Palos Verdes Estates	Does not pay commissioners.
Hermosa Beach	Does not pay commissioners.
Hawthorne	Does not pay commissioners.
Inglewood	Does not pay commissioners.
Culver City	\$599 annually regardless of attendance.
Los Angeles	Board of Public Works is a full-time paid Board; all other Boards and Commissions receive a \$50 stipend per meeting attended though stipends are typically waived.
Scotts Valley	Planning Commissioners \$150 per month; Parks and Recreation Commissioners \$75 per meeting; all other commissions do not receive stipends.
Laguna Beach	Arts Commission \$137 per month; Planning Commissioners and Design Review Board receive \$392 per month.
Oxnard	Does not pay commissioners.

ATTACHMENTS

1. Public Comment
2. Supplemental Material (Originally prepared for 12/17/24 Council Meeting)

Poirier, Rebecca

Subject: FW: Amending Torrance Municipal Code Regarding Changes to Commission Compensation

From: Alan Masnek < >

Sent: Tuesday, November 5, 2024 4:28 PM

To: Poirier, Rebecca <RPoirier@TorranceCA.Gov>

Cc: Lewis, Bridgett <BLewis@TorranceCA.Gov>

Subject: Amending Torrance Municipal Code Regarding Changes to Commission Compensation

- 3 Regarding the item "Amending Torrance Municipal Code Regarding Changes to Commission Compensation" I submit the following input for the Nov-19 Council meeting;

I signed up to serve on a commission in 2021 without expectations of pay or amount of my time that would be consumed serving. Obviously, the current \$10 rate needs to be revised. I would suggest to either make it \$0 or make it something worthwhile say \$25 to \$50 per meeting. Water Commission meetings usually last no more than 2 hours although I know several other commission meetings last more than that. Not sure that an hourly rate would be appropriate for this activity - record keeping would become way too burdensome.

2. Please ensure this is submitted in the printed public comments package.

Thank you

Alan Masnek CPPL
Torrance CA

Questions for City Council

1. We have been paying commissioners \$10 per meeting for as long as I have been a commissioner, which goes back over a decade. And I'm sure it was well before then too. What changed?
2. What prompted the City Attorney to determine whether commissioners were employees or not?
3. How did they determine that?
4. Did the city file an SS-8 with the IRS to get an IRS determination?
5. Are other cities requiring a W-2 for commissioners to get paid? Several were queried in the staff report, but I don't see any W-2 information. Perhaps, I missed it.
6. If commissioners are treated like employees, will they get benefits like other city employees?
7. If commissioners are treated like employees, will the city manager or department heads be able to tell them what to do?
8. Can they form a Union and have dues deducted from their pay?
9. Lastly, if city employees cannot violate the Brown Act, will paid City commissioners also be considered incapable of violating the Brown Act?

10C- Amending Torrance Municipal regarding
Changes to Commission Compensation.

I've been preparing personal income taxes for 45 years, so while I haven't read the current Internal Revenue Code in its entirety, I'm well-versed on its general principles & current position regarding taxable income. As such, I've never seen anything specifically stating that a nominal stipend (\$10.00/meeting) for reimbursing miscellaneous expenses that aren't detailed should be classified as general wages subject to the requirement of preparing a Form W-2 & those normal and usual deductions therein applicable. Should the City Council decide to amend the Municipal Code, how would this effect the members of the Youth Council?

It's probable that most of them haven't yet worked at a job necessitating getting a valid for employment Social Security number, which assumes that all of the Youth Council members chosen could get one. Not all children born within these United States are eligible to or required to be assigned a Social Security number. Also, since California has over 9 million foreign-born residents, depending on their situation their children may not have yet been assigned or even be eligible for a Social Security number in the first place.

So, it would be nice (helpful) if someone from the City Attorney's Office could cite the specific Section of the I. R. S. Code that they're using as justification for why the City will now be preparing W-2's for the City's Commissioners. Since the voters last month approved amending the City Charter to increase the Council salary (at a rate different than what I had proposed) it only seems reasonable for the compensation for Commissioners also be increased.

In light of the change, to a degree, of the Commissioners relationship to the City Government the present nominal stipend should be increased to a more appropriate meeting fee. But, before settling on a new amount we should first consider that in Torrance we have 2 different types of Commissions, Boards & Committees. The difference is that some are quasi-judicial & so as such their members should received a higher meeting fee for the greater responsibilities that they have to the City of Torrance & its residents.

So, my suggestion for the standard Commissions new meeting fee be set at \$100.00/meeting. The meeting fee for all 4 quasi-judicial commissions could beset at \$150.00/meeting. In addition to this new compensation rate the ordinance should make it CRYSTAL CLEAR that Commissioners will be ineligible from ever earning any PERS credit from the compensation they receive as Commissioners. Finally, the compensation due to the Commissioners should be reviewed once a decade so that the meeting fee stays relatively even with price inflation.

Respectfully submitted,
Charles Michel Deemer



Date: December 17, 2024

To: Honorable Mayor and Members of the City Council

From: Rebecca Poirier, City Clerk

Subject: **Supplemental Material #1 for Item 10C**

DISCUSSION

In response to Councilmember Sheikh's inquiry about commission compensation, the City Clerk was asked by the Council to conduct research on the subject. The City Clerk reached out to the City Clerk Listserv for information, and the cities that responded have been included in the report.

Regarding Councilmember Sheikh's specific requests:

- City of Glendale: Glendale does not provide compensation to its commissioners.
- City of Pasadena: Pasadena compensates only certain commissioners. Please refer to the attached grid for detailed information.

Additionally, Councilmember Sheikh asked about the history of the \$10 per meeting stipend in Torrance. The earliest reference to this compensation appears in the Torrance Municipal Code from 1966, when commissions were first established, and the stipend was introduced.

Lastly, in response to Councilmember Sheikh's question about the commissioners' employment status, the commissioners will not become employees of the City. Instead, they will receive a W-2 form for tax purposes due to the stipend they receive.

ATTACHMENT

1. City Council Appointed Commissions, Boards, & Committees Facts

Prepared by the Pasadena Office of the City Clerk

CITY COUNCIL APPOINTED COMMISSIONS, BOARDS, & COMMITTEES	PAID	AMOUNT PAID	IS ATTENDANCE MANDATORY FOR PAYMENT
Accessibility and Disability Commission	No		
Arts and Culture Commission	No		
Burbank Glendale Pasadena Airport Authority	Yes	\$200/mtg; \$300/mtg for Chair	Yes
Code Enforcement Commission	No		
Commission on the Status of Women	No		
Community Police Oversight Commission	Yes	\$100/mtg	Yes
Deferred Compensation Oversight Committee	No		
Design Commission	No		
Economic Development and Technology Committee (City Council)	No		
Environmental Advisory Commission	No		
Finance Committee (City Council)	No		
Fire and Police Retirement System Board	No		
Historic Preservation Commission	No		
Human Relations Commission	No		

CITY COUNCIL APPOINTED COMMISSIONS, BOARDS, & COMMITTEES	PAID	AMOUNT PAID	IS ATTENDANCE MANDATORY FOR PAYMENT
Human Services Commission	No		
Legislative Policy Committee (City Council)	No		
Library Commission	No		
Metropolitan Water District Board	Yes	\$1000/month	No
Municipal Services Committee (City Council)	No		
Northwest Commission	No		
Old Pasadena Parking Meter Zone Advisory Commission	No		
Pasadena Playhouse Parking Meter Zone Advisory Commission	No		
Pasadena Center Operating Company Board	No		
Pasadena Community Access Corporation Board	No		
Pasadena Rental Housing Board	Yes	Up to 20 hours per week, at an hourly rate of 2.5 times Pasadena Minimum Wage	Yes
Planning Commission	Yes	\$50/month	No
Public Safety Committee (City Council)	No		

CITY COUNCIL APPOINTED COMMISSIONS, BOARDS, & COMMITTEES	PAID	AMOUNT PAID	IS ATTENDANCE MANDATORY FOR PAYMENT
Recreation and Parks Commission	No		
Rose Bowl Aquatics Center Board	No		
Rose Bowl Operating Company Board	No		
Santa Monica Mountains Conservancy Board	No		
Senior Commission	No		
South Lake Parking Place Commission	No		
Southern California Association of Governments Board	Yes	\$120 /board mtg \$70 /policy mtg	Yes
Transportation Advisory Commission	No		
Urban Forestry Advisory Commission	No		

** Employee Deferred Compensation Plan, with elected employees serving on the Board