

# **KIRKLAND SALARY COMMISSION MEETING**

## **Minutes**

**Thursday, December 8, 2005**

### **1. CALL TO ORDER**

On December 8, 2005, the Kirkland Salary Commission held a meeting in the Norkirk Conference Room at the Kirkland City Hall, 123 Fifth Avenue. The meeting was called to order at 5:08 p.m.

Members present were: Doreen Marchione; Bea L. Nahon; and Dave Russell. Staff members present were: Marilynne Beard, Director, Finance & Administration; Robin Jenkinson, City Attorney; and Bill Kenny, Director, Human Resources.

### **2. NEW BUSINESS**

Dave Russell opened the meeting by discussing the background of the establishment of the Salary Commission and the fact that the last adjustment to the City Council compensation was nine years ago. Mr. Russell noted that the legislative authority for the establishment of citizen salary commissions was somewhat recent in origin. He explained that salary adjustments determined by a salary commission do not require City Council action. He further explained that salary increases can go into effect immediately, without regard to the terms of the Council Members. Decreases may not go into effect until the subsequent terms of office.

He noted that if one estimated the time devoted by City Council Members to City Council work, conservatively, at ten hours per week, it was equivalent to a one-quarter time position. He further observed that it is difficult to estimate the amount of time expended on Council work by Mayors as there considerable variance based upon an individual Mayor's circumstances, i.e., whether they have full-time outside employment.

Mr. Russell addressed some of the materials provided by staff, specifically the council member compensation and benefit surveys. Staff explained that these surveys were developed based upon the ten cities that the City regularly uses for salary comparisons for Management and Confidential Employees: Auburn; Bellevue; Bothell; Edmonds; Everett; Federal Way; Kent; Lynnwood; Redmond; and Renton.

Kirkland City Council Members are currently paid \$650 a month and the Kirkland Mayor is paid \$950 a month. The matrices prepared by staff comparing the Kirkland City Council with city council compensation and benefits in the ten comparable cities reflected that the Kirkland compensation is below the average of cities by \$482 and \$392, for the Council Members and Mayor, respectively. Seven

of the comparable cities offer medical insurance and one city offers a flat amount for medical expenses. The average of the benefits provided by comparable cities is \$307 monthly for medical insurance, per employee, and \$704 monthly for a family.

Ms. Nahon asked whether the Commission should look at a different salary for the Deputy Mayor. Mr. Russell responded that there has been such wide variation in the responsibilities assumed by the Deputy Mayor and the amount of hours devoted to the position, that it would be difficult to try to assign a salary to the position.

The Commission discussed the presence of seven strong mayor cities in the list of comparable cities. These are cities with a mayor-council form of government, in which the mayor is the chief executive of the city and manages its day-to-day business. Because these cities have full-time mayors, they were not used as comparison with the Mayor's position in Kirkland.

Staff suggested that in lieu of good comparisons for the Mayor's position, the Commission could simply maintain the same percentage of difference between the compensation for the Council Members and Mayor as currently exists.

Ms. Nahon noted that the Report of the City of Spokane Valley Salary Commission, which she had located online, was included in the Commission materials and considered cities in the State of Washington which operate under a council-manager form of government. Staff pointed out that this other group had fewer members in the Puget Sound vicinity, making it less useful as a set of comparables.

Ms. Marchione suggested and the Commission discussed removing Everett and Bellevue as the outliers, based upon having greater population and paying among the highest compensation and benefits. Discussion followed about what might be appropriate to bring the Kirkland Council Members and Mayor closer in line with the comparable cities. With respect to benefits, the Commission discussed the fact that Kirkland does not currently pay for Council Members' medical benefits or related programs. It was observed from the benefit survey information in the Commission materials, that seven of the comparable cities offered council members medical insurance ranging from 50% to 100% coverage. Only two of the comparable cities offered no medical benefits or related programs.

Staff explained that the seven comparable cities which offered council members medical benefits, provided benefits which are basically equivalent to what Kirkland paid, in 2005, for Management and Confidential employees: \$349.75 per month for Association of Washington Cities ("AWC") Regence Blue Shield Medical Plan B; or \$311.96 per month for Group Health Cooperative. The Commission discussed the available benefits options. Staff noted that in order to offer AWC medical benefits, 50% of the City Council would have to be enrolled. In order to offer the dental and vision program provided to Kirkland employees, 100% of the Council would have to be enrolled. Staff explained that Kirkland does have a Flexible

Spending Account program which enables individuals to set aside money on a pre-tax basis to pay for health and day care costs. The Commission discussed the merits of providing the Mayor and Council Members a monthly dollar amount in lieu of offering benefits directly, to provide more flexibility based upon personal circumstances and need.

The Commission Members summarized what they thought, preliminarily, was appropriate as an increase in the compensation: a \$250 increase in monthly compensation for Council Members to \$900 a month; a \$250 increase in monthly compensation for the Mayor to \$1,200 a month; and a \$250 monthly allowance, in lieu of benefits, for the Council Members and Mayor. The Commission agreed to conduct a meeting which the public could attend to provide comment on the approach the Commission had discussed. The Commission asked that staff make the information about the Commission's discussion and thinking, in the form of minutes, readily accessible in advance of the meeting. The information about the upcoming meeting should be posted on the City's website along with minutes of the Commission's meeting. Citizens should also be encouraged to provide written comments. There was discussion about utilizing the "Items of the Audience" portion of an upcoming City Council agenda as one way of letting citizens know about the Commission's meeting. The Commission would meet, consider correspondence as well as comments received from those in attendance, and vote on the Mayor and Council Members' compensation. The Commission talked about meeting during January 2006, with a potential effective date for any compensation adjustments of February 1, 2006.

### **3. ADJOURNMENT**

The December 8, 2005 meeting of the Kirkland Salary Commission adjourned at 5:30 p.m.

# Kirkland Salary Commission

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2. RCW 35.21.015 – SALARY COMMISSIONS.
3. COMPENSATION SURVEY AND BENEFIT PROGRAMS.
4. BACKGROUND MATERIAL: CITY OF SPOKANE VALLEY INDEPENDENT SALARY COMMISSION FINAL REPORT DATED AUGUST 2, 2004.

ORDINANCE 4022

AN ORDINANCE OF THE CITY OF KIRKLAND ESTABLISHING A SALARY COMMISSION FOR THE CITY AND ADDING A NEW CHAPTER 3.11 OF THE KIRKLAND MUNICIPAL CODE.

WHEREAS, the salaries for the Mayor and City Council have been adjusted, from time to time, by Council ordinance as provided in RCW 35A.13.040; and

WHEREAS, the current salaries for the City Council have not been adjusted in more than nine years; and

WHEREAS, RCW 35.21.015 authorizes the City to establish an independent salary commission, by ordinance, with authority to set the salary of the members of the City Council; and

WHEREAS, the City Council desires to have a comparative salary study conducted and recommendations for future salary adjustments provided by a commission composed of citizens from the community; and

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. A new Chapter 3.11 entitled "Salary Commission" is added to the Kirkland Municipal Code to read as follows:

**3.11.010 Commission Created – Membership, appointment, compensation, term.**

- A. There is created a salary commission for the city. The commission shall consist of three members, to be appointed by the Mayor with the approval of the city council.
- B. A member of the commission shall serve for a three year term without compensation, and shall be a resident of the city. The initial members shall be appointed for staggered terms.
- C. No member of the commission shall be appointed to more than two terms.
- D. A member of the commission shall not be an officer, official, or employee of the city or an immediate family member of an officer, official, or employee of the city. For purposes of this section, "immediate family member" means the parents, spouse, siblings, children, or dependent relatives of an officer, official, or employee of the city, whether or not living in the household of the officer, official, or employee.

**3.11.020 Vacancies.**

In the event of a vacancy in the office of commissioner, the Mayor shall appoint, subject to approval of the city council, a person to serve the unexpired portion of the term of the expired position.

**3.11.030 Removal.**

A member of the commission shall only be removed from office for cause of incapacity, incompetence, neglect of duty, or malfeasance in office, or for a disqualifying change of residence.

**3.11.040 Duties.**

- A. The commission shall have the duty to review the salaries paid by the City to the Mayor and city council. If after such review the commission determines that the salary paid to the Mayor or city council should be increased or decreased, the commission shall file a written salary schedule with the city clerk indicating the increase or decrease in salary.
- B. The commission shall convene and complete its first review of the salaries paid to the Mayor and city council within 90 days of the appointment of the commission. Should the commission determine that the salary paid to the Mayor or city council should be increased or decreased, the commission shall file its initial schedule of salaries for the Mayor and city council with the city clerk no later than the 91<sup>st</sup> day following the appointment of the commission.
- C. For subsequent years, the commission shall meet no less than one time per year, during the months of August or September of each year.
- D. All meetings of the commission shall be open to the public. Citizens of the city shall have an opportunity to comment or submit comments in writing prior to a commission vote to increase or decrease salaries.
- E. Any increase or decrease in salary shall become effective and incorporated into the city budget without further action of the city council or the commission.
- F. Salary increases established by the commission shall be effective as to all members of the city council, regardless of their terms of office.
- G. Salary decreases established by the commission shall not be effective as to incumbent city council members until the commencement of their next term of office.
- H. Any adjustment of salary by the Commission shall supersede any City ordinance related to the budget or fixing of salaries, but only to the extent there is a conflict.

Section 2. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance, or the application of the provision to other persons or circumstances is not affected.

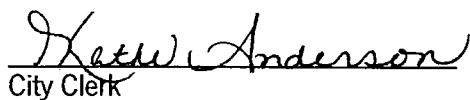
Section 3. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this 15th day of November, 2005.

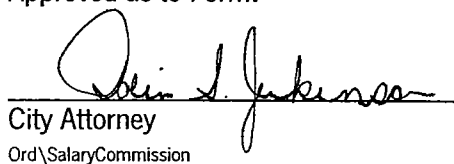
Signed in authentication thereof this 15th day of November, 2005.

  
MAYOR

Attest:

  
City Clerk

Approved as to Form:

  
City Attorney  
Ord\SalaryCommission

**NOTICE  
CITY OF KIRKLAND  
SALARY COMMISSION  
MEETING DATE & TIME**

The recently created Kirkland Salary Commission will hold their initial meeting on December 8, 2005. The meeting will begin at 4:00 p.m. in the Norkirk Room at Kirkland City Hall, 123 Fifth Avenue. Any person requiring a disability accommodation should contact the City in advance at 425-587-3190 or for TTY service call 425-587-3111.

Kathi Anderson, City Clerk

*Publishing Date: December 6, 2005*

Received by: \_\_\_\_\_ for the Daily Journal American

Date: \_\_\_\_\_

Bill to No. 900012

**RCW 35.21.015**

**Salary commissions.**

(1) Salaries for elected officials of towns and cities may be set by salary commissions established in accordance with city charter or by ordinance and in conformity with this section.

(2) The members of such commissions shall be appointed in accordance with the provisions of a city charter, or as specified in this subsection:

(a) Shall be appointed by the mayor with approval of the city council;

(b) May not be appointed to more than two terms;

(c) May only be removed during their terms of office for cause of incapacity, incompetence, neglect of duty, or malfeasance in office or for a disqualifying change of residence; and

(d) May not include any officer, official, or employee of the city or town or any of their immediate family members. "Immediate family member" as used in this subsection means the parents, spouse, siblings, children, or dependent relatives of the officer, official, or employee, whether or not living in the household of the officer, official, or employee.

(3) Any change in salary shall be filed by the commission with the city clerk and shall become effective and incorporated into the city or town budget without further action of the city council or salary commission.

(4) Salary increases established by the commission shall be effective as to all city or town elected officials, regardless of their terms of office.

(5) Salary decreases established by the commission shall become effective as to incumbent city or town elected officials at the commencement of their next subsequent terms of office.

(6) Salary increases and decreases shall be subject to referendum petition by the people of the town or city in the same manner as a city ordinance upon filing of such petition with the city clerk within thirty days after filing of the salary schedule. In the event of the filing of a valid referendum petition, the salary increase or decrease shall not go into effect until approved by vote of the people.

(7) Referendum measures under this section shall be submitted to the voters of the city or town at the next following general or municipal election occurring thirty days or more after the petition is filed, and shall be otherwise governed by the provisions of the state Constitution, or city charter, or laws generally applicable to referendum measures.

(8) The action fixing the salary by a commission established in conformity with this section shall supersede any other provision of state statute or city or town ordinance related to municipal budgets or to the fixing of salaries.

(9) Salaries for mayors and councilmembers established under an ordinance or charter provision in existence on July 22, 2001, that substantially complies with this section shall remain in effect unless and until changed in accordance with such charter provision or ordinance.

[2001 c 73 § 4.]

**NOTES:**

**Findings -- Intent -- 2001 c 73:** "The legislature hereby finds and declares that:

(1) Article XXX, section 1 of the state Constitution permits midterm salary increases for municipal officers who do not fix their own compensation;

(2) The Washington citizens' commission on salaries for elected officials established pursuant to Article XXVIII, section 1 of the state Constitution with voter approval has assured that the compensation for state and county elected officials will be fair and certain, while minimizing the dangers of midterm salary increases being used to influence those officers in the performance of their duties;

(3) The same public benefits of independent salary commissions should be extended to the setting of compensation of municipal elected officers; and

(4) This act is intended to clarify the intent of the legislature that existing state law authorizes:

(a) The establishment of independent salary commissions to set the salaries of city or town elected officials, county commissioners, and county councilmembers; and

(b) The authority of the voters of such cities, towns, and counties to review commission decisions to increase or decrease such salaries by means of referendum." [2001 c 73 § 1.]

**Severability -- 2001 c 73:** "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [2001 c 73 § 6.]

### Council Member Compensation Survey

City	Population	Meeting Frequency	Typical Length of Meetings	Monthly Compensation for Council	Monthly Compensation for Mayor	Other Benefits Provided
Alburt	45,355	2x per month	1.5 - 3 hours	\$800	n/a Full-time Mayor	74% Medical, 100% Dental & Vision
Belleuve	106,400	4x per month	n/a	\$1,650	\$1,950	\$150 car allowance, medical, dental, MEBT & PERS
Bothell	32,900	3x per month	4 - 6 hours	\$500	\$700	None
Edmonds	39,580	4x per month	3 hours	\$800 (1)	n/a Full-time Mayor	Medical Insurance
Everett	96,840	4x per month		\$1,723	n/a Full-time Mayor	Full health benefits
Federal Way	83,590	2x per month		\$1,075	\$1,375	\$350/month contribution to VEBA health account
Kent	84,210	2x per month	1 - 2 hours	\$1,676	n/a Full-time Mayor	100%/90% paid medical insurance
Lynnwood	34,500	5x per month	3 hours	\$1,350 (2)	n/a Full-time Mayor	None
Redmond	46,480	4x per month	2 - 4 hours	\$800	n/a Full-time Mayor	50% medical, life & limited insurance
Renton	54,900	4x per month	2 hours	\$950	n/a Full-time Mayor	100% medical benefits & 2% deferred comp.
<b>Average for all cities</b>				<b>\$1,132</b>	<b>\$1,342</b>	
<b>Kirkland</b>	<b>45,630</b>	<b>2x per month</b>	<b>3.5 hours</b>	<b>\$650</b>	<b>\$950</b>	<b>Life Insurance and Flex Pass</b>

(1) Base salary of \$700/month + \$50 per meeting

(2) Base salary of \$725/month + \$125 per meeting

## Council Member Compensation Survey Benefits

City	Population	Monthly Compensation for Council	Health Care Benefits	City Pays EE Only	City Pays EE, Sp + Dep.	Other Benefits Provided
Albany	45,355	\$800	74% medical, 100% dental & vision	\$279	\$756	None
Belleuve	106,400	\$1,650	2005-92%-82% medical & dental*	\$465	\$1,069	MEBT & PERS
Bothell	32,900	\$500	None	\$0	\$0	None
Edmonds	39,580	\$800 (1)	90% medical, dental & vision	\$414	\$1,147	None
Everett	96,840	\$1,723	100% medical, dental & vision	\$662	\$1,188	None
Federal Way	83,590	\$1,075	None	\$350	\$350	\$350/month contribution to VEBA health account
Kent	84,210	\$1,676	100% medical only, 90% dependents	\$419	\$1,233	None
Lynnwood	34,500	\$1,350 (2)	None	\$0	\$0	None
Redmond	46,480	\$800	50% medical only	\$162	\$414	life & limited insurance
Renton	54,900	\$950	80% medical & dental	\$322	\$1,243	2% deferred comp.
<b>Average for all cities</b>		<b>\$1,132</b>		<b>\$307</b>	<b>\$740</b>	
<b>Kirkland</b>	<b>45,630</b>	<b>\$650</b>	<b>None</b>	<b>\$0</b>	<b>\$0</b>	<b>life insurance and PERS</b>

(1) Base salary of \$700/month + \$50 per meeting

(2) Base salary of \$725/month + \$125 per meeting

\*Percentage changes each year, any annual premium increase is split between the City and EE

