



**CITY OF KIRKLAND**  
**Human Resources Department**  
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**To:** Kirkland Salary Commission  
**From:** James Lopez, Director of Human Resources & Performance Management  
**Date:** November 26, 2012  
**Subject:** Council Compensation

At the last meeting, the Commission requested that staff provide a recommendation regarding equitable compensation for Council.

This memo provides that recommendation, as well as noting other factors relevant to Council compensation.

By way of background, the City has a long history of reviewing positions relative to the market to ensure fair and equitable compensation and benefits. The approach used is to gather data from comparable cities ("**comps**") for the positions we wish to match. Over the past few years, this market data has assisted the Commission in making adjustments to Council compensation, most notably in 2006 and 2008. (See Attachment A) The comparable cities used are the pre-established list of 10 cities. (See Attachment B)

The Commission has previously been furnished with the comps data relative to City Council and Mayor compensation which shows:

- Kirkland currently compensates \$1,063 monthly for Council and \$1,352 for Mayor
- The comps average \$1,161 and \$1,525 monthly, respectively
- The difference is \$98/month below market for Council, and \$173/month below market for Mayor

In addition to salary, Kirkland Councilmembers receive a \$300 monthly allowance "**in lieu of medical** or other additional **benefits.**" **This allowance is** intended to compensate for the value of other benefits that many of our comps provide to their elected officials. A more detailed comparison of Council benefits is shown on Attachment C.

The Commission had previously requested information regarding MAC (Management and Confidential) **employees' salary increases.** The following table illustrates a five year history of MAC compensation:

2008	2009	2010	2011	2012
3.14%	3.19%	-3.4%	3.4% restored	2.5%

It is important to note there has not been a historical correlation between MAC and Council compensation. For example, in 2005 when the Salary Commission was established, Council had not

received a compensation adjustment since 1996. However, during the same 1996 - 2005 period, MAC employees received annual salary increases based upon the Consumer Price Index (CPI-W).

One notable exception occurred in 2010. That year, Council and MAC took the same 3.4% salary reduction. The 3.4% was restored to MAC the following year, but Council salaries have remained at the reduced level up to the present time.

The Commission has discussed a number of possible options regarding Council compensation. I have reviewed Commission meeting minutes from past years; carefully looked at the historical compensation data, and contemplated internal/external equity. Based upon that review, my recommendation to the Commission is:

- Restore the 3.4% in monthly pay, resulting in Councilmember compensation of \$1,100/month, and Mayor compensation of \$1,400/month. This approach serves to more closely align Kirkland Council compensation to the average of the comparable cities.

Attachment A

## CITY OF KIRKLAND Historical Mayor/Councilmember Compensation

<u>Year</u>	<u>Mayor Monthly Compensation</u>	<u>Councilmember Monthly Compensation</u>	<u>Medical</u>
1994	\$700	\$500	\$0
1995	\$700	\$500	\$0
1996	\$950	\$650	\$0
1997	\$950	\$650	\$0
1998	\$950	\$650	\$0
1999	\$950	\$650	\$0
2000	\$950	\$650	\$0
2001	\$950	\$650	\$0
2002	\$950	\$650	\$0
2003	\$950	\$650	\$0
2004	\$950	\$650	\$0
2005	\$950	\$650	\$0
2006	\$1,200	\$900	\$250
2007	\$1,200	\$900	\$250
2008	\$1,400	\$1,100	\$300
2009	\$1,400	\$1,100	\$300
2010	\$1,352	\$1,063	\$300
2011	\$1,352	\$1,063	\$300
2012	\$1,352	\$1,063	\$300

Attachment B

**CITY OF KIRKLAND**  
**2012 Mayor/Councilmember Compensation Survey**

<u>City</u>	<u>Population</u>	<u>Mayor Monthly Compensation</u>	<u>Councilmember Monthly Compensation</u>	<u>Change from 2011</u>
Auburn	71,240	n/a	\$975	no change from 2011
Bellevue	124,600	\$1,950	\$1,650	no change from 2011
Bothell	34,000	\$1,100	\$900	no change from 2011
Edmonds	39,800	n/a	\$600 (+ \$50 mtg.)	no change from 2011
Everett	103,300	n/a	\$2,190	no change from 2011
Federal Way	89,460	n/a	\$1,150	no change from 2011
Kent	119,100	n/a	\$1,146	no change from 2011
Lynnwood	35,900	n/a	\$1,650	no change from 2011
Redmond	55,360	n/a	\$1,000	increase from \$950
Renton	93,910	n/a	\$950	no change from 2011
	Average:	\$1,525	\$1,161	
<i>Kirkland</i>	<i>81,480</i>	<i>\$1,352</i>	<i>\$1,063</i>	no change from 2011

(3.4% reduction in place since 2010)

Note: Cities listed as "n/a" have a full-time, highly-compensated Mayor  
 Data Source: Association of Washington Cities 2012 Salary & Benefit Survey

**Attachment C**

**City of Kirkland  
Councilmember Benefits Survey**

<b>City</b>	<b>Population</b>	<b>Benefits</b>
Auburn	71,240	Medical/dental/vision coverage available through AWC. Councilmembers must pay 100% of the premium costs. (Council has not voted to obtain medical coverage) Other than salaries/stipend, council members do not receive any benefits.
Bellevue	124,600	Medical/dental/vision coverage available at same rates as non-represented employees. Life insurance: City provides 80% of salary up to \$50k. City match of 6.2% on MEBT Plan. Voluntary participation in a Flexible Spending Account. PERS enrolled Councilmembers eligible for free ORCA transit pass. Councilmembers receive monthly car allowance of \$254, and cell phone/data stipend of \$85/month (2 Councilmembers currently receive cell phone stipend)
Bothell	34,000	No benefits offered to Councilmembers.
Edmonds	39,800	Medical/dental/vision: City picks up 90% of the premium cost for the Councilmember. Spouse and dependents are paid 100% by the Councilmember. City paid basic term life with a face value of \$10,000 and \$1,000 on dependents. Participation in MEBT with 6.2% employer match (in lieu of Social Security) Councilmembers may participate in any of three deferred comp programs; no employer match or contribution.
Everett	103,300	Medical/dental/vision for Councilmembers and eligible dependents: City pays 100% of premiums. City paid 2x plus \$2k annual salary for life insurance/accidental death & dismemberment. Eligible for long-term disability plan.
Federal Way	89,460	May elect to contribute a minimum of 6.2% to deferred compensation in lieu of FICA contribution. City matching contribution of 6.2% (\$71.30/month). Councilmembers receive a City contribution of \$475/month into a VEBA (retiree medical) plan.
Kent	119,100	Medical/Dental/Vision: City pays full premium cost for Councilmember. Spouse and dependents are paid 100% by the Councilmember. Voluntary participation in Flexible Spending Account. Eligible for Employee Assistance Plan.
Lynnwood	35,900	Medical/dental/vision coverage: City pays 100% for Councilmember and 90% for dependent coverage. \$100,000 Accidental Death & Dismemberment Policy paid for by City.
Redmond	55,360	MEBT eligible, enrolled in Long Term Disability and Survivor Life. Eligible to enroll in in Deferred Compensation, but no council members currently participate. <b>Eligible for health benefits like other part-time, benefit eligible City employees. 4 of 7 Councilmembers currently enrolled in the City's health plan.</b>
Renton	93,910	Medical/dental/vision coverage: City pays for healthcare premiums for Councilmember only, not for dependents. May participate in deferred compensation programs. City contributes 2% on the Councilmember's behalf. Eligible for voluntary participation in Flexible Spending Account plan, transportation program benefits, and Employee Assistance Program.
<b>Kirkland</b>	<b>81,480</b>	<b>Voluntary MEBT Plan 2 participation. May voluntarily participate in the Flexible Spending Account plan. 2x annual salary life insurance policy paid by City. Councilmembers receive \$300 monthly allowance "in lieu of receiving medical or other additional benefits."</b>
		Note: State of Washington Department of Retirement Systems Plan coverage (PERS) is optional for all Elected Officials.