

DRAFT

KIRKLAND SALARY COMMISSION MEETING

Minutes

Tuesday, August 27, 2013

1. CALL TO ORDER

On August 27, 2013, the Kirkland Salary Commission held a meeting in the City Council Chamber at Kirkland City Hall, 123 Fifth Avenue. The meeting was called to order at 7:00 p.m. by Anna Rising, Chair.

2. INTRODUCTIONS/ROLL CALL

Commission Members present were: Santos Contreras, Larry McKinney, and Anna Rising. Staff members present were: Tracey Dunlap, Director of Finance and Administration; Robin Jenkinson, City Attorney; James Lopez, Director of Human Resources and Performance Management; and Anja Mullin, Deputy City Clerk.

3. APPROVAL OF MINUTES

The Salary Commission unanimously approved the minutes of November 29, 2012, as presented.

4. COMMENTS FROM THE AUDIENCE/PUBLIC

The Salary Commission did not receive any oral or written comments.

5. COMMISSION BUSINESS

Commission Member Contreras expressed his interest in having the City provide the Council with medical benefits. He observed that based on the materials prepared by staff, several other comparable cities provide council medical benefits, at varying levels. Commission Member Contreras noted that the \$300 monthly stipend paid to the Council would not cover the cost of medical benefits for most plans with which he is familiar.

Commission Chair Rising asked Commission Member Contreras whether he wanted to maintain the \$300 monthly stipend and also provide medical benefits to the Council. Commission Member Contreras explained that his idea was that a Council Member could either participate in the City medical benefits program or receive the \$300 monthly stipend. Commission Chair Rising inquired about the difference in dollar amount between a Council Member receiving medical benefits and a Council Member receiving the stipend.

Human Resources Director James Lopez responded that the cost for a single person to participate in the City medical benefits program was \$643 a month for the Kirkland Prime Plan or \$480 a month for Group Health Cooperative. In response to a question from Commissioner Contreras, Mr. Lopez explained that the cost was the same for managers as for other City employees. In response

to an inquiry from Commission Chair Rising, Finance and Administration Director Tracey Dunlap said the additional amount of compensation would be \$343 a month or \$4,116 a year, per Council Member. If all Council Members opted to receive the benefits, the additional amount a year would be just under \$29,000. Commission Chair Rising said it was not clear if other cities provided full medical benefits. Mr. Lopez referred the Commission to a 2013 summary of benefits paid, by comparable cities. Member McKinney stated that as one of the leading cities in King County, Kirkland should try to stay on par with the comparable cities. He said that it looked as though most of the cities were paying some, if not all, of the medical benefits for council members.

Commission Member Contreras made a motion to provide medical, dental, and vision benefits for the Council. Commission Chair Rising seconded the motion. The Commission discussed the motion. Commission Member McKinney observed that including dental, and vision represented an additional \$68 per month. The Commission discussed and rejected an increase in the stipend for Council Members who do not receive benefits. Mr. Lopez clarified that the dollar figures he had provided represented 100 percent of a single person premium and would cover the Council Member only. The Commission unanimously approved the motion.

Commission Member McKinney asked whether this action counted as a qualifying event for enrollment purposes. Mr. Lopez replied that it would and that the timing was good as the City was coming up on an open enrollment period. Mr. Lopez thought it was likely that Council Members could start receiving benefits at the beginning of 2014.

Commission Chair Rising requested that staff provide a report on how many Council Members enrolled in benefits at a future Commission meeting. City Attorney Robin Jenkinson asked if the Commission would prefer to wait until the staff was able to prepare a resolution for Commission consideration that same evening or schedule another meeting. The consensus was that that the Commission would wait for staff to prepare a resolution that evening.

Commission Member Contreras noted that the Council had not received an increase in compensation in six years and asked how much the cost of living had changed over that period. Ms. Dunlap responded that there was a change of ten to fifteen percent in the cost of living. She explained that in 2009 the cost of living increased by 6.2 percent, but that in 2010 and 2011 there was a negative cost of living.

Commissioner Contreras then said he thought the cost of living was an important issue, but having opened the door to Council benefits, he thought the Council was receiving a pretty substantial increase in compensation. Commission Chair Rising agreed and pointed out that the Commission did not know which Council Members would enroll in benefits. She further observed that Everett was the only City which had given Council Members a salary increase. Commission Member McKinney said he had a hard time considering

a Council cost of living adjustment when he noted that there was a 3.1 percent decrease in the City budget across all departments. In response to questioning, Ms. Dunlap stated that in 2014 there was no cost of living adjustment budgeted for management, AFSCME, or the Teamsters Union. Commission Chair Rising said that she thought it was good that the Commission was focusing on benefits. Commissioner Member McKinney stated that he thought Kirkland was in line with other cities.

Ms. Dunlap noted that the Commission's action would create a differential between the compensation of Council Members who opted to receive benefits and those who did not. Commission Chair Rising acknowledged the difference, but said that the Commission wanted to make sure the Council Members had health coverage. Commission Member McKinney agreed, noting that the Council Members had the choice to opt out. If they did not enroll in benefits, they were choosing to accept a lesser amount. Commission Member Contreras also agreed.

Commission Member Contreras inquired about the length of Commission terms. Commission Member McKinney confirmed that the Commission has three-year terms. The Commission then waited while the staff prepared a resolution for Commission consideration.

The Commission discussed the draft resolution the staff returned for Commission review. Commission Chair Rising suggested that the recital concerning public comment clarify that no oral or written comments were received. Staff returned with the resolution in final form. Commission Member Contreras moved approval of Resolution 31-1. The motion was seconded by Commission Chair Rising. The Commission unanimously approved and signed the resolution. Commissioner Contreras suggested that future Commission meetings be scheduled at 5:00 p.m. so that staff did not need to wait two hours.

6. ADJOURNMENT

The August 27, 2013, meeting of the Kirkland Salary Commission adjourned at 7:52 p.m.