

KIRKLAND SALARY COMMISSION MEETING

Minutes

Tuesday, August 26, 2008

1. CALL TO ORDER

On August 26, 2008, the Kirkland Salary Commission held a meeting in the City Council Chambers at the Kirkland City Hall, 123 Fifth Avenue. The meeting was called to order at 6:00 p.m., by Dave Russell, Commission Chair.

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

2. APPROVAL OF MINUTES

Doreen Marchione moved approval of the September 11, 2008, minutes. Ms. Nahon seconded the motion and the minutes were approved as presented.

3. COMMENTS FROM THE AUDIENCE

Mr. Russell noted that while the meeting of the Commission had been widely noticed, including notification to the Neighborhood Associations and posting on the Salary Commission's website, the Commission had not received any written comments and, at that time, no one wished to offer comments.

4. COMMISSION BUSINESS

Mr. Russell explained that the sole charge of the Salary Commission is to review and set the compensation paid to the Mayor and the City Council. He observed that the Salary Commission was established by City ordinance in 2005 under authority provided in state law.

Mr. Russell opened the discussion by reviewing the background materials which had been provided the Commission. He noted that the City staff had provided the Commission with a copy of the *City Update* focused on the City budget; a 2008 Mayor/Councilmember Compensation survey; and a history of the Mayor and Council salaries and benefits for the past 15 years. Mr. Russell pointed out that prior to the establishment of the Salary Commission the Council had not received an adjustment in its compensation for ten years.

Mr. Russell advised that Human Resources Director Bill Kenny was prepared to address the Commission. The Commission asked to hear from Mr. Kenny. Mr.

Kenny recommended that the Commission maintain the status quo for the Mayor and Council compensation. He explained that this recommendation was based upon three factors: 1) the current economic and budget conditions in the City; 2) the compensation of the Mayor and Council Members in comparable cities; and 3) internal equity with City employees. Mr. Kenny stated that the first factor goes to the City's ability to pay. The second factor is that the 2008 Mayor/Councilmember Compensation Survey reflects that the Mayor and Council's compensation is at the midpoint of the City's comparable cities. Finally, the midpoint of the comparable cities is where the City strives to be for its employees.

Mr. Russell called upon Finance and Administration Director Tracey Dunlap. The Commission complimented the City on the quality of the *City Update* in describing the City's economic and budget conditions. Ms. Dunlap was asked about the amount of the City's current budget shortfall. Ms. Dunlap responded that the range was between \$13 million and \$17 million for the 2009-2010 biennium. Ms. Dunlap observed that the City's sales tax revenues have continued to decline. In addition, the Consumer Price Index upon which cost of living adjustments for certain bargaining units is based had come in at approximately 6.2 percent.

Mr. Russell indicated that he had heard that in meetings there had been some discussion by City Council Members about reducing their salaries based upon the City's financial situation. Ms. Dunlap noted that one or more Council Members had made such statements, but there did not appear to be a Council consensus on this question.

Mr. Russell recognized Council Member Asher who was present in the Chamber and asked if he would like to speak. Councilmember Asher commented that had he known when he voted on the establishment of the Salary Commission that it was going to place Mayor and Council salaries on autopilot, he would not have done so. Councilmember Asher provided the Commission with a chart (copy attached) that showed that Council salaries, including the amount in lieu of medical benefits, had increase 6.7 percent a year since 2006. He stated that occupying the Mayor and Council positions is based upon a desire to serve, not monetary reward.

Ms. Marchione remarked that the Commission has not been on autopilot and that the Commission had carefully reviewed Mayor and Council compensation. Mr. Russell recognized the importance of considering the demands of the positions of Mayor and Council and setting compensation at a level which enables qualified persons to serve.

Commissioner Nahon asked for confirmation that a compensation decrease established by the Commission would not become effective as to an incumbent Councilmember until the commencement of their next subsequent term of office. City Attorney Robin Jenkinson confirmed Ms. Nahon's understanding.

Ms. Nahon stated that she had looked at the compensation survey that was provided the Commission last year and noted that Everett appeared to be the only city that had increased the compensation paid to the Mayor and Council. She asked if this was a timing issue. The Human Resources Director responded that the information provided by staff was from the most recent survey by the Association of Washington Cities.

Ms. Marchione moved that the Mayor and Council compensation remain at the level that the Commission had established in 2007. Ms. Nahon seconded the motion. The motion passed unanimously. Because the Commission was not taking action to increase or decrease the compensation of the Mayor and Council, Ms. Jenkinson confirmed that there was no need to file a written salary schedule with the City Clerk.

5. ADJOURNMENT

The August 26, 2008, meeting of the Kirkland Salary Commission adjourned at 6:27 p.m.

