

DRAFT

KIRKLAND SALARY COMMISSION MEETING

Minutes

Tuesday, September 29, 2009

1. CALL TO ORDER

On September 29, 2009, the Kirkland Salary Commission held a meeting in the Peter Kirk Room at the Kirkland City Hall, 123 Fifth Avenue. The meeting was called to order at 6:13 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

Ms. Nahon moved approval of the August 26, 2008, minutes as corrected. Ms. Marchione seconded the motion and the minutes were approved as corrected.

3. COMMENTS FROM THE AUDIENCE

Mr. Russell noted that 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 pointed out that since 1995, the Salary Commission had increased the salary of the Mayor by 80 percent and doubled the salary of the Council Members.

Mr. Russell opened the discussion by reviewing the background materials which had been provided the Commission. He noted that that Human Resources Director Bill Kenny had provided the Commission with a memorandum containing salary survey information and options for the Commission to consider. Mr. Russell further noted that the Finance Department had provided the Commission with a link to the *City Update* focused on the City budget. Mr. Russell asked Finance and Administration Director Tracey Dunlap if the City's economic and budget conditions were continuing to worsen. Ms. Dunlap responded that the City was continuing to see declines in revenues.

Ms. Marchione next expressed her interest, based on the options presented, in decreasing the salaries of the Council and Mayor by 3.4 percent, consistent with the wage concessions being pursued with the City's labor unions. Ms. Nahon stated that she believed that a reduction of 3.4 percent was insufficient when compared with City employees who have lost jobs. She stated that she believed Council Members should take a leadership position. She said that for purposes of discussion, she proposed something in the area of a 10 percent decrease. Ms. Nahon also indicated that she would support leaving the benefit allowance alone because in looking at the City of Kirkland benefit allowance in comparison with other cities, Kirkland is at the low end.

Mr. Russell indicated that he favored leaving the salaries paid to the Mayor and Council as is. He said the option of the 3.4 percentage

change is small. He said he is not sure it is the job of the Salary Commission to present symbolism. He said that he would be more comfortable with the 3.4 percent decrease as the ground had been covered for a decrease of that size. He added that it was just symbolic and not significant.

Ms. Marchione asked if, based upon the finances of the City, the Council could ask that the Commission reconvene if the Council thought a more drastic cut to their salary was needed. Mr. Russell observed that the Commission needed to retain its independence. Ms. Dunlap noted that any decrease in the salaries would not apply until the next term of incumbent members. Ms. Jenkinson confirmed that under the State law or the Kirkland Municipal Code provisions under which the Commission operates, they are not precluded from meeting more often than once a year. Mr. Russell pointed out that it would be up to the Commission whether an additional meeting was conducted.

Mr. Kenny explained to the Commission that the discussion of the anticipated reduction to the City employee salaries came after rounds of other budget and departmental cuts. The City Council had already experienced departmental cuts. He had asked the Finance Department to come up with a number that represented what the City needed from compensation for employees. He said that he wanted to make clear to the Commission that the 3.4 percent number is just what is necessary to achieve necessary reductions for 2010.

Mr. Russell recognized that there was a spectrum of opinions on the Commission and that he personally would like to see the salaries remain the same.

With respect to the ability of Council Members to voluntarily waive part of their salary, Ms. Nahon observed that in her research she had found a provision in the City of Woodinville Municipal Code, Section 2.06.020, which provides for the voluntary waiver of some or all of the Council Members' salaries. She noted that as a CPA, she thought this was better from a tax perspective. She also liked that in the Woodinville code the waived funds were earmarked for human services.

Mr. Russell recognized that there was a spectrum of opinions on the Commission and reiterated that he personally would like to see the salaries remain the same.

Ms. Marchione moved that the Council Member and Mayor compensation be reduced by 3.4 percent effective January 1, 2010. Ms. Nahon seconded the motion. The motion passed unanimously. The Commission Members signed Kirkland Salary Commission Resolution No. 09-001 to be filed with the City Clerk. Ms. Jenkinson pointed out that the Resolution reflects that the Council Members will no longer receive Metro/Sound Transit FlexPasses as the program is no longer available to the City of Kirkland.

5. ADJOURNMENT

The September 29, 2009, meeting of the Kirkland Salary Commission adjourned at 6:38 p.m.