



CITY OF KIRKLAND
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MEMORANDUM

To: David Ramsay, City Manager

From: Erin J. Leonhart, Intergovernmental Relations Manager
Robin Jenkinson, City Attorney

Date: October 7, 2008

Subject: City Council Budget and Council Member Compensation

BACKGROUND

All departments have been asked to identify budget reductions of up to 8% for the 2009-2010 biennium. Information about the potential of reducing Council compensation was requested by the City Council. This memo describes the legal considerations related to compensation for elected officials in Washington State and also provides information about other items included in the City Council Budget.

Washington State Law

Under RCW 35A.13.040, the compensation of council members in code cities, such as Kirkland, may not be increased or decreased during a council member's term of office. The specific language in RCW 35A.13.040 states:

The salaries of the councilmen, including the mayor, shall be fixed by ordinance and may be revised from time to time by ordinance, but any increase or reduction in the compensation attaching to an office shall not become effective until the expiration of the term then being served by the incumbent: PROVIDED, That the compensation of councilmen may not be increased or diminished after their election nor may the compensation of the mayor be increased or diminished after the mayor has been chosen by the council.

Further, the City of Kirkland has a salary commission. This commission has the duty of reviewing the compensation paid by the city to the mayor and city council and meets no less than one time per year. Salary commissions are governed by RCW 35.21.015. Pertinent language in this RCW states:

... (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... [emphasis supplied]

Current Compensation

The Kirkland Salary Commission established the current compensation by Resolution No. 07-001. In lieu of receiving medical or other additional benefits, the Mayor and City Council Members receive an allowance of \$300/month and an option to participate in the City's Flexible Spending Account/125 Plan.

POSITION	SALARY	ALLOWANCE
Mayor	\$1,400/month	\$300/month
Council	\$1,100/month	\$300/month
ANNUAL COST	\$96,000	\$25,200

In addition to the salary and allowance, the Mayor and City Council Members receive life insurance and Metro/Sound Transit FlexPasses.

Kirkland's Salary Commission is responsible for setting the council and mayor's compensation. In the event the Commission did decrease council compensation, the decreases would not go into effect for the existing council. Also, the decreases would be staggered according to terms of office. Specifically, decreased compensation for terms ending December 31, 2009 (Positions 1, 3, 5 and 7) would be effective January 1, 2010 and for terms ending December 31, 2011 (Positions 2, 4 and 6) would be effective January 1, 2012.

The Kirkland Salary Commission met on August 26, 2008, and made no changes to compensation for 2009. The Salary Commission will next meet to review the Council compensation during the months of August or September in 2009.

Other Budgeted Expenses

The City Council budget also includes funds for meals before meetings, conferences, travel, membership dues and other items. The table below details the preliminary budget submitted for these budget categories. Council has more flexibility to reduce or eliminate funding within these categories, with the exception of "Internal Charges." The 2007-2008 budget for these categories was as follows:

BUDGET CATEGORY	2007 BUDGET	2008 BUDGET	ITEMS INCLUDED
Office Supplies	\$695	\$695	Office supplies & subscriptions
Operating Supplies	\$11,750	\$11,750	Council Meals: \$5,250/year All-City Dinner: \$3,500/year Other: \$3000/year
Office Furniture	\$450	\$450	
Computer Hardware – non-capital	\$600	\$800	Replacement handheld devices
Professional Services	\$3,400	\$3,400	Council/Neighborhood Meeting Mailings: \$3,300/year Courier Services: \$100/year
Communication	\$10,000	\$10,000	Service – Telephone, Blackberry, Facsimile
Postage	\$2,000	\$2,000	Council/Neighborhood Meeting Mailings
Travel & Subsistence	\$21,070	\$21,070	SCA Meetings: \$670/year State-wide Professional Development: \$2,000/year Misc Professional Development: \$2,200/year Council Retreat: \$6,000/year Regional Meetings: \$2,400/year AWC Legislative Conference: \$1,200 National Conferences: \$6,600
Internal Charges	\$57,111	\$60,051	IT, Facilities

BUDGET CATEGORY	2007 BUDGET	2008 BUDGET	ITEMS INCLUDED
Repairs & Maintenance	\$500	\$500	Council member fax repair
Training	\$4,600	\$4,600	AWC Legislative Conference (2 attendees): \$400 AWC Annual Conference (4): \$1,200 NLC or Other National Conference (4): \$2,400 Local Workshops: \$600
Dues & Memberships	\$79,780	\$82,750	AWC: \$29,106 (2007), \$30,000 (2008) SCA: \$25,000/year PSRC: \$20,824 (2007), \$22,500 (2008) National League of Cities: \$3300 (2007), \$3700 (2008) Kirkland Chamber of Commerce: \$500/year Sister City International: \$500/year ETP: \$500/year Kirkland Sister City: \$50/year
Printing	\$420	\$420	Council Retreat Packets

CONCLUSION

The City Council does not now have direct authority over Council compensation. However, the Council has more flexibility to reduce or eliminate items in other budget areas such as supplies and services. Staff will be recommending potential decreases in the City Council budget including a description of the impacts if the reductions are approved.