

KIRKLAND SALARY COMMISSION MEETING

Minutes

Tuesday, September 28, 2010

1. CALL TO ORDER

On September 28, 2010, the Kirkland Salary Commission held a meeting in the City Council Chamber at Kirkland City Hall, 123 Fifth Avenue. The meeting was a continuation of the meeting started on August 24, 2010. The meeting was called to order at 7:00 p.m. by Bea L. Nahon, Commission Chair.

2. INTRODUCTIONS

Commission Members present were: Tina McDade, Bea L. Nahon; and Anna Rising. Staff members present were: Tracey Dunlap, Director, Finance & Administration; Bill Kenny, Director, Human Resources; and, Robin Jenkinson, City Attorney.

3. APPROVAL OF AUGUST 24, 2010, MEETING MINUTES

Motion to Approve the August 24, 2010, Meeting Minutes. Moved by Commission Member Rising, seconded by Commission Member McDade.

(Approved by consensus.)

4. PUBLIC COMMENT

No members of the public spoke. Chair Nahon noted that the Commission had received correspondence in the form of electronic mail, which was forwarded to each of the Commission Members and available, as hard copies, on the dais.

5. COMMISSION BUSINESS

a. Commission Consideration of Council Compensation

Commission Chair Nahon mentioned the discussion at the August 24, 2010, meeting regarding a recommendation by the Commission that the City Council, consider an ordinance similar to the Woodinville Ordinance which would enable Council Members to waive all or part of their salary. The Salary Commission discussed providing a memorandum to the City Council, signed by the Commission Chair, recommending that the Council consider such an ordinance.

Motion to Authorize Commission Chair Nahon to sign memorandum recommending ordinance similar to Woodinville Ordinance. Moved by Commission Member McDade. Seconded by Commission Member Rising.

(Approved by consensus.)

Commission Chair Nahon next explained that she had put together a grid which had been distributed to each of the Commission Members. The grid outlined the Salary Commission's options, which the Chair

described as: 1) take no action; 2) reinstate the 2009 Council compensation levels (all Council Members would receive the same compensation – currently some receive \$37.00 less); 3) increase the amount of compensation - which would take effect immediately; 4) approve a decrease, which would not take effect, at the earliest, until January 2012, and then only as to three Council Members, it would not be effective as to the other four until January 2014; and 5) another option chosen by the Commission.

Commissioner Rising commented that this was “very tough.” The letters that the Commission had received were not in favor of any kind of increase. Commissioner Rising noted that the fact that any decrease approved by the Commission would not be effective until so far in the future, seemed to make decreases a moot point. She added that this was not to say that there would not be budget problems in 2012. Commissioner Rising observed that given the budget issues, there would be a lot of incredibly angry citizens, if the Commission decided to give a salary increase. Commissioner Rising further observed that the City Council would be taking on a lot of work with the pending annexation.

Commissioner McDade indicated she would not vote to increase the salaries in the current economic environment. She noted that King County was going to be laying off employees. Commissioner McDade agreed that the delayed effective date of any salary decrease meant that a decrease would not make an impact at the time an impact is needed. She acknowledged the increase in the workload that the City Council would experience with the annexation. She said that when she compared the Council salary history with that of other cities, she do not see it as being out of line.

Commission Chair Nahon said that her thoughts were in line with those expressed by the other Commissioners. She pointed out that there was no public comment in favor of increasing salaries, but that she thinks citizens recognize that the City Council works very hard. She said the City’s overall budget was stressed and that being respectful of the public comment she was inclined to leave the salaries alone or to align them at the pre-2009 level. This would mean \$37.00 per month would be reinstated for the affected Council Members and \$48.00 for the Mayor. The Chair said the decrease option is moot; just window dressing that has no impact.

Following the discussion, the Salary Commission agreed that it would make no change to the Council salaries. The Chair noted that because no change was being made, no resolution or other action by the Commission was required.

Commissioner Rising asked if it was possible to explain to the public that if a salary decrease was approved it would be a moot point. City Attorney Robin Jenkinson said this could be done.

Commission Chair Nahon said that she would like the Commission to be aware of other potential changes that the City Council may make. She reminded the Commission that under the existing Association of Washington Cities (AWC) medical benefit program, in order for the City Council Members to enroll, the whole Council had to enroll. To this point the City Council had not participated in the City’s medical plan and the Commission had provided a stipend instead. She then asked the Human Resource Director to explain the changes that might be made with respect to City medical benefits.

Human Resources Director Bill Kenny explained that the change would be the self-funding of City medical benefits and that nothing was envisioned that would change with respect to medical benefits for the Council Members. Mr. Kenny said that the City Council had the potential to be covered under the AWC plan and had the potential to be covered if the City self-funded its medical benefits. The difference was that the City would control the enrollment rules under the self-funding model.

Commission Chair Nahon asked about the ability of the Commission to impact the amount received by Council Members for medical benefits. City Attorney Robin Jenkinson explained that in 2007 the Legislature amended RCW 41.04.190. This legislation provides that the cost of a medical insurance policy or plan to a public agency is not additional compensation to the covered employees or elected officials. This statute previously existed, but only applied to county officials and certain special district officials. As amended, the legislation includes city officials. Thus, medical benefits are not "compensation" and would not be subject to the Salary Commission's authority. The City Attorney noted that if the Council Members were to receive medical benefits, the Salary Commission could take the receipt of medical benefits into consideration in setting salary.

Chair Nahon commented that as participation in the medical plan ranged from \$600 to \$1,200 per month for employees depending on whether they were enrolled as individuals or part of a family, the public would be interested if the Council decided to make that benefit available. Further, the Chair noted that the Council would be discussing the topic at its meeting the following week.

6. ADJOURNMENT

The September 28, 2010, meeting of the Kirkland Salary Commission adjourned at 7:15 p.m.