

KIRKLAND SALARY COMMISSION MEETING

Minutes

Tuesday, October 23, 2012

1. CALL TO ORDER

On October 23, 2012, 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, Commission Member.

2. INTRODUCTIONS/ROLL CALL

Commission Members present were: Santos Contreras, Steven Hopkins, and Anna Rising. Staff members present were: Kathi Anderson, City Clerk, Tracey Dunlap, Director of Finance and Administration, Robin Jenkinson, City Attorney, and James Lopez, Director of Human Resources and Performance Management.

City Attorney Robin Jenkinson explained that the Salary Commission had been provided historical data about the salaries received by the Kirkland City Council and comparative data about benefits and compensation received by other city councils. Additionally, the staff provided City budget information requested at the September 27, 2012, meeting of the Salary Commission.

3. ELECTION OF CHAIR

Commission Member Contreras moved that Commission Member Anna Rising be elected chair. Commission Member Hopkins seconded the motion. The motion passed unanimously.

4. APPROVAL OF MINUTES

The Salary Commission unanimously approved the minutes of September 27, 2011, and September 27, 2012, as presented.

5. COMMENTS FROM THE AUDIENCE

Commission Chair Rising asked staff to confirm that the Commission had received only one email comment. Staff confirmed that this was the case and offered to provide a copy so that the comment could be read into the record. No one in the audience wished to offer comments. Commission Member Hopkins thanked the members of the public in attendance for coming to the meeting.

6. COMMISSION BUSINESS

Commission Member Contreras asked staff about mileage reimbursement, allowances, or anything else the Council Members are authorized to receive. Finance and Administration Director Tracey Dunlap indicated that the Council Members receive an allowance of \$300 a month. She said this is intended to be applied to medical expenses. Ms. Dunlap noted

that the Council Members are eligible to participate in the City's Flexible Spending Account (FSA), so that they can contribute the \$300 into the FSA for out of pocket medical expenses. Commission Member Contreras asked how this sum is paid and whether receipts are required. Ms. Dunlap explained that it is considered a stipend and not reported as compensation for retirement purposes.

Commission Member Contreras remarked that the \$300 amount represents approximately 30 percent of the compensation received by the Council Members and makes it difficult to make a comparison with the compensation received by other city councils. Ms. Dunlap referenced a matrix provided to the Salary Commission showing a comparison of the benefits paid to council members of other cities. Human Resources and Performance Management Director Lopez acknowledged that the summary of the comparable cities is not always an apples to apples comparison. Mr. Lopez explained that the \$300 is in lieu of benefits received by the city council of some other cities.

Ms. Dunlap stated that if Council Members travel on City business, they need to document the mileage and out of pocket expenses. If they do so, they may be reimbursed for these expenses similar to the policies applicable to other City employees. This is not considered compensation. The Council Members may also be reimbursed for conference registration if in their official capacity. Commission Member Hopkins asked for, and received, confirmation that the travel reimbursements received by the Council Members were in the budget the same as reimbursement for any City employee.

With the agreement of the Commission, Commission Chair Rising returned to public comment and read into the record the content of the one email comment received by the Salary Commission.

Commission Member Contreras asked if it would be appropriate for City staff to provide input as to what is equitable for council member salaries in light of the change in the economy, the salaries of City management, and other cities. Ms. Dunlap explained that there was a salary reduction in 2010, for most employees, of 3.4 percent through furloughs. Ms. Dunlap further explained that at the end of 2010 all employees' salaries were reinstated to what they were in 2009. At the end of 2009 the Salary Commission reduced the salaries of the Council Members by 3.4 percent, but the 3.4 percent had not been reinstated for the Council Members.

Commission Member Contreras asked about constraints on increasing or decreasing salaries mid-term. Ms. Dunlap responded a salary decrease for a Council Member could be effective only after the next term of office begins. A salary increase could be made effective immediately. Ms. Dunlap confirmed, in response to a question from Commission Member Contreras, that the salaries of Council Member are currently all at the same level.

In response to an information request from the September 27, 2012, Salary Commission meeting, Ms. Dunlap explained that AFSCME and the Teamsters, two City bargaining units that had settled their negotiations, were to receive an increase of 2.5 percent in 2013 and agreed to no increase in 2014. Ms. Dunlap commented that City management was also

recommended to receive a 2.5 percent increase in 2013 and would likely receive no increase in 2014.

Salary Commission Chair Rising expressed concern about the Salary Commission taking action prior to the November 6 election as two City levies are on the ballot.

Commission Member Contreras asked about delaying the Salary Commission action until after November 6. Ms. Jenkinson explained that apart from a City ordinance requirement that the Salary Commission meet at least annually in August or September, there was no timing restriction. Commission Member Contreras remarked that Commission Chair Rising's thought was a good one as the Salary Commission did not want to bias voters one way or another.

Commission Member Hopkins asked about the levies. Ms. Dunlap explained that the street levy was mostly for maintenance and overlays, but also included pedestrian safety. The levy would be \$0.20 per \$1,000 of assessed valuation and would generate approximately \$3 million a year in revenues. The parks levy would be \$0.16 per \$1,000 of assessed valuation and generate just under \$2.4 million a year. About one-half of the parks levy would be spent on maintenance and operations and one-half on capital projects.

Commission Chair Rising asked about the amount that the levies would cost the average homeowner. Ms. Dunlap answered that for the streets levy, the owner of a home with a valuation of \$346,000 would pay \$70.58 annually. For the parks levy the same homeowner would pay \$55.46 annually.

Commission Chair Rising asked about meeting in December. Commission Member Hopkins asked if the meeting could be extended out that far. Ms. Dunlap responded that the City Council will vote on the budget at its December 11, 2012, meeting, so having the Salary Commission meet in the second half of November would be helpful. The Salary Commission asked staff to assist in scheduling the next meeting. A member of the audience asked if the public would be notified and Commission Chair Rising assured there would be public notice.

Commission Member Contreras asked for the staff to provide a professional opinion as to what was equitable for salaries when looking at City management versus the City Council. Mr. Lopez said that staff would do so.

7. ADJOURNMENT

The October 23, 2012, meeting of the Kirkland Salary Commission adjourned at 7:21 p.m.