

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adoption of Ordinance No. 673 Increasing City Council Salaries		
DEPARTMENT:	City Manager's Office		
PRESENTED BY:	John Norris, Acting Assistant City Manager		
ACTION:	<input checked="" type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input type="checkbox"/> Motion
	<input type="checkbox"/> Discussion	<input type="checkbox"/> Public Hearing	

PROBLEM/ISSUE STATEMENT:

Council salaries were originally adopted in 1997 at a monthly rate of \$700 for all Councilmembers and \$875 for the Mayor. Council salaries have not changed since the original adoption in 1997. At the September 30 Council meeting, Council discussed salary and benefit information from Shoreline's comparable cities and also from local special districts. Three alternatives were presented to Council regarding compensation options, and it was recommended by staff that the annual salary for the Mayor be set at \$15,000, the Deputy Mayor at \$13,200, and councilmembers at \$12,000. Adoption of Ordinance No. 673 would set these salary rates when councilmembers are elected/re-elected.

RESOURCE/FINANCIAL IMPACT:

If Council approves Ordinance No. 673, four councilmembers will be eligible for a salary change in 2014. This may or may not include any change for the Mayor and/or Deputy Mayor, given it is unknown who will serve in those offices in 2014. Staff estimates that if both the Mayor and Deputy Mayor are eligible for new salaries in 2014, along with two regular councilmembers, the financial impact in 2014 will be approximately \$16,500. The total annual financial impact when all councilmembers are eligible for the changed salaries is estimated to be just under \$30,000 when considering the change in salaries and related benefits.

RECOMMENDATION

Staff recommends that Council adopt Ordinance No. 673.

Approved By: City Manager **DT** City Attorney **IS**

INTRODUCTION

Council salaries were originally adopted in 1997 at a monthly rate of \$700 (\$8,400 annually) for all Councilmembers and \$875 (\$10,500 annually) for the Mayor. Council salaries have not changed since the original adoption in 1997. At the September 30 Council meeting, Council discussed salary and benefit information from Shoreline's comparable cities and also from local special districts. Based on the information obtained current council salaries are more than 30% below the median of comparable jurisdictions.

Three alternatives were presented to Council on September 30 regarding compensation options, and it was recommended by staff that the annual salary for the Mayor be set at \$15,000 (\$1,250 per month), the Deputy Mayor at \$13,200 (\$1,100 per month), and councilmembers at \$12,000 (\$1,000 per month). This was Option #1 in the September 30 staff report. These salary rates were determined by applying the cost of living adjustment (COLA) that the City has provided regular employees since 1998 to Council salaries to determine the projected 2014 salary, and then applying a 10% differential for the Deputy Mayor's salary and a 25% differential for the Mayor's salary. The staff report for the September 30 discussion on Council salaries can be found here:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2013/staffreport093013-9a.pdf>.

ALTERNATIVES ANALYSIS

At the September 30 Council meeting, staff was provided direction to bring back an ordinance for Council review and potential adoption that would increase Council salaries. The following alternatives are available to Council with regard to this Ordinance:

Adopt Ordinance No. 673

Council can adopt Ordinance No. 673, which would increase Council salaries by applying the cost of living adjustment (COLA) that the City has provided regular employees since 1998 to Council salaries to determine the projected 2014 salary, and then apply a 10% differential for the Deputy Mayor's salary and a 25% differential for the Mayor's salary. This would result in a monthly salary for the Mayor being set at \$1,250, the Deputy Mayor at \$1,100, and councilmembers at \$1,000. Given state law, the new salaries will not take effect until after Councilmembers are elected/re-elected in November, with the adjustments becoming effective in 2014. Any councilmember not up for election in November will not receive any adjustment in salary until after being reelected in 2015, making those adjustment effective in 2016.

Reject Ordinance No. 673

Council can reject Ordinance No. 673, which would mean that the current Council salaries of \$700 per month for all Councilmembers and \$875 per month for the Mayor would remain in effect.

Amend Ordinance No. 673

The Council can amend Ordinance No. 673 with a different weighting of salary data in setting Council compensation. This could potentially adopt one of the other or options

presented on September 30 or use some other methodology for determining desirable compensation rates.

RESOURCE/FINANCIAL IMPACT

If Council approves Ordinance No. 673, four councilmembers will be eligible for a salary change in 2014. This may or may not include any change for the Mayor and/or Deputy Mayor, given it is unknown who will serve in those offices in 2014. Staff estimates that if both the Mayor and Deputy Mayor are eligible for new salaries in 2014, along with two regular councilmembers, the financial impact in 2014 will be approximately \$16,500. The total annual financial impact when all councilmembers are eligible for the changed salaries is estimated to be just under \$30,000 when considering the change in salaries and related benefits.

RECOMMENDATION

Staff recommends that Council adopt Ordinance No. 673.

ATTACHMENTS

Attachment A – Ordinance No. 673

ORDINANCE NO. 673

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON ESTABLISHING THE SALARIES FOR CITY COUNCILMEMBERS AND REPEALING ORDINANCE NO. 122 RELATED TO COUNCIL SALARIES

WHEREAS, following incorporation, the City Council adopted Ordinance No. 7 in 1995 which established Council salaries at the level authorized by RCW 35A.13.040, \$400 per month with \$500 per month paid to the Mayor; and

WHEREAS, Ordinance No. 122 amended councilmember salaries in 1997 to \$700.00 per month, with the councilmember serving as Mayor paid a salary of \$875.00 per month; and

WHEREAS, it is appropriate that Shoreline City Council salaries be established at a level consistent with City Council salaries in other Puget Sound cities of comparable size; and

WHEREAS, following a study of salary and benefit information from Shoreline's comparable cities and also from local special districts and calculating the cost of living increases since 1997 for regular employees, it has been determined that the salaries established by Ordinance No. 122 should be adjusted by the cost of living applied to regular employees; and

WHEREAS, because of the additional duties carried out by the Mayor and Deputy Mayor, these salaries are traditionally established at a slightly higher level than that of other Councilmembers in a Council-Manager government; and

WHEREAS, under state law, any increase or reduction in the compensation of councilmembers shall not become effective until the commencement of a new term if passed before the election for that term; now therefore

THE CITY COUNCIL OF THE CITY OF SHORELINE DO ORDAIN AS FOLLOWS:

Section 1. Salary Levels Established. Effective January 1, 2014 Councilmembers shall be entitled to receive a salary of \$1,000.00 per month, the Councilmember serving as Deputy Mayor shall be entitled to receive a salary of \$1,100.00 per month, and the Councilmember serving as the Mayor shall be entitled to receive a salary of \$1,250.00 per month, payable twice monthly on regular City paydays. Salary increases adopted in this ordinance shall not apply until January 1, 2015 for Councilmembers with terms ending December 31, 2014 including those appointed as Mayor or Deputy Mayor.

Section 2. Repeal. Effective December 31, 2013, Ordinance No. 122 shall be repealed.

Section 3. Publication. This ordinance, or a summary thereof consisting of the title, shall be published in the official newspaper of the City and shall become effective five days after publication.

PASSED BY THE CITY COUNCIL ON OCTOBER 21, 2013.

Keith A. McGlashan, Mayor

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik-Smith
Interim City Clerk

Ian Sievers
City Attorney

Date of Publication: , 2013
Effective Date: , 2013