Council Meeting Date: October 18, 2004 6(c) Agenda Item:

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Salary Commission for Council Compensation

DEPARTMENT: Legal

Steve Burkett, City Manager PRESENTED BY:

Ian Sievers, City Attorney

PROBLEM/ISSUE STATEMENT:

Councilmember Ransom requested information and discussion on the concept of establishing an independent salary commission to periodically review City Council compensation. Attached for your review is a memorandum on this subject from the City Attorney, a copy of the applicable selection of State law and a copy of an ordinance from the City of Redmond establishing a salary commission.

RECOMMENDATION

No Recommendation.

City Manager Approved By: Dity Attorney



Memorandum

DATE:

3/26/04

TO:

Steve Burkett, City Manager

FROM:

Ian Sievers, City Attorney

Marci Wright, Human Resources Director

RE:

Salary Commission for Council compensation

At the November 17, 2003 council meeting on the 2004 budget Councilmember Ransom asked for information about salary commissions used by some cities. Staff committed to returning with background information on this process.

A Salary Commission may be established by ordinance as an independent decision-making body charged with setting salaries for City elected officials under authority of RCW 35.21.015 which is attached. This statute was adopted in 2001 to allow timely adjustments to compensation for elected officials by removing the officials from the decision-making process. Increases by council action result in delayed and unequal compensation among councilmembers due to the constitutional prohibition on mid-term increases in compensation. This statute is modeled after the Washington citizens' commission on salaries for state officials, and ratifies salaries set by similar commissions formed in some cities before the statute passed (notably Vancouver and Bremerton).

Meetings of the commission are governed by the Open Public Meetings Act and are open to the public, except as otherwise allowed under the Act. The key feature of the statute makes salaries adopted by the commission effective upon filing with the city clerk without further action of the city council and they are automatically incorporated into the city budget regardless of the terms of office of particular councilmembers. The constitutional limit on decreases during the term in office is preserved, with decreases only taking effect at the beginning of an incumbents next term. Decisions to increase or decrease salaries are subject to referendum petition.

To arrive at a decision, a Salary Commission might be expected to review the following information:

- Salary Commission Reports from other cities. Bellevue, Redmond and Vancouver have such commissions.
- Salary and benefit history for City of Shoreline elected officials

- Salaries for elected officials in comparable Puget Sound cities with a Council Manager government.
- Council member salaries nationwide
- A summary of job survey information for the Council which including:
- a. Number of hours spent per week in both obligatory and discretionary responsibilities.
- b. Perceptions regarding the appropriateness/fairness of the current compensation.
- c. Changes or additions to the compensation and benefits package that Councilmembers would like to see.
- d. Budget and revenue information from the City

The Redmond ordinance establishing that cities first salary commission is attached as an example of commission organization.

RCW 35.21.015 Salary commissions.

- (1) Salaries for elected officials of towns and cities may be set by salary commissions established in accordance with city charter or by ordinance and in conformity with this section.
- (2) The members of such commissions shall be appointed in accordance with the provisions of a city charter, or as specified in this subsection:
 - (a) Shall be appointed by the mayor with approval of the city council;
 - (b) May not be appointed to more than two terms;
- (c) May only be removed during their terms of office for cause of incapacity, incompetence, neglect of duty, or malfeasance in office or for a disqualifying change of residence; and
- (d) May not include any officer, official, or employee of the city or town or any of their immediate family members. "Immediate family member" as used in this subsection means the parents, spouse, siblings, children, or dependent relatives of the officer, official, or employee, whether or not living in the household of the officer, official, or employee.
- (3) Any change in salary shall be filed by the commission with the city clerk and shall become effective and incorporated into the city or town budget without further action of the city council or salary commission.
- (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.
- (6) Salary increases and decreases shall be subject to referendum petition by the people of the town or city in the same manner as a city ordinance upon filing of such petition with the city clerk within thirty days after filing of the salary schedule. In the event of the filing of a valid referendum petition, the salary increase or decrease shall not go into effect until approved by vote of the people.
- (7) Referendum measures under this section shall be submitted to the voters of the city or town at the next following general or municipal election occurring thirty days or more after the petition is filed, and shall be otherwise governed by the provisions of the state Constitution, or city charter, or laws generally applicable to referendum measures.
- (8) The action fixing the salary by a commission established in conformity with this section shall supersede any other provision of state statute or city or town ordinance related to municipal budgets or to the fixing of salaries.
- (9) Salaries for mayors and councilmembers established under an ordinance or charter provision in existence on July 22, 2001, that substantially complies with this section shall remain in effect unless and until changed in accordance with such charter provision or ordinance.

[2001 c 73 § 4.]

NOTES:

Findings -- Intent -- 2001 c 73: "The legislature hereby finds and declares that:

- (1) Article XXX, section 1 of the state Constitution permits midterm salary increases for municipal officers who do not fix their own compensation;
- (2) The Washington citizens' commission on salaries for elected officials established pursuant to Article XXVIII, section 1 of the state Constitution with voter approval has assured that the compensation for state and county elected officials will be fair and certain, while minimizing the dangers of midterm salary increases being used to influence those officers in the performance of their duties;
- (3) The same public benefits of independent salary commissions should be extended to the setting of compensation of municipal elected officers; and
 - (4) This act is intended to clarify the intent of the legislature that existing state law authorizes:
- (a) The establishment of independent salary commissions to set the salaries of city or town elected officials, county commissioners, and county councilmembers; and
- (b) The authority of the voters of such cities, towns, and counties to review commission decisions to increase or decrease such salaries by means of referendum." [2001 c 73 § 1.]

Severability -- 2001 c 73: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [2001 c 73 § 6.]

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ORDINANCE NO. 2111

OF REDMOND, **CITY** THE ORDINANCE OF AN **ESTABLISHING** INDEPENDENT AN WASHINGTON. SALARY COMMISSION IN ORDER TO SET THE SALARIES OF THE CITY'S ELECTED OFFICIALS, PROVIDING FOR APPOINTMENT AND TERMS OF COMMISSION REMOVAL **OF** THE **MEMBERS** FOR DATES **FOR EFFECTIVE** ESTABLISHING APPROVED BYINCREASES AND DECREASES COMMISSION, SUBJECT TO REFERENDUM, PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, Chapter 73, Laws of 2001, authorizes cities to establish independent commissions in order to set the salaries of elected city officials, subject to certain terms and conditions, and

WHEREAS, the Redmond City Council has determined to create such a commission for the purpose of setting the salaries of the Mayor and City Council, NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. <u>Commission Created - Purpose</u>. An independent salary commission is hereby created for the purpose of setting the salaries of the Mayor and City Council of the City of Redmond. The official name of the Commission shall be the Redmond Salary Commission.

Section 2. <u>Membership - Appointment</u>. The Redmond Salary Commission shall be composed of seven members appointed by the Mayor with confirmation by the City

{1EH485075.DOC;1/00020.130010/999999} Ordinance No. 2111 Council. No member shall be an officer, official, or employee of the City of Redmond or any of their immediate family members. For purposes of this Ordinance, "immediate family member" means the parents, spouse, siblings, children, or other dependent relatives of the officer, official, or employee, whether or not living in the household of the officer, official, or employee. All members shall be residents of the City.

Section 3. Term of Appointment. The regular term of office for Redmond Salary Commissioners shall be four years. Each member shall hold office until a successor is appointed and confirmed. Regular terms shall commence January 1 and end December 31. Initial terms shall be staggered with three members appointed for terms beginning upon their appointment in January 2003, and ending on December 31, 2004, and four members appointed for terms beginning upon their appointment in January 2003, and ending December 31, 2005. After expiration of the initial terms, subsequent appointees shall serve a regular four-year term. No member shall be appointed to more than two terms on the Redmond Salary Commission, whether consecutive or otherwise.

Section 4. Removal. The Mayor may remove a member of the Redmond Salary Commission during the member's term of office only for cause of incapacity, incompetence, neglect of duty, or malfeasance in office or for a disqualifying change of residence.

Section 5. Commission Meetings — Rules of Procedure. The Redmond Salary Commission shall meet as necessary to conduct the business entrusted to the Commission by this Ordinance, provided, that the Commission shall meet at least once per year. All meetings shall be governed by the provisions of the Open Public Meetings Act and shall be open to the public except as may be otherwise allowed under that Act. The Commission shall adopt rules of

{JEH485075.DOC;1/00020.130010/999999}} Ordinance No. 2111 procedure to govern its meetings. Such rules shall make provision for the taking of minutes and the keeping of Commission records, and shall provide for the election of such officers as are deemed necessary by the Commission for the conduct of its business.

Section 6. Salary Increases and Decreases – Effective Date. As provided in state law, the Redmond Salary Commission shall have the authority to establish the salaries of City elected officials, and to that end may order that the salaries of the Mayor and/or the City Council be increased or decreased. Salaries for the City Council shall be uniform as to all Council positions. Upon determining to change any salary, the Commission shall file a written salary schedule reflecting the change with the City Clerk. Salary increases established by the Commission shall become effective as to the covered positions thirty days after the salary schedule is filed with the City Clerk, unless a valid referendum petition is filed as provided in this Ordinance. Salary increases shall be effective as to the covered positions regardless of their terms of office. Salary decreases established by the Commission shall become effective as to incumbent City elected officials at the commencement of their next subsequent term of office, unless a valid referendum petition is filed as provided in this Ordinance. Approved salary changes for which no referendum petition is filed shall become effective and be incorporated into the City's budget without further action of the City Council or the Salary Commission.

Section 7. Referendum Measures. Salary increases and decreases shall be subject to referendum petition by the people of the City of Redmond in the same manner as provided for City ordinances under Chapter 1.12 of the Redmond Municipal Code, as the same now exists or may be hereafter amended. A referendum petition seeking a vote on a salary increase or decrease must be filed within thirty days after the written salary schedule reflecting the change is filed with the City Clerk. In the event of the filing of a valid referendum petition,

{JEH485075.DOC;1/00020.130010/9999999} Ordinance No. 2111 the salary increase or decrease shall not go into effect until approved by vote of the people. Referendum measures under this ordinance shall be submitted to the voters of the City at the next following general or municipal election occurring thirty days or more after the referendum petition is filed, and shall be otherwise governed by the provisions of the state constitution or laws generally applicable to referendum measures.

Section 8. Effect of Commission Action on Laws and Ordinances. The action of the Redmond Salary Commission fixing the salary of any position shall supersede any other provision of state law or City ordinance related to the City's budgets or to the fixing of salaries.

Section 9. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 10. Effective Date. This ordinance, being an administrative action, is not subject to referendum, and shall take effect on January 1, 2003. Publication requirements may be satisfied by publication of a summary consisting of the title.

CITY OF REDMOND /s/ MAYOR ROSEMARIE IVES

ATTEST/AUTHENTICATED: /s/ CITY CLERK BONNIE MATTSON

APPROVED AS TO FORM: /s/ CITY ATTORNEY JAMES E. HANEY

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:

EFFECTIVE DATE: ORDINANCE NO.: 2111

July 30, 2001 August 7, 2001 August 11, 2001 January 1, 2003

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