

Independent Salary Commission
Meeting Minutes
October 30, 2024

PRESENT: Chair Lori McRea Keller, Vice Chair Kan Liang, Mona Shen, Claire Sumadiwirya

ABSENT: Byron Rodriguez

1. Call to Order

The meeting was called to order at 5:31 p.m., with Chair Keller presiding.

2. Roll Call

City Clerk Charmaine Arredondo called the roll and all commissioners except Mr. Rodriguez were present.

3. Approval of Agenda

Vice Chair Liang moved to approve the agenda. The motion was seconded by Commissioner Sumadiwirya and carried by a vote of 4-0.

4. Oral Communications

City Clerk Arredondo said all communications must relate to the work of the Independent Salary Commission and all speakers are given three minutes to speak, for a total maximum of 30 minutes for oral communications.

Alex Tsimerman said he did not feel the commission represents the demographics of the Bellevue community. He commented on the Council's current compensation, which he believes is too high.

5. Staff and Consultant Reports

(a) Review of Consultant's Recommendation, Potential Action/Final Decision

Chair Keller introduced discussion regarding the consultant's recommendation for Council salaries.

Matt Smith, Assistant Director, introduced Victoria Reyes, Senior Human Resources Analyst, to provide a recap of the consultant's previous presentation and recommendation.

Ms. Reyes said that for the market comparisons of the Council salaries, the consultant studied 14 matches for the Mayor position, five for Deputy Mayor and eight for Council members. She said

it was somewhat difficult to find good comparison data for the Deputy Mayor position because it is less common on Councils. She said staff and the consultants focused on the Mayor and Council member salaries in cities with the Council-City Manager form of government.

Ms. Reyes said Gallagher determined that the Bellevue City Council salaries are positioned competitively in the market. Gallagher suggests offering a salary increase of 3.5 percent in the base salary as soon as possible and reassessing the market every 2-3 years.

Ms. Reyes said City staff receive annual general wage increases based largely on inflation. She presented a graph showing the percentages of annual salary increases for staff since 2017, when the Council last received a pay increase. She said most jurisdictions do not provide an automatic annual inflation-based salary increase for members of their Councils.

There is currently a wage differential between the Mayor, Deputy Mayor and Council member positions and the consultants recommend maintaining those differentials.

Chair Keller asked the commissioners to share their comments and questions.

Commissioner Shen thanked staff for the additional information. She said her review of the consultant's report and recommendation since the last meeting indicates that the recommended 3.5 percent salary increase is the same as the increase in staff salaries for 2025. She questioned whether that is a logical strategy given that the Council has not had a salary increase since 2017.

Vice Chair Liang referred to the staff general wage increases from 2017 through 2025. He said two factors important to him are fairness and competitiveness, and the Council salaries appear to be competitive in the market. In the interest of fairness between staff and the Council, he suggested that the 3.5 percent increase is appropriate.

Commissioner Sumadiwirya thanked staff for the presentation. She said Bellevue continues to grow and people need to be able to afford to serve on the Council. She said it would be helpful to know the number of hours that each Council member spends on Council-related business. She said she was comfortable with the recommended 3.5 percent salary increase. However, she wondered about fairness between the Council members based on individual contributions.

Chair Keller acknowledged the commissioners' concerns about fairness, competitiveness, the eight years that have elapsed since the last increase in Council salaries, and the differences in time commitment and effort while serving on the Council. She noted that Bellevue's population is larger than some of the comparison cities.

Ms. Keller said she has been reviewing the depth and breadth of subject matter addressed by the Council for quite a long time. She said the meetings and related materials do not reflect the number of hours spent by Council members in preparing for meetings and participating in community events and regional forums.

Mr. Smith acknowledged that there are qualitative differences and it is hard to determine what is both a fair and competitive rate. He said staff is not able to opine on the strategy of determining

Council pay. Mr. Smith said Council members are not employees and do not have performance evaluations but are instead accountable to voters. As a result, pay has not traditionally been linked to individual performance.

Responding to Vice Chair Liang, Mr. Smith confirmed that City Councils do not always receive annual salary increases. Mr. Smith said employee salaries are also based on supply and demand for their skills and position, while Council members are elected.

Responding to Mr. Liang, Assistant City Attorney Kathleen Kline said the commission makes the final decision on the salary increase. The Council does not take action to approve or disapprove. Ms. Kline said the decision is subject to a voter referendum if one is filed with the required number of signatures within 30 days.

Commissioner Shen said she sees Bellevue as a community with unique civic qualities and a leader in the region. She said Bellevue is an above-average city.

Chair Keller concurred that Bellevue is above average compared to surrounding jurisdictions in terms of population, budget and elected representation. She spoke in favor of a competitive salary that might enable more people to run for a Council position. She noted the importance of fairness in term of the length of time since the Council last had a salary increase.

Commissioner Shen said the 2016 salary commission's report recommended following the example of the staff annual wage increase.

Chair Keller noted the suggested motion in the agenda memo included in the meeting materials. She summarized the two options discussed so far as adopting the consultant's recommended increase of 3.5 percent or increasing Council salaries according to the employee salary increases over the past eight years.

Vice Chair Liang said the mayor's salary would increase approximately \$10,000 annually, or approximately 30 percent, if it followed the employee salary increases over the past eight years. He asked whether that increase is too much. Ms. Kline said there is no legal issue to consider in terms of the approach.

Mr. Smith said it is difficult to know whether or how the public might respond to the salary increase. He opined that the increase would likely not be seen negatively by staff if consistent with employee salary increases.

Commissioner Shen said she is hearing an interest in adjusting Council salaries to match employee increases over the past eight years. She noted her vision for the Council as a body that reflects different lived experiences across the community with diversity in its socio-economic makeup.

→ Commissioner Shen moved to adopt a resolution authorizing an increase to existing Council salaries by the same percentage increase received by non-represented City staff since the last increase to Council salaries in 2017, adopting a salary schedule reflecting

these increases and directing that existing benefits be maintained. Chair Keller seconded the motion.

Commissioner Sumadiwiryra expressed support for the motion. She believes the salary increase will help to attract a diverse group of individuals interested in serving on the Council. She acknowledged that the Council's involvement in regional forums and community events, in addition to Council meetings and business, represents a significant time commitment by Council members.

Vice Chair Liang expressed concern about a possible negative reaction from city staff if the Council receives a large salary increase. He asked about the potential for smaller, incremental increases over the next three years. Ms. Kline said there is nothing in the code to prevent a series of increases.

Commissioner Sumadiwiryra commented on the need for Council members to face the public and be under public scrutiny, which takes courage at times. She expressed support for the motion as opposed to incremental salary increases. She believes it will be transparent, and the rationale can be explained to the public and staff if there are inquiries.

Responding to Vice Chair Liang, Michael Burton, Gallagher, reiterated the consultant's recommendation for a 3.5 percent salary increase, which he said keeps the salaries competitive with comparable jurisdictions.

Commissioner Shen suggested that the salaries be reviewed every 2-3 years. Ms. Kline confirmed that the Council could change the city code to set specific intervals for appointing a salary commission to review salaries.

Chair Keller suggested perhaps a two-phase salary increase, although she acknowledged that might be more complicated than necessary. She opined that staff would understand the intent to match the Council salary increases with employee wage increases. She said Council members invest a great deal of time into their position. She reiterated her support for the motion.

Ms. Shen suggested a simple, straightforward recommendation, as reflected in the 2016 recommendation as well.

Ms. Sumadiwiryra concurred and reiterated her support for the motion.

Responding to Mr. Liang, Mr. Smith said certain staff receive a cell phone allowance if the phone is used substantially for City business and a few positions receive a car allowance. Mr. Liang said he was trying to determine what was fair in terms of how the Council and staff are compensated. Mr. Smith noted that part-time staff do not receive certain benefits that the part-time Council positions receive.

Responding to Chair Keller, Mr. Smith said part-time staff do not typically receive the general wage increase provided to full-time staff.

→ The motion carried by a vote of 3-1, with Commissioner Liang dissenting.

At 6:50 p.m., Chair Keller called a brief recess to allow staff to finalize the resolution for action by the commission.

The meeting resumed at 7:02 p.m.

Chair Keller noted the resolution before the commission for consideration.

Ms. Kline highlighted minor revisions to the resolution presented in the meeting packet.

The Commission and staff discussed and agreed to a few additional revisions to the resolution. Commissioners expressed support for language indicating that this salary commission followed the procedures and logic of the previous salary commission. Their revisions included language about the hope that higher Council salaries will enable more people of all socio-economic backgrounds to run for office.

City Clerk Arredondo distributed the updated version of the resolution to the commissioners for review.

Ms. Kline said the salary increase will be effective January 1, 2025.

The group discussed and agreed to additional revisions.

The group discussed the commission's recommendation that Council salaries be reviewed every 2-3 years.

Responding to Mr. Liang, Ms. Kline said the Council is allowed to set its own salaries. However, new salaries do not go into effect until the next term.

Chair Keller suggested that future salary commissions be involved in selecting the consultant. Commissioner Shen concurred.

Joy St. Germain, Human Resources Director, suggested that the commission present its decision to the Council on November 12 or 19.

Chair Keller said the commission would attend the Council meeting on November 12.

→ Commissioner Shen moved to approve Resolution No. 2024-1, as amended on the floor. Commissioner Sumadiwiry seconded the motion.

→ The motion carried by a vote of 3-1, with Commissioner Liang dissenting.

6. Other Business: None.

7. Approval of Minutes

(a) Minutes of October 14, 2024 Meeting

Commissioner Liang moved to approve the minutes of the October 14, 2024 meeting. The motion was seconded by Commissioner Shen and carried by a vote of 4-0.

8. Adjournment

At 7:36 p.m., Chair Keller declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

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