

July 5, 2016

## **CITY COUNCIL STUDY SESSION ITEM**

### **SUBJECT**

Discussion of methods available for review of Council Compensation levels and implementation options for consideration.

### **STAFF CONTACT**

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### **POLICY ISSUES**

RCW 35.21.015 authorizes the establishment of a salary commission with the purposes of setting salaries for elected officials of towns and cities. Salary increases established by commissions become effective upon being filed with the City Clerk. Salary decreases become effective at the commencement of the term following Councilmember election.

RCW 35a.13.040 allows for salaries of councilmembers to be revised by ordinance provided that increases or decreases to compensation levels do not take effect until the expiration of the term being served by the incumbents.

### **DIRECTION NEEDED FROM COUNCIL**

☐ Action  
☒ Discussion  
☒ Information

Staff is seeking feedback from Council on the initiation of a formal compensation review process. Based on direction from tonight's meeting, staff will return at an upcoming meeting for Council Action.

### **BACKGROUND/ANALYSIS**

The Bellevue City Council last adopted a revised salary schedule in 1999, which became effective in January 1, 2000 (See Attachment 1 – Ordinance 5163). A review of City legislation identified a total of seven updates to compensation levels since passing the initial compensation rates in 1954. Because Council salaries must be updated by Ordinance, no cost of living or rate of inflation has been applied to the levels established by the last update, meaning salary levels continue as approved by Ordinance 5163:

<b>Position</b>	<b>Monthly Salary</b>
Mayor	\$1,950
Deputy Mayor	\$1,750
Councilmembers	\$1,650

Under new provisions of RCW 35.21.015, enacted in 2001, the Council may establish an appointed Salary Commission to review and determine compensation levels for elected officials. The formation of appointed Commissions has been increasingly used by local governments in the State to review compensation levels. Salary Commissions may be formed to conduct a one-time review of compensation levels, or established as an ongoing body who meet at least once per year to consider changes.

Prior to 2001, salary levels were set by City Council through review and analysis of compensation options. The process followed in considering the most recent update included forming a Council appointed Task Force to make a recommendation for Council for consideration.

Based on past practices, and the new provision allowing the formation of a salary commission, three options are being presented for consideration:

1. Appointed Salary Commission – Council may establish an appointed Salary Commission to review and update compensation levels. Additional provisions of RCW 35.21.015 include:
  - Members shall be appointed by the Mayor with approval of the City Council.
  - There is no set provision on the number of appointees serving on the commission, though Commissions for other agencies typically include as few as 3 and as many as 7 members.
  - Terms can be set to be a one-time appointment, where the focus of the Commission is to make a recommendation at that point in time – or –
  - Terms may be established for multiple years, and subject to reappointment of up to two terms. This would be used if the Commission is charged with conducting an annual review of compensation levels.
  - Increases to compensation approved by the Commission become effective immediately, unless challenged by a referendum petition within 30 days of establishment.
  - Decreases become effective for incumbents in their next term of office.
2. Appointed Task Force – An alternative method of appointing representatives to review compensation levels is to form a Council Appointed Task Force. Under the Task Force option, representatives from the community would review compensation levels and make a recommendation to Council for action. This method was used in determining current compensation rates in 1999. With this option, changes to compensation levels would not take effect until re-election. As in the first option, the size of the task force is determined by Council.
3. Council Decision – Council may also review compensation levels during regularly scheduled or special meetings to consider adopting a new salary schedule. As with the Task Force option, changes to compensation levels would not take effect until the expiration of current terms in January 2017 or 2019.

All options fall under the provisions of the Open Public Meetings Act (RCW 42.30), meaning discussions would take place in open public meetings, with published minutes available for public review online and at City Hall.

Council may also opt to not pursue further review of compensation levels until a later time. If there is a desire to pursue one of the options listed above, staff will complete additional legal research and return at an upcoming meeting for Council action.

**ATTACHMENT(S)**

1. Ordinance 5163 establishing current compensation levels
2. Ordinance 5640 establishing an allowance in lieu of reimbursement for the use of personal automobiles for official travel by members of the City Council.