CITY OF YELM

Washington

SALARY COMMISSION COMMITTEE MEETING MINUTES

November 30, 2018

Call the meeting to order at 2:30 p.m.

Attendance

Members Present: Line Critchfield, Ken McCulloch, and Denise Hibbeln

Staff Present: Michael Grayum and Karen Bennett

Salary Commission Discussion

During the meeting the Salary Commission discussed what led to it being created, reviewed all documents provided, and discussed next steps.

On February 13, 2018 the Yelm City Council adopted Ordinance #1044 to establish the Salary Commission. On October 9, 2018 the Yelm City Council appointed the three applicants for the Yelm Salary Commission based on a MEMO and review of applicant information created on October 3, 2018. On November 30, 2018 the Salary Commission held their first meeting.

The Salary Commission was established after the salary of Yelm elected officials was brought to question by a candidate in the 2017 mayoral race. The finance committee decided against the candidate's recommendation of changing salaries, but instead recommended the City create an independent salary commission. Establishing the commission created an opportunity for an independent council to look at similar municipalities, and set similar salary packages for elected officials.

The City extensively advertised the open positions and accepted applications for the Salary Commission from Early-March to late-September but only received three applications.

The Commission reviewed Ordinance No. 1044, which is a new chapter of the Yelm Municipal Code establishing a Salary Commission in accordance with RCW 35.21.015. The Salary Commission shall set the salary package for elected officials of the City. The Commission shall convene and review the salaries of the City's elected officials once every five years or sooner when directed to do so by a majority vote of the City Council.

The Commission was provided with data collected from the elected official salaries and benefit packages of comparable cities, which were the same cities used during union negotiations to ensure consistency.

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For the next meeting, Commission members requested to have research done on each comparable city to include the size of the City's budgets by General Fund and Total Fund. They also requested that we only focus on the comparable cities with the same Mayor-Council form of government and review the responsibilities of the Mayor and Council member duties as defined in the Yelm Municipal Code and Yelm City Council Protocol Manual.

Salary Commission Decisions

Ken McCulloch nominated Denise Hibbeln to serve as Chair. The next meeting was scheduled for December 10, 2018 at 10:00 a.m. at Yelm Chamber of Commerce. The Commission adjourned at 3:30 p.m. No other decisions or actions were made at this meeting.

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CITY COUNCIL AGENDA 10/9/2018

- 1. CALL TO ORDER/ROLL CALL
- 2. AGENDA APPROVAL
- 3. SPECIAL PRESENTATIONS
 - a) Student of the Month
 - b) Budget 101
 - c) Presentation of the Mayor's proposed 2019-2020 Budget
- 4. PUBLIC COMMENT
 - *Complete a blue speakers card
- CONSENT AGENDA
 - a) September 25, 2018 Meeting minutes
 - b) Retainage Release 2017 AC Water Main Replacement Project Authorize City Staff to release retainage in the amount of \$28,945.58 associated with the 2017 AC Water Main Replacement Project.
- New Business
 - a) Public Works Board Pre-Construction Loan Contract WRF Phase 2
 Authorize Mayor Foster to execute a loan agreement in the amount of \$1,000,000.00 with the Public Works Board.
 - Salary Commission Staff Briefing Approve the appointment of the three applicants for the Yelm Salary Commission.
- 7. OLD BUSINESS
 - Resolution No. 595, City of Yelm Homeless Task Force
 Resolution No. 595 forming a City of Yelm Homeless Task Force 2nd Reading
- UPDATES
 - a) Departments Michael Grayum, City Administrator
 - b) Councilmembers
 - c) Mayor JW Foster
- EXECUTIVE SESSION
 - a) None Scheduled

YELM CITY COUNCIL TUESDAY, OCTOBER 9, 2018 MINUTES PUBLIC SAFETY BUILDING 206 MCKENZIE AVE. YELM, WA

- Mayor Foster called the meeting to order at 6:00 p.m.
 Roll Call Present: Cody Colt, Tad Stillwell, Tracey Wood and Joe DePinto. Absent: EJ Curry, Molly Carmody and Terry Kaminski.
- 18-117 MOTION BY JOE DEPINTO TO EXCUSE EJ CURRY, TERRY KAMINSKI AND MOLLY CARMODY FROM THE MEETING. SECONDED BY TRACEY WOOD. 4-0, MOTION CARRIED.
- 2. Agenda Approval
- 18-118 MOTION BY JOE DEPINTO TO MOVE THE PUBLIC COMMENT BEFORE THE SPECIAL PRESENTATIONS AND TABLE RESOLUTION NO. 595 TO THE OCTOBER 23, 2018 MEETING. SECONDED BY TRACEY WOOD. 4-0, MOTION CARRIED.
- 3. Public Comment-

Sandra Manwiller spoke in support of Yelm Community Schools and the upcoming Bond.

Dr. Karriem Ali and Steve Klein spoke about the dangers of using Round-Up weed killer.

Dawn Bateman and Dustin Stephan shared their concerns regarding the field usage fees for their leagues.

4. Special Presentations

Student of the Month -Britney Alvarez

Thurston Regional Planning Council Traffic Modeling

Budget 101

Presentation of the Mayor's proposed 2019-2020 Budget

Consent Agenda

September 25, 2018 Meeting minutes.

- b. Retainage Release 2017 AC Water Main Replacement Project authorizing City Staff to release retainage in the amount of \$28,945.58 associated with the 2017 AC Water Main Replacement Project.
- 18-119 MOTION BY TRACEY WOOD TO APPROVE THE CONSENT AGENDA AS PRESENTED. SECONDED BY TAD STILLWELL. 4-0, MOTION CARRIED.
- New Business –

a. Public Works Board Pre-Construction Loan Contract - WRF Phase 2

18-120 MOTION BY TRACEY WOOD AUTHORIZING MAYOR FOSTER TO EXECUTE A LOAN AGREEMENT IN THE AMOUNT OF \$1,000,000.00 WITH THE PUBLIC WORKS BOARD. SECONDED BY TAD STILLWELL. 4-0, MOTION CARRIED.

b. Salary Commission Staff Briefing

18-121 MOTION BY TRACEY WOOD TO AUTHORIZE MAYOR FOSTER TO APPROVE THE APPOINTMENT OF DENISE HIBBELN, KEN MCCULLOCH AND LINE

CRITCHFIELD TO THE YELM SALARY COMMISSION. SECONDED BY CODY COLT. 4-0, MOTION CARRIED.

- Old Business
 - Resolution No. 595, City of Yelm Homeless Taskforce
 Tabled to the October 23, 2018 meeting.
- UPDATES –

City Administrator Michael Grayum -

- The Timberland Regional Library is invited to the next Study Session to talk about the old City Hall usage.
- 10-18-18 is the Great American Shake Out.
- Parks Advisory Board meeting on November 5, 2018 at 6:00 pm at the Yelm Community Center to discuss Christmas in the Park.
- On November 12th a Veteran's Day Celebration at the Yelm Community Center at 3:00 pm.
- A contract has been approved for IT Services that will reduce our monthly expenses considerably.

Councilmember Colt met with a person from "Together" and was provided a pamphlet with resources for people in need.

Councilmember Stillwell attended the Board of Directors of Economic Development Council meeting.

Councilmember DePinto reported that the Association of Washington Cities released their Legislative Priorities.

Mayor Foster attended the Association of Washington Cities Risk Management Board meeting, the Washington Department of Transportation meeting hosted by Yelm regarding the Yelm Loop, Legislative Task Force on water resources meeting, Association of Governmental Insurance Risk Pools Conference in Portland OR, Leadership Thurston County, Thurston Regional Planning Council meeting, the All Staff Employee Luncheon, Homeowners Association meeting to answer questions about the city and South Puget Sound Community College fundraising event. Mayor Foster reminded everyone that this week is Fire Prevention Week and October is awareness month for 22 organizations. Mayor Foster also reminded everyone that tomorrow (10-10-18) is water shut-off day and auto pay is available.

Executive Session – none scheduled

18-122 MOTION BY CODY COLT TO ADJOURN. SECONDED BY TAD STILLWELL. 4-0, MOTION CARRIED.

10.	Adjourned 8:02 p.m.			
		_ Attest:		
1W Foster, Mayor			Lori Mossman, City Clerk	

These minutes record the official actions of the Yelm City Council. Complete recordings are available on the city website at www.yelmwa.gov.

From: Dana Spivey, Executive Assistant

Date: October 3, 2018

Subj: Appointment of Salary Commission Members

Recommendation

Approve the appointment of the three applicants for the Yelm Salary Commission.

Background

On February 13, 2018 the Yelm City Council adopted Ordinance #1044 to establish a Salary Commission to review and establish the salaries and total cost of compensation for elected officials. The work will perform the functions construed in state law in accordance with RCW 35.21.015. Per Ordinance #1044, the Salary Commission shall have three members who shall be appointed by the Mayor, with the approval of the Council, for five-year terms. Read the full state statute at: http://app.leg.wa.gov/rcw/default.aspx?Cite=35.21.015

Current Situation

Since Ordinance #1044 was adopted, the City of Yelm has encouraged citizens to apply via announcements at public meetings, posts on social media, and also requested City Council to bring forth names of potential applicants who meet requirements listed in the ordinance. One name was proposed by Council. As of October 3, 2018, only three applications have been received from the following individuals:

- Denise Hibbeln
- Ken McCulloch
- Line Critchfield

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.]

CITY OF YELM ORDINANCE NO. 1044

AN ORDINANCE OF THE CITY OF YELM, WASHINGTON, CREATING A NEW CHAPTER OF THE YELM MUNICIPAL CODE ESTABLISHING A SALARY COMMISSION IN ACCORDANCE WITH RCW 35.21.015

WHEREAS, jurisdictions periodically adjust the salary of elected officials to mitigate the effects of inflation and to reflect pay levels of similar cities; and

WHEREAS, the Washington State Constitution prohibits changes to compensation during an elected official's current term in office; and

WHEREAS, it is appropriate to have separate, independent commission, rather than the City Council itself, establish the salaries of these elected officials; and

WHEREAS, RCW 35.21.015 authorizes cities to establish, by ordinance, an independent salary commission in order to set the total compensation for local elected officials, subject to certain terms and conditions; and

WHEREAS, the Yelm City Council desires to establish such a commission for the purpose of setting the total compensation of the City of Yelm Mayor and City Council;

NOW THEREFORE THE CITY COUNCIL OF THE CITY OF YELM, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. A new Chapter of the Yelm Municipal Code, Chapter 2.07 — Salary Commission, as follows:

Section 2.07.010. Salary Commission established.

A Salary Commission is hereby established to perform the functions set forth in RCW 35.21.015.

Section 2.07.020. Purpose, function and construction.

The salary commission shall review and establish the salaries of the mayor and the councilpersons and shall exercise the powers and perform the duties set forth by RCW 35.21.015, as now existing or hereafter amended, and this section. The provisions of this section shall be construed in accordance with RCW 35.21.015.

Section 2.07.030. Salary Package defined.

The Salary Commission shall consider the total compensation of City elected officials, including salary, health benefits, and retirement plans.

Section 2.07.040. Membership, appointment, compensation and term.

- A. The Salary Commission shall have three members who shall be appointed by the Mayor, with the approval of the Council, for five-year terms.
- B. Members of the salary commission shall be residents of the Yelm Urban Growth Area as defined in the most current City of Yelm Comprehensive Plan.
- C. No officer, official, or employee of the City or any of their immediate family members may serve as a member of the Salary Commission.
- D. No member of the commission shall be appointed to more than two terms, whether consecutive or otherwise.
- E. The Salary Commission shall convene no later than December 31, 2018 and as required thereafter by section 2.07.050.
- F. Members may be removed during their terms for cause of incapacity, incompetence, neglect of duty, malfeasance in office, or for a disqualifying change of residence.
- G. In the event of a vacancy of a Salary Commission position, the mayor shall appoint, subject to approval of the city council, a person to serve the unexpired portion of the vacant position's term.

Section 2.07.050. Powers.

- A. The Salary Commission shall set the salary package for elected officials of the City. The Commission shall convene and review the salaries of the City's elected officials once every four years or sooner when directed to do so by a majority vote of the City Council.
- B. Any change in salary shall be filed by the Salary Commission with the City Clerk and shall become effective and incorporated into the City budget without further action of the City Council or Salary Commission in accordance with state law.
- C. Salary package increases established by the Commission shall be effective as to incumbent City elected officials, regardless of their terms in office, subject to the provisions of the Yelm Municipal Code.
- D. Salary package decreases established by the Commission shall become effective as to incumbent City elected officials at the commencement of their next subsequent terms of office as required by RCW 35.21.015(5).
- E. Commission action fixing the salaries of elected officials of the City pursuant to this chapter shall supersede any provision of any other City ordinance related to such salaries.

Section 2.07.060. Meetings to be open.

The proceedings and actions of the Salary Commission shall be undertaken in compliance with the Open Public Meetings Act, Chapter 42.30 RCW, as if the Commission was a "governing body" as defined in that Act; provided, that notice of all meetings of the Commission shall be issued pursuant to RCW 42.30.080, and the Commission shall not meet in executive session.

Section 2. Severability. Should any section, paragraph, sentence, clause, or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be preempted by state or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Passed by the City Council of Yelm this 13th day of February, 2018.

W Foster, Mayor

Authenticated:

Lori Mossman, City Clerk

PUBLISHED:

March 9, 2018

EFFECTIVE DATE:

March 14, 2018



Salaries for Elected Officials

April 12, 2018 by <u>Paul Sullivan</u>
Category: <u>Administrative and Elected Officials</u>, <u>Administrative and Elected Officials</u>



If you perform work, it's always nice to be paid. Many elected officials are paid, although some are not. This blog discusses how salaries are set, how they can be changed, and whether an elected official can request not to be paid.

Setting Salaries

For most elected officials, salaries are set by their legislative bodies. A city council determines the salary for its members and the mayor (see <u>RCW</u>

<u>35A.12.070</u> and <u>RCW 35A.13.040</u> for code cities, <u>RCW 35.23.091</u> for second class cities, and <u>RCW 35.27.130</u> for towns).

County officials' salaries are set by the county legislative body. However, unlike for cities and towns, a county legislative body is more limited in its discretion to set salaries since state law requires some salaries be set at an amount not less than that set by statute (see <u>RCW 36.17.020</u>).

For most special districts, the compensation paid commissioners is set by the district and limited by statute to stated daily and yearly maximums (see RCW 85.38.075). Although salary amounts were set by statute in 2007, the statute allows different per diem maximums to be set every five years by the state's Office of Financial Management. That office last made such an adjustment in 2013 when it filed WSR 13-12-078. Until the next adjustment is announced, the per diem rate may not exceed \$114, with a yearly maximum of \$10,944. When a board sets its compensation within the parameters of the regulation, the new rates would not go into effect until the next term of office.

While salaries are typically set by the city or county legislative body, state law does allow for the creation of a salary commission to set salaries (see <u>RCW 35.21.015</u> and <u>RCW 36.17.024</u>). If a salary commission is created, the elected officials are paid the salaries established by the commission, although the salaries are subject to referendum. If no referendum is filed within 30 days, the new salaries can be effective immediately, except if the commission determines a salary should be decreased, since no decrease is allowed during a term.

Changes to Salaries

Periodically a legislative body may conclude that the salaries paid its elected officials should be changed and, typically, increased. <u>Article 11, section 8</u> of the Washington Constitution, however, prohibits any salary increase or decrease after an election and during the term of office for those officials who set their own salary. Accordingly, the prohibition only applies to city and county councilmembers, county commissioners, and special district commissioners (see Washington State <u>Const. art. 30, sec. 1</u>).

A mayor's salary, on the other hand, can be increased anytime, provided the mayor does not vote to break a tie on the proposed increase. An elected official's salary may not be *decreased* in any case after his or her election or during the term of office.

If a city or county has created a salary commission, any salary set by the commission may be implemented during an elected official's term since, in that instance, the salary is not set by the elected official. The prohibition against salary decreases during a term also applies to changes made by a salary commission.

Since a salary increase will generally only be effective for an official who is newly elected or reelected, what happens if someone fills a vacant position by appointment during the current term or by election for the remainder of a term? Does he or she take the "old" salary, or any new and pending increased salary? In this case, the appointed person receives the same salary as the person who previously held the position during the current term. The constitutional prohibition against increase in the salary of a councilmember applies to the term of office rather than to the individual who is holding the office (see <u>State ex rel Wyrick v. City of Ritzville</u> and <u>AGO 1999 No. 1</u>).

May an Elected Official Refuse His or Her Salary?

Sometimes, when budgets are tight, elected officials will state a willingness to refuse all or part of their salary. This is okay, isn't it? Maybe. But as indicated above, the constitution prohibits decreases in salary after an official's election and during the term of office. It would be illegal to reduce the salaries established for elected positions unless the effective date of the decrease is delayed until the beginning of the next term of office. Withholding all or part of a salary of a current officeholder could be considered an illegal salary decrease.

Nevertheless, a reduction might still be possible. The simplest option would be for the elected official to receive his or her salary and then donate it back to the local government. However, the donated salary would still be taxable income and unless the official itemizes for tax purposes, there would be no tax benefit.

A second possible approach might be for the official to formally waive all or part of his or her salary. Since the official would not be paid, there would not be any taxable income flowing from the refused salary. It is not certain, though, that a salary waiver is enforceable. MRSC is aware of one instance when an elected official voluntarily waived a portion of salary and then, after leaving office, asked to be paid the salary that was waived.

Some special district officials, such as fire and port district commissioners, have express statutory authority to waive all or part of their salaries (see <u>RCW 52.14.010</u> and <u>RCW 53.12.265</u>). For cities and counties, however, until there is an appellate court decision addressing the issue or legislation specifically authorizing a salary waiver, *there is uncertainty about the enforceability of a such a waiver for their elected officials*.

Questions? Comments?

If you have questions about this or other local government issues, please use our <u>Ask MRSC form</u> or call us at **(206) 625-1300** or **(800) 933-6772**. If you have comments about this blog post, please comment below or email Paul Sullivan at <u>psullivan@mrsc.org</u>.



About Paul Sullivan

Paul has worked with local governments since 1974 and has authored MRSC publications on local elections, ordinances, and general local government operation. He also provides training on the Open Public Meetings Act. <u>VIEW ALL POSTS BY PAUL SULLIVAN</u>

Comments

O comments on Salaries for Elected Officials

Blog post currently doesn't have any comments.

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		FORM OF	CITY	2018 BUDGET			Ν	1AYOR	COUNCIL				MAYOR		COUNCIL		
CITY	POP.	GOVERNMENT	ADMINISTRATOR	GE	NERAL FUND		TOTAL FUND	M	ONTHLY		MC	NTHLY		BENEFITS	E	BENEFIT	S
Dupont	9,385	Mayor-Council	YES	\$	1,146,003	\$	10,661,076	\$	2,100		\$	600		No		No	
Duvall	7,655	Mayor-Council	YES	\$	6,351,848	\$	27,026,873	\$	2,000		\$	500		No		No	
Ferndale	13,640	Mayor-Council	YES	\$	2,890,756	\$	11,110,847	\$	1,729		\$	600		No		No	
Lynden	14,160	Mayor-Council	YES	\$	20,126,593	\$	67,331,520	\$	2,652	(8)	\$	637	(8)	PERS 2 Only		No	
North Bend	6,825	Mayor-Council	YES	\$	496,848	\$	21,005,093	\$	3,000	(3)	\$	500	(4)	Yes	(5)	Yes	(6)
Port Orchard	14,160	Mayor-Council	NO	\$	21,198,624	\$	75,869,894	\$	6,727		\$	1,000		Yes	(1)	(9)	
Poulsbo	10,850	Mayor-Council	NO	\$	12,628,139	\$	36,596,002	\$	6,348		\$	750		Yes	(2)	No	
Stanwood	6,835	Mayor-Council	YES	\$	1,634,429	\$	9,058,768	\$	1,400		\$	375		Yes	(7)	No	
Yelm	9,030	Mayor-Council	YES	\$	9,139,532	\$	41,515,956	\$	2,500		\$	600		Yes		No	

- (1) Medical, dental, vision, life and retirement
- (2) Medical, dental and retirement
- (3) \$3,000 base salary plus up to 10 meetings reimbursements per month (\$75/regional meeting and \$50/non-regional meetings)
- (4) \$500 base salary plus up to 6 meetings reimbursements per month (\$75/regional meetings and \$50/non-regional meetings)
- (5) Medical at 50%, dental at 75% and vision at 100%. No retirement
- (6) Medical at 50%, No dental, vision or retirement
- (7) Pay 50% of cost of medical, dental, vision and life insurance. Currently 50% cost = \$393.54
- (8) In 2015 the Council approved an ordinace that allowed for an annual increase of 3% for 10 years, and the base rate was \$600 for the Council, \$2,500 for the Mayor. This will sunset at the end of 20025
- (9) All have to agree to taking benefits to be eligible. They can opt to enroll in DRS

<u>Mayor-Council</u> is a Strong Mayor form of government. The strong mayor form of government is headed by a mayor who serves as a city's chief executive and a city council, its legislative body.

<u>Council-Manager</u> form of government is where the council oversees local policy and budgets and appoints a professional city manager to handle administrative tasks on a day-to-day basis.