



Salary Commission
Meeting Agenda
Wed, June 15, 2022 at 5:30 pm

Commissioners:

Edythe Garvey
Major Freeman
Nicole Gilligan
Conner Lahtonen
Nick Hanson

Agenda:

1. Salary Commission Roles and Responsibilities Overview
2. Elect Salary Commission Chairperson
3. Review Compensation of Council and Mayor Comparison Cities
4. Discussion
5. Set Mayor and City Council Salary for 2023



**CITY OF STANWOOD
SALARY COMMISSION
AGENDA STAFF REPORT**

DATE: June 15, 2022

SUBJECT: 2022 Mayor/Council Salary

FROM: David Hammond, Finance Director

ATTACHMENTS: A – Comparison of Mayor Compensations in Comparable Cities
B – May12, 2022, City Council meeting minutes excerpt documenting the discussion of mayor full-time status.
C – SMC 2.10 Salary Commission
D – Description of Council-Manager & City Administrator form of government

Background:

In January 2012, the City Council approved Ordinance 1306 creating a Salary Commission for the City. This authorized an independent Salary Commission with authority to set the salary of the members of the Council and Mayor. The ordinance states that the Salary Commission shall meet between May 1 and July 31 and shall determine salary adjustments which shall become effective on January 1 of each calendar year.

The Stanwood City Council holds twenty-two regular meetings per year, approximately four (4) special workshop meetings, and a joint planning commission/council meeting, as needed. In addition, each Councilmember attends, on average, two subcommittee meetings each month. Regular council meetings generally last 30 to 90 minutes and committee meetings last approximately 45 minutes.

The mayor attends council meetings but is not required to attend committee meetings. He/she has historically devoted 30 hours per month on mayoral duties, however this amount varies between mayors and depends on the staffing stability at the city and the workplan in place at a given time. The mayor serves as the chief executive officer for the city, executing policies established by council.

As a separately elected official, the mayor does not have a job description defined by the city, but rather the mayor is responsible for a broad array of important functions; although this responsibility is shared with the City Administrator who oversees the day-to-day administrative aspects of these functions, including:

- Visioning, Goal-setting and Leadership
- Public Relations
- Ceremonial Role
- Intergovernmental Relations
- Working with City Residents

- Dealing with the Media
- City Attorney Communications
- Emergency Management
- Labor Relations
- Personnel Management
- City Administrator
- Community Development/Planning
- Public Works/Parks/Water/Sewer/Stormwater
- City Clerk
- Finance/Budget/Risk Management/Public Records

Salary changes set by a salary commission are filed with the city clerk; increases can go into effect during the current terms of office of the elected officials, while decreases may not go into effect until the subsequent terms of office. No action of the city council is required for a change in salaries. In accordance with Ordinance 1306 (SMC 2.10.040), "Any increase or decrease in salary established by the commission shall become effective and incorporated into the city budget for the year following commission review without further action of the city council or the commission." Salary commission actions to increase or decrease salaries are subject to referendum in cities, and the filing of an adequate petition places the issue before the voters.

In addition to a Salary, the City Municipal Code authorizes the mayor to receive fifty percent of the medical, dental, and vision benefits provided to non-represented employees. This benefit has been problematic in practice as most recent mayors were already insured, as is the case with the current mayor. Stanwood employees are also eligible for a medical "opt-out incentive" that shares savings to the city with an employee opts out of coverage. This incentive is not currently available to the mayor under current council policy. If council amends this policy the incentive would be \$4,907 in 2022.

In January 2022, the city council directed staff to evaluate whether Stanwood should have a full-time mayor. This issue was discussed by council at their March workshop and again at the May 12, 2022, council meeting. Although differing views were presented, the overall council view was that Stanwood is too small to need a full-time mayor, and the council is in favor of retaining the Mayor/Professional City Administrator structure. One councilmember expressed the view that Stanwood should pay a living-wage for a full-time mayor, so that people in different stages of their careers might be encouraged to run for mayor. There was a shared belief that past Salary Commissions' salary adjustments may have fallen behind peer cities as shown below in the chart at Attachment A. The Salary Commission may also wish to consider a structure that includes base salary plus an additional "per meeting" amount as two of the peer cities do.

On May 12, the City Council referred a recommendation to the Salary Commission to "*to consider an increase to bring the mayor's compensation closer to the average for comparable Western Washington Cities.*" The applicable section of the May 12, 2022, council meeting minutes are included as Attachment B. The salary commission is independent of the city council, so this is simply a recommendation. The council also considered a revision to the medical insurance benefit provided to the mayor, but deferred action on this item until after the Salary Commission decision regarding 2023 salaries, so that they could evaluate whether to complement the Commission's action with a change to the health insurance benefits provided to the mayor.

FISCAL IMPACT:

In 2021, the Commission increased the mayor's salary from \$1,500 per month to \$1,600 per month. Councilmember salaries were increased from \$425 per month to \$475 per month.

Meeting Date	Mayor	Council	Decision	Effective
July 15, 2012	\$1,100	\$300	No change	2013
July 18, 2013	\$1,100	\$300	Mayor \$1,200 Council \$325	2014
July 28, 2014	\$1,200	\$325	No change	2015
June 22, 2015	\$1,200	\$325	No Change	2016
June 17, 2016	\$1,200	\$325	Mayor \$1,300 Council \$350	2017
June 8, 2017	\$1,300	\$350	No Change	2018
June 4, 2018	\$1,300	\$350	Mayor \$1,400 Council \$375	2019
June 11, 2019	\$1,400	\$375	Mayor \$1,500 Council \$425	2020
June 23, 2021	\$1,500	\$425	Mayor \$1,600 Council \$475	2022

The combined 2022 operating budgets (General Fund, Street Operating and Utility Operating Funds) is greater than \$10 million. Primarily a service provider, the city employs thirty-eight personnel. All operating funds anticipate ending fund balances in compliance with city financial policy reserve targets adopted by the City Council. The six-year capital improvement plan anticipates project investments of \$85 million over the 2022-2027 period. The city is projected to end the 2021- 2022 biennium with an ending fund balance exceeding \$27 million for all funds.

RECOMMENDATION

The Salary Commission's goal is to decide whether to adopt salary adjustments for the Mayor and City Council for 2022.

ATTACHMENT A

Comparison of Mayor & Council Monthly Compensation, Mayor Council Form of Government				
City	Population	Council Salary	Mayor Salary	Benefits
Bonney Lake	22,540	\$ 850	\$ 2,100	No benefits
Monroe	19,990	\$ 800	\$ 3,600	No benefits
Ferndale	15,270	\$ 674	\$ 2,650	No benefits
Snoqualmie	14,370	\$ 500	\$ 3,000	Eligible to participate in health insurance plans
Lake Forest Park	13,370	\$ 600	\$ 3,000	Health & pension benefits equivalent to half-time exempt employee
Gig Harbor	12,029	\$ 713	\$ 1,931	401(a) 6.2% matching contribution = \$99.20 /mo Medical \$1391.54 (Employee pays apprx \$42) Dental \$180.06 (Employee pays \$3.93) Vision \$33.90
Sedro-Woolley	11,900	\$ 500	\$ 2,461	Unknown
Sumner	10,500	\$ 1,100	\$ 2,500	No benefits
Snohomish	10,340	\$ 513	\$ 1,500	No benefits
DuPont	9,605	\$ 600	\$ 2,100	No benefits
Yelm	9,470	\$ 800	\$ 2,500	Yes - medical
Orting	8,675	\$ 300	\$ 2,500	No benefits
Duvall	8,347	\$ 500	\$ 2,000	+\$100/day for meetings, seminars or conferences
North Bend	9,347	\$ 500	\$ 3,000	+\$50 local, \$75 regional meeting
Stanwood	7,425	\$ 475	\$ 1,600	Half medical (individual only); not dollar equivalent
Brier	7,090	\$ 250	\$ 1,000	+\$50/meeting. Full medical for mayor & spouse, or dollar equivalent councilmembers \$200 +\$25/meeting
Average	11,892	605	\$ 2,340	

Note: These cities all employ the Hybrid City Administrator System, except for the City of Brier.

b. Discussion of Mayor Full-time Status

In January, council requested staff to place the subject of a full-time Mayor on their agenda. The issue was discussed at a February 10, 2022, City Council Workshop, and at that time the Council asked staff to provide information regarding the following questions:

- Whether a matrix or threshold existed beyond which a mayor's role warrants fulltime status?
- How comparable cities pay their mayors, and what the role or job of a full-time Mayor would be?
- Will the Salary Commission then set the mayor's salary, and are there legal issues regarding the timing of a move to increase the mayor's salary?
- Discussion of the Mayor's job description should be looked at in conjunction with the City Administrator job description.

Finance Director David Hammond addressed Council and discussed the matter.

Mayor Roberts read the following statement:

I appreciate this discussion, but this is not something that I brought forward on my own. I did not run for Mayor for the salary, and I'm honored to serve the citizen as Mayor. I'd probably do it even if it wasn't salaried, notice I said probably. I have a profession that I am still working in, so I do have some income. I have found a rhythm in the mayor position, and I have learned to delegate to staff the things that could encumber me. The first month I was running around trying to do everything, then I realized I didn't have to do that and could delegate things out. I empathically support a full-time City Administrator position. Shawn is doing a great job and we have a great working relationship; it works good and I'm totally in support of that. In my other profession, comparable data is everything, looking at the comps provided by staff, the mayor's salary is lacking a bit, but it doesn't support, in my view, a full-time working wage salary. I still think the City of Stanwood is a size of a city that it's not needed. Some Cities have meeting pay added to the salary to compensate actual time spent; for reference I attend about 20 meetings a month. The insurance benefit provided by the City is unintentionally delusionary and doesn't really work, I pay \$29 per month for Medicare, so there is no way I would ever use the city insurance, so I would like to see Council do something about that.

There are 5 possible motions in the packet, if one motion gets made but is voted down, certainly one of the other motions can be moved by Council. If there is no traction in this matter, council can vote to postpone the item, I will continue to do my job the same regardless of what happens. If there is support of referring the issue to the Salary Commission, notes from this meeting can be forwarded to them.

Councilmember Bergman asked under the Washington State Constitution are we allowed to raise the salary for the mayor during the current term or must wait until the new term? Hammond answered that Council, by forming and assigning the responsibility to the Salary Commission, their decision would take effect on the subsequent January 1st. If Council took the responsibility back, then the mayor's salary would take effect immediately, but then councilmember's salary increases would not take effect until after the next election. The Council can set the mayor's benefits in an ordinance, and it would take effect immediately.

Councilmember Pearce commented that half of the previous Mayors have had full-time jobs and still were able to perform the mayor duties. When the City hired the first City Administrator the intent was to continue with a part-time Mayor, because the city needed a professional at this job and it would free up the opportunity for the mayors, as Mayor Dianne White said, to go out and cut ribbons and kiss babies. Pearce would like to send the issue to the Salary Commission to have them look at it.

Motion by Councilmember Pearce, second by Councilmember Metz to refer the matter to the 2022 salary commission with the recommendation to consider an increase to bring the mayor's compensation closer to the average for comparable Western Washington Cities.

Roll call of votes was taken:

<i>Councilmember Metz –</i>	<i>Yes</i>
<i>Councilmember Pearce –</i>	<i>Yes</i>
<i>Councilmember Shepro –</i>	<i>Yes</i>
<i>Councilmember Bergman –</i>	<i>Yes</i>
<i>Councilmember Schmitt –</i>	<i>Yes</i>
<i>Councilmember Gaumond –</i>	<i>Yes</i>

Motion carried unanimously

Council directed staff to bring the matter of mayor benefits back to council after the Salary Commission has met.

Chapter 2.10 SALARY COMMISSION

Sections:

[2.10.010 Created – Membership, appointment, compensation, term.](#)

[2.10.020 Vacancies.](#)

[2.10.030 Removal.](#)

[2.10.040 Duties.](#)

[2.10.050 Referendum.](#)

2.10.010 Created – Membership, appointment, compensation, term.

(1) There is created a salary commission for the city. The commission shall consist of five members, to be appointed by the mayor with the approval of the city council.

(2) A member of the commission shall serve for a three-year term without compensation, and shall be a resident of the city. The initial members shall be appointed for staggered terms of one, two or three years.

(3) No member of the commission shall be appointed to more than two terms.

(4) A member of the commission shall not be an officer, official, or employee of the city or an immediate family member of an officer, official, or employee of the city. For purposes of this section, “immediate family member” means the parents, spouse, siblings, children, or dependent relatives of an officer, official, or employee of the city, whether or not living in the household of the officer, official, or employee. (Ord. 1306 § 1, 2012).

2.10.020 Vacancies.

In the event of a vacancy in office of commissioner, the mayor shall appoint, subject to approval of the city council, a person to serve the unexpired portion of the term of the expired position. (Ord. 1306 § 1, 2012).

2.10.030 Removal.

A member of the commission shall only be removed from office for cause of incapacity, incompetence, neglect of duty, or malfeasance in office, a crime involving moral turpitude, or for a disqualifying change of residence. (Ord. 1306 § 1, 2012).

2.10.040 Duties.

(1) The commission shall have the duty, annually, commencing in 2012, to review the salaries paid by the city to each elected city official. If after such review the commission determines that the salary paid to any elected city official should be increased or decreased, the commission shall file a written salary schedule with the city clerk

indicating the increase or decrease in salary. The initial salary commission shall meet between February 1, 2012, and March 31, 2012, and shall determine salary increases or decreases for the balance of calendar year 2012. Thereafter, the salary commission shall meet between May 1st and July 31st and shall determine salary adjustments which shall become effective on January 1st of each calendar year, beginning on January 1, 2013.

(2) Any increase or decrease in salary established by the commission shall become effective and incorporated into the city budget for the year following commission review without further action of the city council or the commission.

(3) Salary increases established by the commission shall be effective as to all city elected officials, regardless of their terms of office.

(4) Salary decreases established by the commission shall become effective as to incumbent city elected officials at the commencement of their next subsequent terms of office. (Ord. 1306 § 1, 2012).

2.10.050 Referendum.

Any salary increase or decrease established by the commission pursuant to this chapter shall be subject to referendum petition by the voters of the city, in the same manner as a city ordinance, upon filing of a referendum petition with the city clerk within 30 days after filing of a salary schedule by the commission. In the event of the filing of a valid referendum petition, the salary increase or decrease shall not go into effect until approved by a vote of the people. Referendum measures under this section shall be submitted to the voters of the city at the next following general or municipal election occurring 30 days or more after the petition is filed, and shall otherwise be governed by the provisions of the State Constitution and the laws generally applicable to referendum measures. By adoption of this provision it shall not be the intent to adopt the powers of referendum generally. (Ord. 1306 § 1, 2012).

Description of Council-Manager and City Administrator Forms of Government¹:

Washington cities and towns are organized under two principal forms of government, sometimes referred to as plans of government: mayor-council and council-manager. (This is in addition to and separate from the [city's classification](#), such as a first class or code city.) In addition, state law permits larger cities to voluntarily adopt charters unique to their communities under certain circumstances as described below.

In general, choosing the form of government is not a matter of *how much* legislative and/or administrative authority the city or town will have, but rather the distribution of authority between the legislative and executive officials.

For a brief overview of the common arguments for and against each form of government, see MRSC's handout on [Common Issues and Pro/Con Arguments in Elections to Change Form of Government](#). More details regarding each form, as well as examples of cities that have changed form of government, are provided below.

Mayor-Council Form

Mayor-council is the oldest and most common form of government in Washington, including small towns and large cities alike. However, while most cities in Washington use the mayor-council system, the vast majority of cities that have incorporated or successfully changed form of government since 1970 have adopted the council-manager system.

The basic structure and organization of mayor-council cities is set out in [chapter 35A.12 RCW](#) for code cities; also see [chapter 35.22 RCW](#) for first class cities, [chapter 35.23 RCW](#) for second class cities, and [chapter 35.27 RCW](#) for towns.

The mayor-council form consists of a mayor elected at-large, who serves as the city's chief administrative officer, and a separately elected council (elected either at-large or from districts) which serves as the municipality's legislative body. This separation of powers is based on the traditional federal and state models in the United States.

The council has the authority to formulate and adopt city policies and the mayor is responsible for carrying them out. The mayor attends and presides over council meetings but does not vote, except in the case of a tie.

The mayor also has veto authority over legislation (except for towns), but the veto can be overridden by the council as specified in the municipality's statutes or charter. (For more information, see our page on [Council Voting](#).)

¹ Excerpt from MRSC: [MRSC - City and Town Forms of Government](#)

In all but the largest cities, elected mayors and councilmembers serve on a part-time basis, leaving most of the day-to-day operations to administrative personnel.

Nationally, mayor-council governments are often classified as either "strong mayor" or "weak mayor" types depending on the degree of executive authority that is concentrated in the mayor's office. However, by providing veto authority (except for towns), the Washington State legislature essentially provided for a strong mayor system.

Hybrid City Administrator System

Many mayor-council cities have hired professional city administrators, chief administrative officers, or similarly titled positions to serve under the mayor. The city administrator is usually a full-time position responsible for many administrative and policy-related duties such as budget preparation, personnel administration, and department supervision.

In essence, this is a hybrid model between the mayor-council and council-manager systems, retaining a separately elected mayor who is responsible for administration, but providing for professional management of the city's day-to-day operations. In theory, this also frees the mayor from the need to attend to administrative details and allows the mayor to focus greater attention on policy development, political leadership, and potentially their own private employment apart from city government.