



Independent Salary Commission

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Issaquah, WA 98027

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issaquahwa.gov

To: Mary Lou Pauly, Mayor
Tisha Gieser, City Clerk

From: 2023 Independent Salary Commission

Re: Formal Report, Findings & Conclusions: Compensation Schedule for City Councilmembers

Following a thorough review of data, extensive discussion, and consideration of public input, the 2023 Independent Salary Commission herewith submits its Formal Report, Findings & Conclusions, in which a new Compensation Schedule for City Councilmembers is established.

BACKGROUND

The 2023 Independent Salary Commission (“Commission”) was formed pursuant to Issaquah Municipal Code (“IMC”) 2.90 and RCW 35.21.015, and is an independent decision-making body. The IMC charges the Commission with reviewing the compensation of City Councilmembers, establishing the appropriate salary and benefits for City Councilmembers, and filing a new salary and compensation schedule with the City Clerk no later than June 30, 2023.

Issaquah’s last Independent Salary Commission filed its report in 2015, and Council compensation has not changed since July 1, 2015.

COMMISSION MEMBERSHIP

The Commission is comprised of five members appointed by the Mayor and confirmed by the City Council. Commissioners serve until the term expires on June 30, 2023 or upon the filing of the salary and compensation schedule with the City Clerk.

The following Commissioners are honored to serve the City in this important function:

- John Traeger, Chair
- Victor Bello, Vice Chair
- Linda Baily
- Diogo Denczuk
- Henry Farber

PROCESS AND INFORMATION CONSIDERED

The Commission first met on April 4, 2023. It held nine additional open, public meetings, for which public notice was provided. The Commission held its final meeting on June 20, 2023. Each meeting's agenda allowed for public comment, with one member of the community providing comments. The Commission held a public hearing on June 6, 2023, at which two members of the community provided input and one community member submitted comments by email.

The Commission's first action was to collect data relevant to the decisions it faced. It sought to learn more about City Councilmembers' roles and obligations and obtain comparison data from other cities in the region. Throughout its deliberations, the Commission received and considered the following information:

1. The Commission developed and issued an online survey of City Councilmembers which asked about their motivations in running for election and for serving on the City Council, the amount of hours City Councilmembers spend on City business, expenses incurred and reimbursed, and their interest in certain potential benefits. The survey also asked them to advise the Commission if it should consider other factors. All seven Councilmembers submitted responses anonymously, and the Commission considered the responses individually and collectively.
2. The City Attorney met with the Commission and provided additional information about the Commission's authority and information that could be considered.
3. City staff explained the City's Equity Framework. City staff also provided important demographic information about the City's residents.
4. The Commission requested and received information about eleven cities in the region, which included, for each city: Date of incorporation, form of government, square mileage, population, total assessed value, average residential appraised value, City Council monthly salary, Deputy Council President (or equivalent) monthly salary, Council President (or equivalent) monthly salary, benefits and stipends provided, and the status of any compensation review.
5. City staff advised the Commission about benefits currently offered to City employees, whether City Councilmembers could be eligible for particular benefits, and if so, with what requirements.
6. The City's financial condition, including an overview of the 2023-24 Biennial Budget.

Chief of Staff Tina Eggers, Labor Relations & Risk Manager Lauren Knox, Budget Manager Susie Monsell, City Attorney Rachel Turpin, and HR Analyst Christopher Shock were invaluable in collecting and reporting on this information. The Commission is very grateful for their efforts.

ANALYSIS

City Councilmembers have complex responsibilities in an ever-changing environment. The position requires the ability to comprehend and evaluate government finances, municipal and County codes, State legislation, and the multitude of services the City provides. They also must maintain regular communication with community members, staff, and other officials and agencies.

The results of the survey show that City Councilmembers spend approximately 69 hours per month on average on their responsibilities, with the Deputy Council President's and Council President's responsibilities demanding approximately 5% additional hours. These results do not show significant variation from the 2015 survey.

The salary and benefits comparison to other regional cities showed the Commission that Issaquah was on the lower end of Council compensation. The Commission concluded that this was due to a variety of factors, but primarily the size of the city, the lack of salary adjustment for eight years, and the rise in the cost of living since 2015.

The survey also demonstrated that they have not been motivated to run for City Council by salary and benefits. Rather, their strong dedication to the city and to public service leads them to seek City Council membership, even at the expense of personal time and work-life balance. On the other hand, the Commission recognized that the time demands and Council compensation could serve as barriers to entry for those with less financial freedom, potentially reducing the pool of dedicated residents who express interest in serving.

With the above important considerations, the Commission sought to balance:

- the need to pay City Councilmembers appropriate and fair market compensation that reflects the time commitment and the level of responsibility;
- the desire to avoid lengthy periods in which compensation was not reconsidered or adjusted;
- the desire to reduce salary as a deterrent to running for City Council;
- the recognition that Council membership is a part-time position;
- the awareness that the desire to serve on the Council may not be based on compensation; and
- the importance of being fiscally responsible.

FINDINGS AND CONCLUSIONS

The 2023 Independent Salary Commission finds that:

1. The current compensation of City Councilmembers does not fairly reflect the responsibilities and commitments of City Council membership.
2. City Council compensation has not been adjusted since 2015, and significantly lags behind the compensation in comparable cities. Regular consideration of compensation is important to avoid continually falling behind.
3. The current compensation may create a disincentive for segments of Issaquah's community to run for City Council.

- 4. Increases to base salaries and benefits of City Councilmembers are in the long-term best interests of the City of Issaquah and its residents.
- 5. The City should maintain a differential in compensation for those who serve as Deputy Council President and Council President.

NOW THEREFORE, the 2023 Independent Salary Commission concludes and implements the following Salary and Compensation Schedule:

Section 1. Salary. The following salaries are necessary to attract and maintain the quality of City Councilmembers that Issaquah has long had, and reflect the time commitment and other demands on them. As a result, the following salaries are established as of August 1, 2023:

POSITION	CURRENT SALARY	NEW SALARY
Councilmember	\$1,250 per month	\$1,700 per month
Deputy Council President	\$1,350 per month	\$1,800 per month
Council President	\$1,450 per month	\$1,900 per month

Section 2. Annual Wage Adjustments. In order to avoid dilution of Council compensation, the above salaries shall be adjusted as follows:

- On January 1, 2025, the Councilmember salary shall be increased by the same general wage adjustment as applied to non-represented staff of the City for that budget year, and as typically adopted through the Master Salary Ordinance. The Deputy Council President salary shall remain \$100 above the Councilmember salary, and the Council President salary shall remain \$200 above Councilmember salary.
- On each January thereafter the Councilmember base salary shall be increased by the same general wage adjustment as applies to non-represented staff of the City for that budget year, and as typically adopted through the Master Salary Ordinance. The Deputy Council President salary shall remain \$100 above the Councilmember salary, and the Council President salary shall remain \$200 above Councilmember salary.
- Annual increases under Section 2 will not be given if the adopted city-wide FTE position count is at least 2.5% below the previous year.

Section 3. Life Insurance. Effective January 1, 2024, the City shall provide the same life insurance benefits to Councilmembers that it provides to non-represented City employees, under the same terms and conditions.

Section 4. Low Income Stipend. In order to help remove barriers to entry, the Commission establishes the following optional income-based stipend for Councilmembers, effective January 1, 2024:

- Any Councilmember whose household income is at or below 80% of the King County Area Median Income (“AMI”), and wishes to participate in the program, must complete an initial enrollment form and attest to household income. The City shall provide a monthly stipend of \$350 to eligible participants.
- Stipend recipients must provide a new income attestation form on an annual basis thereafter, and this will be sufficient to determine qualification for the income-based stipend.
- The same determination of “household income” that the City uses for other programs shall be applied for this stipend.

Section 5. 457 Match. Councilmembers shall be entitled to the same matching program for the City’s 457 Deferred Compensation Plan, effective January 1, 2024, as the City provides to non-represented City employees, up to a maximum of \$200 per month, under the same terms and conditions.

Section 6. Other benefits. Except as provided in this Report, all benefits currently provided to City Councilmembers shall remain as is. For example, they may receive a limited reimbursement stipend for home internet service, participate in the Public Employees’ Retirement System (PERS), submit for general reimbursements as allowed under the Council Expenditure Policy, and receive City issued computer equipment, software and cell phone for use while serving on City Council.

RECOMMENDATIONS

During the course of its discussions, the Commission touched on issues outside of its responsibilities under IMC 2.90. Bearing that in mind, the Commission urges the City Council to reconvene the Independent Salary Commission every four years, in odd numbered years¹. This timeframe provides an opportunity to determine if any unintended consequences exist or if there are other factors or influences that should be addressed. Further, even though we have established criteria for annual cost-of-living increases for Councilmembers, it remains important to have regular public review of and participation in determining Council compensation.

We also recommend that future Commissions have an earlier formation date in the year they are convening.

Lastly, the Commission recommends that the Equity Board’s workplan includes a touch point prior to the convening of the next Independent Salary Commission. Specifically asking the Equity Board to look through the lens of compensation effectiveness, the equity framework and barriers that may exist to those seeking elected office.

¹ Meeting in odd number years, ensures the work of the Commission does not overlap with other time-consuming activities of staff, such as the development of the biennial budget.

APPROVED by the Independent Salary Commission, and FILED with the City Clerk this 20th day of June, 2023.



John Traeger, Chair




Victor Bello, Vice-Chair



Linda Baily, Commissioner



Diogo Denczuk, Commissioner



Henry Farber, Commissioner

ATTESTED by:



Christine Eggers, Chief of Staff
Staff Liaison to the Independent Salary Commission