CITY OF LYNNWOOD

Salary Commission

TOPICS PRESENTED

PURPOSE

GUIDELINES

SETTING SALARIES

METHODS USED

COMPARABLE CITIES

DISCUSSION POINTS

EVALUATION

RECOMMENDATIONS

Salary Commission Purpose

- It is an independent commission, not subject to Council review.
- To set the salaries of the elected City Council Members and Mayor.
- Any increase or decrease in salaries recommended by the commission will be included in the next budget cycle.
- Salary increases shall be effective to all city elected officials, regardless of their terms of office.
- Salary decreases shall become effective to incumbent city elected officials at their subsequent terms of office.
- The recommendations of the commission are enacted after a legal review.

As our community is growing, our elected officials' responsibilities are growing.

Lynnwood has

incoming light rail,

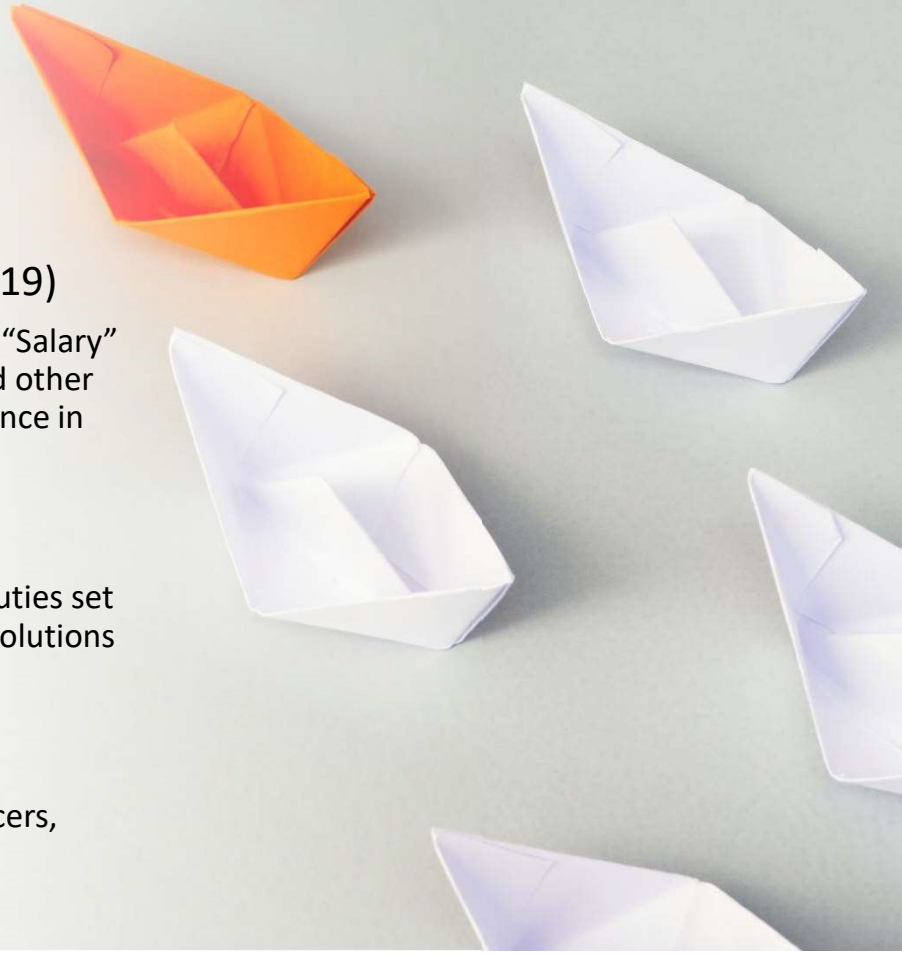
beautiful parks,

a vibrant mall, along with

Future site of Home Depot

new retail and housing opportunities.

Salary Commission Guidelines



- City of Lynnwood Ordinance (Ord. 3348 § 1, 2019)
  - The Salary Commission is to set the salaries of the Mayor and Council. "Salary" means any fixed compensation paid but expressly excludes medical and other work-related benefits. The commission may consider requiring attendance in establishing salaries.
- Mission Statement
  - The Commission is an advisory board of the City of Lynnwood whose duties set forth in LMC 2.98.020, shall serve as an independent body to adopt resolutions that set the salary of the Mayor and Council.
- Bylaws
  - The Bylaws set out the Authority, Purpose and Mission, Members, Officers, Meetings, Committees and Conduct of the Salary Commission.

How to set salaries?

What is a salary?

- Is it the total amount paid out by an employer?
- Is it what you get paid by the hour?
- Is it the total compensation received by an employee?
- Is it anything not including benefits?

How to set salaries?

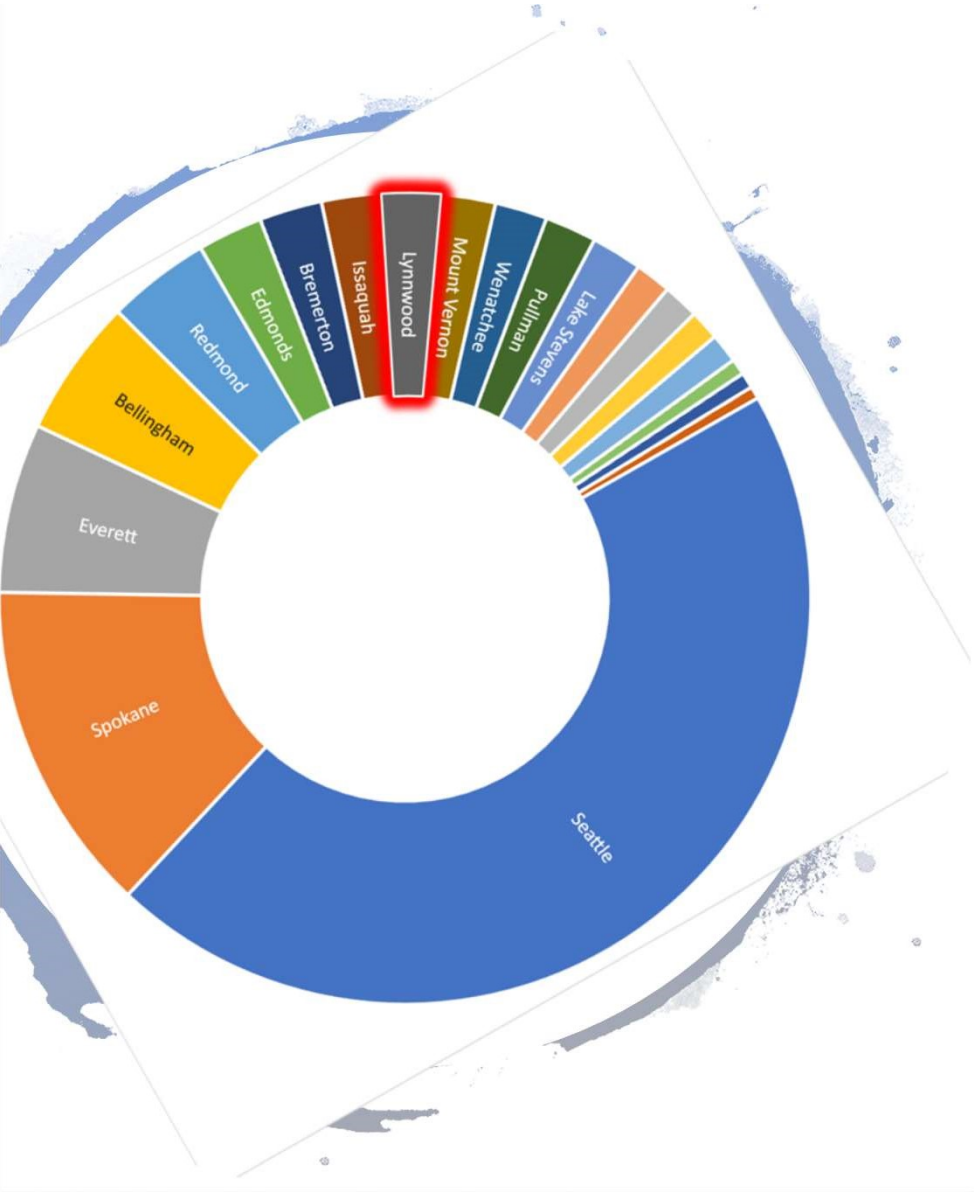
Do you look at what others are paid?

- In cities the same size as Lynnwood nationwide?
- In cities that have incoming transit?
- In cities that are expecting economic growth?
- At comparable leadership positions?

Methods Used:
What type of cities to compare

Washington cities by population, economy and transit status.

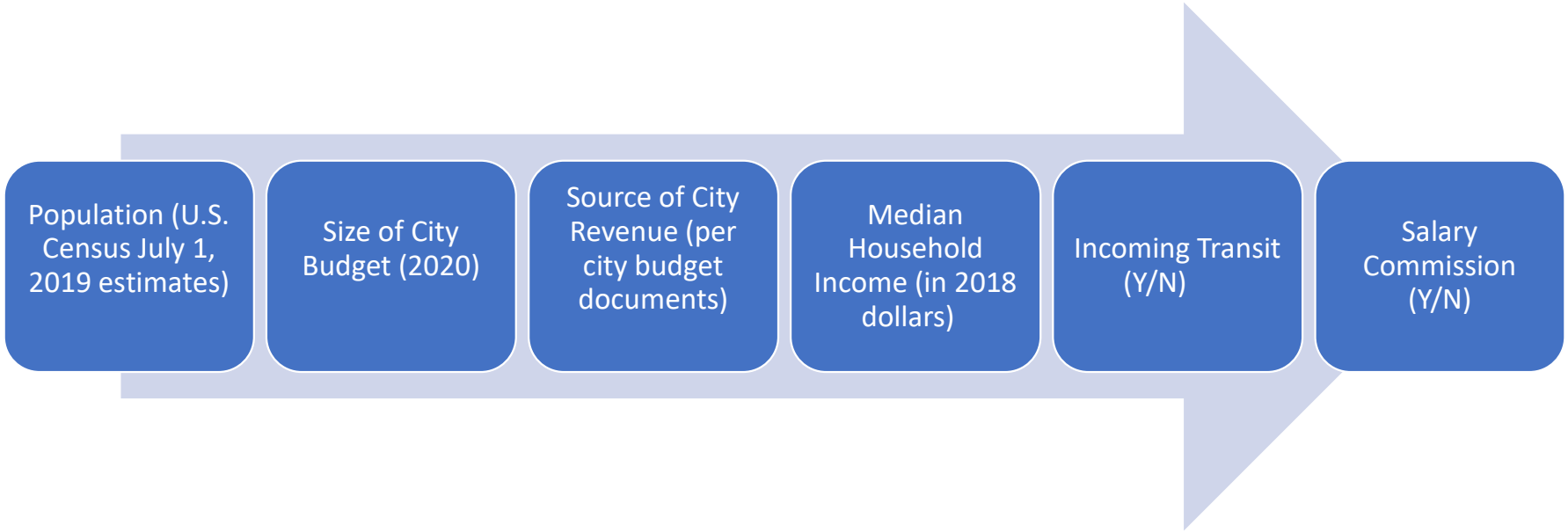
Cities that have the Mayor / Council form of government.



Methods Used: Initial Group Compared

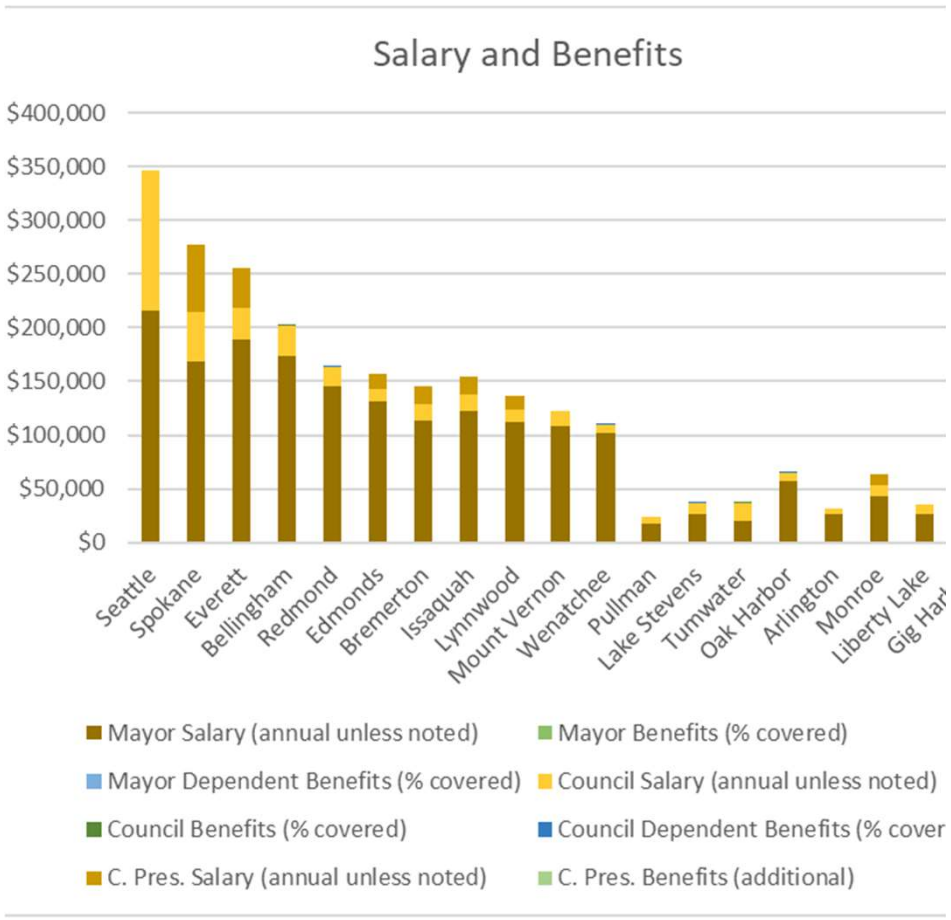
- Initially looked at 10 cities that had populations between 20,000 – 50,000.
- Also included 5 cities below 20,000 and 5 cities above 20,000 for comparison.
- Cities too small for chart include:
    - Tumwater
    - Arlington
    - Monroe
    - Oak Harbor
    - Liberty Lake
    - Gig Harbor
    - Othello

Methods Used: Data Points Compared



Methods Used:
Look at total compensation

- Mayor Salary
- Mayor Benefits (% covered)
- Mayor Dependent Benefits (% covered)
- Council Salary
- Council Benefits (% covered)
- Council Dependent Benefits (% covered)
- C. Pres. Salary
- C. Pres. Benefits (any additional)



Salary Commissions of Cities Compared

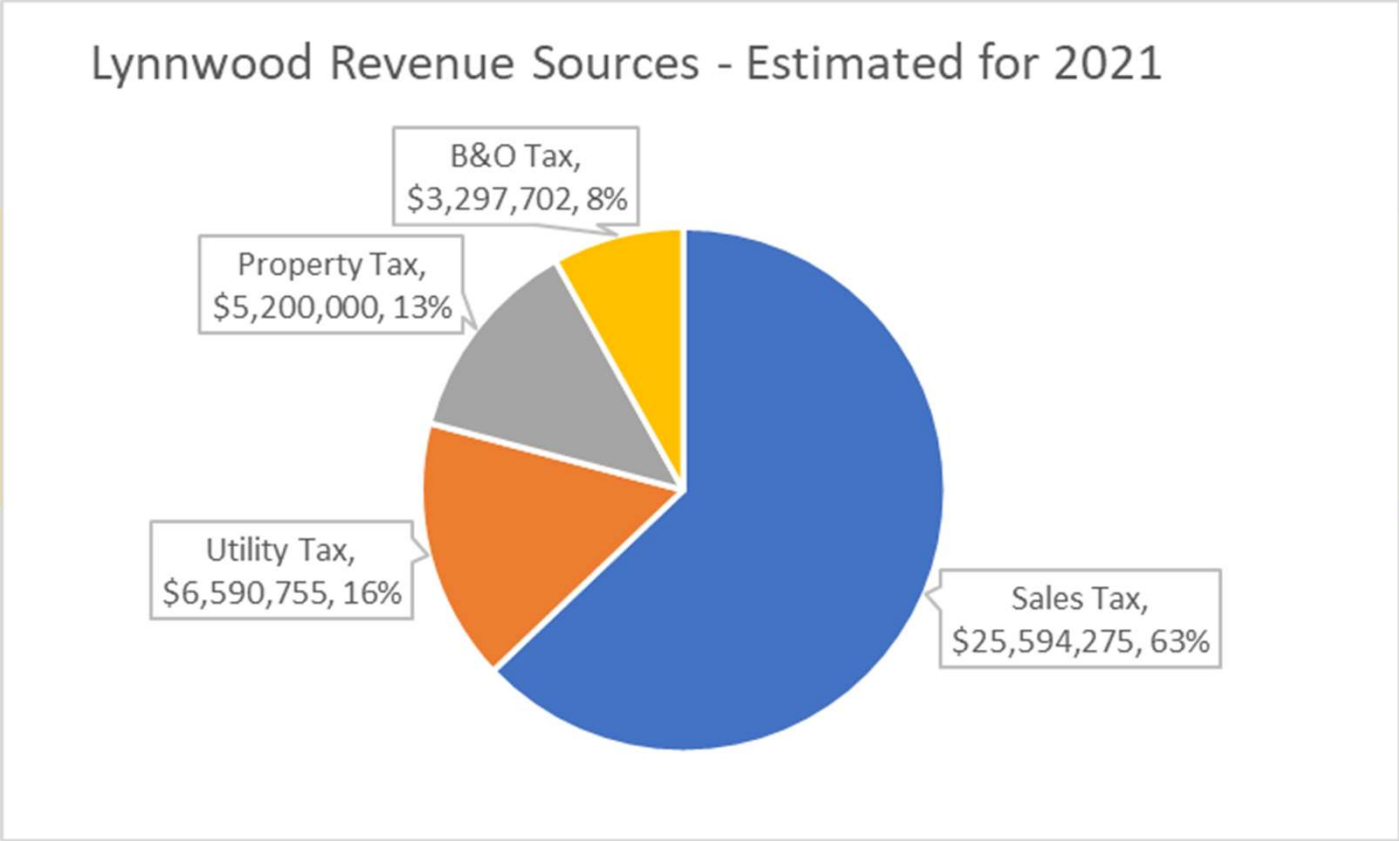
Cities	Commission Chair
Spokane	Dycella Weiss
Everett	Kevin Sylvester
Redmond	No chair listed
Edmonds	Jay Grant
Issaquah	No chair listed
Lynnwood	Michele McGraw
Lake Stevens	Michelle Hampton
Oak Harbor	Hal Hovey
Arlington	Chad Clay
Monroe	David Van Kirk
Liberty Lake	Joan Wissmann
Gig Harbor	Tony Michaelson

Comparable Cities:
Final Group Compared

- Redmond
- Edmonds
- Bremerton
- Issaquah
- Lynnwood
- Mount Vernon

DISCUSSION POINTS

- Economic impact of COVID-19
- Letter from City Council and Mayor requesting no salary increase
- Ordinance 2.04.074 & 2.04.075 – Council may waive compensation
- Equity in total compensation for Council
- Comparison of CEO salaries
- Size of City



Discussion Point:

Sales Tax revenues are greatly reduced by the COVID-19 economic impact, which directly impacts the city budget.

Discussion Point:

Letter from Council and Mayor

LYNNWOOD
WASHINGTON

June 29, 2020

Dear City of Lynnwood Salary Commissioners,

The Covid-19 pandemic has created an economic crisis that is expected to affect the financial well-being of Lynnwood for several years. The dramatic decrease in revenues and the impact on businesses in the City are unprecedented. Many of our residents are struggling to pay for the basics of food and shelter, and some are experiencing what could be a period of long-term unemployment.

With this historic economic disruption, we request that any increases in elected City officials' salaries not be considered for the 2021-2022 biennium.

Thank you for accepting our request.

Sincerely,

Nicola Smith Mayor

Council President Christine Frizzell

Council Vice-President Shannon Sessions

Councilmember Julieta Altamirano-Crosby

Councilmember Ian Cotton

Councilmember George Hurst

Councilmember Ruth Ross

Councilmember Jim Smith

Discussion Point:

Ordinance 2.04.074 & 2.04.075 – Council may waive compensation

2.04.074 Councilmember waiver and election not to receive "per meeting" compensation. SHARE

Councilmembers may elect to waive any compensation that is established by the salary commission pursuant to Chapter 2.98 LMC. A councilmember may waive and elect not to be paid any "per meeting" compensation which may be established by the salary commission pursuant to Chapter 2.98 LMC. Notice of such waiver and election must be:

A. Given to the finance director in writing, signed by the councilmember;

B. Joined in by the councilmember's spouse, if any, if the notice is for a future meeting, as required by RCW 49.48.100; and

C. Given within 72 hours of the meeting for which compensation is waived and elected not to be paid. (Ord. 3348 § 3, 2019)

2.04.075 Councilmember waiver and election not to receive compensation. SHARE

Councilmembers may elect to waive any or all compensation that is established by the salary commission pursuant to Chapter 2.98 LMC. Notice of such waiver and election must be:

A. Given to the finance director in writing, signed by the councilmember;

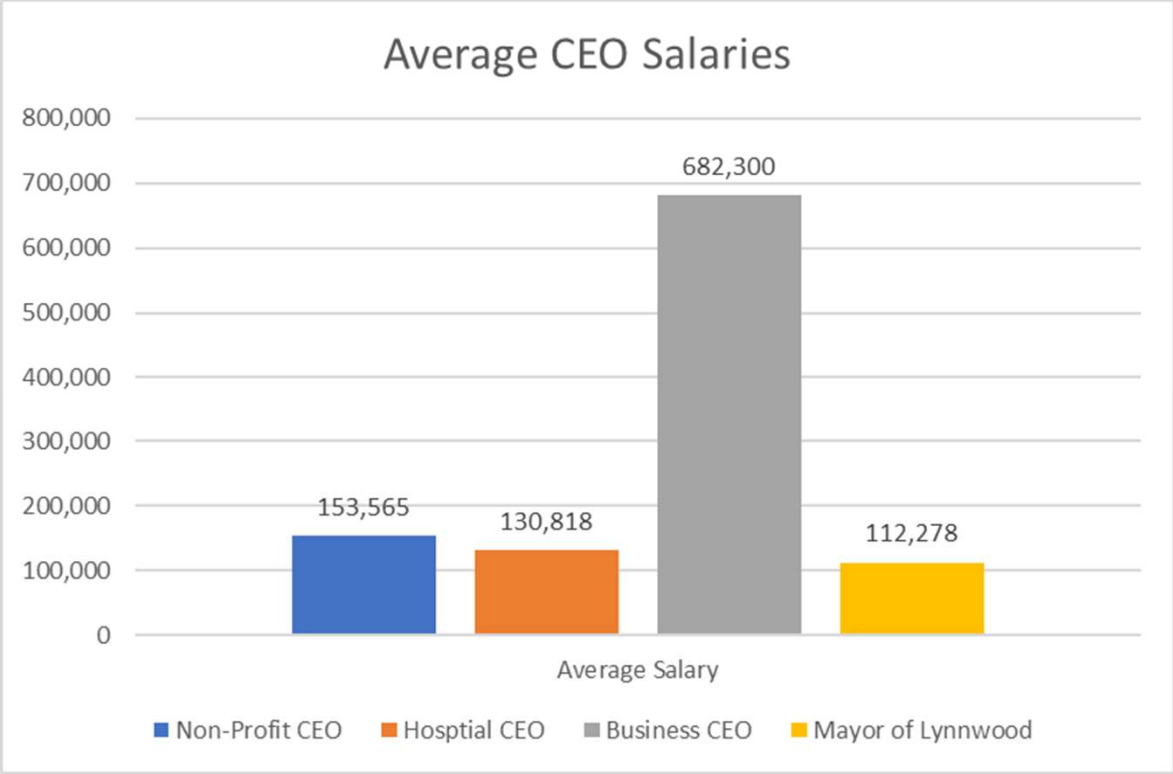
B. Joined in by the councilmember's spouse, if any, as required by RCW 49.48.100. (Ord. 3348 § 3, 2019)

Discussion Point:

CEO Salaries

Average Salaries

- Non-profit CEO's in Lynnwood: $153,565
- Hospital CEO's in Washington: $130,818
- Business CEO's in Lynnwood: $682,300
- Mayor of Lynnwood: $112,278 (current salary)



Discussion Point:

Size of City

City of Lynnwood

- 300 full-time city employees
- 8 city departments
- 7.84 square miles
- Population*: 38,511

*U.S. Census July 1, 2019 estimate

Considerations in determining salaries

- Cafeteria style
- Tiered levels
- Raise/reduction tied to Consumer Price Index (CPI)

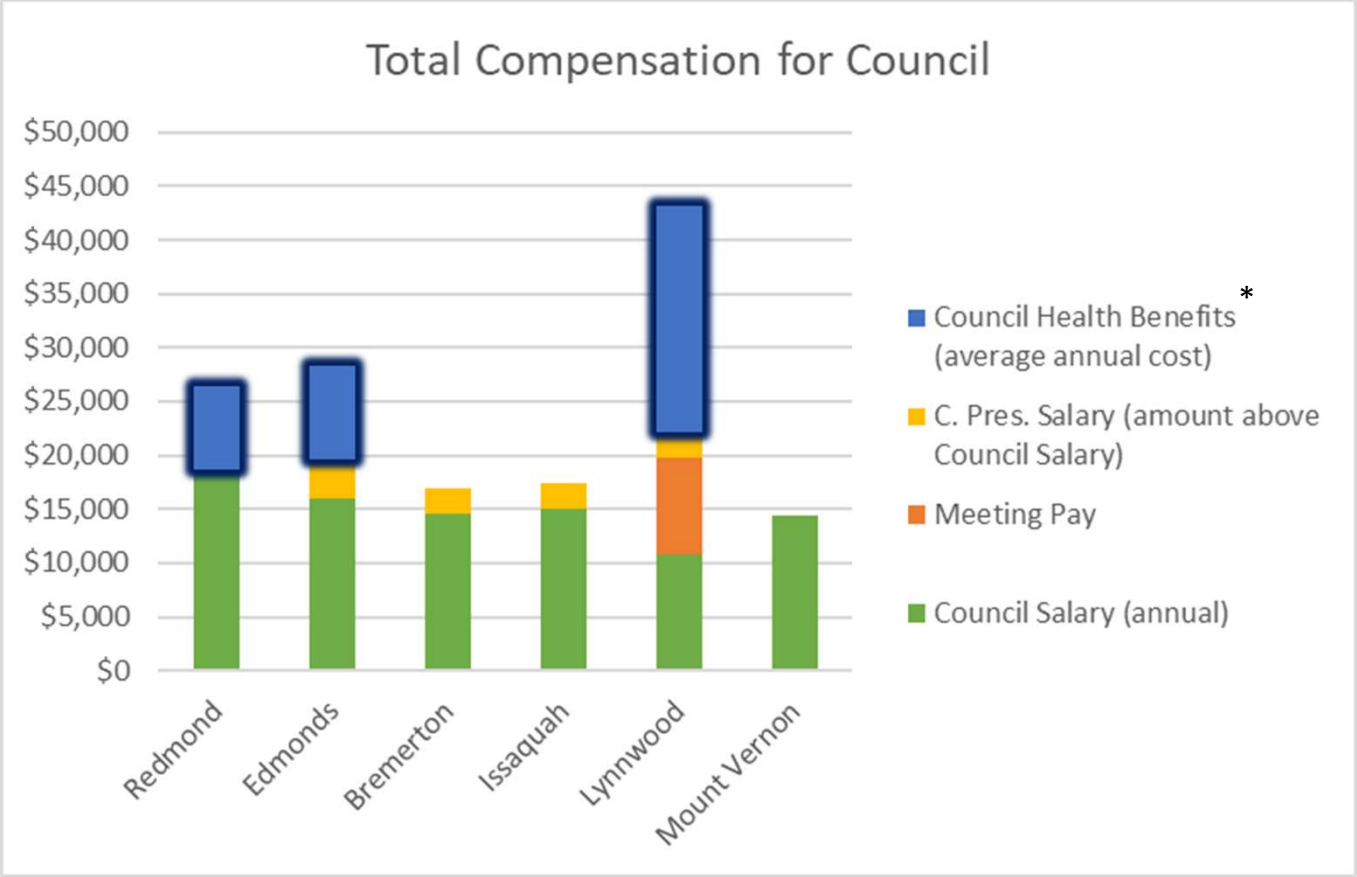
Evaluation

- Base salary for Council
- Base salary and Meeting Pay
- Total Compensation for Council
- Salary for Mayor
- Mayoral health benefits

Evaluation: Comparing Base Salary, Lynnwood is the lowest.

Evaluation: Adding Meeting Pay to the comparison, Lynnwood is the highest.

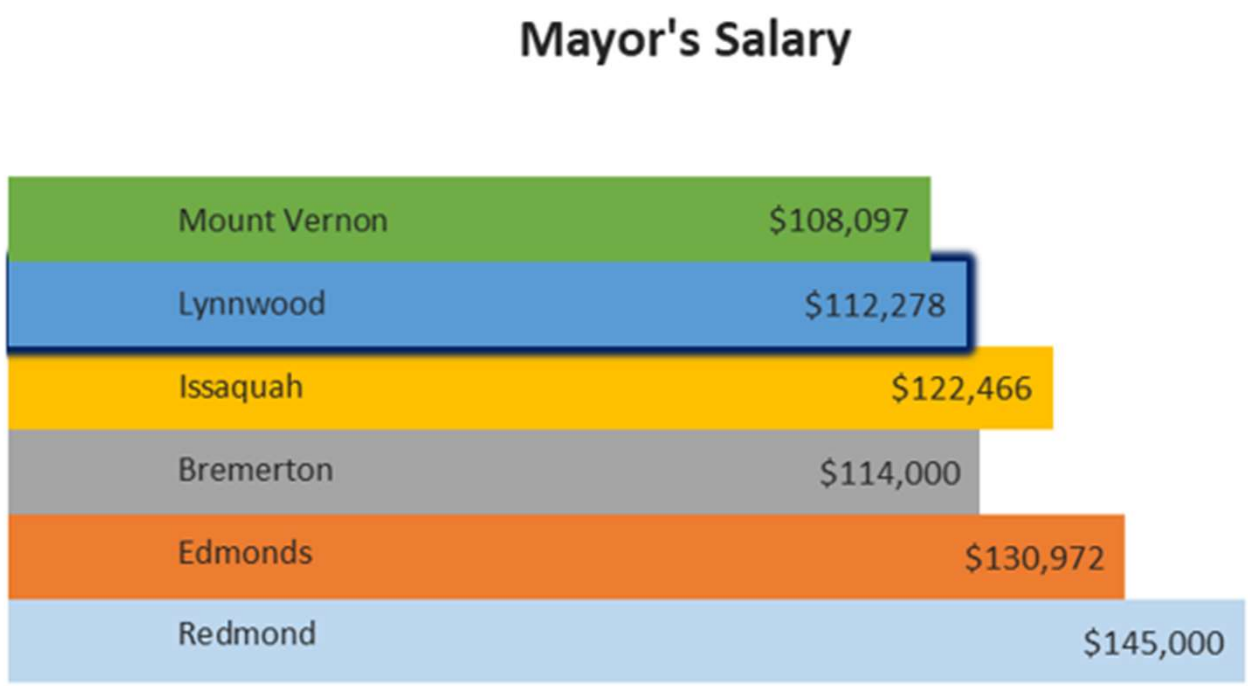
Average salary for City Council, not including Lynnwood, is $15,726.



*Dependent Benefits covered: Redmond 30%, Edmonds 0% but available, Lynnwood 90%

Evaluation: Lynnwood offers the most health benefits to their Council Members.

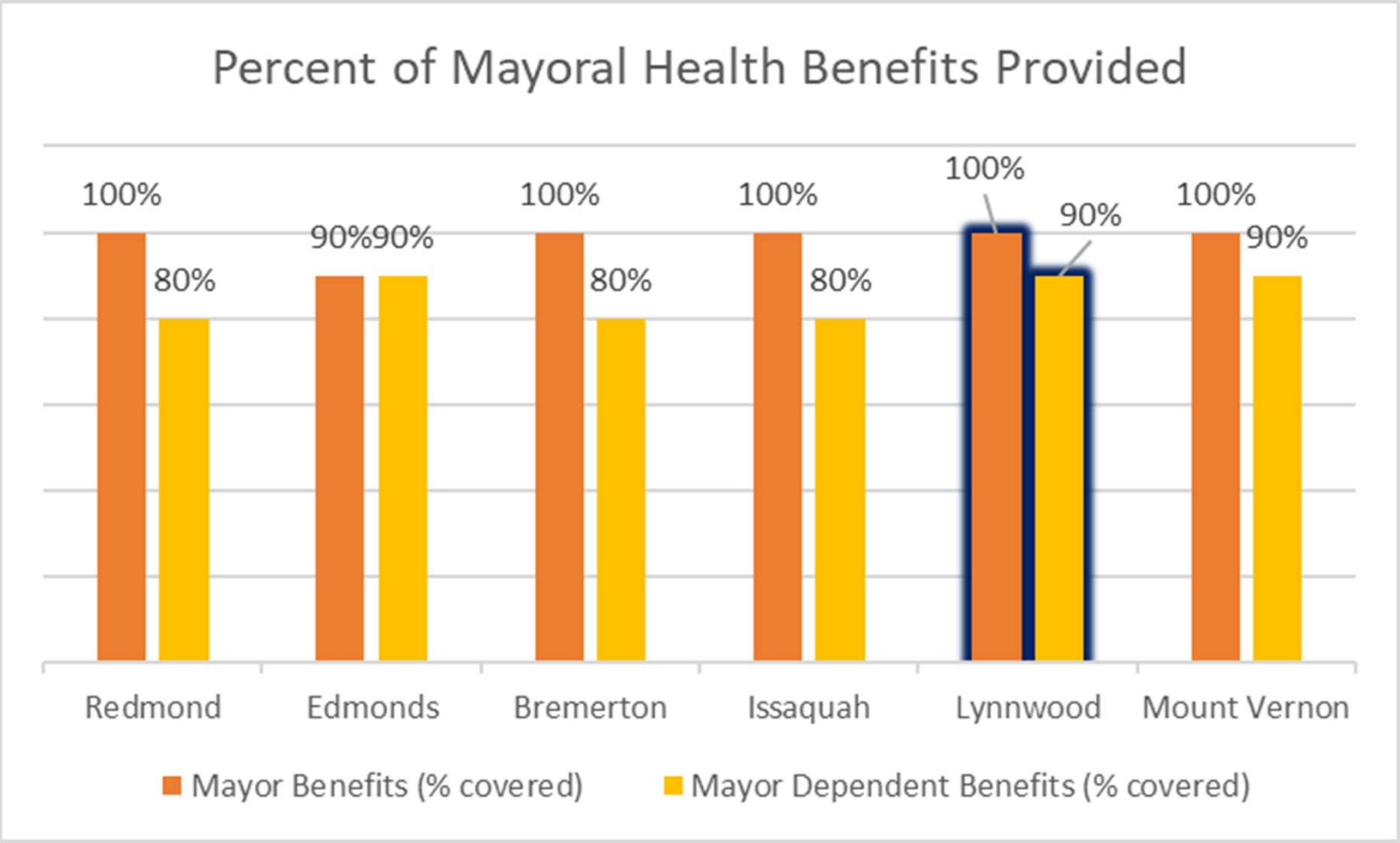
Evaluation: Comparing salary, Lynnwood is below the average of $124,107.



Average salary for Mayor, not including Lynnwood, is $124,107.

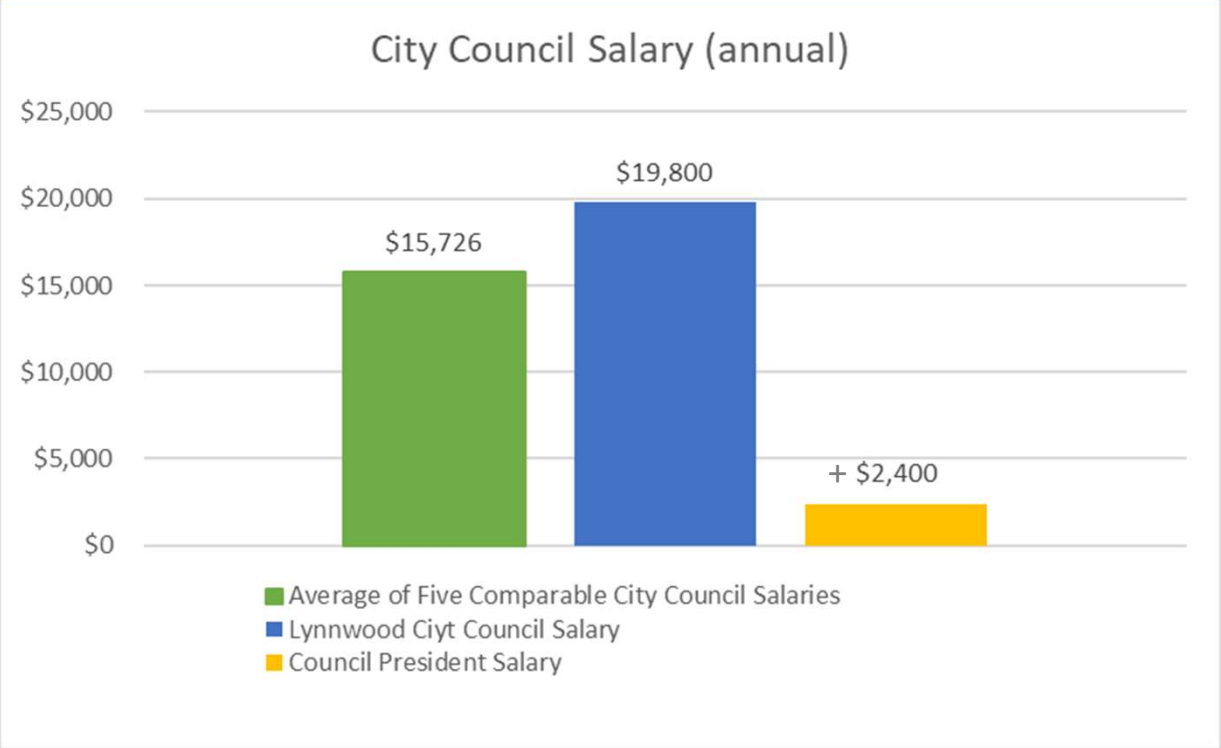
Evaluation:

Lynnwood offers comparable Mayoral benefits.



RECOMMENDATIONS

City Council

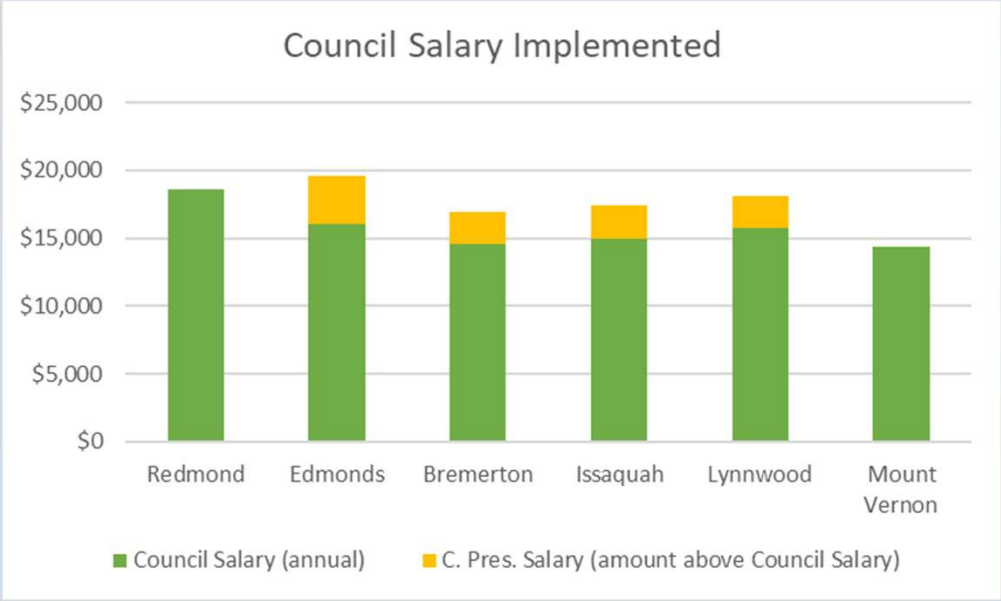


- Recommend to combine the "per meeting" pay of $9,000 and base pay of $10,800 for a total salary of $19,800.
- This is simpler for the budget process and makes the Council Salary more publicly transparent.
- Recommend the Council President pay to remain at $2,400, which is paid in addition to base Council salary.

2021 Commission Recommendation

CITY COUNCIL

- Salary of City Council is higher than the average salary of the five comparable cities
- **Recommend to decrease total annual salary to the average of comparable cities at $15,726**
- Salary reduction would not take effect until after next election of each council position



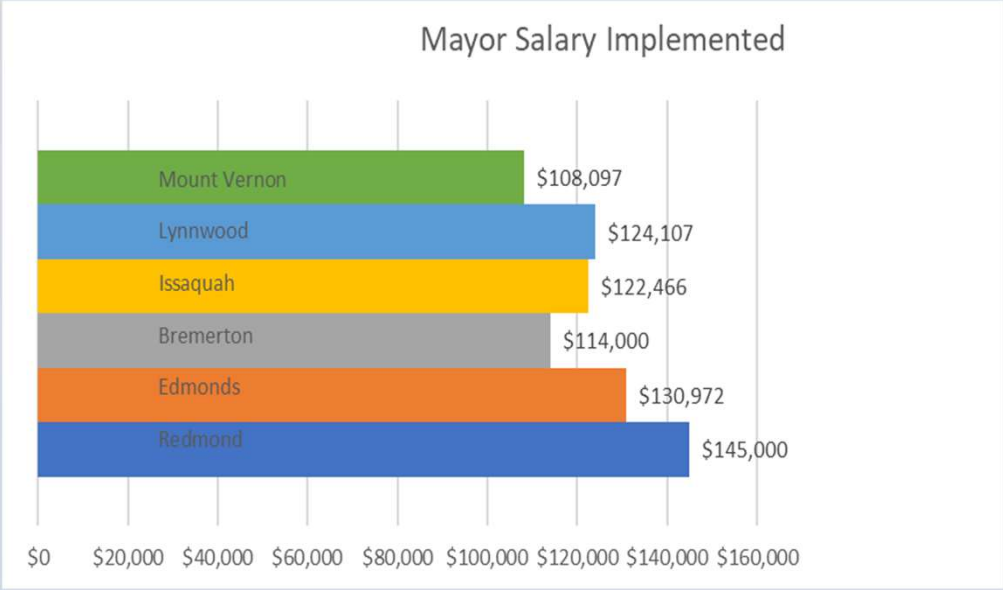
Mayor

- Salary is lower than the average salary of comparable cities
- Salary is lower than comparable CEO salaries in our community
- A 10.536% increase would match the average Mayoral salaries

2021 Commission Recommendation

Mayor

- Salary of Mayor is lower that the average salary of the five comparable cities
- **Recommend to increase annual salary to the average of comparable cities at $124,107**
- Salary increase would take effect in the 2021 Budget, starting in January 2021



2022 Commission Recommendation

For City Council and Mayor Salaries

Due to the unknowns caused by the economic impact of COVID-19, we recommend any salary changes be tied to the Consumer Price Index (CPI-U):

- The CPI-U (1982-84=100) for the Seattle Tacoma-Bellevue area for the June 2020 to June 2021 index will be used.
- If CPI goes up, base salary will be increased by the same percentage but shall be capped at 2.5%.
- If CPI remains the same or decreases, there shall be no change in salary.

Additional Comments for Consideration

- Consider the repeal of LMC 2.04.074 Councilmember waiver and election not to receive “per meeting” compensation as the “per meeting” compensation has been rolled into compensation.
- The City of Lynnwood should maintain a separate unique classification for Council Members that differentiates them from other City employees. LMC 2.04.073
- Recommend that the Lynnwood Salary Commission be allowed to make binding salary and benefits recommendations for the city’s elected officials, specifically City Council and Mayor, as other Salary Commissions do.

Thank You

Lynnwood Salary Commission

Chair: Michele McGraw

Vice-Chair: Alyssa Pulliam

Connie Ballard

David Parshall

Steven Sterner