

***Lewis County Citizens' Commission on Salaries for Elected Officials
(Salary Commission)***

August 05, 2020

TO: Lewis County Auditor Larry Grove
Lewis County Commissioners Edna Fund, Bobby Jackson, and Gary Stamper

FROM: Bob Berg, Chair
Salary Commission

SUBJECT: Compensation Report

Introduction

The Lewis County Citizens' Commission on Salaries for Elected Officials (the Salary Commission) has concluded its work in 2020 regarding the establishment of compensation amounts for members of the Board of Lewis County Commissioners along with compensation recommendations for the Auditor, Assessor, Clerk, Coroner, Prosecuting Attorney, and Treasurer. Members of the Salary Commission were appointed by the Board of County Commissioners pursuant to Resolution 19-295 on October 14, 2019 (Exhibit 1).

Salaries were last reviewed and modified in 2014 upon the completion of a compensation review by the then constituted Salary Commission. In the report, a 5% increase was established for the County Commissioners and a 5% increase was recommended for all other elected officials except District and Superior Court Judges. In addition, the Coroner's salary adjustment was recommended at 2 1/2% as the position was a half time FTE at that time (Exhibit 2). There has been no local adjustment to compensation for these positions since 2014.

Background

The Salary Commission began its work at its first meeting in November of 2019. Subsequent meetings were held in January, February, and March. Much of the time in January and February meetings was spent in reviewing and receiving presentations regarding the county budget as to both process and substance. The issues associated with the Corona virus cancelled monthly meetings for the next three months with meetings beginning again in July. Over the course of the first four meetings, members reviewed and considered materials to determine an approach to deciding adjustments to compensation, including statutory job descriptions for the elected official positions (RCW Chapter 36).

As to compensation, the following approaches were considered:

- Compensation in other counties deemed comparable to Lewis County (Exhibit 3)
- Percentage changes in the consumer price index (CPI-U; Nov. – Nov.) between 2014 and 2019 (Exhibit 3)

- Cost of living adjustments (COLA's) provided to Lewis County employees between 2014 and 2020 (Exhibit 3)
- Percentage changes in the median income per household between 2014 and 2018 (Exhibit 4)
- Percentage changes in the Washington State Minimum Wage law between 2014 and 2019

The results of the review applied to current salaries for the commissioners and other elected officials are set forth in the following table.

	Current Salary (2015 - Present)	Lewis County Cola Amount (2015-2020)	Comparable Counties *	CPI - U Comp	Per Capita Report Recommendation
Assessor	\$ 75,113	\$ 80,279	\$ 91,557	\$ 86,649	\$ 81,122
Auditor	\$ 75,113	\$ 80,279	\$ 91,557	\$ 86,649	\$ 81,122
Clerk	\$ 75,113	\$ 80,279	\$ 90,903	\$ 86,649	\$ 81,122
Commissioner	\$ 82,624	\$ 88,307	\$ 94,014	\$ 86,649	\$ 89,234
Coroner	\$ 75,112	\$ 80,279	\$ 89,311	\$ 86,649	\$ 81,121
Prosecutor	\$ 165,193	\$ 176,555	\$ 172,339	\$ 86,649	\$ 178,408
Treasurer	\$ 75,113	\$ 80,279	\$ 91,557	\$ 86,649	\$ 81,122

** Compensation in other counties deemed comparable to Lewis County included those counties which Lewis County uses as comparable counties in negotiating labor contracts with its employees. Those counties include Clallam, Cowlitz, Franklin, Grant, Grays Harbor, Island, and Skagit.*

Deliberation

Salary Commission members discussed philosophy of compensation and the various approaches submitted for consideration. Lewis County COLA's provided to employees between 2014 and 2020 (cumulative of 10%) and percentage changes in per capita income in Lewis County between 2014 and 2018 (cumulative of 10.17%) were considered most viable. At the March 2020 meeting, by consensus the Salary Commission determined that that percentage change in per capita income in Lewis County should serve as the basis for further discussion. The Salary Commission members asked that a draft report be prepared which would discuss an 8% salary increase for consideration by the Salary Commission at the April meeting.

Because of the three-month Corona virus hiatus, it was determined at the July 2020 meeting that three proposals should be considered:

1. Preparing a final report establishing an 8% salary adjustment for the county commissioners and recommending an 8% salary adjustment for other elected officials. This proposal was the result of the non-voted consensus from the March meeting.
2. Preparing a final report establishing a 10% salary adjustment for the county commissioners and recommending an 10% salary adjustment for other elected officials. This proposal was the result of the following considerations:

> The per capita report reflects a 10.17% cumulative increase in Lewis County per capita income between 2014 – 2018.

> It has been eight months since we began our work, and implementation of our decisions will not be until September 2020 at the earliest. We are statutorily prohibited from making recommendations that involve retroactive salary adjustments.

> This additional 2% would also be less than the already agreed to COLA of 2.25% in county contracts for 2021.

> This proposal would also negate any need for the Salary Commission to meet and consider any compensation adjustments for elected officials until at least the fall of 2021 for the 2022 budget year.

3. Postponing any decision pertaining to salary adjustments until at least the fall of this year and possibly into 2021 until more information as to Lewis County revenues and the general condition of the local economy is known.

Recommendation

By a vote of 4 yes, 2 no, the Salary Commission approved option 2, establishing a 10% wage adjustment for the county commissioners and recommending a 10% wage adjustment for the Auditor, Assessor, Clerk, Coroner, Prosecuting Attorney, and Treasurer.

This adjustment would impact the Lewis County Current Expense budget by \$78,860; approximately 00.19% of the 2019 budget.

Position Description	Amt	Salary 510000	Proposed	Revised
			base increase 8/4/2020	Proposed base salary with 10%
Commissioner Dist. 1	6,885.34	82,624.08	8,262	90,886
Commissioner Dist. 2	6,885.34	82,624.08	8,262	90,886
Commissioner Dist. 3	6,885.34	82,624.08	8,262	90,886
Auditor	6,259.40	75,112.80	7,511	82,624
Assessor	6,259.40	75,112.80	7,511	82,624
Treasurer	6,259.40	75,112.80	7,511	82,624
Clerk	6,259.40	75,112.80	7,511	82,624
Prosecutor	13,763.96	165,167.52	16,517	181,684
Coroner	6,259.34	75,112.08	7,511	82,623
	65,716.92	788,603.04	78,860.30	867,463.34

Members of the Salary Commission look forward to any questions, comments, or concerns the Board of County Commissions might have and remain available in that regard.

Thank you.

EXHIBIT 1

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
LEWIS COUNTY, WASHINGTON**

IN THE MATTER OF:

RESOLUTION NO. 19-295

APPOINT 10 INDIVIDUALS TO THE LEWIS COUNTY
CITIZENS' COMMISSION ON SALARIES FOR ELECTED
OFFICIALS (SALARY COMMISSION)

WHEREAS, the Lewis County Board of County Commissioners (BOCC) established the Lewis County Citizens' Commission on Salaries for Elected Officials ("Salary Commission") by Resolution 01-317 on Sept. 10, 2001, and reconvened the Salary Commission by Resolution 19-152 on May 20, 2019; and

WHEREAS, the following citizens have expressed an interest in serving on the commission; and

WHEREAS, it appears to be the interest of Lewis County to appoint the following citizens to the Salary Commission for the following terms of service:

<u>Name</u>	<u>Representing</u>	<u>For a term expiring</u>
Kelly Doege	District 1	Sept. 22, 2023
Rick Kuykendall	District 1	Sept. 22, 2023
Cindy Tahl	District 2	Sept. 22, 2023
Sheri Belenski	District 2	Sept. 22, 2023
Brandon Campbell	District 3	Sept. 22, 2023
Kelly Bell	District 3	Sept. 22, 2023
Martha Hunt	Business	Sept. 22, 2023
Mathew (Matt) Brock	Organized labor	Sept. 22, 2023
Bob Berg	Professional personnel management	Sept. 22, 2023
Eric Carlson	Legal profession	Sept. 22, 2023

NOW THEREFORE BE IT RESOLVED that the BOCC appoints the aforementioned citizens as members of the Lewis County Citizens' Commission on Salaries for Elected Officials (Salary Commission) for the terms of service outlined above

DONE IN OPEN SESSION this 14th day of October, 2019.

APPROVED AS TO FORM:
Jonathan Meyer, Prosecuting Attorney

BOARD OF COUNTY COMMISSIONERS
LEWIS COUNTY, WASHINGTON

Cullen Gatten

Absent

By: Cullen Gatten,
Deputy Prosecuting Attorney

Robert C. Jackson, Chair

ATTEST:



Gary Stamper

Gary Stamper, Vice Chair

Rieva Lester

Edna J. Fund

Rieva Lester,
Clerk of the Lewis County Board of
County Commissioners

Edna J. Fund, Commissioner

EXHIBIT 2

LEWIS COUNTY INDEPENDENT CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS - 2014 Final Report

Background of the Citizens Commission

The Lewis County Board of Commissioners (BOCC), acting on authority given by the Washington State Legislature, formed a citizen's commission to establish the salaries levels for members of the Lewis County Board of Commissioners and to recommend salary levels for the other county elected officials including: Auditor, Assessor, Clerk, Coroner, Prosecuting Attorney, Sheriff, and Treasurer.

In 2001, the Governor signed legislation, allowing local governments to establish an "independent salary commission" to set the salaries of certain elected officials and county commissioners. As such, the Lewis County Commission appointed the Lewis County Independent Citizens' Commission on Salaries (the Commission) for Elected Officials in September 2001.

State law directs that six of the ten commission members be selected by lot by the county Auditor from among those registered voters eligible to vote. The remaining four members must be residents of the county and come from each of the following disciplines: business, personnel management, legal profession, and organized labor.

The current members of the Lewis County Citizens' Commission on Salaries for Elected Officials and their representation are as follows:

<u>Name</u>	<u>Representation</u>
Michael Burkett	District 1
Ronald Thomas	District 1
Amber Wildenburg	District 2
Bryan Wheat	District 2
Rebecca Bartholomew	District 3
Dean Lawrence	District 3
Mike Alexander	Business Professional
Allen Unzelman	Legal/Attorney
Richard Woolley	Business Owner
Charles Lee	Organized labor

The six registered voters randomly chosen have experience in small business, health care, education, agriculture, computer systems and government. This Commission is subject to the provisions of the Open Meeting Act. Commission members receive no compensation for this work.

The Commission had its first public meeting on Wednesday, April, 2013, at 5:45 p.m. in the Lewis County meeting room at 156 NW Chehalis Avenue. We welcomed any citizen who wished to come and share their views on this report. After considering public comment the Salary Commission voted on a final recommendation to the County Commission.

What standards did the Commission use to evaluate salaries?

The Commission uses the following standard to evaluate elected official's compensation:

"This Commission will base salaries of elected officials on realistic standards in order that such officials may be paid according to the duties of their offices and so that well qualified citizens may be attracted to public service. This Commission will not consider the qualifications of individual officeholders."

The Commission has maintained this criterion firmly. At no time has the Commission discussed or considered the question of compensation in light of personal or political preferences for any elected officials. It is the job of the voters every four years to decide on the merits and performance of each officeholder. That is not the job of this Commission.

Our research shows that the official job responsibilities of an elected official in Lewis are in most cases identical to those of elected officials in other counties. Individuals may use a different approach to complete the same job, but this Commission considered the official duties of the positions and not the conduct nor perceived job performance of individuals. In our evaluation, an elected official in Lewis County was doing the same job as an individual in the same position in another county. *Our compensation philosophy is that an elected official in Lewis County should be paid a comparable rate to an individual doing the same job in a similar county.*

Counties used for comparison by the salary commission in this report are: Cowlitz, Grays Harbor, Grant, Chelan, Franklin, and Mason counties.

Why did we choose these six counties? Consistent with our goal of setting salaries so as to attract qualified candidates to public office, we considered median household income (MHI), location, and size of the County to be influential factors. These six counties are similar in the criteria to Lewis County.

Given the similarities of these important measures, combined with the equivalent job descriptions for each position, the Commission feels we have a valid benchmark by which to evaluate the compensation of our elected officials.

	AVERAGE	AVERAGE	AVERAGE	Lewis	
	2009	2012	2013	County	% Dif +/-
BOCC	\$ 6,396.33	\$ 6,522.83	\$ 6,585.00	\$ 6,557.00	-0.43%
Assessor	\$ 6,221.33	\$ 6,293.83	\$ 6,386.50	\$ 5,961.00	-6.66%
Auditor	\$ 6,221.33	\$ 6,293.83	\$ 6,386.50	\$ 5,961.00	-6.66%
Clerk	\$ 6,221.33	\$ 6,293.83	\$ 6,386.50	\$ 5,961.00	-6.66%
*Coroner	\$ 5,869.67	\$ 5,942.17	\$ 6,027.67	\$ 5,961.00	-1.11%
Prosecutor	\$ 11,021.00	\$ 11,268.52	\$ 11,362.67	\$ 10,869.00	-4.34%
Sheriff	\$ 7,463.67	\$ 7,556.17	\$ 7,643.00	\$ 7,194.00	-5.87%
Treasurer	\$ 6,221.33	\$ 6,293.83	\$ 6,386.50	\$ 5,961.00	-6.66%

*Part Time employee - used Regular Full Time equivalent rate to create an emphasis on the position

Why did the Commission not follow the comparable deficient? After much consideration and review of the County's past economic condition, employee salary consideration, and local citizen factors, the Commission felt that a specific percentage based on these factors was more appropriate.

Included in this report is a chart that shows the salaries and benefits for county officials in each of the six comparable counties and Lewis.

Recommendations

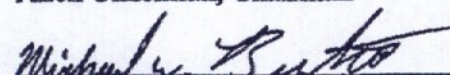
The salary commission voted unanimously to increase elected officials salaries as follows:

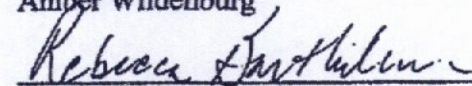
County Commissioners	5%
Assessor	5%
Auditor	5%
Clerk	5%
Prosecutor	5%
Sheriff	5%
Treasurer	5%
Coroner	½ of the adjusted level of Assessor, Clerk, Treasurer, and Auditor

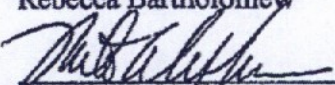
The Citizens Salary Commission urges the BOCC to adopt these increases for all elected official positions listed above retroactive to January 1, 2014. Salary Commission members feel strongly that these salary increases are fair and warranted by the facts.

Approved this 11th day of February, 2014

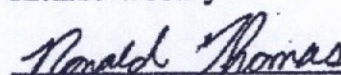

Allen Unzelman, Chairman


Michael Burkett

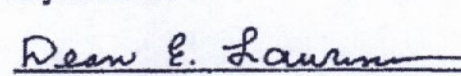
Amber Wildenburg

Rebecca Bartholomew


Mike Alexander

Richard Woolley


Ronald Thomas

Bryan Wheat


Dean Lawrence

Charles Lee

EXHIBIT 3

Elected Official Salaries

	Grays									
	Clallam	Cowlitz	Franklin	Grant	Harbor	Island	Skagit	Lewis		
Assessor	\$ 95,484	\$ 95,492	\$ 92,533	\$ 88,878	\$ 82,124	\$ 88,024	\$ 98,365	\$ 75,113		
Auditor	\$ 95,484	\$ 95,492	\$ 92,533	\$ 88,878	\$ 82,124	\$ 88,024	\$ 98,365	\$ 75,113		
Clerk	NA	\$ 95,492	\$ 92,533	\$ 88,878	\$ 82,124	\$ 88,024	\$ 98,365	\$ 75,113		
Commissioner	\$ 95,484	\$ 85,451	\$ 94,325	\$ 91,458	\$ 82,124	\$ 97,083	\$ 112,171	\$ 82,624		
Coroner	NA	\$ 95,492	\$ 92,533	\$ 88,878	\$ 72,574	\$ 88,024	\$ 98,365	\$ 75,112		
Prosecutor	\$ 169,976	\$ 176,208	\$ 171,428	\$ 190,985	NA	\$ 161,496	\$ 163,942	\$ 165,193		
Treasurer	\$ 95,484	\$ 95,492	\$ 92,533	\$ 88,878	\$ 82,124	\$ 88,024	\$ 98,365	\$ 75,113		
Data Year	2020	2020	2019/2020	2020	2019	2019	2019	2019/2020		

Cowlitz - Assessor, Coroner, Treasurer, Clerk, and Auditor are 50% of a Superior Court Judge effective January 1st of each year. 1/1/2020:

Prosecutor is 50% of a Superior Court Judge plus 84% of half of a District Court Judge. District Court portion is effective January 1 of each year and the Superior Court portion is effective when the Superior Court Judges are effective. 1/1/2020: \$14,684.40 per month

County Commissioner is by the Salary Commission and they received a 2.5% increase for 2020. 1/1/2020: 7,120.99 per month

Skagit - Assessor, Auditor, Clerk, Coroner and Treasurer are based on 57% of Superior Court Judge salary
 Prosecutor - 95% of Superior Court Judge Salary
 Commissioners - 65% of Superior Court Judge Salary

**Elected Official Salary Progression if Commission approved COLA authorized
for county employees had been applied to elected officials salaries; 2015 - 2020**

Data Year	2014	2015	2016	2017	2018	2019	2020
Assessor	\$ 75,113	\$ 76,014	\$ 76,014	\$ 77,154	\$ 77,926	\$ 78,705	\$ 80,279
Auditor	\$ 75,113	\$ 76,014	\$ 76,014	\$ 77,154	\$ 77,926	\$ 78,705	\$ 80,279
Clerk	\$ 75,113	\$ 76,014	\$ 76,014	\$ 77,154	\$ 77,926	\$ 78,705	\$ 80,279
Commissioner	\$ 82,624	\$ 83,615	\$ 83,615	\$ 84,869	\$ 85,718	\$ 86,575	\$ 88,307
Coroner	\$ 75,112	\$ 76,013	\$ 76,014	\$ 77,154	\$ 77,926	\$ 78,705	\$ 80,279
Prosecutor	\$ 165,193	\$ 167,175	\$ 167,175	\$ 169,683	\$ 171,379	\$ 173,093	\$ 176,555
Treasurer	\$ 75,113	\$ 76,014	\$ 76,014	\$ 77,154	\$ 77,926	\$ 78,705	\$ 80,279

Data Year	2014	2015	2016	2017	2018	2019	2020
COLA		1.20%	0.00%	1.50%	1.00%	1.00%	2.00%

Elected Official Salary Progression if CPI applied to 2014 Base Salary 2015-2020

Data Year	2014	2015	2016	2017	2018	2019	2020
Assessor	\$ 75,113	\$ 76,089	\$ 79,893.7	\$ 81,252	\$ 83,039	\$ 84,866	\$ 86,649
Auditor	\$ 75,113	\$ 76,089	\$ 79,893.7	\$ 81,252	\$ 83,039	\$ 84,866	\$ 86,649
Clerk	\$ 75,113	\$ 76,089	\$ 79,893.7	\$ 81,252	\$ 83,039	\$ 84,866	\$ 86,649
Commissioner	\$ 82,624	\$ 83,698	\$ 87,883.0	\$ 89,377	\$ 91,343	\$ 93,353	\$ 95,313
Coroner	\$ 75,112	\$ 76,089	\$ 79,893.0	\$ 81,251	\$ 83,039	\$ 84,866	\$ 86,648
Prosecutor	\$ 165,193	\$ 167,340	\$ 175,707.0	\$ 178,694	\$ 182,625	\$ 186,643	\$ 190,563
Treasurer	\$ 75,113	\$ 76,089	\$ 79,893.7	\$ 81,252	\$ 83,039	\$ 84,866	\$ 86,649

Data Year	2014	2015	2016	2017	2018	2019
CPI (Nov. - Nov.)	1.30%	0.50%	1.70%	2.20%	2.20%	2.10%

EXHIBIT 4

LEWIS COUNTY CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS

RESEARCH AND ANALYSIS ON PER CAPITA INCOME

Per Capita Income in Lewis County from 2014-2018

The Lewis County Salary Commission decided at its February 4, 2020 meeting to look at the per capita income of Lewis County residents. Some members of the commission felt it would be valuable to consider how much individual incomes have changed since the last time the Lewis County Board of Commissioners (BOCC) appointed a citizens' salary commission in 2014.

Per capita income is the total *personal income* divided by the total *population*. In 2018¹, the total personal income in Lewis County was \$3,459,026,000; the total population was 79,604; which means the per capita income of a Lewis County resident was \$43,453.00² in 2018.

Contrast the U.S. and Washington State per capita income of \$54,446, and \$62,026, respectively. Not only is Lewis County's per capita income lower than the national and state averages, but the county's per capita income ranks 24th out of 39 counties in Washington State.³ Lewis County is not a rich county and therefore must be extremely careful with how it spends its money.

It is more equitable to taxpayers to tie salary increases for elected officials to the more solid financial reality of the taxpayers who are paying the elected officials. In other words, if taxpayers got a raise, then it follows that it is fair and equitable to increase the elected officials' salaries in the same proportion, *but not more*. After all, the taxpayers are the ones who pay the taxes that fund the elected officials' salaries. Therefore, elected officials should not have salaries that disproportionally outgrow what the taxpayer earns.

In 2014⁴, the per capita income in Lewis County was \$39,033⁵. That means from 2014 to 2018, per capita income in the county increased by only \$4,420⁶, or 10.17%, or 2.03% per year. This means that the average Lewis County resident saw his or her income increase by slightly more than two percent a year since 2014. The table below summarizes per capita income from 2014 to 2018⁷.

¹ 2018 is the most recent year that data is available.

² Employment Security Department, Washington State, <https://esd.wa.gov/labormarketinfo/county-profiles> (last visited Feb. 28, 2020).

³ *Id.*

⁴ This is the last time a salary commission increased salaries for elected officials in Lewis county.

⁵ Inflation-Adjusted for 2018 dollars.

⁶ 2018 per capita income of \$43,453 less 2014 per capita income of \$39,033 equals \$4,420.

⁷ Employment Security Department, Washington State, <https://esd.wa.gov/labormarketinfo/county-profiles> (last visited Feb. 28, 2020), and Federal Bureau of Labor Statistics, Federal Bureau of Economic Analysis, U.S. Census Bureau, Washington State Department of Revenue, Washington State Office of Financial Management. Note, tables revised on 1/27/2020.

Inflation-Adjusted Per Capita Income	2014	2015	2016	2017	2018
US	\$49,489	\$51,401	\$51,811	\$52,969	\$54,446
State	\$54,180	\$56,504	\$58,059	\$59,774	\$62,026
Lewis	\$39,033	\$40,777	\$41,184	\$41,959	\$43,453

Analysis and Recommendations

Lewis County elected officials' salaries are lower than similar positions in Clallam, Cowlitz, Franklin, Grant, Grays Harbor, Island, and Skagit counties.⁸ This does not mean that Lewis County traditionally has paid the lowest salaries for these elected positions, but rather the fact no increases have been made since the last time the BOCC appointed and ultimately adopted the recommendations from the prior commission. That was six years ago.

However, all taxpayers understand in their personal lives that if they do not have money to spend, they cannot spend it. It does not matter if the Jones "next door" got a new car, if you cannot afford it, you do not buy it. That same principal applies to comparing what Lewis County pays its elected officials and how other counties in the state choose to pay theirs. The question is not just how Lewis County ranks in the state, but more importantly, how much can the Lewis County taxpayer afford. It is clear the taxpayer can afford a two percent annual raise.

The most recent per capita income data is available through 2018. As explained above, the average increase was 2.03% per year. Therefore, in order to true up the elected officials' salaries back to the status quo in 2014, it is reasonable to consider to make a recommendation of a one-time increase of eight percent (8%) to the elected officials' salaries, retroactively, to January 1, 2020. This one-time increase to elected officials' salaries is fair to the taxpayers because the per capita taxpayer income increased at the same rate during the same four-year time period from 2014-2018.

Respectfully submitted to the Lewis County Independent Citizen's Commission on Salaries for Elected Officials by Eric Carlson, representing the legal profession.

⁸ See 'Elected Officials Comps and County COLA, 12-23' prepared on 12/26/2019 and submitted at the Lewis County Citizen Salary Commission at its February 4, 2020 meeting.

**Minutes from March, July, and
August Meetings**

**Providing Background for
Decisions on Compensation**

LEWIS COUNTY SALARY COMMISSION MEETING MINUTES

TUESDAY, MARCH 3, 2020
5:30 P.M.

County Courthouse Commissioner Meeting Room | Chehalis, WA 98532

I. Call to Order

Robert Berg called the meeting to order at 5:30 p.m., Tuesday, March 4, 2020. Those in attendance were:

Salary Commission Members:

Robert Berg	Martha Hunt
Rick Kuykendall	~~Matt Broek~~ (sick)
Eric Carlson	Kelly Bell (phone)
Sheri Belenski	Kelly Doege
~~Brandon Campbell~~	~~Cindy Tahl~~
Donna Moody	

Other attendees:

Frank Corbin	
Becky Butler	
Cullen Gatten	

II. Verification of a Quorum

There is a quorum of seven (7) salary commission members.

III. Introductions

None

IV. Approval of Meeting Agenda

Sheri Belenski made a motion to approve the meeting agenda for the meeting on March 4, 2020; Donna Moody seconded the motion. The motion passed unanimously.

V. Approval of Minutes for February 4, 2020

Rick Kuykendall made a motion to approve the minutes of February 4, 2020. Kelly Doege seconded the motion. The motion passed unanimously.

VI. Public Comment - Limit of 3 minutes

There were no public comments.

VII. Review of Agenda Packet Materials

Bob Berg reviewed the agenda packet.

VIII. County Budget Overview – Presentation by Becky Butler

Becky Butler gave a thirty-minute presentation (overview) of the county budget. She gave a PowerPoint presentation. The major areas of discussion included:

- Beginning in May of each year and continuing until December of the same year, the county begins internal discussions about the budget for the upcoming year.
- From May to December, the commissioners and various department heads meet to discuss various budget strategies.
- The county highlights various areas where there will/must be restrictions on the budget where funding is limited. Priorities are set accordingly.
- In October, 2019, the county had over 24 meetings on the budget.
- In November, 2019 the county had the final meeting on the budget.
- The county looked at the total revenue from property taxes that the Assessor's office projected.
- The county looked at the total revenue from sales tax projected both internally and by the state.
- In the first week of December, 2019, the county adopted the budget for 2020.
- The county employs approximately 560 FTEs.
- There are certain budget line items that the county **must** fund, such as:
 - indigent attorney
 - inmate medical care/expenses
 - medical insurance
 - public record disclosure costs
 - continued state retirement insurance premiums (from 2019 to 2020 there was a 13% increase for this line item)

- The county does earn interest income on "rainy day" funds, which provided revenue of approximately \$250,000 in 2019.
- Timber tax revenue is a general fund revenue line item.
- The general fund pays all the salaries for the elected officials – which are the salaries this commission is charged with setting (directly for the commissioners) and making recommendations to the commissioners (for all other elected officials within the county).
- The general fund pays for approximately 273 FTEs, which totals approximately \$41 million.
- The county is always evaluating revenue – usually on a monthly basis. Likewise, the county is always evaluating expenses. When revenues dip, the county works to defer as many costs as possible into future periods where the revenue may improve.
- The new COVID-19 crisis is something the county is very concerned about with regard to how the economy will be negatively impacted and how much revenues may decline during 2020. This is a point of concern for the county's budget overseers because it is only March. If the COVID-19 crisis severely impacts revenues this early in 2020, then there may have be significant cuts to expenditures to keep the budget balanced.
- Finally, Becky noted that an increase of eight (8%) to the elected officials' salaries as proposed in Mr. Carlson's report to the commission would add approximately \$75,000 to the annual budget (from the general fund).

IX. Comments by Citizens' Budget Committee Member Frank Corbin

Mr. Corbin gave a brief overview of his involvement as a member of the Citizens' Budget Committee. This county commissioners appointed citizens to review the county's budget with the goal to provide a conduit for direct citizens' input to the county budget process. Mr. Corbin highlighted the following points:

- This is the third year of operation for this committee. Mr. Corbin joined last year and he enjoys this volunteer work very much.
- The focus of the committee's work is on the general fund because most of the general fund spending is discretionary.
- Each department submitted a budget the committee was tasked to review.
- The committee members looked at these department reports and asked questions about the spending.

- In some cases, the committee felt it necessary to ask for additional information from the county departments. This information was then "boiled down" for the committee.
- There were a number of different issues that came to the committee's attention.
- Ultimately, the committee approved some items that departments requested; yet it rejected other budget requests.
- Some members were on one side of issues; others on the other side.
- The role of the committee was advisory.
- The committee compiled a report to the commissioners.
- Mr. Corbin feels as though the county is conservative in its approach to spending and is generally responsible fiscally.
- For example, the Lewis county seniors' associations wanted \$100,000. The BOCC, however, gave only \$50,000 up front and asked for additional information from the senior association before funding the remaining \$50,000.
- The committee generally felt the fiscal health of the county is good and probably better this year than last year (budget cycle).
- Mr. Corbin has a background in the federal budget process. He enjoyed this work on the committee very much and hopes to return to do it again in the future.
- Mr. Corbin provided to our commission copies of his committee's report – *Budget Review and Recommendations to the Lewis County Board of County Commissioners*, November 5, 2019.

X. Median Income Data: various counties – Presentation Eric Carlson

Eric Carlson provided the commission with research and analysis on per capita income in Lewis county from 2014 – 2018. See generally Eric Carlson, *Research and Analysis on Per Capita Income*, Lewis County Citizens' Commission on Salaries for Elected Officials, February 28, 2020.

Discussion focused on the fact that Lewis County per capita income from 2014 to 2018 (the most recent year for which data is available) increased on average 2.03% per year. Mr. Carlson, therefore, posited the maximum the allowable increase to elected officials' salaries could be only eight (8) percent (four years multiplied by 2% per year). *Id.*

XI. General Discussion of Information and Data Collected

Members of the committee spent approximately twenty-five minutes discussing what evolved into two options or approaches.

Option 1. Bob Berg and¹ [S]ome members advanced the idea that elected officials should receive an increased to their salaries that more closely mirrors the COLA increases that county classified staff received during the same four-year period.

Option 2. Eric Carlson and some members advanced the idea that elected officials should receive an increase to their salaries that mirrors what the average Lewis county resident recognized as an increase to their median income during the same four-year period.

Ultimately, the commission directed Bob Berg and Eric Carlson to draft model language presenting arguments for both options. Members would then evaluate this model language at the next commission meeting to vote on final recommendations to the BOCC for the salary increases, if any, for elected officials in the county.

XII. Announcement / Assignments

June 30, 2020

Note: Due to the COVID-19 crisis, the commission did not have a meeting in April, May, or June, 2020. The next meeting is set to take place via Zoom on July 7, 2020.

During the three-month hiatus caused by the unprecedented COVID-19 public health emergency and the devastating effect this emergency has caused in the local, state, national, and world-wide economies, Mr. Berg and Mr. Carlson did not draft model language together. The reason is due to the rapidly changing events and severe downturn in the economy. Nobody could predict how high unemployment would skyrocket in the county, and nobody could know how severe the damage would be to the county's budget.

In other words, since the March meeting, the commission does not know, and may in fact doubt, the county is able to afford any raises to any elected officials as this time. Both Mr. Berg and Mr. Carlson found themselves unable to draft model language to exchange with each other because the COVID-19 situation was changing so quickly each day, week, and month, any draft language was immediately obsolete.

¹ July 7, 2020 – Bob Berg asked the committee to amend the minutes from the March 3, 2020 meeting to reflect that he agreed with the analysis of "Option 2" at the March 3, 2020 meeting. During the committee's meeting on March 3, 2020, the committee discussed both options in principal. Mr. Berg made a motion at the July 7, 2020 meeting to amend these minutes from the March 3, 2020 meeting to reflect the fact he supported "Option 2." The motion passed 6-0. See Lewis County Salary Commission Meeting Minutes, July 7, 2020.

Due to the COVID-19 emergency and subsequent economic disaster and downturn into recession, Mr. Carlson's position has changed from what is was in March, 2020. That is, he believes there should be no increase to any elected official salary at this time. He recommends the commission recommend to the BOCC to no increases in salary during 2020. The commission should reconvene in January, 2021 to review this decision. Perhaps, at that time, it will be appropriate to recommend and increase to the salaries at this time.

Mr. Berg provides his analysis on the COVID-19 impact to the commission's work within the meeting packet and/or at the next meeting.

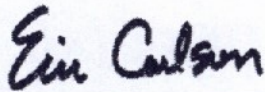
XIII. Next Meeting, Tuesday July 7, 2020 @ 5:30 PM via Zoom video link

Due to the COVID-19 emergency, the commission did not meet in April, May, or June, 2020.

XIV. Adjournment

Eric Carlson moved to adjourn the meeting; Sheri Belenski second the motion. The motion was unanimous. The meeting ended at 6:38 pm.

Respectfully re-submitted,



Eric Carlson
Clerk, Lewis County Salary Commission
July 28, 2020

LEWIS COUNTY SALARY COMMISSION MEETING MINUTES

TUESDAY, July 7, 2020

5:30 P.M.

County Courthouse Commissioner Meeting Room | Chehalis, WA 98532

I. Call to Order

Robert Berg called the meeting to order at 5:35 p.m., Tuesday, July 7, 2020. Those in attendance were:

Salary Commission Members:

Robert Berg (in person)	Martha Hunt (via Zoom)
Rick Kuykendall (in person)	Matt Breck
Eric Carlson (in person)	Kelly Bell (via Zoom)
Sheri Belenski	Kelly Doege
Brandon Campbell	Cindy Tahl
Donna Moody (via Zoom)	

Other attendees:

Becky Butler	Scott Tinney
Lara McRea	Frank Corbin
Lindsey Pollock	Cullen Gatten
Diane Dorey	

II. Verification of a Quorum

There is a quorum of six (6) salary commission members.

III. Introductions

Mr. Berg asked each member of the commission to re-introduce themselves; each member stated their name and if they represented a district, or one of four (4) sectors as provided in RCW 36.17.024(2)(b). Introductions included: Robert Berg, professional personnel management; Rick Kuykendall, District 1; Eric Carlson, legal profession; Donna Moody, District 2; Martha Hunt, business; Kelly Bell, District 3.

IV. Approval of Meeting Agenda

Kelly Bell made a motion to approve the meeting agenda for July 7, 2020. Rick Kuykendall seconded the motion. The motion passed 6 to 0.

V. Approval of Minutes for March 3, 2020

Mr. Berg asked the members to approve a change to the meeting minutes from March 3, 2020. Specifically, in § XI General Discussion of Information and Data Collected, Mr. Berg asked for the record to reflect that he supported "Option 2."

Kelly Bell made the motion to approve the change to the meeting minutes from March 3, 2020 to note that Mr. Berg supported "Option 2." Rick Kuykendall seconded the motion. The motion passed 6 to 0.

VI. Public Comment - Limit of 3 minutes

There was no public comment.

VII. Review of Agenda Packet Materials

Mr. Berg reviewed the agenda packet for the meeting: (1) an email from Mr. Berg to Mr. Carlson dated March 5, 2020; (2) a letter from eight certain Washington legislators to the Washington Citizens' Commission on Salaries for Elected Officials, dated April 20, 2020; (3) a graph depicting the *Salary History of the State's Elected Officials 1962-2020*, which included the years of 2007 – 2020.

VIII. Discussion of Proposals and Ideas from March Meeting.

Mr. Berg opened the discussion by reviewing both *Option 1* and *Option 2* as discussed at the March 3, 2020 meeting. Due to the COVID-19 crises that ensued after the March 3, 2020 meeting, neither Mr. Berg nor Mr. Carlson were able to draft any language for proposals for the commission as the commission had originally decided to proceed in March.

Instead, because of the COVID-19 emergency, along with the unprecedented rapid changes in the economy, it was impossible to know what effect the governor's "stay home, stay healthy" order would have on the county's revenue for the 2020 budget. In other words, the economic landscape shifted so dramatically, the county may well be facing an economic crisis that would mean any increases to elected officials' salaries would be out of the question.

After some general discussion, a third, and new, *Option 3* emerged. This option would mean the commission would make no decision on increasing any salaries at this time with the understanding the commission would revisit the issue either during the fourth quarter of 2020, or in January, 2021. Martha Hunt made the point that so much has changed due to the COVID-19 crises, it would be irresponsible to hand out raises to publicly elected officials when the negative impacts to the county's budget were certainly coming.

Ms. Hunt went on to explain that she feels it is more appropriate to wait at least until September to see where "we are at." Further, she explained she is not comfortable deciding at today's meeting because "too much has changed." Finally, Ms. Hunt noted that the county's unemployment rate is now fifteen percent - a dramatic increase of over ten percent just since the last time the commission met.

Mr. Berg countered that he believed elected officials should receive an increase to their salary even though COVID-19 created serious budget problems for the county. He cited the fact that the increases would amount to a "very small dollar amount" in relation to the total county budget.

Moreover, Mr. Berg proposed that the commission adopt *Option 2*, as outlined in the March 3, 2020 meeting with one change. Mr. Berg proposed to add two percent to the original proposal of eight percent, for a total increase of ten percent.

Mr. Berg explained that this additional two percent per year – as outlined in *Option 2* – would provide for a two percent per year salary increase for the years 2015 – 2019 when elected officials did not receive any salary increase. He noted that while the commission is not able to approve retroactive salary increases, this full 10% increase would be in lieu of the previous five-year period.

Mr. Carlson disagreed. Even though Mr. Carlson originally authored *Option 2*, his analysis was based on the pre-COVID-19 economic environment. He explained that everything had changed since the last time the commission met in March, 2020. Those changes meant the county would likely be facing a severe decrease in revenue. Like Martha Hunt, Eric Carlson did not believe it was appropriate for any salary increases at this time. Because *Option 2* was based on what the "average Lewis County resident" had experienced for their own salary increases, the same reasoning should be applied to the dramatic economic shock the same "average Lewis County resident" is facing today.

Ms. Bell expressed her support of a modified *Option 2* that would provide for a 10% increase to all elected officials' salaries. Ms. Bell stated that "I would like to go with the *Option 2* for a ten-percent increase to their salaries now."

Donna Moody voiced her support of a modified *Option 2* and her agreement with Ms. Bell. Ms. Moody said, "I agree with Kelly."

Rick Kuykendall gave his support for a modified *Option 2* as well. Mr. Kuykendall reiterated that the elected officials had not received "any raises since 2014."

Motion to increase the Lewis County Commissioners' salaries by ten percent and to recommend to the Lewis County Commissioners to increase all other Lewis County elected officials' salaries by ten percent.

After each member of the commission participated in the above discussion, Kelly Bell made a motion to:

- (1) grant a ten-percent salary increase to the three Lewis County Commissioners; and
- (2) to recommend to the Lewis County Commissioners that they grant a ten-percent salary increase to all other Lewis County elected officials; and
- (3) that Mr. Berg draft a letter to the Lewis County Commissioners that Mr. Berg will distribute to all members of the salary commission within two (2) weeks of this meeting so salary commission members will have a sufficient opportunity to review the document prior to the next commission meeting, scheduled for August 4, 2020.

Mr. Kuykendall seconded the motion.

Prior to voting on the pending motion, Mr. Berg confirmed he would be willing to produce a draft letter/report to the Lewis County Commissioners. He confirmed he would send the draft to Lara McRea within two weeks, by July 21, 2020. Lara McRea would, in turn, send this draft letter to each salary commission member. Commission members would have two weeks to review the draft and to note any changes, suggestions, or comments.

Eric Carlson moved to amend the pending motion. Mr. Carlson's amendment called to reduce the salary increase from ten percent to eight percent. The amendment failed for want of a second in support of the amendment.

Mr. Berg initiated the roll call vote on the motion before the salary commission.

Kelly Bell	Yes
Martha Hunt	No
Donna Moody	Yes
Rick Kuykendall	Yes
Eric Carlson	No
Robert Berg	Yes

Final Tally: The salary commission approved the motion 4 to 2.

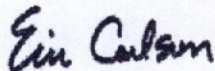
IX. Next Meeting, Tuesday August 4, 2020 @ 5:30 PM

The salary commission agreed to meet again on August 4, 2020 at 5:30 pm.

X. Adjournment

Rick Kuykendall made a motion to adjourn. Donna Moody seconded the motion. The salary commission approved the motion 6 to 0. The Meeting ended at 6:03 p.m.

Respectfully submitted,



Eric Carlson,
Clerk, Lewis County Salary Commission

LEWIS COUNTY SALARY COMMISSION MEETING MINUTES

TUESDAY, AUGUST 4, 2020
5:30 P.M.

County Courthouse Commissioner Meeting Room | Chehalis, WA 98532

I. Call to Order

Robert Berg called the meeting to order at 5:33 p.m., Tuesday, August 4, 2020. Those in attendance were:

Salary Commission Members:

Robert Berg (in person)	Martha Hunt (via Zoom)
Rick Kuykendall (in person)	Matt Brock (via Zoom)
Eric Carlson (in person)	Kelly Bell (via Zoom)
Sheri Belenski	Kelly Doege
Brandon Campbell	Cindy Tahl
Donna Moody (via Zoom)	

Other attendees:

Becky Butler	Cullen Gatten
Lara McRea	
Frank Corbin	
Jonathan Meyer	

II. Verification of a Quorum

There is a quorum of seven (7) salary commission members.

III. Introductions

Mr. Berg confirmed that "everyone knows each other" and there was no need to reintroduce members of the salary commission.

IV. Approval of Meeting Agenda

Mr. Berg called for a motion to approve the meeting agenda. Kelly Bell made a motion to approve the meeting agenda for Aug. 4, 2020. Rick Kuykendall seconded the motion. The motion passed unanimously, 7 to 0.

V. Approval of Minutes for July 7, 2020

Mr. Berg called for a motion to approve the minutes, as submitted, for the meeting on July 7, 2020. Kelly Bell made a motion to approve the meeting minutes for July 7, 2020. Rick Kuykendall seconded the motion. The motion passed unanimously, 7 to 0.

VI. Public Comment - Limit of 3 minutes

Mr. Berg called for any public comments; there were no public comments.

VII. Review of Agenda Packet Materials

Mr. Berg reviewed the agenda packet for the meeting: (1) the meeting agenda; (2) meeting minutes for July 7, 2020 meeting; (3) draft document *Lewis County Citizens' Commission on Salaries for Elected Officials (Salary Commission)* including Exhibits 1, 2, 3, 4.

VIII. Review of Draft Memorandum to County Commissioners

Mr. Berg presented his draft memorandum to the Salary Commission members. He noted that because the Salary Commission voted to approve a salary increase of ten percent (10%) for County Commissioners and a recommendation to the County Commissioners of a ten percent (10%) salary increase for all other elected officials during the July 7, 2020 meeting, that today's discussion of the draft document would be mostly on a "high level." Further, he noted there would be "no debate" at today's meeting on the previous decision from the July 7, 2020 meeting.

Mr. Berg then called for Salary Commission members to make both general and specific comments on the draft. First, Mr. Berg called for any comments or discussion of page 1; there were none. Next, he called for any comments or discussion of page 2; there were none. Finally, Mr. Berg called for any comments or discussion of page 3; Eric Carlson spoke up that he had several comments to make regarding page 3.

Mr. Carlson noted that on page 3, lines 16 – 17, the draft characterizes the total cost of the salary increases of "approximately 00.19% of the [County's] 2019 budget." Mr. Carlson pointed out that while this is true, the real cost to taxpayers is how much economic activity it will take to generate this amount of tax revenue in order to fund these salary increases for elected officials.

Specifically, when one considers that Lewis County's share of the sales tax is 1.3% of the 7.8% rate (the base rate of 6.5% goes to the State of Washington), it will take \$6,066,153.80 of sales of goods and services in the County to generate \$78,860 to fund the ten percent (10%) salary increases.

Mr. Carlson noted that it is all too common in government to compare line items of budgets to the whole budget without considering how much taxpayers must work to fund the government. That is, the real cost to taxpayers is how much they have to work in their own businesses and jobs to afford to spend the amount of money that the sales tax generates for the government to spend.

In summary, Mr. Carlson emphasized that the taxpayers would have to generate over \$6 million dollars of economic activity in order to pay for this salary increase at a time when the economy is so depressed from the COVID-19 emergency.

Kelly Bell joined the discussion and said she wanted Mr. Carlson to know she supported this line of thinking and reasoning. She went on to explain that the only reason she had voted in favor of the salary increases at the last meeting [July 7, 2020] was she felt the salaries for the elected positions had fallen too far behind

since the last salary increase from 2014. Ms. Bell explained how much she appreciated Mr. Carlson's analysis from the point of view of the taxpayer and the average resident of Lewis County. She referenced Mr. Carlson's report to the Salary Commission, *Research and Analysis on Per Capita Income*, (Exhibit 4) that Mr. Carlson prepared for the February 4, 2020 Salary Commission meeting.

Finally, Ms. Bell noted that she would base her support for any future salary increases for these positions on the per capita income analysis. "I like the idea of basing salary increases for these positions on what the average taxpayer in Lewis County has seen with their own income" Ms. Bell explained.

Martha Hunt commented that she "thought we had voted for only an eight percent (8%) increase at the last meeting." Mr. Carlson answered that the amount was in fact ten percent (10%). He noted that perhaps Ms. Hunt was recalling that Mr. Carlson had made an amendment to the motion to decrease the amount to eight percent (8%) in the July 7, 2020 meeting. However, Mr. Carlson's amendment to the motion failed for want of a second.

Mr. Berg asked Cullen Gatten to confirm that the commission may not make any salary increases retroactive. Mr. Gatten confirmed that, by statute, the Salary Commission may only set the salaries for the County Commissioners and to make its salary recommendations for the other elected offices from the present moving forward.

Mr. Carlson noted that the Salary Commission has put the County Commissioners in a terrible lose/lose, or no-win situation. That is, the Salary Commission is solely responsible for setting the County Commissioners' salaries – which, in these terrible economic times, the Salary Commission has increased by ten percent (10%). That decision leaves the County Commissioners with two bad options.

Bad Option #1: take the Salary Commission's recommendation to raise all other elected officials' salaries by ten percent (10%) during the COVID-19 emergency.

Bad Option #2: do not raise the other elected officials' salaries to save money while at the same time having their own salaries increased by the Salary Commission.

Mr. Carlson noted both options leave the County Commissioners open to substantial taxpayer criticism. On the one hand, if the County Commissioners feel they need to save money and cannot afford to give a ten percent (10%) salary increase to the other elected officials at this time, they are doing so while having to take the ten percent (10%) increase from the Salary Commission by statute.

On the other hand, if the County Commissioners accept the Salary Commission's recommendation to raise the other elected officials by ten percent (10%), then taxpayers could question if the County Commissioners are overspending during these tough economic times.

Mr. Berg agreed with Mr. Carlson and mentioned this was his concern back at the March meeting.

At the conclusion of this discussion, Mr. Berg said he would put the memo into a final draft to submit it to the County Commissioners.

Mr. Carlson called for a vote to approve the memo since there were other members of the Salary Commission present at this meeting who had not attended the previous meeting.

Mr. Berg agreed and called for a **Motion to Approve the Draft Memo Lewis County Citizens' Commission on Salaries for Elected Officials 'Compensation Report.'**

Kelly Bell made the motion to approve the draft memo. Rick Kuykendall seconded the motion. Mr. Berg called the vote on the motion.

Kelly Bell	Yes
Martha Hunt	Yes
Donna Moody	Yes
Rick Kuykendall	Yes
Eric Carlson	No
Robert Berg	Yes
Matt Brock	Yes

Final Tally: The salary commission approved the motion 6 to 1.

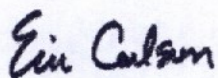
IX. Next Meeting, Tuesday September 14, 2021 @ 5:30 PM

As the current work of the Salary Commission is complete for 2020, the members agreed to meet next on Tuesday, September 14, 2021 at 5:30 pm.

X. Adjournment

Mr. Berg thanked all the members of the Salary Commission for their work and careful consideration of the issues surrounding the salaries of the Lewis County Elected Officials. Mr. Berg asked for a motion to adjourn. Kelly Bell made a motion to adjourn. Rick Kuykendall seconded the motion. The salary commission approved the motion 7 to 0. The Meeting ended at 5:55 p.m.

Respectfully submitted,



Eric Carlson
Clerk, Lewis County Salary Commission