

Approved: March 11, 2015

Compensation Commission
Meeting Minutes
February 12, 2015
10:00 a.m.

Members Present

James Coyle and James Marrinan were present and Norm Hampton and Thomas McKenna participated by conference call.

Staff Present

Deputy City Clerk Brenda Bean and City Attorney Debra Daniel.

Convene

The meeting took place in the Oriole Conference Room at Rockville City Hall, 111 Maryland Avenue, Rockville, Maryland.

Chairman Coyle called the meeting to order at 10:15 a.m.

The Commission discussed status of elected officials and whether they are considered employees or not. They wondered if that would make any difference in terms of their recommendation and could they move forward with their recommendations regardless. City Attorney Daniel said that the IRS does consider elected officials as employees but that the City Code does not really say what it considers the Mayor and Council. The Code discusses "officers and employees." Under the common law definition, the Mayor and Council are not considered employees for IRS purposes, they are. The Council is a different entity than employees.

There was also discussion on the matter of cell phone use that included: whether reimbursement should be considered; if the Mayor and Council provide their numbers to constituents, then perhaps they should receive reimbursement; should reimbursement be considered part of Mayor and Council income; the cost of doing business has changed and cell phones, along with the internet, have changed the way we do business. The CPI index should reflect this.

There is agreement among the Commission members that the stipend should be viewed as monies the Mayor and Council receive to cover any costs associated with the responsibility of the office.

If the Commission does decide to recommend reimbursement, it would be with the understanding that the Mayor and Councilmembers would have to make their cell phone numbers available for constituents. A good way to approach this would be to increase the Mayor and Council stipend by the cell phone reimbursement amount currently given by the City which is \$540 per year.

There was discussion about providing the Mayor and Council access to the benefits that the employees receive with the condition that they pay the premiums themselves, at full cost.

The history of the Mayor and Council stipend has been that costs incurred with carrying out the responsibilities of the job would have come out of the stipend. The Mayor and Council were considered volunteers or an “uncompensated Board of Directors.” The cost of cell phones should be covered under the existing stipend.

There was agreement that the trend has been that the Mayor and Council are viewed as employees and the Commission does not agree with this. It is the intent of the City Code that the Mayor and Council are not employees.

There was discussion on eligibility as set forth in the insurance carrier contracts and whether or not they are even eligible. The Commission concluded that whatever benefits the Mayor and Council are be eligible for would need to be paid for by them entirely. Eligibility is set forth in the insurance carrier contracts and there is a question of whether the Mayor and Council are even eligible. The Personnel and Policies Procedure Manual does not discuss the Mayor and Council only civil service employees.

There was agreement that the Commission would recommend in its report that the Mayor and Council be offered access to benefits but be responsible for the total cost of the premiums; that the Mayor and Council’s compensation be increased over the current amounts of \$27,157 for the Mayor and \$21,800 for the Council, by the positive change, if any, in the Washington-Baltimore CPI-U for the twelve months preceding the previous November. There is a desire by the Commission to be clear in the report that the stipend is intended to compensate for out of pocket expenses as well as their time.

The Commission also agreed that it would be a good idea for a member of the group to attend a Mayor and Council meeting and speak at Community Forum to promote the March 10th public hearing.

There was discussion about the terms of the Compensation Commission and agreement that the terms should be changed to 5 years in order to overlap the new 4 year terms of the Mayor and Council.

Next steps

Chair Coyle will begin to draft the report.

Upcoming meetings

Thursday, February 26, 2015 at 10:00 am - Regular meeting of the Commission. Commissioners Mckenna and Marrinan will need to dial in remotely.

Tuesday, March 10, 2015 at 7:00 pm - Public Hearing.

Adjournment

There being no further business, the meeting adjourned at 11:20 a.m.

Motion to Adjourn:

Moved by Jim Marrinan, seconded by Norm Hampton and unanimously approved.