

FINANCE/ADMINISTRATION COMMITTEE

March 1, 2017

6:00 p.m.

ELECTION OF CHAIR:

Councilor David Low volunteered to be Chair.

MOTION: Councilor Koetz moved, Councilor Koeppe second, to appoint Councilor Low as Chair. Motion APPROVED 3-0.

ROLL CALL:

City Councilors David Low, Charla Koeppe, and Candy Koetz.

Staff: City Manager Chris Workman, Finance Director Joan Swanson, and City Recorder Ruth Post.

APPROVAL OF MINUTES:

MOTION: Councilor Koeppe moved, Councilor Koetz second, to approve the December 5, 2016, minutes as presented. Motion APPROVED 3-0.

NEW BUSINESS:

City Manager's Contract -- Mr. Workman explained his first contract was for 3 years and this is his proposal for a new open-ended contract. David asked about the difference between Randy Kugler not having a contract and Chris Workman having one. Mr. Workman stated that it is more common for City Manager's to have a contract than not.

Mr. Workman reviewed the contract section by section. There was discussion about changing the contract to an open-ended, ongoing contract. Mr. Workman stated it is fairly common to have an open ended contract but it still contains requirements for annual evaluations. Ms. Swanson explained that the contract primarily mirrors what the other management staff receives for benefits. She added that the essence of the contract is protection for the City to be able to remove him as desired combined with a measure of security for Mr. Workman.

In Section 3, Mr. Workman clarified that the intent is to provide the same cash-out as employees receive. Mr. Workman reviewed his severance proposal to increase the severance pay to a maximum of six months over yearly increments.

In Section 4, Compensation, Mr. Workman proposed his compensation move to Step 4 effective July 1, 2017, with no other increase. There was discussion about the effect of being at Step 5 and receiving only COLA increases. There was additional discussion about the annual performance evaluation process used for the City Manager. Mr. Workman noted that the remainder of the section matched the current agreement.

In Section 6, Vacation, Sick and Executive Leave, Mr. Workman requested continuance on the schedule in the City's Employee Handbook.

On sick leave, he requested the same sick leave accrual as the Employee Handbook with a 360 hour cap for payout.

Section 7, Other Benefits, Mr. Workman requested the addition of provision for a City provided cell phone. Ms. Swanson reviewed the current City employees who have a City provided phone. There was discussion about the use of text messaging and capturing those for public records.

Ms. Swanson noted that the cost for the other City provided cell phones is approximately \$52. Mr. Workman noted amending the proposal to match that.

Mr. Workman did not propose any changes to Sections 8, 9 and 10. He explained that the City Attorney will review the proposed contract after the Committee is satisfied with it. Mr. Workman reviewed his memorandum and noted that he has attempted to save the City funds by not using an outside firm to negotiate the contract.

MOTION: Councilor Koeppé moved, Councilor Low second, that the employment agreement between City Manager Chris Workman and the City of Philomath be forwarded to the City Council for approval as amended. Motion APPROVED 3-0.

Management Salaries Review -- Ms. Swanson explained that the City has historically worked to have the same COLA increase as the unions for managers. She and Mr. Workman reviewed the timing and process of contract negotiations with the two represented groups for new 3-year contracts. There was discussion about the hourly rates for part-time employees.

MOTION: Councilor Koeppé moved, Councilor Koetz second, the Finance/Administration Committee recommend a 2% cost-of-living increase effective July 1, 2017, for non-represented staff. Motion APPROVED 3-0.

Proposed service fee discount application -- Ms. Swanson reviewed her concerns about the low income discount application process and the need to develop a policy. She requested direction from the Committee to put together a proposal for the City Council. Her first concern addressed who can or cannot apply for a discount. The Committee agreed that commercial and industrial customers would not be eligible for a discount. There was extensive discussion about multi-family customers such as Forest Meadows and Grandview Mobile Park. Mr. Workman suggested that multi-family customers are conducting a business. Councilor Low stated concerns about this scenario. Ms. Swanson described the fixed income elderly customer that already watches their water consumption to control their utility bill.

Councilor Koeppé questioned if the City is receiving much feedback regarding the fee. Ms. Post stated there has not been feedback via emails. The recent newspaper letters to the editor were discussed. Mr. Workman described the presentation Chief Rueben made at Rotary and stated the bottom line seemed to be concern for low-income or fixed-income residents. There was substantial discussion about the billing situation at Forest Meadows. Ms. Swanson described the challenge of administering the program if there are 300 plus applications received. There was discussion about the lack of control over the actual billing that individuals receive in Forest Meadows and the inability to control what the management passes on to their customers. The Committee agreed that multi-family would not be eligible for the discount.

There was additional discussion about duplexes with only one water meter serving both sides. Consensus was that duplexes also would not be eligible for the discount as they are an investment by the property owner. Consensus was that both rental and owner-occupied single family houses would be eligible for the discount program.

Ms. Swanson distributed potential language to replace the False Application section of the application as suggested by the City Attorney's office. Consensus was to use the City Attorney's language.

There was discussion about what types of documentation the Finance Department should request. Committee consensus was a tax return as first option. There was discussion about using a social security statement or Oregon Trail card as alternatives. Ms. Swanson stated that she would be the person on staff to review any requested documentation. Mr. Workman stated that the goal is to make it simple for citizens to apply and receive approval. Ms. Swanson added that documentation would only be requested on applications that seemed to warrant it.

Ms. Swanson questioned what the threshold should be for applications that would trigger additional review by the Council. There was discussion that receipt of a hundred discount applications merits coming back to the Council for further direction.

There was discussion about additions to the application for account number and single family dwelling status. Consensus was to have the proposed application included in the next Council agenda packet and available on the website for public review.

There was discussion about the second public comment period to be held at the March 13 City Council meeting. Mr. Workman stated he is working on a Frequently Asked Questions sheet to be ready prior to the meeting. There was additional discussion about the March 13 agenda, meeting and timeline. Ms. Swanson clarified that payments on utility bills are applied to water and sewer fees last.

Meeting adjourned at 7:40 p.m.

Recorded by Ruth Post