

CITY OF ALBANY
CITY COUNCIL WORK SESSION
Municipal Court Room
Monday, August 17, 2015
4:00 p.m.

MINUTES

CALL TO ORDER

Mayor Sharon Konopa called the meeting to order at 4:00 p.m.

ROLL CALL

Councilors Present: Councilors Floyd Collins, Bill Coburn, Bessie Johnson, Rich Kellum, Ray Kopczynski, and Dick Olsen

Councilors Absent: None

BUSINESS FROM THE PUBLIC

None.

CITY MANAGER PERFORMANCE EVALUATION

Konopa said Councilors had submitted evaluations for City Manager Wes Hare, and she invited him to make any comments. Hare said the evaluations were clear and fair, and he appreciates the kind comments as well as the suggestions made. He said one of his greatest concerns is financial issues and how we plan for the long-term fiscal stability of the City, and he thinks this has generally been done well. The City was able to maintain its rating and, thanks to the great work of the Finance Department, has had very clean audit reports. He has seen other cities get into trouble by not recognizing the importance of the audit process. The latest bond sale is an example of how good ratings can be valuable for a city.

Hare reviewed the five goals he laid out in his self-evaluation: 1) Complete the agreement with the City of Lebanon. Staff of the two cities have been working together and have made progress over the past few weeks and he is hopeful we will see a resolution soon. 2) Rebuild the Fire and Police Equipment Replacement Fund. There is a funding plan in place for this year and next; however, this remains a high priority item. 3) Keep the Police and Fire station projects on time and on budget. 4) Make sure the General Fund ending fund balance continues to increase. 5) Make progress toward funding stormwater, sewer, and transportation needs. There is a lot of need in these critical infrastructure areas and there will need to be discussions about funding sources that are equitable and palatable for the citizens.

Councilor Ray Kopczynski said a local citizen, Tom Cordier, has criticized Hare for not actively trying to reduce the scale and cost of government. In looking at the City Manager's job description, he could find only one item that even remotely addresses that point - Item 11, which is to "Assure that assigned areas of responsibility are performed within budget; perform cost control activities; monitor revenues and expenditures to assure sound fiscal control; prepare annual budget and Budget Message; assure effective and efficient use of budgeted funds, personnel, materials, facilities, and time." Kopczynski said Hare does all of those things admirably well and there is nothing in the job description that says the City Manager's primary task is to reduce government. Hare said the desired level of services is a policy decision for the City Council and the most recent Strategic Plan applies maintenance of service levels at a minimum. It's difficult to reduce the cost of government when the largest single cost, the cost of employees, cannot be controlled. The City has done targeted reductions throughout the City and participated with the unions and arbitration, but the idea that a City can unilaterally reduce the cost of pay and benefits for its employees isn't accurate.

Kopczynski asked if it would be fair to say that Albany has come through the recession as well as any other community across the state. Hare said he thinks so; the City's financial strength is good, and we were able to avoid forced layoffs for large numbers of employees and cut the work force 10 percent over time using retirements and other turnover. This helps staff to focus on their job instead of wondering if they will have a job, and performance has remained at a high level.

Councilor Floyd Collins said policy choices about levels of service should be considered every year going into the budget preparation process. Once Council sets service levels, it's the City Manager's responsibility to propose the most effective and efficient way of carrying them out. This year, Hare asked if staff should bring a package that includes starting to rebuild the equipment reserves which would probably be funded from increased franchise fees, and the direction from the Budget Committee was yes, bring us that package.

Council Rich Kellum said department budgets come with a prioritization which is not necessarily reviewed during the public process. Hare said one of his goals has been to do that Council prioritization through the Strategic Plan process, with the proposed budget then being crafted to meet the identified priorities. He said department directors

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typically lay out their department needs during budget presentations. For example, this year the Library Director reminded the Budget Committee that the materials budget is surviving on bequests; the Police Chief said he needs eight more officers; and the Fire Chief said response times have crept up due to reduced number of staff and rising number of calls. Since 2007, the General Fund budget has been very flat; when revenue is flat and personnel costs are dictated to increase, it becomes difficult to meet the goals.

Councilor Bessie Johnson said she doesn't want the Council to micromanage staff; however, she does want to encourage staff to look how things are being done and consider whether it would be beneficial to make technology or other changes. Hare said he tries not to be a defender of the status quo; staff has looked at and implemented different ways of doing things when it makes sense. If Council has ideas about this, he would like to have that discussion when the Strategic Plan comes to Council in October. Brief discussion followed regarding the Strategic Plan and budget setting processes.

Konopa said Hare has done a great job, his evaluations look good, and she doesn't see any issues. She initiated discussion about his compensation. Hare said he is not comfortable receiving an increase that is more than other employees. The non-bargaining unit received a 2.5 percent Cost of Living Allowance (COLA).

Discussion followed regarding the compensation as compared to department directors in Albany and city managers in other communities. Council reviewed Hare's compensation history and it was noted that he had foregone increases some years when other staff did receive increases.

MOTION: Kellum moved to increase the City Manager's base salary by 2.5 percent retroactive to the beginning of the fiscal year. Johnson seconded.

Kopczynski said Hare has done an excellent job over the years and he is concerned about some other community making a job offer that Hare can't refuse. Hare said he doesn't anticipate making a change.

Councilor Dick Olsen initiated additional discussion about Hare's compensation as compared to other city managers in comparable communities, including Corvallis where former Albany employee Mark Shepard is now the city manager. He would like to see Hare receive a larger increase.

The motion passed 5-1, with Olsen voting no.

Konopa presented Hare with a plaque and a \$25 gift card in appreciation of his 10 years of service.

COUNCILOR COMMENTS

Collins said the North Albany road project is nearly complete. Brief discussion followed.

Konopa said quite a few people came from out of town for her high school reunion. She heard a lot of great comments about how Albany has changed for the better, and people loved seeing downtown Albany and the historic buildings being revitalized.

CITY MANAGER REPORT

There was no additional report.

ADJOURNMENT

There being no other business, the meeting was adjourned at 4:55 p.m.

Respectfully submitted,

Reviewed by,

Teresa Nix
Administrative Assistant

Wes Hare
City Manager