

MEMORANDUM

TO: Michael G. Herring, City Administrator

FROM: Jan Hawn, Director of Finance and Administration

DATE: June 21, 2002

SUBJECT: FINANCE AND ADMINISTRATION COMMITTEE MEETING

The Finance and Administration Committee met Wednesday, June 12, 2002. Those in attendance included: Chairperson Bruce Geiger, Councilmember Jane Durrell, Ward I, Councilmember Dan Hurt, Ward III, Councilmember Connie Fults, Ward IV, City Administrator Mike Herring, Director of Finance and Administration Jan Hawn, and Executive Secretary Shirley Yost. Also in attendance for the meeting were City Clerk Marty Demay, Corynne Davis and Eric Winschel from the CCDC. The meeting was called to order by Chairperson Geiger at 5:30 p.m.

1. Approval of Minutes – April 24, 2002

Councilmember Fults made a motion to approve the minutes from April 24, 2002. Councilmember Durrell seconded the motion. The motion was approved 2-0-1, with Councilmember Geiger abstaining.

2. Selection of Committee Liaisons

Councilmember Geiger nominated Councilmember Hurt to continue as liaison to the Finance and Administration Citizens Advisory Committee. Councilmember Durrell seconded the nomination. The nomination was approved 3-0.

Councilmember Durrell made a motion nominating Councilmember Geiger for the MIS Citizens Advisory Committee and Councilmember Fults seconded the motion. The motion passed with a vote of 3-0. Councilmember Geiger discussed “abstaining” but everyone agreed that he didn’t need to.

5. First Quarter 2002 Financial Statement

Ms. Hawn presented to the Committee the First Quarter 2002 Financial Report. She explained that the report summarized activities of the General Fund and other funds, as well as the City’s investments. She noted that the numbers are on target with where she would expect them to be for the first quarter. After the Committee discussed the report, the format was approved.

(Councilmember Hurt arrived at 5:41 p.m.)

4. Discussion regarding Citizen of the Year Process

Ms. DeMay explained to the Committee the selection process for the Citizen of the Year. She stated that in late October or early November that a Press Release is issued asking for nominees for Citizen of the Year. Also, a memo is mailed to all committees and task forces with a list of guidelines and nomination forms requesting nominations. She noted that the current deadline for nominations is December 21st. Ms. DeMay suggested that the deadline be moved until January 31st so not to conflict with the holiday season.

After reviewing the nomination process, Councilmember Hurt made a motion to change the nomination deadline to January 31st. Councilmember Fults seconded the motion. The motion was approved 4-0.

Councilmember Hurt made a motion to direct staff to develop a panel concept which would remain as anonymous as possible. Councilmember Fults seconded the motion. The motion was approved 4-0. Ideas discussed included having one citizen/ward; Chamber representative; 2-3 from citizens boards/commissions, etc.

Councilmember Durrell made a motion to open up the nomination process to include advertising and contacting groups like the Chamber and Subdivisions Trustees. Councilmember Fults seconded the motion. The motion was approved 4-0.

3. Discussion of CCDC Budget

Mr. Winschel discussed the CCDC and its purpose to provide economic development and marketing services to benefit the City. He stated that the CCDC meets with the Mayor and Council annually to discuss goals. Mr. Herring stated that the proposed budget request is within the amount included in the Five-Year Budget. It was stated that the proposed budget request would go into effect in the budget for Fiscal Year 2003. Councilmember Hurt asked why Valley 2000 and the Chamber of Commerce's contributions had not increased. Mr. Winschel stated Valley 2000 was organized after the flood when members were interested in developing the Valley. Now that the Valley is almost fully developed, Valley 2000 is losing membership. Councilmember Hurt asked about the increase in the revenue "other" category. Mr. Winschel stated that it was largely due to the Industrial Revenue Bonds (IRB) from the Willows at Brooking Park; however he stated that the IRB market has shrunk considerably and that CCDC could not depend on it as a revenue source. Discussion followed. Councilmember Hurt encouraged the CCDC to be more involved in community development issues, such as parks, traffic issues, transportation and land use.

After further discussion, Councilmember Hurt made a motion to direct staff to put the CCDC budget request in the Fiscal Year 2003 budget, as submitted. Councilmember Durrell seconded the motion. The motion was approved 4-0.

6. Executive Summary – 2002 Budget

Councilmember Geiger presented his executive summary format of the Fiscal Year 2002 budget. After the presentation, the Committee discussed the format and several suggestions were made. Councilmember Durrell suggested that the revenue column appear first. After further discussion, Chairperson Geiger stated that he would work with Councilmember Durrell on revising the format.

7. Pay Plan Recommendation

Mr. Herring described the pay plan proposal. He stated that Council had directed staff to periodically conduct a market analysis with regard to pay for various positions within our work force. Based upon the survey data, a recommendation would be developed to keep starting salaries competitive with the top five cities. He stated that these adjustments have been very expensive because, in the past, all employees within the pay grade were also adjusted by that same percentage. The new proposal would be to use the June CPI of each year, to annually adjust the pay scales. The new scale would go into effect the following January. An employee's salary would be adjusted only if it fell below the new minimum pay grade. The standard 3% would be budgeted for annual merit increases. The advantages to this proposal is the City would no longer be concerned with the "top five" of the marketplace, the process could be handled administratively and there would be no requirement for meetings and/or special appropriations to fund pay plan adjustments.

Councilmember Durrell made a motion to recommend to Council to accept the pay plan proposal to adjust the pay scale, based on the June CPI and only adjust those employees who fall below the minimums. Councilmember Fults seconded the motion. The motion was approved 4-0.

Councilmember Hurt made a motion to recommend to Council to eliminate the policy to stay in the "top five". Councilmember Geiger seconded the motion. The motion failed 1-3, with Councilmember Hurt voting in favor of the motion.

The Committee stated that further discussion was needed on what being in the "top five" means. They decided to continue defining this as the average of the top five until further notice.

8. Landmarks Preservation Request

Councilmember Durrell stated that she had originally asked for this topic to be added to the agenda because the Landmarks Preservation Commission had training expenses. Teresa Price, Director of Planning, checked with the State and learned that no training was required this year. Councilmember Durrell told the Committee that since no training was required by the state this year, no funds were needed.

9. Other/Next Meeting

The next meeting of the Finance and Administration Committee is scheduled to meet, in Executive Session, on Wednesday, July 10, 2002 at 5:30 p.m.

The meeting adjourned at 7:53 p.m.