

**MINUTES
FAIRVIEW CITY COUNCIL WORK SESSION
FAIRVIEW CITY HALL
1300 NE VILLAGE STREET
FAIRVIEW, OREGON 97024**

November 5, 2003 -- 5:30pm

**I. CALL TO ORDER/
ROLL CALL**

Mayor Weatherby called the meeting to order at 5:35pm.

PRESENT: Mayor Mike Weatherby
Councilor Darrell Cornelius
Councilor Sherry Lillard
Councilor Steve Owen
Councilor James Raze
Councilor Jim Trees

ABSENT: Councilor Len Edwards

STAFF PRESENT: Mary Jo Briggs, City Administrator
Gilbert Jackson, Chief of Police
Bob Cochran, Public Works Director
Laura Zentner, Finance Director
John Andersen, Community Development
Director
Caren Huson, City Recorder
Roy Wall

II. COMPENSATION STUDY

Mary Jo Briggs, City Administrator, reported that Council had adopted the City's current salary ranges in 2001 by resolution, and at that time, required that a compensation study be performed every three years. Administrator Briggs introduced Judy Clark of HR Answers who would be conducting the salary survey and required some policy direction from the Council.

Ms. Clark walked the Council through a typical compensation project, which includes a compensation policy, job descriptions, a monetary survey, and determination of pay ranges.

Councilor Owen questioned if once all the data has been collected, if Ms. Clark would then simply give the report to the City Administrator. Administrator Briggs responded that staff would be hearing a presentation from Ms. Clark similar to the one being presented to Council tonight; Ms. Clark will then provide her results to the City Administrator on November 24th, who in turn will provide them to the Council on December 3rd. At a staff meeting on December 4, 2003, Ms. Clark will present the results to the entire staff. Councilor Owen stated that it did not do well to distribute the results to staff before Council has made their decision; during the last salary survey, staff

was too involved in the process. Administrator Briggs commented that once she receives the report, the salary ranges will be presented to Council; during the Budget process, a staff recommendation would be given to Council. Councilor Cornelius stated that all information on public employee salaries are readily available through various unions anyway, so there was really no need to be concerned about staff viewing the survey results.

Councilor Raze stated that he liked the idea of receiving salary ranges from the private sector also, if the job descriptions matched up.

Ms. Clark mentioned that her presumption was that the Council would want to meet the market rate and not lag behind or exceed the market rate. Councilor Lillard stated that, in the past, the Council had always tried to match the market; Council concurred that the market rate seemed reasonable.

Ms. Clark indicated that the City placed a pay increase step system into effect a couple years ago and that employees were now comfortable with that format; she did not see any reason why Council would want to change that.

Councilor Cornelius asked what other type of systems were available besides the step system. Ms. Clark responded that there is an Open Range System, meaning that you would have a minimum and maximum salary amount with different percentage increases given in between; this could create some lack of harmony due to judging personnel performance and having preferences toward certain employees. Councilor Cornelius stated that, at the management level, he would like to see the City move away from the step system for Department Directors. Ms. Clark explained the Lump Sum model in which there is a minimum and mid-point market rate with a lump sum bonus given once a year. This is basically an incentive program and would not work well with lower level employees. There is also a Skill Base Pay program where there are no salary ranges; a person is hired at Level 1 for skills and must meet certain requirements to move up each level.

Councilor Lillard asked if it was common to have two different styles of compensation or if it was really more common to only have one style. Ms. Clark responded that typically, in larger entities, there might be a different pay program for management, but that creates a class system which usually does not work for smaller organizations.

Councilor Cornelius requested that Ms. Clark ask the comparable cities what their compensation philosophies were. Councilor Owen stated that Council would need more time to review the results of the salary survey before it is presented to staff.

Ms. Clark commented that in regards to the comparable cities, that Council has already suggested that she review the private sector, and asked if Council was comfortable with the comparable cities she

had selected for Fairview: Sherwood, Troutdale, Camas, St. Helens, Hood River, Gladstone, and Happy Valley. Ms. Clark explained that, in determining the comparables, she looked at size, proximity, service model, type of staff, etc. Councilor Cornelius stated that Camas had a different retirement system. Ms. Clark responded that she would adjust for that. Councilor Cornelius commented that St. Helens and Hood River were both County seats and he has always found those cities to pay more. Ms. Clark responded that she had never found that to be true. Councilor Cornelius suggested that Cascade Locks, Scappoose, and Sandy replace St. Helens and Hood River. Ms. Clark responded that she was hesitant about Sandy due to their service model as they tend to be more insular. Councilor Lillard suggested that Ms. Clark use the cities she mentioned and add Scappoose and Sandy to the list, along with the private sector. Council concurred.

V. ADJOURNMENT

Councilor Owen moved and Councilor Raze seconded the motion to adjourn. Mayor Weatherby adjourned the meeting at 6:40pm.

AYES: 6
NOES: 0
ABSTAINED: 0

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Mayor Mike Weatherby

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Dated:

Caren C. Huson Quiniones
City Recorder