



## **Coburg City Council Work Session**

August 31, 2021 – 6:00 P.M.

Virtual Meeting – Coburg City Hall  
91136 North Willamette St.

**COMMITTEE MEMBERS PRESENT:** Mayor Ray Smith, Nancy Bell, John Fox, John Lehmann, Patty McConnell, Markus Alexander.

**COMMITTEE MEMBERS ABSENT:** Kyle Blain.

**STAFF PRESENT:** Sammy Egbert, City Recorder; Anne Heath, City Administrator; Gary Darnielle, City Attorney; Tim Gaines, Finance Director; Larry Larson, Chief of Police; Brian Harmon, Parks and Recreation; Howard Schussler, Governmental Services Director.

### **1. CALL MEETING TO ORDER**

Mayor Smith called the meeting to order at 6:00 p.m.

### **2. SALARY SURVEY AND BENEFITS PACKAGE**

- **Salary Survey Overview**

Anne Heath introduced Howard Schussler to summarize the salary study and what to expect from the outcome.

Mr. Schussler explained that there were two types of study, a salary or market study and a classification review. He said the City of Coburg had done a salary study by local government personnel services which was a program of Lane Council of Governments(LCOG) which looked at job descriptions and compared the City of Coburg employee compensation against compensation with employees with other cities for like work. He said that typically studies compared similar sized cities but that given the proximity to Eugene and Springfield they were included in the study. He explained that the City was looking for information to determine where the full salary schedule was in comparison to other public agencies and then the City would identify options for addressing any discrepancies. Mr. Schussler said this was done for recruitment and retention purposes and noted that they were currently in an employee market.

Mr. Schussler said that in general senior management positions appeared to be more than 20% below market, most administration positions were less than 15% out of market, police were between 17% and 25% below market, public works was as much as 21% below market, and planning was more than 25% below market. He noted that there was the risk of the police department being unionized which would take compensation out of the hands of Council and given to an arbitrator. Mr. Schussler added that it was costly and time consuming to develop staff only to lose them to larger neighbors. He said it was highly discouraged to cherry pick positions to change compensation while leaving other positions alone. He explained that the Oregon Equal Pay act said that compensation disparities for work of comparable character was unlawful and that all differences in comparable work compensation must be due to one or more bona fide factors such as education, training, and experience.

Ms. Heath began a PowerPoint presentation showing the process they went through, some of their considerations, and the effect on finances. She said that the City had adopted this project into the goals and priorities for fiscal year 2022 and the goals were to complete a salary analysis and review an employee benefit package. They entered into contracts for the analysis in February and met with the staff leadership to talk about identifying comparisons for the City and design an employee survey to put out. The initial survey results were reviewed and recommendation for changes were made, but one early issue was that some cities simply weren't responding. Ms. Heath said that they had also reviewed the employee results as a leadership team and made a recommendation for what they thought was needed around employee benefits. She was able to meet with all directors and go over what it would mean for their departments. Ms. Heath said they then did an analysis of changes to the existing 5 year budget and the utility rates.

Ms. Heath shared that the employee survey showed that employees really wanted to work for government, that they enjoyed the flexibility, time off, and medical benefits. She noted that compensation was important but maybe not always the most important. Ms. Heath said most staff wanted to retire in Coburg and wanted the opportunity for growth and advancement.

When looking at comparative selections they examined larger cities they might lose employees to, regional cities with similar services, and regional cities of a similar size. Mayor Smith noted that the input they got was from larger cities with similar services but not necessarily the same job description. Ms. Heath explained that they compared not only salaries but position titles and job descriptions, benefits, leave, and other pay. She noted that there were challenges when comparing with other entities including differences in staff requirement, infrastructure, budgets, and community values.

Ms. Heath explained that they looked at departments as a whole and avoided picking out one salary to fix. She recommended the starting point for this discussion should be administration, police, and planning, which were all well below market.

Councilor Fox asked if the average was determined using all communities or just larger local ones and Ms. Heath answered that the collective average was the percentage that Coburg was under compared to a collective of the rest of the cities.

Ms. Heath showed how Coburg compared to other cities in providing medical insurance. She noted that Coburg was not that far off from others and they matched packages for the most part.

Councilor Alexander asked why the vacation leave at 5 years was so far off. Ms. Heath explained that the vacation policy in place started fairly low and noted that this was a turn off for many new employees. Councilor Fox suggested this was something they look at because time off was very important for mental health especially.

Mr. Schussler noted that there was a significant difference in time off for Springfield and Lane county because they offered a single bank of time which was combined sick leave and vacation time. Ms. Heath noted that one reason people used to stock up sick pay was to count it at retirement, which now was not the case. Mayor Smith wanted to be careful about having to keep records of multiple tiers of employees banking their time off. Councilor Lehmann shared that he had seen school districts and other entities that offered a pay-out for unused time off. Ms. Heath noted that the supervisory team had met and concluded there was no need to change comparison benefits and time off leave.

Ms. Heath noted that they offered certificate pay for police, public works, and court. Overall, Coburg did a really good job in compensating employees for their certificates and was for the most part comparable to other cities.

Ms. Heath shared the policy for on-call pay, noting that the employees have to be ready to respond by phone or page. She said they were paid one hour of every standard rate of pay for every 8 hours on call.

Ms. Heath explained recommended changes to the salary scale and said they had discussed grouping the departments together. She said they wanted to see updated job descriptions that supported the new salary schedule for every position. Ms. Heath explained that the salary scale was adjusted 15% from step 1 to step 14. She also noted that these were just projections and there were many unknown factors that might influence this including development in the City and cost of construction.

Mayor Smith asked what the projections were based on and Ms. Heath answered that they looked to see the impact of changing the salary scale by 10-15% of every department and how that would change the budget over a 5 year period. She said they also looked at how this would change allocations from the general fund and how it would effect the City as a whole. She noted that in the first year the operation contingency would be effected and would have to be changed by \$75,000.

Mayor Smith asked what the basis was of the projection for revenue and Ms. Heath answered that they used the same projection as used during budget time.

Ms. Heath shared that the street and utility funds were effected but thought they could support the changes in public works salaries without tapping into their contingency funds. She noted the same for water and sewer. Ms. Heath added that this probably would not effect water rates but that sewer rates were more complicated. She said that Doug Gabbard had recommended a 1% increase in sewer beginning in 2024 and a 1% increase every year to anticipate the sunset.

Ms. Heath shared the salary scale and some changes they were looking at. She said they had moved everything into its own department. They talked about what was associated with certificates in public works and creating a sergeant position for the police.

Councilor Lehmann asked if they went for the proposed 15% and 10% increases if the job description got incorporated into that percentage increase and Ms. Heath said that the positions would have to be adapted if there was a change in responsibilities

Mayor Smith wished to clarify that not all employees were getting a 10-15% raise but it was just expanding the horizon within the scale. Ms. Heath added that they were changing the scale, not the salaries.

Councilor Lehmann asked what percent the salary budgets would increase by and Ms. Heath said she would get that information. Councilor Fox asked to see the old scale compared to the new scale and a comparisons from other cities in cost to citizens.

Councilor Lehmann asked when this would be implemented and suggested a two year phase in with 50% of the increase being immediate.

Councilor McConnell asked if there was an analysis of the need for personnel increases and Ms. Heath said that Public Works had planned for another employee if the east side developed but noted that this was the only example and they were set for the next 5 years in regards to staffing.

Mayor Smith asked the councilors if there was anything else they would like to see going forward.

Councilor Fox commended the comprehensive research done.

Councilor Bell asked if there was any opportunity for growth after step 14 and who was getting a raise. Mayor Smith explained that finding out specific employee raises was not allowed.

Councilor Lehmann suggested adding a half-step or flat amount added to the top of the salary schedule to help encourage retirement in the community.

Councilor Lehmann asked if they were ready to approve this at the next meeting and Mayor Smith thought they could be.

Councilor Alexander said he was in total agreeance with the change but said it would be nice to get some more info.

Councilor McConnell said she was ready to move forward.

Councilor Bell agreed.

Councilor Lehmann said he hoped the staff understood that they supported them.

Councilor Lehmann asked if Tim Gaines was being trained for possible eventual replacement of Ms. Heath but Ms. Heath explained this was not started yet due to covid restrictions.

**3. Adjournment**

Mayor Smith adjourned the meeting at 7:43 p.m.

**APPROVED** by the City Council of the City of Coburg on this 12th day of October 2021.

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Ray Smith, Mayor of Coburg

**ATTEST:**

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Sammy L. Egbert, City Recorder