



## MEMORANDUM

**To: LOC Membership**

**From: Patty Mulvihill, LOC General Counsel**

**Date: August 11, 2021**

**Re: Final Overview of Proposed Constitutional Changes**

---

During the Board of Director's December 2020 and June 2021 meetings, the Board supported Constitutional amendments proposed by the Bylaws Committee and directed staff to prepare those amendments, as one combined package, for the membership meeting presently scheduled for Saturday, October 23, 2021. Two-thirds of the members present during the annual business meeting must vote in the affirmative on the amendment for it to pass. The purpose of this Memorandum is to advise the Equity & Inclusion Committee of the content of the amendment.

### *1. Modifying the Governing Structure of the Board of Directors.*

Currently the governing structure of the Board is such that the Treasurer is elected by the membership at large and serves a one-year term. The Treasurer then automatically ascends to the position of Vice-President serving a one-year term. The Vice-President automatically ascends to the position of President serving a one-year term. The President automatically becomes the Immediate Past-President serving a one-year term. In each position held, the person occupying it must be an elected official of a member city.

The Board proposes removing the Treasurer position from the automatic line of ascension to the President, and instead make the position a standalone two-year position elected by the membership. Additionally, the Treasurer position would be open to both elected and appointed officials from member cities. The change has been proposed for three primary reasons. First, the Board believes that a strong Treasurer, held by a person genuinely interested in being the Treasurer (as opposed to using the position as a steppingstone to becoming President) and has an interest in municipal finance, will better support the Board's desire to maintain a fiscally responsible and sound organization. Second, by allowing appointed officials to serve as Treasurer, the chief executive officers of Oregon cities, persons who typically have strong municipal finance experience, are provided a larger opportunity to participate on the LOC Board. Third, being the LOC President presently requires a four-year commitment. This length of time may detract some members from considering being President; shortening the overall commitment by one year may provide a more equitable opportunity for locally elected officials in Oregon to serve in the President capacity.

### *2. Creating Additional Non-Voting Board Members.*

The LOC has divided the state into 12 distinct regions. It is the Board's desire to ensure that each of the 12 regions is always represented on the Board. Given the regional differences of the state, and the Board's commitment to representing all Oregon cities, the Board believes it is important that the LOC Constitution be amended in a way that ensures each region always has a presence on the Board.

The LOC Board discussed allowing each region of the state to have a voting position on the Board. However, creating additional voting members of the Board requires an amendment to the LOC's 190 Agreement. Amending the 190 Agreement requires the unanimous consent of all 241 Oregon cities. Each of Oregon's 241 cities would have to adopt a resolution or ordinance agreeing to the amendment. Given the process and uncertainty involved in securing such an amendment, the Board felt that allowing additional non-voting members to serve on the Board, as such an action only requires a constitutional amendment, would support the goal of regional diversity.

To allow for each region of the state to have a position on the Board, the Board recommends adding a new provision to the Constitution which will allow the President and Nominating Committee to appoint persons from member cities of unrepresented regions to serve in a non-voting capacity on the Board. Specifically, after the annual meeting, when it will be known who will serve as officers and directors on the Board in the upcoming year, LOC staff will work with the President to identify if any of the regions in the state are unrepresented on the Board. If there are regions which will not be represented by either a voting or non-voting Board member, the President will convene the Nominating Committee to identify one individual who holds an elected position with a member city from each of the unrepresented regions to serve as a non-voting director.

### *3. Defining Who Constitutes an Appointed Official.*

The term "appointed" is one which is presently found in the LOC Constitution; but, is not yet defined. In not defining who constitutes an "appointed" official, the Board is concerned that the organization has left itself open to confusion and possible controversy over which appointed officials may or may not serve on the Board.

The Board believes that the term appointed should apply only to a city's chief executive officer. While many medium to larger cities in Oregon would consider their chief executive officer to be either the city manager or city administrator, smaller cities in Oregon do not typically have a city manager or a city administrator, rather the administrative head of the city is actually the city recorder. To ensure that the true chief executive officer of each city has an equal opportunity to serve on the Board, the Board believes the term appointed should be defined to mean: "any person who has been appointed by a city council and holds the title of city manager or city administrator. If a member city does not have a position titled city manager or city administrator, the city recorder, provided they are appointed to their position by the city council, also constitutes an appointed position."

By including city recorders in cities which have no city manager or city administrator as an organization's chief executive officer, the Board is attempting to recognize two facts: (1) in LOC's smallest cities, city recorders are de facto city managers and administrators; and (2) LOC's smallest cities account for the majority of member cities. LOC classifies any city with a population of 7,500 or less as a small city. Small cities account for 74% of all LOC members. What's more, 34% of all LOC members are cities with a population of 1,000 or less. If the LOC excluded city recorders in those cities without a city manager or city administrator from meeting the definition of "appointed", it would essentially be excluding those cities' chief administrative officer from serving on the LOC Board of Directors. For example, of the 81 cities with a population of 1,000 or less, only 12 are managed by a city manager or administrator, the other 69 cities (or 85%) are managed by a city recorder.

#### *4. Past Presidents Ability to Continue Serving on the Board.*

The Board proposes allowing any Past President of the Board to continue to serve on the Board if they hold either an elected or appointed position with a member city. Currently, only those Past Presidents who hold an elected position with a member city may continue to serve on the Board. The Board recommends this permission be expanded to include appointed positions as well.

This amendment is being done to ensure that the experience and knowledge of Past Presidents can still be accessible to the full Board, regardless of how that person continues to serve and represent Oregon municipalities. It is worth noting, that as of today, there are no Past Presidents who would meet the criteria to utilize this newly proposed provision.

#### *5. Conducting Meetings Via Electronic Methods.*

COVID-19 required most cities, and the LOC, to transition to electronic meetings. While the Constitution presently permits the Board to meet via in-person or phone conference, and platforms like Zoom can constitute a phone conference, the Board does not wish to limit the manner in which it may meet, provided the medium used by the Board is open and accessible to all. To that end, the Board recommends that the Constitution be amended, in relevant part, to read as follows: “The Board may hold any meeting by, or through the use of, any means of communication allowing all participants to simultaneously hear and speak to one another.”