

Minutes



CITY OF BEND

Council Compensation Review Committee – Meeting #2
2:00 PM-4:00PM, November 17, 2023

Staff Liaisons: Mary Alice Winters (City of Bend, City Attorney), Brooke Olsen (City of Bend, Associate City Attorney)

Additional Staff: Cate Schneider (City of Bend, Senior Management Analyst), Rob DuValle (City of Bend, Chief People Officer)

The second meeting of the Council Compensation Review Committee was called to order at 2:05 PM on Friday, November 17, 2023, in Council Chambers at Bend City Hall, 710 NW Wall Street, and online.

- 1. Roll Call.** Present: Kathy Austin, Kelly Cannon-Miller, Louis Capozzi, Chris Cardwell, David Kline, Heather Simmons, Judy Stiegler, Stephen Sehgal. Absent: Deb Schoen
- 2. Opening, Brief Introduction, and Conflict Declaration.** Chair Stiegler opened the meeting by welcoming all Members and explaining that the purpose of the meeting is to discuss an increase in the stipend paid to the City of Bend Mayor and Councilors; health benefits will be addressed next meeting. At Chair Stiegler's invitation, all Committee Members re-introduced themselves and gave a brief summary of their background.

After explanation by City Attorney Winters, Chair Stiegler invited Members to declare any conflicts of interest. Members Simmons and Kline re-declared potential conflicts of interest due to their employment with PacificSource, the City's health insurance provider. Members Simmons and Sehgal declared potential conflicts of interest due to the possibility that they may run for City Council in the future.

- 3. City Attorney: Review of Council Compensation and Reimbursement Policy.** Associate City Attorney Olsen reviewed the current compensation of Council, set by Bend Municipal Code Section 1.10.040. Committee Members discussed the adjustment of compensation every two-years based on AMI revisions, the most recent adjustment being in January 2023. Associate City Attorney Olsen presented the reimbursement policy for Mayor and Councilors and summarized the City Council budget categories applicable to Council reimbursement requests.

- 4. PowerPoint Presentation Legal Department.**

All Committee members received a hard copy of a chart prepared by the Legal Department summarizing council compensation information from 14 other Oregon cities. Associate City Attorney Olsen gave a brief overview of the information in the chart, followed by the policy considerations of other cities in setting their compensation amounts and formulas. Committee Members discussed the varying formulas, stipend amounts, and policy considerations. The Committee agreed that the City of Wilsonville's policy statement expressing consideration of

budget, time required to serve as an elected official, and desire to attract diverse elected officials, was particularly relevant to the Committee's goals.

Next, acknowledging that the weekly hourly input varies by individual, the Committee noted the expectation for City of Bend Councilors to spend approximately 15-20 hours a week in their positions, and the Mayor to spend approximately 25-30 hours a week. The Committee transitioned to a discussion on stipend measurement and calculation.

5. Committee Discussion: Stipend Amounts and Formula; Decision to Defer Stipend Recommendation to Health Insurance Discussion; Information Requests.

Committee Members inquired about City management employee salary information to reference for setting Council stipend amounts. Associate City Attorney Olsen and City Attorney Winters explained that while the salary information is publicly available (most recently in a Bend Bulletin article), it is not relevant for the Committee's discussions because the Councilors and Mayor are not City of Bend employees. Committee Members discussed the relevance piece and how to determine an appropriate stipend amount and formula.

The Committee discussed using the Deschutes County Commissioners' \$125,000 annual salary as part of the reason for the formula amount. Members reasoned that other Oregon cities like St. Helens have done this, and using that figure as a starting point reflects that County Commissioners and Council members are all locally elected officials, live in Central Oregon, and while cities/counties have different departments and functions, they do have similar expectations from their constituents. One distinction is that County Commissioners are full-time. Member Austin suggested compensating the Mayor a rate equal to 50% of \$125,000 and Councilors at a rate equal to 30% of \$125,000. The Committee calculated the suggested amounts: 50% would be \$62,500 and 30% would be \$37,250. The Committee's additional calculations showed that the average annual stipend for mayors in cities with populations similar to Bend (Gresham, Hillsboro, and Beaverton) is \$69,000.

Member Capozzi questioned increasing Council stipends to the suggested amounts, expressing concerns about politics and the community's reception of the increase. Member Sehgal stated that it is this Committee's job to recommend an increase, then it will be Council's job to adopt and explain the basis for the increase to the community. Members Simmons expressed support for the increase, explaining that the people should be paid what they are worth. Member Cannon-Miller noted that the current economic and political landscape requires meaningful compensation for elected officials, as the philosophy of public service has changed. Committee Members generally agreed that the ultimate recommended stipends should be flat amounts, and should increase annually based on CPI for west coast states. Member Austin, with support from some others, suggested that the ultimate recommended flat amounts should increase annually upon the adoption of the new Compensation Ordinance. The Committee further discussed the proposed increases as correlating to the growth and increasingly complex issues facing the City of Bend.

With respect to flat stipend amounts calculated as a percentage of County Commissioners' \$125,000 salary, the Committee asked the Legal Department to come to the next meeting prepared with calculations of the following percentages: 50% Mayor/30% Councilor; 40% Mayor/20%

Councilor; 30% Mayor/10% Councilor. The Committee agreed that they would not make a recommendation on the increased stipend amount and formula until they heard further information about the City's health insurance options, to be potentially provided to Councilors and the Mayor as part of their compensation packages.

For the potential provision of health insurance to Council members, Member Cannon-Miller suggested offering health benefits to all Councilors/Mayor but to consider recommending the higher compensation amount if they paid 100% of their premiums; they could use their increased stipends to cover those costs if they chose benefit coverage. Some Members expressed support for that idea and asked the Human Resources Department to prepare information about that option for the next meeting.

6. Adjourned at 4:15 PM