

MINUTES OF THE REEDSPORT CITY COUNCIL REGULAR SESSION JUNE 13, 2011  
7:00 P.M. CITY HALL COUNCIL CHAMBERS.

PRESENT: Mayor, Keith Tymchuk  
Councilors Ginger Anderson, Diane Essig, Mike Macho, Bill Otis,  
Bill Walker, and Kathi Wall-Meyer  
City Manager, Scott Somers  
City Attorney, Steve Miller

OTHERS PRESENT: Deanna Schafer, Vera Koch, Lori Newman

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE
2. CITIZEN COMMENTS  
*This time is reserved for citizens to comment on items that are not on the Agenda.  
Maximum of five minutes per item, please.*
3. PRESENTATIONS, PROCLAMATIONS, AWARDS
4. APPROVAL OF THE AGENDA

City Manager Scott Somers asked that the agenda be amended to add an item to the executive session at the end of the meeting pursuant to ORS 192.660(2)(d) – deliberations with persons designated by the governing body to carry on labor negotiations.

Councilor Mike Macho motioned to approve the agenda as amended.

Councilor Ginger Anderson seconded the motion.

MOTION:

that the City Council approve the Agenda as amended.

VOTE:

A vote was taken on the motion with the following results:

AYES 7 NAYES 0

(Mayor Keith Tymchuk, Councilors Anderson, Essig, Otis, Macho, Walker, and Wall-Meyer voted in favor of the motion.)

Mayor Keith Tymchuk declared the motion passed unanimously.

5. PUBLIC HEARINGS

6. CONSENT AGENDA

*Routine items of business that require a vote but are not expected to require discussion by the Council are placed on the Consent Calendar and voted upon as one item. In the event that a Councilor or citizen requests that an item be discussed, it will be removed from the Consent Calendar and placed under General Business.*

No consent items presented.

7. GENERAL BUSINESS

- A. Shall the City Council adopt a Resolution adopting the 2011/2012 budget for the City of Reedsport, and approving the permanent tax levy rate of \$6.1882 per \$1,000 of assessed value for the fiscal year 2011/012 City of Reedsport Budget, and adding 2011-010 as the title?

Finance Director Vera Koch reported that at the regular Budget Committee meeting of April 25<sup>th</sup>, the Reedsport City Budget Committee approved a budget totaling \$13,935,085 for Fiscal Year 2011 / 2012. The Budget Committee approved the permanent levy rate of \$6.1882 per \$1,000 of assessed valuation.

A summary of this approved budget and a notice of the public hearing to consider the budget were published in the Umpqua Post, the City's newspaper of record on May 18, 2011.

A public hearing was held on June 6, 2011 for the Council to consider final adoption of the budget for fiscal year 2011 / 2012. State statute requires that a budget be adopted before June 30<sup>th</sup> of each year. Additional meetings can be scheduled if the Council wishes to consider any additional information.

Koch said that she anticipates that she will have to propose a supplemental budget to account for the new Census information adjusting the population down. The change will cause revenue sharing from the State of Oregon to be lower than originally budgeted.

Mayor Keith Tymchuk said that he would like staff to fund a police officer position at the first opportunity.

Councilor Mike Macho said that the police department is doing the best they can do with what they have to work with. He also wanted to note that the department is not filling a dispatch position to save money and will be utilizing part-time workers instead.

Mayor Keith Tymchuk asked Chief Mark Fandrey how that will work.

Chief Fandrey said dispatch training is similar to that of a police officer and that the position starts out as a volunteer position and moves into part-time as budgeted hours allow. He said that he will be advertising soon.

Councilor Ginger Anderson motioned to adopt a Resolution adopting the Fiscal Year 2011 / 2012 Operating Budget and the Capital Improvement Plan and assign Resolution 2011-010 as the title.

Councilor Diane Essig seconded the motion.

**MOTION:**

that the City Council adopt a Resolution adopting the Fiscal Year 2011 / 2012 Operating Budget and the Capital Improvement Plan and assign Resolution 2011-010 as the title.

**VOTE:**

A vote was taken on the motion with the following results:

AYES 4 NAYES 3

(Mayor Keith Tymchuk, Councilors Anderson, Essig, Walker, and voted in favor of the motion) (Councilors Macho, Otis and Wall-Meyer opposed the motion)

Mayor Keith Tymchuk declared the motion passed.

- B. Shall the City Council adopt a Resolution amending the City of Reedsport Personnel Rules and Regulations with regards to health insurance and assign 2011-011 as the title?

Finance Director Vera Koch said that the health insurance program for exempt and confidential employees has been carried by City County Insurance Services (CCIS) as part of the Employee Benefits Services (EBS) Trust since August 1, 1976.

In January 2009, the health insurance plan was modified to High deductible Health Plan with a Health Savings Account Plan 2 (HSA) replacing Plan V-A-PPP in order to realize savings in the health care premiums. The change of plans was established by Resolution 2008-016 at the September 8, 2008 Council meeting. HDHP HSA Plan 2 continues with the yearly deductible of \$2,500 for employee only and \$4,000 deductible for employee plus family.

Total cost of premiums which include medical insurance, dental and vision are about 40% less than the previous medical insurance plan covering exempt staff. Staff continues to pay 10% of the premiums as adopted by Council in June 2008. The City's portion will remain at 90% of premiums and fully paid contributions of the deductible amount of \$2,500 for employee only coverage and \$4,000 for employee plus family coverage. As agreed the deductible is placed in a HSA bank account for each employee which becomes their account to manage. As previously agreed, the City will make ½ deductible payments to the HSA employee bank accounts in July

1<sup>st</sup> and in January 1<sup>st</sup> of each year. A savings to the City for the next fiscal year is estimated to be \$17,000 with the HSA 2 medical plan, vision and dental plans in place compared to previous insurance plan.

The resolution has been changed this year with language inserted for Council decision regarding domestic partner insurance. CIS requires the City to establish policy to offer or decline insurance coverage for the domestic partner of a city employee. CIS allows for the coverage of all domestic partners and dependents if it is the City's wish. If the Council determines to offer health insurance coverage to a domestic partner of a city employee, the resolution language will remain as written. If the Council determines to decline to offer health insurance to a domestic partner then the language will be amended to state Council's decision and remainder of language will be stricken from the draft resolution.

The addition of opt out language for medical insurance benefits has been included this year in the resolution. This option provides eligible city employees who elect to opt out of medical coverage to be paid \$50 in lieu of medical benefits. The employee is still required to be enrolled in dental coverage through CIS.

The fiscal impact by offering health insurance to an employee's domestic partner for fiscal year 2011 / 2012 depends upon the structure of the family. The net cost of the health premium to the City would be determined as follows:

- If the employee has single dependent coverage, then adding one dependent would be \$3,942 per year.
- If the employee has coverage of employee plus one, then adding additional dependents would cost an additional \$3,204 yearly.
- If the employee has family coverage, there would be no additional cost.

Councilor Bill Walker said that he is not in favor of paying the employees deductible in full.

Finance Director Vera Koch said that the other option would be to go back to the coverage provided previously at an additional cost to the City of approximately double.

Councilor Mike Macho motioned to adopt a Resolution revising Section 42 of the City of Reedsport Personnel Rules and Regulations and offering health insurance to city employee domestic partner; and assign Resolution number 2011-011 as the title

Councilor Kathi Wall-Meyer seconded the motion.

**MOTION:**

that the City Council adopt a Resolution revising Section 42 of the City of Reedsport Personnel Rules and Regulations and offering health insurance to city employee domestic partner; and assign Resolution number 2011-011 as the title

VOTE:

A vote was taken on the motion with the following results:

AYES 5 NAYES 2

(Councilors Anderson, Essig, Otis, Macho, and Wall-Meyer voted in favor of the motion.)  
(Mayor Keith Tymchuk and Councilor Walker opposed the motion)

Mayor Keith Tymchuk declared the motion passed.

- C. Shall the City Council adopt a Resolution amending the City of Reedsport Personnel Rules and Regulations with regard to wage and salary schedule and employee classification policy and assign 2011-012 as the title?

Finance Director Vera Koch said that the City of Reedsport Personnel Rules and Regulations provide the current wage and salary schedule for City employees. The Council is being presented with Resolution 2011-010 for adoption which establishes the City of Reedsport Operating Budget for Fiscal Year 2011 / 012. The adopted budget includes the Employee Pay Plan for Fiscal Year 2011 / 012.

Resolution 2011-012 amends the Employee Pay Plan and the IAM collective bargaining Pay Plan by updating the Consumer Price Index factor from 1.2% to 1.6% CPI-U National index which is the accepted consumer price index in the City's Personnel Rules.

As provided for in the Personnel Rules and Regulations, Appendix B should be updated to coincide with the Adopted Budget. A proposed Resolution has been drafted amending Appendix B of the Personnel Rules and Regulations.

Councilor Ginger Anderson motioned to adopt a Resolution revising the City of Reedsport Personnel Rules and Regulations, Appendix B; and assign Resolution number 2011-012 as the title.

Councilor Mike Macho seconded the motion.

MOTION:

that the City Council adopt a Resolution revising the City of Reedsport Personnel Rules and Regulations, Appendix B; and assign Resolution number 2011-012 as the title.

VOTE:

A vote was taken on the motion with the following results:

AYES 7 NAYES 0

(Mayor Keith Tymchuk, Councilors Anderson, Essig, Otis, Macho, Walker, and Wall-Meyer voted in favor of the motion.)

Mayor Keith Tymchuk declared the motion passed unanimously.

8. MISCELLANEOUS ITEMS  
(Mayor, Councilors, City Manager, City Attorney)

City Manager Scott Somers said that a presentation on a proposed land use plan for the downtown area will be on Tuesday the 14th of June at 6:00pm at the Lower Umpqua Senior Center. There will be two plan options with a comment period following.

Councilor Diane Essig said that the work day for Christmas in July will be held on July 9, 2011.

EXECUTIVE SESSION OF THE REEDSPORT CITY COUNCIL JUNE 6, 2010 CITY HALL COUNCIL CHAMBERS.

PRESENT: Councilors Ginger Anderson, Bill Otis, Mike Macho, Diane Essig, Kathi Wall-Meyer, and Bill Walker

City Manager Scott Somers

Attorney Steve Miller

OTHERS PRESENT: Deanna Schafer, Vera Koch, Debbie McKinney (Ms. McKinney left after the first item.)

Pursuant to ORS 192.660(2)(d) – deliberations with persons designated by the governing body to carry on labor negotiations.

Pursuant to ORS 192.660(2)(h) - Litigation likely to be filed.

ADJOURN

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Mayor Keith Tymchuk

ATTEST:

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Deanna Schafer, City Recorder