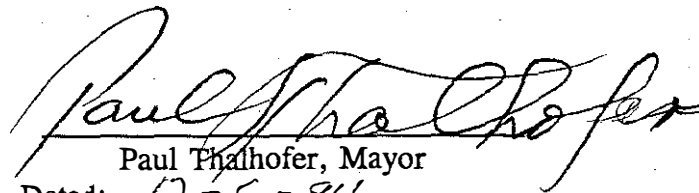


CITY OF TROUTDALE

AGENDA
TROUTDALE CITY COUNCIL - SPECIAL MEETING
COUNCIL CHAMBERS
TROUTDALE CITY HALL
104 SE KIBLING AVENUE
TROUTDALE, OR 97060-2099

7:00 P.M. -- DECEMBER 6, 1994

- (A) 1. PLEDGE OF ALLEGIANCE, ROLL CALL
- (A) 2. CONSENT AGENDA:
 - 2.1 Approve Liquor License - King Lamb Restaurant.
- (A) 3. RESOLUTION: A Resolution Rescinding the City of Troutdale Pickup of PERS Member Contributions and Adjusting the Salary Plan.
- (A) 4. ADJOURNMENT.


Paul Phalhofer, Mayor
Dated: 12-6-94

F:\AGENDA\120694SP.AGE

**Minutes
Troutdale City Council Special Meeting
Troutdale City Hall
Council Chambers
104 SE Kibling Avenue
Troutdale, Oregon 97060-2099**

December 06, 1994

1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE

Mayor Thalhofer called the meeting to order at 7:03 p.m. and called on Councilor Ripma to lead the Pledge of Allegiance.

City Recorder Martinez called the roll.

PRESENT: Thalhofer, Schmunk, Ripma, Kight, Lloyd, Burger-Kimber

STAFF: Berrest, Christian, Faith, Galloway, Gazewood, Martinez, Sercombe

GUESTS: Ron Dupas, Russ Hosey, Hope Reynolds, Mary Eaton, Valerie Raglione, Debbie Stickney, Dave Flagler, George Hachalla, Dot Weisgerber, Gloria Knapp, Jodi Knapp, Bill Knapp, Lily Lucile, Ken Smith, Vern Lemrick, Vince Anderson,

3. RESOLUTION: A Resolution Rescinding the City of Troutdale Pickup of PERS Member Contributions and Adjusting the Salary Plan.

Mayor Thalhofer stated the resolution would repeal the PERS contribution the city has been making since 1980, which was in lieu of a salary increase, and then it would make a salary adjustment in the amount that is being taken by a vote of the people, this is the only issue we will be considering tonight. We will hear testimony tonight and tomorrow night.

Mayor Thalhofer recessed the council meeting and opened the public hearing at 7:05 P.M. Christian stated, in the budget year 79-80 we used the previous years cost of living index to determine increases that would be awarded to employees for cost of living. That total cost of

living for that year was 17.3%. The council determined that to be to large of an increase to be able to afford in terms of compensation to employees. The 79 legislature made an adjustment to allow municipalities to pick up the PERS contribution which was 6% on behalf of the employees. In February of 1980 the council passed a resolution allowing for that to happen and also awarded about a 5% cost of living in crease which brought the compensation to slightly less than 12% and the cost of living that year was 17.3%, this has been in effect since then. We are discussing this because of the effects of Ballot Measure 8. Bob Gazewood has prepared schedules that show the impact not only of the PERS pick up on behalf of the employees but also the impact to the city in terms of what we would have been paying all these years if we would have awarded the full cost of living, along with the impact to the employees.

Gazewood briefed the council on the schedules that were in the packet.

Councilor Ripma asked, even if we grant the 6% pay increase pre-taxed wouldn't the employees still take a pay cut?

Gazewood stated that would be correct.

Councilor Ripma stated that the last time the employees received a increase that exceeded the cost of living was in 88-89 is that correct?

Gazewood stated yes.

Councilor Ripma stated, since then it has either been even or below the cost of living.

Councilor Lloyd stated, in my mind Measure 8 was about benefits not salaries, the perception has to do with the fringe benefit package being to much. Do we have anything that analyzes the benefits?

Gazewood stated that he has nothing like that.

Councilor Lloyd asked about the \$35,000. savings on benefits last year, how did that happen?

Christian stated, stated it was a reduction in the premiums because the employees took on the responsibility of the full deduction be for they could make a claim.

Councilor Lloyd stated that would be an additional cost to the employees then?

Christian stated that is correct.

Councilor Lloyd asked what the out come of the salary survey done by LGPI showed?

Christian stated that with the exception of maybe two employees, the average salary was 8 to 10 percent below the market value of overall packages.

Mayor Thalhoffer asked how this would effect the police contract?

Sercombe stated this would not affect the existing contracts.

Councilor Kight asked how the city benefited from the original PERS pick up?

Gazewood referred to schedules E & F.

Mayor Thalhoffer clarified that no councilors will benefit for this, they receive no compensations from the city, we all pay our own retirement etc.

Vince Anderson, 628 SE 17th, I am representing a group called "Were Mad" and what you are doing here is wrong. The voters have said that the employees must pay this 6%. The voters pay the wages through taxes. I have not had an increase in 6 years. In 1981 I took 15% roll back in wages and have not recouped it yet. Giving them an increase is morally wrong, the voters are mad, we are prepared to submit a referendum regarding this matter. This was passed by a 55% majority. If I had these kind of wages I would be living high, I don't come anywhere near these wages and I have a family to support and bills to pay, 6% is not going to kill them. We are also prepared to start a recall of any councilor who votes in favor of this increase, so I suggest you vote against this or there is going to be a small war in Troutdale.

Councilor Ripma asked if Anderson voted to cut the pay of employees in Troutdale?

Anderson stated, I didn't vote to cut their pay, I voted for them to pay their own pension, they are not losing any money it is going into their retirement. They have the finest pension plan in the state, probably the United States. They will collect more money when they retire than they do now and that is wrong. The rest of us will be taking up to a 50% decrease in wages. That is not fair.

Councilor Ripma stated that he voted for #8 but for reform, not to cut wages, why do you want to cut their pay?

Anderson stated they make too much money now as it is.

Councilor Ripma stated the median salary is about \$25,000., is that the salary you want cut?

Anderson stated that 6% is going to kill any of them.

Councilor Ripma asked, do you understand the devastating effect this would have, it would take \$127.40 a month from the median income?

Anderson stated in 1980 I took a \$300.00 a month roll back so I could keep working and feed my family.

Councilor Ripma asked, and you want to do that to them?

Anderson stated \$125.00 is not going to kill anybody.

Councilor Ripma stated, we have to be aware of the ramifications to the city.

Anderson stated what ramifications, they are going to be pissed, well excuse me.

Mayor Thalhoffer stated this is not going to be an argument, this must stay orderly.

Councilor Ripma stated it is obvious that you voted for a pay cut and that is fine, but I hope you are aware that we have be aware of what this may do to the city.

Anderson stated I voted for this so they would have to pay for part of their own pension, just like I do. They wages are so astronomical as compared to the average people working in the State of Oregon, the average income is less that \$18,000. a year. \$125.00 a month is not going to kill these people.

Mayor Thalhoffer stated that we are thinking about giving back what they should have gotten in 1980, do you think there is any obligation to do that.

Anderson stated, nobody thought about that when they rolled back my wages, I didn't have anything to say about it. It was not fair to me then, but this is what the people have asked you to do now. We are tired of it, you are constantly gouging us with water bills and taxes. The people are tired of taxation without representation. Don't give them the increase. People who make this kind of money won't be hurt by \$125.00 a month.

Ken Smith, 1200 SW Kendal Court, stated, our purpose for being here is not to cut anyone's pay it is because the voters spoke and we feel they are being circumvented. They will get this money back when they retire. Nobody paid my pension.

Councilor Ripma stated that the measure gives us the opportunity to make this adjustment and I wouldn't have voted for it if I didn't think we were going to do it.

Randy Ross, 538 Buxton, as I understand Measure #8 intent was to have the employees pay 6% into their retirement. The measure stated that there was to be no adjustment to compensate for this after January 1st, 1995, that is what was voted on, and it seems to me

that the council would not be circumventing that in anyway. You are supporting the intent of the measure with out penalizing the employees, and I appreciate that. This gentleman was talking about what happened to him in 1980, I was a painter then and since then I have been through about three career changes, it hit me to at that time. What are these people mad at, is it jealousy, or is it anger that they think their tax money is not being used properly. The council pointed out that there was a savings of \$ 35, 000. last year with a change in the medical plan. I think this council and this city has demonstrated that they are trying to get the best bang for the buck here in Troutdale. I am an employee of Troutdale, I consider this a slap in the face when I don't have the right to strike, or have a say when they open my retirement to the public and they say I have to pay 6%, when I was hired with a different understanding of what was going to happen, and now the public votes and I get a 6% cut in pay, and that makes me mad. I understand that government may misuse taxes, but I pay the same taxes you do. Troutdale has demonstrated they are trying to save money. I don't mean to insult anyone when I use the word jealousy, but I am mad someone votes for a measure, and the council honors the intent of the measure, someone would be mad of that. This is a wage cut.

Councilor Lloyd, stated that Anderson and Smith both stated that this is really not a wage cut, they claim it is not a cut in the overall package, this is just a reallocation. Do you agree with that?

Ross stated no, if the council decides not to compensated the employees then it is a 6% loss, actually it is closer to 8 or 9%.

Lloyd asked, is that because they are dollars that the city doesn't have to spend any more but the employee will have to spend?

Ross stated yes. I think that there is two issues here, taxes will not change because of this, the money will still go to the city and the employees will take the cut.

Councilor Lloyd asked if the part of the measure that deals with sick leave will effect employees?

Ross stated, that the police contract has a cap of 1200 hours that we can use toward retirement, some other people do not have a cap. I have over 500 hours of sick leave.

Councilor Lloyd asked why do you have 500 hours of sick leave?

Ross stated that if accumulates at a rate of 8 hours per month and I don't use it unless I am sick. There are allot of people who were planning on using there sick leave toward their retirement and now they can't. I have read studies that say public employees benefits are higher and their wages are lower than the private sector, so to me it is a balance of the two. The spirit of the measure is to have the benefits fall more in line with the private sector, but

should the wages fall further behind to achieve this? I appreciate the council considering this matter. Contrarily to what this mad group believes, I feel you would be honoring the intent of this measure.

Councilor Lloyd asked if Troutdale Police are paid comparably to the State Police?

Ross stated that Troutdale is paid substantially lower than the surrounding areas.

Councilor Lloyd stated that just in this area there is various police officers that are all public employees and they are all paid differently, this goes for all types of employees. The point I am making is that it is not fair to lump everyone together, there are people in the private sector that make millions of dollars and have pension plans that would make us all blush. You have to look at the specifics.

Smith stated that this is not what they came here for, you are talking about cutting salaries.

Councilor Lloyd stated that is what we are going to be doing.

Smith stated that these people are going to get this money back with interest.

Councilor Lloyd stated that the city would be paying less and it would be paid by the employee, so they are in fact taking a reduction in their overall circle of pay.

Smith stated, no, I am not that educated in what you people do, but I do know what the voters voted for, if this what you feel you must do, then we will do what we have to do.

Sercombe stated that under the law the employees will have to pay this 6% to the PERS, there is no option for the employee to take that 6% as salary.

Mayor Thalhofer read a letter from Dave Traxler stating that this increase would be the fair thing to do. It was agreed to years ago.

Jodi Anderson, Building & Planning Department, stated I agree with what Ross said. When I started with the city I did not have a choice about my retirement. Now the tax payers, I am a tax payer, want to take 6% out of my check. I have a family and bills just like everyone else. In 1980 when Mr. Anderson got his 15% decrease I was in high school so I don't see what it has to do with me, I wonder if it was a 15% increase if he would be feeling the same way today. Their comments and snickers I have heard sitting in the audience all seem like jealousy to me. I don't think this is fair, we don't have a choice to put in only 3% if we want, what if I die when I am 40 years old, It won't make a difference what I put into it now.

Councilor Ripma asked, just to clarify, if we grant the 6% increase will that amount to an

increase in your check?

Anderson stated, no, I don't want any more money, I am happy with what I am paid. I make \$22,000. a year, I don't own a house, or a fancy car, or anything like these people think, I just don't want to lose what I got when I started here 8 years ago. I just want it to be the status quo.

Councilor Ripma asked with this decrease of about \$120.00 a month would that hurt you?

Anderson stated, sure it would, I have a family, and utilities, taxes, bills, just like everybody else does.

Councilor Lloyd asked, just to clarify, if we do nothing is this a cut in the total compensation package?

Sercombe stated, if the employee is not covered by a contract at this time then the answer would be yes.

Susan Huwe, Utility Clerk, stated, I am fairly new with the city and I just want to address the benefits issue, everyone thinks the city has such an over zealous package. The company I worked for as an accounting clerk, had an excellent medical plan, day care reimbursement, I had two bonuses through out the year, we could buy products at 35% below retail, and I don't have any discounts here, I pay the same water bill as everyone else in Troutdale, I took \$.27 an hour pay cut when I came here. My 401k plan was optional with the employer matching up to 3% of my salary. I just want to point out that now being a public employee, I don't see this huge benefit that everyone seems to think we have.

Councilor Lloyd asked, were you union at Rays' Food Service?

Huwe stated no. The city only has two more paid holidays than I had before.

Councilor Kight stated, so basically since you went from the private sector into the public sector you have taken a cut in pay and have less benefits, is that correct?

Huwe stated that is correct, it was a choice I made to work closer to home.

Hope Reynolds, Finance Department, stated that \$125.00 a month would definitely hurt me, I have two teenage boys and they eat over \$400.00. a month in groceries. I feel a lot of the citizens don't really look at the fact that we are not being paid as much as other cities around and we are being compensated by the benefits, the medical on my family is more important than the cash. PERS is a big issue but being able to take care of my family now is more important, 30 years from now I might not even be here. I am worried about the reduction in my pay check right now and some of these people say it is not a reduction, well yes it is, when my check is less than that is a reduction.

Valerie Raglione, 11948 SE Lusted, stated that as the council knows that sick leave was very important to her. She has recently switched jobs in the city at her own choice, which was a 20% decrease and another 6% would defiantly hurt her.

Mayor Thalhoffer stated that the notice for the meeting tonight was submitted to the Gresham Outlook but they did not publish it for some reason, so we will have to continue this meeting until tomorrow night, because that notice was published. All of the testimony that was heard tonight will be considered tomorrow.

Councilor Burger-Kimber stated, I have received a lot of phone calls, I would like to read one into the record that was on my answering machine, I will leave off the name because it wasn't really clear. It says, "Hello, Karen, I am a Troutdale resident and I believe that you should take some kind of stand on this issue O.K. If you don't believe in it go ahead and say so, this is a bunch of baloney that this guy is just writing his own pay check, his own retirement. I am tired of government, I am tired of seeing government write in their own pay checks. You people are civil servants we are not giving you the right to wright you own pay checks. I wish the hell I could write my own pay check. This is crazy, this is a bunch of baloney. The voters have told you people no and you guys are just saying the hell with us. Who the hell are you people, this is not 150 years ago, don't you get it I am mad as hell". I had a second call from the same person asking why he even voted. I am going to save the rest of my comments for tomorrow night.

Josh Moriarity, 18837 SE Yamhill, I am a city employee. A lot of things I have heard tonight seem to revolve around fairness, the fact of the matter is that this world is not fair and it never will be. There are studies show that we make less than some people and I am sure there are some people that make less than what we do, that is just the way it is. As far as the wage cut, which I think you agree it is even though some others say it is not, the measure address it. I don't have a family, or own a house, I make a little under the average wage quoted here earlier, I stand to lose about \$100.00 a month. This will still affect me even with out the things that some of the other people talked about. I won't go homeless or anything but it would effect my collage fund. I don't see how some of these other people will manage with this 6% pay loss.

Mayor Thalhoffer continued the hearing until December 7, 1995 at 7:00 P.M.

Christian stated that we did not act on Item 2. tonight because the notice did not get published in the paper but it can be considered tomorrow.

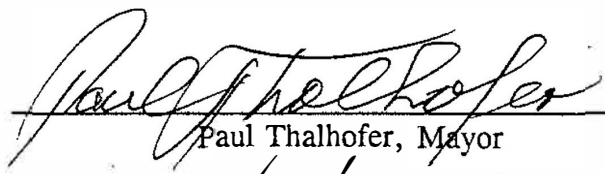
4. ADJOURNMENT.

Mayor Thalhoffer called this item.

MOTION: Councilor Ripma moved to adjourn. Councilor Kight seconded the motion.

YEAS: 5
NAYS: 0
ABSTAINED: 0

Mayor Thalhofer adjourned the meeting at 8:57 P.M.



Paul Thalhofer, Mayor
Dated: 3/15/95

ATTEST:



George Martinez, City Recorder

CITY OF TROUTDALE

PUBLIC ATTENDANCE RECORD

MEETING DATE Dec. 6th TYPE Special Meeting

PLEASE COMPLETE THE FOLLOWING

PRINT NAME	ADDRESS	PHONE#
Jim Galloway	City Hall	665-5175
Bob Garwood	City Hall	665-5175
RON DUPAS	City Hall	665-5175
Russell Husey	City Hall	665-5175
Hope Reynolds	City Hall	665-5175
Mary Esten	City Hall	665-5175
Debbie Stickney	City Hall	665-5175
Dave Flagler	Gresham	
Tom [unclear]	Troutdale	

CITY OF TROUTDALE

PUBLIC ATTENDANCE RECORD

MEETING DATE _____ TYPE _____

PLEASE COMPLETE THE FOLLOWING

PRINT NAME	ADDRESS	PHONE#
George Hochally	1009 S.E. 22nd Cir. Troutdale	666- 6744
Dot Weisgerber	3222 SE Stott Cir TROUTDALE	666-8300
Gloria Knapp	2246 SW 7th. Seaside	665-0000
Jack Knapp	same as	
Bill Knapp	same as	1
Lily Lucido	1200 Kendall Ct.	
KEN Smith	
Vera Lemrick	3233 SE STOTT.	
Vince Anderson	628 SE. 17th St.	667-5585
Mark Bennett	City Hall	665-5125