

**City Of Cove
Council Meeting Minutes
July 11, 2023**

Call to Order

Mayor Sherry Haeger called the regular session of the Cove Common Council to order at 7:00 p.m. located at City of Cove City Hall, 504 Alder St., Cove, Oregon, 97824. Remote access to the meeting was active with public participation.

Council Members Present: Council President Matt McCowan, Councilors Shawn Parker, Eric Stone, Alan Cadinha.

Virtual Council Members Present: There were no council members present virtually.

City Staff Present: Public Works Director Dave Johnson, City Recorder Lana Shira, Billing Clerk Kerri McCowan.

Virtual City Staff Present: There were no city staff present virtually.

Council Members not Present: Councilors Jason Stone, Jordan Hackwith.

City Staff not Present: All city staff were present.

Public Present: Maxine Parker, Dan Landa, Mace Cadwell, Alexis Cannon.

Virtual Public Present: Public members were present virtually. See Meeting Diagnostics print out.

Pledge of Allegiance

The Pledge of Allegiance was led by Mayor Haeger.

Council Roll Call

Roll call performed by Lana Shira, City Recorder. A quorum was determined to be present.

Additions/Changes to the Agenda

ARPA (See New Business)

Public Comment

Dan Landa provided comment regarding the Cove Cherry Fair. He reported that 43 vendors have signed up, the Beer Garden has expanded their services, and there will be three bands playing. He noted it looks like it's going to be a good turnout, and everyone seems excited about the Cherry Fair.

Consent Agenda and Approval of Bills to be Paid

- Council Minutes June 6, 2023
Councilor Parker requested the minutes under Old Business include the mayor's comment thanking Lana for her application and his response that he hadn't seen an application and the mayor's following statement that he didn't need to see an application.
- Approval of Bills to Be Paid

Motion: Council President McCowan moved to accept the Consent Agenda with the adjustment that Councilor Parker made and Bills to be Paid as presented. Councilor Cadinha seconded. Motion approved by unanimous vote.

Correspondence

- Thank You Card from Ashtyn Larson
Ashtyn Larson's thank you card was presented for informational purposes only.
- Mayor Haeger wanted to clarify the meaning of her statement noting that none of the councilors needed to see an application to have a vote on hiring Lana.

Old Business

- Employee Handbook
Mayor Haeger reported the Employee Handbook was submitted to CIS yesterday with the changes previously talked about. There are some specific things that need to be voted on tonight that have to do with the employment of the new City Recorder.
- COLA
The Employee Handbook needs to be reviewed by CIS, then the COLA and update of the step increases can be addressed.
- Youth Councilor Ashtyn Larson Scholarship Payment
Lana noted that Ashtyn asked in an email for the check to be written to her rather than her school. In reviewing previous records, the check was always written to the institution of choice. Discussion ensued and it was ultimately determined that the check should be written as Ashtyn wishes.

Motion: Council President McCowan moved to send the money to Ashtyn as she wishes.
Councilor Parker seconded. Motion approved by unanimous.

- Public Works Director Job Review
Tabled.

New Business

- ARPA
Lana provided a verbal review of the handout she provided that detailed the ARPA Funds and how they had been spent. The Cornerstone final payment for the City Hall remodel made the fund short. We need \$14,867.99 more. The Resolution being proposed is to move \$15,000 of General Fund Operating Contingency to City Building Repair and Maintenance to pay the balance of the Cornerstone final bill for the remodel.

Motion: Councilor Eric Stone moved that the City Council pass Resolution 2023-4, which moves \$15,000 of General Contingency funds to General City Building Repair & Maintenance for the use of City Hall remodel expense. Councilor Cadinha seconded. Councilor Parker abstained. Motion approved by majority vote.

Mayor Haeger read Resolution 2023-4 in full.

- City Recorder Salary and Benefits
Salary and benefits for the City Recorder were discussed, and it was clarified the position is salary, and the salary beginning July 1st is \$4,236.91. There is payment in lieu of retirement and benefits that made the salary \$5,045. With payments in lieu of benefits, as of July 1st, the salary is \$60,540/year. Discussion ensued as to whether the salary needed to be higher, and clarification was made on how much the previous Recorder was paid. It was noted the base salary was \$50,843, payment in lieu of retirement was \$4,068, and payment in lieu of medical was \$5,632, for a total yearly salary of \$60,540. It was clarified that the \$60,540 included the COLA that was previously approved. Prior to the COLA the salary was \$57,659. It was also discussed that Lana needs to become a Notary Public. It was further discussed as to whether that was a fair number for the salary. Lana stated the salary that is budgeted is completely acceptable to her, and if she

had a health insurance subsidy closer to \$600 more a year, she would be happy with that. Council President McCowan noted he is going to abstain from the vote because he is related to Lana, and Councilor Parker noted he is also going to abstain because he felt we should have gone through the process. It was discussed that with two Councilors abstaining there is not a quorum, and a vote can't be taken on the salary. It was stressed that without a vote tonight Lana cannot be employed. It was clarified that up to this point she is being paid as a temporary employee, and if a vote is not taken tonight, she will remain as a temporary employee. Mayor Haeger and Councilor Parker discussed his wishes to go through the entire hiring process and Councilor Parker declared because he always thought we should go through the process he is not going to vote either way. At this point it was determined to try and call Councilor Hackwith so he could join the meeting to form a quorum for the vote.

*Discussion on this topic was suspended at 7:41 pm and discussion moved on to agenda item Property and/or Liability Summary.

*At 7:45pm, with Councilor Hackwith on the phone, the proposed changes in the City Recorder's salary were reviewed, noting the proposal is for the base salary to be \$50,843, in lieu of retirement, \$4,068, and after clarification, in lieu of medical, with the requested \$600 increase, \$7,200. It was reported this salary is commensurate with what the previous Recorder would be making as of July 1st of this year.

Motion: Councilor Eric Stone moved that the City pay the Recorder a base salary of \$50,843, retirement in lieu \$4,068, medical in lieu \$7,200 for a total of \$62, 111. Councilor Cadinha seconded. Council President McCowan and Councilor Parker abstained. Motion approved by majority vote.

*Councilor Hackwith left the meeting at 7:52 pm.

Mayor Haeger noted the other benefits to be discussed is how vacation is accrued. The CIS suggestions for vacation accrual were discussed, as well as their suggestions for annual reviews. It was noted since the handbook is under CIS legal review, we will wait to get it back before this is voted on.

- Property and/or Liability Proposal Summary

*At 7:41 pm Council President McCowan led the discussion of the Property and/or Liability Proposal Summary.

The proposal was reviewed, and the changes were discussed with no concerns noted.

*Councilor Hackwith joined the meeting at 7:44 pm.

*At 7:44 pm Mayor Haeger resumed leadership of the meeting.

Motion: Councilor Eric Stone moved the City increases the price of the insurance by \$3,000/year. Council President McCowan seconded. Motion approved by unanimous vote.

*At 7:45 pm discussion resumed on City Recorder Salary and Benefits.

- CPA Contract/Audit Fee

The CPA contract and audit fee were discussed noting the audit fee has increased significantly.

Motion: Council President McCowan moved to continue the contract with CPA. Councilor Eric Stone seconded. Motion approved by unanimous vote.

It was agreed Lana would shop around for another accounting firm for next year.

- **Oregon Short Term Fund**
Lana reviewed the Oregon Short Term Fund and provided a comparison between that and the city's current savings account with Community Bank, and discussion ensued. It was determined more information will be sent to the council and a committee will be formed to review the Fund, and it will be further discussed at the next meeting. Lana noted this type of bank account ties in with the USDA audit. She explained the USDA is auditing the 2022 budget and the auditor has pointed out a discrepancy. One of the USDA reserve funds that we must have for the loan is a payment that we always have to keep in reserve in case we can't make the annual payment, and it is approximately \$56,864. The other reserve fund is now approximately \$44,000, and we must put in \$4,996 every year for the life of the loan. That fund will keep building until the loan is paid off. The auditor requested a bank statement that shows the deposits were made into those two funds. Lana explained to her that we don't have a bank statement. We only have one bank account, but we have a budget that we follow, and we move the money within the budget. Since we don't have the bank statements the auditor wanted the previous audits. In the 2021 audit the numbers equal the budget amount. The audit Balance Sheet shows the right amount of money that we had in those budget accounts. The 2022 audit does not equal the budget amount. She noted she communicated to the auditor that she cannot explain why they don't match, but the budget numbers are correct. The auditor would not accept that and asked Lana to contact our auditor and find out why their numbers are different than the budget. She concluded by saying the way a bank account like the Short Term Fund would be useful is we would put those reserves in that fund and then we would have bank statements to produce to show the money had been deposited. It was affirmed by Council that they like the idea of having a separate account, but more research needs to be done. It was confirmed that a small committee needs to meet, and if possible, meet with someone from the Oregon Short Term Fund, then the committee brings their findings to the next regular meeting with a recommendation. Council President McCowan, Councilor Eric Stone and Lana will form the committee to review the Oregon Short Term Fund.
- **LOC Request for Donation**
The LOC donation request was reviewed. It was determined we have not donated in the past and we will not donate to LOC this year.
- **Creating a Policy for Youth Councilor**
The Youth Councilor policy needs to include that the payment can be made to the entity of the student's choice.
- **One-Time Forgiveness Allowance – Steve and Jeanne Crowell**
The one-time forgiveness allowance from Steve and Jeanne Crowell was discussed. It was determined to forgive half of the overage of \$155.47 which is \$77.73.

Motion: Councilor Parker moved to approve the one-time forgiveness allowance for Steve and Jeanne Crowell. Councilor Eric Stone seconded. Motion approved by unanimous vote.

City Council Working Committee Report

- **Transportation System Plan (TSP)**
Councilor Jason Stone was not present. No report was provided.
- **Municipal Court**
Council President McCowan provided a verbal report:
He noted his job has become increasingly busy and he does not have any extra time to finish the last steps for the Municipal Court. He is asking if someone else will take on leadership of this committee. Mayor Haeger volunteered to take over leadership.
- **Hiring Committee**
No report was given since the Hiring Committee is no longer active.

City Recorder Report

Lana provided a verbal report:

- She sent the LB50 and Resolutions of the Budget to the Assessor's Office and the County Clerk.
- She created a retaining file for this year's budget and cleaned up past budget files.
- She made a budget instruction book.
- Shared Revenue was certified with the State Department of Administrative Services on June 15.
- The City Audit is coming up on August 2nd and 3rd, 2023.
- Bank statements are balanced through June 30th, 2023.
- All the anomalies previously found in the Profit & Loss vs. Actual Statements will be corrected by the end of this week in preparation for the audit.

Public Works Director Report

Dave provided a verbal report:

- They fixed a big sewer blockage up by Geni and Susie Lanes.
- He is working on relocating the fire hydrant by Church Street and the State Highway.
- We met the June hydro production goal, but we are running out of water quicker than he thought.
- We will hopefully have the flooring in City Hall done soon.

Mayor's Report

Mayor Haeger noted she worked on the Handbook.

Good of the Order

Council President McCowan asked if there was a plan for the Billing Clerk to be able to take minutes during Council Meetings since the desk and computer will be moved into the new office space. Dave noted there is a laptop and a spare Chrome Book that can be used for minute taking.

Motion: At 8:29 pm Council President McCowan moved to extend the meeting 30 minutes. Councilor Parker seconded. Motion approved by unanimous vote.

Public Comment

No public comment was made at this time.

Suggestions for Future Workshops & Meeting Agendas


No suggestions for Future Workshops or meeting agendas were made.


Upcoming Meetings

No upcoming meetings are scheduled.

Adjournment

Mayor Haeger adjourned the meeting at 8:30 p.m.


Sherry Haeger, City of Cove Mayor


Kerri McCowan, Billing Clerk


Lana Shira, City Recorder