

Minutes of the Special Payson City Council meeting held Wednesday, October 29, 2014 at 6:00 p.m. in the Payson City Council Chambers.

ROLL CALL: Mayor Rick Moore; Councilmembers: Kim Hancock, Mike Hardy, Scott Phillips, and Larry Skinner; City Manager Dave Tuckett; City Attorney Mark Sorensen, and City Recorder Jeanette Wineteer. Councilmember Ford excused.

Mayor Moore presiding.

#### PRAYER & PLEDGE

Prayer offered by Chief Scott Spencer and Pledge of Allegiance led by Golf Pro Tracy Zobell.

#### DISCUSSION REGARDING EMPLOYEE SALARY SCALE

Manager Tuckett explained that he wanted to talk to the Council about the employee salary scale as well as employee wages, because some Councilmembers have expressed concern regarding the number of employees who have left the city for other employment and other concerns.

He presented the city's most current salary scale, but said that with the new budget year the numbers have changed slightly. We are below market. We pay for the Mike Swallow report every year so we have access to good numbers but our scale has just never been updated.

He met with Heber and Spanish Fork City Managers regarding their budgeting philosophy; he has also had discussions with superintendents and emails from employees. He understands he is budgeting wrong, because he has figured everything else and if there is anything left, he will budget something for the employees. During the budget process Spanish Fork and Heber both put their operating supplies and payments in, something for the employees, then equipment and projects. He has also talked to a successful businessman that also puts employees first. This year he is going to start out by doing the budget differently, and he and the superintendents should look at the things above 290 (salaries and benefits).

He would hope that we can get everyone where they should be on the salary scale within a few years however it will cost a lot of money. Because of some bleeding right now, he hopes we can correct soon in specific areas, without other employees complaining.

Discussion was held regarding the salary scale, what it would take to get employees to the market amount, front loading the scale for increases, performance based increase; market changing, etc.

Manager Tuckett explained that the only increase in revenue and come up with money to do this is to look at utility rates, taxes, economic development and recruiting new businesses.

Donna Gay explained that working in Springville five years before she came here, she can see places we can cut to save for increases just with staffing and scheduling.

Chief Runyan suggested that employees are the most important asset and should be first. Councilmember Hardy agreed and feels that is why we are seeing the bleeding now.

Councilmember Hancock said that he has been looking at the League of Cities and Towns Handbook and our largest responsibility is to provide services. We cannot provide those services without employees.

Superintendent Crump wondered if the departments could look at the scale and review the numbers at some time.

Councilmember Skinner said he deals with this every day and realizes we cannot give what we don't have, but he agrees services/employees should be our number one priority. He disagrees with the idea that there is a maximum on the pay scale, once you reach that maximum maybe the raises won't be as high but if you max out there is a disincentive and an employee will not feel he needs to improve. A happy employee in his business helps promote his business and make it better, and he feels that a happy employee in the city helps promote economic development.

Manager Tuckett said that the new revenues to cover this have to be ongoing and money found forever, if we want to stop the bleeding right now we need to look at cutting.

Consensus of the Council was to keep working on this and have everyone look for some cuts to come up with the money to shift around in the budget right now, and plan for a budget amendment to start at the first of the year.

#### ADJOURN TO CLOSED SESSION

MOTION by Councilmember Hancock to adjourn to closed session to discuss land acquisition. Motion seconded by Councilmember Hardy. Motion carries.

Council adjourned to Closed Session at 7:02 p.m.

#### RECONVENE & ADJOURN

Council reconvened at 7:22 p.m.

MOTION by Councilmember Skinner to adjourn. Motion seconded by Councilmember Hardy. Motion carries.

Council adjourned at 7:22 p.m.