

## CITY COMMISSION WORKSHOP MINUTES

July 6, 2017

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Mayor Joe LaCascia called the meeting to order at 7:00 pm

### ROLL CALL

**Present:** Mayor Joe LaCascia, Vice Mayor Wanda Harris, Commissioner Mike Blethen, Commissioner Don Kimsey, Commissioner Randy Carroll, and City Manager Patricia Jackson

**Absent:** City Attorney Thomas Cloud

### ORDER OF BUSINESS

#### **Discussion of Debt Service**

Mayor LaCascia began discussion regarding Debt Service. Mike Brynjulfson presented debt information. Polk City holds two major debts - USDA Loan and DEP Loan. The USDA Loan interest rate is 4.125% for a longer term; whereas the DEP Loan is 2.41% interest rate. If Polk City decides to pay off the DEP loan early, the payments would have to increase annually. Mr. Brynjulfson opened the floor for questions.

Commissioner Blethen inquired about the water meters loan.

City Manager Jackson responded this was a Starter Plan. Polk City received 1,300 meters to replace the oldest ones. We wanted to switch to one Meter Reading Program instead of four or five Programs. Polk City has four years left on the loan, so it will be paid off in 2021.

Commissioner Blethen requested the amount of interest per year on this loan.

City Manager Jackson stated that information is on the amortization schedule that was presented to you. The interest in 2008 was \$71,716 and today (2017) that interest is \$58,388.93. The principle for this year is \$43,700.

Commissioners Blethen and Kimsey are interested in consolidating the two loans as one.

Mr. Brynjulfson stated Polk City could refinance, issue a bond, find a bond buyer. This can be done. There are quite a few bond issue costs associated with this process.

Lengthy discussion ensued.

## **Review and Discuss Annual Evaluation of City Manager**

Mayor LaCascia began discussion regarding City Manager Jackson's annual evaluation. There is a dis-connect in terms of the evaluation and this needs to be addressed; four Commissioners seeing one picture and one commissioner sees another. Therefore, each Commissioner spoke regarding their scoring throughout City Manager Jackson's evaluation to figure out the dis-connect.

**Commissioner Blethen** – He evaluates based on performance. The Budget has not been adhered to. Items are moved around in the budget. Why are we moving the money?

Discussed his scoring and stated he was not going to get into an argument about his responses to the line items on the evaluation.

Mayor LaCascia stated respectful disagreement with Commissioner Blethen's concerns. The Commission sets the financial direction for Polk City. The City Manager does not set the budget. If the debt is to be paid down, that must be a Commission decision. Is it fair to hold City Manager Jackson responsible in her evaluation for such an item when the City Commission has not provided any clear direction on this specific issue? The budget is written at the beginning of the fiscal year and we don't know what the year will hold. It is a broad outline; which is the instrument used to set the millage rate. The budget provides direction moving forward for that one year. If we over-estimate, then we have money left over. If we under-estimate, Polk City has to come up with funds. The budget is not a moving target. The line items can change as long as the bottom line stays the same. The City Manager is free to manage that budget.

It is not the City Commission's job to micromanage the City Manager, nor handle the day-to-day operations of Polk City.

If the City Commission provided the City Manager with a directive and she did not follow through; then yes, she deserves a two, but scoring that low when no direction has been given is unfair. Mrs. Jackson has asked the City Commission at least five times for direction during the year and we (City Commission) have gone right back to the same statement....just do your job.

City Manager Jackson stated Polk City has an Ordinance in place that gives the City Manager such authority. We do not move money from line item to line item because we are short in one item and over in another. Since 2011, to date, Polk City has saved more money than has been spent. Because of annual savings, Polk City has over \$2 million in reserves between the General and Enterprise funds. Polk City has an audit each year and the City Commission can authorize these funds be placed in restricted funds. The money is still in Cash Operations. We don't spend money from the previous year; we spend money budgeted in the new fiscal year. If the City Commission does not want to operate on the bottom line, then an Ordinance needs to be passed in order to change the way the budget is done and not authorize the City Manager to move money, which we don't do anyway.



**Commissioner Carroll** – Scored conservatively because he is still learning, but overall feels City Manager Jackson is doing a good job and his scoring is based on what he has seen and experienced for himself.

**Vice Mayor Harris** – Read her statement attached to the evaluation and Question #1. Discussed the negativity in the community regarding City Manager Jackson. In an effort to obtain accurate information on any City business, it is strongly urged that any questions or concerns go directly to City Manager. Overall, it is time that Mrs. Jackson is recognized for all the good she has done for Polk City.

**Commissioner Kimsey** – Rated City Manager Jackson high as she has done Polk City well. This is what Polk City hired her for. Let her do her job.

**Mayor LaCascia** – Scored City Manager Jackson high, but noted some of Commissioner Blethen's concerns, 80% of the problems can be done away with by simply meeting with the City Manager on a regular basis. Improvement has been made in more interaction with the businesses in Polk City. City Manager Jackson exhibits a positive management style. Mrs. Jackson has done a terrific job!

City Manager Jackson thanked everyone for their comments regarding her evaluation. Does not expect to get a perfect score, but would like to know where she needs to make improvement. Wants to see City Commission establish goals for the City Manager to work toward for Polk City.

#### **Discussion of City Manager Employment Contract**

Mayor LaCascia discussed the City Manager Employment Contract. The terms and conditions are exactly the same as the 2011 Contract. Back in 2011, the City Commission voted that every year Mrs. Jackson would accrue one month of severance pay; in a six-year contract, which would mean Mrs. Jackson has six months of severance pay in the new contract moving forward. This is the only significant change. The other suggestion that we did not have in the previous contract; there was no clause in the Contract pertaining to salary, other than the initial starting salary. In 2015, City Commission voted that she get a \$4,000 increase. An alternate method of providing for salary increase during the contract period would be a percentage each year, suggesting 2%. If we go with a stipulated amount every year by percentage, we will basically be in the same place as what we did by giving her \$4,000 in March 2015. This is something we can budget for moving forward.

City Manager Jackson clarified that every two years of employment with Polk City, she would obtain one additional month of severance pay until it built up to six months. This is permissible by State Law.

Commissioner Kimsey said we cannot decide in this workshop, but the City Commission can discuss.

Mayor LaCascia reiterated we cannot renew the contract tonight.

Commissioner Blethen mentioned two items: 1) a two-year contract, we need to have a good response on items completed or moving forward with specific projects, 2) City Manager would need to reside in Polk City.

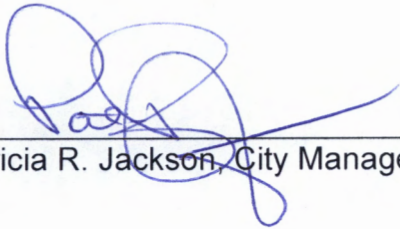
Mayor LaCascia stated Polk City's Charter does not mandate the City Manager lives in Polk City.

Vice Mayor Harris expressed frustration regarding the issue of the City Manager's residency.

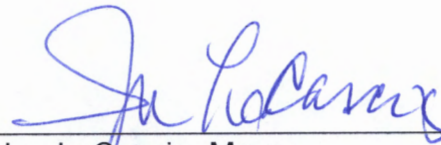
After lengthy discussion, Mayor LaCascia suggested placing this item on the Regular Meeting Agenda for next month, giving Mrs. Jackson time to explore all of her options and look for employment elsewhere, based on the conditions if she is not satisfied with the options presented in the contract.

**ANNOUNCEMENTS** - None

**Adjournment** – 9:00 pm



Patricia R. Jackson, City Manager



Joe LaCascia, Mayor