

JOURNAL OF SPECIAL COMMISSION PROCEEDINGS

Virtual Meeting by Zoom

September 7, 2021

Special City Commission Meeting

Mayor Kelly presiding

CALL TO ORDER: 4:15 PM

Due to the COVID-19 health concerns, the format of the Special City Commission Meeting was held in a virtual video-conferencing environment.

ROLL CALL/STAFF INTRODUCTIONS: City Commission members participated electronically via Zoom: Bob Kelly, Tracy Houck, Mary Sheehy Moe, Owen Robinson and Rick Tryon. City Staff participating electronically were: City Manager Greg Doyon and Human Resources Director Gaye McInerney. Deputy City Clerk Darcy Dea was present in the Commission Chambers.

To honor the Right of Participation and the Right to Know (Article II, Sections 8 and 9 of the Montana Constitution), modifications have also been made for public participation.

To attend and participate in the virtual meeting utilizing Zoom, attendees must register in advance for the Commission Meeting at: https://us02web.zoom.us/webinar/register/WN_EcJz4cq7QRmCSK2vFXoliQ

For all other participation options, Please see **Public Participation Guide for City Commission Meetings**.

PETITIONS AND COMMUNICATIONS

None.

NEW BUSINESS

1. **REVIEW OF CITY MANAGER'S EMPLOYMENT AGREEMENT, SECTION B. SALARY.**

Mayor Kelly stated that this special meeting is to discuss the City Manager's Employment Agreement, Section B. Salary. Manager Doyon is completing year one of a three-year contract that expires on March 24, 2023. The City Manager's annual performance evaluation was at a Special Commission Meeting on February 25, 2021. Mayor Kelly reiterated that at the February 25th meeting, Manager Doyon had indicated that in light of City budget concerns (related to COVID-19 expenses and potential legislative actions), he deferred any conversation about a merit increase until the full budget situation was known by its adoption in July 2021. Currently, Manager Doyon's annual salary is \$161,569, a car allowance of \$450 per month, 30 vacation days per year and the City contributes 12 percent of his salary to a Deferred Compensation program. Salary considerations during the contract term are considered annually based on merit and market adjustment.

Human Resources Director Gaye McInerney reported that City Managers, Chief Administrative Officers or Elected City Executives base annual wages in other Cities include:

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1. Billings - \$194,584 with a two-year contract
2. Missoula - \$155,000
3. Great Falls - \$161,569
4. Bozeman - \$193,000 with a \$2,000 monthly housing supplement and a two-year contract
5. Helena - \$170,000 with a two-year contract
6. Kalispell - \$139,568 with a two-year contract
7. Butte - \$115,465

Director McInerney explained that car allowances and contributions to a Deferred Compensation program vary, vacation accrual levels and salary considerations are performance based. She discussed how unions versus non-unions creates compression, as well as the cost-of-living adjustment (COLA) for the collective bargaining groups for this year was 3 to 4.5 percent.

Mayor Kelly commented that consideration for deciding a City Manager's salary include the market, compression and determining a fair wage. Mayor Kelly stated that Manager Doyon is a professional who manages over 500 full time employees, a \$125 million budget and exceeds the Commission's expectations.

Mayor Kelly recommended adding 2.5 percent to Manager Doyon's current salary of \$161,569, which equates to a base annual wage of \$165,608, retroactively effective March 24, 2021. He suggested an additional salary increase and deferred compensation could be considered next fiscal year if warranted.

Commissioner Robinson commented that he did not have a recommendation with regard to an amount for an increase; however, Mayor Kelly's recommendation was too low given Manager Doyon's favorable review, comparison to other cities and the efforts he makes to the community. He suggested that his salary increase should be higher than \$165,608.

Commissioner Houck concurred with Commissioner Robinson that a 2.5 percent increase is too low. She recommended a five percent increase based on Manager Doyon's review, his efforts with regard to COVID-19, as well as general fund savings.

Mayor Kelly commented that Manager Doyon's contract is not being renewed tonight and that a five percent increase is too much in one year.

Commissioner Moe expressed concern with regard to finding a quantitative way justifying a merit adjustment. She concurred with Mayor Kelly's recommendation of \$165,608 and added that a 2.5 percent increase is cognizant with regard to the current economic environment of the City.

Commissioner Tryon concurred with Commissioner Moe's comments and Mayor Kelly's recommendation of \$165,608 and that the amount could be increased incrementally at the next

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contract period. He commented that the City continues to struggle economically from COVID-19 and that the Commission needs to consider public perception. The Commission has consistently increased Manager Doyon's salary since he started with the City.

Manager Doyon commented that his salary increase is a Commission decision based on merit or market adjustment and that anything advanced would be appreciated.

Human Resources Director McInerney suggested considering the current Consumer Price Index (CPI), which is above five percent, as well as social security, which is estimated to be 6.2 percent as of January.

Mayor Kelly responded that he would like to have a full year to evaluate the pandemic after having the vaccine and that public perception needs to be considered.

Commissioner Houck commented that she appreciates the Commission's concerns; however, she requested that the Commission consider the education and responsibility that goes along with being the City Manager.

Commissioner Robinson added that employees stay longer if their efforts are appreciated and showing appreciation is extremely important. He further added that a 2.5 percent increase does not show the Commission's appreciation for Manager Doyon's performance. He stated that Manager Doyon would be a hard person to replace.

After further discussion, Mayor Kelly recommended to increase City Manager Doyon's annual salary to \$166,000 retroactively effective March 24, 2021 with an opportunity to increase the amount within the three-year contract period.

Commissioner Moe expressed concern with regard to proper notice of the specific amount of City Manager Doyon's annual salary increase.

Mayor Kelly requested that City staff look into Commissioner Moe's concern; however, he recommended moving forward with increasing Manager Doyon's annual salary to \$166,000, subject to public input.

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ADJOURNMENT

There being no further business to come before the Commission, **Mayor Kelly adjourned the special meeting of September 7, 2021, at 4:57 PM.**

Motion carried 5-0.

Mayor Bob Kelly

Deputy City Clerk Darcy Dea

Minutes Approved: September 21, 2021