

This is from the October 16, 2017 Council Meeting

Mayor Perry did not attend this meeting. Mayor Pro Tem Whalen ran the meeting.

#### E. Health Benefits for Mayor

Councilmember Boyle explained his purpose being requesting that this item be reconsidered. It was postponed on the reasoning that it be postponed until the budget season. He realized two things after getting home – that the agenda bill is from the City Attorney as opposed to the Finance Director, and that the agenda bill said clearly that the matter should be discussed separately from the budget discussions.

City Attorney Cameron explained that, when Mayor Pro Tem Whalen first brought this forward, his research with the state auditor indicated that it should have been separate motion.

A period of silence was allowed for the review of packet materials.

Councilmember Johnson:

- Asked about AWC – did they require proof of council action? City Attorney answered no.
- Referred to a Sept 2016 email to staff asking why the salaries were down while benefits were up – the answer of allocations was correct because the benefits were already in there from the previous year. The 2012 budget included an asterisk indicating further allocations. There's no way with the 2016-2017 documentation to understand the inclusion of these benefits.
- Oct 2012, citizens said no, and council wisely also said no – there's been no discussion on this since then.
- In 2015, why weren't the benefits offered to councilmembers?

Councilmember Tompkins:

- Referred to handout memo from Attorney Cameron, pointing out lack of violations – in talking with a lot of citizens and hearing lots of rumors – as well as hearing everywhere in society that everyone should have insurance – she would like to see a salary commission. This is a hot topic – how do any of us know what someone was thinking or what advice was given – we need to move forward.

Mayor Pro Tem Whalen:

- 2012 – process was put forth to city council in packet format – mayor is not entitled on her own to give herself benefits – the mayor’s position is a part-time job, and isn’t open to making it a full-time job
- Referred to AWC comparison sheet where Milton is listed as providing Mayoral benefits at 90%
- This has been put forward as a political item – I found out early September – two weeks of investigation showed that this had taken place
- Referred to the 11x17 allocation sheet in the packet – explained the place-holder showing 40% – actual cost is 120% of the Mayor’s salary
- It was a purposeful action – need to forbid the inclusion of benefits for the Mayor in the 2018 budget

Councilmember Morton:

- In 2016 budget, has notes in his budget documents asking the question about why benefits were higher – notes indicate the answer was due to allocations – told that often, because that has been a real and positive change in how the city is now keeping track
- Another question he’s had for a long time – why the percentage of wages for benefits? And why 40%?
- In 2012, he was one of the ones that brought it forward, because he needed benefits – only wanted to be able to buy into the plan – blown out of proportion at the time and said never mind after excessive public comment.
- Can this be cancelled at any time?

Councilmember Boyle:

- Referred to the AWC contract – dated 12/23/2015 – benefits terminate the 1<sup>st</sup> of the month following termination

Speaker	Comments
Sandy Hockett	<p>Prior to this, talking about Pete Lewis – didn’t hear anyone say anything about the past is the past – disappointed to hear that from a councilmember</p> <p>Sounds like a deception to me – if it’s a fact that the mayor received benefits without council approval, she should pay back funds</p> <p>Talking to a lot of people and reading social media – has not heard one person say they want to take insurance away from the mayor or her family – it’s not about that – it’s how this came about</p>
Heather Popp	<p>Disappointed to see an eye-roll from a councilmember</p> <p>In the answers to the answer to Richard Cosner’s question #2, wondering if it is accurate and, if it is, were the councilmembers aware of the cost to the city</p> <p>Mayor taking benefits without council’s explicit knowledge was wrong – can’t see benefits in the budgets</p>
Cheryl Reid-Simons	<p>Councilmember Tompkins is just trying to be nice at a time when a stand needs to be made</p> <p>Nothing that is more damning than the mayor’s own words, admitting that she did this</p>

	<p>Legally you can't get the money back – but Council can censure the Mayor – it's not impeachment – where do you stand, Council?</p>
<p>Frank Hunter McDonald</p>	<p>In addition to being a citizen, identified as a personal attorney to Mayor Perry</p> <p>Referred to memo where the city attorney stated no one has identified fraud or illegality in the provision of insurance benefits to the Mayor</p> <p>As a citizen – council needs to ask itself questions:</p> <ul style="list-style-type: none"> <li>• Was the advice that Ogden Murphy Wallace made to Mayor Pro Tem Whalen given in executive session?</li> <li>• Ask the senior staff who were involved if they came to the conclusion that the ACA required coverage separately from the Mayor.</li> <li>• Why does council only approve health benefits for the mayor by separate action and not for any other employee?</li> <li>• Mayor makes 1/6<sup>th</sup> of what the city attorney makes – does she not on some level deserve insurance?</li> </ul> <p>Council is trying to take the Mayor's insurance away – it is not honest to call it only a legal issue – you are making it a political issue.</p>
<p>Jacki Strader</p>	<p>When preparing comments, started to crunch numbers vs other cities – only 53 out of 251 cities provide benefits</p> <p>This isn't about health benefits – this is about an elected official gaming the system – used loopholes in processes</p> <p>Needs to be investigated by outside agency – she raised her own salary, and that's just wrong</p>
<p>Anita Bailey</p>	<p>Some things happened as they shouldn't have happened – question is – other than Councilmember Johnson and Mayor Pro Tem Whalen, why hasn't council been asking questions about this?</p> <p>What the heck is going to be done so it doesn't happen again?</p>
<p>Richard Cosner</p>	<p>Not saying the mayor shouldn't get benefits – what is in question is how they were obtained, and who determined the percentage she received</p> <p>Council should stop all benefits now while looking into the matter more thoroughly</p> <p>AWC labor-relations workshop was for employee benefits, not elected officials</p> <p>The answer to one question indicates the benefits were approved with budget ordinances, but it did not list who was in the package</p> <p>Single vs family rate hasn't been answered yet</p> <p>Isn't the 10% premium pay only for full-time, 40-hour/week employees? What is the mayor reporting on her time card?</p>
<p>Paul Southard</p>	<p>Retired longshoreman – union has killer medical benefits – really strict rules</p> <p>Finds it offensive that someone went behind the back of council to obtain benefits</p>

Stephanie Reid-Simons	<p>Referring to comments of rumors – people have disagreed in a very civil manner – it's not a rumor – the mayor sat right here and said this happened</p> <p>This isn't about health benefits – it's about how it came about</p>
Charlie Scherling	<p>Point out that, if this were a case in a normal employment situation, this would be theft, with immediate suspension and investigation – if there's significant reason to believe that this occurred, that's what would happen</p>
Jacquelyn Whalen	<p>People are suddenly waking up – impressed with the civil discourse – it is about how this happened – this is truly sad that the 2012 procedure wasn't followed</p> <p>Referred to the mayor's comments, "it was advised to me that it was one of my benefits to take and it didn't require council action" – was troubled so much about council's postponement 10/2 – proud that council voted to reconsider – can't maintain transparency in a conspiracy of silence</p> <p>Nine words in closing – "Truth and transparency delayed and denied is democracy destroyed."</p>
Jim Heddlesten	<p>Appearance of impropriety – elected officials are held to a higher standard – if it looks wrong, even if it's right but conceived to be wrong, it is wrong – it has to look right – this doesn't pass the smell check</p> <p>Conversation with the mayor years ago – 100% convinced that she knows the difference between an employee and an elected official – improper for her to take paid health benefits</p> <p>Council as elected officials should take appropriate steps</p>
Written Comment – This was submitted by Mayor Perry to be read aloud at this portion of the meeting in her absence – Chair and Clerk forgot to do so – the full written statement is available upon request	<p>A review of occurrences surrounding this issue, including:</p> <ul style="list-style-type: none"> <li>• the 2012 Council study meeting when no action was taken by Council;</li> <li>• the changes that had occurred by the time of the 2015 change to the benefits contract;</li> <li>• the fact that the funding for Mayoral benefits were in the 2016 and 2017 budgets;</li> <li>• the fact that the state auditor's office and the Attorney General's office has ruled no wrongdoing was done;</li> <li>• she questions the timing – why is this now being discussed?</li> </ul>

Mayor Pro Tem Whalen asked for direction from Council.

Councilmember Boyle:

- Benefits should be dropped
- Benefits should not be added to 2018 budget ordinance
- Create salary commission

Councilmember Morton:

- Benefits should be dropped immediately
- Council approval would have been the appropriate method

**COUNCILMEMBER MORTON MOVED**, seconded by Councilmember Johnson, to withdraw health benefits for the mayor's position as of the end of October if possible, and to exclude benefits for the Mayor in the 2018 budget.

Councilmember Hutson:

- Commends the audience – social media has been one thing, but tonight shows good civil discourse
- Disagrees with comment that council hasn't checked this thoroughly – it has been
- Disagrees with some things tonight, such as limiting the mayor's position to a part time job. How can any mayor run this city on 20 hours/week – not logical.
- And, going forward, how can any town offer \$1,500 and no benefits? Talking about a role, not an individual

Councilmember Johnson:

- Not opposed to benefits, but the city can only handle so much financially
- Elected officials do not have the same rights as an employee
- It is something to consider with a salary commission
- This is a transparency issue – council should have been part of the process

Councilmember Ott:

- Most upset that the citizens knew more than Council – not sure how it got out, but disappointed that council didn't know
- No violation of any statutes or constitutional provisions, per the words of one of the assistant attorney generals

**The motion was voted on and passed 7/0.**