

## MEETING REPORT

DATE OF MEETING: August 21, 1979

GROUP/SUBJECT: Ways and Means Committee

PERSONS ATTENDING: Couns. Kirkpatrick, Burton, Stuhr

Staff: Denton Kent, Charlie Shell, Paul Breed

MEDIA: None

### SUMMARY:

Chairman Corky Kirkpatrick called the meeting to order at 5:10 p.m. and opened discussion on contract and grant procedures. Coun. Burton questioned the Council policy requiring review of contracts over \$2,500. Mr. Shell explained the procedures were to be the continuing guidelines for the staff and that any Council policy would supersede the Rules. Coun. Burton recommended that an amendment to the procedures be written stating the Council policy on contract review which could be voided if and when the Council changed the policy.

Coun. Burton raised a question about how the Council's role in contract reviews would be stated when MSD became its own contract review board. Mr. Paul Breed explained that the Council would adopt its own rules at that time.

Mr. Shell explained that the grant procedures were established to coordinate the administration of grant applications. The key time for Council review of grant programs would be in the budget process. The grant review procedures would insure that actual grant applications were consistent with the budget.

Coun. Stuhr stated that she would be interested in reviewing the impact statements which were a required part of the grant process. Mr. Denton Kent stated that these statements could be made available to the Council.

Mr. Shell noted that the contract and grant procedures were brought to the Committee for review and comment and that no specific action was requested.

Coun. Kirkpatrick then proceeded to a discussion of the pay and classification plan. Mr. Shell stated that the plan had been distributed to all staff members. In response to questions from the Council, Mr. Shell stated that, while the plan had not received a strong endorsement from the staff, specific dissatisfaction was limited to relatively few positions. Mr. Kent noted that the employees were supportive of the proposed cost of living increase.

Since the Employees Committee had not been notified that this item was on the agenda Coun. Kirkpatrick suggested that Coun. Burton be aware that employees might want to appear before the Council to express their views at the August 23 meeting.

The Committee noted that the impact of the plan would be to considerably reduce the contingency in the Planning and General Funds. Mr. Kent noted that, while there would be less than \$8,000 remaining in the Planning Fund contingency, MSD would receive an additional \$29,000 in unanticipated revenues in this fund which would help increase the fund balance. Mr. Shell noted that ending fund balances for FY 1979 would be available at the end of September.

The Committee voted to recommend approval of the Plan.

Coun. Kirkpatrick introduced a memorandum she had prepared suggesting guidelines on allowable Council expense. She recommended that guidelines for Councilors be reasonably consistent with the guidelines established for employees.

The main issues discussed were what type of expenses should be absorbed as part of the per diem allowance and which items should be included in expenses. Coun. Kirkpatrick stated that in her opinion the per diem should include personal expenses such as babysitting, membership in community organizations, subscriptions and special supplies. The \$1,500 allowance for expenses should cover the actual cost a Councilor incurs in the course of serving in the position.

Coun. Stuhr stated that she felt dues for community organizations should be included in Council expenses. She noted that there were three Chamber of Commerce organizations in her district which she felt obligated to join.

Mr. Kent explained that MSD will pay the membership for one professional organization for employees.

Coun. Kirkpatrick suggested that a similar guideline be adopted establishing either payment for one organization or a dollar limit.

The Committee agreed to recommend a \$100.00 limit.

Coun. Stuhr stated that cost of such items as babysitting and cleaning should not be an allowable expense, but would be absorbed as part of the per diem. This view was supported by Coun. Burton.

Coun. Kirkpatrick stated her view that Councilors newsletters should not be an allowable expense but if there were not support for this position, she would recommend guidelines similar to those used by State Legislators. These guidelines prohibit the distribution of newsletters two months before an election in which the legislator is a candidate. This view was supported by the Committee members.

Coun. Burton requested that the staff draft a report based on the Committee discussion which would recommend a policy on the use of per diem and guidelines for Council expenses.

Coun. Kirkpatrick discussed a report she was preparing on the Council retreat, as had been recommended by the consultant.

The Committee then reviewed a draft of a Charge to the MSD Task Force on Long-term Financing. Coun. Kirkpatrick stated that the charge should be very specific in explaining the Council's expectations. She did not want the Council to be in the position of having to deal with a report prepared by a highly influential Committee which the Council was not prepared to respond to. The charge would limit the role of the Task Force to providing recommendations on replacing the dues assessment and the serial levy and providing a list of issues on the long-term development of MSD for further Council consideration.

The Committee suggested that revisions to the proposed draft be discussed at a September 4 Ways and Means Committee meeting.

Mr. Shell introduced a request for exemption of two positions from the hiring freeze and asked for a Committee position on exemptions for predominantly grant funded positions. After Committee discussion, Coun. Burton stated that he would be prepared to introduce a resolution exempting fully grant funded positions and positions requiring no more than \$1,000 annually in local match funds.

REPORT WRITTEN BY: Charlie Shell

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