

January 19, 2016

COMMITTEE MEETING MINUTES
Personnel, Finance & Audit Committee
January 19, 2016

The Committee meeting was called to order at 5:30 p.m. by Chairman Chris Schmit. Upon roll call vote, the following Committee members were present: Ellen Beck and Barb Pike. Other officials present throughout the meeting were: Mayor Joshua Eickmeier, City Administrator Bruce Smith, and Assistant Administrator/Clerk-Treasurer/Budget & HR Director Bonnie Otte recording the proceedings. Absent: Dick Hans.

Chairman Schmit stated notice of the meeting was given in advance by posting at: City Hall, Seward County Courthouse, Municipal Building, and Seward Public Library. The certificate of posting notice is attached to these minutes. Notice of this meeting was simultaneously given in advance to the Mayor and all members of the Committee. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

1. MINUTES FROM NOVEMBER 4, 2015

Committee Member Pike moved, seconded by Committee Member Beck, that the minutes of the November 4, 2015 Personnel, Finance & Audit Committee be approved.

Aye: Beck, Pike, Schmit
Nay: None
Absent: Hans

2. DISCUSS ACCOUNTANT POSITION AND JOB DESCRIPTION

City Administrator Smith stated that after reviewing the capabilities of the City's current bookkeeping software and reporting capabilities, he is requesting approval for advertising for a City Accountant position. He stated Ryan Burger (City Auditor) is still supportive of the position and the position is included in the current budget. The pay range has been approved at \$45,900 to \$54,096.

The Committee reviewed a revised job description and in support of City Administrator Smith's request, added back in a preference of municipal government experience.

Committee Member Beck moved, seconded by Committee Member Pike, that a recommendation be made to the City Council for approval of the job description for the Accounting Assistant/Budget Administrator, as revised and recommend advertising for the position.

Aye: Beck, Pike, Schmit
Nay: None
Absent: Hans

3. DISCUSS GENERAL EMPLOYEE RETIREMENT PLAN VESTING SCHEDULE AND CONTRIBUTION PERCENTAGE

City Administrator Smith stated that in 2012, the Police pension vesting schedule was changed, per state statute, from a 10-year schedule to 7 years. The General Employees' pension vesting schedule was already at 7 years; however, the General Employees' vesting schedule is at a slower rate

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than that of the Police Plan and he suggested it mimic that of the Police Plan. Mr. Smith also stated that the Police Plan has a statutorily determined contribution rate of 7% with a City mandated match of 7%. The General Employee plan is at a City-mandated participation of 6% with a City match of 6% and he asked for consideration that the General Employee Plan be increased to 7%.

After some discussion, there was consensus to mimic the Police Plan's vesting schedule; to investigate the potential of changing the General Employees' Plan to allow for earlier full vesting, possibly at 5 years; to increase the City's contribution to the General Employees' Plan to a maximum of 7%, but to allow the employees in the General Employees' Plan to contribute at a lower minimum rate of possibly 2% and to allow the employees to enter or exit the plan other than upon hire (current plan does not allow).

No formal recommendation was made.

4. DISCUSS WAGE AND BENEFIT COMPARABILITY STUDY

City Administrator Smith stated that there was discussion at the November 4 meeting regarding providing the employees with a cost-of-living adjustment and at that time, there was no support for the increase. He requested the City consider hiring a consultant for a comparability study, which has not been completed by a consultant since 2012. He stated he would like to hire Paul Essman of Capital City Concepts to complete the study as he has completed the study for the City for several years.

After some discussion, the Committee thought it would be best to prepare an RFP and advertise for the consulting services.

Committee Member Schmit moved, seconded by Committee Member Pike to recommend to the City Council that a Request for Proposals for a comparability study be prepared and advertised.

Aye: Beck, Pike, Schmit
Nay: None
Absent: Hans

Street/Transportation and Recycling Superintendent Mel Aldrich addressed the Committee stating that the City's history is providing for a comparability increase effective December 1 of each year. He asked if this comparability study is completed, if it would be retroactive to December 1, 2015.

There was some additional discussion about comparability and cost of living increases and why governmental entities are set up with a pay system that allows for step increases and comparability, which allows for more transparency. There was additional discussion of devising a plan for providing annual cost-of-living increases, with that number tied to some index. The Committee relayed that the comparability study would more likely be used for the next budget year with no adjustments made retroactive to December 1, 2015. However, the City Council would have to make that determination.

Committee Member Beck moved that a recommendation be made to the City Council for a 2% cost-of-living increase. Hearing no second, the motion failed.

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City Administrator Smith stated he would work on developing a proposal tying an annual cost of living increase to some index to present at a future meeting.

5. MOTION TO ADJOURN

Committee Member Pike moved, seconded by Committee Member Beck to adjourn the 1-19-16 meeting of the Personnel, Finance & Audit Committee.

Aye: Beck, Pike, Schmit

Nay: None

Absent: Hans