

Budget and Finance Committee Meeting

Minutes

January 16, 2019

5:00 PM

Present: Janet Sergent, Bryan Gartner, Tami Christensen

Absent: None

Visitors: Mayor Norby, Clerk/Treasurer Redfield, PWD Hintz, Deputy Clerk/Treasurer BreeAnn Messer, Kevin Bast, Jeff Mead

The Budget and Finance Committee met to discuss the use of City Vehicles by employees after hours, as requested by C/T Redfield at the City Council Meeting. C/T Redfield stated that it was brought to her attention the end of December beginning of January via the Clerk's Listserv e-mail that if employees are taking city vehicles home, they should be being charged fringe benefits for them. She stated that the reason for charging the employee taxes on these fringe benefits, is for the employee. She explained that as of right now, that benefit is not being tracked for unemployment or workers comp purposes for those employees, but by doing this, that benefit will be added.

C/T Redfield provided the Budget and Finance Committee with the employee handbook policy 5.5 use of vehicles and equipment. She stated that the current policy does not mention anything about no personal use of vehicles, and basically only states that Department Heads will decide who will be able to take the vehicles home, and so it is in desperate need of review and revision anyway.

C/T Redfield provided the Budget and Finance Committee with a handout from the IRS website pertaining to fringe benefits, specifically use of company vehicles and the ways to charge for those fringe benefits. C/T Redfield reviewed those ways which included the lease rule, mileage rule, and the commuting rule. C/T Redfield stated that from her review she believes that under the lease rule and the mileage rule, extremely detailed records of any personal use of the City vehicles will need to be kept by the employees. She stated that under the commuting rule, de-minimis personal use, or limited personal use, is allowed, and the employee is charged \$1.50 each way, per day, for travel to and from work. She stated that the logs kept would then be less labor intensive. She further stated that under the commuting rule, this would cost the employee in additional taxes and benefits a negligent amount of approximately \$60-\$90 a year. C/T Redfield stated that no matter what the Committee recommends, the current vehicle and equipment policy needs to be reviewed and updated, and asked PWD Hintz to explain to the Budget and Finance Committee who all takes vehicles home and why they do.

PWD Hintz stated that currently Waste Water Superintendent Kevin Bast, Parks Superintendent Stephanie Ridl, Shop Foreman Bob Harris, Street's Superintendent Chris Volk, himself, and Water Operator Brian Tiesen, who had authorization the last time he worked at the City but has not had authorization this time. Mayor Norby added that he authorized Utilities Manager Greg Anderson. PWD Hintz stated that taking a vehicle home has been part of some of the employee's hire package, and that because positions are called out in the middle of the night or on weekends it would cause a great inconvenience if they do not have these vehicles with tools available, causing response times on calls to go up 20 minutes. PWD Hintz stated that he further does storm duty where additional staff is given a City vehicle when storms are imminent to go out and clean up when it is their turn. C/T Redfield asked how often after hours calls are made, and PWD Hintz responded at least 6 times a month depending on the season for the entire Public Works, and that the Water Department was just called out early Monday morning for a waterline issue.

PWD Hintz stated that the City employees are engaged in the community and jobs and want to be out helping when they are needed, and that he does not feel that anyone is taking vehicles home that do not deserve it. Mayor Norby stated that he had a discussion with Parks Superintendent Ridl and that she has no issue not taking her vehicle home during the winter, but in the summer it is imperative that she has a vehicle available for irrigation, setting parks up, bathrooms etc.

Waste Water Superintendent Bast stated that it is only supervisors that are taking vehicles home, with the exception of Brian Tiesen but that is because he is the only person in the Water Department who lives in town. He further stated that the supervisors are in charge of a lot of things and are cross trained to assist in other departments if it is needed. He added that in many situations, City employees get called out for what end up not being emergencies and do not take very much time so they do not write down the time on their time cards, but if they do not have a vehicle available and it takes an additional 20 to 30 minutes on the call they will start writing that time down. Waste Water Superintendent Bast stated that response times are critical, on a sewer call 20 minutes may be the difference of a small puddle in someone's basement and a huge sewer back-up that could cost the City.

Alderwoman Christensen stated that she agreed that certain City employees need to have City vehicles available at home for response times, but that they need to make the policy reflect this appropriately. C/T Redfield stated that although she recommends the commuting rule, as it is best option for the employee, she does not know if that needs to be outlined in the policy, as that might change. She stated that it is her recommendation that the Budget and Finance Committee recommend to the City Council to have the City Attorney review the current employee policy and fringe benefits, and make the appropriate changes needed.

Alderwoman Christensen made the motion to recommend to the City Council to have City Attorney Kalil review the employee policy on use of vehicles and equipment and the fringe benefits, and amend the employee policy, and Alderman Gartner seconded that motion. In discussion, Mayor Norby asked what should be done in situation such as Mr. Anderson where Mayor Norby authorized his use, but PWD Hintz did not. C/T Redfield stated that the policy needs to include changes such as the Executive, or Mayor, should have oversight as to who is taking vehicles home, for checks and balances, disciplinary actions if the personal use is abused, adding in de-minimis personal use and so forth, and those are the changes she had previously discussed that needed to be done regardless. With no further discussion, all present voted aye.

Meeting was adjourned at 5:55 pm.

Jessica Redfield, City Clerk

Janet Sergent, Committee Chair