

# Budget and Finance Committee Meeting

## Minutes

May 4th, 2020

5:30 PM

Due to the current COVID-19/Coronavirus pandemic, the May 4<sup>th</sup>, 2020 Budget and Finance Committee will be open to the public via phone conference only. The public is invited to participate in the meeting by calling **1 (872) 240-3212, access code 478-669-989.**

**Rules of the Meeting:** Committee Chair Sergent will take roll call at the beginning of the meeting, if you join after this has happened please announce you are present for official minutes. Chair Sergent will call for public comment, then Council member comment, then ask for a motion on each agenda item. Please announce your name prior to making comment, do not speak over or at the same time as others, and keep your phone on mute when not making comment.

Present: Janet Sergent, Tami Christensen, Bryan Gartner

Absent: None

Visitors:

Mayor Norby, Clerk/Treasurer Redfield, PWD Hintz, Chief Kraft, BI/FM Kale Rasmussen, Larry Christensen, Adam Smith

- 1. Fire Truck Rehab-updated estimate:** City Clerk/Treasurer Chamberlin stated the Police and Fire Committee met on January 13<sup>th</sup>, 2020 and reviewed the estimate for the rehabbing of the Pierce Pumper Firetruck. She stated the estimate at that time was \$124,000 and the City Council approved doing the rehab of the pumper to get another 10-20 years out of it instead of spending \$520,000 for a new one. She stated that since then the Fire Department have been working on getting the accurate estimate and it has now increased to \$165,621, which includes a 10% discount for prepayment. Fire Chief Christensen stated he believes moving forward with the rehab makes the most sense, and Fire Marshal/Building Inspector Rasmussen stated they were just told a new pumper similar is now \$560,000. Motion was made to recommend approval of the new estimate for the rehab of the Pierce Pumper Firetruck by Alderman Gartner and Alderwoman Christensen seconded the motion. In discussion, Mr. Smith asked to allow a 5% contingency above the estimate for things that might come up during the rehab. Alderman Gartner amended his motion to include the 5% contingency and Alderwoman Christensen seconded the amended motion. With no further discussion, all present voted aye.
- 2. O'Brien Property Purchase:** PWD Hintz presented the Budget and Finance Committee with the appraisal for the property located at Lot 12, Block 19, Sidney Original Townsite. He stated the appraisal give an estimated property value of \$65,000 and that the property will be used as a parking lot. He stated that the sidewalks need to be updated and the lot needs to be concreted for parking, which will cost \$5-6,000 in supply cost, with the City Public Works crew doing the labor. Mayor Norby suggested offering them \$55,000 with the actual cost of the work needed to be done by anyone else being substantially higher than \$6,000. He stated he would suggest the Committee allow a cap amount for PWD Hintz to negotiate of \$60,000. Motion was made to recommend approval of PWD Hintz offering the O'Brien's \$55,000, with a cap of \$60,000 in negotiations by Alderwoman Christensen and Alderman Gartner seconded. With no further discussion, all present voted aye.
- 3. Fiscal Year 2020-2021 Payroll:**
  - a. Health Insurance Increase of 8%:** City Clerk/Treasurer Chamberlin stated the MMIA Health Insurance has increased by 8% this year, and showed the breakdown of that increase should it be applied to the employee or the employers cost.

- b. New Longevity Policy:** City Clerk/Treasurer Chamberlin stated the longevity policy has been needed to be updated for a long time, and that Chief Kraft has drafted a new policy. She explained the current longevity policy and the new longevity policy. Chief Kraft stated the state code for the Sheriff Department Longevity is 1% of their base pay times the number of years they have, which he knew the City could not afford to do, so after doing calculations he came up with  $\frac{1}{4}$  of 1%. City Clerk/Treasurer Chamberlin stated she is recommending approval of the new policy, but that a cap should be put in place for it. Alderwoman Christensen stated with looking at the new longevity amounts, she feels a cap of \$4,000 would be best, which was the general consensus of the Budget and Finance Committee.
- c. Cost of Living Increase and Bonus:** City Clerk/Treasurer Chamberlin stated that with the current economic standing and the unknown of revenues for the next fiscal year, she is recommending no COLA this fiscal year. She further stated with the proposed new longevity policy, she is not recommending a bonus this fiscal year.
- d. Police Pay Scale and Incentive Pays:** Clerk/Treasurer Chamberlin stated a pay scale for the Police Department is something she has been wanting to see implemented for a while, and she presented the proposed pay scale as created by Chief Kraft. Chief Kraft stated that with other competing agencies across the state, one way to attempt to compete with other benefits provided is to do the incentive pay presented. Chief Kraft reviewed the incentive pay with the Budget and Finance Committee. He stated that overall this would show the officers that the City is trying, even though we cannot match other communities, and that could assist with the retention issues we have been having for the last 10 years or so.
- e. Overall Payroll Information:** City Clerk/Treasurer Chamberlin stated that the workers comp rate has gone down, with no increases in payroll liabilities except for the health insurance. She stated the eye, dental, and life insurance rates with MMIA did not see an increase.

City Clerk/Treasurer Chamberlin made the recommendation to the Budget and Finance to approve the City of Sidney paying for the 8% health insurance increase, the new longevity policy, no COLA or bonus and the police pay scale and incentive pays. Alderwoman Christensen made a motion to recommend approval the fiscal year 2020-2021 payroll, as per the recommendations of City Clerk/Treasurer Chamberlin and Alderman Gartner seconded the motion. With no further discussion, all present voted aye.

Mayor Norby asked about the holiday bonus for the elected officials, as they do not get longevity pay. He stated that he recommends the City Council receiving this. Alderwoman Christensen made the motion to have Mayor Norby decide on holiday bonus for elected officials and Alderman Gartner seconded the motion. With no further discussion, all present voted aye.

Meeting was adjourned at 6:13 pm.

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Jessica Chamberlin, City Clerk

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Janet Sergent, Committee Chair