

-UNAPPROVED-

MINUTES  
PERSONNEL COMMITTEE MEETING  
February 21, 2023, at 12:45 p.m.

MEMBERS PRESENT: Steven Meister, Amanda Schroeder, and Craig Schafer

MEMBERS ABSENT: None

STAFF PRESENT: Sheila Dubs, Human Resource Manager; Sharon Hanson, City Administrator; E.J. Moberg, Director of Administrative Services; Laura Wing, Payroll and Benefits Specialist; Karla Drown, Finance Director; Trisha Stelter, MMU Human Resources/Payroll Coordinator; and Kevin Lee, MMU Finance Manager.

The meeting was called to order at 12:45 PM.

MOTION BY Schafer, SECONDED BY Schroeder to appoint Councilmember Meister as the Committee Chairperson. ALL VOTED IN FAVOR 2-0.

MOTION BY Schafer, SECONDED BY Schroeder to approve the Minutes of the November 7, 2022 meeting. ALL VOTED IN FAVOR 2-0.

Chairperson pro tem Schroeder requested Administrator Hanson, introduce the agenda item under consideration, Refined Community Services Organizational Structure.

Councilperson Meister arrived at 12:50 p.m.

Administrator Hanson gave a background to the change process of the Community Services structure. Since December 13, 2022 when the Council approved a reorganization, Hanson and Human Resources have been working on revised job descriptions for the Parks Superintendent and the Community Education Coordinator positions. Both positions have taken on additional responsibilities and supervisory duties, which were substantial enough to send to Gallagher for a re-evaluation of job ratings. The Committee reviewed the current and proposed DBM proposals and the history of the compensation study decisions. Hanson explained that positions with a DBM in the C ranges become FLSA exempt, which will impact the Community Education Coordinator position. Hanson also reviewed the new pay range proposals. Schafer commented on support of the FLSA exempt movement with the Community Education Coordinator position. Hanson noted that there will be a title change for the Parks Superintendent to Parks and Recreation Superintendent, not to a director title as formerly presented. Hanson further explained that in consultation with Gallagher, our compensation and job evaluation consultant, a director title and

DBM rating are not appropriate for this job description. The consultant also recommended that the Community Education Coordinator title remain the same; it will be noted in the job description, however, that this position is the City's designated Community Education Director. The Committee discussed and agreed on the titles of Parks and Recreation Superintendent and Community Education Coordinator.

Hanson reviewed the proposed organizational structure with amendments to the office support positions. Hanson reviewed the history and current utilization of the temporary office helper position. Hanson proposed to change that temporary position to a part-time permanent position, which would result in greater consistency with staffing and duties. Staff are seeking approval for a part-time position at 24 hours per week. At a future meeting, Staff will also be bringing forward a proposed realignment with the Administrative Assistant and existing full-time Office Assistant/Receptionist positions. Meister asked about the future workload for the office staff. Dubs responded that the work load is there. Schafer asked about benefit eligibility. Dubs responded that this part-time employee would not be benefit-eligible.

MOTION BY Schafer, SECONDED BY Schroeder to approve the refined Community Services Organizational Structure. ALL VOTED IN FAVOR 3-0.

MOTION BY Schafer, SECONDED BY Schroeder to approve the DBM structure and amended wage schedule. ALL VOTED IN FAVOR 3-0.

Chairperson Meister requested E.J. Moberg introduce the next agenda item under consideration, Workers Compensation Quote and Renewal.

Moberg reviewed the history of the quote process and dates. Staff had additional questions about the BITCO quote, so the City renewed with LMCIT, until the questions could be answered. Moberg reviewed the information in the committee packet. Moberg noted that the resolution for the appointment of the insurance agent notes that the City would be providing 6% of the annual premiums for property and 2% for worker's compensation. Moberg reviewed the questions Staff had regarding volunteer coverage, and the LMCIT to BITCO comparison summary sheet. Moberg stated that staff have received no response from our agent on several questions and potential gaps in coverage that were identified, and the question of effective date is unanswered at this time. Moberg identified that a single reference, the City of Monticello, was provided for staff to perform a reference check on BITCO services, which has been conducted. Staff have requested other governmental entity references, but have not received any references to date. The pricing information was reviewed. Moberg noted that the North Risk agent has indicated that the pricing quote is being re-reviewed at this time by BITCO. Moberg noted that the pricing information includes an agent commission of 7% to North Risk, not 2% as the resolution with LMCIT indicated.

Schafer asked if our City Attorney has reviewed this information. Moberg indicated that she has not been requested to do so. Schroeder stated that it makes us nervous that we're not getting the

answers we need to our questions. Moberg noted that the LMCIT has a clause that the City cannot return for a minimum of three years if we leave the LMCIT for worker's compensation coverage. The City also received a quote from MN Assigned Risk Pool, that number was lower than what we received from LMCIT. Schafer indicated that this savings is almost 2% of the levy, which is hard to walk away from that. Meister asked why the LMCIT can cut us out for three years. Moberg stated that the initial thought from staff is that this company is new to Minnesota public entities, and while we appreciate the savings, we are uncomfortable in taking on risks. Hanson indicated that we don't have a ton of workers compensation claims, and she indicated agreement with Councilmember Lozinski, that the BITCO quote is worthy of a look due to the pricing and number of claims we have. Stelter asked if LMCIT was contacted to review their pricing. Moberg indicated that he did contact them and there is no change in pricing. Schafer asked who reinsures BITCO. Moberg answered that staff have not requested this information. Schafer indicated support for moving to BITCO. Meister asked MMU staff present what they think. Lee stated that he understands the savings, but is concerned about being first. He stated that MMU has the ability to raise rates, as needed, but MMU has very little usage of workers compensation and no concerns with our current company. Lee stated that trying to get answers from North Risk about BITCO has been difficult and asked why our agent didn't conduct an RFP for five different companies to quote us. It was noted that North Risk is the agent for the City of Monticello, the only public entity in Minnesota that is currently working with BITCO. Meister indicated that we're talking huge money. If we used a lot of these things, we may have a germane argument. The most important thing is to keep employees safe and review safety practices with Supervisors. Schafer asked for clarification on the percent of premiums paid to LMCIT, exposure testing, and tort limits. Moberg explained that the City has 2.5 million in tort limits, which is more than the minimum required.

MOTION BY Schafer, SECONDED BY Schroeder to recommend BITCO as the provider for workers compensation insurance. ALL VOTED IN FAVOR 3-0.

Schroeder requested Staff provide the new pricing quote to the Committee from BITCO when that is received.

MOTION BY Schafer, SECONDED BY Meister to adjourn the meeting. Meeting adjourned at 1:40 PM. ALL VOTED IN FAVOR 3-0.

Respectfully Submitted,

Sheila Dubs  
Human Resource Manager