

LABOR RELATIONS/CITY COUNCIL PROCEEDINGS
CONFERENCE ROOM NO. 1
CITY OFFICE BUILDING
WILLMAR, MINNESOTA

April 27, 2016
4:45 p.m.

The meeting of the Labor Relations Committee/Willmar City Council was called to order at 4:45 p.m. in Conference Room No. 1 of the City Office Building by Vice Chair Shawn Mueske. Members present on a roll call were Mayor Marv Calvin, Council Members Ron Christianson, Andrew Plowman, Denis Anderson, Tim Johnson, Rick Fagerlie, Shawn Mueske, and Audrey Nelsen. Present 8, Absent 1. Council Member Steve Ahmann was excused from the meeting.

Also present were City Administrator Larry Kruse, City Clerk-Treasurer Kevin Halliday, Planning and Development Services Director Bruce Peterson, Finance Director Steve Okins, Fire Chief Frank Hanson, Public Works Director Sean Christensen, and Administrative Assistant Janell Sommers.

Item No. 1 Gary Manzer, the current Public Works Working Foreman who has been employed by the City for 32+ years requested to speak under Public Comment. He stated his concern for the possibility of the sun setting of the City's current Early Retirement Policy whereby the City offers full-time employees with 20 or more years of continuous employment and who are eligible to collect a pension from PERA one year of paid individual health insurance for every three years of service not to exceed \$430 per month until the years of service benefits are exhausted or the employee is Medicare eligible. He opined the huge impact this will have on the City and the poor timing and that the sun setting of this policy would take care of itself in due time as employees hired after 1989 would not be eligible. He asked the Council to take the impact this will have on employees into consideration when making this decision.

The gavel was turned over to Mayor Calvin at 4:48 p.m. and roll call was taken.

Item No. 2 City Administrator Larry Kruse presented a proposal for reorganization of the City's structure by establishing the position of Administrative Services Director and revising the job description of the City Clerk both to be filled by July 1, 2016. This will allow for overlap of the new City Clerk and City Clerk-Treasurer Halliday would perform the duties of Treasurer while mentoring the new Clerk through September 15th. Upon his retirement the Treasurer duties will be transferred to the Finance Director. The Administrative Services Director position is a new position developed by taking the duties of a Human Resources Director, some duties from the present City Clerk-Treasurer job description and combining them with administrative functions to provide oversight over all internal operations.

The Council reviewed the organizational charts and financial considerations. Council Member Christianson stated he would like the City to consider sharing a Human Resources position with either the Willmar Municipal Utilities or Rice Memorial Hospital. Council Member Anderson overviewed the financial considerations. The Human Resources position and the organizational chart were discussed at length. Council Member Christianson questioned the Finance Director position no longer being a Department Head and stressed the importance of this position. Council Member Anderson made a motion to approve the recommended job descriptions and reorganization as presented by staff. The motion failed for lack of a second.

Discussion was held in relation to the Human Resources position. Council Members Nelsen and Anderson stressed the City's need to fill the position. Several members of the Council questioned if the position warranted being full time. Council Member Mueske made a motion to formally adopt the position of Human Resources Director. Council Member Plowman seconded the motion. Discussion continued as to what level the position should be filled and if the workload justified a full-time position. Upon a roll call vote, the motion that was on the floor passed with 7 Ayes and 0 Noes.

City Administrator Kruse overviewed the Human Resource functions contained in the job description of Administrative Services Director and indicated he felt there are enough job duties to warrant this position as full time. He brought it to the Council's attention that this position would save the City money with legal fees. Mr. Kruse also asked the Council to consider the adoption of the City Clerk job description so the position can be filled prior to the retirement of the present City Clerk-Treasurer and some of the job duties can be delegated to other departments. Council Member Nelsen voiced her opposition of the Human Resources position discussion being taken to Labor Relations Committee rather than the full Council. Council Member Christianson stated he would like an individual who performs as Human Resources Director at Rice Hospital review the position and job duties and make a recommendation to the Labor Relations Committee as to whether this should be a full-time or part-time position.

At 5:52 p.m. the Council took a five minute recess. At 5:57 p.m. Mayor Calvin reconvened the meeting.

Council Member Christianson made an amendment to the motion to have the Human Resources position brought back before the Labor Relations Committee. Council Member Mueske seconded the motion making a friendly amendment to the motion that the listed Human Resource job duties in the Administrative Services Director job description be used to further the discussion. The motion that was on the floor carried with 5 Ayes and 2 Noes. Council Members Anderson and Nelsen cast the "no" vote.

Item No. 3 City Administrator Kruse presented for the Council's consideration the Early Retirement Incentive Policy Change with the recommendation that effective May 15, 2016, the City revise the policy whereby a qualifying employee who gives written notice prior to January 1, 2017, the employee will receive \$430.00 per month. An employee who gives notice between January 1, 2017 and prior to July 1, 2017 will receive \$300 per month. An employee serving notice of retirement after July 1, 2017 will not be eligible for any early retirement payment.

Council Member Anderson commented that the sun setting of this policy is not something new and has been discussed for a couple years now. Council Member Christianson questioned the major effect. City Administrator Kruse commented that there are approximately 38 employees that are currently eligible for the program which is approximately one-third or 40 percent of the current workforce and whether those employees would choose to exercise the early retirement policy is unknown. Council Member Anderson expressed his concern of losing a substantial amount of employees at one time and offered for consideration the extension of the program through 2017 with the caveat of the employee notifying the City of their intent by the end of 2016 would allow time for hiring. Council Member Nelsen requested more information from Administration and review of the information received from staff. Council Member Nelsen made a motion to table the item. Council Member Johnson seconded the motion, which carried with Council Member Anderson casting a "no" vote.

Item No. 4 City Administrator Larry Kruse presented an update on the merger of the City and County Assessing Departments and informed the Council that consideration of the Ordinance Abolishing the City Assessor's Office will be brought before the Council at the May 2nd meeting.

Council Member Anderson made a motion to adjourn the meeting with Council Member Christianson seconding the motion, which carried unanimously. The meeting adjourned at 6:25 p.m.

MAYOR

Attest:

SECRETARY TO THE COUNCIL