

MINUTES OF THE REGULAR MEETING
OF THE PERSONNEL COMMITTEE
OF THE CITY OF SUNSET HILLS, MISSOURI
HELD ON MONDAY, APRIL 13, 2015

BE IT REMEMBERED that the Personnel Committee of the City of Sunset Hills, Missouri met in regular session at City Hall Quarters, 3939 S. Lindbergh Blvd., in said City on Monday, April 13, 2015. The meeting convened at 6:02 p.m.

ROLL CALL

Present:	Alderman Baebler	-Chairman
	Gary Mathes	-Member
	Alderman Haggerty	-Member
	Alderman Gau	-Member
	Laura Rider	-Ex Officio Member
Absent:	Jeff Steinhart	-Member
	Gary Dolle	-Member
	Bob Beumer	-Member

APPROVAL OF THE MINUTES

Copies of the minutes of the February 24, 2015 meeting were distributed to the members for their review. Alderman Gau made a motion to accept the minutes as submitted. Alderman Haggerty seconded the motion, and it was unanimously approved.

Vacancy in the City Clerk's Position

Alderman Haggerty stated they would need to discuss changes to the job description and how they would fill it.

Ms. Rider stated Ms. Lay would take over City Clerk duties. She suggested Ms. Heischmidt take over Finance Director Duties and Ms. Youngblood take over the Human Resource duties. Ms. Rider stated she would provide some written instructions detailing what these duties would include.

Mr. Mathes asked if the Mayor was taking an active role in this. Ms. Rider told the Mayor she had talked to Personnel, posted the job internally and they would be discussing it this evening. Mr. Mathes wanted to know if a Finance Director and Assistant Finance Director are both needed. Ms. Rider explained that Ms. Heischmidt is the recording secretary and can't do the Finance Director job along with that job. Mr. Mathes asked about hiring someone to do the minutes. Mr. Mathes asked Ms. Rider if she could assist as long as possible to help with the transition. Ms. Rider stated she would make herself available for this. The Committee wanted to determine how much time is spent performing the Finance Director and the City Clerk position. Ms. Rider stated the position could be split but a secretary would be needed to do the minutes. Mr. Mathes asked if they could get by with hiring a secretary. Ms. Rider stated yes.

Mr. Mathes asked if there was a job description for Court Administrator. Ms. Rider said the same situation holds true for City Clerk and Finance Director. Ms. Rider was asked what position Ms. Heischmidt was best qualified for. She stated Finance Director. Alderman Haggerty asked Ms. Rider if she would hire Ms. Heischmidt for that position if it was on the market. She stated yes.

Mr. Mathes asked if the meeting minutes could be kept on tape. Ms. Rider stated the City Attorney stated the transcribed minutes are the official record of the meeting. Mr. Mathes asked Ms. Rider if she thought by Friday the three people she discussed will be functionally able to continue for a reasonable period of time until this process is properly concluded. Ms. Rider stated she thought they could handle everything that came up in the interim.

Mr. Mathes asked how Ms. Lay would be able to pick up Ms. Rider's duties in addition to what she already has. Ms. Rider stated she would have to determine if this was possible. Ms. Lay would have to work around the City Clerk and Court Administrator position. This would mean she would have to still be able to prepare the agenda for the Board meetings and all the supporting documents. Ms. Lay would also need to make sure all ordinances are signed by the mayor.

Mr. Mathes asked if the Court Administrator was historically a full-time position. Ms. Rider stated there is a lot of follow up and correspondence to the position. She stated Ms. Youngblood is the Clerk and Ms. Lay is the Court Administrator. Ms. Rider stated the City Clerk position has to be posted internally for at least 5 days prior to going outside. Mr. Mathes asked if Ms. Heischmidt or Ms. Lay was interested in the combined role. Ms. Rider stated Ms. Lay doesn't have the finance background to be considered for the combined role.

Alderman Gau stated this would be an increase in payroll. Ms. Rider stated City Clerk is a grade 9; Ms. Lay is currently in a grade 5 as Court Administrator – Deputy City Clerk. Ms. Rider stated the Assistant Finance Director position is grade 4 right now. Ms. Rider stated per the ordinance the City Clerk is over the Finance Director. The Committee asked if it would be beneficial to have a CPA in the Finance position. Ms. Rider stated she did not think it was necessary because the auditors are available all year.

Mr. Mathes asked Ms. Rider to define the grade level for Court Administrator and Recording Secretary. Ms. Rider stated they were currently a grade 5 and grade 1 respectively. She stated if the Committee was comfortable with bumping two people up and adding a secretary this could be an option. Ms. Rider suggested having all parties make a listing of their duties and where they spend their time each week.

Ms. Rider asked when they could post the job. She stated the job description could be taken from the city ordinance that already exists. There are some changes with the existing description from what the statute says. Alderman Haggerty stated the Committee needs to decide whether to split the positions. Mr. Mathes asked if there was any reason not to split the positions. Ms. Rider stated no.

Alderman Baebler asked if Ms. Heischmidt, Ms. Lay, Ms. Younglove and Ms. Rider could put together a list of what their duties were, the amount of time spent on each duty, and then email it to the Committee. Alderman Gau stated the Committee needed to have a decision by the end of the week. Alderman Baebler stated once they receive the list of duties the Committee could discuss the positions.

Health and Dental Insurance Renewal

Initially Coventry provided a renewal of 10.4% which is not illustrated. The actual 3.5% increase is illustrated in the right column in the proposal. Negotiating the renewal down from 10.4% to 3.5% the City saved about \$48,000. The rates illustrated on the top portion are net of commissions. As a result of the Affordable Care Act, the deductible for the HSA base plan will be increasing from \$2,500 for single and \$5,000 for family to \$2,750 for single and \$5,500 for family. A group of this size is not

starting at 0% for fees but actually 3.5% with the Affordable Care Act so what this represents is a 0% renewal from Coventry. Mr. Mathes asked why this increase change is made. The change was made because the IRS requires when there is an imbedded deductible it has to have a minimum threshold. It has to be \$2,700 or higher for the deductible.

Alderman Haggerty asked if the proposal went to market. The representative from J. W. Terrill stated if the medical benefit renewal increase was kept down lower than 5%, it would be presented to the Board of Aldermen. To avoid any disruption a 5% increase was deemed reasonable.

A member asked if there is an embedded deductible in the plans. The representative from J.W. Terrill stated there may be one in the HSA plan. The representative explained what an embedded deductible is. It is when an employee has family coverage and there is \$5,500 in claims, the deductible has been met for the entire family's deductible for the year whereas in a non-embedded deductible 2 individuals have to have at least \$2,750 or more before their family have met that deductible. This could make it easier on a family. It was stated this item should be addressed at the employee meetings.

A member asked if the dental was changing. The representative stated it wasn't changing because the plan design did not change. The Dental is approximately \$49,000 for a one year benefit.

Life and Long Term Disability Insurance

The representative stated this does renew this year but has a different renewal date. It was stated prior to November 1, they will be marketing those coverages provided from an insurance company called The Standard. The representative stated as they go through that marketing process they'll find the best option available.

Tobacco Credits

The representative stated that there is a possibility of decreasing an employee's premium if they sign an affidavit indicating that they are not using tobacco (tobacco credits instead of tobacco penalties). The City decided not to move in that direction this year but would look at this next year.

Alderman Baebler stated they activated the Wellness Committee with a meeting with Diane Adria and are getting ready to send out the survey to the employees. She stated that Ms. Adria was making them aware of some of these things and the tobacco credit was one of them. She stated they were trying to get response from the employees who would be interested in smoking cessation programs and maybe put a program in place where they could get points or dollars off their premium for not smoking. Some other items to be considered could be for getting an annual physical, for screenings and those types of things. Alderman Baebler stated she did not know how this would work with the renewal timeframe. She stated the individual coverage is generally 5%.

The representative stated that moving forward Coventry has some non-tobacco usage programs that can be pretty effective. It was stated something could put together prior to the next renewal if interested.

A member suggested a surcharge for additional coverage for spouses and family. He stated that the next step would be spousal exclusion which would mean if an employee's spouse has access to coverage elsewhere, they would not be allowed on this plan. This creates more issues than a spousal surcharge but they are slowly seeing a trend toward exclusion.

The representative stated another bullet included here is that at some point the City can't continue without setting a limit on what they will contribute toward the cost of coverage. This would be a defined

contribution and within a year of hitting that point the next year or two they will cap the coverage or contribute a specific amount toward the premium.

Another point regarding the wellness would be biometric screening for employees. This would give employees the option to avoid certain illnesses ahead of time.

A member asked how much was in the budget for 2015. Alderman Baebler stated there would be a 15% overall increase in the budget for the medical insurance and 6% for the dental.

Alderman Baebler stated there will be an employee survey regarding these issues and based on the responses they were hoping to do the biometric screening and the smoking cessation program to earn dollars off the premiums. She stated there is \$1,000 budgeted in 2015 for wellness and in the next meeting on May 14, the surveys will be back. The Committee will look at what to do, what it is going to cost and how much to put in the budget for these programs.

The representative from J. W. Terrill explained that for his book of clients 20-30% have a surcharge or exclusion, but commented there was a lot less noise with the surcharge over the exclusion. He stated it depends on the financial circumstances of the employer. Mr. Terrill stated that the City of Sunset Hills benefits are richer than some in the private sector, but may be on the low end of the spectrum when compared to other cities.

A member asked what other employers are doing. The representative stated that the employers who started with the surcharge are moving towards the exclusion and the employers who have experienced either, depending on their financial circumstances, are doing the surcharge first and working their way toward the exclusion.

A member asked what the cost to the current employees in Sunset Hills is for family coverage. Alderman Baebler explained if family is selected, the City pays for 50% of the differential between family and employee, and the employee pays the rest.

The Committee decided moving forward if the rates continue to go up to consider a spousal exclusion or possible increase. A flyer will be handed out to the employees at the next benefit meeting covering this.

Alderman Gau made a motion to approve the medical benefits and dental benefits and to add a \$30.00 surcharge to the premium for tobacco users and a non-tobacco user must sign an affidavit. Also if the spouse is covered they must sign an affidavit. Once the wellness program is completed one becomes eligible. Mr. Mathes seconded the motion and it was unanimously approved.

NEXT MEETING DATE

The next meeting has not been scheduled.

ADJOURNMENT

Alderman Gau made a motion to adjourn the meeting at 7:59 p.m. Alderman Haggerty seconded the motion, and it was unanimously approved.

Tina M. Heischmidt

Recording Secretary