

JOURNAL OF THE CITY COUNCIL

Regular Session – October 16, 2007

COUNCIL & STAFF PRESENT:

Martha Rowe	Mayor
Jill McCord	Mayor Pro Tem
Tom Mayer	Council Member
Howard Hickman	City Attorney
Mari Macomber	City Manager
Sarah Halstead	Deputy City Clerk
Pat Meredith	Human Resources Director

Absent:

Jeff Newton	Council Member
Aaron Rodgerson	Council Member

The City Council of the City of Kirksville, Missouri, reconvened in a Regular Session, following an Executive Session, on Tuesday, October 16, 2007, at 6:26p.m. in the City Hall Council Chambers.

City Manager Macomber explained that in years past the City Council would wait until the very end of the budget process to decide what to do if anything about wages. In the last few years the Council had chosen to start the process by determining personnel benefit improvements. Macomber stated that in the 2007 budget salary scale was adjusted significantly, and changes were made so that the employees got a little more in 2007 than they had gotten in previous years. Macomber explained that the 2007 increase was contingent upon the passage of the Capital Improvement Sales Tax, so employees got their raises almost half way through the year. Macomber said that due to those events she had not anticipated bringing anything to the Council about wages, but Mayor Rowe had asked when salaries would be discussed.

Macomber told the Council that they had been provided a salary scale of employee wages from other cities that included a comparison to the City of Kirksville's employees. Macomber said that some of the City's salaries are off the chart, while others are as much as 15% below the comparable cities salaries. Macomber stated that overall the City is approximately 8.2% behind comparable cities, such as: Hannibal; Moberly; Warrensburg; Mexico; etc.

Macomber said that the Council has a policy that says that 20% percent of the general fund reserves are restricted, and that anything above that is unrestricted. The GFOA's (Government Financial Officers Association) recommendations are 15-20%, and the Council's policy was established at twenty percent (20%). Based on needing to meet Council Policy the City has about \$135,000 unrestricted in the General Fund. Macomber stated that a one percent (1%) increase would be \$32,500 for the General Fund, and a total of all funds would be almost \$50,000. Cost of living would be a little over two percent (2%), and Macomber said she doesn't have a recommendation at this point without knowing what else will be going into the budget.

Mayor Rowe asked about lowering the reserve to fifteen percent (15%), and Macomber said that would be a Council Policy that the Council could change. Macomber said that the City Departments are consistent about coming in under budget, not significantly, but under budget by at least a small amount. Meredith stated that there is also additional funds budgeted since she does not account for the pre-tax benefits, but she estimates approximately a five percent (5%) increase in healthcare costs of about \$34,000.

Council Member McCord noted some of the positions that are above the survey results, and if it would be possible, or if it had ever been done, to adjust the wages at different levels where not everyone would get a three percent (3%) raise. Meredith stated that the City has a very tight pay plan, and it would cost a lot to implement such a plan. Meredith stated that prior to 2007 the pay ranges were so close together that the ranges overlapped. Meredith explained that last year the City increased the percentage between the ranges by 1%, so that range six got a one percent (1%) raise, range seven got a two percent (2%) raise, etc. Meredith said that this helped to raise the pay for the more technical positions that had been hard to hire in the past due to low wages.

Council Member McCord asked whether the City can take one category and adjust the pay to make it equitable with what that category is making in other cities. Meredith said that that is a possibility, but that each range covers a number of positions, and to justify it for just one position would make it difficult. Meredith said that several years ago the Council took an action called a Market Position Adjustment for just the Police Department officers. In this action the Police Department officers were pulled out of the pay plan to raise the wages high enough to recruit employees, but eventually the pay plan caught up with them. Meredith said that the Council needs to look at these issues in the future, and there may be negotiations with other Labor Agreements coming up. Macomber also mentioned that there are other positions, such as the Water and Wastewater Treatment Operators, that would be difficult to replace due to wages.

Macomber stated that an option would be to look at incorporating the various incentive pays available to employees into hourly wage positions. Meredith said that this option would make positions more attractive when they are advertised, and would make the base pay higher. Macomber stated that as a Police Officer there is a base pay advertised that does not include additional pay. Meredith said there is a shift differential to give a little more pay, but still keep them in the pay plan.

Macomber stated that if some positions are pulled out of the pay plan the recommendations to do this need to be evaluated by an independent person with expertise in this area besides she and Meredith, but that will cost a lot of money.

Meredith said that another alternative would be to establish pay plans by classifications and functions.

Macomber mentioned that one more option could be to look at different pay scales for different sectors. Council Member McCord stated that she felt Market Position Adjustments seem to work well. Meredith said that the City would have to do away with the pay plan in order to do that, and that the idea of the pay plan is to pay each employee according to work performed.

Meredith said that every city has different criteria for their positions, and it would take a lot more research.

Council Member McCord stated that she hates to see an eight percent (8%) disparity between the City and the average. Meredith responded that many of the employees are in good shape and well over the average and that it is the City overall that is eight percent (8%) below the average. City Manager Macomber added that the department heads are close to ten percent (10%) below the average. Macomber stated that three department managers will be moved out of the pay plan and receive compensation based on performance.

Mayor Rowe stated that she does not want the City to end up very far behind other cities. Macomber responded that she and Meredith will get together and try to come up with something a little different and present it to the Council at another time.

Council Member Mayer said that he believes the City needs to remain competitive.

Council Member McCord inquired about job loss and how that would affect the changes to the tax base

There being no further business to come before the Council, Council Member Mayer moved to adjourn; seconded by Council Member McCord. The motion carried by the following vote: Mayor Rowe – aye; Council Members: Mayer – aye; McCord – aye; Newton – absent; Rodgerson – absent. Ayes – 3; Nays – none; Absent – 2.

Mayor Rowe adjourned the meeting at 6:47p.m.

Sarah Halstead
Deputy City Clerk