



**MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF STACY IN THE COUNTY OF CHISAGO
AND THE STATE OF MINNESOTA PURSUANT TO DUE
CALL AND NOTICE THEREOF**

**SPECIAL MEETING
SEPTEMBER 3, 2014, 7:00p.m.
STACY CITY HALL**

Call to Order

The meeting was called to order by Mayor Utecht at 7:00pm.

Roll Call

Present: Jim Ness, Mark Utecht, Charles Lucia, and Cindy Bruss
Absent: Michael Carlson
Others Present: Lori Dahle, and Brian Hachey

Purpose of the Special Meeting

The purpose of the meeting is to discuss the city's compensation policy and items related to.

Resident Items for Consideration

Mayor Utecht stated that he received a phone call from a resident who expressed several concerns he would like the council to address.

1. Consider eliminating assistant manager's to save money.

Mayor Utecht asked the member's thoughts;

- Member Lucia said that it depends if the duties can be covered by more than one other employee. There is a big difference between the bar and grill and liquor store.
- Member Bruss asked if the shift-supervisor position was still active – Ms. Dahle indicated that it is still being utilized should she or the assistant manager be out at the same, time; there is always someone in charge working.
- Member Lucia asked if the liquor store had a manager on duty the entire time the store is open – Mr. Hachey said not all the time, however, the majority of the time there is. About 10 hours out of the 78 they are open there is no management on duty.
- Member Bruss said if we have two managers on duty at the same time isn't that wasting money? Is it necessary for two managers to be there at the same time? Mr. Hachey said that when they receive deliveries on Thursday he and the assistant work together.
- Mayor Utecht does not support getting rid of the assistant managers; encourage expansion of management coverage.
- Member Ness said that he would need to review the job descriptions to make a determination.
- Member Bruss supports having assistant managers as long as they are scheduled to work at different times.

- Mayor Utecht strongly disagrees to the elimination of assistant managers; particularly for the bar for the future of the business in the city.

2. Have managers work shifts to off-set staffing needs.

Mayor Utecht asked for the council’s input:

- Member Bruss said that wouldn’t work.
- Mayor Utecht concurred with Member Bruss.
- Ms. Dahle said that the assistant manager does work shifts as necessary for cook and bartender. He is also scheduled specifically during busy times so he can “jump in” and help.
- Member Ness concurred with Member Bruss and Mayor Utecht.

3. Have all employees clock in with a thumbprint time clock.

Mayor Utecht said this would accomplish two things: employees could not clock in for another employee; the council would have record of hours worked by management.

- Member Ness asked the managers if they’ve had issues with time reporting by staff; neither expressed any. Member Ness said that he didn’t have any trust issues and that the managers are salary and work the hours to get the job done.
- Member Bruss would like to see it; because she’s heard of employees clocking in for other employees in the past.
- All departments and employees would use the fingerprint time clock.
- This could get rid of some negative perceptions regarding hours worked by personnel.

The clerk was directed to research costs for a fingerprint time clock.

Merit Based Employee Increase System

Mayor Utecht asked the council if they want to have a merit based increase system; do they want the manager’s to request a specific dollar amount and distribute at their discretion or do they want a specific employee listing for increases or do they not want a merit based system at all?

- Member Lucia is totally against a merit based system. He doesn’t see a formula that would satisfy him.
- Member Bruss is also against a merit based system.
- Member Ness is for some form of it; he believes in rewarding employees that do well and go beyond what is required should be rewarded; this is an incentive.
- Mayor Utecht said there should be a program. One way a merit bases system could work is to make sure it is objective and measurable, this could be accomplished through the employee review process. The increase would be based solely on the score received on the review for example an overall score of 3-meets expectations, no increase; 4 or 5 get X percent increase.

- Member Ness agreed to an objective and measurable merit increase.
- Mayor Utecht said he wants to keep good employees, if we have lower performing employees don't reward them.
- Member Lucia said this would create friction in the work place; for example you give an employee increase another employee could consider this as unfair.
- Ms. Dahle said having merit increases would be a wonderful tool for the business and customer service.
- Member Bruss would agree to an objective and measurable merit increase system.
- Member Ness said that we need to have the managers be able to determine pay increases based on their financial projections and not arbitrarily decided by the council.

The Personnel Committee will research the merit based increase system and report to the council.

2015 Budget Increases

Member Ness said that he disagrees with Mr. Jones recommendations for the Maintenance Department.

Members Lucia, Bruss, and Ness support a 2% increase.

Mayor Utecht said that by budgeting 2% then we are not going to do merit increases in 2015 for the general fund employees; they wouldn't occur until 2016.

Motion by Utecht to increase the salary budget by 2% from 2014 to 2015 for the general fund employees. Second by Ness. Ness, Bruss, and Lucia voted yes. Mayor Utecht voted no. Mayor Utecht declared the motion carried 3-1.

Position Analysis

Motion by Ness to have Springsted prepare a grade analysis for a cost not to exceed \$2,000. Second by Bruss. Ness, Bruss, Lucia, and Utecht voted yes. Mayor Utecht declared the motion carried.

See if Springsted can also provide a recommendation for pay scale, as long as it does not exceed the \$2,000.

The staff will review the job descriptions and make any changes prior to sending to Springsted.

Adjourned at 8:14pm

Motion by Ness to adjourn. Second by Lucia. Ness, Lucia, Bruss, and Utecht voted yes. Mayor Utecht declared the motion carried.

Sharon MT Payne