

# MINUTES

---

**McCall City Council  
Special Meeting  
McCall City Hall -- Legion Hall  
June 5, 2015 at 9:00 a.m.**

## Agenda

Call to Order  
Work Session  
Adjournment

## **CALL TO ORDER**

**Mayor Aymon called the Special meeting of the McCall City Council to order at 9:00 a.m. Mayor Aymon, Councilor Giles, Councilor Scott, Councilor Swanson, and Councilor Witte were present.**

City Staff present were Gene Drabinski, City Manager; Michelle Groenevelt, Community Development Director; Peter Borner, Public Works Director; Meg Lojek, Library Director; Dennis Coyle, Parks and Recreation Director; Erin Roper, Communications Coordinator; BessieJo Wagner, City Clerk; and Lisa Kundrick, Deputy City Clerk.

## **WORK SESSION**

### **Personnel – Salary and Benefits**

Human Resources Manager Traci Malvich presented the personnel budget for FY16. She proposed a 3% market salary increase and a 2% merit salary increase. The salary survey showed the average salary was 6.9% below market with some positions significantly below market. She indicated that staff was looking to re-grade those positions to bring them up. Putting off these increases puts them farther and farther behind. She stated that not everyone would receive the full 3% as it would depend on where that position fell making the actual markup anywhere from 1% to 3%. Manager Malvich stated that there had not been merit increases for several years and she would like to see the playing field be brought current between peers.

Mayor Aymon asked how much it would cost to replace a Streets Supervisor, for example. Manager Malvich stated that the last time she checked the national average is about \$30K when taking in the loss of production, recruitment, training, etc. The question was asked how the market increase was figured. Manager Malvich replied that typically government municipalities have a lower wage versus the private sector mostly due to the increase in benefits. However, what is scrutinized is whether the take home wage being offered would allow that person to pay the mortgage, utilities, etc. The challenge becomes retaining people in those positions. A company was hired in 2007 or 2008 to audit all the job descriptions. They revised and reclassified many of the positions to put them in the right categories so now when a salary survey is conducted the data is applicable. The survey gives a low to high ratio based on 30 different

cities. Paid leave time such as vacation, sick leave, and holidays are part of the survey; however, health benefits are not included. At this time the City is a little bit behind in the percentage for vacation but on track for sick leave. Another challenge with not keeping up with the market is when someone vacates a position. The next person coming in will expect more than what is being offered currently.

Manager Malvich reported on the health insurance premiums. The City has been with Blue Cross of Idaho the last two years. She stated that the City is still waiting for more information from Blue Cross but the global estimate is a 27-30% increase to the premiums. Their reasoning is there has been an extremely high loss in claims over the last couple years. Other insurance companies are being investigated. She also had done a survey of what other cities pay or require their staff to pay and discussed several different municipalities around the region. Moving to a self-funding insurance plan has complications due to the Affordable Care Act. Currently a majority of the reporting is done by the insurance company. There was further discussion about insurance premiums and carriers.

The consensus of the Council Members was that an increase to salaries is necessary. The costs of replacing staff have to be taken into consideration when deciding the market/merit increase. The goal is to figure out a way to accommodate those needs.

### **Capital Improvement Plan**

Special Projects Manager Nate Coyle and City Treasurer Linda Stokes presented the reason and goals of putting a capital improvement plan in place. Within the FY16 draft budget, City Staff has prepared a recommendation for a two-year capital plan which provides a prioritized proposal for funding capital needs across all property-tax driven city funds. As a part of this process a comprehensive list of projects was developed by department heads based upon projected capital needs within FY16 and FY17. This list of projects was reviewed by a City Staff prioritization committee which evaluated each project against weighted criteria. This weighted criterion is the same criterion recently utilized by the citizen's CIP committee which prioritized city projects during last year's CIP review process. The highest ranking capital needs from this process have been identified in the enclosed two-year capital planning database along with available funding sources. In many cases these projects leverage multiple funding sources to provide significant levels of funding for completion of large-scale capital projects, equipment purchases, or planning products.

The two-year capital plan proposal provides an opportunity for City Council to evaluate the benefits of a long term capital-planning process for the city. At the end of this year's budget cycle, City Staff and the City Manager will look to propose a policy for consideration by City Council which would establish a process and continuing program to develop and implement a five-year capital plan for the City of McCall. Much like the proposed two-year capital plan, this comprehensive five-year capital plan will identify capital needs across all departments within a five-year period and will leverage use of a prioritization committee which will provide recommendations for the priority of projects within the city. The recommendation of priorities from this committee will be vetted through the City Manager and eventually provided to City Council for consideration. The goal of this process is to provide a City-wide priority list of

capital needs and to also enable proper planning methods for achieving sufficient funding levels to support execution of significant capital needs.

Council Member Witte requested that a narrative be included with the Capital Improvement Plan.


**Property Tax**

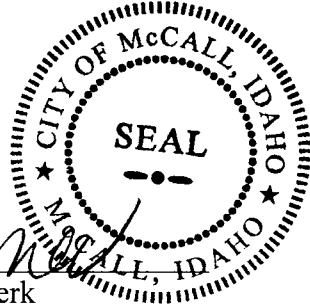
City Treasurer Linda Stokes presented the property tax discussion to Council. She covered the Maximum Allowable Property Tax Worksheet (not including New Construction) with the Council. She also explained the Property Taxes Allocated by Fund – FY16 chart and the Property Taxes Allocated by Fund – Multi Year Comparison chart. There was a brief discussion regarding the allowable 3% increase and the available foregone amount.

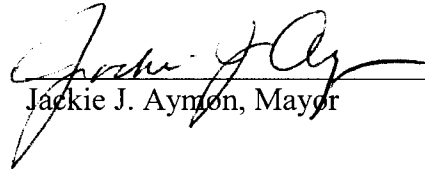
**ADJOURNMENT**

**Without further business, Mayor Aymon adjourned the meeting at 11:15 a.m.**

ATTEST:

  
BessieJo Wagner, City Clerk



  
Jackie J. Aymon, Mayor