MINUTES

COUNCIL FINANCE, HUMAN RESOURCES and CITIZEN APPOINTMENT COMMITTEE

Monday, November 27, 2023 – 11:00 AM
City Hall Planning Department Conference Room

Members Present:	Aaron Baker, Chair, Council Member Mac Morrow, Vice-Chair, Council Member Susan Miller, Citizen Member
Staff Present:	Wilson Hooper, City Manager Dean Luebbe, Finance Director Kelley Craig, Human Resources Director Becky McCann, Communications Coordinator Alex Shepherd, Assistant to the City Manager
Guest:	Nora Jane Montgomery

A. Welcome & Call to Order

Committee Chair Aaron Baker welcomed everyone and called the meeting to order at 11:05 AM.

B. Certification of Quorum

Quorum was certified by Assistant to the City Manager Alex Shepherd.

C. Approval of Agenda

Motion by Ms. Miller, seconded by Mr. Baker to approve the agenda as presented. The motion carried unanimously.

D. Approval of Minutes of September 25, 2023 Meeting

Motion by Mr. Miller, seconded by Mr. Baker to approve the minutes of the September 25, 2023 meeting as presented. The motion carried unanimously.

E. Employee Survey

Mr. Hooper informed the committee that the employee survey was a representative sample in terms of the amount and diversity of opinion in the responses. We have already started on a couple of the major issues that were communicated in the survey.

Ms. Craig communicated to the committee that the company they used for the employee survey is called Culture App. She reviewed and summarized the results with the committee and informed them of the key focus areas that Culture App identified, which would have the highest impact if we were to focus there. The participation rate Citywide was 83%, which only included full-time employees, and the employees had to be here for at least 60 days. It gave employees the opportunity to input comments from each section as well as three open-ended questions where feedback was requested. In total, we had around 680 comments.

Mr. Baker mentioned that if we saw large differences between the departments, then that would be something we need to address. Are there any issues here?

Mr. Hooper said that there are corporate-wide themes, but some departments have general areas of improvement that we will focus on.

Mr. Craig informed the committee that we have met with the department directors individually to share their results, and we have started working to help improve in those areas that we have identified. Culture App will identify which areas will have the highest impact. For example, if wages were the lowest score, that may not be the area that would have the highest impact. The areas that would have the highest impact would be receiving appropriate recognition for good work and being kept informed of what is happening in the City.

Ms. Miller asked if State law prohibits a local government from implementing such things as year-end bonuses or employee recognition.

Mr. Hooper said there are no prohibitions. He also mentioned that based on survey results, employees would like to move to a merit-based salary increase system that rewards those employees who receive high marks on their annual review. That is something that we will look into, but we also have to include cost-of-living adjustments, so it is something we are going to have to examine further.

Ms. Craig added that we have been trying to maintain our salaries and staff due to the increase in the cost of living. Currently, we are focused on maintaining salaries, and hopefully, the cost of living will come down.

Mr. Hooper mentioned that while he worked for the City of Charlotte, they had a Gainsharing Program that would provide bonus incentives from end-of-year budget savings. He said half would go into the fund balance, while the other half was to be divided up among each employee.

Ms. Miller said there are also programs out there for employees who come up with cost-saving measures that would be beneficial to award to employees.
Ms. Craig said there are several programs out there to reward employees but that we haven't had the budget to do any of this.

Mr. Baker mentioned that it would be a good idea to provide recognition for years of service or to give awards while employees are all together because it will mean more to employees and provide a sense of comradery. Mr. Baker asked if the results will be sent out to employees.

Ms. Craig responded that a link would go out to all employees that will provide them with our strengths and then the recommended focus areas. For employees who do not have emails, we will provide them with a printed version.

Mr. Morrow asked if a survey would go out to part-time employees, especially since the Fire Department is made up of a lot of part-time employees and because we have made a lot of changes there.

Mr. Hooper said the Fire Department is still getting used to their new model that we have established and from what we can see from the full-time employees who completed the survey is that they are very giving in their responses.

F. Draft of Financial Policy

Mr. Luebbe informed the committee that there are a couple of policies that he recommends we change. One of them is to increase our purchase order limit from $1,000 to $5,000, and the other item is who approves requisitions and at what level, including City Council approval limits. However, there are advantages and disadvantages in whether these policies are good ideas. One being that if the City Council passes a capital project budget and everything comes in under budget, should we come to Council to receive approval for those awards. Each local government does theirs differently. As of right now, we do come to Council when awarding bids within a capital project. He said we will also follow the general statutes when it comes to the bidding of projects and that we will lower the threshold to $75,000 for formal bids.

Ms. Miller asked a question concerning the refunding of sales tax.

Mr. Luebbe said that the City receives a check from the State Department of Revenue for the sales tax that we pay.

Ms. Miller asked if we use a purchasing card system.

Mr. Luebbe said that yes, we have a purchasing card system, but there is such a small amount of our budget that runs through purchasing cards. However, there is always a potential risk when it comes to purchasing cards.

Mr. Hooper mentioned that one idea would be to have blanket POs with vendors where we could make our regular purchases but not exceed a certain threshold. Typically, the purchasing card systems that have the most regulations are often the most expensive.

Mr. Baker asked if this policy would go to Council for approval and if Mr. Luebbe could provide justification and narrative for enacting the new or updated policy.

Mr. Luebbe said yes, the policy would go to Council, and we will provide additional narrative.

G. Set Date for Next Meeting

The next meeting of the Finance & Human Resources Committee will be on Monday, January 22, 2024, at 11:00 AM.

H. Adjourn

There being no further business, the meeting was adjourned at 12:19 PM.

X _____

Lauren Wise
Chair, Council Member

Minutes Approved: January 22, 2024

X _____

Alex Shepherd
Assistant to the City Manager