



*Our Mission is to Provide Quality Public Services  
in a Fiscally Responsible Manner While  
Preserving the City's Open Space Character*

## **Human Resources Committee Meeting**

**Monday, August 8, 2016**

**4:00-6:00 P.M.**

**Administration Conference Room  
3880 Laverne Avenue North**

### **AGENDA**

- A. Approve Minutes**
- B. Employee Recognition Policy**
- C. Salary Survey**
- D. Employee Handbook**
- E. Adjourn**

**CITY OF LAKE ELMO  
HUMAN RESOURCES COMMITTEE MINUTES  
FEBRUARY 29, 2016 4:00 PM**

PRESENT: Councilmember Fliflet, Councilmember Lundgren, Teresa Berry, Interim Administrator Schroeder and City Clerk Johnson

**A. FIRE DEPARTMENT VACANT POSITION**

Fire Chief Malmquist and Assistant Chief Cornell discussed the vacant part time Administrative Assistant position, explaining what the job duties are and the need for the department to fill the position. Chief Malmquist recommended that the position be full time versus part time. Committee discussed pay rate, arriving at a consensus to advertise the position with a pay rate equal to the City's current fire fighter pay rate plus 50%.

**B. EMPLOYEE HANDBOOK REVISIONS**

Clerk Johnson provided a template from the League of Minnesota Cities website for the Committee to consider using rather than reworking the City's current Employee Handbook. Committee members agreed to look through the template in preparation for the next meeting.

**C. 2016 PAY INCREASES & REVIEWS**

Interim Administrator Schroeder reviewed the responses received for the 360 degree surveys sent to employees in the Public Works Department and Fire Department.

**D. STAFF UPDATES**

Future meetings were scheduled for the first Monday of May, August and November, 2016 beginning at 4:00 p.m.

**E. ADJOURN**

Meeting adjourned at 5:30 pm.

Respectfully submitted,

Julie Johnson  
City Clerk

**CITY OF LAKE ELMO  
HUMAN RESOURCES COMMITTEE MINUTES  
MAY 9, 2016 4:00 PM**

PRESENT: Councilmember Fliflet, Councilmember Lundgren, Teresa Berry, Administrator Handt and City Clerk Johnson

**A. EMPLOYEE HANDBOOK**

Committee reviewed a portion of the employee handbook template obtained from the League of Minnesota Cities and discussed specific changes to customize the handbook for City use. Staff was directed to look into the current PERA limit for seasonal employees.

**B. UNION PROCESS**

Administrator Handt reported that the Public Works employees have voted to unionize and the City Council has appointed two Councilmembers to work with staff on the union contract.

**C. PERFORMANCE REVIEW UPDATE**

Administrator Handt reported that Public Works and Fire Department have completed individual and 360 reviews and also reported on other City employees who have completed their orientation period and are eligible for raises this year. Administrator Handt was directed to prepare recommendations for the City Council for employee raises in July.

**D. ADJOURN**

Meeting adjourned at 5:30 pm.

Respectfully submitted,

Julie Johnson  
City Clerk

**CITY OF LAKE ELMO  
HUMAN RESOURCES COMMITTEE MINUTES  
NOVEMBER 9, 2015 4:00 PM**

PRESENT: Councilmember Fliflet, Councilmember Lundgren, Dana Bloyer, Teresa Berry and City Clerk Johnson

**A. EMPLOYEE HANDBOOK REVISIONS**

Discussion held regarding updates to be made to the current Employee Handbook. It was noted that the handbook may be out of line with current practice and may not be up to date with current laws. Consensus to separate the handbook into sections and work on a section at each HR Committee meeting.

**B. EMPLOYEES VS. INDEPENDENT CONTRACTORS**

City Clerk Johnson reported on recent training she attended regarding changes in the distinction between employees and independent contractors. It was suggested that the Committee should look at the City's independent contractor relationships to ensure compliance with current employment law.

**C. OVERTIME POLICIES**

Discussion held regarding the City's overtime policies, specifically in the Public Works Department. Questions were raised regarding overtime and comp time practice in the Public Works Department and how overtime is planned for in that department. Councilmember Fliflet suggested that the City could have a different policy for Public Works and can define it to a particular time frame, such as first snowfall through May 1<sup>st</sup>. Clerk Johnson was directed to obtain information from the Public Works Superintendent for the next meeting.

**D. 2016 RAISES/PERFORMANCE REVIEWS**

**E. PERFORMANCE REVIEW PROCESS**

Instituting a 360 degree process was discussed, with online anonymous surveys from employees for evaluating the City Administrator. Teresa will provide the Clerk with a sample survey via Survey Monkey. Performance reviews should be for purposes of coaching and development and raises would not be linked to reviews. Dana will provide information on supervisor evaluations for employees to complete. Clerk Johnson was directed to remind department heads to conduct reviews by the end of the year for mid year pay increases in 2016 that would be based upon employee improvement and supervisor feedback.

**F. SCHEDULE DECEMBER MEETING**

December meeting tentatively scheduled for Monday, December 7, 2015, 4:00 – 6:00 p.m.

**G. ADJOURN**

Meeting adjourned at 6:00 pm.

Respectfully submitted,

Julie Johnson  
City Clerk

**CITY OF LAKE ELMO  
HUMAN RESOURCES COMMITTEE MINUTES  
NOVEMBER 30, 2015 4:00 PM**

PRESENT: Councilmember Fliflet, Councilmember Lundgren, Dana Bloyer, Teresa Berry, Interim Administrator Schroeder and City Clerk Johnson

**A. EMPLOYEES VS. INDEPENDENT CONTRACTORS**

Clerk Johnson reported that the Accountant position in the Finance Department would be transitioned from an independent contractor to an employee position at the end of the year.

**B. OVERTIME POLICIES**

Discussion held regarding the need for a formal written policy for comp time and overtime, with a separate policy for Public Works. Overtime pay statistics for 2014 and 2015 were reviewed. Councilmember Fliflet asked for information regarding Public Works employees' job duties in the winter and summer and their comp time balances.

**C. EMPLOYEE HANDBOOK REVISIONS**

Committee will review the first 20 pages of the employee manual at the next meeting and prepare edits ahead of time for discussion.

**D. PERFORMANCE REVIEWS**

Clerk Johnson reported that department heads have been advised that reviews should be done at the beginning of the year. Interim Administrator Schroeder stated he is working on preparing the 360 degree survey to send to employees for review of department heads.

**E. ADJOURN**

Meeting adjourned at 5:30 pm.

Respectfully submitted,

Julie Johnson  
City Clerk



## STAFF REPORT

DATE: August 8, 2016

ITEM #:

**MOTION**

**TO:** HR Committee

**FROM:** Kristina Handt, City Administrator

**AGENDA ITEM:** Employee Recognition Program

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### **BACKGROUND:**

State law allows statutory cities to establish and operate a program of preventative health and employee recognition services for its employees, to provide necessary staff, equipment, and facilities and to expend funds, as necessary, to achieve the objectives of the program.

The City of Lake Elmo does not currently have an Employee Recognition program.

### **ISSUE BEFORE COUNCIL:**

Should the HR Committee recommend an Employee Recognition Program?

### **PROPOSAL DETAILS/ANALYSIS:**

Included in your packet are policies from other cities that may be used as a guide in developing a program for the City of Lake Elmo.

The program may include:

- Service awards.
  - ✓ The committee should discuss at what interval employees should be recognized (i.e. 5 years, 10 years, etc.)
  - ✓ What is an appropriate amount to be expended?
- Retirement/Resignation Awards.
  - ✓ Minimum years of service to qualify?
  - ✓ What constitutes retirement?
  - ✓ What is an appropriate amount to be expended or award to be given?
- Other Recognition Awards
  - ✓ Annual Fire Department Awards
  - ✓ Environmental Committee Annual Awards
  - ✓ Annual or biannual recognition of public service of City staff, Council members, and members of City committees, commissions and boards.

An Attorney General's opinion from 2014 notes funds may not be used for alcohol or the costs for spouses/family of employees or other third parties.

### **FISCAL IMPACT:**

TBD based upon what is included in the program.

### **RECOMMENDATION:**

Identify criteria to be included in an employee recognition policy for staff to draft.

**City of Scandia, Minnesota**  
**Employee Recognition Policies**  
**Adopted June 19, 2007**  
**Effective August 1, 2007**  
**Revised October 15, 2013**

**1. PURPOSE AND INTENT**

- a) Beginning August 1, 2007, Minnesota Cities will have authority under state law to conduct employee recognition programs under Minn. Stat. Sec. 15.46. This policy is intended to set forth the objectives of the City of Scandia's employee recognition program and to provide for the expenditure of public funds as necessary to achieve these objectives in a manner consistent with the law.
- b) The objectives of the program are:
  - 1) to increase morale and employee motivation;
  - 2) to encourage loyalty and long-term retention of employees; and
  - 3) to celebrate the accomplishments and service of retiring employees, to demonstrate the appreciation of the City Council, employees and citizens of the City of Scandia for the public service provided by all Scandia employees.
- c) Employees eligible for recognition under this policy are regular full and part-time city employees, including all members of the Scandia Fire and Rescue Department. Seasonal employees are not eligible.

**2. SERVICE ANNIVERSARY AWARDS**

- a) Employees shall be presented with a plaque recognizing their years of service at the completion of ten (10) years of service and upon every five years of additional service thereafter.
- b) The City Administrator is directed to purchase suitable plaques for this purpose at a price of no more than \$50.00. The certificate shall be signed by the Mayor and the City Administrator and/or department head and any other supervisors designated by the department.
- c) The award shall be presented by the Mayor at a City Council meeting on a date as close as practical to the service anniversary date.

**3. RETIREMENT RECOGNITION**

- a) Employees who are retiring from service shall receive a plaque commemorating their retirement in the same manner as for a service anniversary award.
- b) The City will hold a retirement reception honoring the retiree. The City will contribute not more than \$150.00 to the costs of refreshments for the reception, which will be held either in conjunction with the presentation of the plaque at a City Council meeting, or at another date and time to be determined upon consultation with the employee.

- c) Should an employee choose not to participate in a retirement reception, no compensation shall be paid to the employee in lieu of the city contribution to the reception.
- d) Retirement, for the purpose of this policy, shall be defined as meeting the qualifications for retirement under the rules of the Minnesota Public Employee Retirement Association (PERA) or of the Scandia Firefighter Relief Association.

**4. OTHER RECOGNITION PROGRAMS**

- a) The City of Scandia recognizes that the Scandia Firefighter Relief Association may provide other awards and recognition to firefighters for their years of service or upon their retirement. The recognition program may include awards or events that do not meet the criteria for proper expenditure for public funds. No public funds shall be used for such programs, but the City supports their establishment and funding by the Relief Association to the extent consistent with the bylaws of the association and laws governing the use of such funds.
- b) An annual event may be held to recognize the public service of City staff Council members, and members of City committees, commissions and boards. The event may be held during the winter season and must be preapproved by the City Council. Expenditure of City funds for the annual event will be determined by the City Council at the time of event approval and must be expended as necessary to achieve the objectives of the City's Employee Recognition Policies. Immediate family or significant others of City staff, Council members, or members of City committees, commissions or boards may attend the annual recognition event at their own cost. Expenditure of public funds to purchase alcohol for the annual recognition event shall not be permitted.



## **Employee Recognition Program**

### **Scope**

The purpose of this Policy is to promote a sense of community among City staff and to acknowledge employees for their contributions to the City. This program includes all regular full-time employees. Temporary and seasonal staffs are not involved in this program.

### Employee Recognition Committee

A committee made of up three volunteer members will host two events for City staff. Employees and their families will be invited to the summer event (e.g. summer picnic). The winter event (e.g. holiday gathering) will include current employees, employees who have retired in the last year, and City Council members. Service awards will be presented at the winter event.

### Service Awards

The city will present plaques to each employee at their 5 year anniversary. Every 5<sup>th</sup> year thereafter an engraved bar will be added to the plaque. All employees will also receive Warren Bucks in recognition for their past year of service with the city.

### Retirement

The following will occur upon announcement of a retirement from City service:

- Administration staff will organize a reception, including ordering a cake
- The Department is responsible for organizing a collection towards a gift for the retiree.
- A photo and article will be placed in the city newsletter and/or local newspaper.
- The Department will draft a resolution of appreciation for a City Council meeting.
- The Retiree will be advised of the recognition plans and may elect not to be recognized in any of the forms listed.

Resignation

The following will occur upon the announcement of the resignation of an employee with five or more years of service:

- Administration staff will organize a reception, including ordering a cake.
- The Department will be responsible for organizing a collection towards a gift for the resigning person.

When the resigning staff member has less than 5 years of service, the Department is responsible for organizing any form of recognition.

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Approved by Council: \_\_\_\_\_

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Shannon R. Mortenson, City Administrator/Clerk-Treasurer

**City of Eyota  
Employee Recognition Policies**

**1. PURPOSE AND INTENT**

- a) As of August 1, 2007, Minnesota Cities have authority under state law to conduct employee recognition programs under Minn. Stat. Sec. 15.46, 43A.17, 412.111. This policy is intended to set forth the objectives of the City of Eyota's employee recognition program and to provide for the expenditure of public funds as necessary to achieve these objectives in a manner consistent with the law.
- b) The objectives of the program are:
  - 1) to increase morale and employee motivation;
  - 2) to encourage loyalty and long-term retention of employees; and
  - 3) to celebrate the accomplishments and service of retiring employees, to demonstrate the appreciation of the City Council, employees and citizens of the City of Eyota for the public service provided by all Eyota employees.
- c) Employees eligible for recognition under this policy are regular full and part-time city employees, including all members of the Eyota Volunteer Fire Department. Seasonal employees are not eligible.

**2. SERVICE ANNIVERSARY AWARDS**

- a) Employees shall be presented with a plaque recognizing their years of service at the completion of ten (10) years of service and upon every five years of additional service thereafter.
- b) The City Clerk is directed to purchase suitable plaques for this purpose at a price of no more than \$50.00. The certificate shall be signed by the Mayor and the City Clerk and/or department head and any other supervisors designated by the department.
- c) The award shall be presented by the Mayor at a City Council meeting on a date as close as practical to the service anniversary date.

**3. RETIREMENT RECOGNITION**

- a) Employees who are retiring from service shall receive a plaque commemorating their retirement in the same manner as for a service anniversary award.
- b) The City will hold a retirement reception honoring the retiree. The City will contribute not more than \$100.00 to the costs of refreshments for the reception, which will be held either in conjunction with the presentation of the plaque at a City Council meeting, or at another date and time to be determined upon consultation with the employee.
- c) Should an employee choose not to participate in a retirement reception, no compensation shall be paid to the employee in lieu of the city contribution to the reception.

- d) Retirement, for the purpose of this policy, shall be defined as meeting the qualifications for retirement under the rules of the Minnesota Public Employee Retirement Association (PERA) or of the Eyota Firefighter Relief Association.

**4. OTHER RECOGNITION PROGRAMS**

- a) The City of Eyota recognizes that the Eyota Firefighter Relief Association may provide other awards and recognition to firefighters for their years of service or upon their retirement. The recognition program may include awards or events that do not meet the criteria for proper expenditure for public funds. No public funds shall be used for such programs, but the City supports their establishment and funding by the Relief Association to the extent consistent with the bylaws of the association and laws governing the use of such funds.
- b) The City of Eyota with coordination of the Eyota Days Committee will recognize Eyota Citizen(s) of the Year yearly to be presented during an Eyota Days Event.
- c) Annually during a City Council meeting the City will recognize the public service of City staff, Council members, and members of City committees, commissions and boards. Expenditure of City funds for this annual meeting will be determined by the City Council at the time of approval and must be expended as necessary to achieve the objectives of the City's Employee Recognition Policies.

Policy effective December 1, 2014.

Policy adopted by the City Council of the City of Eyota, Minnesota this 24<sup>th</sup> day of November 2014.

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Marlis Knowlton  
Clerk/Treasurer

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Tyrel Clark  
Mayor

# **CITY OF HERON LAKE**

## **EMPLOYEE RECOGNITION POLICY**

**Being additional compensation for work performed by employees,  
as part of an overall employee compensation program**

The purpose of this policy is to establish and operate a program of employee recognition services for its employees and to provide necessary staff, equipment, and facilities and to expend funds as necessary to achieve the objectives of the program.

The objective of the program is to promote employee morale, job satisfaction, teamwork, and productivity and to thank employees for their work throughout their careers and to recognize their contributions to the organization.

There is statutory authority to make public purpose expenditures and the city finds that such expenditures are a natural incident of the employer/employee relationship. As there is public purpose in promoting these employee benefits, the city believes that the employee recognition program serves the interest of the citizens of our community.

Minnesota Statutes 15.46, 43A.17, 412.111

One thousand dollars is to be transferred from the general fund checking account to open a savings account dedicated to the Employee Recognition Program.

Funds are to be used for the purpose of hospitalization gifts, memorials, recognition of retirement and possibly the establishment of an annual picnic.

Such expenditures are to be for employees, immediate family of employees, and former employees at the discretion of the council.

Amounts to be expended for such items are to be at the discretion of the council.

This is to be a non-accumulating account to be replenished as used.

**PASSED AND APPROVED by the City Council of the City of Heron Lake,  
Minnesota, this 8<sup>th</sup> day of September, 2010.**

By: \_\_\_\_\_  
Dan Shumway, Mayor

Attest:

\_\_\_\_\_  
Brenda Martin-Granstra, Clerk/Treasurer

## City of Lafayette Employee Recognition Policy

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Whereas, the City of Lafayette has responsibility for performing certain municipal functions; and

Whereas, the City of Lafayette has several employees, including ambulance and fire personnel.

Whereas, the “public purpose doctrine” permits a governmental entity to expend public funds if the primary purpose of the expenditure is public and the expenditure relates to the governmental purposes for which the entity was created; and

Whereas, the Lafayette City Council has determined it is necessary and convenient for the fulfillment of the City’s governmental responsibilities for the City Council to authorize discretionary expenditures of public funds for recognition of employees, city officials, and other city personnel.

Whereas, the Lafayette City Council, has reviewed and considered the appropriate factual and other background materials

**NOW THEREFORE**, the Lafayette City Council makes the following public purpose finding and determination:

Being in the public interest, the City may pay reasonable and necessary expenses related to employee recognition and appreciation programs, including service awards to recognize employee and other personnel performance and length of service. The specifics of these programs will be as developed by the City Clerk, Mayor, and City Council. These programs may also include expenditures for placing plaques and pictures of mayors, fire chiefs, and other officials on display at City Hall or the Community Center.

**CITY OF OAK PARK HEIGHTS  
RESOLUTION 07-02-09**

**A RESOLUTION ESTABLISHING A COUNCIL POLICY FOR  
EMPLOYEE RECOGNITION FOR YEARS OF SERVICE**

**WHEREAS**, this City Council determines that it is appropriate that the City, on behalf of the community, recognize those city employees who have provided continuous service to the City of Oak Park Heights; and,

**WHEREAS**, the City Council determines that the appropriate form of recognition is in the manner provided for herein; and,

**WHEREAS**, the City Council recognizes that employee recognition is an individualized judgment of this and future councils and may be subject to modification by the Council at such times and in such manner as the Council then may so choose; and,

**WHEREAS**, the concept of employee recognition as provided for herein is in gratitude for the years of service and is not considered an element of employment with the City of Oak Park Heights.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR  
THE CITY OF OAK PARK HEIGHTS AS FOLLOWS:**

1. That this City Council does hereby put a policy in place providing for employee recognition in the following manner:
  - (a) For those employees who have been with the City for a period of five consecutive years of employment, they shall be provided a pen by the City of Oak Park Heights.
  - (b) For those employees who have been with the City for a period of ten consecutive years of employment, they shall be provided a half day of vacation.
  - (c) For those employees who have been with the City for a period of fifteen consecutive years of employment, they shall be provided a plaque recognizing their employment service to the City of Oak Park Heights.
  - (d) For those employees who have been with the City for a period of twenty consecutive years of employment, they shall be provided one day of vacation.
  - (e) For those employees who have been with the City for a period of twenty-five consecutive years of employment, a suitable item with a value of \$250.00 will be selected by the City Administrator with the advice and consent of the City Council, which item will be presented to the employee.

- (f) For those employees who have been with the City of a period of thirty consecutive years of employment, a suitable item with a value of \$300.00 will be selected by the City Administrator with the advice and consent of the City Council, which item will be presented to the employee.

Passed by the City Council of Oak Park Heights this 6th day of February, 2007.

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David Beaudet, Mayor

ATTEST:

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Eric A. Johnson Administrator



## STAFF REPORT

DATE: August 8, 2016

ITEM #:

**MOTION**

**TO:** HR Committee

**FROM:** Kristina Handt, City Administrator

**AGENDA ITEM:** Salary Survey

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### **BACKGROUND:**

Over the last year or so as the City has been hiring for positions, staff has used the online Salary Survey through the League of Minnesota Cities to help establish a hiring range. Staff had reviewed salaries in cities that are 25% smaller and larger than Lake Elmo (6,000-10,000 population). Information entered into the survey is voluntary on the part of cities.

Recent hirings have brought about questions regarding the overall classification and salaries of City positions. For example, recent department head hires have salaries \$5-10,000+ higher than longer term employees. Also, we have supervisors of multiple positions making less than those who supervise only one position.

### **ISSUE BEFORE COUNCIL:**

Should the HR Committee recommend a salary survey be completed?

### **PROPOSAL DETAILS:**

The first step in evaluating the salaries would be to review the job classifications. This establishes the foundation for grouping jobs into categories in order to compare them both internally (with similar jobs within the city) and externally (with similar jobs in the larger market). The City last completed a pay equity report as required under state law in 2014. I've included a copy of the job classification submitted with that report. Clearly, our current pay rates are out of synch with the job classifications.

After the City has established the classifications, the next step would be to compare the various job classes to appropriate job categories and classes in the market. This comparison to the market should go beyond what is included in LMC's salary survey as it does not include all cities since it is voluntary.

In order to best complete these tasks, staff would recommend the HR Committee approve issuing an RFP. Due to current staff workload, to avoid (perceived or real) conflicts of interest, and to follow the best management practices in local government, an outside firm should be hired to complete the salary analysis and provide recommendations as needed.

## Job Class Data Entry Verification List

Case: 2014 Data

Job Nbr	Class Title	Nbr Males	Nbr Females	Class Type	Jobs Points	Min Mo Salary	Max Mo Salary	Yrs to Max Salary	Yrs of Service	Exceptional Service Pay
18	Receptionist	0	1	F	124	\$2,687.00	\$2,687.00	0.00	2.00	
17	Water/Fire support	1	0	M	130	\$2,690.00	\$2,690.00	0.00	2.00	
14	Planning Assistant	0	1	F	170	\$3,007.00	\$3,007.00	0.00	2.00	
1	Deputy Clerk	0	1	F	205	\$3,188.00	\$3,188.00	0.00	2.00	
2	Heavy Equipment Operato	1	0	M	214	\$3,167.00	\$4,853.00	0.00	4.00	
3	Heavy Equipment Operato	1	0	M	214	\$3,167.00	\$4,853.00	0.00	7.00	
4	Heavy Equipment Operato	1	0	M	214	\$3,167.00	\$4,853.00	0.00	9.00	
5	Heavy Equipment Operato	1	0	M	214	\$3,167.00	\$4,853.00	0.00	23.00	
16	Park Maintainer	1	0	M	214	\$3,167.00	\$4,853.00	0.00	2.00	
15	Librarian	1	0	M	282	\$3,750.00	\$3,750.00	0.00	1.00	
19	Taxpayer Relations	0	1	F	300	\$3,771.00	\$3,771.00	0.00	3.00	
7	City Planner	1	0	M	345	\$4,167.00	\$4,167.00	0.00	2.00	
6	Building Official	1	0	M	360	\$5,099.00	\$5,099.00	0.00	3.00	
8	Fire Chief	1	0	M	372	\$5,718.00	\$5,718.00	0.00	9.00	
9	Finance Director	0	1	F	384	\$6,118.00	\$6,118.00	0.00	3.00	
10	City Clerk	1	0	M	384	\$5,417.00	\$5,417.00	0.00	3.00	
11	Maintenance Supervisor	1	0	M	384	\$6,110.00	\$6,110.00	0.00	28.00	
12	Community Development I	1	0	M	457	\$6,921.00	\$6,921.00	0.00	7.00	
13	City Administrator	1	0	M	496	\$9,417.00	\$9,417.00	0.00	3.00	

Job Number Count: 19