

**CHARLOTTE SELECTBOARD
MINUTES OF MEETING
TOWN HALL
DECEMBER 19, 2014**

APPROVED

SELECTBOARD MEMBERS: Lane Morrison, Chair; Charles Russell, Ellie Russell, Fritz Tegatz, Matthew Krasnow (arrived 2:13 p.m.).

ADMINISTRATION: Dean Bloch, Town Administrator.

OTHERS: Mary Mead, Christina Booher, Betsy Tegatz, and others.

ITEMS TAKEN UP:

- 2:00 PM Wage classification plan and policy. *Discussion only*
- 2:30 PM Implementation of two-week pay period. *Action under consideration: approve starting two-week pay periods on January 3*
- 2:40 PM Implementation of auditor's recommendations to strengthen internal control. *Action under consideration: appoint Matt to perform reconciliations and review journal entries and adjustments*
- 2:45 PM Response to findings of deficiencies in internal control in audit report and proposed edits. *Action under consideration: approve*
- 3:00 PM Board of Listers: Grand List errors & omissions. *Action under consideration: approve*

CALL TO ORDER

Mr. Morrison, Chair, called the meeting to order at 2:05 p.m.

WAGE CLASSIFICATION PLAN AND POLICY. *Discussion only*

Ms. Booher, Assistant Town clerk, reviewed an e-mailed memo she had sent to the Town Clerk regarding her concerns related to a draft Pay Grade Placement spreadsheet.

Mr. Tegatz explained that the 'median' pay steps were based on job descriptions and pay rates as a check to make sure the Town was offering a fair and equitable payroll. Each 'step' included a cost of living increase and each grade was based on a 5 percent pay grade for the standards for the industry, said Mr. Tegatz.

There was lengthy discussion regarding formulas the Town used based on the Palmer Study related to municipalities/governments and pay rate actuals from surrounding Vermont towns and the State of Vermont; drafting job descriptions for the Town of Charlotte employees versus comparable jobs for other towns; the differences between government jobs versus the private sector; the Town's expectations that a new hire would do a great job; and that the spreadsheet grid scale was based on the job description versus the person.

There was lengthy discussion regarding concerns that the Assistant Clerk was rated too low at a starting pay of \$14.74 and that the position should pay \$15.48; that there was a learning curve despite coming into a job with relevant experience, and that a fair hiring system in a

long-term work structure was important; and the wage policy language called for an annual cost of living increases for all employees.

Ms. Booher reiterated concerns that her opportunity for pay raises would be limited with her experience and where she landed on the pay grid.

Ms. Mead said that she was an elected official and her three positions as Town Clerk, Town Treasurer and Delinquent Tax Collector should be separated out. As an elected official she was not ruled by holiday or vacation time. She was a salaried position. She should be a step 21, not step 15. What did step 15 signify, asked Ms. Mead.

Mr. Krasnow suggested that elected positions should be broken out separately versus lumped into one pay. What happened if Mary didn't run for one of the positions, asked Mr. Krasnow. Mr. Morrison said that if/when that happened the grid would be re-assessed. Ms. Mead said that she was paid \$5,600 as the Delinquent Tax Collector, and the hours per week involved with the position varied, said Ms. Mead.

Mr. Krasnow pointed out that the constable and animal control officer were not included on the grid. Mr. Morrison noted that those positions were paid a stipend.

Mr. Tegatz calculated that Mary would receive \$33.25 at step 21.

TASKS:

- Re-visit the job description for Town Clerk, Town Treasurer and Delinquent Tax Collector.
- Re-visit Town Clerk/Town Treasurer starting pay rate of \$21.78, and separate Delinquent Tax Collector as a fixed rate/stipend. (The pay should stay at \$34.25 at the end for the three jobs at step 21.)
- Consider a discussion regarding the Delinquent Tax Collector's pay, and if the position should be removed from the grid.

(NOTE: there was further discussion regarding Wage Classification and job descriptions following approval of the Board of Listers E and O list. The discussion appears below for continuity.)

A formula was utilized to determine a Town Clerk/Town Treasurer salary as follows: at \$30.41 times 1.5 times 8 years (prior experience) equaled \$34.27 per hour for step 23.

TASKS:

- The Selectboard would discuss a stipend for the Delinquent Tax Collector position at a future meeting.
- Add language to the cost of living and length of service language in the policy that "...all employees with a satisfactory job evaluation would receive an annual 1.5 percent cost of living increase regardless of steps."
- Page 1 of the policy, next to last paragraph, that "...at the maximum step the cost of living increase would continue."
- For the Library Services Assistant, raise complexity by 5 percent, raise qualifications to 25, and keep health and safety at 0. The grade changed to 110.

- Sections 4 and 6, keep the wording that the "...Selectboard approves..." throughout the paragraph.
- Technical Librarian, qualifications, change to 75. The grade would stay the same and the step would remain at 13.

IMPLEMENTATION OF TWO-WEEK PAY PERIOD. *Action under consideration: approve starting two-week pay periods on January 3*

MOTION by Mr. Russell, seconded by Ms. Russell, to approve implementation of a two-week pay period starting Saturday, January 3, 2015.

VOTE: 4 ayes, 1 absent (Mr. Krasnow); motion carried.

IMPLEMENTATION OF AUDITOR'S RECOMMENDATIONS TO STRENGTHEN INTERNAL CONTROL. *Action under consideration: appoint Matt to perform reconciliations and review journal entries and adjustments*

Ms. Mead reviewed that Matt Krasnow had volunteer to review reconciliations and journal entries and adjustments as a possible solution related to a segregation of duties.

Mr. Russell asked if there was a way that one of the clerks could sign checks and the other clerk perform reconciliations. Ms. Mead replied that she does the Accounts Payables and signs the few payroll checks necessary. Ms. Booher performs the reconciliations. Both of them were authorized to sign checks. Matt offered to do the reviews, said Ms. Mead.

Mr. Krasnow said he would like to learn more about the financial aspects of the Town, or the Selectboard could find someone with auditing experience to take Nancy Wood's place.

Mr. Morrison noted that there was a recommendation to eliminate the elected Town Auditors. State statutes allow a town to hire an outside CPA, or bookkeeper to perform audits, said Mr. Morrison.

MOTION by Ms. Russell, seconded by Mr. Russell, to approve a draft Letter to the Auditor as presented.

VOTE: 5 ayes; motion carried.

RESPONSE TO FINDINGS OF DEFICIENCIES IN INTERNAL CONTROL IN AUDIT REPORT AND PROPOSED EDITS. *Action under consideration: approve*

No action taken.

BOARD OF LISTERS: GRAND LIST ERRORS & OMISSIONS. *Action under consideration: approve*

MOTION by Mr. Russell, seconded by Mr. Krasnow, to approve the Grand List Errors and Omissions for D. A. Scheuer from \$1,040,500 to \$1,096,100, as described in a Board of Listers' letter, dated December 19, 2014.

VOTE: 5 ayes; motion carried.

ADJOURNMENT

MOTION by Mr. Krasnow, seconded by Mr. Russell, to adjourn the meeting.

VOTE: 5 ayes; motion carried.

The meeting was adjourned at 5:08 p.m.

Minutes respectfully submitted, Kathlyn L. Furr, Recording Secretary.