

1. Agenda

Documents: [PER_20150319_AG.PDF](#)

2. Complete Packet Revised

Documents: [PER_20150319_PKREVISED.PDF](#)



Administrative Offices
5520 Lacy Road
Fitchburg, WI 53711-5318
Phone: (608) 270-4200 Fax: (608) 270-4212
www.fitchburgwi.gov

AGENDA
PERSONNEL COMMITTEE
Thursday, March 19, 2015
7:30 A.M.
CITY HALL

NOTICE IS HEREBY GIVEN that the Fitchburg Personnel Committee will meet at 7:30 A.M. on Thursday, March 19, 2015 in the Meeting Room at City Hall, 5520 Lacy Road to consider and act on the following:

1. Call to order
2. Approval of Minutes of the March 4, 2015 meeting.
3. Approval of R-35-15, Amending 2015 General Fund, Utilities and Stormwater Budgets and Modifying Pay Plan Implementation for Non-Represented Employees
4. Approval of R-36-15, Amending 2015 Library, Cable, Debt Service and Capitol Projects Fund Budgets
5. Discussion, Consideration, and possible Approval of Information Technology re-organization and position reclassifications
 - a. Approval of Information Technology department re-organization
 - b. Approval of Information Technology Manager reclassification
 - c. Approval of Network Administrator (formerly IT Specialist – Network) reclassification
 - d. Approval of Information Technology Specialist (formerly IT Specialist – Helpdesk) reclassification
6. Discussion, Consideration, and possible Approval of Finance Department re-organization and position reclassifications
 - a. Approval of Finance Department re-organization
 - b. Approval of Accounting Manager (formerly Utility Accounting Supervisor) reclassification
 - c. Approval of Accounting Clerk reclassification
 - d. Approval of Accounting Clerk (new) classification
7. Approval of Selection Committee Members for the City Administrator Recruitment and Selection process.
8. Announcements
 - a. Schedule time for April 10, 2015 meeting
9. Adjournment



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City of Fitchburg
Personnel Committee
DRAFT Minutes
Wednesday, March 4, 2015

Members Present: Becky Baumbach, Carol Poole
Absent With Excuse: Dan Carpenter
Also Present: Lisa Sigurslid, Human Resources Manager; Chris Armstrong

1. Call to Order – The Personnel Committee Meeting was called to order by Becky Baumbach at 7:08 a.m.
2. Approval of Minutes of the December 11, 2014 Meeting
Motion by Poole to approve the personnel committee minutes. Motion carried.
3. Discussion Consideration, and Approval of documents related to the City Administrator Recruitment and Selection Process
 - a. Review of Community Survey Results
 - Sigurslid provided an overview of the survey process utilized and the responses that were received.
 - b. Approval of Position Description
 - Sigurslid reviewed the position description and answered questions.
 - Motion by Poole to approve the position description, motion carried.
 - c. Approval of Recruitment Profile
 - Sigurslid reviewed the recruitment profile for the City Administrator position. It was noted that changes to the timeline may be needed. Sigurslid noted that the profile will be updated with any changes made to the timeline under 3e.
 - Motion by Poole to approve the recruitment profile. Motion carried.
 - d. Approval of Selection Committee Members
 - Sigurslid provided the committee with background information related to the citizens interested in serving on the selection committee.
 - Chris Armstrong spoke on behalf of the Community and Economic Development Authority (CEDA) and their desire to have someone represent their interests on the selection committee.
 - The committee discussed the makeup of the selection committee.
 - It was determined that the selection committee would be a five person panel.
 - Committee members will include:
 - Becky Baumbach, current alder and member of CEDA
 - Mike Harrigan, financial expertise and past work with the City
 - TBD, the next Chair of the personnel committee
 - Two members to be selected at the next meeting.
 - e. Approval of Recruitment and Selection Timeline
 - Sigurslid reviewed the proposed timeline.

- It was determined that due to the upcoming election and seating of the new council it would be best to move the recommendations to the Council to May. Interviews were also moved back one week.
- Motion by Poole to approve the selection process and timeline as amended.
Motion Carried

4. Announcements

- Next meeting is scheduled for Thursday, March 19, 2015 at 7:30 a.m.
- The Personnel Committee will also meet on Friday, April 10, 2015; time TBD, for the purpose of reviewing City Administrator applications and selecting individuals for interviews.
- Sigurslid provided an update on the status of current recruitments.

5. Adjournment

Motion by Baumbach to adjourn at 8:16 a.m.

Mayor Shawn Pfaff
Introduced By

Tony Roach
Drafted By

Personnel, Finance
Referred to

March 10, 2015
Date

RESOLUTION R-35-15
AMENDING 2015 GENERAL FUND, UTILITIES AND STORMWATER BUDGETS AND
MODIFYING PAY PLAN IMPLEMENTATION FOR NON-REPRESENTED EMPLOYEES

WHEREAS, the City Council, as recommended by the Personnel Committee, adopted the current pay plan system for non-represented employees effective with the 2015 Budget; and

WHEREAS, the City was unable to fully implement the pay plan due to budget constraints; and

WHEREAS, it is now apparent that cost savings from the various fuel accounts will sufficiently provide for the full implementation of the pay plan; and

WHEREAS, the Finance Committee and Personnel Committee have reviewed the implementation plan and have determined the cost impact to be neutral in 2015 and beyond.

NOW THEREFORE, BE IT RESOLVED by the Fitchburg City Council that it hereby amends the 2015 General Fund, Utilities and Stormwater Budgets as attached and modifies the Pay Plan Implementation as recommended, with an effective date of January 1, 2015.

Adopted this _____ day of _____, 2015.

Patti Anderson, City Clerk

Shawn Pfaff, Mayor



To: Common Council

From: Lisa Sigurslid, Human Resources Manager

Re: R-35-15, Resolution amending 2015 budget and modifying pay plan implementation for non-represented employees

Date: March 5, 2015

The following chart details the total costs associated with fully implementing the non-represented pay plan as recommended by Mayor Pfaff. The chart is broken out by fund, and by department within the general fund. The “increase” column represents the additional cost over what was budgeted of placing each individual at the step within their pay grade that correlates with their years of service in the position.

Department	Employees	Increase	FICA	WRS	Total
Administration	2	\$ 10,994.55	\$ 841.08	\$ 666.71	\$ 12,502.35
Assessing	1	\$ 188.97	\$ 14.46	\$ 12.85	\$ 216.28
Economic Development	2	\$ 9,866.12	\$ 754.76	\$ 670.90	\$ 11,291.77
Fire	1	\$ 1,012.27	\$ 77.44	\$ 68.83	\$ 1,158.54
Information Technology	1	\$ 2,267.20	\$ 173.44	\$ 154.17	\$ 2,594.81
Municipal Court	2	\$ 6,394.22	\$ 489.16	\$ 434.81	\$ 7,318.18
Parks	1	\$ 1,868.53	\$ 142.94	\$ 127.06	\$ 2,138.53
Planning & Zoning	2	\$ 7,344.14	\$ 561.83	\$ 499.40	\$ 8,405.37
Police	7	\$ 17,138.52	\$ 1,311.10	\$ 1,165.42	\$ 19,615.04
Public Works	3	\$ 4,270.06	\$ 326.66	\$ 290.36	\$ 4,887.08
Recreation	1	\$ 2,884.28	\$ 220.65	\$ 196.13	\$ 3,301.06
Senior Center	5	\$ 23,902.29	\$ 1,828.53	\$ 1,625.36	\$ 27,356.17
General Fund	28	\$ 88,131.15	\$ 6,742.03	\$ 5,912.00	\$ 100,785.18
Cable	2	\$ 2,912.00	\$ 222.77	\$ 198.02	\$ 3,332.78
Utility	2	\$ 5,602.13	\$ 428.56	\$ 380.94	\$ 6,411.64
Library	9	\$ 23,601.51	\$ 1,805.52	\$ 1,604.90	\$ 27,011.93

**City of Fitchburg
Gasoline Cost Savings Scenarios
2015 Budget**

Purpose: The price of gas has decreased dramatically as of January 2015. For the 2015 budget, however, the City included a higher price per gallon which was in line with previous years. The purpose of this spreadsheet is to calculate potential savings at various prices. A savings will be seen in both gasoline purchases for City fleet and mileage reimbursements (assuming the IRS decreases the standard reimbursement rate to reflect the change in gas prices, which has been done in the past but not yet for 2015).

Gasoline Purchases

	Unleaded			Diesel							
	gallons	price	cost	gallons	price	cost	gallons	price	cost	savings	total
Parks	3,500	\$ 4.00	\$ 14,000	4,800	\$ 4.25	\$ 20,400					
Bldg Inspect	840	\$ 4.00	\$ 3,360			\$ -					
Fire	2,375	\$ 4.00	\$ 9,500	6,706	\$ 4.25	\$ 28,500					
Police	36,000	\$ 4.00	\$ 144,000			\$ -					
Public Works	5,500	\$ 4.00	\$ 22,000	13,000	\$ 4.25	\$ 55,250					
General Fund	48,215		192,860	24,506		104,150					
Scenario 1	48,215	\$3.000	\$144,645	\$48,215	24,506	\$3.500	\$85,771	\$18,379		\$ 66,594	
Scenario 2	48,215	\$2.720	\$131,145	\$61,715	24,506	\$3.250	\$79,644	\$24,506		\$ 86,221	
Scenario 3	48,215	\$2.500	\$120,538	\$72,323	24,506	\$3.000	\$73,518	\$30,632		\$102,955	
Scenario 4	48,215	\$2.330	\$112,341	\$80,519	24,506	\$2.850	\$69,842	\$34,308		\$114,827	

	Unleaded			Diesel							
	gallons	price	cost	gallons	price	cost	gallons	price	cost	savings	total
Utilities	4,500	\$ 4.00	\$ 18,000	450	\$ 4.25	\$ 1,913					
Stormwater	-	\$ 4.00	\$ -	3,000	\$ 4.25	\$ 12,750					
Utilities	4,500		18,000	3,450		14,663					
Scenario 1	4,500	\$3.000	\$ 13,500	\$ 4,500	3,450	\$3.500	\$12,075	\$ 2,588		\$ 7,088	
Scenario 2	4,500	\$2.720	\$ 12,240	\$ 5,760	3,450	\$3.250	\$11,213	\$ 3,450		\$ 9,210	
Scenario 3	4,500	\$2.500	\$ 11,250	\$ 6,750	3,450	\$3.000	\$10,350	\$ 4,313		\$ 11,063	
Scenario 4	4,500	\$2.330	\$ 10,485	\$ 7,515	3,450	\$2.850	\$ 9,833	\$ 4,830		\$ 12,345	

Note: Mass transit savings would be applied to our reserve.

Price Summary	2013	2014	2015	2016
WTI Crude Oil ^a (dollars per barrel)	97.91	93.26	54.58	71.00
Brent Crude Oil (dollars per barrel)	108.64	99.02	57.58	75.00
Gasoline ^b (dollars per gallon)	3.51	3.36	2.33	2.72
Diesel ^c (dollars per gallon)	3.92	3.83	2.85	3.25
Heating Oil ^d (dollars per gallon)	3.78	3.71	2.71	3.03
Natural Gas ^d (dollars per thousand cubic feet)	10.30			
Electricity ^d (cents per kilowatthour)	12.12			



<http://www.eia.gov/forecasts/steo/>

Note: Midwest is expected to be slightly lower but will use National to be more conservative.

units:
cents per gallon

	2014	2015	2016
Diesel Fuel Retail Price Including Taxes, U.S. Average	382.7	284.6	324.9
Gasoline Regular Grade Retail Price Incl Taxes, PADD 2 (Midwest)	330.4	229.6	268.7

**City of Fitchburg
Budget Amendment Detail - Full Implementation of Pay Plan - General Fund, Utilities, Storm Water
2015 Budget**

Account #	Account Title	2015 Adopted Budget	Proposed Amendment	2015 Amended Budget
100-5120-110	Salaries & Wages - Mun Court	\$ 90,745	\$ 6,394	\$ 97,139
100-5120-130	Direct Fringe Benefits	\$ 13,247	\$ 924	\$ 14,171
100-5141-110	Salaries & Wages-Administrator	\$ 259,674	\$ 10,995	\$ 270,669
100-5141-130	Direct Fringe Benefits	\$ 36,193	\$ 1,508	\$ 37,701
100-5145-110	Salaries & Wages-It	\$ 196,227	\$ 2,267	\$ 198,494
100-5145-130	Direct Fringe Benefits	\$ 30,156	\$ 328	\$ 30,484
100-5153-110	Salaries & Wages-Assessors Ofc	\$ 260,998	\$ 189	\$ 261,187
100-5153-130	Direct Fringe Benefits	\$ 38,046	\$ 27	\$ 38,073
100-5210-110	Salaries & Wages - Police	\$ 3,980,314	\$ 17,139	\$ 3,997,453
100-5210-130	Direct Fringe Benefits	\$ 729,718	\$ 2,477	\$ 732,195
100-5220-110	Salaries & Wages - Fire Dept	\$ 796,121	\$ 1,012	\$ 797,133
100-5220-130	Direct Fringe Benefits	\$ 284,435	\$ 146	\$ 284,581
100-5300-110	Salaries & Wages - Public Wks	\$ 645,619	\$ 4,270	\$ 649,889
100-5300-130	Direct Fringe Benefits	\$ 100,158	\$ 617	\$ 100,775
100-5460-110	Salaries & Wages - Senior Ctr	\$ 287,620	\$ 23,902	\$ 311,522
100-5460-130	Direct Fringe Benefits	\$ 41,954	\$ 3,454	\$ 45,408
100-5520-110	Salaries & Wages - Parks Dept	\$ 335,698	\$ 1,869	\$ 337,567
100-5520-130	Direct Fringe Benefits	\$ 57,528	\$ 270	\$ 57,798
100-5530-110	Salaries & Wages - Recreation	\$ 105,213	\$ 2,884	\$ 108,097
100-5530-130	Direct Fringe Benefits	\$ 17,829	\$ 417	\$ 18,246
100-5630-110	Salaries & Wages - Planning	\$ 212,889	\$ 7,344	\$ 220,233
100-5630-130	Direct Fringe Benefits	\$ 32,038	\$ 1,061	\$ 33,099
100-5670-110	Salaries & Wages - Edc	\$ 149,483	\$ 9,866	\$ 159,349
100-5670-130	Direct Fringe Benefits	\$ 21,834	\$ 1,426	\$ 23,260
600-5408-100	Taxes - W	\$ 615,000	\$ 304	\$ 615,304
600-5408-200	Taxes - S	\$ 10,500	\$ 304	\$ 10,804
600-5840-200	Accting & Collect Exp. (Cust.)	\$ 46,000	\$ 2,101	\$ 48,101
600-5903-100	Cust Records-Collections/Labor	\$ 40,000	\$ 2,101	\$ 42,101
601-5408-300	Social Security Tax	\$ 9,500	\$ 202	\$ 9,702
601-5902-300	General Accounting Salaries	\$ 25,000	\$ 1,401	\$ 26,401
Subtotal Personnel Amendments		\$ 9,469,737	\$ 107,199	\$ 9,576,936
100-5520-335	Vehicle Expense (G&O, Repairs)	\$ 42,000	\$ (11,250)	\$ 30,750
100-5240-335	Vehicle Expense (Gas & Oil)	\$ 4,000	\$ (1,260)	\$ 2,740
100-5220-335	Vehicle Expense (G&O, Repairs)	\$ 82,560	\$ (11,930)	\$ 70,630
100-5210-335	Vehicle Expense (G&O, Repairs)	\$ 195,342	\$ (54,000)	\$ 141,342
100-5300-335	Vehicle Expense (G&O, Repairs)	\$ 108,000	\$ (22,346)	\$ 85,654 (a)
600-5932-100	Maint Of Gen Plant	\$ 9,000	\$ (2,405)	\$ 6,595
600-5828-200	Transportation Expense	\$ 10,000	\$ (2,405)	\$ 7,595
601-5932-300	Transportation Expense	\$ 6,300	\$ (1,603)	\$ 4,697
Subtotal Fuel Amendments		\$ 457,202	\$ (107,199)	\$ 350,003
		Personnel Amendments	Fuel Amendments	Net Amendments
	General Fund	\$ 100,786	\$ (100,786)	\$ -
	Utilities Fund	\$ 4,810	\$ (4,810)	\$ -
	Stormwater Fund	\$ 1,603	\$ (1,603)	\$ -
		\$ 107,199	\$ (107,199)	\$ -

(a) - excess available gas savings were removed from PW amendment due to unpredictable nature of snow & ice needs.

City of Fitchburg

Committee or Commission Referral

Direct Referral by Mayor to:

Date Referred: **March 10, 2015**

Ordinance Number:

Date to Report Back: **March 24, 2015**

Resolution Number: **R-35-15**

Sponsored by: Mayor Pfaff

Drafted by: Roach

TITLE: AMENDING 2015 GENERAL FUND, UTILITIES AND STORMWATER BUDGETS AND MODIFYING PAY PLAN IMPLEMENTATION FOR NON-REPRESENTED EMPLOYEES

Background: Because of limitations placed on spending due to the expenditure restraint program, fully implementing the pay plan was not possible in the 2015 Budget. Now, cost savings related to fuel price reductions have provided sufficient funds to fully implement the new pay plan for non-represented employees. The 2015 budget provides for fuel costs at \$4.00 and \$4.25 per gallon. Current and forecasted pricing by the federal government have reduced the amount required to an amount sufficient to place employees at the step in the new pay grade equal to years in service at their current position, or at market for those employed 5 years or more. The 2015 Budget amendment does not increase spending in either the General Fund, Utilities or Stormwater Funds; it merely re-allocates cost savings for fuel to the specific personnel line items for impacted employees, thereby continuing to qualify for expenditure restraint. See attached for details. Requires simple majority vote.

Order	Referred To	Staff Contact	Place on Agenda For	Action Taken On Referral
1	Finance Committee	Roach	March 24, 2015	
2	Personnel Committee	Roach	March 19, 2015	
3				
4				

Amendments:

 x **EXHIBITS NEED TO BE ATTACHED TO RESOLUTION/ORDINANCE**

Mayor Shawn Pfaff
Introduced By

Tony Roach
Drafted By

Personnel, Finance, Library
Referred to

March 10, 2015
Date

RESOLUTION R-36-15
AMENDING 2015 LIBRARY, CABLE, DEBT SERVICE and CAPITAL PROJECTS
FUND BUDGETS

WHEREAS, the City Council, as recommended by the Personnel Committee, adopted the current pay plan system for non-represented employees effective with the 2015 Budget; and

WHEREAS, the City was unable to fully implement the pay plan due to budget constraints; and

WHEREAS, the City Council has determined that the full implementation of the pay plan can now be accommodated; and

WHEREAS, the Library Board has reviewed the implementation plan and approved the budget amendment; and

WHEREAS, the 2015 Debt Service Budget and Capital Projects Fund Budgets need to be amended to accommodate the 2015 bond issue for 2014 projects.

NOW THEREFORE, BE IT RESOLVED by the Fitchburg City Council that it hereby amends the 2015 Library, Cable, Debt Service and Capital Projects Fund Budgets as attached.

Adopted this ____ day of _____, 2015.

Patti Anderson, City Clerk

Shawn Pfaff, Mayor

City of Fitchburg

Budget Amendment Detail - Full Implementation of Pay Plan - Library & FACTv

2015 Budget

Account #	Account Title	2015 Adopted Budget	Proposed Amendment	2015 Amended Budget
207-5570-110	Salaries & Wages - Cable	\$ 104,076	\$ 2,912	\$ 106,988
207-5570-130	Direct Fringe Benefits	\$ 19,890	\$ 421	\$ 20,311
250-5511-110	Salaries & Wages - Library Svc	\$ 720,113	\$ 23,602	\$ 743,715
250-5511-130	Direct Fringe Benefits	\$ 102,026	\$ 3,410	\$ 105,436
Subtotal Personnel Amendments		<u>\$ 946,105</u>	<u>\$ 30,345</u>	<u>\$ 976,450</u>

	Personnel Amendments	Fuel Amendments	Net Amendments
FACTv	\$ 3,333	\$ -	\$ 3,333
Library Fund	\$ 27,012	\$ -	\$ 27,012
	<u>\$ 30,345</u>	<u>\$ -</u>	<u>\$ 30,345</u>

Note - the FACTv and Library Funds will not benefit from fuel savings therefore the funding for the amendment will need to come from fund balance in 2015.

**City of Fitchburg
Budget Amendment Detail - Use of Debt Service Fund Balance for Capital Projects
2015 Budget**

Account #	Account Title	2015 Adopted Budget	Proposed Amendment	2015 Amended Budget
400-4921-021	Debt Fb Trx - Maint Facility	\$ -	\$ 238,495	\$ 238,495
400-4901-021	Debt Proceeds-Maint Facil Exp	\$ -	\$ (238,495)	\$ (238,495)
400-4922-249	Debt Fb Trx - Future Fire Stn	\$ -	\$ 111,505	\$ 111,505
400-4902-249	Debt-Future Fire Stn Land&Bldg	\$ -	\$ (111,505)	\$ (111,505)
Subtotal Capital Projects Fund		\$ -	\$ -	\$ -
300-5810-140	Principal - 2014 G.O. Note	\$ 300,000	\$ (300,000)	\$ -
300-5820-140	Interest - 2014 G.O. Note	\$ 90,000	\$ (50,000)	\$ 40,000
300-5920-954	Other Trans To Fund 400	\$ -	\$ 350,000	\$ 350,000
Subtotal Debt Service Fund		\$ 390,000	\$ -	\$ 390,000

Note: Included in the 2015 budget were principal and interest payments (\$390,000 in total) that were intended to be used for the debt to be issued in 2014. Due to turn-over in the Finance Department, the debt was not issued in 2014 as planned. Instead it is being issued in early 2015.

After discussion with our Financial Advisor (Ehler's) it was decided the best use of the excess money levied was first for the necessary interest payment on the new debt (approximately \$40,000) and the rest of the funds would be used to down-size the upcoming debt issue (\$350,000). Due to the higher cost of issuance, both in underwriter's discount and in interest on the longer tenure, it was recommended that we downsize the bonds. The bonds for the TID #6 project would continue to be issued in full as they are financed through TID revenues and not property tax levy. The \$350,000 was pro-rated between the two general fund bond projects: the maintenance facility and the land purchase for the future fire station. Both projects were authorized for borrowing in 2014 or earlier so the amendment will create a negative revenue budget in 2015.

Since this budget amendment only transfers fund balance between the debt service fund and the capital projects fund, it does not affect our expenditure restraint qualification. Because the City has available funds within the levy limits, that calculation also is not affected. The use of fund balance, however, will need to be published in accordance with State Statute.

City of Fitchburg

Committee or Commission Referral

Direct Referral by Mayor to:

Date Referred: **March 10, 2015**

Ordinance Number:

Date to Report Back: **March 24, 2015**

Resolution Number: **R-36-15**

Sponsored by: Mayor Pfaff

Drafted by: Roach

TITLE: AMENDING 2015 LIBRARY, CABLE, DEBT SERVICE and CAPITAL PROJECTS FUND BUDGETS

Background:

In order to fully implement the new pay plan, various funds are impacted and require a budget amendment. Total expenditures will be changed in the Library and Cable fund.

Because of the recent transition in the Finance Department, the 2014 bond issue was postponed until 2015. The 2015 Debt Service Budget was prepared assuming a 2014 issue; therefore this budget and the corresponding budget in the Capital Projects Fund also need to be amended. See attached memo from Finance Director for more detail.

According to Sec. 10-47(c), a 2/3 vote of the council is required when an amendment alters total revenue and expenditures in any particular fund.

Order	Referred To	Staff Contact	Place on Agenda For	Action Taken On Referral
1	Finance Committee	Roach	March 24, 2015	
2	Personnel Committee	Roach	March 19, 2015	
3	Library Board	Rawson	March 18, 2015	
4				

Amendments:

 x EXHIBITS NEED TO BE ATTACHED TO RESOLUTION/ORDINANCE

Fitchburg IT Department – MPSIS Merger

Merging the responsibilities of the MPSIS System Administrator into the Fitchburg IT Department will result in some changes to the organizational structure and employee responsibilities. The following document provides an overview of the proposed changes.

Current Potential Opportunity

Matt Prough has accepted the Fitchburg IT Manager position, and will soon be transitioning into that role. The question now is whether it is prudent to fill the vacant MPSIS System Administrator position, or whether it would be worthwhile to merge the duties of the MPSIS System Administrator into the City of Fitchburg IT Department.

Reasons For Merger

The biggest challenge related to the MPSIS System Administrator position is that it exists as the only employee of the Commission. This results in a single point of failure. Should the existing MPSIS System Administrator leave the organization, there would be nobody that would have the skills, knowledge, or access to effectively manage the project going forward. A vacancy in this position would have a significant negative impact on the MPSIS agencies for many months, if not a year or more. Further, as long as the MPSIS System Administrator position remains independent, this risk will always be present. The merger should be considered for this reason alone.

Aside from the critical issue mentioned above, there are other reasons to consider the merger. First, with only one person assigned to MPSIS, support coverage is an issue. The MPSIS System Administrator is always on call, regardless of where they might be. There is no backup, which means at times staff may have to wait for a resolution to a critical outage affecting public safety. Further, the permanent on-call requirement is a quality of life issue for the staff member in this role, requiring him/her to make sure they are always available via phone, and that they always have access to the internet.

Having one person assigned to this role also limits the available skillsets and competencies. The current System Administrator has a very wide variety of duties from simple level 1 tasks (i.e. password resets) to significant management duties and highly technical systems and network administration. The requirement to maintain such a wide skill set can limit one's ability to develop additional skills. Spreading out the MPSIS work among four employees allows for a wider variety of skills to be tapped, both for the City and for MPSIS. The merger would allow the IT Manager and Network Administrator (see below for details) to offload the basic work and focus on high-end skills that would benefit everyone.

Finally, cost is a factor. The IT Manager and MPSIS System Administrator are currently in the same salary step due to similar, yet unique, responsibilities. The reality is that in both cases these positions are paid what they are due to the most complex and challenging requirements of the positions. Merging the two together would result in one position at the highest salary level, and three additional positions below that (see below for more details). Additionally, merging the two will likely result in additional cost efficiencies as we identify technology that can be merged. The merger will likely result in a more efficient and cost effective technology infrastructure for both the City and MPSIS.

Arguments Against Merger

There are also reasons to vote against the merger. Since its inception the MPSIS Commission has strived to be as independent as possible, not only with its employee, but with its technology. MPSIS owns a separate rack of equipment in the Fitchburg server room, and while the lines have blurred somewhat over the last few years, for the most part the MPSIS network remains completely independent of each of the member cities, as the Commission originally intended.

A rejection of the merger would also result in the continuation of a dedicated employee for MPSIS. This may be preferable to MPSIS as they then know that one single person is spending all their time on MPSIS business. A merger would result in the distribution of the MPSIS workload across four employees, which might be an issue for some Commission members. Similarly, Fitchburg IT staff would remain dedicated to City business, and would not find themselves working at times on Commission business.

A final issue would be related to ownership and payments. Under the existing structure, since MPSIS operates autonomously, there is a clear understanding of the equipment owned by the Commission, and how payments are made. This is also true for the salary and benefits for the System Administrator. A merger would make this much less clear and would likely result in the need to initially determine the amount of salary and benefits the Commission is responsible for, as well as longer term discussions about technology purchases.

Merger Possibility

It's important to look at the MPSIS Intergovernmental Agreement to determine whether a merger is even possible under the defined rules and procedures. In the actual agreement, the only mention of the System Administrator is under section 5.V., which states in part "those participating Municipality's in which the RMS is not housed shall annually forward to the host municipality their...equal share of the staffing cost to operate the RMS."

Addendum C of the Intergovernmental Agreement are the system bylaws, and Section V. of that document spells out the requirement for the System Administrator. It states:

1. The Commission will cause to be hired or contract with a System Administrator as deemed necessary.
2. The general responsibilities and specific duties of the System Administrator are set forth in Schedule 3.
3. If a person is hired as a System Administrator, he or she shall be deemed an employee of the Host Municipality. Each participating municipality will be responsible for an equal share of the cost of the System Administrator, including benefits if the System Administrator is an employee.

While the bylaws are written with the idea of a dedicated System Administrator in mind, the document is open to interpretation, and I see no reason why the Fitchburg IT Manager couldn't also be appointed as the MPSIS System Administrator. The IT Manager could then delegate MPSIS duties to staff as necessary. Further, a precedent exists that allows the Commission to modify the bylaws as necessary. The MPSIS Commission has previously received an opinion from several City Attorneys that while only the City Councils have the authority to modify the Intergovernmental Agreement, the Commission itself can modify the bylaws at any time.

Proposed Organizational Structure

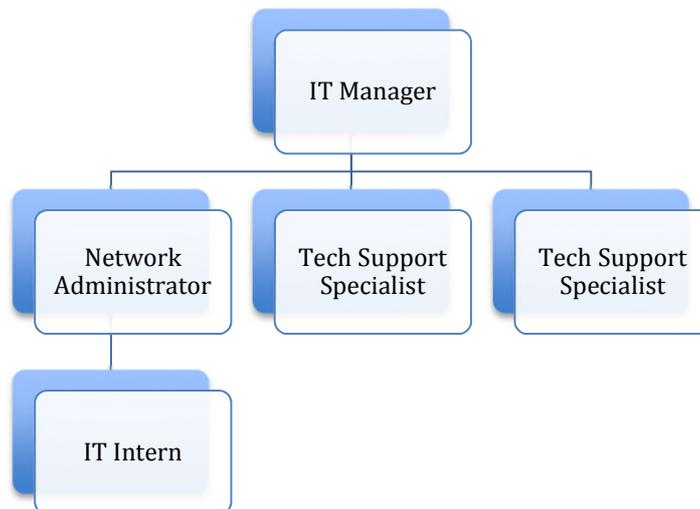
To consider the merger, we must consider how the Fitchburg IT department would incorporate the duties of the MPSIS System Administrator. For the purposes of this discussion, we can break down the duties of the MPSIS System Administrator into three separate categories, and assign a percentage of time spent on each of those categories:

Administrative/Managerial: 30%

Expert Technical: 50%

1st/2nd Level Technical: 20%

The MPSIS Intergovernmental Agreement specifically states in Schedule 3 that the MPSIS System Administrator provides 2nd level and above technical support to member agencies, while local agency staff are responsible for first level support. This is an important requirement as it explains the breakdown above, and also provides a better picture of the duties that will be merged into the Fitchburg IT department. To accommodate the merger, the following organizational structure is proposed:



In order to take on the additional responsibility of the MPSIS System Administrator, the above duties must be merged into the Fitchburg IT organizational structure. Approximately 80% of the duties to be merged are considered administrative/managerial or expert technical, and thus would not be merged into the existing Technical Support Specialist duties, but also could not be accommodated by the IT Manager alone. Further, to accommodate the MPSIS duties, the IT Manager would also have to delegate some of his existing workload, and the most likely portion of that workload to be delegated is the expert technical work.

This results in the need for a highly technical position between the IT Manager and the two Technical Support Specialist positions. This position would be assigned the highly technical work of the MPSIS Administrator and the IT Manager, as well as the highly technical work performed today by the Technical Support Specialist – Network position. This will free the IT Manager to focus mostly on the Administrative/Managerial workload from the IT Manager and MPSIS System Administrator positions, and will free up both Technical Support Specialist positions to spend the majority of their time on desktop and user support.

The above structure would allow the department to effectively merge the MPSIS duties into the Fitchburg IT Department. Further, it would provide some efficiencies as it would eliminate the current situation where two technical experts exist for similar technology. Merging MPSIS into the Fitchburg IT Department would likely eliminate several redundancies in skill sets and allow for a more efficient and effective department.

Cost

While it has been mentioned that the potential for savings due to merging of technologies exists, for the purposes of this discussion this won't be included as those can only be considered potential savings at this time. The following is a discussion based on salary alone.

Based on calculations that result from some salary assumptions, it is likely that both the City and MPSIS would save money under the above structure vs. the existing situation. This comparison uses the 2015 salary amounts (as if there were no personnel changes) vs. assumed amounts for the IT Manager and Network Administrator.

Current Salaries		Proposed Salaries		Difference
Gross:	\$278,283.80	Gross:	\$266,379.04	-\$11,904.76
MPSIS Reimb.	\$59,227.83	MPSIS Reimb.	\$52,587.97	-\$6,639.86
Fitchburg Total:	\$219,055.37	Fitchburg Total:	\$213,791.07	-\$5,264.30

The following assumptions were made for the proposed salaries:

1. IT Manager salary increased by 10% as the result of additional responsibilities*
2. Network Administrator salary estimated at \$70,000 per year*
3. New Technology Support Specialist hired at Grade G, Step 1
4. MPSIS Reimbursement set at 30% of the IT Manager salary, 50% of the Network Administrator salary, and 20% of the average of the Technical Support Specialist salaries

**It is assumed the IT Manager salary will be increased to acknowledge the additional responsibilities placed upon this position as a result of the merger. The Network Administrator position salary was estimated based upon market rates identified in current employment postings as well as a review of the existing compensation plan, which would place this position in Grade K, step 4. This would indicate a position with responsibilities equivalent to a Public Works Project Engineer position.*

The MPSIS reimbursement amount is subject to debate. For the purposes of this discussion, I suggest that MPSIS will reimburse the City based on a formula that assumes 30% of the IT Manager's time, 50% of the Network Administrator's time, and 20% of the support staff time will be spent working for MPSIS. This assumption results in a reimbursement amount that, while lower, still complies with the spirit of the agreement. Should the merger take place, MPSIS should see some savings, but not at the expense of the city. I believe the assumption used above to be a fair compromise.

Conclusion

The merger of the MPSIS System Administrator role into the Fitchburg IT Department has the potential to be beneficial to both the City and to MPSIS. While there are certainly concerns regarding any potential merger, the possibility should be seriously discussed by the City and the MPSIS Commission when considering how to fill the open IT Manager position.



To: Personnel Committee

From: Misty Dodge, Finance Director

Date: March 13, 2015

Subject: Recommended Finance Department Structure Changes

With the recent retirement announcement of one of the Account Clerks within the Finance Department, we have been discussing possible changes to the structure of the department. My main goals for the restructuring include:

- 1) **Improving the segregation of duties within the department:** Currently most of the utility billing process, from gathering meter data and billing to cash receipting and collection, is completed primarily by one individual. This is also a growing responsibility considering the new rules enacted and the population growth we've seen and expect to see in the near future. The proposed plan includes splitting these responsibilities over two positions that would enable the two positions to coordinate with each other to ensure timely completion of other utility related responsibilities.
- 2) **Use of LTE staff for periodic busy times:** Tax collection and quarterly utility billing due dates are the busiest times of the year for staff and additional resources are needed. Included in the proposed plan is the continuation of our current LTE for approximately 80 hours during each of the four quarterly utility collection cycles. Also included is approximately 200 hours for tax collection between mid-December and January 31. The flexibility of LTE staff will allow us to structure the schedule to the times and days that are the busiest, allowing us to meet the demand of our customers at a lower price point.
- 3) **Creation of Accounting Manager Position:** This position would be responsible for all of the day-to-day tasks of the Finance Department including supervision of staff and account number maintenance. Ideally this position would have a bachelor's and a CPA would be preferred. I recognize that the current employee that would be shifted to this new position does not meet those criteria but she has been here for 10 years and has served as Finance Director twice. There will be a learning curve but I believe she will succeed in the new role.

I will be at the Personnel Committee meeting on the 19th to answer any questions and solicit feedback. Thank you for your consideration