

MINUTES OF THE SPECIAL BUDGET WORKSHOP OF THE BOARD OF ALDERMEN  
OF THE CITY OF OSAGE BEACH, MISSOURI  
October 28, 2021

The Board of Aldermen of the City of Osage Beach, Missouri, met to conduct a Special Budget Workshop on Thursday, October 28, 2021, at 5:00 p.m. The following were present confirmed by roll call: Mayor John Olivarri, Alderman Phyllis Marose, Alderman Bob O'Steen, Alderman Kevin Rucker, Alderman Richard Ross, and Alderman Becker. Tara Berreth, City Clerk was present and performed the duties of that office. City Administrator Jeana Woods and additional staff – Human Resource Specialist Cindy Leigh, Assistant City Administrator Mike Welty, City Treasurer Karri Bell, Police Lieutenant Tim Taylor, IT Manager Mikeal Bean, City Attorney Ed Rucker, Airport Manager Ty Dinsdale, Public Works Operations Manager Kevin Crooks and Cochran Engineering Dave Van Leer.

**NEW BUSINESS**

Budget Workshop 3 of 3 - Thursday, October 28, 2021

**Transportation Fund**

Alderman Ross made a motion to leave all capital items requested in the budget as presented with the increase in cost for the purchase of the full-size van. This motion was seconded by Alderman Becker. Motion passes unanimously with a voice vote.

**Water Fund**

Alderman Marose made a motion to leave all capital items requested in the budget as presented. This motion was seconded by Alderman Rucker. Motion passes unanimously with a voice vote.

**Sewer Fund**

Alderman O'Steen made a motion to approve the personnel that is requested. This motion was seconded by Alderman Ross. Motion passes unanimously with a voice vote.

Alderman Rucker made a motion to leave all capital items requested in the budget as presented. This motion was seconded by Alderman Ross. Motion passes unanimously with a voice vote.

Alderman Rucker made a motion to add \$500,000 to O & M for repair in system. This motion was seconded by Alderman Marose. Motion passes unanimously with a voice vote.

**Airport Funds - Lee C Fine Airport**

Alderman O'Steen made a motion to add a part-time position. This motion was seconded by Alderman Ross. Motion passes unanimously with a voice vote.

Alderman Ross made a motion to change the jet fuel truck to \$100,000 instead of \$200,000. This motion was seconded by Alderman Becker. Motion passes 4 ayes to 1 nay with a voice vote.

Alderman O'Steen made a motion to approve the remaining capital items as requested in the budget as presented. This motion was seconded by Alderman Ross. Motion passes unanimously with a voice vote.

**Airport Funds - Grand Glaize Airport**

Alderman Becker made a motion to leave all capital items requested in the budget as presented. This motion was seconded by Alderman Ross. Motion passes unanimously with a voice vote.

**Human Resources**

Two issues to discuss:

1. Number of employees below mid-point of the pay range
2. Starting salary of level 8

The City has a performance-based compensation plan. For the model presented to us by CBIZ to be effective several processes should be reviewed. The salary compression of our current plan developed over years of time. The following are my recommendations to correct the current compression and alleviate the problem in the future:

- Adjust the pay plan structure to recommended 3.83% - budgeted in 2022
- Move employees below minimum to minimum for each pay plan level – budgeted in 2022
- Increase the premium added to the merit increase percentages City wide.
  - 3.83% will add an additional \$59,000 to the budget plus retirement and payroll taxes (15%)
  - 5.00% will add an additional \$98.000 to the budget plus retirement and payroll taxes (15%)

**Length of time in position**

100 full-time budgeted positions

82 filled positions

37 employees with less than 2 years in position

12 employees with 2 to 4 years in position

17 employees with 4 to 8 years in position

16 employees with 9+ years in position

72% of employees in 2022 will have less than 5 years in position (includes vacancies)

**Employee Count Detail before pay adjustments**

Performance	Quartile in Range			
	First	Second	Third	Fourth
4	2	1	1	0
3	28	7	6	1
2	49	5	0	0
1	0	0	0	0
<b>Total Employees:</b>	<b>100</b>			

**Employee Count Detail after pay adjustments – 3.83%**

Performance	Quartile in Range			
	First	Second	Third	Fourth
4	1	1	2	0
3	19	13	4	6
2	46	6	2	0
1	0	0	0	0
<b>Total Employees:</b>	<b>100</b>			

**Employee Count Detail after pay adjustments –  
5%**

Performance	Quartile in Range			
	First	Second	Third	Fourth
4	1	1	2	0
3	18	14	4	6
2	39	13	2	0
1	0	0	0	0
<b>Total Employees:</b>	<b>100</b>			

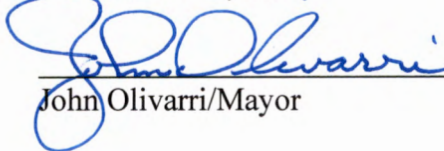
- Increase the merit increase percentages in future years to stay ahead of pay plan structure adjustments
- Increase the probation percentage from 2% to 3%
- Staff will focus closely on all elements of the pay plan:
  - How long it should take to meet the mid-point of a pay level
  - Should current employees' salaries be adjusted when pay plan levels for a position change
  - Consider starting salary range based on experience
  - Keep pulse with immediate surrounding employers starting wages

Alderman O'Steen made a motion to give a 7% employee pay adjustments. This motion was seconded by Alderman Ross. Motion passes unanimously with a voice vote.

**ADJOURN**

There being no further business to come before the Board, the meeting adjourned at 8:20 p.m. I, Tara Berreth, City Clerk of the City of Osage Beach, Missouri, do hereby certify that the above foregoing is a true and complete journal of proceedings of the regular meeting of the Board of Aldermen of the City of Osage Beach, Missouri, on October 28, 2021, and approved November 18, 2021.

  
Tara Berreth/City Clerk

  
John Olivarri/Mayor