

**PROCEEDINGS OF THE
FINANCE COMMITTEE OF THE
GRAND FORKS/EAST GRAND FORKS
METROPOLITAN PLANNING ORGANIZATION
Monday, August 16, 2004 – 12:00 Noon
Grand Forks City Hall Planning Conference Room**

Dick Grassel, Chairman, called the meeting to order with the following members present: Gary Malm and Doug Christensen. Staff present were: Earl Haugen, GF/EGF MPO Executive Director and Peggy McNelis, GF/EGF MPO Administrative Specialist, Senior.

A quorum was present.

APPROVAL OF MINUTES

Moved by Malm, seconded by Christensen, to approve the May 6, 2004, minutes of the GF/EGF MPO Finance Committee, as read. Motion carried unanimously.

MATTER OF RECLASSIFICATION OF ADMINISTRATIVE SPECIALIST, SENIOR TO EXECUTIVE ASSISTANT

Haugen reported that back in 2001, the MPO took the first step in bringing our accounting functions back in-house. He explained that prior to 1997, the MPO's accounting was done through a kind of in-house/out-of-house process, using an accounting firm as a method of oversight, however, after the flood the entire accounting process was done by an outside accounting firm, and then in 2002 it was determined that the Administrative Specialist would begin to learn the accounting functions in order to bring the process back in-house.

Haugen went on to explain that the Administrative Specialist, Senior did begin learning the accounting functions in 2001, with the intention that it would be a six-month transition process, however, the City of Grand Forks then undertook a salary survey and review, and it was decided that we would wait until the outcome of that survey and review was completed before continuing with the transition. He added that there was then a decision made to change the accounting software, eliminating the Open Systems software package, and replacing it with the Quickbooks software package, and the process of researching and setting this new system up took some time, then our primary accounting consultant moved out of town, and then the accounting firm itself was sold and merged with Brady-Martz, which is our auditing service.

Haugen stated that since all of these things took place, the Administrative Specialist, Senior has finally gotten on-line with the new software, and on-line with the procedures, policies, and process to perform our accounting functions. He added that Judy Anderson, our primary consultant from our previous consulting firm, has agreed to remain our accounting oversight consultant, and will help as needed.

**PROCEEDINGS OF THE
GF/EGF MPO FINANCE COMMITTEE
Monday, August 10, 2004**

Haugen commented that this means we are finally where we had hoped to be a couple of years ago, in terms of our accounting functions, and now we are looking at reclassifying the Administrative Specialist, Senior's position to one that better fits the new job duties she is performing. He explained that when they looked at the various job descriptions the City of Grand Forks has available, it was determined that the job description that most closely mirrors the duties performed by the Administrative Specialist, Senior, was the Executive Assistant job description. He pointed out that there is one such employee in the City's structure, and that is in the Mayor's office, and we are recommending that we take the Administrative Specialist, Senior, who is currently at a Pay Grade 24, and reclassify that position to an Executive Assistant, at a Pay Grade 28. He added that the actual salary of that position will not change until the Pay-for-Performance Evaluations are completed, and the new salary matrix is developed in November or December of 2004. He commented that the Administrative Specialist, Senior's current salary is above the minimum salary for the Executive Assistant position, and is actually closer to the mid-point salary shown for that pay grade, therefore there would not be much of a change in salary at this time. He added that what happens is that this reclassification would give the position a higher salary ceiling to strive for.

Haugen stated, then, that what is happening is that something that was started some time ago, we are now in a position to implement the changes necessary.

Christensen asked what the current pay scale is for the Administrative Specialist, Senior position, and what is that for the Executive Assistant position. Haugen responded that the Administrative Specialist, Senior position has a salary range of \$28,071 to \$42,107, with a mid-point range of \$35,089; and the Executive Assistant position has a salary range of \$30,986 to \$46,478, with a mid-point range of \$38,732. Christensen asked what the current salary rate is for the Administrative Specialist, Senior. Haugen responded that it is about \$36,000. Christensen said that this would mean the Administrative Specialist, Senior would be getting a \$2,000 bump in salary. Haugen responded that this would not occur automatically, that the position would have a new title, and since the current salary is above the mid-point, the salary wouldn't necessarily change, that it would only change pending the outcome of the Pay-For-Performance.

Christensen asked why an Executive Assistant is needed. Haugen responded that what they are trying to account for the taking over of the accounting duties, which is something that the City of Grand Fork's Administrative Specialist, Senior's do not do, and because it is a duty that comes with considerable responsibility, but is not necessarily the primary duty, an accounting title didn't really fit, and the Executive Assistant description seemed to be the best fit within the City of Grand Forks' structure. Christensen stated that the MPO doesn't really need the City's structure to give themselves a job description, does it. Haugen responded that, again this is based on our trying to use what is in place so that we mirror, and follow the same procedures, titles, etc. that the City of Grand Forks uses. He said that, yes, we could create a new title, but

**PROCEEDINGS OF THE
GF/EGF MPO FINANCE COMMITTEE
Monday, August 10, 2004**

then there wouldn't be a salary range assigned to it, so that is why he is suggesting using the Executive Assistant title.

Christensen commented that he doesn't have any problem with Ms. McNelis (Administrative Specialist, Senior), but he does have a problem with all of a sudden moving this up, so, as you get your percentages, you get beyond your ceiling, and you keep moving up. He said that what he is curious about is, if Ms. McNelis has been doing this in the past, what is going to change, as far as this position is concerned, since they are doing it anyway. Haugen responded that she wasn't doing these duties before. Christensen said that someone was keying in this information, who was doing that. Haugen responded that Judy Anderson, Coutts, Keaveny and Rinde, was performing those duties before. Christensen asked what the MPO was paying the accounting firm for performing those duties. Haugen responded that they were paying them around \$6,000 to \$8,000 in 2001, but did pay a little bit less in 2002, when the conversion began, and now it is being done totally in-house, with the Administrative Specialist, Senior doing all of the payroll, accounts receivable, accounts payable, etc.. Christensen asked if the Administrative Specialist, Senior has been doing these duties for the last three years. Haugen responded that she hasn't, that she has only been doing them the last five or six months. Christensen asked if there was a bill, then, for what Coutts, Keaveny, Rinde charged for 2003, and how much was it. Haugen responded that he would have to research that. Christensen asked when that information would be available. Haugen responded that he could have it available by Friday, for Friday's Executive Policy Board meeting.

Christensen commented that the idea of government is to try to be a little bit more efficient, to try to save, and if you were paying \$8,000, and you are going to be paying \$8,000, then you haven't accomplished anything. Haugen responded that, in the short-term it will be a saving for us, and, in-fact, even with our having to pay benefits, it will still be a savings to the MPO to have the accounting done in-house. Christensen asked if there might be a way to just give the Administrative Specialist, Senior a bonus for doing the additional duties, rather than changing the job description. Haugen responded that this would be an option that could be pursued.

Christensen said that he doesn't understand, that nothing in the Administrative Specialist, Senior's job is changing other than that she is going to be paid more for what she has been doing anyway, which is fair, so, because her duties don't increase under the Executive Assistant position, then he would just write a check for the additional work.

Grassel reported that what they tried to do was, back in 2001, when it was determined that the MPO would like to bring the accounting functions back in-house, having the Administrative Specialist, Senior perform those duties, it was agreed that the Administrative Specialist, Senior would be trained by Judy Anderson, which she did. He added that when this was agreed to, they knew that the Administrative Specialist, Senior would be taking on these additional duties, and

**PROCEEDINGS OF THE
GF/EGF MPO FINANCE COMMITTEE
Monday, August 10, 2004**

that once the transition was completed, they would look at compensating the position for doing those additional duties. Christensen responded that he understands that, that you have a person who is doing more work, and should be compensated for it, but that can be done without changing that person's job description, which is why Grand Forks implemented the pay system they did, so if you were paying Coutts, Keaveny, and Rinde \$40.00 an hour, and he was paying Ms. Anderson \$20.00 an hour, we can do the same for our employee, but it is not prudent to move someone up from a 24 to a 28 because you want to compensate them for doing some bookkeeping, that they were doing before, and weren't compensated for.

Malm commented that he is trying to deal with what Mr. Christensen is saying, but the point he sees here is that we need to try to put people in a job that describes what they do, and then compensate them appropriately, and it seems to him that the Administrative Specialist, Senior had a different job before than she does now, and we are trying to find one in the system that mirrors this new job description rather than creating a new one. Christensen said that he understood that the Administrative Specialist, Senior has been doing these duties for the last three years. Haugen responded that she hasn't been doing these duties for the last three years, that we started the process of having her take on the duties, but it took longer than we originally thought to complete the transition, so she has only been doing them for the last five or six months.

Christensen asked if this position would now have the same job description as one of the secretaries in the Mayor's Office. Haugen responded that it would be the same as the Executive Assistant in the Mayor's Office, however, with one exception, the accounting functions, which the Mayor's Assistant does not do, as that is done by another department. Christensen asked if the Administrative Specialist, Senior will now be doing all of the payroll functions for the MPO in-house. Haugen responded that she will, that she has been since the first of January.

Christensen asked what the mid-point for the Executive Assistant is. Haugen responded that it is \$38,700, and the current salary is \$36,700, so there is a two-thousand dollar difference from mid-point and the current salary. He added that the position would receive the same basic raise whether you keep the position at the current title, because of the pay-for-performance system, that it would be similar to what the position would receive with the reclassification, but the real difference is that the new position would have a higher ceiling to strive for, so short-term there isn't much difference, but long-term there would be a benefit.

Moved by Malm, seconded by Christensen, to forward a recommendation to the MPO Executive Policy Board to approve the Reclassification of the Administrative Specialist, Senior to Executive Assistant. Motion carried unanimously.

**PROCEEDINGS OF THE
GF/EGF MPO FINANCE COMMITTEE
Monday, August 10, 2004**

OTHER BUSINESS

None.

ADJOURNMENT

Moved by Christensen, seconded by Malm, to adjourn the meeting. Motion carried unanimously.

Respectfully submitted by,

Peggy McNelis
Administrative Specialist, Senior