



Non-Bargaining Unit Employees Personnel Board Meeting January 25, 2018

The City of Carbondale's Non-Bargaining Unit Employees (NBUE) Personnel Board held a regular meeting on Thursday, January 25, 2018, in Conference Room A of the Civic Center, 200 S. Illinois Avenue.

1. Call to Order

The meeting was called to order at 2:00 p.m., by Chair Dave Chamness.

2. Roll Call

Present: Amber Ronketto, Arnold Taylor, Jarin Dunnigan and David Chamness

Absent: Harvey Welch, Chuck Vaught and Christina Kuhns

Also present: Terril Kaufman, Doug Biggs, Carl Sisk, Tara Brown, Jeff Davis and Gary Williams

3. Old/Unfinished Business

A. Post-Employment Health Plan (PEHP)/Voluntary Employee Benefit Association (VEBA) Discussion

Colin Day and Burt Burrows from Nationwide joined our meeting via conference call. Tara Brown gave a brief overview of the concerns from the NBUE board members in reference to offering all non-bargaining employees the opportunity to open a VEBA account and reactivation of the former non-bargaining Police Officers accounts at retirement to payout sick leave. Burt Burrows explained that the non-bargaining officers due to change of status would have to open new VEBA accounts. Amber Ronketto asked about the option for all non-bargaining employees to have VEBA accounts. Burt Burrows noted that there would have to be a third VEBA option offered under the new plan and all employees would have to adhere to contribute to the plan which is tax-free but not voluntary. Tara Brown noted that offering the VEBA for all non-bargaining employees would require participation from all employees or none. Burt Burrows noted that all employees who are considered non-bargaining must participate collectively. Dave Chamness asked if sick and vacation leave could be rolled into a VEBA account on an annual bases. Burt Borrows noted that it could be an annual contribution over a certain amount contributed one time a year but all non-bargaining employees must participate. Jeff Davis noted that the VEBA plan does not seem voluntary. Burt Burrows noted that VEBA is an HRA (Health Reimbursements Account) and not an HSA plan which is offered by governmental organizations. Gary Williams asked about the flexibility of contributions for employees into a 457 plan versus a VEBA account. Burt Burrows noted that it is more flexible for use of funding in 457 plan but the difference is the 457 is tax deferred and VEBA is tax-free. Tara Brown noted that the group had no more questions, thanked Colin Day and Burt Burrows for joining in the conversation via conference call and ended the session.

Tara Brown noted that Jeff Davis will give an overview of the financial breakdown and cost for all non-bargaining employees to convert to a VEBA account. Gary Williams asked a question about the idea of converting to a VEBA plan. Amber Ronketto, Dave Chamness and Jarin Dunnigan noted that employees have raised concerns in reference to the cost of Health Insurance at retirement as well as being able to receive more than 50% of their sick time at retirement. Jeff Davis gave an overview of the cost at retirement at the current payout rate and an estimated total if paid out at 100%. Jarin Dunnigan if conversion is even feasible financially because this is a common thread to offering better benefits. Dave Chamness and Jarin Dunnigan asked about the probability of this affecting Tier 2 employees and the number employees that will actually reach 50%. Jeff Davis explained that all employees with a 457 plan can increase their contributions to roll their money into the plan but they cannot exceed their total allowed contribution. Tara Brown noted that we can invite Colin Day to speak with the employees about their 457 accounts to discuss options for the employees. Board members ended the discussion. Gary Williams, Jeff Davis, Terri Kaufman, Doug Biggs and Carl Sisk left the meeting.

4. Approval of Minutes

Motion was made by Amber Ronketto and second by Arnold Taylor to approve the minutes from the December 7, 2017 meeting. VOTE: All in favor - Motion passed.

5. New Business

A. Non-Bargaining Rule and Regulations

Tara Brown suggested that the Board review the current rules and regulations to make sure that all previous changes have been incorporated. Tara noted that she would incorporate the policies recently approved by council. Amber Ronketto noted that we go through each chapter. Tara noted that the updated book can be managed going forward, place on the intranet and provide a copy to all non-bargaining employees can receive an updated copy.

Dave Chamness made a motion to form a sub-committee of non-bargaining employees on the board to update the book. Motion second by Arnold Taylor. Vote; All in favor – Motion passed.

B. Amber Ronketto noted that non-bargaining employees are on a merit system in which no one receives merit raises. Amber asked if the Board would consider looking into the option for longevity pay every five years to receive a bump in pay. Tara Brown noted that the Board could propose a plan to reinstate longevity with a performance component to give an increase. Tara stated that there must be a performance management tool to have a discussion with the employee to see how they are doing and really evaluate what the employee is doing over their normal duties. Amber Ronketto noted that there are a number of employees who have over 20 years of service and have only received a cost of living. The Board asked Tara Brown to research the City of Carbondale's previous longevity plan and gather information on performance management tools to develop a proposal to present to the City Manager. Amber Ronketto noted that we must look at the non-bargaining versus the union employees because they are guaranteed a raise due to their contract which causes issues with employees wanting to promote.

C. Jarin Dunnigan asked if all meeting notices and agenda items can be sent to all non-bargaining employees. Jarin noted that the employees can know about the meeting and who is representing them on this Board.

6. Public Comments & Questions

7. Announcements

8. Adjournment

Motion was made by Amber Ronketto and seconded by Arnold Taylor to adjourn. Meeting adjourned at 3:05 p.m.

Submitted by:
Tara Brown, HR Manager

Approved by the Board: _____