



EMPLOYEE BENEFITS AND AUDIT REVIEW COMMITTEE MINUTES

CITY OF DULUTH

MAIN ST CONFERENCE ROOM
3167 MAIN ST
DULUTH, GA 30096

MARCH 24, 2022 at 5:30PM

COMMITTEE MEMBERS:

Brandon Odum-Chair
Sharee Smith
Michael Park
Carla Montgomery
Helen Boyce

Vacant, Alt
Jamin Harkness, Council
Marline Thomas, Council
Ed Johnson-Staff
Ken Sakmar-Staff

PRESENT: Chair Odum, Councilmember Thomas, Councilmember Harkness (virtual), members Park, Montgomery, Boyce, Ed Johnson, Ken Sakmar, James Riker, Josh Carroll, Matt Bidwell, and Teresa Lynn

ABSENT: Member Smith (virtual difficulties)

I. CALL TO ORDER – BRANDON ODUM

Chair Odum called the meeting to order at 5:38pm.

II. WELCOME OF NEW COMMITTEE MEMBERS

Each attendee introduced themselves.

III. APPROVAL OF MINUTES – MARCH 25, 2021

Chair Odum called for a discussion, being none, called for a motion.

A motion was made by Mr. Park, seconded by Councilmember Thomas, to approve the March 25, 2021 minutes as presented.

Voted for: Ms. Montgomery, Mr. Park, Ms. Boyce, Councilmember Harkness, Councilmember Thomas, and Mr. Odum. Those voting for 6-0, motion carried.

IV. NEW BUSINESS

1. 2021 ANNUAL FINANCIAL REPORT

{A}

City Auditor Josh Carroll with Mauldin and Jenkins presented the City's annual audit to the committee. The audit report included the City as a whole, the Downtown Development Authority, and the Urban Redevelopment Agency. Mr. Carroll also discussed upcoming GASB pronouncements that could have an impact on the City's financial statements.

Chair called for a discussion.

Ms. Montgomery asked for an example of mitigation measures in regards to the segregation of duties finding. Mr. Sakmar stated that staff who have access to the cash drawer during the day are not allowed to balance the cash drawer at the end of the day.

Ms. Boyce inquired about the increase in revenue for 2021. Mr. Sakmar provided several reasons for the increase including an increase property tax collection, securing bond financing through the Urban Redevelopment Agency, and receiving reimbursements from the federal government for Covid expenses such as personal protective equipment (PPE) and labor costs of essential workers.

Chair called for a motion.

A motion was made by Mr. Park, seconded by Councilmember Thomas, to authorize the acceptance of the 2021 Annual Financial Report as presented by the Audit Firm of Mauldin & Jenkins and for the Chair or Vice Chair to report the Committee recommendation to the Mayor and Council at the April 11, 2022 meeting.

Voted for: Ms. Montgomery, Mr. Park, Ms. Boyce, Councilmember Harkness, Councilmember Thomas, and Mr. Odum. Those voting for 6-0, motion carried.

Ms. Smith joined the meeting virtually at this time.

2. EMPLOYEE HEALTH INSURANCE

{B}

The City's insurance broker, Matt Bidwell with MSI Benefits Group, presented the annual renewal process for the City's health, dental, disability, life insurance and vision plans.

Chair called for a discussion.

Councilmember Harkness noted his favorable Kaiser experience.

Chair Odum asked if the City employees had ever been surveyed regarding health coverage. City Clerk Teresa Lynn explained that the employees had been surveyed approximately five years ago and the results indicated that they did not want an HMO.

Chair called for a motion.

A motion was made by Councilmember Thomas, seconded by Mr. Park, to authorize the Chair or Vice Chair to report the Committee recommendation to the Mayor and Council at

the April 11, 2022 meeting of switching to United Healthcare for medical and dental coverage and to The Standard for life and disability coverage.

Voted for: Ms. Montgomery, Mr. Park, Ms. Boyce, Ms. Smith, Councilmember Thomas, and Mr. Odum. Voted against Councilmember Harkness. Those voting for 6-1, motion carried.

3. ELECTION OF CHAIR AND VICE CHAIR

Mr. Odum explained that he is currently the Chair of the Urban Redevelopment Agency and feels it would not be in the best interest of the City to serve as the Chair of two committees. Therefore, he withdrew his name from being considered as Chair of the Employee Benefits & Audit Review Committee for the 2022/2023 year and placed on the floor for nomination Mr. Park as the 2022/2023 Chair.

Chair called for discussion. Being none, the Chair placed on the floor for nomination Councilmember Thomas as the 2022/2023 Vice Chair.

Chair called for discussion. Being none, the Chair called for a motion.

A motion was made by Ms. Montgomery, seconded by Ms. Boyce, to appoint Mr. Park as the Chair and Councilmember Thomas as the Vice Chair of the Employee Benefits and Audit Review Committee for 2022/2023.

Voted for: Ms. Montgomery, Mr. Park, Ms. Boyce, Ms. Smith, Councilmember Harkness, Councilmember Thomas, and Mr. Odum. Those voting for 7-0, motion carried.

V. MATTERS FROM STAFF

A. SALARY SURVEY-ED JOHNSON, HR MANAGER

A salary survey was conducted in 2021 and most recommendations were implemented. The upcoming FY2023 budget request includes another pay survey, as well as a first-ever pay compression survey. Pay compression occurs when, due to sustained rising wages, employees with a few years tenure are seeing new employees being hired at almost the same rate the 2-3 year employee is making.

B. RECOGNITION-SUSAN PORTEOUS

Chair Brandon Odum thanked Susan Porteous for her 14 years of service on the Employee Benefits & Audit Review Committee (previously titled Finance Committee). Ms. Porteous served in various leadership roles on the Committee since 2008, recently co-chaired the Committee in 2018 with John Monk, and chaired the Committee from 2019 to 2021. Due to City ordinance, Susan may not serve more than 14 consecutive years. Ms. Porteous will be officially recognized at the April 11, 2022 Council meeting.

C. RECOGNITION-JOHN MONK

Chair Brandon Odum thanked John Monk for his 9 years of service on the Employee Benefits & Audit Review Committee (previously titled Finance Committee). John has served in various leadership roles on the Committee since 2013 and recently chaired the Committee from 2014-2017 and co-chaired in 2018 with Susan Porteous. John recently retired as a Certified Public Accountant. He operated his business inside the City limits since 1994. Mr. Monk will be officially recognized at the April 11, 2022 Council meeting.

D. RECOGNITION-JOHN HOWARD

Chair Brandon Odum thanked John Howard for his 9 years of service on the Employee Benefits & Audit Review Committee (previously titled Finance Committee). John Howard recently resigned from the Committee due to health reasons. He served on the Employee Benefits & Audit Review Committee since 2013. Mr. Howard previously served on the Citizens SPLOST and Citizen Budget Committees for the City of Duluth. Mr. Howard will be officially recognized at the April 11, 2022 Council meeting.

E. REMARKS BY CITY CLERK-TERESA LYNN

No comments made.

VI. ADJOURN

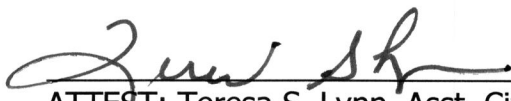
Chair called for a motion to adjourn the meeting.

A motion was made by Councilmember Thomas, seconded by Mr. Park, to adjourn the meeting at 6:50pm.

Voted for: Ms. Montgomery, Mr. Park, Ms. Boyce, Ms. Smith, Councilmember Harkness, Councilmember Thomas, and Mr. Odum. Those voting for 7-0, motion carried.



Michael Park, Chair



ATTEST: Teresa S. Lynn, Asst. City Manager/City Clerk