

PERSONNEL COMMITTEE AGENDA
Monday, December 8, 2014 – 6:00 p.m.
Lincoln Center – 1519 Water Street
[A quorum of the City Council may attend this meeting]

Discussion and possible action on:

1. Request to fill vacancy in the Parks Department.
2. Notice of Employee(s) seeking public office.
3. Request for Step Adjustment for Election and Licensing Specialist.
4. Modification to Administrative Policy 3.01 (Relating to Safety Toed Shoe/Clothing Allowance).
5. Adjournment.

Any person who has special needs while attending this meeting or needs agenda materials for this meeting should contact the City Clerk as soon as possible to ensure a reasonable accommodation can be made. The City Clerk can be reached by telephone at (715) 346-1569, or by mail at 1515 Strongs Avenue, Stevens Point, WI 54481.

Copies of ordinances, resolutions, reports and minutes of the committee meetings are on file at the office of the City Clerk for inspection during normal business hours from 7:30 a.m. to 4:00 p.m.

Director of Parks & Recreational Services
Tom Schrader
2442 Sims Ave.
Stevens Point, WI 54481
715-346-1531
tschrader@stevenspoint.com

Stevens
Point Parks,
Recreation
and Forestry

Memo

To: Mayor Wescott and Personnel Committee
From: Tom Schrader
CC:
Date: December 3, 2014
Re: Request to fill pending vacant position

I am requesting approval to fill a Custodian position within the Department of Parks, Recreation and Forestry. The pending vacancy is a result of an employee leaving our department in early January.

Alex Kochanowski
2417 Helen Street
Stevens Point, WI 54481

November 18, 2014

To: Lisa Jakusz


Re: Employee Participation in Political Activity

Lisa,

I am formally disclosing in writing my intent to run for Mayor of Stevens Point. Please present this to the City Personnel Committee and any other entities that require this information.

Thank You,

Alex Kochanowski

TO: Joel Lemke
FROM: Pam Kruzicki

DATE: November 24, 2014
RE: Running for Public Office

Per Administrative policy, I am notifying you that I plan to run for re-election for the Town of Alban Clerk/Treasurer in the April 7, 2015 election. The Town of Alban caucus is planned for the first week in January in which I will be nominated for the position.

Please let me know if you have any questions or concerns. Thanks!

City of Stevens Point
1515 Strongs Avenue
Stevens Point, WI 54481-3594
www.stevenspoint.com



John Moe
City Clerk
Phone: 715-346-1569
Fax: 715-346-1498

To: Personnel Committee and Common Council
From: John Moe, City Clerk
Date: 12/3/2014
Re: Request for Step Adjustment for Election and Licensing Specialist

I am requesting a pay plan step adjustment for Ms. Yenter due to her exemplary work and the complexity of responsibilities of the Elections and Licensing Specialists position that she holds. The financial impact is minimal and will be absorbed in the Office's budget. The adjustment I am requesting moves Ms. Yenter one additional step to Step 4. Taking this action, while still below the position's comparables, will help to correct an oversight in the pay plan and reward her hard work while staying within the confines of the Office's approved budget.

Election & Licensing Specialist

Current (2014) Annual Salary: \$42,037
(Grade H, Step 2)

2015 Salary with a minimum of
Satisfactory Performance: \$43,861
(Grade H, Step 3)

Request from City Clerk: \$45,046
(Grade H, Step 4)

NOTE: Appeal was granted in 2014, "Given the extreme knowledge needed of: election law, procedures as well as ever changing campaign finance regulations a grade change is warranted for this position"

City of Stevens Point
1515 Strongs Avenue
Stevens Point, WI 54481-3594



Corey D. Ladick
Comptroller-Treasurer

Phone: 715-346-1574
Fax: 715-346-1683

December 2, 2014

To: Personnel Committee/Common Council

Re: IRS Regulations and Clothing/Shoe Reimbursements in DPW/Parks

Background/Problem

Earlier this year, the City of Madison reached a \$580,000 settlement with the IRS related to significant errors with respect to federal tax law. This prompted me to conduct a review of our administrative policies as they relate to IRS regulations. While I did not identify any critical issues, and overall the City is doing a good job of complying with federal tax law, I did identify two potential issues that could create a problem. These two issues are shoe/clothing reimbursements in DPW and Parks, and tuition reimbursements citywide. I have been asked to delay my proposal on tuition reimbursements until January, but I would like to move forward with a change to address the issue with shoe/clothing reimbursements.

Currently, reimbursements are being made up to \$150/year for streets and parks employees for safety-toed shoes, work-related clothing, and prescription safety eyewear, and these reimbursements are being made tax free. Safety-toed shoe reimbursements are indeed non-taxable to the employee. However, clothing is only non-taxable if it is not suitable for "everyday wear".

Proposed Solution

Rather than go through the arduous process of sorting out taxable and non-taxable items for each employee, a much simpler solution is to simply provide a \$150 clothing allowance. This allowance would be taxable to the employee. We already have this process in place for Police Officers, who receive a \$500 yearly clothing allowance, so it would be very easy for the City to implement. It would also save a significant amount of time for various departments as the City would no longer have to maintain receipts and documentation for these reimbursements.

Information explaining the IRS criteria, as well as the proposed administrative policy changes, are attached.

PROPOSED POLICY

3.01

11. Uniform/Clothing Allowance

Department of Public Works and Parks Employees:

Safety-Toed Shoe/Clothing Allowance: Department of Public Works and Parks employees who are required to wear safety-toed shoes will receive an annual safety-toed shoe/clothing/prescription safety eyewear allowance of one-hundred-fifty dollars (\$150.00) total, payable on the second payday of January of each year. Employees will only receive one (1) allowance of one-hundred-fifty dollars (\$150.00) for all three purposes (Safety-toed shoes, work related clothing, and prescription safety eyewear). Employees are required to wear safety-toed shoes, unless they submit certification from a physician indicating a medically related reason why they cannot wear them.

The City will provide a new employee with a safety-toed shoe/clothing/prescription safety eyewear allowance of one-hundred-fifty dollars (\$150.00), payable upon satisfactory completion of the probationary period. If the probationary period begins in one (1) calendar year and ends the following calendar year, the employee shall be eligible for an allowance of one-hundred-fifty dollars (\$150.00) for each year upon satisfactory completion of probation.

CURRENT POLICY

Safety-toed Shoe Allowance: The City will reimburse up to one-hundred-fifty dollars (\$150) cumulatively per calendar year upon submission of receipts for the purchase of safety-toed shoes for the Engineering Technicians. Employees are required to wear safety-toed shoes unless they submit certification from a physician indicating a medically related reason why they cannot wear safety-toed shoes. Those employees obtaining a medical exclusion are not eligible for the safety-toed shoe reimbursement. In order to be reimbursed, the employee must submit the original customer receipt.

Streets and Parks hourly employees:

Safety-toed Shoe Allowance: The City will reimburse up to one-hundred fifty dollars (\$150) cumulatively per calendar year upon submission of receipts for the purchase of safety-toed shoes, work clothes and prescription safety eye wear, not including briefs/boxers. Employees are required to wear safety-toed shoes, unless they submit certification from a physician indicating a medically related reason why they cannot wear them. Those employees obtaining a medical exclusion are not eligible for the safety-toed shoe reimbursement. In order to be reimbursed, the employee must submit the original customer receipt.

The City will reimburse a new employee for up to one-hundred fifty dollars (\$150.00) for each year upon satisfactory completion of their probationary period. If the probationary period begins in one (1) calendar year and ends the following calendar year, the employee shall be eligible for a reimbursement of up to \$150.00 for each year upon satisfactory completion of probation.

Reimbursements will be in increments of no less than twenty-five dollars (\$25), with the exception of the last payment.

Coveralls: The City agrees to provide coveralls through an outside firm for the following classified employees: mechanic, welder, park mechanic, building maintenance man and the sewer crew when performing their normal duties, and employees who work on crack filling and/or with oil. The Employer shall pay the entire cost for the coverall service.

QUICK REFERENCE GUIDE FOR PUBLIC EMPLOYERS

employee reimburses this amount to the employer, the amount is included in the employee's wages. This rule may be used if all of the following apply:

- a) You own or lease the vehicle and provide it to an employee to use in your business,
- b) For bona fide noncompensatory business reasons, you require the employee to commute in the vehicle,
- c) You establish a written policy allowing no personal use other than commuting or de minimis personal use (such as a stop for personal errand),
- d) Your employee does not use the vehicle for personal purposes other than commuting and de minimis personal use, and
- e) The employee is not a government control employee. A government control employee is either (i) an elected official, or (ii) an employee whose pay is at least Federal Government Executive Level V.

Example: An employee takes a city vehicle home in order to avoid exposing it to harm. The vehicle has a city seal on the door and policy prohibits noncommuting personal use. If this is an infrequent occurrence (less than once a month) this may be excludable as a de minimis fringe benefit. If this is a frequent or regular occurrence, the commuting may be valued using the commuting rule. If the vehicle is not a qualified nonpersonal use vehicle as discussed earlier, and the employee drives it home, there is a taxable commuting benefit.

To conform to the accountable plan rules, employees using a vehicle for business purposes (regardless of which special valuation rule is used) should keep daily records of business miles by keeping a log showing the date, mileage, destination, business purpose, and personal use (including commuting) mileage.

Clothing Provided by the Employer

The value of work clothing provided by the employer is not taxable to the employee if:

- 1) The employee must wear the clothing as a condition of employment, and
- 2) The clothes are not suitable for everyday wear.

It is not enough that the employee wear distinctive clothing; the employer must specifically require the clothing as a working condition. Nor is the test met because the employee does not, in fact, wear the work clothes away from work. The clothing must not be suitable for taking the place of regular clothing.

The value and upkeep of work clothes provided to firefighters, health care workers, law enforcement officers or letter carriers is nontaxable to the employee. Similarly, the value of safety shoes or boots, safety glasses, hard hats and work gloves provided and maintained by the employer are not taxable. Reimbursements to employees for their purchase of any of these are excludable if the expenditures are substantiated under the accountable plan rules.

Clothing Allowances

QUICK REFERENCE GUIDE FOR PUBLIC EMPLOYERS

If clothing provided does not qualify as a deductible expense (i.e. as a uniform), then the clothing, or reimbursement for the clothing, must be treated as a taxable fringe benefit and is subject to income, social security and Medicare taxes. Thus, a clothing allowance, such as for a police officer or firefighter uniform, qualifies for exclusion from income if it meets all the requirements of an accountable plan (qualified expense, substantiation, and return of excess). However, a detective's suit jacket and related clothing, since they are suitable for everyday wear, do not qualify as a uniform and are taxable to the employee.

Group-Term Life Insurance

An employer may exclude from income the cost of up to \$50,000 of group-term life insurance from an employee's wages. If the employee receives more than \$50,000 insurance, as determined by a table provided by IRS regulations, then the excess is includable as wages. The tables for determining the cost of the additional insurance to be used are included in [Publication 15-B](#), Employer's Tax Guide to Fringe Benefits, and in Regulation 1.79-3(d)(2).

If the employee makes any payment toward the cost of the insurance, then the amount of coverage attributable to that payment is not considered in determining the amount of insurance provided by the employer.

Taxable employer-provided group-term life insurance is treated as wages, but is not subject to income tax withholding. It is subject to social security and Medicare tax withholding and must be included on Form W-2, in box 1, 3, 5 and 12 (code C). The taxable portion is included on Form 941, Employer's Quarterly Federal Tax Return, as part of wages, tips and other compensation, and on the lines for social security and Medicare wages.

Meals

Reimbursement for meal expenses may be excludable if they are qualifying travel expenses paid under an accountable plan, discussed earlier. You can exclude the value of meals you furnish to an employee from the employee's wages if they meet the following tests:

- They are furnished on your business premises.
- They are furnished for your convenience.

This exclusion does not apply to additional compensation provided in lieu of meals, or to an allowance provided based on number of hours worked.

In addition to any exclusion allowable under the provisions above, you can also exclude, as de minimis fringe benefits, infrequent meals provided to employees if they have so little value that accounting for them would be unreasonable or administratively impracticable. Occasional meal money to enable an employee to work overtime may also be excludable. For more information on de minimis benefits, see the [FSLG Fringe Benefit Guide](#) and [Publication 15-B](#).

Lodging