

**Joint Finance and Human Resource Committee Meeting
February 19, 2021 7:30 a.m.**

Members Present: Chairman Nairn, Chairman Berger, Carroll, Porter,
Fiscal Officer Romanowski, Street Commissioner Alder

Visitor: Greg Heilman

Nairn advised the first item for discussion was a pay range for the new mechanic position that the committee had been discussing. If in agreement, a recommendation would be made to Council and an ordinance would be drafted for the new position with a pay range. The position would be advertised, interviews conducted, and a selection would be made. This would be done by the Mayor, Department Head, and HR Committee. The final candidate chosen by the interviewers would be approved by Council. At the January 15th Human Resource (HR) Committee meeting, it was suggested that a pay range for the position would be in the vicinity of \$25 to \$35 per hour. Nairn referred to the material forwarded from the Fiscal Officer and thanked her for her efforts. She noted that the mechanic position in Bainbridge is paid between \$28.20 and \$29.33 per hour. Russell Township pays \$27.58, Gates Mills ranges between \$25.81 and \$29.92, and Chagrin Falls ranges from \$25.02 to \$30.44. The committee's suggestion of \$25 to \$35 per hour was fairly close if not a little higher than the surrounding communities. She added that the material did not reflect longevity with the various cities and villages.

Nairn stated Porter created the final draft of the position description. Carroll noted the range, and asked Nairn how it was determined. He added that the Clemans Nelson assessment completed for the Village reflected a salary range for the position. Carroll asked if this range was in line. Carroll relayed that in his experience, the Village ended up paying the upper range, and noted that \$35 was higher than any of the other communities. Nairn acknowledged this. Porter stated the starting pay would be \$25 which was below some of the other communities. Carroll asked Porter if this was the starting pay that was being considered. Porter stated yes. Carroll asked what the current salary was of the potential applicant, and Porter recalled he was earning about \$23.00. The Fiscal Officer stated it was \$29.65 per hour. Carroll noted that at the start of the process, the Mayor had proposed a \$1,000 or \$1,500 raise or bonus. Porter thought it was \$1,000. Carroll said this would be a \$.40 raise. If the committees adhered to the Mayor's recommendation and built it into the pay range of the new mechanic position, the individual would be at \$30.13 per hour, which would be in the middle of the range and would be more than the other employees. Porter explained that with \$35 at the upper range for the position, it would allow for growth with certifications. Carroll asked if this was specified in the proposed draft. He did not want to make false promises to the applicant and he also did not want to get to the \$35 per hour quickly. Carroll and Porter supported starting the applicant at the \$30 range.

Carroll cautioned that he did not want to see the practice of raising the pay after a probationary period in this instance. He explained that the individual was already established and had certifications or some level of qualification. Therefore, Council was establishing this mechanic pay range whereby he would earn \$30.13 and be done with it unless he obtained additional certifications. Porter agreed.

The committee discussed the potential of having an individual apply who had additional certifications, and agreed it was not the intention of the Street Commissioner or Village to add staff to the Service Department. Carroll addressed whether the job would be advertised to the public or remain as an internal process. If it were to be kept as an internal hire, he did not want to bring in outside individuals with no intent to hire them. Carroll suggested gathering applications internally, conducting the interviews, identifying the candidate, and bumping him up to the identified rate. He did not want this to be a six-month process. Carroll emphasized that he did not want to be revisiting this issue in a year with a request for more money for the position.

The committee addressed professional development classes for the individual who fills the mechanic position. Carroll encouraged professional development for all Village employees.

Carroll emphasized that he did not want to be revisiting this issue in a year with a request for more money for the position. Carroll said he would like to see the Village have built-in steps and built-in longevity. Carroll addressed longevity pay to address disparities. He liked the process suggested by HR and thought it was a great first step. Porter said an internal candidate would be preferred, but depending on the results, it might be necessary to go outside the Village. In the past, looking internally for a candidate had been beneficial for the Village. He agreed that the candidate should not make less than they currently make and added that the potential internal candidate had been doing this work for years. Porter addressed the savings to the Village of being able to do the vehicle maintenance/repairs in-house.

Berger asked if there were anyone in the Street Department making more money than the internal applicant, and Porter said no. The Fiscal Officer concurred that the proposed candidate was the highest paid. Berger said there was a max rate on maintenance of \$31.42. He assumed a mechanic made more than a maintenance person. Porter agreed. Berger wanted to make sure that the committee had not trapped itself. Porter said that the proposed pay range is \$25 to \$35, and the pay range ordinance would have to be modified to include the position and set a pay range for it.

Berger asked what would happen if the internal candidate failed to apply, would the committee go outside for a candidate? Porter said they may. Carroll said the Village may not have to fill the position. Berger clarified that the position was optional not mandatory within the department. Porter said no – that it was in recognition that the Service Department did most of its maintenance and repair in-house along with Police Department and Building Department vehicles. In looking at the pay range ordinance, Porter pointed out that there were positions listed that the Village did not have filled. This could be another one. Berger asked if it were not filled internally, would the committee go through the exercise of doing an external search, or would it be left blank for the moment. Porter said he would wait to see the internal results first.

Nairn asked when the highest paid employee in the Street Department was hired. The Fiscal Officer answered 2007. Nairn asked if he was specifically hired because of his mechanical skills, and Porter said no. His mechanical skills were highly favorable to his candidacy compared to the other applicants. Nairn asked if there was an advertisement put out for a mechanic in 2007, and Porter said no, that it was for a maintenance worker. The Fiscal Officer

explained that at the time, the Village was looking for someone who had mechanical skills, but there was only one job description for that department. The point of hiring him was to do the mechanical work. Nairn said that she had read in the proposed job description that 55% of his workday should be spent on mechanical work only. She asked if at least 55% of the work week was spent doing mechanical work. Carroll said this was a question for the Street Commissioner. Carroll did not want to convey that the individual would only do mechanical work and no other tasks like cutting grass or other lesser tasks. The individual would be responsible for mechanical and everything else the Street Commissioner told him to do. Eventually, the Village would want to hire a mechanic to replace the individual at retirement instead of an individual without those qualifications.

Porter added that the internal candidate did a lot of stone and masonry work previously.

Nairn asked if there was a requirement to advertise the position even if the Village planned to hire from within. Carroll and the Fiscal Officer did not think so. The Fiscal Officer suggested posting the position internally in the event another worker also had skills. Carroll thought this was a better process than giving bonuses. He added that he was concerned about the high end of the scale and would like to see it well defined so that the Village did not have a mechanic making more than the Service Director. The Fiscal Officer advised that this was possible because of overtime pay.

Nairn clarified that with the new position, the individual could not refuse to weed whack anymore. Porter explained that it was a mechanic/laborer position. The committees reviewed the responsibilities and percentages listed on the job description. Berger suggested taking lawn maintenance out of the 55% section and that the Street Commissioner should track hours and activities through a daily activity log. At the end of a year, the committee should review the data to see if 1,100 hours were spent doing mechanical work. If not, the Village would have an awfully expensive grass cutter. Carroll offered that if there were only 600 hours of mechanical, would it be more costly to have a mechanic in-house rather than sending work out. The Fiscal Officer asked how the Village could then reverse the decision to have this position if it was found there was not 55% of mechanical work. She suggested that instead of putting it in place, the department should track the hours this year and then the position could be put in place after the information was analyzed. Carroll agreed this was a smarter way to go. Carroll said the one nice thing about the bonus was that it was a one-time event, where \$30 an hour would be forever and a day moving forward.

Porter thought this could be addressed in the Street Committee meeting.

Berger said it could all be put in place so that it was available. The employee could be offered a bonus and an explanation of how Council planned to address the new position in 2021 or 2022. Nairn asked if there had been any discussions or promises made. This had been a problem in the past and she was concerned. Carroll stated there had been no discussion or promises on the part of the Street Committee, nor from the Finance Committee. Nairn added there had not been from the HR Committee either. Carroll did not know about the Mayor, but thought this was a balanced approach.

Greg Heilman referred to the percentages and requirement to document daily activity and offered that the rates could vary. Berger said it would be an average over time over the course of a year. Heilman added that there could be a year that was rough on the equipment, and the next year there could be a new piece of equipment that required less maintenance. Berger noted that there were four snowplow trucks, two of which are ancient. Porter and Berger agreed that there was mechanical work being done and studying the quantities of work would provide a measurement to confirm.

Nairn referred to the fact that the individual was initially hired because of a specific mechanical skillset and asked why the issue of new job position had been raised at this time. Carroll said the Mayor brought it up last fall during salary considerations when he wanted to give the individual a \$1,000 bonus because he was doing mechanical work and in appreciation for the work he had done. This led to the conversation of why the Village was just giving a bonus in this instance, which led to the discussion of having a mechanic position. It was an effort to steer away from "buckshot". Carroll explained that over the past several years, the Village had gotten into the position where raises were being arbitrarily given. They needed to be based on something other than being liked, which was what was being done. This practice sets a bad precedent and had gotten sloppy over the last several years. The committee was trying to tighten it up. Berger added that as the individual had demonstrated abilities, more and more of the mechanical maintenance work had been kept in-house. This happened over time, and the Village now finds itself in the right position to recognize the skillset. Nairn clarified that the individual had saved the Village a lot of money, and Porter concurred. Berger said that although \$30 per hour sounded expensive, in comparison to what the Village would be charged by a dealership, it was a reasonable cost.

Nairn asked if there were other individuals in the Service Department who did mechanical work. Porter said it depended on how this was defined. Nairn concluded that the other employees were not saving the Village as much money as the potential applicant. Porter said this was correct. Nairn summarized that the Village would put this position in place, but first would track the various on the job activities for the rest of the year. Carroll said it could be reevaluated at the end of 2021 or early 2022.

Porter said that the recommendation from the committees would be to enact this mechanic/laborer job description as an amendment to the Employee Handbook. The Street Department and Street Committee would monitor and see how soon, if at all, the position should be filled. In the meantime, Porter would amend the job description as indicated by Berger and would circulate it. Carroll again expressed concern with the upper range amount.

Nairn addressed the creation of a tiered salary system for all Village employees. Nairn deferred to the Fiscal Officer to explain how it was done in the Police Department as a reference for a tiered salary system. The Fiscal Officer stated that with new hires, the Police Department has Patrolman 1st Class, 2nd Class, and 3rd Class which are based on years of experience and evaluation results. Council determines the pay ranges, and this system used by the Police was an internal process for them. For promotions, the Chief considers the person's current rate, the rate

to which the individual would be promoted, and half that difference. After their probationary period, they are evaluated and considered for receipt of the full amount for the position.

Carroll explained that Russell Township has a similar structure. He explained that it was a step increase based on the amount of time the officer had with the Village and/or experience. Increases are systematic over a period of time. Another option would be to consider a longevity option where longevity pay is provided. This is a percentage based on the amount of time in years. The Fiscal Officer explained that in the Police Department, at the end of the day, they are all police officers and basically their jobs are the same. At some point, they will make the same amount. In the Service Department, there are three different pays for three different employees who have three different skillset specialties. The Street Commissioner wanted to set something up to provide incentive and direction for promotion.

Nairn had not heard discussion of evaluations. With the Police Department, the evaluation period is six months, but this time had also been extended for officers when more growth was necessary. Carroll stated that in fairness to the employees, they should be told what they would start at and what they would go to at the end of six months. The Fiscal Officer disagreed and referred to the issue of incorporating yearly raises when the probationary period spanned two calendar years. Carroll said that the raise identified to the employee should include this, but the Fiscal Officer added that Council would have to change how it was worded. Carroll preferred building in the raise and changing the language. The Fiscal Officer asked why it was necessary to tell the employee what he/she would be making in six months, and Carroll said in fairness to the employee, they need to know what would happen after probation. He said it prevented an elected official, committee, or Department Head to say they wanted a specific person to go to a certain rate. Carroll stressed the importance of establishing the rate, and if there is a raise that is scheduled within the year, the rate would go up.

Nairn asked if someone were hired November 1st, would they get a raise eight weeks later when annual across the board raises are given. Porter said if they were full time, and he and Carroll explained this would be if it were an across the board raise. Carroll explained that if there is a starting rate and they are hired in November, as of January, for example, the employee automatically gets the agreed upon across the board increase.

Berger said it was complete insanity and explained that it was necessary to do a step scale where on the anniversary date the employee would move from "x to y" because the employee has remained a year longer and get rid of annual increases of 2% or 3%. It would be put on a schedule. Carroll said this schedule would change. If someone starts in November at \$28.00 per hour. When the next person is hired, the position may have gone up to \$28.50 because of the raise. The individual who starts two months later will get \$.50 more an hour than the person who started in November. Fiscal Officer interjected that the Village has ranges and not an exact dollar amount. If someone is hired at a specific amount and then receives the across the board raise, the next person who is hired after the first of the year will start where the first person started the year before. Berger added that there is flexibility with different skill sets. Carroll argued that then there is arbitrariness. Nairn agreed and said it is in the flexibility that things get messy. Berger asked what is not flexible about Council sitting in a meeting and saying, 'well we

haven't done any evaluations and we have no idea what anybody has done, but here is 3%. This is as arbitrary as it gets. Nairn agreed. Carroll did not think it was arbitrary if you are looking at the position. Carroll said it was a valid point that there may not be evaluations. He said he was ok with the range but felt it had been very arbitrary how raises had been done for the past four years. Raises had not been based on anything other than, 'I want more money,' and without justification, or, bluntly, the Mayor saying, 'I'm going to do this.' It has created animosity and consternation over the years. This practice was what the committee was trying to resolve. Whether it was a range or step process, Carroll wanted to see it become more definitive than arbitrary. Carroll explained that with past practices, employees felt like they had been wronged, and Nairn added that the result was resentment.

The committee discussed models of other municipalities. Berger asked if there was a maximum salary that the Village would pay for a given job and clarified for the next 20 years. Carroll explained that part of the Clemans Nelson study was having a range and as raises were given, the ranges must be increased. Carroll did not think there was a maximum because with the cost of living increases the ranges would be amended over time. Berger said that theoretically, the mechanic position could end up making \$100,000 per year, and Carroll replied that this could be the case at some point. Porter added that things change over time. Porter indicated that the Village's pay range ordinance states the maximum, and that it changes. Berger stated that it changes on the arbitrary 2% and 3% cost of living raises. Porter stated that this year, however, evaluations would be done.

The Fiscal Officer asked for clarification regarding a step system. She asked if the Village were to replace a Police Chief of 15 years and were to hire a new Chief with 15 years of experience, would the new Chief start at that 15 year pay or the experience within that community. Carroll explained that he assumed it would be both. Using the Street Commissioner as an example, he said the current Street Commissioner started at the low end and was then bumped up. He is not currently making what the former Street Commissioner was making, but, after a certain period of time he would be. Carroll thought three to five years was reasonable. Carroll had also seen it where a Fire Chief was replaced with a new Fire Chief and they had the exact same rate, or Police Chief or Service Director. There were different models. Carroll said that perhaps employees would start out in a range and then it would be stepped so there was flexibility. Regardless, Carroll felt the Village needed to establish a system in which the employees would know when they were hired. He relayed a past episode where pay was definitely discussed with a prospective employee in her interview and then it became an issue. The employee was told out of the gate what was going to happen, but then other things were stated outside of what Council had said and this created issues. The Village needed to get away from this because it created too much animosity and too many unknowns. Whatever the system was, it needed to be consistent regardless of who the employee was. Consistency is crucial.

Porter explained that in the military, service members had their rank and then there was their service. As they progressed up the ladder, they received more money because they had achieved a certain rank and had been in the military for a certain period of time. It also allowed in times of war to bring individuals in at higher rates of pay, but they would not get their years of service.

Berger said to bifurcate it and as a two-step process, position plus years of service. Carroll explained that this was similar to longevity. Carroll thought this was a fair way to do it as long as it was relatively consistent across departments. The Russell model was all over the place.

Carroll said he wanted consistency because of the morale issues that had been created over the last several years. Nairn added that it was a toxic work environment, and Carroll agreed. Porter asked them not to say that. Nairn said this was what happens. Berger stated he did not perceive that there was a toxic work environment. Nairn clarified that it could contribute to a toxic work environment. Berger said that it could, but the Village did not have one. Porter said this was a legal phrase that gives all sorts of problems to employers.

Carroll said perhaps the Village could have a hybrid model and look at the longevity. Berger said there would be three pieces to it, position, longevity and service, and annual adjustment. Berger would not refer to the adjustment as a raise but a recognition of a cost of living, not a raise for job performance. Carroll said he had a problem with evaluations being a part of this. He explained that with evaluations, there was the halo theory, and to tie evaluations to promotions and/or raises was problematic unless there was an HR department that weighed into it. Carroll thought evaluations were important and feedback to employees was good, but unless they were written and done objectively it was problematic.

Porter said another idea would be at the five-year employment anniversary with the Village, the employee could receive \$1,000. At 10 years, the employee would get \$2,000 and at 15 years, \$3,000, and 20 years, \$4,000. There would be nothing for 25 or 30 years. The Fiscal Officer asked if this was longevity, and Porter said yes. Porter said this would not be retroactive, but proactive. For example, an employee with 14 years would receive \$3,000 at 15 years of employment, not \$3,000 plus the \$2,000 and \$1,000 from previous anniversaries. Carroll said he would present it as a \$1,000 increase in salary versus a one-time bonus. Porter said he would call it a salary increase. The Fiscal Officer asked if would take the place of across the board raises. Carroll explained that the employees would receive their yearly 2%. The anniversary bonuses would be in addition to these raises. Essentially, it was a flat longevity increase and not based on a percentage of the salary. Berger stated that it would be necessary to figure out who to fire at four years and 11 months. Porter questioned the practice of the Village firing someone to save \$2,000. Carroll stated just cause would be needed and employees have the rights to their jobs. Porter added that the Village would now also be doing evaluations. Porter stated that former Mayors Brett and Young had a theory about compensation in the Village with which Porter agreed. It was that the Village did not want to be at the top end nor the bottom end, but in the middle so that good people can be recruited when needed and good people will stay.

Carroll suggested that moving forward, this would be something HR and Finance could work on to see what made the most sense. Carroll advised that the anniversary pay also had implications with pensions. Porter advised that this model was one he came up with and it could be adjusted, but felt it would give employees something to shoot for and reward long-time service.

Carroll suggested having another joint committee meeting in April, and Porter agreed. Nairn suggested that HR and Finance meet independently in March and then meet jointly in April. Carroll concurred.

Nairn acknowledged that a lot of good ideas were discussed by the committees and thanked Greg Heilman for coming and contributing.

Nairn adjourned the meeting at 8:44 a.m.

Cindy Nairn, Chairwoman HR

Chris Berger, Chairman Finance