

# MINUTES

SPECIAL MEETING OF THE HUMAN RESOURCES BOARD  
TUESDAY, AUGUST 30, 2016, 5:30 P.M.  
22 S. BEACH STREET, ORMOND BEACH, FLORIDA 32174

Those present were: Mr. Matt Coleman, Vice Chairman; Mr. Ted West; Mr. Clark Rohmer; Mr. Ryan Ochipa; Ms. Claire Whitley, Human Resources Director; Ms. Heather Kidd, Employee Relations Assistant; and Ms. Quinn Wichlei, Recording Secretary.

The meeting was called to order at 5:30 P.M by Mr. Coleman.

A motion was made by Mr. West and seconded by Mr. Ochipa to approve the minutes of the last meeting, held September 22, 2014. Mr. Coleman stated that the only change he had was that his name should be listed as having been present. It was agreed that the record would be corrected and re-submitted. A motion was made by Mr. West and seconded by Mr. Rohmer to approve the corrected minutes of the meeting held September 22, 2014. All were in favor. Carried.

Mr. Coleman stated that everyone on the Board should have received information via e-mail ahead of time and asked if anyone had questions or changes.

Mr. Rohmer asked if our employees are paid similarly to or better than other cities. Ms. Whitley explained that Cody and Associates' Classification and Compensation Study is broken into bargaining units. She said when compared to other regional city and county governments, Cody concluded that the 100 series employees (General) were generally at market level with some minor adjustments; the 300 series employees (Police) were above market; the 400 series employees (Fire) were above market; the 200 series employees (Professional) were generally below market; and the 500 series employees (Management) were generally below market.

Ms. Whitley said Cody looked at market rates and compression, and determined that in the 100 series, there were significant compression issues due to the downturn in the economy over the past few years. Mr. Rohmer asked for an explanation of compression. Ms. Whitley explained it was when a new employee started at the same rate of pay as an employee who'd been here for several years. She said through the recession years, minimum ranges were raised, maximum ranges were not, and new employees came in at the same rate as current employees. She stated it's not good for morale and was one of the first complaints she heard when she began working here. She said it was something she wanted to correct. She said Cody recommended 1.5% per year, time in grade, from the minimum of the pay grade, as a solution.

Mr. Ochipa and Ms. Whitley discussed the use of steps vs. pay ranges. Ms. Whitley explained because we don't give merit increases, pay ranges are really a time in grade service compensation structure. She said by having ranges, it gives the City more flexibility based on the economy each year, as opposed to structured steps with no flexibility.

Mr. Ochipa said he realizes minimum ranges were raised and asked if the study raises maximum ranges, too. Ms. Whitley said Cody recommended some changes to maximums, and took into consideration other nearby markets.

Mr. Ochipa asked if everything in the study is in the budget – close to a \$500,000 increase in pay between everyone on an annual basis. Ms. Whitley said everything is in the budget recommendation -- \$345,000 for bargaining and \$215,000 for non-bargaining. She said it translates to about a 4% average, even though not everyone is getting that increase. She said most general and professional employees usually averaged 4%, while Police averaged 6% and Fire averaged 2%. She said while she was not here and does not have the historical insight, the Police Officer starting salary was raised at some point to be more competitive, higher than the market, but then mid-career officers faced compression. She said Firefighters had historically been successful in negotiating pay raises.

Mr. Coleman asked if we looked at Port Orange and New Smyrna as cities we are level with when we look at pay scales. Ms. Whitley said yes, cities such as Port Orange and Palm Coast are included, and our professional employees are getting poached as the economy recovers – especially in Planning and Engineering. She said comparable cities included in the study were as far as Altamonte Springs, taking into consideration the cost of living.

Mr. Ochipa asked if Ms. Whitley is happy with the report. She explained that it will never be perfect but she wanted the best solution. She said improving compression will be huge for employee morale. She said Cody looked to be sure employees were in the correct pay grades and that the spread between the pay grades were addressed. She said she is pleased that we now have a basic foundation – not perfect but very good, and what we wanted.

Mr. Ochipa said that they could probably approve it with the caveat that it would take into consideration her ideas. Ms. Whitley said it would fundamentally stay the same, with the ability to make minor adjustments.

Mr. Ochipa said he had a question about some of the employees being re-classified. Ms. Whitley said Cody looked at job duties and license requirements and determined who might be in the wrong pay grade based on education and licensure requirements. She gave the example of water distribution operators, who were previously combined with maintenance workers, when they have really have additional requirements and regulations. Mr. Coleman agreed that it seems to happen with water and sewer employees getting moved around.

Mr. West joked that he looked through the study until he got tired. He said HR are the professionals, and the fact that we haven't met in two years speaks highly of the people doing this. Mr. Coleman added that the fact that we haven't had to meet about any employee issues lately says a lot as well.

Mr. West said his background is in the private sector, where he's used to pay grades being based on results. He said this is still new to him. Ms. Whitley said most of her staff also came from the private sector and understands that it's different. She said we want to compensate employees fairly and work within the structure. Mr. West said he's comfortable with the way it was put together.

A motion was made by Mr. Coleman and seconded by Mr. Ochipa to approve Cody and Associates' Classification and Compensation Study as the basis for any recommended changes to the City's Pay and Classification Plan and to recommend approval to the City Commission for these changes. All were in favor. Carried.

Mr. Coleman asked if there was any other business.

Mr. West stated that this would be his last HR Board meeting and asked what he needed to do. Ms. Whitley said she would notify Scott McKee and said we would miss him.

Mr. Coleman asked if there was any new business.

A motion was made by Mr. West and seconded by Mr. Coleman that the meeting be adjourned. All were in favor. Carried.

Adjourned: 5:51 PM