



**Personnel Board Meeting
Pelham Civic Complex
October 24, 2019 – 5:30 p.m.**

MINUTES

Proper notice of the scheduled meeting of the Pelham Personnel Board was given in advance of such public meeting and the notice remained posted throughout the scheduled meeting.

Date: October 24, 2019
Time: 5:30 p.m.
Place: Pelham Civic Complex
Present: Board Member Greg Darnell
Board Member Jim Collins
Tracy Hill, HR Director

Others Present: Mayor Gary Waters, City Manager Gretchen Difante, Members of the City Council, Department Heads, city employees, and members of the public.

CALL TO ORDER AND INVOCATION

Tracy Hill, HR Director and Board Secretary, called the meeting to order at 5:31 p.m., welcomed everyone present and led the invocation.

RECORD OF ATTENDANCE

Tracy Hill asked Candy Porter to record the attendance and minutes for the evening. She noted for the record that Board Member Collins, Board Member Darnell are both present and that Board Member Hayes is absent.

OLD BUSINESS

Tracy Hill stated the purpose for the meeting tonight is for the Board members to present questions to Brenda Harrington with HRM Consultants following their review of the materials presented last week. Mr. Darnell stated that he and Mr. Collins had spent some time this week reviewing the materials that had been given to them last week and that they appreciated the opportunity to have their questions answered.

- The first question was in reference to the Functional Job Table and the slotted jobs. They were not aware of which jobs had been slotted. Mrs. Harrington stated that Manager on Duty – Civic Complex, Director of Figure Skating, Director of Hockey, Building Official and Director of Racquet Club are the only jobs that had been slotted.
- The next was in reference to the survey data and which cuts had been used from the data sources and asked her to explain again. She/Brenda stated that you first identify the geography and the target industry for your matches. You select the geography you would like to compare to

Alabama, South (Regional), Birmingham and surrounding or Southeast Region are the options. You want to select the area that makes the most sense for Pelham. Next, you select the cuts for the target industry. The industry she targeted (depending on the survey used) was Non-profit, and either Government Support Services 350 Employees, Government Support Services 200-500 FTE or Government Support Services All Employees. She explained that when using the Economic Research Institute data, she is able to designate which groups she would like to pull the information from. She tried to use Government 350 when it was available, if not, she tried to use Government 200-500 and, if still not available, she would use Government All Employees in order to obtain data.

- The question regarding what All Industries represented was discussed. She explained that in some cases, we didn't want to limit comps to government jobs so the cut of All Industries was used. Mr. Darnell asked if All Industries included Government and she answered yes it did.
- Next question was if government data was city, county or state. She explained that it was twofold. You must look at the geography along with the scope and that tells you where your target is.
- The question was asked regarding the Birmingham, AL (metro) geography. Board members wanted to know what the "metro" consisted of. It includes all of the surrounding counties of the Birmingham area.
- If the All Industries data includes government, is that not double dipping the government data? It is if you want to view it that way but if the Alabama City and County Survey was used for the comparison, it is using government again but wouldn't you want your focus to be primarily on the government industry if available. She stated that none of the numbers statistically made such a difference that they warranted excluding them from the comps.
- Brenda Harrington gave members an updated list of the cities compared for the Public Safety positions that provided the step increments and it was noted that Alabaster's compensation plan only has 3% step increments and Shelby County had a combination of 3.8% and 2%. The other surveyed cities are 5%. Mr. Darnell stated that makes sense because he could not make the math work out using what was provided in the book.
- Mr. Darnell acknowledged that he knew it would not be exact but would like to ask the Police and Fire Chiefs some questions. He asked for the estimated number of employees with each of the following cities. Birmingham Police 150 – Fire 800; Vestavia Police 78 – Fire 78; Homewood Police 80 – Fire 70; Mountain Brook Police 60 – Fire 50; Alabaster Police 70 – Fire 60; Shelby County Sheriff 130; Hoover Police 200 – Fire 155. He asked Tracy Hill for the total number of employees for Pelham and the answer was 320.
- Mr. Darnell asked Mayor or City Manager for the population of Pelham – answer 24,000 provided by City Manager. He inquired about the population of other cities. Brenda Harrington was able to google the following answers for him: Alabaster 30,000, Gadsden 35,000; Hoover 80,000; Huntsville 195,000; Mobile 190,000 ; Dothan 68,000; Tuscaloosa 100,000. Tracy Hill pointed out that in some positions (Accountant for example), you would only add more positions for the volume of work and the duties performed would be the same. City Manager Gretchen Difante asked to address this topic. She pointed out that although we have 320 full time positions we also have upwards of 100 seasonal and part time positions that increase the workload for both Human Resources and Accounting. She also pointed out that although we have a smaller population than Alabaster and Vestavia, Pelham's total budget is \$65 million compared to Alabaster's total budget of \$45 million and Vestavia's total budget of \$54 million. Pelham also has four enterprise funds that from the accounting and management's point, it creates a lot of additional work. She also pointed out that it is common in the industry for large cities' public safety employee's compensation to be lower than a suburb of that large city.
- Question was presented if the surveyed cities were used to develop the compensation ranges for the command staff. Mrs. Harrington explained that she started with the Firefighter and Police Officer and worked her way up from there for the command positions. They were compared to

the finished product but were not used to develop the ranges. She reminded them that she didn't change the starting step for either of the positions. The City of Pelham was comparable on the front end but were not competitive on the top end because of the step increments used by the surveyed cities were set at 5% compared to Pelham's current step increment of 3.75%. For command positions, the starting pay remained the same but the step increments were changed to 5% which developed the maximum.

- Mr. Darnell asked if there was ever a case when this plan was being developed if there were numbers that were extremely low or extremely high to be removed from the comparison. She explained that in her world anytime you have a set of numbers that skew your result, you discount them.
- The next question was asking for an explanation between the information provided under tabs 4 and 5. She explained that tab 5 was only market data summaries. Tab 4 contains how each position would be affected and whether there would be a decrease or increase to the minimum and maximum step.
- The next topic to discuss was specific positions that were experiencing an increase and how those ranges were developed. The first discussion was related to the Operations Director at the Civic Complex. After an explanation of the market data, she was asked if she ever considered surveying similar facilities like Pelham's like Huntsville. She explained to the Board that had not been her task. She was only tasked with pulling market data and not to perform a custom survey. She pointed out that the compensation range for this particular position was created using P50 rather than P75. Mr. Darnell asked Danny Tate if he were to fill this position today, where would he direct his efforts – from a facility that had a similar operation or someone with no experience running a similar facility. He answered that he would prefer someone with experience even if it had to be from a national search.
- The next discussion point was to the missing positions (Conference & Events Manager, Food and Beverage Manager, Director of Parks & Recreation and Accounting Manager) from the list. She explained that any position that was vacant at that time would not be included in the list. This list has since been updated to include positions that have now been filled. This updated list will be provided to the Board members by Tracy Hill.
- Tracy Hill reminded Board members that when these market data comparisons are pulled, the comparisons are made using the "job summary" from the job descriptions and not the specific job title. Carolyn Campbell informed the Board that the Department Heads, the City Manager and the Payroll and Benefits Analyst put a great deal of effort in ensuring the job summaries were an accurate reflection for each position during the job analysis portion of this project.

Mr. Darnell acknowledged that he realizes that we are moving away from the way it has always been done in the past because it was not the best way to do things but asked Mayor Waters and City Manager Difante how we make this work. He stated that the Board does not want to recommend something to the City Council that is not fiscally responsible. The City Manager explained to the Board that the Accounting Manager is in the process now of running some implementation options and costs associated with each. She stated that what is expected from the Board is only an approval that the data used is valid even if you don't completely agree with every piece of it because you are recognizing that the City Council must consider a number of things when determining an implementation plan. She explained that a presentation is going to council of the compensation plan along with a comprehensive view of benefits as a whole. She sees this as being a fluid conversation for some time to develop a comprehensive benefit package for employees and retirees.

Tracy Hill stated that the Civil Service Act states that the HR Director is supposed to create a compensation plan (which has been done), it is supposed to be conducted with input from Department Heads (which we have tried to do) and it says that this plan will go to the Personnel Board for approval to the City Council for approval and that we open it up to employees for their questions and input. What

it doesn't express clearly to me is the order these events happen. Mr. Darnell asked on what grounds is the Personnel Board issuing its approval. He states that he doesn't think he will be able to approve the plan that he is looking at currently because of the level of increases to some positions and he cannot see the details of the comparative data to understand why. Brenda Harrington reminded the Board that this compensation plan has not been formally reviewed by an outside source since 2009 so it is understandable that you will see major increases simply because of the length of time that has passed.

Brenda Harrington reminded the Board that this was a partnership and she wants to work with the Board to make it right for Pelham. She reminded them that they are seeing increases in the maximums mostly due to the fact that this proposed plan is consistent with 11 steps compared to a large variation of the number of steps that exists in the current plan.

Mayor Waters asked to make some comments. He stated that he would like to make sure that this Personnel Board does not do what the Board did when the Mercer study was completed. The Mercer plan was not the disaster as it is made to be. The Board (at the time) didn't recommend the plan's implementation wholesale because the numbers were so abstract. Previously, the pay plan had not been amended for 20 years so we saw some stark differences in what employees were being paid and what they should be paid. He stated the board "cherry picked Mercer to death". He said the Board loved the data that showed employees were overpaid and not data showing the employees were underpaid and they didn't have the courage to implement the proposed pay plan because they too were worried about money. He said that the board is supposed to be concerned what is presented to the Council is fair. 'You are not to be concerned with what it costs'. He discussed that some positions would show a significant increase in pay due to the length of time since a formal comp study was completed. As an example, he stated that the HR Director position shows a substantial increase because historically the HR Director in Pelham has been underpaid and has not been someone with a background in HR. 'The City Council members are the ones with the hard job. You only need to decide that this is fair and you give it to the Council to worry about how to fund it and they determine if it is going to be a multiple year project. That's how I think this is supposed to work. I think we are all caught in a vacuum between the way we have always done it and the way we're doing it now. Pelham used to be a "mom and pop shop" and now we have folks in the room that know more about it than we do and we haven't built that trust that the numbers we are being provided are valid simply because of the way we have done it in the past. In the past, we have made the numbers fit our comfort zone and I don't think we can do that anymore. Even when you give what we consider to be a fair recommendation to the Council, at the end of the day, they are the ones tasked with funding it but you have done your job.'

There was a question from the audience for the Board as it relates to the Administrative Assistant position. Even though there will not be any decreases to an individual's pay, if the range for the position is decreasing, my earning potential will decrease over time since I am not at the maximum. She does not feel that her position compares equally to the other positions with the same classification in other departments. She is concerned with the fact that she is performing a level of work greater than what is being performed by employees in other departments. She asked if there is a law that states all employees in the same classification be paid the same. Tracy Hill answered her question by letting her know that there is no law that states that. She informed her that if her job description is not an accurate reflection of the job duties she is performing, her department head (along with her) will need to get with her and she can ask the Board to review the requested changes.

For next meeting, the Board requested they be presented with a list of any positions whose maximum step is increasing by more than \$12,500 annually. They asked to look at the job descriptions for those positions and review the market data used for the comparisons in an attempt to gain a comfort level with the new range. Mr. Collins asked that the job descriptions for the positions reviewed be provided.

ADJOURNMENT

With no other business before the Personnel Board, Board Member Darnell moved to adjourn the Personnel Board meeting and Board Member Collins seconded the motion. By voice vote, the motion passed unanimously by the members and the meeting was adjourned at 7:24 p.m.

Tracy Hill, Secretary
Director of Human Resources