

URBAN COUNTY COUNCIL
Inter-Governmental Committee

MARCH 11, 2008

CM James chaired the meeting, calling it to order at 1:00 pm. All members were present except Vice Mayor Gray and CM Myers.

I. CSEA Board Leave for Association Business

CM Blues went over the letter from the Law Department regarding CSEA's request. He recommends that the committee follow the Law Department's recommendation that Council deny CSEA's request for paid leave and to authorize the use of LFUCG property and facilities only in accordance with the CAO policy. He stated they need to encourage CSEA to use flextime for their meetings.

A motion by CM Blues to encourage CSEA to use the flextime provision and the Council not pursue CSEA's request to draft an ordinance formalizing 4 hours per month of work time to conduct the association's business and that the cost for LFUCG's facilities be waived for CSEA, seconded by CM Blevins, passed with one Nay.

CM Blevins asked if there is a CAO policy that would restrict or prohibit the CSEA from doing what is proposed here.

Joe Kelly, Senior Advisor, stated there is a CAO policy dealing with flextime option.

CM Blevins asked to make sure they wouldn't be discrimination against CSEA they will be getting fair and equitable treatment just like any other group.

Mr. Kelly stated correct they will just need to work with their supervisor.

CM Henson asked how many members are in the association.

Debbie Tester, CSEA Treasurer, stated they have 15 reps from the different divisions plus the president, vice president, treasurer, and secretary. She stated they have about 500 paid members.

CM Henson asked how flextime is approved.

Ms. Tester always before they have been given 4 hours a month. She stated some divisions let their employees use lunch time to make up the time.

Mr. Kelly stated that flextime is available to any employee. He stated they just need to work with their supervisor. He stated flextime has always been available since 1997.

CM Stinnett asked if the supervisors have been notified of this pending policy.

Mr. Kelly stated the supervisors have been asked to try to accommodate the requests. He stated if everybody will use a little common sense and work together there will not be a problem. He stated if there is a pattern of denial then they will take that up with the supervisor.

CM Beard stated he thinks it is unfortunate a situation like this has to come to a head.

CM James turned the chair over to CM DeCamp.

CM James asked what happens when an employee goes to Human Resources about not getting their 4 hours of leave or any other complaint.

Michael Allen, Director of Human Resources, stated the grievance process is stated in the Employee Handbook. He stated in general the individual has the right to present their complaint and based on the complaint if it can be resolved at the supervisor level they try to do that. If not there is a formal process where the grievance proceeds up to Joe Kelly.

CM James asked how many at the current time reach Mr. Kelly.

Mr. Allen stated he would have to check but not very many. He stated the process is very fair.

CM James asked how many CSEA representatives come to talk to him about other CSEA members and what they have discussed as a group.

Mr. Allen stated only about 2 or less than 10%.

CM James asked is there anything Mr. Kelly would formally do to notify the supervisors citywide as to what happens today regarding the use of flextime and the grievance process. She asked if he could list the steps of the grievance process so we can capture where the problems exist.

Mr. Kelly stated yes they can send a memo out to supervisors advising them of the flextime policy.

CM James stated also have supervisors at their next staff meeting to familiarize their staff with the process as well. She asked Mr. Kelly to send a copy to the committee members as well.

CM DeCamp turned the chair back over to CM James.

Commissioner Askew handed out letter to the committee regarding the administrations view.

Paula Brown spoke regarding this issue.

CM James told Ms. Brown to speak with Mr. Kelly.

Mr. Kelly stated she needs to go through the process and not come directly to him.

CM James stated we have the opportunity to clarify the process with Ms. Brown. She stated as Ms. Brown goes through the process Mr. Kelly can see if the process is working. CM James stated as a Council Member and Chair of the committee she is personally asking him to consider doing this to see if the policy actually works. She stated he can say no but this is a grand opportunity to perfect a policy that could make a situation work out a little better.

Mr. Kelly stated he is happy to work with Human Resources to see what has been done so far and if it rises to his level he will be glad to address it. He stated he believes since he has been here there has been two appeals that have reached him. He stated they want to treat everyone the same and they have to go through the same process.

CM Blues stated they want to make sure the flextime mechanism works for the employees and will be anxious to monitor it. He asked about community time.

Ms. Brown stated every employee gets 4 hours a year for community leave.

CM Blevins stated everyone has 4 hours a year for leave with supervisor's approval.

CM Beard stated he is amazed that it is just 4 hours a year. He stated this needs to be looked at.

Ms. Brown asked if she would get her vacation time back. She stated other employees have used city time for meetings. She stated this is not right.

CM James stated through Mr. Kelly's contact through Human Resources they can find out if that has been requested.

CM DeCamp asked Ms. Brown if the REACH meeting has anything to do with her LFUCG job.

Ms. Brown stated it doesn't have to do with her job but has to do with citizens.

II. Employee Compensation Update

CM Gorton stated this came about after they talked about the high risk supplement pay. She stated this is kind of an out shoot from that.

Wally Barker, Manager of Compensation in Human Resources, went over the Market Pricing Compensation Program Project Plan. (See attached)

CM Stinnett asked what system we are currently using.

Mr. Barker stated for job evaluation we are using a point factor that was put together by Mercer.

CM Stinnett asked if they have compiled a list of what is wrong with the current system.

Mr. Barker stated yes from their side it is cumbersome, committee only met once a month, appeal process took up too much time and the process was not transparent to the employee so there was distrust. He stated it is not a bad program.

CM Stinnett asked if one of the reasons it has not been successful is because it has not been funded properly.

Mr. Barker stated it was only funded the first three years.

CM Stinnett asked what will market pricing do with job categories.

Mr. Barker stated he doesn't know but with the population we are working with 300 categories would be reasonable.

CM Stinnett asked why we are still having pay inversions.

Mr. Barker stated per ordinance when an employee is hired they go through a scoring process based on education and background. He stated that comes up with a salary. He stated they take that score and salary and place up next to all incumbents and anyone with lower salary but higher score then the person has to be inverted up to the new persons pay. He stated they will still see periodically some inversions until the ordinance is amended.

CM Stinnett asked what pay equity is.

Mr. Allen stated they are very similar. He stated pay equity involved the process were able to correct the sins of the past that had been building since the mercer system was unfunded. He stated they did the analysis of inversion of every employee in government. He stated 2 ½ years ago he would see inversion numbers to the tune of \$200K. He stated those problems have been corrected. Mr. Allen stated what council will now see based upon the ordinance is they do the analysis on inversions and the individual divisions must fund those inversions. He stated now they have to wait because civil service employees aren't permanent until six months later.

CM Stinnett stated that council said not to hire people if it is going to cause inversions.

Mr. Allen stated that wasn't the marching orders it was not hire anyone if you can't fund the inversion.

CM Stinnett asked why they are being asked to fund the inversion on today's work session docket.

Mr. Allen stated the individual divisions have to fund the inversion. He stated a large problem with mercer is compensation in a vacuum. He stated there is an ordinance that makes it clear as to what they have to do with inversions.

CM Stinnett stated maybe this ordinance needs to be amended.

CM Beard asked about how new hires occur in an environment of a hiring freeze.

Mr. Barker stated during a freeze unless it is a unique position there wouldn't be any new jobs created.

CM Beard stated if you don't fund mercer then it cuts the legs out from under it. He stated mercer system works for many other companies. He stated most salary surveys don't give people credit for tenure, special skills or education levels. He stated going to the market pricing is not the be all and end all.

Mr. Barker stated the last time we purchased the updated market data from mercer was the same three year period. He stated since then salary ranges have been updated from an index that world at work releases each year. He stated the integrity of the data is always an issue so that is why they need to work with professional companies.

CM Beard asked what are the assurances that we will not handle the new processes poorly.

Mr. Barker stated any process that is new has such attention on it so problems come with the maintaining.

CM Beard stated the indictment of the mercer system has been unfair because it hasn't been funded.

CM Gorton stated that LFUCG didn't fund mercer so it didn't work well but the health dept did fund mercer and it is working beautifully. She asked if during the budget and finance meeting she understood that it was stated they are not looking at any pay increase for any employees unless they are under collective bargaining.

Commissioner Koch stated as part of the exercise she provided to the committee where they would be \$25 Million to \$30 Million down the \$16.9 Million didn't have any raises included except for sworn. She stated that doesn't mean that is what they will be bringing forward.

CM Gorton stated the World at Work ordinance is still on the books. She stated the management audit mentioned us not rewarding people for performance or merit. She asked how does that fit into the pyramid of duties and how it will fit into the new compensation system.

Mr. Barker stated it is not covered in the chart but it is something they want to integrate as they bring up the new program. He stated right now there are 5 performance ratings for employees and those that receive 2, 3, 4, or 5 all receive the same pay increase. He stated they are hoping to institute a pay for performance program as they bring the new program up. He stated one of the things that undercuts that is the ordinance dealing with inversions. He stated those two programs couldn't work hand in hand.

CM Gorton stated she has always felt it wasn't right not to reward employees for performing at high levels.

CM Gorton asked in the pyramid what is "Define Rules".

Mr. Barker stated it is addressing the internal pay policy.

CM Gorton asked if we can afford this.

Mr. Barker stated they aren't going to know the aggregate either cost or savings will be until later on. He stated he is hoping it will be a wash.

CM Blevins stated if we don't jump on the merit bandwagon then we are wasting our time. He stated he will not support any change unless it includes a merit pay function of some sort. He stated he looks forward to future presentations. CM Blevins stated he wants them to come back and walk them through each step of the way because this is a critical policy change for the government.

A motion by CM Blevins to accept Mr. Barker's proposal of dates for future presentations in June 2008, September 2008, December 2008, February 2009 and May 2009 on this issue, seconded by CM Blues, passed without dissent.

CM Beard stated there should be some type of training program to get supervisors on the same page as to evaluations.

III. Selection of Vice Chair

CM James stated that CM DeCamp will be Vice Chair of the Inter-Governmental Committee.

IV. Update on Committee Items

No motions came out of this

The meeting adjourned at 2:16 p.m.

Market Pricing Compensation Program

Project Plan

July 1, 2009

