

City of Gahanna

*200 South Hamilton Road
Gahanna, Ohio 43230*



Meeting Minutes

Monday, January 23, 2012

7:00 PM

Council Committee Rooms

Committee of the Whole

Stephen A. Renner, Chair

Beryl D. Anderson

Karen J. Angelou

Ryan P. Jolley

Brian D. Larick

David L. Samuel

Brandon Wright

Members Present: Stephen Renner, Brandon Wright, Beryl D. Anderson, Karen J. Angelou, Ryan P. Jolley, Brian D. Larick and David L. Samuel

Additional Attendees:

Gen. Jim Williams, Brian Hoyt, Dottie Franey, Mike Andrako, Karl Wetherholt, Tony Collins, Chief Murphy, Lt. Jeff Spence, Shane Ewald, Anthony Jones, Jennifer Teal, Mayor Stinchcomb, Brandi Braun, Sue Wadley, Tom Kneeland, Isobel Sherwood, press.

PENDING LEGISLATION:

ORD-0016-2012

TO ACCEPT THE ANNEXATION OF 3.4+/- ACRES FROM JEFFERSON TOWNSHIP TO THE CITY OF GAHANNA, OHIO, LOCATED AT 5061 SHAGBARK AND 1150 N. HAMILTON ROAD; REQUESTED BY THE CITY OF GAHANNA.

Renner called the meeting for Monday, January 23, 2012, to order; said that even though we try to keep committee meetings informal, reason for committee meeting to be held in Chambers and for Council members to be on the dais is we are still looking for the most effective way to operate the new committee structure; first item of legislation is to accept annexation.

Sherwood said this has been approved by the county and has been on hold for 60 days; it had first reading at last Council meeting; this request is for the 2nd reading; it is for 3.4 acres; part of it fronts on Hamilton and some on Shagbark. Larick said so this is accepting the deed transfer. Sherwood said it is accepting the annexation. Larick asked the purpose of the annexation. Wetherholt said the property owners wanted to be in the city and it was an island. Larick said so it was a tiny portion of township surrounded by the City. Wetherholt said yes. Jolley said there are several in that vicinity. Wetherholt said a few.

Samuel said is this the same area where we are doing sewer work. Wetherholt said yes; they got the City to do the annexation in exchange for part of the easement for the sewer. Sherwood said she was requesting 2nd reading, consent agenda.

Recommended for Adoption, Consent

ORD-0017-2012

TO AMEND ORD-0002-2012, WHICH PROVIDES RATES OF PAY AND BENEFITS FOR UNCLASSIFIED PERSONNEL OF THE CITY OF GAHANNA FOR THE PERIOD JANUARY 1, 2012, THROUGH DECEMBER 31, 2012

Renner said the next set of ordinances I would like to treat as one for the discussion; we do have to have a recommendation for each one, but I think we can discuss them collectively.

Mayor said do you have any questions; we have discussed this previously in committees and answered questions via email so what else would you like to know.

Samuel said as a citizen and as a member of Council, I would ask what have employees done to deserve a raise; what have they done for the City; have they saved money or taken on additional responsibilities; if we are the bosses representing the City and need to evaluate the employees, what would you say.

Wadley said we have a number of positions that have not been filled and all of us are doing more with less; non bargaining employees have not received an increase since 2009; my response would also include the fact that insurance rates have gone up so employees are paying more out of pocket with no pay increase; they have also had duties increased; many positions were not back filled or filled with part time instead of full time employees; there are very few positions that have not taken on additional

responsibilities in the last 3 years. Samuel said what about cost savings; have employees done anything to save us money. Braun said I can cite 3 major examples; in Parks, the Superintendent retired and the duties were taken on by the Facilities Superintendent; this is in addition to their current roles; in Development the Community Development Manager left and the position was not back filled; the current staff took over; in the Service Department, we did not replace the Assistant City Engineer; there are many other examples; many of them are part time employees and that is talked about in the Slaven Study; we rely heavily on our part time employees; some are working up to 30 hours a week; we are down 5 officers in the Police Department and that affects the entire chain of command. Samuel said I appreciate all the hard work folks are doing; they are worth what we are spending and they deserve a raise in my opinion.

Angelou said with adding additional responsibilities, did we change the job grade to show more responsibilities. Wadley said it depends on how much additional responsibility was added; in a department of 10 employees, if the work was spread out over all 10, the change would not be significant enough to move a grade 27 to a 28; positions are evaluated when people have left and the responsibilities are looked at then and the grade could be readjusted; some have gone down as well as up. Angelou said do we have more over time. Braun said most cases, the duties like in the Finance Department when our tax administrator left, are now done by the Director and Deputy Director who don't have the option to be regraded and do not receive any paid overtime. Wright said to clarify, even though there have not been any raises, employees still had to go through performance evaluations. Wadley said yes, they receive that every year as feedback on their performance; just no salary adjustments.

Angelou said for those above market would it be out of line to make the adjustment less; why is it 3% across the board; don't they get longevity pay; was there any consideration given to that. Wadley said because it has been 3 years, we thought with that length of time that even those above market deserved the raise rather than determining which employees added value or not; an employee had to be here 5 years or more to get any lump sum for longevity and that does not affect their annual salary. Angelou said have we instituted a performance lump sum. Wadley said the only way an employee receives a lump sum is if they are over the maximum range, and we don't have anybody who is over the maximum currently.

Jolley said Samuel made a good point; our bosses are the citizens of Gahanna; we provide them City services through employees; residents agree that it is necessary to appropriate money for salaries; private business knows to expect that the money paid an employee directly affects the amount of work and responsibility that employee has; whether it is a teacher, a warehouse worker, or a white collar job, better pay gets a better caliber employee; here at the City we have done a good job of grooming folks to take over when higher ups leave; trouble is they have been leaving for other localities; they leave not only because of the salaries which are higher but because they have such great job skills; it seems completely appropriate and in line with our responsibility to the citizens to use what we can to employ the best possible people; I have a couple of examples of that demonstrated with in house projects done in the Service Department; one is the installation of smart meters which saved a lot of money; another is the program created by Andrako to rate the streets; this used to take weeks and now takes 20 hours; he developed this himself with his skill and expertise rather than paying an outside company to do that; this directly impacts the quality of life of the residents in the City; one question I have, Wadley said that it is the City's philosophy to pay at market rate; who determined that philosophy; who set that at market rather than above or below; should we even be above market to attract a higher caliber of employee.

Mayor said at the time it was determined by a combination of me and the sitting Council; we knew of communities that paid more and less, we felt the best place for us was in the middle; we felt we wanted to be there and it was what we could afford; I have maintained that. Jolley said thank you for the information; now that we understand how

we came to this and that Council did have some input into that, do we want to consider going above market; is 3% enough to retain current folks and attract new employees; another question in the email response that Wadley sent Angelou, number 5 asks the number of employees that are at market or above market, based on current rates of pay, and please note the market has not been adjusted since 2009; so are you saying there are 13 people above market rate that is a 2009 market rate. Wadley said that is correct. Jolley said so this information does not include information from the other communities we compare to where their market rate has gone up. Wadley said the information gathered was on increases not on market; we have not analyzed our market since the 2008 study. Jolley so this is an informal market rate. Wadley said those were average increases only. Jolley said so if we did study market rates, it is probably safe to say that has increased since 2009 and not likely we have 13 people above market. Wadley said I would agree. Jolley said my last question is on the health and wellness program; I would like to see more information; I do support it but would like to know what benefit it is giving; what, from a dollar and cents perspective, are we getting from it; is it worth 9% pick up or would that be better at a 5% or maybe 3; would like to see more on that. Wadley said to respond to the insurance issue, I am gathering information to bring to Council; it is not black and white and saves "X" dollars; it is all projection; by identifying certain conditions early we can prevent and reduce claims and put a dollar figure to it; will be happy to bring that to Council. Jolley said I would like to know what that projection is; is it 10% vs 4%.

Mayor said I would like to respond as well; at the time we picked 9%, it was a huge culture change; it was difficult for people to see the value of the change; we had to incent people to buy into it; not everyone was on board but we know we have saved lives; we have HIPPA laws so I can't say the specifics but we have employees that were not being treated; we have aggregate numbers available but it is hard to predict; we know what we have now; in the future 9% may be too much; at first it was hard for me to accept a 3% increase; I know there are people out of work in Franklin County; but in the private sector in Franklin County, we have seen a 2.5% average increase in salaries; we do compete a little with the private sector; who we really compete with is other suburbs; we had 3 key Directors picked; not only do they make a lot more; all 3 were promoted; we can't begin to come back with offers and compete with that; the people we are talking about here are the people that provide all the services that the public has come to expect from us; I know what these employees do every day; we are asking and have been asking every year for more work from less people; even if we had paid 1% over the last 3 years, they still would be making less because that would have compounded; so this 3% is less than 1% over 3 years as done in most suburbs; believe we are going to have turn over; there is a cost to turnover; as we have seen people retire, we have had trained people ready to go so we have not had too many bumps in the road; but there is a cost to turn over, so as Mayor I am trying to avoid that cost of turnover and at least keep us at market rate; at this point after 3 years, we should reward employees with this raise. Wright said the Mayor has answered some of my questions; I am a big advocate of wellness and health care programs; it reduces claims and saves money long term when we get them healthier and don't have to pay for medicines; I can see the cost savings; is this open to families. Mayor said to spouses and they have to comply. Samuel said something we used in the schools and is measurable was an improvement in attendance; schools who used a wellness system saw a marked improvement; our staff is the most accessible anywhere in the county; anyone can contact us and get a quick response and we are known for that in Gahanna; some other big savings occurred when our then Finance Director talked us into using RITA; we realized a lot of savings; in fact we make money now with RITA; another one is self insurance for Workers Compensation; I could come up with a long list of ways we have saved through our hard working employees.

Angelou said in 2009, 2010, and 2011 we chose not to give increases; some of the same members are here; what has changed so that now we need an increase; what made this year the one to go ahead; and we are going to be funding capital improvement programs. Samuel said as an old Council member I would say we have had hard economic times; we started cutting and cutting; our staffs took on more and more responsibilities; they are doing a yeoman's job in spite of that; there is money available; we have 7 million dollars in the green ball which is reserve money for capital improvements or salaries. Mayor said no one has a crystal ball; in 2009 no one knew the depth of the recession; we made cuts and thought it would be over in a couple of years; now I believe this is our new reality; it could be this way for some time; short term tactile approaches are not going to work; Samuel is right; we have accumulated some money over the last few years; this is money we should be spending or giving back to the taxpayers; we can't do that because we have 10 years of capital improvements that are needed; we need to get back to that and make them happen; we are talking about putting together a list and supervising the work in house to get them done; these are the people that make it happen; that is why my opinion has changed this year; we have got to stem the tide of turnovers; it has been 3 years; it is time; we are not talking millions of dollars; this is just for 1/3 of the staff; the other 2/3 have received raises as bargained for units; although some of the units took less, there is still that internal inequity; I hope that makes sense. Angelou said it does answer that; however we do have less money coming in; the Local Government Fund is going away and property taxes are going down so I still don't see why it has to be this year; 3% is a lot and I know they work hard that is not the point; the point is the fiscal responsibility of this.

Mayor said it is time.

Anderson said there has been conversation about the additional responsibilities each year; I would like to make sure we are in line with other cities; retain our employees as long as we can; question since I don't have the chart in front of me, the Directors and other senior positions that left, do we know what the rate of increase is for those other municipalities. Angelou said it would not be the same jobs. Anderson said my question is what is the rate of increase for those other municipalities. Mayor said Angelou is right they are different jobs; every single one of them is making more money. Anderson said I understand that; but for those other municipalities what is the rate of increase. Angelou started reading, Dublin is 1.5 %. Larick said there is a document provided by Wadley at our last meeting that contains that information. Anderson said I am aware of that but I do not have it front of me; I would like to hear the percent increases. Wadley said over 3 years it is Marysville 0,0, and 2%; Dublin is 0, 1.3, and 1.5, I don't have the information on COTA; it should be noted that they don't pay at all for health insurance. Anderson said I brought this up for a reason; we should not just look at the numbers; the health insurance does come into play; 3% is not an arbitrary number; some thought had to go into it; so it is not only that they are hard working administrators and supervisors, but in looking at these other cities we are in line with them, maybe even a little ahead, so it is time to reward our employees with this.

Samuel said COTA offers employees a 5% performance incentive compensation raise per year; that is probably going to be approved at their next meeting on January 25.

Jolley said Angelou asked what has changed and that is a great question; what changed was we lost 3 key directors; we keep bringing it up and I want to point out it is not a knock on you to be left behind; it is a testament to you to keep things running; one thing that has not changed is the value of education and qualifications in the job market; if you look at unemployment rates, college graduates are half the number of unemployed overall; mobility for folks with advanced degrees and experience is high; we need to be cognizant of this; one of the things that has changed is our position with regard to the folks we have on board and those we hope to hire has changed drastically and their ability to move on to a better job has not changed.

Larick said I have made comments over the course of our meeting discussions; we were

in a time, recognized by the City and also the staff, that we were at a time of high risk and shared sacrifice; at the same time Council and the administration recognized we needed to be conservative in how we approve funding; we are not saying all our worries are over; that is not the case; we also recognize that more effort has been required; even though we are not out of woods, this dollar amount is not all the money we've got; it is a fraction of our money that is on the table; it represents a very nominal amount needed to recognize the work of our employees.

Mayor said it is true that the Local Government Fund is going away, and our real estate taxes are going down, in 2009 we saw our largest income tax drop; we see a stabilization of that; agree we are not out of the woods, but our income tax for 2011 has seen an increase; we had the drop and it leveled off and now we have an increase; that is another reason why I am comfortable now.

Angelou said have these jobs been back filled. Mayor said that is done on a case by case basis; if the economy grows and we see a lot of capital projects and new development then we may have to back fill for an Assistant City Engineer; unless there is an aggressive capital program with work to do in house, I don't see it; the Deputy Director of Finance is a must fill and the job closes at the end of the month; Teal deserves a lot of recognition for doing 2 jobs by herself since the end of October.

Renner said I would like to say a little, definitely been good arguments presented; concerned about the risk of losing the level of service we provide to our residents; the HR chart that showed our staffing levels compared to other municipalities was interesting; whether you buy we compare to some of these other cities or not, for the ones I believe we compare to I ran a subset and I found we are operating too high on the resident to employee ratio; given where we are we can't go out and hire more people; we are asking staff to do a lot more work to meet that level of service for our residents; one of the things when talking about our fiduciary duty, the per cent we pay out for salary and benefits is 46% of the general fund; we need to emphasize that as we compare it to these other municipalities at 60% or higher; we are less than half and still meeting our obligations; at 46% we are still paying salaries and getting the job done for Gahanna while meeting a high level of service; over the last 3 years we have not had any raises; it is time to step up and do it; each ordinance needs a recommendation; are we saying consent agenda.

Angelou said I would request regular agenda for all the salary ordinances.

Renner said then it will be 2nd Reading, Regular Agenda for all 5 ordinances.

Angelou said I have one more question; it was very interesting to go through the study and I thank Wadley for providing it; for a planned market adjustment, it advises 3 steps to take place as the policy; were all 3 of these taken into consideration. Mayor said yes.

Recommended for Adoption

ORD-0018-2012

TO AMEND ORD-0003-2012, WHICH PROVIDES RATES OF PAY AND BENEFITS FOR COMMAND STAFF PERSONNEL OF THE CITY OF GAHANNA FOR THE PERIOD JANUARY 1, 2012, THROUGH DECEMBER 31, 2012.

See discussion under ORD-0017-2012.

Recommended for Adoption

ORD-0019-2012

TO AMEND ORD-0004-2012, WHICH PROVIDES RATES OF PAY AND BENEFITS FOR SUPERVISORY PERSONNEL OF THE CITY OF GAHANNA FOR THE PERIOD JANUARY 1, 2012, THROUGH DECEMBER 31, 2012.

See discussion under ORD-0017-2012.

Recommended for Adoption

ORD-0020-2012

TO AMEND ORD-0005-2012, WHICH PROVIDES RATES OF PAY AND BENEFITS FOR PART TIME PERSONNEL OF THE CITY OF GAHANNA FOR THE PERIOD JANUARY 1, 2012, THROUGH DECEMBER 31, 2012.

See discussion under ORD-0017-2012.

Recommended for Adoption

ORD-0021-2012

SUPPLEMENTAL APPROPRIATION - Salary Adjustments

See discussion under ORD-0017-2012.

Recommended for Adoption

ISSUES - From Director of Finance:

Supp. App. - Early Retirement Incentive

Teal said there is information in your packet for a supplemental request; I anticipate the amount to be around \$20,000; as you know, we implemented early retirement for employees for calendar year 2011; they had until the end of November to participate; we had one last minute request; it is fully within the guidelines; it just missed appropriations; we have not yet been provided the final figure for the cost of this retirement from OPERS; I put the cost under \$20,000; hopefully we will get the final estimate prior to 2nd Reading; then we just amend by substitution that final number; if we don't have it we will pull it; we would rather have it ready when the number comes in as we have a short turn around time; this employee leaves the end of February; again this is all within the constraints of the program.

Samuel said can you tell us what is the justification for the early buyout. Teal said in the short term we spend money to buy out the last few years; but we see long term savings; if we back fill the position it is at a lower rate; many of these jobs were not back filled; we looked at the savings over time and the savings do exceed the cost of the higher salary and benefits.

Recommendation: 1st Reading, back to committee.

ISSUES - From City Attorney:

Amend Contract/City Prosecutor

Ewald said you should have a contract in front of you; this request is to amend the prosecutor's contract from last year; due to the election last year, Council did not want to do 2 years and elected to put it in place for one year even though we have always done one for 2 years in the past; they wanted the newly elected City Attorney to have a say in the decision; I looked at his numbers and reviewed his cases; he gives the City a discount and does a good job representing the City; I would like to amend this contract or repeal the 1 year agreement and make a new 2 year contract which is what should have been done in the first place.

Anderson said he discounts services to the City; can you elaborate on that.

Ewald said he rounds down; if it is 4.25 hours he only charges for 4; as a local firm he gives us a reduced rate as well. Anderson said how does his rate compare. Ewald said most other firms are approximately \$100 to \$150 an hour; he charges us \$65.

Wright said tell him thank you for billing less; doing something kind for the City.

Ewald said this repeals the 1 year and puts the 2 year agreement in to effect retroactively.

Recommendation: 1st Reading, no need to come back; 2nd Reading, Consent Agenda.

Della Brandenberger, Reporting

