

FINANCE COMMITTEE MINUTES
JULY 19, 2021

In Attendance: **Vermilion City Council:**
Steve Herron, President of Council; Monica Stark, Council at Large; Emily Skahen, Ward One; F. Loucka, Ward Two; Steve Holovacs, Ward Three; Brian Holmes, Ward Five. Absent: Barb Brady, Ward Four

Administration:
Jim Forthofer, Mayor; Chris Howard, City Engineer; Amy Hendricks, Finance Director; Chris Hartung, Police Chief; Tony Valerius, Service Director, Ken Stumphauzer, Law Director

Call to Order: Frank Loucka, Vice Chairman, Councilwoman, RESOLVED THAT this Finance Committee comprised of the committee of the whole does now come to order.

TOPIC ONE: ARPA Funding Allocation Update

Amy Hendricks said there is not a lot of significant new information on ARPA funding at this point in time. There has been some help sessions and series of webinars to complete the application and recording process with the new software package they implemented, so she has been working on this. She said they are on schedule.

M. Stark asked if the funds have become available to the city. A. Hendricks said the city has not received the funds yet and is not certain if the state has received their allocation in hand yet, and they have 60 days after they receive it to distribute it to the city. As far as funding, the first round will provide 50% of the \$1,088,000 and in the second year the balance will come at that point in time and the city has through December 31, 2024 to spend those monies.

TOPIC TWO:Review of Ordinance 2021-51 (Step Range Chart Amendments)

Amy Hendricks said they have had opportunities to do some comparisons on several positions within the city hall staff and they have found them to be lacking in competitiveness with area organizations that are similar. Based on conversation with council, she was requested to prepare some language for council, and through this process and making things comparable, she has established the recommendation that the Water Department (Utility) Clerk and the Building Department Clerks both be placed on Range 5 on the salary schedule. Currently, the building department clerk is a Range 3, and the Utility Clerk is a Range 2, and these duties are comparable and, in some cases, even interchangeable. The finance department has been a Range 3 but given the comparable salaries that were presented from the other organizations, her recommendation to bring the city

closer on this would be to make it a Range 8, and then the Utility and Building Department Clerk's for people who are actively employed as the effective date of the ordinance would be placed at Step 4. B. Holmes asked if this is a step or range. A. Hendricks said this would be Range 5, Step 4. She said new employees would be hired in at Step 1. She said by changing the range, it makes the starting pay they would offer for people to be hired in the future to be more attractive for them as this has been an issue in the past. They would advance every six months one step until they reach Step 4. Currently, it is every 90 days from the time they are hired they have gone up a Step until they get to Step 3. The six months between the steps to get them to the initial range does align with the Local 860 contract. She said the finance department's current employees would be placed at Step 6 and this still does not get them in the range of the averages from the comps, so as of January 1, 2023, she would recommend moving those to Step 7 and in 2024 to Step 8. All current employees would start at Step 6 and then new hires would do the six-month progression when they were hired up to that Step 6, then advance one step after each additional 12 months of employment. This brings the salaries in a much more competitive frame with the competing employers and communities around Vermilion. She corrected her comments about the longevity at the last meeting – it starts at Step 5 for the current group of employees they have in this range, but it is a greatly reduced amount, so someone at five years gets an additional 22 cents an hour. They get it in a lump sum payment of \$475.00 a year and then up to 10 years this goes to 75 cents an hour, which is paid in a lump sum of \$600 or \$700, so she has taken these amounts into consideration in these step classifications, so they are still not exceeding their market in the area.

S. Holovacs asked if council could see the step chart because Step 5 and Step 6 really does not tell him anything on how much the rate is. A. Hendricks said the step and range chart did not change. She updated a chart that was similar to what they had talked about previously. Currently, the Utility Clerk placement is \$18.84 in comparison to the average for the area of \$21.77. The Building Department Clerks are at \$19.82 verses a comparison of \$22.26. When you look at the average for the Utility at \$21.77, this is not representative because the comparisons are up more around \$25.00. The people that are \$18.84 in the Utilities Department would go to \$22.35 as would the Building Department, which are at \$19.82. The Accounting positions have competitive averages of \$28.33 to \$29.06 and currently they are paying \$19.82 and \$20.76. The adjustment to the Range 8, Step 6 would take them to \$26.86 in comparison to the \$28.33 and the \$29.06 which are the current averages.

TOPIC THREE: Review of Ordinance 2021-52 (Adm. Assistant to Police Chief)

Chief Hartung said a couple years ago they looked at some raises that were awarded and taken away because they were not properly introduced to Council, which was Council's right and decision. He said Chrystal has been his Administrative Assistant for 11 years and she was Chief Kish's Administrative Assistant going back to 1998. He said when they do transitions to administrations, she keeps continuity in

operations to the City during transitional periods. They have been blessed to have such a good finance director in Amy, but in the past, they have had some finance directors that needed help, and Chrystal does a lot of help with the City's finance department, and she did a lot for the payroll for the Court when it comes to figuring out the pension system and pension contributions. She does a lot with Beth to double check payroll for the city, so she does a lot city-wide – not just his work. She is critical in transitions in their own administration, and he does not know what he would have done without her when he first became Chief and was trying to figure out the logistics. He said in two years and 201 days, she will have to train another Chief. The value she portrays to the city – over the years there have been issues with basically enabling legislation about whether she follows the Local 860 contract or whether she follows the Police contract. Back in the early days, their positions followed whatever the police received, and then it was changed to the 860 contract, so then the police would get something, and the administrative individuals did not, so there was disparity over the years, so they are trying to get back to where she should be. He said she provides a tremendous benefit to the city which is not just encompassed under Administrative Assistant to the City. He said this is the same with Teresa – these folks are so instrumental when they have new administrations to have normal continuity and transition. He said he cannot emphasize enough how important these positions are.

Amy Hendricks said to echo these sentiments, they have people who have done a tremendous job for the city for a long time. The current person in the payroll position had a reduction that was made in 2018 as well as the accounts payable position. Since joining the city, they have done a tremendous amount in the finance department to get it functioning more effectively to help all employees and the citizens, and she would hate to have them feel like they would need to receive compensation to go elsewhere, and then they would have to hire in people at these higher rates and still train them. She said people need to be rewarded for what they are doing because they are doing a tremendous job.

Mayor Forthofer said it is no secret that in an administration organization people are the most critical element. In the case of the Finance Department, they have a well-rounded organization that saves the city money and keeps them looking good. They are just trying to be fair and help themselves by not having unnecessary turnover.

M. Stark asked if they did a comparison of other departments with regards to the Administrative Assistant's position. Chief Hartung said they did comparisons with five or six other cities. M. Stark asked if she would have steps and ranges. Chief Hartung said her ordinance is a lot like his and he does not have a range or a step.

S. Holovacs asked for the hourly rate for Chrystal because all council has before them is the 13.361 percent increase. Per the report provided by the Finance Director, the current hourly rate is \$22.4531.

After no further discussion came before the committee, F. Loucka adjourned the meeting.

Next Meeting: August 9, 2021 – 7:00 p.m. @ Vermilion Municipal Complex, 687 Decatur Street, Vermilion, Ohio.

Transcribed by Gwen Fisher Certified Municipal Clerk