

MINUTES OF RAVENNA CITY PERSONNEL COMMITTEE MEETING
April 16, 2012

The April 16, 2012, meeting of the Ravenna City Personnel Committee was called to Order at 7:45 P.M., by Chairperson, Amy Michael. In attendance were Sharon Spencer, Fred Berry, Frank Seman, Bruce Ribelin, Jack Ferguson and Fran Ricciardi. Also attending were Kelly Engelhart, Bob Finney, Tim Stephens, Mike Reynolds and Jane Poundstone. Also in attendance was Donna Swigart of 528 East Riddle Avenue.

Ms. Michael said the first item on the agenda is a discussion of an HR service provider. She had been approached by Mr. Cecora about subcontracting out an HR person.

Mr. Cecora said he had an opportunity to meet with a gentleman who bundles HR. He does this for other municipalities; other public entities. He does a lot of pick and choose plans; very comprehensive ones to some basic services. He specializes in Workers' Compensation, labor law; taking some of those day to day questions they may have in terms of tax issues, healthcare, etc. He provides an oversight service. He will be as hands on as they wish. He will be as hands off as they wish. It's strictly how they structure the plan. He came in and talked a little bit about comp. management and collective bargaining. As they know, right now, they are using Downes and Fischel out of Columbus. A considerable amount was budgeted in legal fees in collective bargaining. One of the conversations they had was "what if" when you look at the amount of money being spent for Jonathan Downes and the collective bargaining side of things, meld that together with the typical legal fees to outsource legal counsel; would that get them any mileage in terms of some kind of HR help with a little bit more legal expertise on the back end of it. It's not a payroll processing thing by any means. It's not the end all be all. But it provides some hands on current application of labor law.

Ms. Michael said she sees he with the city of Streetsboro and Twinsburg. She is wondering if maybe he's going after quantity and not so much quality. She asked if there has been any feedback from the other communities as to how this is working out for them.

Ms. Engelhart said the first place they met was when the Streetsboro mayor got the mayors and service directors together in the region. This gentleman was there. She met him later at one of the mayors' association meetings. She thinks that they all seem to like his services. The other thing he talked about was that it's not just his personal service but his company. He is a consultant so he has resources. He can tell them that the eight months she's been here she is amazed there isn't a designated HR person. There are a lot of HR needs in a city this size. Those people can help with so many things that can guide them in ways so that they're not making mistakes with HR decisions and policies and dealing with personnel and personnel management. She thinks the first proposal was to come in and do an overall audit of what the needs might be and where he could help the city and they could then present it to council. They can pick and choose which pieces they felt were priorities and which pieces they could afford to provide but also knowing he has that union negotiation expertise that they have been outsourcing as well.

Ms. Michael noted the money has been allocated for this service and if they would no longer use Jonathan Downes.

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Ms. Engelhart responded in that's what she thinks their hope is.

Mr. Cecora said that it's a possibility. There is money budgeted for collective bargaining.

Mr. Ricciardi asked if they would rely on this individual for legal advice. Isn't that why they have Jonathan Downes?

Ms. Engelhart said she thinks it could be as much as HR in regards to guidance and policy and helping with things like hiring practices, orientation practices and policy management. It doesn't have to be just legal.

Mr. Ribelin asked what his background is.

Ms. Engelhart said that he is an attorney so he does have that expertise.

Mr. Finney asked if the first component just an audit

Ms. Engelhart responded in the affirmative.

Mr. Finney noted that after the audit, they will review the recommendations.

Ms. Michael asked the cost of the audit.

Mr. Cecora responded \$2,000.00.

Ms. Michael asked if it would come out of the general fund.

Mr. Cecora said it would have to come out of wherever they decide. A component of it would but if it's a composite HR function, they could certainly split it amongst the different departments. If they feel more comfortable, he'd gladly come in and talk to council or subcommittee, if it is an individual they would like to meet and find out more one on one about his services.

It was decided by those present that Clayton Morris would give a presentation to the Personnel Committee at the next scheduled meeting.

Ms. Michael said the next item on the agenda is employee leasing.

Mr. Cecora said one of the things they ran into was some reporting requirements that have to do with affordable healthcare act. It's got to do with the quantity of W-2s. One of the issues they ran into was that the city is an entity the produces over 250 W-2s and there are different reporting requirements and they now have to report information for W-2s. They know where the

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block of the 140 fulltime employees are. One of the reasons to think about this is what about the influx of all the part-time contract people, putting them on the payroll. By law they have to, they become PERS employees, etc., is there any benefit to thinking about looking at bringing these people on board via a vendor rather than bringing them on solely through payroll. There are a lot of options out there and a lot of routes they can go with that. The only question to this committee would be if they are okay if the mayor pursues options like this; if he begins the process of gathering information if somebody would consider a vendor mode rather than a payroll mode.

Ms. Michael asked how many employees this would effect.

Mr. Cecora said there is over 100. They have 140 fulltime and they are putting out 165 W-2s. There are a lot of employees that are put on the payroll for very short spurts of time, temporary assignments. They are generated out of Parks & Recreation and they understand that. Each one must be put on the payroll. Each one must be signed up for PERS. As a result of that, one of the great time constraints is set up. They leave and somebody else comes back on.

Ms. Michael asked what he would consider part-time, under 32 hours; what would the guidelines be to determine.

Mr. Cecora said any one who is a contract employee; summer help. This was just an opportunity to look at it. Mayor Bica asked him to look at it.

Mr. Seman asked if there are companies that would find referees for a soccer game.

Mr. Finney said there would have to be some assistance from the city.

Mr. Cecora said is there a company out there willing to take on, for all intense and purposes, our employees in a lease back situation. There is no healthcare exposure but there is Worker's Comp. exposure as well.

Ms. Michael said she would be interested in see what cost savings there would be by doing this.

Mr. Cecora said that before they even start the conversation, coming out of the committee, is everybody okay with even looking into this. It would not effect the current employees, only those new ones coming in.

Ms. Michael asked if the city would be involved in the interview process.

Mr. Cecora said they always have right of first refusal. In a perfect world, you know who it is that's working for you. You send them back to the agency and back to you. That way you're bringing on one vendor instead of each employee.

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Mr. Ricciardi said that if they are paid X dollars now and are sent to a vendor who is going to want to pay them X minus something.

Mr. Cecora said that's what they need to look at. They need to look at the unemployment exposure and the Workers' Comp exposure. They have not had any Workers' Comp. claims attributable to seasonal work. They are not exempt from that. In other words, what is the mark up? He doesn't know.

It was decided by those present that the committee members approved of the mayor looking into it.

Ms. Michael said that the next item is an update of the policy and procedures.

Mr. Cecora said in January that if there were any updates, he would at least give them a heads up as to what is going on. There were a couple of updates on this one. The State of Ohio Auditor's office said they have to publish somewhere the Fraud Hotline. They provide a web address and a phone number and an address. They also went through the records policy and really detailed out the policy. One of the changes made is it's going to contain a lot more detail. He put a couple of appendix at the back end of the policy and procedure manual. He just wanted to let everybody know there is an update coming. There are no material changes.

Ms. Michael said the next item is the electrician position.

Ms. Engelhart said this really came about as they looked at the workload for the city electrician and the timeliness in which the work was getting done or not getting done. They were having some issues with having a city employee on who also has his own private electrician company and the only time he could really work on city projects were after hours or on the weekends. Also, if there was ever any project that was too large, it had to be outsourced anyway because he didn't have the manpower to help with it. They met several times with Mr. Rummel to talk about solutions to this problem. She thinks what they feel is the best solution is to, with council's approval, amend the payroll ordinances by removing the electrician from the city payroll and make him a contract employee through his businesses. He has two different businesses. One he has established called Portage Plant Maintenance. That is the business that would do the streetscape at a much a reduced rate per hour to manage, changing the light bulbs, repairing any lights, etc., for streetscape. The other is a \$64.00 an hour quote for his electrician services through Rummel Electric. Right now there is \$8,500.00 budgeted for the electrician. It's split between five different funds; Street, General, Water, Sewer and Parks. They would maintain that same split. The money is really taken out of where the project is being done. They don't anticipate having any additional costs and it may actually save money because several of the bigger projects that are the \$64.00 an hour projects, generally, most of them at the utility plants are being outsourced to a separate electrician anyway.

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Mr. Ricciardi asked if his ability to respond would be the same.

Ms. Engelhart said that Mr. Rummel will be able to bring his resources with him. When there is an issue that needs repaired, he can send two of his employees out to work on streetscape or send them to whatever the project might be. The street lamp pole that was hit last August when she first started is still not repaired. It's these types of things that seem like they are little but keep getting pushed to the bottom of the barrel and not get addressed because bigger things come up along the way. They are hoping this will help with the timeliness of getting things done. They went through a list of at least 15 outstanding work orders from 2011 and so far the four months in 2012 that have not been done. If they transition into this and have it in place by June 1st, he will have all those outstanding work orders completed before the transition.

Mr. Ricciardi asked if they are talking about doing away with the position altogether.

Ms. Engelhart responded in the affirmative.

Ms. Michael asked if the employee would lose any benefits.

Ms. Engelhart said PERS. That is the only thing.

Mr. Seman asked if the \$20,000.00 that is budgeted includes materials.

Ms. Engelhart responded in the negative stating it's \$28,500.00 and that is just labor for the electrician.

Mr. Seman said he's not sure how this grew to that but he thought that was one of the cuts. He was here when the electrician was hired. There were not too many people in favor of doing it then. He thinks he was hired for \$12,000.00 at the time. Now this has grown to \$28,000.00. He thought when they went through and made cuts, that was one of them.

Mr. Finney said Mr. Rummel gets paid when he works.

Mr. Cecora said that it is 19 hours per week and the rate comes to \$548.00 at 52 weeks is \$28,000.00. That is not with roll ups.

Mr. Seman said he doesn't know how it got raised. He doesn't know why they can't just get any electrician. Why do they have to have this one who isn't getting the job done as it is and now they are going to reward him and hire him back.

Ms. Engelhart said the Portage Plant Maintenance piece, she doesn't think they are ever going to get an electrician to do streetscape for \$4,500.00 a year to maintain all of the lights downtown and the issues that come up with those lights. She thinks it's \$36.00 an hour instead of \$64.00 an hour. If they would like her to go out and get additional quotes for another electrician at an hourly rate, she will do that. The issue is that it is difficult to find hourly rates from electricians. They want to bid on projects.

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Mr. Seman said the reason he is a little unhappy about this is because it was a contentious thing when it went in. They know nothing about it except Mr. Cecora. Nobody else was here. He is kind of shocked and that was the same problem when they started this.

Ms. Engelhart said she is frustrated with the situation.

Mr. Seman said that if they are going to hire this person, then he expects to see the work get done.

Ms. Engelhart said she is going to hold him accountable. They can always just pull the contract and get somebody else. Her opinion is that if you don't measure up and do what you're supposed to be doing, then there are other electricians out there. Her recommendation would be to do a six month contract and see how it goes and renew it in January.

To clarify, the clerk asked, they need to amend the payroll ordinance and then enter into contracts with Portage Plant Maintenance for the streetscape maintenance and with Rummel Electric for the city buildings.

Ms. Engelhart responded in the affirmative, noting there will be three tracking sheets and three ordinances.

There being no questions or comments, it was decided by those present that the appropriate tracking sheets would be submitted for Finance Committee approval.

Ms. Michael said the next item on the agenda is the Utilities retirements.

Mr. Cecora said that Mike LaCivita and Rick Erosky have officially opted to retire. In the budget, they had \$35,000.00 in the event someone retired. There is now an additional appropriation needed to cover both Mr. Erosky and Mr. LaCivita's payouts upon retirement.

Ms. Engelhart said, unfortunately, when they went through the budgeting process, it was not mentioned that they would be retiring or they would have budgeted for it.

Mr. Cecora said that is totally from the sewer fund. They are talking about a total of \$80,300.00 to pay both of them. They both max'ed out at the sick payout.

Ms. Engelhart said Mike LaCivita has 34 years of service and Rick Erosky has 32½ years of service.

Mr. Cecora said that includes some accrued vacation payout as well.

Mr. Berry noted that they really don't have a choice.

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Mr. Cecora concurred.

There being no questions or comments, it was decided by those present that the appropriate tracking sheets would be submitted for Finance Committee approval.

Ms. Poundstone said she wanted to address the committee. She distributed handouts to Ms. Spencer and Mr. Berry. She had a meeting with Ms. Michael, Mr. Ribelin and Chief Cleveland on March 20 in reference to the possibility of retirement and rehiring. She is simply here with that same request, even if it has been denied by them for two other employees.

Mr. Ricciardi asked why she and other employees believe council has anything to do with that at all.

Ms. Poundstone responded that she was told by Mayor Bica to address council on that issue.

Mr. Ricciardi said, here is the situation. Mayor Bica came to council when this was first brought up by Mr. Bregant, Mr. LaCivita and Mr. Erosky. He asked for some sort of policy from council. Council had a discussion and gave a policy collectively that these folks were comfortable with. Having said that, this body has no authority to hire people; no authority to fire people. That's all administrative. That means the mayor has that authority. If he wants to accept what council indicated to him what their feelings were on it, he can do that. If he wants to reject that, he can do that. She's talking to nobody here because they have no authority to act on her request.

Ms. Poundstone said she thought, she was instructed anyway that council was the ones that denied the other requests.

Mr. Ricciardi said they didn't deny anything. They indicated a policy. The mayor has the authority to hire and fire.

Ms. Poundstone asked if council approved Mr. Bowen's agreement and rehire him under some contractual basis, or was that Mayor Bica?

The clerk noted that was the product of Mayor Poland, not Mayor Bica.

Mr. Ricciardi said they approve the funding. That's what they do.

Ms. Poundstone said then she is an employee who has been given the run around because she is following what the supervisor instructed her to do.

Mr. Ricciardi said that he doesn't know who is running her around. The bottom line is, they don't hire. They don't fire.

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Ms. Poundstone said that they set policy; correct? Policies can be reviewed.

Mr. Ricciardi said they gave their collective opinion.

Ms. Poundstone said that two years ago, they created a policy.

Mr. Ricciardi said they didn't create a policy. They gave an opinion. If the mayor wants to ignore them, he was told he can do that. That's what he's telling her. They don't hire.

Ms. Poundstone interjected stating her understanding is that she has to address the Personnel Committee which is why she was addressing Mr. Berry, Ms. Michael and Ms. Spencer with this issue. She is asking for them to possibly review and discuss with her and support her to apparently go to council and the mayor, apparently, with whatever it is that other employees have asked for in the past that she is simply wanting to utilize and she wishes to retire through OPERS but she does not wish to terminate her employment with the city of Ravenna.

Mr. Ricciardi asked what Ms. Poundstone wanted them to do. He doesn't understand what she is asking this council to do.

Ms. Poundstone said she is asking to possibly be allowed to retire, rehire, presenting a 42% salary cut in order to go part-time to 32 hours.

Mr. Ricciardi said council has nothing to do with that. The mayor is the only that can do that.

Ms. Poundstone said she understands that the Personnel Committee did have that authority.

Mr. Ricciardi said they can recommend these things but all they can do is fund the positions. That's all they do.

Ms. Poundstone asked if she does not have to address the Personnel Committee to get them to support that?

Mr. Ricciardi said somebody has to say they are going to hire her.

Mr. Finney said this committee will approve the change in the payroll ordinance. The mayor would be responsible to write that change and bring it to the committee and request the change.

Ms. Engelhart said that the change Ms. Poundstone is requesting is going from fulltime to part-time.

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Ms. Poundstone said that she's actually already been taken to part-time with two different positions, 20 hours each but she is requesting to go to a 32 hour position at a 42% salary savings in so doing. The city seemed to be most interested in a cost savings to the General Fund so she was proposing that in order to help the city in that endeavor.

Mr. Berry asked who she went to, to be removed from the two part-time positions.

Ms. Poundstone said she believes council did it for her. She didn't go to anybody.

Mr. Finney said that it was changed through the payroll ordinance. That was part of the recommendations made by Mayor Bica.

Ms. Poundstone said that was one of the cost savings to the General Fund.

Mr. Finney said that he believes what the mayor has told her is to bring her topic to this committee, asking if they would support it, should he submit it to this committee.

Ms. Poundstone said actually, she submitted it to him first because she knows he has the full authority to make that decision if there was no change to the payroll ordinance. He, as her appointing authority, can simply say yes, you are allowed to retire and rehire and she is doing that because I am your appointing authority. But he said due to council's previous opposition to that, he did not wish to offend council. He did not have a problem in so doing and would like her to present it to council in order to have their input in the decision.

Mr. Finney said that the catch there is, he can hire, as Mr. Ricciardi said, hire anybody he wants. The issue is that position may not be funded until they approve the funding. She is right. If he supports her, council would have to support the funding, which would be a change in the payroll ordinance.

Ms. Poundstone said that she simply has to ask for no change in the payroll ordinance and his full authority to make that change, which he had the authority to do which he denied stating she needed to take it to Personnel Committee so that they could take it to council. If they would wish to direct her in the right way, she has no problem with that.

Mr. Ricciardi said the only time they see something in personnel is when it's something controversial. Otherwise, they don't know who the mayor hires or who he fires. For that to be dropped in their laps is kind of silly. That's not what they do.

Ms. Poundstone said the backup support she distributed, it shows current employees who are working for the city of Ravenna who are retired and rehired and setting some sort of precedents in so doing. She would wish that they would review the material she gave them. Whatever the date is that the mayor and Ms. Michael further discusses this with her, she would appreciate it.

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There being no further business before the Committee, the meeting adjourned at 8:23 P.M.

ATTEST:

Clerk of Council

Amy Michael, Chairperson
Personnel Committee