CITY OF RIVIERA BEACH
PALM BEACH COUNTY, FLORIDA
CITY COUNCIL WORKSHOP MINUTES
HELD IN THE CITY COUNCIL CHAMBERS
JUNE 7, 2018 @ 6:00 P.M.

(The following may contain unintelligible or misunderstood words due to the recording quality.)

I. CITY CLERK CALL TO ORDER

CHAIRPERSON DAVIS JOHNSON: -- to order the City of Riviera Beach City Council Workshop on the compensation and pay study to order. Madam Clerk, roll call, please?

II. ROLL CALL

DEPUTY CITY CLERK BURGESS: Mayor Thomas Masters?

MAYOR MASTERS: Present.

DEPUTY CITY CLERK BURGESS: Chairperson Tonya Davis Johnson?

CHAIRPERSON DAVIS JOHNSON: Here.

DEPUTY CITY CLERK BURGESS: Chair Pro Tem Lynne L. Hubbard?

CHAIR PRO TEM HUBBARD: Here.

DEPUTY CITY CLERK BURGESS: Councilperson Kashamba L. Miller-Anderson?

COUNCILPERSON MILLER-ANDERSON: Present.

DEPUTY CITY CLERK BURGESS: Councilperson Julia A. Botel?

COUNCILPERSON BOTEL: Here.

DEPUTY CITY CLERK BURGESS: Councilperson Terence "TD" Davis?

COUNCILPERSON DAVIS: Here.

DEPUTY CITY CLERK BURGESS: City Manager Karen Hoskins?

CITY MANAGER HOSKINS: Here.

DEPUTY CITY CLERK BURGESS: Interim Assistant City Manager Willie Horton?

INTERIM ASSISTANT CITY MANAGER HORTON: Here.

DEPUTY CITY CLERK BURGESS: Deputy City Clerk Jacqueline Burgess is present. City Attorney Andrew DeGraffenreidt.

CHAIRPERSON DAVIS JOHNSON: Thank you. I'd like for us to stand for a moment of silence followed by the Pledge of Allegiance led by Councilwoman Botel.

INVOCATION

PLEDGE OF ALLEGIANCE

(Everyone stood for a Moment of Silence with the Pledge of Allegiance being led by Councilperson Botel).

AGENDA Approval: Additions, Deletions, Substitutions

AGENDA ITEMS

1. COMPENSATION AND PAY STUDY
CITY MANAGER: KAREN L. HOSKINS (561) 845-4010

CHAIRPERSON DAVIS JOHNSON: Before we begin I need to make a statement that due to technical difficulties, live streaming and live viewing of this meeting will not take place. Should the cable be restored, the meeting will be shown as the cable is restored. Thank you. Madam City Manager?

CITY MANAGER HOSKINS: Good evening, Madam Chair and city councilmembers. During the May 5th, 2017, city council meeting the council awarded a contract for the purpose of a citywide compensation and pay study. This contract was awarded to Management Advisory Group. The purpose of the study was to -- to develop a pay plan that is fair, equitable with both public and private employers in the surrounding geographic market area from which the city recruits in order to attract, motivate and retain quality employees. The services also included providing an implementation plan that included options for a phase in approaching extending over two-year budget cycle, evaluating current job classifications, number of job classifications including additions, deletions and/or consolidations.

The purpose of the study also was to analyze current job description format and to be compliant with all applicable state and federal laws. At this time, we have the Management Advisory Group here, Mr. Russell Campbell and Mrs. Carolyn Long to give a presentation regarding the study. And you also have in your packets the various managerial, employees' implementations plans that were ran. At this time, Mr. Campbell.

RUSSELL CAMPBELL: Good evening, Mr. Mayor, fellow commissioners. I appreciate the opportunity to come back to the great city of Riviera Beach to discuss the compensation classification study that we prepared on behalf of the city. What I thought would be appropriate would be kinda to back up and kinda take you to -- through a chronological timeline of when we started, what the activities were along the way and what brought us to the end of the process in terms of the results and recommendations going forward. As I go through, please feel free to ask questions at any juncture during the presentation. (inaudible) here. One moment. It looks like we got a little technical difficulty here.

COUNCILPERSON MILLER-ANDERSON: Madam Chair?

CHAIRPERSON DAVIS JOHNSON: Councilwoman Miller-Anderson, you're recognized.

COUNCILPERSON MILLER-ANDERSON: So this PowerPoint is pretty much the same one we saw in February?

RUSSELL CAMPBELL: There's some additional --

CHAIRPERSON DAVIS JOHNSON: With additional slides --

RUSSELL CAMPBELL: -- information.

CHAIRPERSON DAVIS JOHNSON: -- at the end?

RUSSELL CAMPBELL: Been added. I just wanna make sure everybody's cognizant --

CHAIRPERSON DAVIS JOHNSON: Okay.

RUSSELL CAMPBELL: -- of the initial information that was shared and then I'll bring it to present day today --

CHAIRPERSON DAVIS JOHNSON: Okay.

RUSSELL CAMPBELL: -- to talk about the specifics. Just briefly we've been in business since 2002. We're headquartered in Woodbridge, Virginia. We've got multiple offices on the East Coast. I am the partner in charge of the Columbia, South Carolina office. With me today is Miss Carolyn Long who's our executive vice president, and she splits her time between the corporate office and the regional office in Spartanburg, South Carolina. There were a number of people from the company that worked on the project. I am the one who's probably spent the most time on site. In addition to myself, there was Mr. Jim Brittain, there was Mr. Steve Foster, Miss Carolyn Long served as technical advisor and I of course was the project director.

Any time you do a compensation and classification study, expectation of all those that are involved tend to rise as we're talking about pocketbook issues, money. And so there's a lot of expectations to the outcome of the study. So it's incumbent upon the consultant and the company doing the study to make sure that we clearly articulate what the study will address and what it will not address. And so we held a series of meetings around the city where all the employees were invited to attend one of those one-hour briefings so that they would be given a briefing of the overview of the study, the process and their role in terms of providing information to the consulting team. We also shared with them that this was not a staffing study. We were not looking to determine whether or not departments were properly staffed or overstaffed. We were not looking to restructure or realign any functions in any particular department and we were not here to assess performance or capabilities of any individual employee. We did say that although some pay raises will be recommended as a result of the study, we did not guarantee that every employee in the city would receive a pay raise. The only one guaranteed that we did make was that we would never make any recommendations to cut or reduce anyone's salary as it relates to this process.

The scope of the project at the time of the study, the city had 172 different job classifications or titles, approximately 475 employees were subject to the scope of the project. We were looking at the internal relationship of the jobs to make sure we ranked them accordingly based on duties and responsibilities. Secondly, we wanted to access the external market to make sure that the salary structure that we developed was competitive and allowed the city to compete with the surrounding jurisdictions for comp and a qualified labor and we wanted to create a process where once the study was done, the city could administer it fairly equitably and would not have to go

through a process of this type probably for another five or six years. As a point of best practices we generally ask or encourage the clients to take a look at everything every fix or six years. We provide the same software that we use to build the study. We provided it to the city, license it to the city at no additional cost, and we did provide training to the HR staff on how the software work and so that if there were any adjustments or reclassification requests that were to come about after we were done, the capability did rest in house to handle those reclassification requests.

MAYOR MASTERS: Madam Chair? Thank you. He -- you said that as you go along and we have questions --

RUSSELL CAMPBELL: Yes, sir.

MAYOR MASTERS: -- feel free to --

RUSSELL CAMPBELL: Sure.

MAYOR MASTERS: -- ask them then rather than wait. So I'm taking advantage of your -- your request.

RUSSELL CAMPBELL: All right.

MAYOR MASTERS: Your -- or your statement. I wanna go back to what you just -- that one, with other comparable agencies describe that in detail to me. What -- what does that mean?

RUSSELL CAMPBELL: Generally when we talk about comparable organizations or target organizations we're looking and talking about organizations that you compete with head to head for the same type of skill set and employee. And so being geographically in a urban area, there are a number of municipal county as well as school district entities that you compete with for labor. There are also some private sector organizations that utilize some of the same skill sets that you do here in the city. IT people work across public and private lines, administrative staff, technical staff. And so first thing we wanted to do was assess within a radius of 200 miles, what are the major employers within that radius. And so we came up with a list which I will show you or share with you shortly of employers that we thought were competitors of the city. We asked the city to provide some feedback in terms of their thoughts on our -- our list, and we made some adjustments and we mutually agreed to a list of about 12 target organizations that we would collect wage and salary information from as --

MAYOR MASTERS: When you looked at the comparable agencies did you take in account the population of the other --

RUSSELL CAMPBELL: We did not.

MAYOR MASTERS: -- agencies?

RUSSELL CAMPBELL: We did not. We were -- we were strictly looking at comparable jobs, making sure that we matched apples to apples, and then the pay range of those positions from the competing organizations.

MAYOR MASTERS: So whether it was a job in West Palm Beach or Riviera Beach it was still --

RUSSELL CAMPBELL: Yes.

MAYOR MASTERS: -- comparable?

RUSSELL CAMPBELL: Yes.

MAYOR MASTERS: Even though the city is 10 times larger, whatever? Okay. Thank you.

RUSSELL CAMPBELL: Yes, (inaudible).

COUNCILPERSON MILLER-ANDERSON: I have a question, Madam Chair.

CHAIRPERSON DAVIS JOHNSON: Councilwoman Miller-Anderson, you're recognized.

RUSSELL CAMPBELL: Yes, ma'am.

COUNCILPERSON MILLER-ANDERSON: Along those same lines, so you only looked at the actual job title. Did you look at the job description? You said you didn't --

RUSSELL CAMPBELL: What --

COUNCILPERSON MILLER-ANDERSON: -- look at the population. What about the education --

RUSSELL CAMPBELL: If I could --

COUNCILPERSON MILLER-ANDERSON: -- job experience?

RUSSELL CAMPBELL: -- could interject --

COUNCILPERSON MILLER-ANDERSON: Yes.

RUSSELL CAMPBELL: -- what we do is we will take the class specifications that exist within the organization, we will prepare a narrative on the specific duties of the position, the education, the experience and other qualifications needed for the job, prepare that in a survey format and send that to the survey target organizations, and asking them to review the narrative of the position that exists within Riviera Beach and to identify a comparable position in their organization if one exists. Sometimes there are not matches, but the majority of the time we're gonna have matches for about 90 plus percent of the positions.

COUNCILPERSON MILLER-ANDERSON: So you say you will do it or is that

--

RUSSELL CAMPBELL: We did.

COUNCILPERSON MILLER-ANDERSON: -- what you all did?

RUSSELL CAMPBELL: We did.

COUNCILPERSON MILLER-ANDERSON: Okay. So with -- so basically you did look at that information and you took that into consideration?

RUSSELL CAMPBELL: Yes.

COUNCILPERSON MILLER-ANDERSON: And that was a part of your formula?

RUSSELL CAMPBELL: That's part of the process.

COUNCILPERSON MILLER-ANDERSON: But the population, the amount of employees that they have, the amount of service that they're putting out?

RUSSELL CAMPBELL: That will not matter from the perspective of employee. If I'm making $40,000 a year here at the City of Riviera Beach as a IT technician and the Palm -- and Palm Beach County, which is a lot larger has the same position and they offer me a $15,000 pay raise, I -- I -- it does not matter how big they are or how many people they have.

COUNCILPERSON MILLER-ANDERSON: Well --

RUSSELL CAMPBELL: It's -- it's strictly looking at the job -- the nature of the job and its availability in the labor market.

COUNCILPERSON MILLER-ANDERSON: But I would disagree with that because more than likely they have more work to do or -- I mean, it's --

RUSSELL CAMPBELL: That's why the job pays more.

COUNCILPERSON MILLER-ANDERSON: Right. So -- but that doesn't say that that $40,000 would be perfect for this city because it depends on the amount of work that's being done, depends on how many of the employees or -- or sharing the job responsibility --

RUSSELL CAMPBELL: Those things can be assessed, but at our level we -- we don't get down in the weeds to do that type of detail because those things are gonna vary from organization to organization. What employees care about is the value in terms of pay, how they're gonna be remunerated for the job that they do for the city. And so I've been doing this for 20 years and I've done it around the country at some very sophisticated places, some very rural places. What is important is people wanna make sure that when they look around the region, City of West Palm, Palm Beach County, any school district, any of the other jurisdictions that their pay is competitive. Competitive does not mean that they make dollar for dollar with the larger jurisdictions. What it means is the pay range and the pay system within this organization is broad enough based on the experience and education of the individuals that are applicants. The city can negotiate a starting salary that will bring that type of talent into the organization. I've assessed morale and climate in 150 different organizations over the years. When you rank the top five reasons why someone comes to work for a organization, pay does not always come out to be number one. It's always in the top three. Sometimes number one is security, job security. Sometimes number one is opportunities for advancement, professional development. Sometimes the leadership that they're exposed to is another factor that may rise to number one. So there are a multitude of issues or -- or -- or characteristics that may decide whether one decides to come work for an organization or not; too many to try to value in a study of this type. So we keep it simple, we keep it focused, we keep it comparable and we're looking at the value of the positions in the marketplace, a snapshot at this point in time.

COUNCILPERSON MILLER-ANDERSON: Okay. And I'll -- I'll come back once you bring the list up of --

RUSSELL CAMPBELL: Okay.

COUNCILPERSON MILLER-ANDERSON: -- the municipalities.

COUNCILPERSON BOTEL: Madam Chair, I -- I just have a follow on, if I may.

CHAIRPERSON DAVIS JOHNSON: Councilwoman Botel --

COUNCILPERSON BOTEL: Thank you.

CHAIRPERSON DAVIS JOHNSON: -- you're recognized.

COUNCILPERSON BOTEL: I -- I can understand you're saying that with regard to certain positions like an IT job is an IT job. I worked for Apple Computer, I met a lot of IT technicians in my time and, you know, you have a specific set of skills that you do and so forth. But if for example I'm an HR person and I was in HR for a while in a school district and I have 475 employees in my charge and I'm getting a certain amount of money to do that job, but then I'm in the City of West Palm Beach and maybe I have 1,500 do you not see that there's a difference in those jobs?

RUSSELL CAMPBELL: We're talking about volume?

COUNCILPERSON BOTEL: Yeah, volume, exactly.

RUSSELL CAMPBELL: Or quantity of work?

COUNCILPERSON BOTEL: Quantity of work.

RUSSELL CAMPBELL: Sure.

COUNCILPERSON BOTEL: Yeah.

RUSSELL CAMPBELL: There are probably gonna be differences --

COUNCILPERSON BOTEL: So you didn't take --

RUSSELL CAMPBELL: -- in the large --

COUNCILPERSON BOTEL: -- any of that into consideration? No? (Nods head).

RUSSELL CAMPBELL: Because that's not gonna be -- when the job is posted and advertised they're not gonna provide any statistics on the workload. They're gonna say here's the duties and responsibilities, here are the qualifications, here's the experience that we need. You either apply for the job or not. They -- they're not gonna provide you with work statistics because that's not gonna matter if the salary is competitive and -- and where one needs it to be.

MAYOR MASTERS: Madam Chair?

CHAIRPERSON DAVIS JOHNSON: Can -- I --

MAYOR MASTERS: What?

CHAIRPERSON DAVIS JOHNSON: I understand -- I understand that he asked if -- if we could allow him to move forward and hold out questions.

MAYOR MASTERS: I'm okay with that.

CHAIRPERSON DAVIS JOHNSON: You're okay? Okay. Thank you, sir.

RUSSELL CAMPBELL: Okay. In -- in terms of the project team, I think it's important to share from the city's perspective who made up the project team. As I said, I was the MAG representative. I served as the project manager. I was the day to day contact with the city, primary to Human Resources Department for any information and all exchanges of information. Part of the project team on behalf of the city initially as you see down at the bottom I note Mr. Jonathan Evans, the former city, he was a part of the team initially and so was Mr. Bruce Davis, the former HR director who's no longer with the city. After those two individuals left employment with the city, Miss Karen Hoskins was on the project team., Mr. Randy Sherman, finance director, Miss Eureka Irvin, interim HR director and Miss Shavona Booker, HR administrator. Those individuals, along with myself, are the ones who reviewed the initial drafts as I prepared them as I responded to questions and concerns raised from the drafts from the team. We would sit down and we would meet primarily face to face in the conference room over here in City Hall or HR to discuss any areas of concern or any areas that -- that the committee thought I needed to go back and do a double check or take a double look at. And so we also had numerous phone calls back and forth, e-mails back and forth to put the study together. We've been working on this for well over 10 months from the time we started. And we did bring it to a close in April, the final report.

When we started collecting information in terms of what the employees of the City of Riviera Beach were doing, we had to utilize an instrument that was universal and that it would be applicable to any position or any individual in the organization. And we call that our "Job Analysis Questionnaire" or "JAQ". Every employee who attended the one-hour briefing was given specifics instructions how to access our server online to complete that questionnaire. Typically, it takes about an hour to do that questionnaire. We gave them two weeks to do an hour's worth of work and then we gave supervisors a week to review the information that was submitted by the employees, but the supervisors had review access only; they could not change or alter anything that the employees originally submitted. If there was a difference of opinion or perspective, the supervisor was to note that, and then in our system those comments or red flag and then we will come back through our point of contact in HR to weed through any issues where there seems to be differences between what an employee says, he or she does and what the supervisor sees as the responsibilities for the position. We look at the employees as the, uh, resident experts in their field and the supervisors as the leaders of those respective departments as the ultimate custodians or the activities that take place in those departments.

This is a snapshot of the website. They were instructed to log in www.maginc.org to complete those questionnaires. We provided weekly status updates on how many people had completed the questionnaires, how many had started but not completed, how many questionnaires had been reviewed and signed off on by supervisors so that there was an up to date listing of where we are in terms of the number of people that participated in terms of completing the questionnaire. Typically, we go into an organization where we hope to gather at least 75 to 80 percent participation rate. We were about at 74.5 percent on this particular project so we were right in line basically where we wanna be in terms of participation of the number of people that complete the questionnaire. Supervisors and department heads, we did one on one interviews to sit down to discuss any specific issues relative to their -- their department, any recruitment difficulties, retention issues, any pending reclassification requests that they were made aware that was gonna be approved, new positions that they wanted to make sure that were gonna be added to the study. I know development services had a number of new positions that the commission approved, and so we went back and added those positions in the study as well.

When we looked at that questionnaire, we were specifically looking at 14 job factors or 14 elements that we used to grade and rank the positions within the organization. We look at everything from the data that the employees work with, how they exercise judgment, people responsibility in terms of coordinating relationships or supervision, complexity of their work, any asset responsibility whether it be equipment or funds, impact of decisions, the ramifications of bad decisions, what's the impact to the city and individual. We looked at the education that's needed for the position, the experience needed, any particular equipment that is being utilized as well as any physical requirements, communication, mathematical development and unavoidable hazards and safety of others. As a consultant, I would go through, and I did go through, each and every one of those job questionnaires and I'll sign a rating based on the relationship between job duties and responsibilities in the questionnaire and our job factors or job elements. As I do that, our software accumulates the point total for each position and then it establishes a rank order where we'll have the least complex or lowest scoring job in the organization based on our criteria in ascending order all the way up to the most complex position within the organization. Now you don't have to be a consultant to walk into a particular organization and figure out what's gonna be considered the most complex or the top job. That's typically someone who's running the organization. And you don't have to be particularly versed in compensation analysis to figure out what's -- what's gonna be the least complex position. Usually you're talking about courier mail clerk, custodial position. But it's how all those other jobs in the middle shake out that you need a process that could be validated from a quantitative standpoint and be defensible should the need arise to defend the results. This is the software that we used to prepare the analysis and do the study. It is also the same software that we have licensed to the city as a part of this process.

Now when we do the market survey we do not do a market survey on every position. We do do a job analysis or evaluation on every position. We take a random sample of about 20 percent of the overall job titles in the organization, we make sure we have a cross section of positions from throughout the city, we make sure we have some clerical positions, technical skill craft, middle management, upper management, executives, public safety, mechanical and those positions are put on the survey list with very detailed narratives in regard to what those jobs encompass and entail as well as the qualifications needed for those particular positions. And those are some additional benchmarks that were used. And then targets, we kinda briefly talked about that in the beginning, but these are the organizations that were mutually agreed upon by MAG and the city to contact, to gather wage and salary data; Town of Palm City, City of West Palm, City of Delray Beach, Boynton, Palm Beach County, Palm Beach County Schools, City of Boca, City of Palm Beach Gardens, City of Wellington, Town of Jupiter and Sea Coast Utilities. We got responses from everyone except for Sea Coast Utilities. I personally made five phone calls and sent three e-mails and left at least three voicemails with the HR contact there and she chose not to respond or return my calls. One of the things we do as a part of this process because we know there are some positions in the organization that do exist in the private sector, once we compile the data from the public sector organizations we do go back and do some comparative analysis to see what comparable jobs that may exist in the private sector, what are they being paid? And we use the Federal Department of Labors, Bureau of Labor statistics data for the regional area in which our client resides. So we looked at the southern portion of Florida, the southeast portion of Florida to see what was being paid for comparable jobs that exist in the private sector.

Just a recap on the process, and this is unique to -- to Management Advisory Group. Any company that's in the compensation analysis business, they've got to do two things: Number one, they've got to address the internal relationship of the jobs. We call that internal equity. Secondly, they've got to address external equity by looking at the marketplace to see what wages are being paid from a competitive standpoint and then they've got to use some type of statistical calculation or method to bring together those two sets of data. We use linear aggression, basic statistical

modeling done by a computer. Once we enter in the job points for all the positions that have been graded, we enter in the market data and then the computer will then project or recommend a salary range and pay grade for each one of the positions that are in the study. Then we have a technical review internally among our staff. Then we meet with the client, have an initial meeting to review the draft and give them a couple of weeks to review it, get some feedback and then we go through a process of making adjustments as needed. Once we responded to the initial round of questions from the committee and HR, the HR department then met with department heads to show and discuss how their particular departments came out or fared in a particular study, and again, document any questions or concerns that they may have which were then routed back to MAG and me as a project manager.

Now, when we put the study together, we in a sense put together three plans within one. We had a public safety plan and then we had a general plan and we had a managerial plan. Public safety -- thank you -- obviously we're talking about police and fire, general was any position that was not considered managerial, and we had the managerial plan. It appears that a lot of the concern or confusion rests with the managerial implementation plan. And so that's -- that's the one I'd like to focus in on as it relates to my presentation this evening. Now, the managerial implementation plan -- and I wanna be clear here because there's -- it's been brought to my attention there's been a little bit of confusion. Once the base study is put together, once we come up with the value in terms of salary ranges and grades for the jobs, the next step is to come up with a implementation model to transition current employees into the new plan, into the new structure. This is where the client drives the train based on their philosophy and their fiscal resources in terms of implementing the study. And so we can run multiple implementation models with corresponding cost impact to achieve whatever end result the organization is looking to achieve.

So as we've started talking about implementation one of the first calculations we made was to identify each and every employee by department whose current salary was below the entry level of the proposed grade and range that we had assigned them to. There were people across the organization who were below those entry level salaries, so we had to calculate what it was gonna take to bring them up at least to that level. And then from there, there was some objectives that based on conversations with the committee and the RFP that need to be met. The city has a problem that we define as salary compression. What is salary compression? Salary compression defined is when you have large numbers of employees in the same grade but different years of tenure all clustered toward the bottom end of the pay scale. They're -- they're compressed down at the lower end. That is not unusual if you go into an organization that does not have some type of performance or merit pay program to augment their general cost of living increases. If all you're giving is a general cost of living increase, let's say three percent, and then you're adjusting the pay ranges by three percent, guess what? If I was at -- if I was at the lower 25 percent quartile, at -- when you started that calculation I'm gonna be there when you finish it because you move the range three percent and you move me three percent. I didn't go forward within my salary range. Remember, salary range is defined by a minimum, which is entry level, midpoint which -- or market, which is the average for individuals in that occupational group and then the maximum which is a top in value as we've been able to define it at this point in time for that job. And so if we broke that down, when we look at the marketplace, probably two thirds of the people in any occupational group are gonna be making somewhere around that market point, probably 13 to 15 percent are gonna be around that entry level, and then the remaining 16, 17 percent are gonna be somewhere up around the maximum of the respective salary range. And so one of the objectives was compression, and the other was to make sure that the organization was competitive in the marketplace because the organization has not been aggressive in the past few years in terms of managing salaries. I don't think you've implemented pay for performance in -- in -- in -- in recent times or merit pay, I think primarily it's been -- for the non-bargaining units it's

been general cost of living increases. So in order to address the compression and market competitive issue, we came up with over a dozen different implementation models that we ran cost projections on. Based upon the committee's decision, we ran what we call a five and 10 implementation model as one of the dozen. And that particular implementation model was the one that was selected by the committee to use for the managerial staff. Now, for the general staff we used a 10 and 20 model, and I'm gonna show you the cost effect of going from a 10 and 20 to a five and 10 and define what those mean.

So on the five and 10, we're -- we're -- we're programming the computer to say any employee who's been in their current position at least five years, they're gonna be brought to the market point or midpoint of their pay range. Any employee who's been in their current position for 10 years -- sorry -- they're gonna be moved up toward the maximum of their respective salary range. Now, if we look at the general, it was 10 and 20. Any employee who's been in their current position 10 years would go to the market point or midpoint, any employee who's been in their position 20 years would go toward the maximum. And so those are two different implementation -- ma'am?

CAROLYN LONG: The next slide.

RUSSELL CAMPBELL: Okay.

CAROLYN LONG: It's the next slide.

RUSSELL CAMPBELL: Okay.

CAROLYN LONG: Thanks.

RUSSELL CAMPBELL: And the next one shows the implementation formula that was done for the general population. So what I did was I applied the same 10/20 as well as the five/10 to the managerial group, and the results were different. When we did the five and 10 model, five years to market average, 10 years toward the maximum, the total cost just for the managerial, which was 43 positions, was $378,240. Now, when I ran it a second time based on the 10 and 20 model for managerial, you can see the cost was almost cut in half because we -- we extended the time it would take to get to the market average into the -- into the maximum.

Now, as a project director, my job is not to dictate which implementation model the client chooses to go with, but it is to advise as to what I would consider to be the optimum implementation model. I advised the city to go with the 10 and 20 model for both the general population as well as the managerial staff. And the -- the committee opted not to do that, they opted to go with the more aggressive approach. And so I pulled out individuals that based on the five and 10 model that had the biggest percent adjustment as it relates to the study. And so I'm not gonna use full names, I'll just use first initial and last name. For example, C. Cobb, that particular individual at the time we started the study, the original base pay was 98,905. And you notice there's a asterisk by that. Down at the bottom there's a footnote that says that original salary also includes their longevity pay, so their base pay, the longevity pay was calculated together, and for that individual it was 98,905. Running the five/10 model of implementation, that person's salary went from 98,905 to 133,577. If we chose the 10/20 implementation model, that salary would have went from 98,905 to 106,831. And so this is where we see the distinctions in -- in terms of where we -- where there are some significant individuals adjustments as it relates to the study. And remember, the formula to implement based upon 10 year in current position is impacted by the longevity of the individuals in those positions. You have some people that have been in the same position for -- for -- for decades. And that is the driver of those equity adjustments to stagger them within the pay range

to address the compression issue. Now you notice that there's one person that has a double asterisk, F. Scott. Well, when we ran the five/10 initially, the projected salary was to be 110 -- excuse me -- 118,537. What we subsequently found out was her -- her promotion date into that position was wrong. And so we went back and we reran that based on the correct promotion date, and at the bottom you see the promotion update, the five/10 salary and what -- well, actually what she's gonna be making proposed now is 95,677. And so we went back and corrected that.

Now because -- and if you recall when I first came here on the recommendations, I talked about updating policies. And one of the things I said that was a bullet item, you need to get a modern human resources information system. The staff had to do a lot of manual going through personnel files trying to figure out what date employees assumed their current positions. Some of that information hadn't been updated in years. And so there were dozens of cases where we had to go back and update individual's promotion date into their existing positions. And that had a impact on the cost. But just point out another one here, let's -- let's talk about Miss Irvin. The original base salary at the time of the study was 65,155. The recommendation based on the five/10 model would have moved her to 110,220 [sic] and the 10/20 model would have moved her salary to 88,000. Now, Miss Irvin based on her duties and responsibilities, I recommended that the city consider reclassing her to the assistant HR director, not the director but the assistant HR director. And subsequently she has decided that she does not want that role and has voluntarily stepped back. And you will see under the 10/20 model where her salary would be. It would at the $88,000 mark.

COUNCILPERSON BOTEL: Madam Chair?

CHAIRPERSON DAVIS JOHNSON: Councilwoman Botel, you're recognized.

COUNCILPERSON BOTEL: So how and by whom was it decided to use this five/10 as opposed to the 10/20 that you recommended? And a second question --

RUSSELL CAMPBELL: Uh-huh.

COUNCILPERSON BOTEL: -- does it not strike you as having the appearance of impropriety that two people who were on the project team also were two people who received these salaries?

RUSSELL CAMPBELL: I submitted an e-mail, written e-mail voicing my concern about the large increases and the impact they may have on morale within the organization. And the committee was made aware of that. The most vocal individual in terms of moving and pushing that five/10 was the finance director who assured us that the funds were there to implement five/10 and that was the -- no one else on the committee voiced an objection, and so that was the implementation model that went with. It is not my role to dictate policy. And so I advised against it, but at the end of the day I'm working for the organization.

MAYOR MASTERS: Madam Chair?

CHAIRPERSON DAVIS JOHNSON: Mr. Mayor, you're recognized.

MAYOR MASTERS: The e-mail that you --

RUSSELL CAMPBELL: Yes, sir.

MAYOR MASTERS: -- sent to city, you still have a copy of it, right?

RUSSELL CAMPBELL: We do.

MAYOR MASTERS: I'd like -- I'd like to see it. I'd like to have it. I wanna ask you a few things. The -- you've been in this field for 20 -- 20 years -- you've had 20 years experience?

RUSSELL CAMPBELL: Started in -- in this field in 1995.

MAYOR MASTERS: What are the qualifications? Are -- are there any -- well, I know there are, but any credentials that are necessary to -- to do this?

RUSSELL CAMPBELL: I am a compensation analyst. I've done over 175 of these studies. Right now I'm doing a similar project for DeKalb County Schools which has 105,000 students and 15,000 employees. And this is the second time they've asked us to come back because we stand by and do quality work.

MAYOR MASTERS: And have you done any studies for any cities --

RUSSELL CAMPBELL: I've done --

MAYOR MASTERS: -- in Palm Beach -- in Palm Beach County?

RUSSELL CAMPBELL: Yes, over the years I've done work for the Town of Jupiter, City of Palm Beach, we did a major study just a couple years ago for Broward County. I've done work for the Key West Aqueduct Authority, I've done work for Wellington, City of Wellington in the past. So there's probably a dozen or so --

MAYOR MASTERS: Nothing recently?

RUSSELL CAMPBELL: The most recent one would be Broward County. It's not in -- I know it's not in Palm Beach County, but that would be the most recent one.

MAYOR MASTERS: No, it isn't. So state, county and local?

RUSSELL CAMPBELL: Uh-huh.

MAYOR MASTERS: Have you done any studies on any of the major cities in the United States?

RUSSELL CAMPBELL: Yes.

MAYOR MASTERS: Like Chicago, LA, Cleveland, New York or Washington?

RUSSELL CAMPBELL: Uh, I've done work for the City of Atlanta, I've done work City of Baltimore, I've done work for San Bernardino County which is one of the largest California's --

MAYOR MASTERS: California?

RUSSELL CAMPBELL: -- counties in -- in the -- in the -- in the country, I've done work for City of Dallas, City of Austin, Texas, I've done work for --

MAYOR MASTERS: No, that's good.

RUSSELL CAMPBELL: -- City of El -- El Paso.

MAYOR MASTERS: It's been somewhat universal?

RUSSELL CAMPBELL: Yes.

MAYOR MASTERS: Do you find it -- when you make recommendations to the cities do you find it unusual for the cities not to accept your recommendations? Is that --

RUSSELL CAMPBELL: One of --

MAYOR MASTERS: -- a pattern?

RUSSELL CAMPBELL: One of -- one of our calling cards is that all of our folks are senior level people. I started my career as a HR director in a city in city government. And so when I make a recommendation, I know by which I speak and I know and understand the lay of the land. And so I would say 98 percent of the time when I make a recommendation, it's followed. Some -- there -- there are some instances when it's not.

MAYOR MASTERS: So we're in the two percent?

RUSSELL CAMPBELL: You're in the two percent.

MAYOR MASTERS: That's not good. That's not good at all. The people on the project team, I think there's -- did any of these people, I think, benefit from the salary thing that -- that was on the team?

RUSSELL CAMPBELL: On the team?

MAYOR MASTERS: The --

RUSSELL CAMPBELL: Under the five and 10 the city manager was not in the study. So the other three individuals did benefit from -- from -- from the study.

MAYOR MASTERS: Do you consider -- is that usual that people on a team that's going to help do the work --

RUSSELL CAMPBELL: Well --

MAYOR MASTERS: -- actually investigate? I mean not investigate, but actually -- do you see that --

RUSSELL CAMPBELL: It's -- it's not --

MAYOR MASTERS: Is -- is that common?

RUSSELL CAMPBELL: It's not unusual.

MAYOR MASTERS: Is that common?

RUSSELL CAMPBELL: It's not unusual. Usually you want a representative committee that know the organization, have a strong sense of -- of the history in terms of salary and -- and -- and policy as it relates to compensation. So that's not unusual.

MAYOR MASTERS: Did you know that the -- the people that were on the team would benefit --

RUSSELL CAMPBELL: Yes.

MAYOR MASTERS: -- from -- before --

RUSSELL CAMPBELL: After I ran the analysis, sure.

MAYOR MASTERS: After you ran the analysis?

RUSSELL CAMPBELL: And I made them aware of that.

MAYOR MASTERS: One second. I wanna go back to the two percent that Riviera Beach finds itself in versus the 98 percent.

RUSSELL CAMPBELL: Okay.

MAYOR MASTERS: Did -- did the City of Riviera Beach tell you why they -- they were not going to accept a recommendation that 98 percent of the people have -- had accepted in the past cities?

RUSSELL CAMPBELL: The rationale presented for the five and 10 implementation model was twofold; one, it was stated that the city had not provided raises in line with some of the neighboring jurisdictions over the years, and two, that there was a desire within the organization to get the city to a more competitive point as it relates to compensation. And so that was the justification that I was given for the more aggressive model.

MAYOR MASTERS: Is that what you're usually given from the two percent?

RUSSELL CAMPBELL: Well, it varies. It depends on circumstances of the organization. I didn't find that unusual, no.

MAYOR MASTERS: But did you accept it? Did you think that was --

RUSSELL CAMPBELL: I still stood --

MAYOR MASTERS: -- good?

RUSSELL CAMPBELL: -- behind my recommendation.

MAYOR MASTERS: So your recommendation was directly in contrast to the recommendation that the city accepted and you stood by it anyway, right?

RUSSELL CAMPBELL: I stood by the 10 and 20.

MAYOR MASTERS: And I do, too. Thank you. That's it, Madam Chair.

CHAIR PRO TEM HUBBARD: Madam Chair?

CHAIRPERSON DAVIS JOHNSON: Councilwoman -- I'm sorry, Chair Pro-Tem, Hubbard?

CHAIR PRO TEM HUBBARD: Sir?

RUSSELL CAMPBELL: Yes, ma'am?

CHAIR PRO TEM HUBBARD: You -- as you stated, you recommended the least aggressive for -- for the 10/20 would -- would gradually bring people up. The committee -- well, I won't say the entire committee, but you were told the city wanted to become more competitive?

RUSSELL CAMPBELL: Yes.

CHAIR PRO TEM HUBBARD: And that's why we would take a more aggressive approach?

RUSSELL CAMPBELL: Yes, ma'am.

CHAIR PRO TEM HUBBARD: Who gave you that -- that idea or that directive that that was what was desired?

RUSSELL CAMPBELL: Well, during the course of the meetings the finance director was -- was pretty vocal. There wasn't much opposition to, you know, what the finance director was recommending. And so there was no voice against, you know, his rationale. He indicated that the funds were there, and -- and that direction that ultimately was decided to go in.

CHAIR PRO TEM HUBBARD: So if -- okay. So just to be clear, the finance director indicated that we wanted to make a -- a more aggressive approach. Then we -- whatever the -- the formula that took us there, the five to 10 --

RUSSELL CAMPBELL: Yes, ma'am.

CHAIR PRO TEM HUBBARD: -- that took us there in such an aggressive manner also swept other persons up as you can --

RUSSELL CAMPBELL: Yes.

CHAIR PRO TEM HUBBARD: -- up into --

RUSSELL CAMPBELL: Yes.

CHAIR PRO TEM HUBBARD: -- into that -- into that realm.

RUSSELL CAMPBELL: Yeah, there -- yeah.

CHAIR PRO TEM HUBBARD: So I'm gonna stop now and I'm gonna let you finish and then I will continue with -- with -- with this point.

RUSSELL CAMPBELL: Okay. I just have one or two slides left.

CHAIRPERSON DAVIS JOHNSON: Oh, so that was it? Thank you.

RUSSELL CAMPBELL: I do wanna make one or two closing points. I've been doing this a long time and -- and I consider myself an ethical person, I love local government, I think it's the only level in this country of government where you can -- you can actually reach out and touch your -- your elected representative and hold them accountable. If I had any inkling that someone was doing something or trying to do something inappropriate, I would have immediately stopped and -- and -- and -- and signaled or whistled to the parties that be -- that something was not afoot. I

categorically do not believe that anybody on that committee had the intent to do anything that was inappropriate or wrong. It's not unusual for someone in finance who knows the financial and fiscal situation of the city to have an aggressive voice or a lead voice in that process. It's not unusual that the committee at times would be made up on some members who will benefit from the study. They don't know that going in, but that is not unusual. And so hindsight being 20/20 perhaps my advice should have been heeded and -- and -- and perhaps a more conservative approach taken, but I -- I wanna go on record saying I don't think anybody had the intent to do anything that was inappropriate.

CHAIR PRO TEM HUBBARD: And be that as it may, whoever said on the committee were going to benefit one way -- one way or the other regardless of what department they would have been chosen from. It would have not -- it would have been advantageous or it could have, you know, turned out to be a person that didn't -- that didn't get a increase at all.

RUSSELL CAMPBELL: Yes, ma'am.

CHAIR PRO TEM HUBBARD: But what -- what concerns me is the fact that, okay, most of -- I guess most of staff, most of departments know that the person with the purse strings usually call -- call the shots. And in -- in -- in the -- in the -- in the -- in the letter from May 7th and the presentation that you have just given us, it's clear that, okay, our finance director was the lead person and chose to be the lead person in -- on this committee. Two things concern me with that because normally the finance director does not sit on a -- on the union committee and our finance director ended up sitting on the union committee. The -- also, these things appear to be -- the whole -- all of it doesn't appear to be in the best interest of the employees as a whole.

What we have done so far -- and this is -- this is what I see -- because -- and I wanna kinda get, you know, just directly and kinda straight to the point because I don't want to sit around the pink -- the elephant in the room and I don't wanna -- and I don't wanna be here all night, you know, trying to get to where we know that we are. We -- we have -- this looks like we're moving aggressively to get where we should have taken our time with the five/10 so everybody could have benefited, you know, more harmoniously and more -- and there would have been more equity in the distribution of the raises or the increases. Then on the second hand -- on the -- on the -- on the other side, we -- in our union negotiations and our transfer of funds, we've -- we're -- we're changing from a more beneficial benefit package if you will that's not as beneficial to -- to the -- to the rest of the employees. So it almost looks as if the council was aware that we knew these were the directions that we had given staff when -- when -- when none of -- when that's further from the truth. So what -- so what I'm saying is right now what -- and I know the council -- the -- the rest of the council want to weigh in. What would it -- what would the impact be if we went back to the five/10 recommendation to --

UNIDENTIFIED SPEAKER: Ten/20.

UNIDENTIFIED SPEAKER: Ten/20.

CHAIR PRO TEM HUBBARD: -- I'm sorry, excuse me -- 10/20 recommendation that you made?

CAROLYN LONG: Well, I think Mr. Campbell outlined it in the cost difference. There's --

CHAIR PRO TEM HUBBARD: And that would be the only -- the cost difference would be the only thing --

CAROLYN LONG: Yeah, about $150,000.

CHAIR PRO TEM HUBBARD: The cost difference would be --

CAROLYN LONG: About 150. It -- it's -- it's about twice as much. I did wanna say one thing in support of the very hard work that's been done here by the staff. We've been working actually totally over a year on this project and I did wanna say that in the committee, the committee was Mr. Sherman, the finance director, it is entirely appropriate that your chief fiscal officer serve on a committee like that everywhere that we do implementation options. That person is asked to serve on that committee. So it's entirely appropriate. Your city manager served on that committee. The city manager was not part of the study so could not benefit from any decision made by the committee, and then your HR representative who actually was in a transition period, the most junior member of the committee, served on that committee. But I -- I did, and this just occurred to me, because I know that it's -- the question is, Okay. Well, why did we pick five/10 over 10/20. And again, that comes down to as the finance person, the person holding the purse strings, Mr. Sherman pushed for that. He was one of the -- I mean, we tried to make sure that people that deserved to get some sort of benefit in terms of actual wages recognize that. He was a very small winner in this whole group. We put the people up there that are gonna be the ones that benefitted the most. They've been here a long time, their wages were low relative to the length of service they had in their positions. This is not an unusual thing to have happen. But, you know, when you're saying, Well, how -- how did the city come about making this recommendation, it was very logical. You had an HR person, the finance person who was not a big winner in this whole thing, actually came out modest adjustment relatively speaking. I mean, it's not chump change, but -- and then the city manager had, as we would say, no dog in the fight. So the committee was well constructed. And looking at what was presented to us from our perspective that not only did the city want to have a competitive pay structure, which we did do, but they wanted to have wages that brought people with significant longevity within the city up to a fair market rate. You have a relatively small number of these managerial positions. These are basically your non-bargaining unit, non-represented employees. I believe that's a fair statement.

RUSSELL CAMPBELL: Yeah.

CAROLYN LONG: So these are also your leadership positions. These are the people who you're calling upon to make the wheels turn here. So the difference between the two is relative to the total budget of the city, a relatively small amount of money but it did bring people -- if you think about the market point being full proficiency pay and someone who's in a leadership position who's been promoted several times within the city are holding a higher -- higher level position, they're not going to spend 20 years in that job. That's -- that's almost a whole career with the city. So looking at a five and 10-year implementation, even though it was aggressive, it's not unreasonable for somebody who's been 10 or more years in a -- in a position to expect that they're gonna be at least at the market point or the -- or toward the range maximum. So that was all. I just wanted to clarify that it did -- it did not strike anybody as being untoward or inappropriate.

CHAIR PRO TEM HUBBARD: Let -- let me say this for a point of clarity to what you're saying. I'm not saying that on this committee that Mr. Sherman as the finance director shouldn't have set, but I'm saying the fact that he said on this committee and also on the bargaining committee leads us to a place where the objectivity is obscured for the employees. You -- you see what I'm -- you see what I'm saying? If we're talking -- well, let me tell you then.

The aggressive -- the aggressive movement on this side, which would only benefit a few people. You see that. But if you are at the table negotiating for increases and change of plans and

compressing the salaries of the employees on this side, it directly affects the outcome at the end of the day. On this side you're moving aggressively because there's only a -- and there's only a small group of people that are going to benefit extremely. But yet, you're at the union table and you're doing things that compress the benefit and the salaries of the employee. It does not wash in the middle. It keeps them down. That's what I -- that's what I -- that's what I'm trying to say. I'm not saying that he shouldn't have been on this committee, I'm saying he shouldn't have been on both. That's what I'm saying.

COUNCILPERSON BOTEL: Madam -- Madam Chair?

CHAIRPERSON DAVIS JOHNSON: Councilwoman Botel --

COUNCILPERSON BOTEL: Thank you.

CHAIRPERSON DAVIS JOHNSON: -- you're recognized.

COUNCILPERSON BOTEL: So I have a question about the difference between the managerial implementation plan and the general implementation plan. Were -- were all these plans then put at a five/10 implementation, all of them? And -- and if the council, for example, said let's take the management implementation plan and make it a 10/20, we could -- we could leave the general plan at a five/10, can they be separated I that way is my question?

RUSSELL CAMPBELL: If you so choose, you could.

COUNCILPERSON BOTEL: And I guess I have a question about the way this was presented to council. I was not yet on council. I remember sitting in the audience at that meeting. Kashamba was sick with the flu as I recall and it was about a 10-minute presentation and none of these numbers were given to council. No -- no one on council had access, I don't believe --

CHAIRPERSON DAVIS JOHNSON: No.

COUNCILPERSON BOTEL: -- to any of this information.

CHAIRPERSON DAVIS JOHNSON: No.

RUSSELL CAMPBELL: It --

COUNCILPERSON BOTEL: So it seems as if this was done sort of undercover of -- it was just not very transparent to me in the audience and I think to people sitting in this -- on this desk. I don't think people were aware of these numbers and I think that's unfortunate that people did not have access to this information --

RUSSELL CAMPBELL: From -- from --

COUNCILPERSON BOTEL: -- when --

RUSSELL CAMPBELL: From our perspective when we do the presentation, we explain the process and the total financial impact. We do not get into individuals. Now if the organization chooses to do that internally, that's your right, but we don't get in a public forum and start singling out individuals. I never had done it --

COUNCILPERSON BOTEL: I mean --

RUSSELL CAMPBELL: -- and I never will.

COUNCILPERSON BOTEL: -- this -- this council back then, I think it was February, voted to implement something and -- and didn't really have access to this data about who was getting what increases, I believe. And so I -- I think now that we have that information we may wanna take a closer look at how it is implemented and maybe put this on an agenda for future recommendations. That's what I have to say.

CHAIRPERSON DAVIS JOHNSON: Any other questions?

COUNCILPERSON MILLER-ANDERSON: Madam Chair?

CHAIRPERSON DAVIS JOHNSON: Councilwoman Miller-Anderson.

COUNCILPERSON MILLER-ANDERSON: Um, I have a few questions. One, I know you mentioned and this may be from Miss Hoskins that Miss Irvin has declined the assistant HR position?

RUSSELL CAMPBELL: Yes.

COUNCILPERSON MILLER-ANDERSON: Okay. So now I was, I think, the end of April I did request from Miss Hoskins the managerial implementation report. And the one I received was from February 18th I believe. I see in this binder for the backup we have numerous reports, but is there a reason why we didn't get the others or -- and we're just getting them now or -- 'cause the February 18th I think is the one that was put out there as this being the amounts that -- the percentages that those people increased to. And then now we're getting different variations of implementation reports showing a five/10, a 10/20, but that was not what was disclosed back in -- when I received this at the end of April. Did you have access to all of them or -- why did you send just the February 18th one?

CITY MANAGER HOSKINS: Because that was the one that was adopted, and I provided these additional reports to show you how many times the report was ran --

COUNCILPERSON MILLER-ANDERSON: Okay.

CITY MANAGER HOSKINS: -- the different variations were ran.

COUNCILPERSON MILLER-ANDERSON: Okay. And so from the February 18th one -- I didn't catch your name, ma'am, I'm sorry, but I noticed you said that the city manager was not in it, but the one for February 6th, it does have her listed in the implementation report, but the one from the February 18th she's not in that one.

RUSSELL CAMPBELL: When we initially do the data download from the city's personnel system, it gives us everybody. Council was in there --

COUNCILPERSON MILLER-ANDERSON: Uh-huh.

RUSSELL CAMPBELL: -- and we just got --

COUNCILPERSON MILLER-ANDERSON: So you just didn't back her out of the ones --

RUSSELL CAMPBELL: Right, because she has to --

COUNCILPERSON MILLER-ANDERSON: -- from the other --

RUSSELL CAMPBELL: -- be in there as a reviewer of subordinates.

COUNCILPERSON MILLER-ANDERSON: Uh-huh.

RUSSELL CAMPBELL: In order for her to be able to access the system, go online --

COUNCILPERSON MILLER-ANDERSON: Uh-huh.

RUSSELL CAMPBELL: -- and review the questionnaires of those that report to her, she had to be in the report. But once the questionnaires were done and reviewed we went back and took her out.

COUNCILPERSON MILLER-ANDERSON: Okay. And so -- oh, back to my question about the assistant HR. So the amount that was printed on the February 18th which is the one you said that we accepted was the 121,000. But in this PowerPoint today it says the 110, which is based on what?

RUSSELL CAMPBELL: Because the previous one was based on her as the assistant HR director.

COUNCILPERSON MILLER-ANDERSON: Okay.

RUSSELL CAMPBELL: Now we ran it back as just an HR administrator.

COUNCILPERSON MILLER-ANDERSON: But --

RUSSELL CAMPBELL: A lower level classification.

COUNCILPERSON MILLER-ANDERSON: Okay. And -- but Miss Hoskins, she -- I thought she bumped up to the interim HR; is that not correct anymore?

CITY MANAGER HOSKINS: She's serving as the interim HR director.

COUNCILPERSON MILLER-ANDERSON: Okay. But the pay doesn't change or is it back at the 60 -- where are we -- 88 -- where -- which one is it, 65?

CITY MANAGER HOSKINS: That's it. No, it's the -- the middle one, I believe the 110.

COUNCILPERSON MILLER-ANDERSON: Okay. Okay. So that's what the 110 is reflecting now?

CITY MANAGER HOSKINS: No, the 110 is as the human resources administrator.

COUNCILPERSON MILLER-ANDERSON: Okay. For the five/10? On the five/10?

CITY MANAGER HOSKINS: For the five/10.

COUNCILPERSON MILLER-ANDERSON: Okay. All right. Now, when I looked at the meeting, I wasn't here for that meeting, but I do recall being a little shocked that it was pretty short. But I asked about the employees as a whole being aware of -- because I -- I -- when I looked at -- when I reviewed it again, at that time I had a lot of conversations with numerous employees about their

pay increases and blah, blah, blah. And so I asked if the employees were aware of how this was going to roll out and how people would be impacted. And Miss Irvin said that the union did speak with their -- their members and it was pretty much unanimous that they understood it, they agreed with it and it was kinda contrary to the people that were coming to the podium because it was totally different from what was being said. And so I still don't see how we've -- nothing has changed in between February and now other than the numbers being revealed because during that meeting these numbers, as Miss Botel just stated, none of these numbers were presented.

Now I don't think it would make a -- it -- the importance for me is not who's getting what, I think at that time it would have been very important for me to understand that someone was receiving a 65 or 85 percent raise because that would have stood out and I would have probably questioned that had I had those numbers in front of me. Looking at it as a whole and saying it only costs, you know, $350,000 is one thing but then to see that you have a small pocket of people receiving 50, 60, 70, 80 percent pay increases, that is a concern, especially when we were in the middle of negotiations for the SEIU contract. And, you know, there were just, you know, looking back on it, I probably would have made a different decision, you know, during that process knowing that this was taking place. And so this kinda came up after all of that had settled. And then all of a sudden this -- these numbers pop up. And so it -- it just kinda put me, I felt, in a precarious situation because I just made a decision on something that I didn't know that's what it was gonna end up being. And so I just, you know, I question the -- the appropriateness, the look, as you said it before, about the morale. I mean, it does not look right. I understand that they may have -- most of them have been around, you know, some for nine years, 10, 18, 17, 11, 10. We're not talking about a lot of people that have been around for 20 years and, you know, we're trying to make up for 20 years of being behind. And I think I did have a conversation with Miss Hoskins after these numbers did come out and she said that, you know, she was looking at adjusting them and trying to determine what -- what amount of years would be considered the maximum. And I'm -- if I'm not mistaken, I think you said maybe 10 years would -- they would be able to reach the maximum point, Miss Hoskins?

CITY MANAGER HOSKINS: That's what --

COUNCILPERSON MILLER-ANDERSON: Did --

CITY MANAGER HOSKINS: Madam Chair?

CHAIRPERSON DAVIS JOHNSON: Yes.

CITY MANAGER HOSKINS: Yes, based on the five/10 year --

COUNCILPERSON MILLER-ANDERSON: Uh-huh.

CITY MANAGER HOSKINS: -- amortization, 10-year is at maximum for the managerial is what was recommended.

COUNCILPERSON MILLER-ANDERSON: Right. And that was what I was having a concern with 'cause I didn't think that really made a whole lot of sense 'cause you don't have a -- I -- I don't -- especially with the ranges that we were dealing with, those jumps were just a little too quick for me. And so now it makes sense that that 10/20 would have been most appropriate because most jobs at 20 years, you know, you're pretty much about to retire or something at that point, or you reach your maximum and you cap out or something. Not at 10 years. And so it didn't make a whole lot of sense to me to say that that would be the salary implementation that we would go

along with.

You all mentioned about the public and the general implementation plan. Did we -- where are those copies? 'Cause most of these are just managerial ones. We have those as well? No --

RUSSELL CAMPBELL: You have everything that we finished.

COUNCILPERSON MILLER-ANDERSON: Not in here.

CITY MANAGER HOSKINS: (inaudible). Right.

COUNCILPERSON MILLER-ANDERSON: You didn't give those to us?

CITY MANAGER HOSKINS: No, I didn't give you those.

COUNCILPERSON MILLER-ANDERSON: Okay.

CITY MANAGER HOSKINS: I'll provide the general to you.

COUNCILPERSON MILLER-ANDERSON: Okay.

CITY MANAGER HOSKINS: Yeah.

COUNCILPERSON MILLER-ANDERSON: Okay. And I just wanted to ask a question -- this is probably not for you per se but since it came up about the finance director sitting on the union negotiation teams, is this something new with Mr. Sherman being the one sitting on it or -- or has this been this way for a while where the finance director sits on those?

CITY MANAGER HOSKINS: He -- from my experience, someone from finance has always sat on the negotiating team. The issues that I believe that has occurred for this particular negotiating -- negotiating contract is that management is recommending that the benefits change, that the sick and vacation accrual be changed to PTO and the longevity is rolled up into the salary and the employees are no longer able to buy back time -- buy back the sick and vacation time. So I think those are the issues with the current negotiating -- negotiating team right now.

COUNCILPERSON MILLER-ANDERSON: Uh-huh. Okay. And then the city, the municipalities that you compared, I know you kinda already touched on this a little bit when you talked about -- with your presentation, but I still have to say that the size of those -- those municipalities just aren't very comparable to our city. You know? Palm Beach is 8,000 average, West Palm, 108,000, we're 35,000, Delray is 67, Boca Raton, 96, Wellington, 200,000. So I just -- if you can help me understand it. I know -- I know you said just the titles --

RUSSELL CAMPBELL: I'll -- I'll -- I'll give you a real world example of how it's impacting the city. I spoke with one of the leaders of the fire -- police department this afternoon. In his 15, 16 years with the city, he says he's never seen it fully staffed. He's got multiple vacancies now. So does the fire department. If you exclude those entities that are larger, your pay levels are gonna be even lower than they are now and you can't hire people now. So you certainly aren't gonna be able to hire them in the future if you exclude the bigger entities that do have higher pay scales. You can't get around competing with the bigger entities. They're -- they're your neighbors. Someone can change jobs and not have to physically relocate and uproot their family, they just change their commute.

COUNCILPERSON MILLER-ANDERSON: Well, I -- and I hear what you're saying. I know that we were dealing with our police department --

RUSSELL CAMPBELL: Uh-huh.

COUNCILPERSON MILLER-ANDERSON: -- being paid much lower than, say Boca Raton. Boca Raton, they pay much more. Our police department, everyone knows they work very hard here in Riviera Beach, probably 10, 20 times more than those who work in -- in Boca Raton. And so we had to try to figure out a way to be able to compensate them for the amount of work, for lack of a better word, that they're doing knowing that they're probably putting in more work than Boca Raton for example. And so I say that on the flip side with our population, our employees' numbers, HR for example, you know, we only have close to 400 employees where those other municipalities may have 1,000. I don't know. But the workload, I just don't see how they are comparable. And I know you're saying, you know, your -- your -- your competition is who's around you, and if you're an IT person, you're an IT person there. And like Miss Botel said, you know, some things just are -- they are what they are, but the workload is a little different.

RUSSELL CAMPBELL: And we're gonna have to agree to disagree on that.

COUNCILPERSON MILLER-ANDERSON: Yeah.

RUSSELL CAMPBELL: But I will make one last statement. Traditionally, workload may matter to people like you and me who've been in the workforce for a long time. But we've got this huge generation that's coming into the workforce called millennials. They're not concerned about retirement, they're not concerned about healthcare. They're concerned about their paycheck; the bottom line. Most of them are coming out with 100,000, $50,000 in student loan debt. All they are concerned about is what the job pays. They don't care about the workload if it -- if the pay is at a certain level.

COUNCILPERSON MILLER-ANDERSON: But we as a -- as --

RUSSELL CAMPBELL: -- (inaudible).

COUNCILPERSON MILLER-ANDERSON: -- you know, the elected officials and -- and looking out for the city, we have to be, you know, financially responsible for --

RUSSELL CAMPBELL: Responsible.

COUNCILPERSON MILLER-ANDERSON: -- the taxpayers.

RUSSELL CAMPBELL: But at the same time you got to fill the jobs too --

COUNCILPERSON MILLER-ANDERSON: Right.

RUSSELL CAMPBELL: -- to protect people.

COUNCILPERSON MILLER-ANDERSON: Right. I -- and -- and I understand that, but like I said, we have to look at both ends. We can't just look -- of course I'm sure if anybody had an opportunity today would give themselves a $100,000 raise. I mean, I'm an educator so believe me, and like you said, people go to work every day not necessarily for their paycheck.

RUSSELL CAMPBELL: Right.

COUNCILPERSON MILLER-ANDERSON: I mean, I do that almost every day. You know? So I understand not always getting paid what, you know, to match up what you do. But at the same time if they can't afford to pay me $100,000 increase, then that, you know, we're left up having to implement that, and we can't just implement something because that's what they -- they want that amount of money.

RUSSELL CAMPBELL: And -- and one -- one of the things I'd advised the city may wanna consider down the road is developing a compensation philosophy. And once you come up with that philosophy, post it on your website, post it on your Internet so people know what you value in terms of your workforce, in terms of pay and how you see pay. And so then they can make an informed decision whether or not they wanna come work for the organization. The organization decides you should have a pay philosophy --

COUNCILPERSON MILLER-ANDERSON: Uh-huh.

RUSSELL CAMPBELL: -- of how you view pay within the organization.

COUNCILPERSON MILLER-ANDERSON: Okay. Thank you.

CHAIRPERSON DAVIS JOHNSON: Excuse me, please. Riviera Beach TV 18 is now back on the air. Comcast has restored cable. I wanted to interject here because I understand my colleague's position as it related to the use or consideration of the agencies that are around us, but when we looked at fire and we were looking at the cost of bringing our firefighters up to a comparable pay and trying to adjust its steps, we took into consideration Boca Raton, West Palm Beach, North Palm, Palm Beach County. We did those things looking at what was around us, and I don't know that that is any different than what is typically done in a compensation study. It is not -- we -- I understand that they are significantly larger but we have to look at our counterparts and what those jobs are paying. I want to also say that when we initially voted on this, there was not this information and I question after Mr. Sherman led the team in the discussion that we would go with the more aggressive approach, then that should have come back to council so that we could have heard what the rationale from staff's perspective because you made a recommendation of 10 -- 10/20, we made the decision on our side to say five/10, but nothing was ever brought back to this council to review or to have input. And so it is not the responsibility in my mind of the consultant to come back and to tell us we have gone with the five/10, but it is a responsibility of staff to come back as opposed to getting the memorandum that talked about all of the inequities as it related to the implementation when we were fully aware on the negotiating side what was being presented. And council in essence was left in the blind because what we virtually did as a body is we blindly said, Okay. Get to implementation, but it should have been a return to this council to say, Okay. Here's these -- here's what we're asking you to implement, this is what -- this is what the outcome of that implementation will be and what it should look like. We should -- we -- we shouldn't have not -- we should not have gotten the information after the fact, but we should have had an idea of if you're saying implementation and I'm -- I don't know if there was a decision made prior to the item requesting permission to implement if that decision to go five/10 had been made because that's something that staff should have made us aware of. And that's, you know, that's not your issue. I'm talking to --

CITY MANAGER HOSKINS: Madam Chair?

CHAIRPERSON DAVIS JOHNSON: -- staff because that is where the rubber really meets the

road because you -- we pay you to produce a product, you produce that product, you give a recommendation, staff goes contrary to the recommendation and then we have this statement to make it appear as if something has been done improperly. And that's where the heartburn comes in and that's what has the constituents and our citizens upset because there is this report that, you know, we've done these massive increases and there was no conversation or discussion by this body. So that's for me where the real issue had come into play.

CITY MANAGER HOSKINS: Madam Chair?

CHAIRPERSON DAVIS JOHNSON: City Manager?

CITY MANAGER HOSKINS: When the item was presented to you in February -- February 21st, that was what was presented, the five and 10-year, that -- that -- that same dollar amount, 358,000. Now I --

CHAIRPERSON DAVIS JOHNSON: (inaudible).

CITY MANAGER HOSKINS: Pardon me? Yes.

CHAIRPERSON DAVIS JOHNSON: (inaudible).

CITY MANAGER HOSKINS: It was -- it was presented. Now I know mistakes were made, we should have given you the details and provided additional information, but we were trying to stick with the schedule. And me not consulting with, you know, each of you about the particular -- what employees were getting what, I realize mistakes were made. Yes, you're right, mistakes were made. But that was what was recommended at the February 21st meeting.

CHAIRPERSON DAVIS JOHNSON: Just that dollar value was -- was what was --

CITY MANAGER HOSKINS: The dollar value and the --

CHAIRPERSON DAVIS JOHNSON: Yeah.

CITY MANAGER HOSKINS: -- five and 10-year.

CHAIRPERSON DAVIS JOHNSON: I don't recall that.

COUNCILPERSON DAVIS: Madam Chair?

CHAIRPERSON DAVIS JOHNSON: Councilman Davis, you're recognized.

COUNCILPERSON DAVIS: Thank you so much. I wanna say to the team that came today, thank you for being very professional and telling the truth. Just like a lot of my colleagues said tonight, that it's very important that we do what we try to do to award all our employees. For those who have not been following the issues, back in July and August this board started having discussion about this study. During the discussion the study at that time, the city manager at that time told -- as my understanding, told this board it would have no implication on the negotiations, and that was very important because it came up from numerous of my colleagues. And that's been one of the biggest pushes in the entire city about making sure we get our general employees paid first. This is why it's very important to have open communication with all your politicians because the news will never tell you that. Our job is to make sure to follow down the line, these are the facts.

There was information withheld. And when it was withheld, somebody sent this to the news. And you -- this entire city, everyone, employees, people who live here, business owners, all were impacted as if something was wrong with our city manager, as something was wrong with our team. Nothing was wrong with them. You heard the professional say tonight, what they did, was nothing wrong with what they did. He stated that.

This city somehow needs healing with allowing staff to do their job and allow the truth to come out and work with one another. That's the city. And somewhere down the line this city need a major apology. The city, not me, not the council, but you, the people. And if -- and someone should be fighting for you to be treated fairly across this county. They said that Riviera Beach was doing something illegal, something wrong, look at these -- if someone worked for 10 to 20 years and gave this city a serious commitment and we were trying to do the right thing, there's nothing wrong with trying to do the right thing. There's nothing wrong with that. We were trying to award the employees. OIG -- a letter went to the OIG, a complaint. That's not fair. The letter went to the OIG as if she did something wrong. That's not appropriate. Okay? I just wanna say please allow staff to do their jobs, please work with staff, please give us all information so that we can make the proper decisions and move this city in the right direction.

When we implemented this study we all had one thing in common, we wanna make sure one, we got the employees up to where they wanted to be because we were talking about the fire like the shared -- person on stand, we were talking about the police, we were talking about our general employees. The contract had just expired in October but we wanted to get this done before October. This started back in July. There's a series of things going on in the city where people was working strong and hard together to get some things done. But I hoped that when people come and start talking about this city, that you tell them -- and I'm talking about the press -- to please get the facts and allow our people to do our -- our job because what happened over here in the few -- few -- few weeks with this story was -- was criminal to this entire city and it really hurts to walk around this county and have folks talk about your city when someone deliberately withheld information, send it out to the news and said we did something wrong. "We". And we sat here and we approved the study with the information. We -- okay. We didn't have who was getting what, but we was trying to do the right thing and I think everybody was all in accord with that.

MAYOR MASTERS: Madam Manager, I -- I'm sorry.

CHAIRPERSON DAVIS JOHNSON: I -- uh-huh.

MAYOR MASTERS: Madam Chair?

CHAIRPERSON DAVIS JOHNSON: I'm sorry.

COUNCILPERSON DAVIS: And -- and the one last thing --

CHAIRPERSON DAVIS JOHNSON: I'm sorry.

MAYOR MASTERS: I thought he was finished.

COUNCILPERSON DAVIS: -- the longevity was a benefit and it's still a benefit. Our employees' benefits have under attack for a long time and we must stop taking from them of what they earned and don't allow no one else to try and take their benefits of something they earned. No one in this city and no one from outside this city.

CHAIRPERSON DAVIS JOHNSON: Thank you, Mr. Davis. Councilwoman Botel, you're recognized.

COUNCILPERSON BOTEL: I -- I think we will have an opportunity to correct this wrong going forward. I think we all agree that we were not fully informed. I think we have consensus about that, it seems to me.

CHAIRPERSON DAVIS JOHNSON: I believe there's consensus there.

COUNCILPERSON BOTEL: And so I think going forward we can take a look at switching this from a five/10 to a 10/20 perhaps and making this right. I think that the community will be -- we will be seen in a much better light, we might correct the appearance of impropriety when we take a look at these salaries of those people who were on this team to make these decisions and -- and adjust them accordingly. So that will be my recommendation. I think that we'll have a -- we may even have a unanimous vote on that which would be a nice thing to see so --

CHAIRPERSON DAVIS JOHNSON: Uh-huh.

COUNCILPERSON BOTEL: -- I think we can probably call this meeting to a quick conclusion (inaudible).

UNIDENTIFIED SPEAKER: Madam Chair? Madam --

CHAIRPERSON DAVIS JOHNSON: One moment. Mr. Mayor and then the City Manager.

CITY MANAGER HOSKINS: Just clarification is this -- is there something that you want me to bring back for the -- what is it -- June 20th meeting in a resolution or --

CHAIRPERSON DAVIS JOHNSON: I think we've heard --

CITY MANAGER HOSKINS: (inaudible) direction --

CHAIRPERSON DAVIS JOHNSON: -- that we would like to see it go to a 10/20 --

CITY MANAGER HOSKINS: Yes, ma'am.

CHAIRPERSON DAVIS JOHNSON: -- to have the implementation of the study go to 10/20. That's what I believe I heard colleagues say.

CITY MANAGER HOSKINS: Yes.

CHAIR PRO TEM HUBBARD: That in addition to the fact that --

CHAIRPERSON DAVIS JOHNSON: Go ahead.

CHAIR PRO TEM HUBBARD: The impact that the PTO is going -- that's -- I think that we need to drop that as well because having the PTO, the resident -- excuse me, the employees lose a major amount of benefits that -- that they have. And we have got to -- we need an -- one thing we need to bring back is if we go back to the -- our regular benefit package including longevity in lieu in the buyout. In lieu of the PTO, and we go back -- we need to see what's the financial impact that that's gonna have on -- on the city.

It's easier for us to do it all in one. It's easier -- I think it's easier for us to make that change, go back to where we were, not to try to take the longevity from the employees, not to say that they can't buy back any of their accumulated time, and at the same time I think we move into the 20/10 as was recommended for -- for the city. The other thing that I -- I want to say is that it still concerns me that when we were recommended the 10/20 and the company was forced to run it 12 times over and over to get a desired result, there's something wrong with that. Even though staff -- you got a group of staff, people that got an -- that got an increase, I'm concerned with the fact that the company was forced to run it over and over and over. I'm not -- I'm not concerned with the who got the increase, somebody was gonna get an increase and somebody wasn't, but what I'm saying, if it was -- if -- if the formula applied as recommended and fair and equitable it would have then not -- it -- it -- it wouldn't have caught up that particular managerial -- managerial group. Somebody was gonna be caught up, but it -- it wasn't gonna be at a -- at -- at that massive rate. And I think that that -- the intent behind that, that's what's wrong and I think that we're trying to get around it and we're trying to skate around it, and I think that that's wrong.

MAYOR MASTERS: Madam Chair, back to me.

CHAIRPERSON DAVIS JOHNSON: Mr. Mayor, you're recognized.

MAYOR MASTERS: Thank you. Sir, you can come back. I'm -- I'm not done with this with me.

CITY MANAGER HOSKINS: Mr. Russell.

MAYOR MASTERS: Mr. Russell.

RUSSELL CAMPBELL: Yes, sir.

MAYOR MASTERS: Hi, how are you? I've got a couple of things. In any of your studies do you ever have a performance clause included?

RUSSELL CAMPBELL: Performance clause relative to the firm's performance?

MAYOR MASTERS: Yes, to --

RUSSELL CAMPBELL: I --

MAYOR MASTERS: -- to -- to the -- the 10 -- five/10, 10/20. It almost sounds like prison terms, five/10, 10/20.

RUSSELL CAMPBELL: I can't recall of one, sir.

MAYOR MASTERS: Okay. And also do you have a model that you're seeing that somewhere would have been in between seven to 15 years that could have benefitted everyone?

RUSSELL CAMPBELL: Well, there was a benefit to every employees in that they did get the general three percent cost of living adjustment. And that was applied before the study recommendations were applied.

MAYOR MASTERS: But I mean, as far as the study, have -- has there ever been a model that has had something that would have benefitted the employees greater than three percent, that would have been more in -- in step with these rates?

RUSSELL CAMPBELL: Those decisions are -- are -- are strictly, again, tied to philosophy and fiscal resources.

MAYOR MASTERS: Is -- is that why -- that you recommended that we would adopt some kind of philosophy? And you said that earlier?

RUSSELL CAMPBELL: Yes.

MAYOR MASTERS: Okay. And --

CITY MANAGER HOSKINS: Can --

MAYOR MASTERS: Yes, of course.

CITY MANAGER HOSKINS: Yeah. Now when we implemented the 10/20 for general there were quite a few employees that did not receive an increase, so we added the --

RUSSELL CAMPBELL: Three percent.

CITY MANAGER HOSKINS: -- went back and added the three percent. And then it went down to, like, what, five employees that didn't get -- that wouldn't get anything because they were already over the max.

MAYOR MASTERS: Thank you. In looking back retrospectively at this entire situation, I don't think it'd take a rocket science degree to figure out that something went wrong and it's very wrong. But do you see anything that you think is unfair about this?

RUSSELL CAMPBELL: I stand behind my 10/20 recommendation.

MAYOR MASTERS: Okay. Well, that's where we're going. Do you have -- as being the -- the expert in this field and none of us are because, you know, we -- there was mistakes that were made, you did a, you know, you did the best you could.

RUSSELL CAMPBELL: (inaudible) --

MAYOR MASTERS: You -- you --

RUSSELL CAMPBELL: Just because I have a briefcase doesn't mean I'm the expert.

MAYOR MASTERS: I -- I'm -- but based on your experience, which none of us have, expertise which none of us, or maybe some -- maybe they do, I don't know. I don't. Do you have any other recommendations that you feel that we could benefit from? Or --

RUSSELL CAMPBELL: Not at this time, sir.

MAYOR MASTERS: -- could you -- would you think about that and -- and maybe send us something that you -- after -- after --

RUSSELL CAMPBELL: I -- I --

MAYOR MASTERS: -- looking at all --

RUSSELL CAMPBELL: I certainly will.

MAYOR MASTERS: -- the pieces of this moving puzzle?

RUSSELL CAMPBELL: Yes, I'd be happy to do that.

MAYOR MASTERS: Okay. Thank you. Madam Chair?

CHAIRPERSON DAVIS JOHNSON: Thank you, Mr. Mayor.

MAYOR MASTERS: No, no, no. I'm not -- I want -- I wanna ask you something. I think I'm done with you, Mr. Russell.

RUSSELL CAMPBELL: Thank you.

MAYOR MASTERS: Madam Chair, I -- it just seems like to me in the spirit of fairness I definitely would like to hear from Mr. Sherman, the finance director, his name has been mentioned a few times tonight. He had, it seems, a dominant role on a couple of these committees and I just think that in fairness that I -- I want to hear from the finance director. I don't wanna hear from -- about the finance director in the media or anywhere else, but I need to hear from him directly. That's just me. Thank you, Madam Chair. I -- I -- I honor -- I --

CHAIRPERSON DAVIS JOHNSON: (inaudible).

MAYOR MASTERS: I would like for that request --

CHAIRPERSON DAVIS JOHNSON: Yes.

MAYOR MASTERS: -- to be honored.

CHAIRPERSON DAVIS JOHNSON: I would like to hear from him as well.

UNIDENTIFIED SPEAKER: Mr. -- Mr. Sherman, would you come up? What would you like to hear specifically, Mr. Mayor?

MAYOR MASTERS: I would like to hear what his role was and what he told them and there has been some accusation that you reported something to the press. I wanna hear that. I wanna hear whatever you have to say tonight to -- to clarify things that -- that may have been reported that one of my colleagues said was reported in the media. Whatever you think you need to say, I need to hear it because I haven't heard directly or indirectly from you. Thank you, Madam Chair, for allowing --

CHAIRPERSON DAVIS JOHNSON: Uh-huh.

MAYOR MASTERS: -- that opportunity.

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: xx01:34:33(inaudible) Randy Sherman, Director of Finance. Yeah, what -- what has not been said tonight is that I actually pushed for a much more aggressive plan for the general employees as well. Unfortunately, there's nobody that was at the negotiating table here for the general employees, at least I haven't -- I haven't seen anybody. But they actually -- general employees actually came in and asked for a similar type plan with a 30-year amortization. City ultimately

settled on a 20-year amortization, but I was actually pushing for a 15-year amortization. I don't think that 20 was aggressive enough for the general employees. We'd never, I don't believe and maybe Miss Irvin can correct me, at the table actually offered a 15. I know we talked about it, you know, when we, you know, stepped aside and, you know, and -- and had our -- our private comments. But I think the -- we were looking at a seven-year, 15 for the general employees. And you have to remember that when we did the police officers, and I would hope that Chief Madden would -- would back me on this -- and when we did the firefighters -- and I hope Chief Durham [phonetic] would back me on this -- we actually took two steps off of both of their pay plans. Their jobs, their pay scales actually amortize over a seven-year period, not 10, not 20, not 15, seven. And the reason that we pushed for a more aggressive plan and, you know, I know probably don't wanna make this meeting any longer than it needs to be, but if you look at police officers and you look at police sergeants, their -- the sergeants are overlapping the captains and sergeants get overtime. And if you don't amortize the captains and the majors appropriately, there's no reason for anybody to step up from being a sergeant. You know? So there was not only the compression issues that Mr. Campbell mentioned, but we also had issues within the pay scale because police and fire were outside of this study. Now they were looked at, but again, those two contracts were negotiated separately.

So you're right, I think Mr. Campbell said, well, he knew the lay of the land. I'm -- I'm not sure he knew it all because again, if -- if you really wanna know the truth of it, the plan that we were pushing, I actually take a pay cut because by giving up the buy back, that more than offsets the -- the minimal raise that came out as part of the compensation study. So again, you have to have the -- the full picture here what we were seeing and the reason that we ran so many variations, it's cause we were sitting in conference rooms or we were sitting on the phone and it was, Well, what if we do this, what if we do that. My main concern all along was the bottom line, could we afford it. And if you actually go back to last year's budget meetings, we thought it was actually going to be a two-year implementation that we would have to take a half a step and then finish the -- the second half a step. The numbers came back much lower than we had anticipated and we were able to actually push to get it all done in the first year. There was no reason to make the employees who had furlough days, who went years without raises wait any longer. And there was, you know, we were pushing to get it done on April 1st and get everybody where they truly needed to be.

So again, you can say what you want. As far as Mr. Davis, the interesting thing, and I don't know how because when I was looking at these issues I had a very, very, very small circle. I obviously needed people to be able to help me get information. The interesting thing was -- and I don't know the specific date, Monday the 30th or something, I would say within 10 minutes of each other, I received a call both from the Post and from WPTV asking for a copy of the letter, and I told them, you know, I was looking at things, I hadn't made any decisions, there were no letters, we were still investigating. But when you get a public records request you respond to a public records request. I, however, was not the person who sent it out citywide. My intent always was just to send it to the Mayor and Council. So how it became public knowledge, I have no idea. So if you wanna blame me for sending it to the press, I sent it to the press upon their request. I think it's a, you know, violation if I don't respond to a public records request. Neither one of them actually followed up, I don't believe, and asked any subsequent questions. But, you know, that -- that was the responsibility.

MAYOR MASTERS: I just want --

COUNCILPERSON DAVIS: Madam Chair?

CITY MANAGER HOSKINS: Madam --

MAYOR MASTERS: I just have one question --

CHAIRPERSON DAVIS JOHNSON: One moment.

MAYOR MASTERS: -- to finish.

CHAIRPERSON DAVIS JOHNSON: One moment, Mr. Mayor.

MAYOR MASTERS: Yes.

CHAIRPERSON DAVIS JOHNSON: Madam City Manager.

CITY MANAGER HOSKINS: As it relates to the police and fire, the captains and the compression, we did meet with Mr. Russell and Miss Long today to talk about how we're going to address the compression issues with the captains and the sergeants and the assistant chief. So that's not something that --

MAYOR MASTERS: All right.

CITY MANAGER HOSKINS: -- you know, we -- we're not going to address.

MAYOR MASTERS: Okay. Mr. Sherman, as you said, as was said earlier, several mistakes were made. Let me ask you this one question.

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: Uh-huh.

MAYOR MASTERS: Longevity.

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: Yes.

MAYOR MASTERS: I -- I heard, and I don't know, that the police had longevity at one time and it was taken away.

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: Police have -- police haven't had longevity probably in 14, 15 years. Miss Hoskins, you remember exactly, it was like '04, somewhere around there that it went away?

CITY MANAGER HOSKINS: I'm not sure.

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: Yeah.

MAYOR MASTERS: Can you tell me why some had longevity and other did not?

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: It -- well, again, I wasn't here in '04 and '05, but I believe, you know --

MAYOR MASTERS: (inaudible) --

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: -- again, during negotiations they gave us longevity for, you know, for --

MAYOR MASTERS: So --

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: -- either some other issue in their contract. And my guess is it was probably salary.

MAYOR MASTERS: So the police department just gave up their longevity?

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: They gave up longevity. And several years ago, again, I believe it was before I -- I arrived, SEIU and PMSA both went to a dollar amount, not a percentage amount. And the firefighters, the fourth union agreed that they would give up longevity when management gave us longevity.

MAYOR MASTERS: So back to your -- I'm sorry. Go ahead.

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: Yeah. And, you know, and that was four years ago. And that -- that ordinance has never been brought forward to take it away from management.

MAYOR MASTERS: Okay.

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: And once it take -- it goes away from management it would go away for fire --

MAYOR MASTERS: So basically --

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: -- and some firefighters.

MAYOR MASTERS: -- the police department and fire voluntarily gave up their longevity thing?

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: Correct.

MAYOR MASTERS: Thank you, sir.

COUNCILPERSON DAVIS: Madam Chair.

UNIDENTIFIED SPEAKER: (inaudible) Madam Chair.

CHAIRPERSON DAVIS JOHNSON: Councilman Davis.

COUNCILPERSON DAVIS: Just a point of clarity, I never stated a name on who called the press, I said someone called the press and someone submitted it to the OIG. I never stated a name.

CHAIRPERSON DAVIS JOHNSON: Chair Pro-Tem.

CHAIR PRO TEM HUBBARD: Mr. Sherman, what -- what doesn't make any sense to me is that, okay, if you were advocating for a higher pace, a more aggressive pace for the general employees, how would it then benefit them if we put them on the PTO plan and they were losing things that they had enjoyed for -- for quite a while?

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: Yeah, the -- the -- the PTO plan doesn't really have anything to do with the compensation study. Yes, (inaudible).

Yes, it's a -- a combined package and yes, there's some savings to the city. But the issue that the state legislature did to your employees back in 2011 is they took away the huge lump sum separation payments. So accruing all of those benefits where employees used to accrue 900 hours when they could retire, doesn't do the employees any good anymore. They can't get those payments paid to them when they retire. The state did away with that. So --

CHAIR PRO TEM HUBBARD: The cap?

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: -- with -- well, they --

CHAIR PRO TEM HUBBARD: (inaudible) --

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: -- they capped what you had on the books back in 2011, but anything after that you can't get. So all your new employees coming in, they're getting nothing in that regard.

CITY MANAGER HOSKINS: Madam Chair? You mean pensionable. It won't be pensionable --

UNIDENTIFIED SPEAKER: (inaudible) --

CITY MANAGER HOSKINS: -- but we could still pay it out?

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: You only pay it out on separation. You don't pay it out on retirement. So when they go into retirement, okay, those large benefits don't do them any good. So the -- the issue was -- is, again, because the employees were accruing this, they weren't using the days. And then what they were doing is when they're not using sick days they're losing them altogether. So when we converted the sick days to PTO days it actually gave the employees the opportunity to use those days as they saw fit 'cause, again, the payouts were being -- were being limited.

CHAIR PRO TEM HUBBARD: And -- and -- and, Mr. Sherman, I get that. But what I'm saying to you is even if they capped out at a certain amount they still had the opportunity or the option to say, buy -- buy them back in December. A lot of employees noted that in December that's when they would cash in some of their time.

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: Yep.

CHAIR PRO TEM HUBBARD: And that's -- and -- and that's what they had saved it for. So that is a benefit --

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: So --

CHAIR PRO TEM HUBBARD: -- and that's an option and that's a choice. Now with what the state legislature had put in that was affecting the new employees, that's something that we could not have done anything --

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: Right.

CHAIR PRO TEM HUBBARD: -- about. And -- and we're clear with that 'cause we're not here to -- to -- to break the law, but what we're saying is if you're telling all these people that have put in

all this time that have accrued this time because they know that they wanted to cash in a piece of it, some of them wanted to take some at retirement. And as you said that -- that some can only take it at separation and a lot of it is not pensionable. But those are the accumulation that they have -- they have done. I don't ever remember anyone bringing to us an option for general employee for the -- for the 15 -- for -- for the -- the seven/15 --

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: No.

CHAIR PRO TEM HUBBARD: -- aggressive.

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: No, they -- the team, I think, as Mr. Campbell kept referring to it, ultimately said no.

CITY MANAGER HOSKINS: What was that cost --

CHAIR PRO TEM HUBBARD: (inaudible).

CITY MANAGER HOSKINS: -- Randy?

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: The what?

CITY MANAGER HOSKINS: The seven year -- for the 15-year, what was the cost?

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: I -- I don't have one of those runs in front of me, but, you know, we -- we did. We ran seven/15.

CITY MANAGER HOSKINS: Mr. Campbell, do you have the cost?

RUSSELL CAMPBELL: I do not.

CITY MANAGER HOSKINS: No?

CHAIR PRO TEM HUBBARD: We have them -- we have them in here. I'll look at -- I'll -- I'll -- I'll -- I'll look -- look that one up --

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: But let me -- let me go back to the buy back from it. When you get the maximum you can buy back is 80 hours. So that's two weeks which is a little bit less than four percent of your pay. When we were offering the general employees, even with the 10/20 and not necessarily the aggressive or more aggressive package, the average was 11 percent. And my, you know, if you actually sit down and look at -- look at the pay and look at the way that the compensation plan runs, you are actually better with the compensation plan and then not getting the buy back. Over time, it works out to the employees' benefit by implementing the compensation plan. So again, the partial to pay for the compensation plan is getting the buy backs. Doesn't impact all the employees, and obviously, you know, if you think about it, the -- the biggest winners are the management team. You know, we -- we don't get all our time off when -- when, you know, as we work through the year and it's the higher salary. So when they get, you know, management team gets 80 hours, you know, if you actually look at -- at who gets the -- or the buy backs and who doesn't it's not necessarily the general employees. It was actually very few of them that -- that are given up anything to be able to get that compensation plan. You know, the last three-year contract we entered with SEIU was about $1.4 million over three years. The plan that we offered to SEIU this time was $4.2 million -

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CITY MANAGER HOSKINS: Uh-huh.

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: -- over three years. I mean, it was a very lucrative plan that we offered. But, you know, it's -- it's -- it is what it is and we'll go back to the table and -- again, I -- I still think the seven/15 is the better plan for them, but we'll -- we'll see what happens.

CHAIR PRO TEM HUBBARD: The -- well, the -- the only thing about the seven/15, it was never -- it was never brought up as an option and it's -- and -- and -- and this is the first that -- that we are hear -- that we are hearing of it. We saw the five/10. You had an opportunity that night to say that you wanted to -- that -- that you advocated for the -- for the seven/15. Yes, it would have been a little more aggressive than the -- than the five/10, but at least that you would have -- you -- we would have saw that for everybody and would be less horrendous for a group of people that basically got swept into it because you decided to go with the five -- that you decided to go with the -- with the five/10 as opposed to the recommended 10/20.

And then on top of that some of the comments, and I -- and I wrote down my comments from some of the employees that was interested from the SEI Union, and one of -- and one of the things that -- that they were concerned about is the sick and vacation time for the PTO. And that seemed to be very important. So I -- so definitely when we go back to the negotiation table, we need to see how that dollar wise if they go to seven/15 and the sick and vacation, what -- how will they benefit or how will it not benefit them, because I have, you know, like a list of eight things that was important to the SEIU family. And that was -- that was a big concern.

DIRECTOR OF FINANCIAL AND ADMINISTRATIVE SERVICES SHERMAN: Yeah, and -- and -- and now we barely don't wanna negotiate in public. But, you know -- you know, when we left that -- that day from the -- the last negotiations we had with SEIU, everyone at that table understood what they -- what had been agreed upon and they were -- they were happy, there was not -- there was not another SEIU contract they probably could find in the state that was, you know, as -- had -- had as much value in it as -- as to what this city was offering. But you're right, I -- I don't disagree with that. We can go back and -- and see where we go. Good?

DEPUTY CITY CLERK BURGESS: Any further comments or questions for Mr. Sherman? Thank you, Mr. Sherman.

CHAIRPERSON DAVIS JOHNSON: So Madam City Manager, you will bring back an item for discussion with regards to the implementation of the plan at 10/20?

CITY MANAGER HOSKINS: Yes, ma'am.

CHAIRPERSON DAVIS JOHNSON: In addition to the information with regards to PTO, buy back and longevity?

CITY MANAGER HOSKINS: Yes, ma'am.

CHAIRPERSON DAVIS JOHNSON: Okay. There will be no further business. We stand adjourned.

ADJOURNMENT

(END OF RECORDING)

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