



Meeting Minutes
Finance & Administration Council
Committee

Wednesday, August 27, 2008

4:00 PM

Huntington Building

Special Called Meeting

1. Call To Order

Present 4 - John Street; Harold Perrin; Ann Williams and Jim Hargis

Absent 2 - Darrel Dover and Judy Furr

2. New Business

Presentation by Johanson Group

Mr. Johanson stated the company's focus is in business and management compensation with emphasis on compensation, structure, salary structure and plans for different type of organizations. He explained the program is to help the cities find and retain key employees, to improve the value of the compensation and to insure compliance with regulations.

Mr. Johanson stated they have an electronic job description writer, which Human Resources can send to each department head so they can fill out the questionnaire. He added the software will then populate the job description. Discussion was held concerning the 15 factors. He explained the software will help identify and address pay issues. He stated the Job Evaluation and Salary Administration Program (JESAP) system will be flexible when jobs change but will retain the structure.

Mr. Johanson explained the Municipal League endorses the program, which allows his company to give a discount. He explained with 500 full time staff the price for software license, support and upgrades would be \$15,000 for the first year and \$12,500 for the second and third years. He further explained for the 4th year the City will have a voluntary option to continue use of the software and to receive the upgrades and the cost for that would be \$6,120. He added the savings due to the Municipal League agreement on the first 3 years is \$8,000. He stated most cities hire his company as consultants where they do an evaluation of the job descriptions, rate the jobs and put structure in. He explained it will cost around \$350.00 per job title, so 100 job titles would be \$35,000.

Mr. Johanson added the market study is between \$5,000 and \$10,000 to pull the salary data into a study. He explained the market study is discounted to \$3,000 due to the software, he further explained the job rating consulting would be between 32 to 40 hours.

Discussion was held concerning how job descriptions are made.

Councilman John Street asked if this factors in the benefit package that other cities pay to their employees. Mr. Johanson answered no, this is just strictly the

compensation. Councilman Street asked if there is was a way to figure the benefit package. Mr. Johanson answered yes, you will do the compensation step first and then look at your benefit package and then compare it to others.

Councilman Street asked if an analysis by the direct supervisor on the job performance of that individual bare any weight on the adjustments. Mr. Johanson answered the study looks at the structure to tell where someone falls in the range. He added the department head can adjust for performance.

It was questioned whether employees could get into the system and experiment with their salary. Mr. Johanson said no, the software is locked down.

Councilman Perrin asked how many departments are not doing performance evaluations. Human Resources Director Gloria Roark answered effective August 1, 2008, every department is.

Councilman Perrin asked how much Condrey is being paid now. Ms. Roark answered Condrey is not being paid anything now. She explained Condray had a 1 year contract and the cost was \$45,000. She added if there were any changes to be made it cost \$150.00 an hour for a consulting fee. She noted Condrey has not looked at or gave the City any market labor updates.

Chairwoman Ann Williams asked if their fee structure is based on the first, second and third years. Mr. Johanson answered yes, it includes the software.

Councilman Perrin asked if uniform employees are included in the plan. Mr. Johanson said yes they are included in the plan but they have a separate step and grade plan within the salary grade.

Councilman Jim Hargis questioned how long will it take for the study. Mr. Johanson answered it will take approximately 30 days due to the automation of the job descriptions.

A special called Finance meeting was scheduled on September 10, 2008 at 4 pm so the Finance Committee could make a decision on this matter.

3. Adjournment

A motion was made by Councilman John Street, seconded by Councilman Harold Perrin, that this be Adjourned. The motion CARRIED by a Voice Vote.

Aye: 3 - John Street; Harold Perrin and Jim Hargis

Absent: 2 - Darrel Dover and Judy Furr