

Personnel Committee Minutes

Honorable Council
City of Newark, Ohio, 2018
November 19, 2019

There was a meeting of the Personnel Committee in Council Chambers on Monday November 18, 2019 following the Service Committee with these members in attendance:

Ryan Bubb, Chair
Mark Labutis
Bill Cost for Sean Fennell
Dee Hall
Jonathan Lang

We wish to Report:

1. **Ordinance No. 19-34** an ordinance setting compensation and stating policy with respect to certain appointed positions of the City of Newark, Ohio repealing all ordinances and resolutions in conflict herewith was considered.

Director Rhodes- I don't want to say that this is the beginning of a process, two weeks ago we had Judge Stansbury come in on a position that he asked Council to create of which the Administration shared in the cost with the Courts and tonight we are looking to adjust some appointed and elected officials salaries, next week we will be in to create a new position then hopefully shortly after we will have union contracts that will be negotiated. Here to speak about it tonight we will have Law Director Doug Sassen, Lori Resta and Steve Baum that is here to answer questions.

Law Director Sassen- I am going to direct my comments to both pieces of legislation that are on your agenda because my thoughts really apply to both; 19-34 being the salary ordinance for appointed officials and 19-35 being a salary ordinance for elected officials. I would like to say that not surprisingly I am in full support of both pieces of legislation being passed by this committee then on to Council for full consideration. One legal aspect of this whole analysis that you have to be aware of as a Councilmember and that is that Council must enact some version of 19-35 regarding the listed elected officials before the end of this calendar year because that is mandated by the Ohio Constitution that an elected officials salary be in place before the beginning of his/her term and then it can't be modified or changed up or down during the course of that term. That legislation in that form or some other form has to be enacted this year. Ordinarily that piece of legislation with regard to elected officials would include provisions for the Council President and for At-Large Councilmembers who are elected this year whose term begins in January but if you recall those pay raises were

implemented along with Ward seats in December of 2017 when that automatic pay raise formula was put into place to coordinate with PERS mandated requirements for minimums. That was done on December 4, 2017. My comments to you tonight really come to you from my position as Law Director and will essentially address the adjustments to me, my office and my employees although the logic of it will in some ways apply to all the positions contained in both pieces of legislation. My tenure as Law Director pre-dates all but 2 of the 11 members of Council and my public service predates all of you by more years than I care to admit but having said that I think that a little bit of history with regard to these salaries specifically with regard to Assistant Law Directors and other elected officials might be in order. I became Law Director in January of 2006. I immediately changed the positions of the Law Director and the Assistant Law Directors from part time to full time. Prior to that the Law Directors and Assistant Law Directors had been allowed to have private legal practices outside of City Hall and most of them did including myself when I was an Assistant Law Director. You can image how that would affect a person's allocation of their time so basically when I came in I basically prohibited myself and anyone who worked in my office from having an outside practice so that the entirety of their time was devoted to the office. In by doing that we were able to reduce the staff from 7 Assistant Law Directors to 4 essentially overnight and we did that without changing the salary for the Law Director or any of the 4 remaining Assistant Law Directors. We have been able to do that without coming back to City Council for an adjustment to those salaries for the intervening 14 years other than the Assistants for the normal cost of living adjustments that have gone in for all employees of the city. We have been able to do that by contracting with other municipalities throughout Licking County to provide misdemeanor prosecution services on their behalf here in the municipal court and charging a fee for that. The revenues that we receive for providing that service are used to enhance the city's general fund to offset some of the costs of that additional printer, paper and postage also to enhance the salaries of the Assistant Law Directors not mine because mine can't change during the course of the term but it has been used to enhance the salaries of the Assistant Law Directors to reflect the additional work they are doing as a result of those contracts. Each one of these contracts with each one of these municipalities have to be renewed every year and circumstances and personalities change here and in those other villages and cities as a result there really is no guarantee now or at any point of time those additional revenues will continue to exist year to year. I don't worry currently about the loyalty of my staff I have been with most of these people for at least the 14 years that I have been Law Director and some of them longer than that. I don't worry about their continuity if we were ever to lose those revenues but it would be extremely difficult to retain sufficiently trained and qualified attorneys to do the work that they do which is principally criminal prosecution if we didn't have those revenues. I will throw in a sales pitch here; the attorneys in my office now bring to the table combined over 125 years of legal experience which I think has some value. Even with these additional revenues the current salary structure in my opinion does not reflect what I feel a person as Assistant Law Director and quite honestly Law Director and with their level of experience and expertise what it warrants. I think that it is time for the city to address this foundational

salary structure for Assistant Law Directors to ensure a level of continuity with those persons and it is absolutely essential to the functioning of my office and to the court that you have that continuity that you don't have people coming in and learning this job over and over again. The need exists to address that foundational salary structure separate and apart from these additional funds received from other municipalities so that we would be able to attract qualified applicants if and when vacancies arise. I believe the proposal before you tonight Ordinance 19-34 does exactly that and I ask that you support the adjustment for those positions to adequately compensate the work that is required of each Assistant Law Director and pass the ordinance on to full Council. I think that it is equally important that Council review and adjust the salary structures in Ordinance 19-35 for the Law Director, Auditor and the Mayor as well as in 19-34 for the various Department Directors and you will notice that I didn't accidentally say for the positions of Law Director, Auditor, Mayor and Department Directors I said that on purpose because it is not about the person that is in the job it is in the position because again personalities come and go and it is important that we be able to attract quality people to these jobs. Another history footnote since 2016 my salary has increased an average of less than 1% per year, actually 0.78% per year over the course of those 14 years and I have had no increase in my salary over the past 8 years. I believe that is true of Department Directors, Auditor and the Mayor as well. We all know that circumstances vary over time with regards to budgets including expenses and anticipated revenues. A conscious decision was made by me including the Mayor, including the Auditor and including the Department Directors as a result of some very tough economic times that no raise would be sought or accepted under such circumstances and that is exactly what happened. We weren't blindsided we made a conscious decision was made. This same decision was made by Council members at the same time but for me and I am sure for you this decision this effort was to set an example in what were very difficult times for the City of Newark and for me with the expectation that improving circumstances would rectify any resulting inequalities. After 8 years I believe the time has come to rectify the inequalities with regards to the salary structure for the listed officials and Department Directors just as Council did for its' own salaries in December of 2017. Again I say this not really just for me but with the understanding that I am not going to be the Law Director forever and if the city hopes to attract quality candidates to fill this position there needs to be a compensation package in place that will attract such a qualified candidate. This logic applies equally to the other positions contained in these two pieces of legislation. Hard as it may be to believe these are not the most glamorous jobs in the world and most people who are qualified to fill these positions would earn significantly more in the private sector given the current compensation structure. I think that it is important to the function of the city looking forward that we have a compensation structure that at least comes close to competing with the private sector for qualified applicants for these positions. The numbers that you have before you in the two pieces of legislation are designed to do exactly that and to rectify the inconsistencies that have developed over time. I know that there are currently contract negotiations with all the unions and I know that there is a budget being put together currently by the Auditor's office and the Mayor. Nothing

in the City of Newark happens in a vacuum and neither does these two pieces of legislation or either one of those events. It is possible to talk about more than one thing at a time. The numbers that you have before you in both pieces of legislation have been provided by the administration and after careful consideration of all of these factors and to accomplish all of the goals that I have previously mentioned. I ask that you consider both pieces of legislation favorably and I ask that you pass them on to full Council for consideration.

Lori Resta, Deputy Auditor- we took all of the contracts that we had from 1992-2019 and looked at everything we had, management, supervisory, ASFME, Police, Fire, non-bargaining, elected and appointed. Looking at those scenarios management and supervisory over the course of time got an 83.5% raise compared to what the elected over the time got 66.50% and the same way with appointed a 72. In Mayor Hall's team they got 0. What is also interesting the appointed officials were frozen 12 times for the directors for over the course of 1992. Elected salaries were frozen 11 times compared to the management, supervisory which were 2 times and I think Police were 2 times. For Council the piece of legislation that the Law Director mentioned this year for Council At Large because of the way the minimum amount that PERS requires you to have to get a full credit the raise for Council At Large will be almost 14%.

Mr. Bubb- what does that equate into in actual dollars?

Lori Resta- as of 2020 all of the Councilmembers your salary will be \$8750.04

Mr. Bubb- up from?

Lori Resta- \$7600.00 something close to that it was different for Wards because of the way that terms fell. Your increase will be 1.75% every year through 2029 and that is right off of the PERS website.

Motion by Mr. Lang to recess until after City Council, second by Mr. Labutis

Mr. Lang- there is a full room here so I think that there is more discussion warranted on this in three minutes so I urge all of my colleagues to not adjourn here so we can pick this up after Council.

Motion passed by a vote of 5-0.

Motion to reconvene the Personnel Committee meeting by Mr. Lang, second by Mr. Labutis

Motion passed by a vote of 5-0.

Director Baum- the only thing that I would offer is that Lori went back to 1992 but I would stick a little closer; what I will say is in the 8 years that Mayor Hall and his team has been here I have only been here for three but in their 8 years here they have received zeros while the Police Union has accrued 9.5% total and Fire has accrued 10% in increases. If you go back one more year before Jeff Hall took office the Police raises jumped to 17.6% while Fire goes to 12.75% so I don't feel that a 9% for Mayor Hall and the Directors and the Law Director and the Auditor is out of line at all.

Mr. Lang- Lori if you wouldn't mind coming up I know that you looked at some comparable information for other cities that have a similar size population and per capita and I think that it would be interesting to just put on the record some of those numbers.

Lori Resta- Lancaster's Mayor is currently making \$97,161.00, Service/Safety Director \$106,000.00, Auditor \$83,000.00 and their Law Director \$112,000.00.

Mr. Lang- what is the population and per capita?

Lori Resta- 39,500 and 23,450. We can't do apples to apples but based on population and per capita we looked at Warren and their Mayor makes \$87,000.00, Safety Director \$82,000.00, Auditor \$80,000.00 and City Council is \$11,000.00 and the Law Director is \$86,000.00.

Mr. Lang- and the population and per capita?

Lori Resta- 40,633 and 18,656. I think those were the closest.

Mr. Lang- I think that it is important to look at what other municipalities are doing like Lori mentioned it is hard to find apples to apples comparisons but when you are trying to figure out how much to pay elected officials obviously as we have seen over the last 8 years it is always a touchy subject. An elected official doesn't want to see their pay increase because then they have a room like this and people are upset about it so then what ends up happening is you freeze salaries for an extended period of time and now we are out of line with other similarly situated municipalities are getting. As I looked at some other numbers and again this is all done in a vacuum so you pick numbers out of the air is the Mayor getting compensated accurately or not I think that you look at what are other individuals paid by the city make. If you look at the list from the Advocate from 2018 if you go one thru 20 you start at about \$125,000.00 from our top earner to number 20 on the list is at \$87,000.00. We are not putting the Mayor in the top 20 for 2018 numbers. I think even sticking with the 2018 numbers by the end he still wouldn't even crack the top 10. I'm not necessarily saying that the Mayor should be the highest paid in the city but he certainly works very hard and spends a lot of hours because this is a 24/7 job as he will tell you. I see the Mayor all over the city. I am going to support this ordinance and I think that it is time after 8 years to make some adjustments for these folks.

Motion by Mr. Lang to send Ordinance 19-34 to full Council, second by Ms. Hall

Carolyn Cook, 898 Lateglow Ct- when you compared these other cities what are their Police Officers and Firefighters making in comparison to the Mayor's salary? What are the elected officials making compared to those people who work for the city?

Mr. Bubb- I don't think that we have these numbers included these positions were just being correlated from other cities that pertain to this legislation.

Mr. Lang- I think that is a good question we can certainly look at that information. If we pass it on tonight we have a few weeks before it goes to Council.

Ms. Hall- I think that it is important to point out that their raises can't happen a year from now they have to happen prior to the next terms is that correct?

Law Director- with regard to elected officials that is correct. It is constitutionally mandated that something has to be done. It doesn't have to be a raise but it can't be a decrease in pay but something has to be done before the end of the year.

Mandy Rechel, 505 Leslie Dr- I know that we may not know what Police and Fire personnel make in other cities but I am sure that you know what they make here. Can you tell me? Just the starting pay?

Mr. Bubb- out of respect to the legislation what we are talking about this evening if you want to get with Mr. Baum if you want to give him your email or phone number I'm sure your question can be answered in the morning.

Motion passed by a motion of 5-0.

2. **Ordinance No. 19-35** an ordinance setting compensation with respect to certain elected officials of the City of Newark, Ohio and repealing all ordinances and resolutions in conflict herewith was considered.

Mr. Bubb- this pertains to the Mayor, Director of Law, Auditor and Treasurer

Motion by Mr. Lang to send to full Council, second by Mr. Labutis

Motion passed by a vote of 5-0.

Ryan Bubb, Chair