

01.17.2023 Workshop minutes

Richard Boyett, Mayor

Desiree David, Councilmember

Carolyn McWaters, Councilmember

Fred Terrell, Councilmember

Marilyn Clay, Mayor Pro-Tem

Scott Swigert, City Manager

Eddy Lowery, Councilmember

Terralyn May, City Secretary

Not present was Councilmember Desiree David,

Invocation was given by Scott Swigert

Gallagher reviewed the Compensation Study with the City of Cleveland City Council Members.

The Compensation Study was completed in 2021 but was never presented to Council or Department heads. Scott Swigert reached out to Gallagher regarding the study. The updated study with current information is being presented to council. Updated information included for new employees, new positions, new salaries, cost-of-living increases and other such items are included in the presentation and will be included in the information received.

City Manager Scott Swigert stated, "This is a time for Council to move forward. We will be asking council tonight to accept the study".

Council member Fred Terrell asked, "Was there a cost to the city? Council member Carolyn McWaters stated, "The cost of the Gallagher study was \$26,793.75."

Gallagher findings were that the city engaged in 2021 with Gallagher to do a labor study. In late 2022 the city reengaged with Gallagher and updates were made with some market trend data. There were no additional charges made for updating the new data input.

Gallagher has been in business for over 40 years.

The study findings were that market employee pay was lagging.

There are three categories for employee pay - lagging, aware, and leading.

The study was apparently not utilized in the budgeting process for the 2022 budget.

There was a public and a custom survey done. The public survey showed we were lagging by 20% with the custom survey showing 3 % for a combined total lagging of 12%.

Objectives were.

In 2021 to bring all employees to the range of minimum at a cost of just over \$166,000.

If employees were brought up with the longevity approach or a range approach the cost would be more significant with the cost being roughly \$685,666.

The 2023 update was based on the trends for 2022 and 2023. We look at these trends from the World at Work data.

World at Work is a leading provider of compensation data.

The city has done some hiring and pay increases and did not lose ground since the 2021 study.

The 2023 update approach the first approach is to all employees to the minimum; the second would be the longevity approach, the third would be to bring all employees to the midpoint. Then bring all employees to the current range. The cost ranges from \$125,000 to \$835,000. Those are less than the 2021 approach.

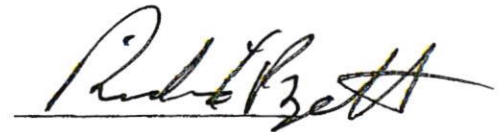
It is recommended that there are guidelines that reflect how the city wishes to approach individuals coming into that pay range or moving through that structure. Employees in the first five years of would typically be in the first tri-tile. Employees as they become seasoned would be more near the market rate. Those that would be more at the ten plus year mark would be considered more of an expert. We would expect to see them over the market rate. That is where you might expect employees to be over time if you implement that structure.

Further recommendation a salary structure should be adjusted every year to remain competitive.

City Manager asked council to give staff direction in regard to implementation of this study. City Manager Swigert advised council that this would need to be included in the budget process and that using reserves was not the best option due to the reoccurring nature of the cost.

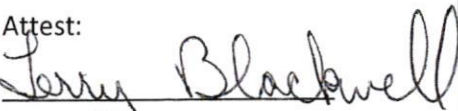
Mayor Boyett and Councilmember McWaters stated that they would like another workshop for the Compensation Study.

Meeting was adjourned at 5:45 pm.



Richard Boyett, Mayor

Attest:



Terry Blackwell, City Secretary