

**MINUTES OF THE
DANVILLE CITY COMMISSION**

The Board of Commissioners of the City of Danville, Kentucky convened in a Regular Commission Meeting in the Public Meeting room at City Hall/Police Station on Monday, July 9th, 2018 at 5:30 p.m.

COMMISSIONERS PRESENT:

Mayor Perros
Commissioner Serres
Commissioner Atkins
Commissioner Caudill
Commissioner Terry

OTHERS PRESENT:

Ron Scott, City Manager
Donna Peek, City Clerk
Stephen Dexter, City Attorney
Tony Gray, Police Chief
Ken Pflug, Fire Chief
Alex Carney, IT Tech
Bridgette Lester, Codes Director
Joyce Collins, Administrative Asst.
Ashley Raider, Administrative Asst.
Steve Hunter, P&Z Director
Bobbie Curd, Advocate Messenger
Wilma Brown
Jennifer Kirchner
Janet Hamner
James Hunn
J.P. Brantley
Jane Brantley
Chase Broach
Hobie Daugherty
Daniel Elliott
Gary Chidester
Others

Mayor Perros announced that a quorum was present and called the meeting to order the time being 5:30 p.m.

Commissioner Terry asked for a moment of silence for Amy Butler & Kristi Blakemore. Mayor Perros led the Commission in the Pledge of Allegiance.

AGENDA APPROVAL:

The Commission approved the agenda as presented.

HEAR THE PUBLIC:

No public comment.

1. APPROVAL OF THE MINUTES OF 6/18/2018, 6/20/2018, & 6/25/2018:

Commissioner Atkins made a motion to approve the minutes as amended by Commissioner Serres, for 6/18/2018, 6/20/2018, & 6/25/2018 as presented. The motion was seconded by Commissioner Terry and unanimously approved upon voice vote.

2. BANNER REQUEST – BBQ FESTIVAL 2018:

Commissioner Terry made a motion to approve the banner request for the BBQ Festival 2018 as presented. The motion was seconded by Commissioner Caudill and unanimously approved upon voice vote.

3. CODE ENFORCEMENT REPORT:

Bridgette Lester, Code Enforcement Director, addressed the Commission and presented the monthly code enforcement report. No action needed.

4. CITY MANAGER REPORT:

City Manager Ron Scott addressed the Commission and presented his report on how raises would be implemented for the 2018-2019 fiscal year.

See attached report.

HEAR THE PUBLIC:

State Representative Daniel Elliott addressed the Commission and said that he appreciated them for their service and commended them on the job that they were doing.

Lori Kagan-Moore addressed the Commission and asked when the final Wayfinding report would be available.

Ron Devrick addressed the Commission regarding a recent news article about paving cost in the county and stated that according to the article the city could have gotten the asphalt for approximately 5% less if it had been put out for bids.

COMMISSIONER COMMENTS:

Commissioner Serres stated that the Parks & Rec Ad Hoc Committee had met earlier in the day. He said the committee has approximately \$40,000 left over from last year's budget and the money will be used to repair a damaged part of the trail at the back of the park as well as putting in a parking lot for the volleyball court and paving the road to the maintenance shed.

Mayor Perros told the Commission that he presented Evan French Mastin with a proclamation and key to the city. He added that Evan is a longtime principle actor at Pioneer Playhouse and is leaving after 25 years to spend more time with family. He said Evan was "moved to tears" and appreciated the gesture.

5. PAYMENT OF THE BILLS:

Commissioner Caudill made a motion to approve the bills as presented in the amount of \$762,970.73. The motion was seconded by Commissioner Atkins and unanimously approved upon voice vote. A breakdown of the bill are as follows: General Fund - \$46,698.57; Utility Fund - \$69,223.24; Non-departmental - \$74,343.13; Capital - \$1,709.99; Storm water fund - \$4,638.75; Parking fund - \$169.49; Cemetery fund - \$10,636.79; Debt and disbursements - \$547,961.84 and water refunds - \$88.93.

6. RESOLUTION #2018-07-09-01 – SURPLUS ITEMS LIST APPROVAL:

Commissioner Terry made a motion to approve resolution #2018-07-09-01 as presented. The motion was seconded by Commissioner Atkins and unanimously approved upon voice vote.

To read the resolution in its entirety please visit www.danvilleky.org

7. RESOLUTION #2018-07-09-02 -- EAP RENEWAL FY 2018-2019:

Commissioner Atkins made a motion to approve resolution #2018-07-09-02 as presented. The motion was seconded by Commissioner Terry and unanimously approved upon voice vote.

To read the resolution in its entirety please visit www.danvilleky.org

8. RESOLUTION #2018-07-09-03 – HDR CHANGE ORDER #5:

Commissioner Caudill made a motion to approve resolution #2018-07-09-03 as presented. The motion was seconded by Commissioner Atkins and unanimously approved upon voice vote.

To read the resolution in its entirety please visit www.danvilleky.org

9. 2ND READING – ORDINANCE #1916 – COMPENSATION/CLASSIFICATION FY 18-19:

Commissioner Terry made a motion to approve the 2nd reading of ordinance #1916 as presented. The motion was seconded by Commissioner Serres and unanimously approved upon roll call.

“AN ORDINANCE AMENDING CDO 2-96, PERTAINING TO THE CLASSIFICATION PLAN, COMPENSATION PLAN, AND POLICIES AND PROCEDURES FOR CITY PERSONNEL.”

10. 2ND READING – ORDINANCE #1917 – ALCOHOL REGULATORY FEE FY 18-19:

Commissioner Caudill made a motion to approve the 2nd reading of ordinance #1917 as presented. The motion was seconded by Commissioner Atkins and unanimously approved upon roll call.

“AN ORDINANCE ESTABLISHING THE REGULATORY LICENSE FEE FOR THE SALE OF ALCOHOLIC BEVERAGES IN THE CITY OF DANVILLE FOR FISCAL YEAR 2018-2018.”

11. 2ND READING – ORDINANCE #1918 – CHANGES TO PARKING ORDINANCE:

Commissioner Caudill made a motion to approve the 2nd reading of ordinance #1918 as presented. The motion was seconded by Commissioner Terry and unanimously approved upon roll call.

“ AN ORDINANCE AMENDING CITY OF DANVILLE, KENTUCKY CODE OF ORDINANCE SECTION 17-33, SECTION 17-38 AND SECTION 17-172(d) REQUIRING THE DISPLAY OF PARKING PERMITS IN AREAS DESIGNATED AS PERMIT ONLY PARKING.”

EXECUTIVE SESSION:

Commissioner Caudill made a motion to move into executive session at 6:20 p.m. pursuant to KRS 61.810 1(f) for the purpose of personnel. The motion was seconded by Commissioner Serres and unanimously approved upon voice vote.

REGULAR SESSION:

Commissioner Terry made a motion to move back into regular session at 6:40 p.m. The motion was seconded by Commissioner Caudill and unanimously approved upon voice vote.

ACTION:

Commissioner Terry made a motion to approve staff's recommendation and promote Firefighter Will Ellis to the position of Fire Lieutenant in the Fire department with the usual probationary measures and approved the promotion list as presented be held for six months with the option of extending the time period if needed. The motion was seconded by Commissioner Caudill and unanimously approved upon voice vote.

ADJOURN:

Commissioner Terry made a motion to adjourn at 6:45 p.m. The motion was seconded by Commissioner Serres and unanimously approved upon voice vote.

To view the meeting in its entirety please go to www.danvilleky.org and search for videos.

APPROVED:


MAYOR ~~G.~~ MICHAEL PERROS

ATTEST:


DONNA PEEK, CITY CLERK

Memorandum

To: Mayor/City Commission, City of Danville
From: Ron Scott, City Manager
Date: July 5, 2018
Re: City Managers Report: Changes to Employee Compensation, FY 2018-19

The City Commission approved the City of Danville's FY 2018-19 Budget on June 25 and it is now in effect. During the lengthy process of consideration and adoption of the budget, some employees urged the city commission to increase compensation above the 2% Cost of Living Adjustment (COLA) and 1% merit increase that I recommended (a total possible increase of 3%). I did not recommend any tax increases associated with this budget, nor did you adopt or plan to adopt, any tax increases for the next fiscal year. However, during the budget adoption process I received comments from city commissioners that it would be desirable to provide higher compensation, in order to be more competitive in attracting and retaining employees, if funds could be found within the adopted budget to do so. In FY 2018-19, funds were allocated to conduct a full salary/benefit study during the next fiscal year; I expressed the goal to have this study completed by January, 2019 to aid in the budgeting process for FY 2019-20.

The city manager has both the responsibility and the authority to administer the budget once adopted. Danville's personnel policies also provide that except for his/her own salary, the City Manager may make individual employee salary adjustments during the year as necessary in accordance with the approved budget. The personnel policies also state that all salary adjustments for the city manager shall be approved by the Board of Commissioners.

I am writing to advise you regarding how "higher compensation" will be provided to qualifying employees from the FY 2018-19 Budget prior to completion of the comprehensive study. This disclosure of higher compensation to be made for qualifying employees (and to be made in lieu of the 3% raise otherwise provided) is detailed by this memo in order to be transparent to the city commission, our city employees, and our residents. Also, I am committed to publishing all employee salaries on the city's webpage to enhance understanding and recruitment/retention efforts; under open records, such information must be provided anyway upon request.

After our earlier discussions, I held a series of discussions with our City Clerk/ Human Resources Director, our Chief Financial Officer, and all members of my management team (department directors). The Management Team shares your goal of making employee compensation more competitive for all city employees (within the funds approved in our new FY 2018-19 Budget), and to begin this process as we start a new fiscal year (rather than to wait until a comprehensive review is completed before taking any steps to increase compensation).

Changes in compensation will be made by the city manager consistent with the guidelines stated below, and within the FY 2018-19 approved budget. These compensation changes are not a substitute for a more comprehensive study that will be made in FY 2018-19 that may lead to further changes (city finances permitting), but may be viewed as a proactive step being taken at the present time to achieve our goal of providing more competitive salaries for city employees.

We have closely examined the most recent KLC Wage and Hour Survey and compared that data with wages now paid our employees. Although the KLC Survey included Danville with certain other cities they deemed “comparable” in order to summarize and present the survey results, there are many inherent problems with that KLC grouping of “comparable” cities (city size, urban vs. rural, differences in taxing authority, etc.). Notwithstanding, for the purpose of making an initial adjustment to providing greater compensation, this latest KLC Survey will be utilized.

Consistent with our goal to review the adequacy of compensation now being provided our employees (compared to information we now have for other cities), under conditions meeting the criteria, a salary adjustment of \$1 per hour will be made instead of the 3% for employees that qualify for the higher adjustment. A rough approximation for all city departments is that approximately 60% (or more) will qualify for the \$1 raise and perhaps 40% will get a 3% raise.

Funding for all adjustments will be derived from the funds approved to make the 3% adjustment, from the reallocation of \$50,000 in the administration budget to conduct a professional study to salary increases, and from operational savings to be derived by each department in the next fiscal year. The expected cost of the 3% adjustment is about \$235,000, supplemented by the \$50,000 consulting fees reallocated to salaries, and about \$215,000 to \$225,000 in total to be achieved by operational savings (in part derived from better utilization of overtime).

The \$1 per hour salary adjustment (made in lieu of the 3%) will be made for all employees that qualify for the higher adjustment. In all cases, the \$1 per hour salary adjustment results in higher employee wages. This effort to provide greater salary adjustments for employees in each city department will be applied where demonstrated to be warranted (based upon the KLC Study).

The following criteria is the basis for allocating the \$1 hourly adjustment instead of a potential 3% salary adjust:

1. The most recent KLC Wage & Salary Survey indicates significant variations in wages paid to some (but not all) city employees in our various departments compared to the “benchmarks” of 50% and 75% of amounts paid as reported in the KLC Survey. In other words, employees of some departments are closer to the desired “benchmarks” than employees of other departments. The effort here is to move employees of all departments closer to the desired benchmarks.
2. There are many valid reasons why employees in any city are not paid at the 75% benchmark level, and why a direct comparison of wages reported in one city may not be directly and accurately compared with those reported in another city, including:
 - a. Length of Service (just employed vs. more years of service);
 - b. Length of Service in new promoted position;
 - c. Differences in job duties and/or job descriptions compared/reported;
 - c. Differences in benefit packages (i.e., Family Health 100% employer paid);
 - d. Limitations on city’s financial resources/ability to allocate financial resources;
 - e. Significant difference among cities grouped and claimed to be “comparable”;
 - g. Reporting errors or inconsistencies.

3. Despite data limitations, possible inaccuracies, and the reasons cited above why direct comparisons may not be valid or not valid in all cases, the data does in some but not all cases indicate that certain job titles or job positions in our various departments are paid less than those paid in the defined "comparable cities". Accordingly, and consistent with employee requests, our goal is to move all employees toward the 75% benchmark in compensation, based upon an examination of the employee's current rate of pay (non-overtime), based upon total years of service, and based upon the length of service of the employee in a comparable job position in which they must have served for 3 years or more. Again, adjustments are limited by funds approved/available in the current budget.
4. In interpreting job positions/duties (when they are not exactly comparable), we have taken the more "liberal" approach in accepting a job description/title that has an associated higher compensation range (rather than the opposite). Understanding that employees don't "start at the top of a pay range" but instead in all cities (or for any employer) normally work their way "up the pay grades" through years of service, the goal would be to have the compensation for all city employees reach or be close to the following levels of compensation, as compared to the last KLC Wage and Salary Survey:

Non-Hazardous: 75% at 20 years of service; 50% at 15 years of service (assuming 27 years of service before retirement)

Hazardous: 75% at 15 years of service; 50% at 10 years of service (assuming 20 Years of service before retirement).

Taking the step at this time to provide a \$1 per hour raise for all employees meeting the criteria outline above ... is a demonstrated effort by the city commission/city administration to adjust pay upward (as compared with the KLC Salary Survey) for all employees that have the service and job titles that appear to be paid at a lower rate than the desired benchmarks as shown in the latest KLC Survey. To repeat, the city staff will conduct a more detailed study in the coming months to more fully examine this issue, with a goal of issuing a report in January, 2019.

This month, our various department heads, the Human Resources Director and the City Manager will be scheduling meetings with all employees to discuss the value of the compensation package provided to each employee. It is our collective goal to have employees be paid competitively, and for them to fully understand the package to be provided in FY 2018-19. While I know you also share my sentiment, our further goal is to have 0% turnover in the year ahead, or as close to that as may be possible to achieve.

Thank you. If you should have questions, I will be glad to attempt to answer those.

