

PERSONNEL BOARD – TOWN OF CONCORD, MA

MEETING MINUTES

Date: January 9, 2020

Location: Town House, Select Board Room

Present from the Board: Ellen Quackenbush (Chair), Nancy Crowley (Vice-Chair) William Mrachek, Jim Richardson

Others Present: Amy Foley, Human Resources Director, Stephen Crane, Town Manager, Susan Bates, Select Board Observer

1. Call to Order

The meeting was called to order at 5:17 PM. Stephen Crane, Town Manager introduced himself to the Board.

2. Town Meeting Warrant Articles

1) Ratification of Classification Actions

2) Classification & Compensation Plan

Ms. Foley explained that she and the Town Manager were seeking the Personnel Board's support in submitting articles for the Warrant that would propose the following changes to the Classification and Compensation Plan: changing the Finance Director title, ratifying classification actions taken in the past year, and increasing most salary ranges by 2.5% to maintain ranges that attract and retain competent employees and build upon the varied plan adjustments made last year.

Mr. Crane proposed to change the "Finance Director" title to "Chief Financial Officer," explaining that the request was an effort to make the title more commensurate with the duties of the position. He emphasized that the placement of the position in Grade MP-9 and the compensation *do* reflect the job duties, so the request is for a change in title only. The title of Chief Financial Officer is being proposed as it more accurately reflects the scope of the work and nature of the responsibility.

Mr. Mrachek asked whether a market survey for a Finance Director would yield different results than a survey for a Chief Financial Officer. Ms. Foley advised that when the Town compares compensation with other towns, we include a capsule job description as a basis for comparison—you can't compare based on job title only. Mr. Richardson noted that at state level there is a trend toward CFO titles. Ms. Quackenbush asked about a scoring system for positions. Ms. Foley explained that Concord does use a scoring system, but that each town has their own way of classifying positions that may or may not be similar to ours.

Mr. Richardson asked for confirmation that the propose 2.5% increase is to the ranges in the Classification & Compensation Plan, but not a 2.5% increase in staff salaries. Ms. Foley explained that a 2.5% increase in the ranges does not result in an automatic salary increase unless someone is below minimum of the pay range. She explained that what we are preparing for now is what will be proposed at Town Meeting and, if approved, go into effect July 1st. Every year, salary increase plans are proposed to the Board after Town Meeting; the amount employees actually get will be controlled by what is approved in the Budget. There is a July 1 salary review for all employees and some employees receive an increase on their service date. All increases are contingent on satisfactory performance.

- Upon a MOTION made by Jim Richardson and seconded by Bill Mrachek, the Board unanimously voted to:
 - support the Town Manager in submitting Warrant Articles reflecting the following proposed changes to the Classification and Compensation Plan with the understanding that the Personnel Board will make specific recommendations at Town Meeting:
 - 1) Change the title “Finance Director” to “Chief Financial Officer” effective January 9, 2020, subject to ratification by Town Meeting.
 - 2) Ratify all classification actions taken by the Personnel Board since the 2019 Town Meeting.
 - 3) Effective 7/1/2020, amend salary ranges contained in the Classification & Compensation by:
 - increasing all range margins by 2.5%, except where a range is found to be sufficient
 - further increasing each range minimum that is less than the current Massachusetts minimum wage to \$12.75 per hour

3. Miscellaneous Compensation Schedules

a) Amendments to Schedule #7-1, General

b) Amendments to Schedule #7-2, Recreation

c) Amendments to Schedule #7-3, Human Services

Ms. Foley explained that compensation schedules for positions classified as temporary or Limited Status do not need to be approved at Town Meeting like Regular Status positions, so these are just for Personnel Board and Town Manager approval. She reviewed two schedules with proposed amendments illustrated. Ms. Foley explained that the changes reflect the increase in the Massachusetts Minimum Wage, from \$12.00 to \$12.75 per hour, which goes into effect on January 1, 2020. In addition to increasing the minimum of any range below \$12.75, maximum and other ranges have been adjusted to maintain range increments of and between positions. Further, Ms. Foley noted that a Camp Director position was added and bus driver deleted. No action was recommended on PPP #7-3.

- Upon a MOTION made by Jim Richardson and seconded by Bill Mrachek, the Board unanimously voted to:
 - amend PPP #7-1, the Miscellaneous Compensation Schedule for General positions effective January 1, 2020 as proposed in the document handed out at this meeting; and
 - amend PPP #7-2, the Miscellaneous Compensation Schedule for Recreation positions effective January 1, 2020 as proposed in the document handed out at this meeting.

4. Discussion re Role of Personnel Board & Bylaw Updates

Ms. Quackenbush presented an update on a project intended to look at the role of the Personnel Board. She and Ms. Foley have had some initial discussions, and were considering hiring an outside consultant to work on the project.

Ms. Quackenbush explained that the Personnel Board was established when Concord did not have strong Town Manager form of government. The workforce has changed a lot since then, which has included increased unionization. Over half of regular Town employees are now members of a union. To provide consistency and control risk, we need to consider the appropriate recourse or body to hear non-union employee appeals. Union employees have separate arbitration procedures. She noted that Mr. Crane, in discussing whether this is an appropriate role for board or committee members, suggested that perhaps a professional mediator or negotiator should take this role on.

Ms. Quackenbush noted that the Board has been approving actions, as opposed to providing any significant input or changes, which raises the question of what is the appropriate role for the Personnel Board. A consultant to review what other towns with a Strong Town Manager structure do might be helpful. Concord's Personnel Board seems to have started before the current structure was in place, so perhaps we have evolved beyond needing a Personnel Board, or needing it as currently designed.

Ms. Quackenbush discussed the barriers the current structure presents in quickly responding to increasing service expectations of citizens, creating or changing positions, and providing job diversity and challenges for talented employees. For example, the Town Manager has authority to create and change positions, but a job title or salary range change can only go into effect if approved by the Personnel Board, and then the title and range need to be ratified at Town Meeting as much as a year later. This can limit the Town's ability to attract or retain good employees. Ms. Foley also noted that it isn't clear what the legal ramifications of a vote against ratification would be.

Ms. Quackenbush feels there are a lot of things to question about the current structure of the Personnel Board. She invites open discussion regarding whether the Town should

disband the Board, taking responsibilities and parsing them out to the Select Board, HR Director, Town Manager or others.

Ms. Crowley noted that the Board discussed this last year and she feels the Personnel Board has authority for things they don't need to do. She said it takes a long time for things to go through the Town's process. Usually businesses do these types of actions and move on. It seems like the Town Manager should have authority to do more of this, not the Personnel Board.

Ms. Foley discussed potential of additional legal issues related to the current personnel system. She noted that the number of employment laws has increased substantially through the years, and a board or committee member may not have a full understanding of the legal implications when they vote on a personnel matter. The Town could face equal pay or discrimination claims related to compensation and classification actions. Employment actions also involve complex legal matters. It is the Town Manager's and professional staff's responsibility to make decisions based on training and experience. Board members may or may not have any knowledge of employment laws when making decisions and giving advice on an employment action. If a Board member's vote is based on how they feel about a situation rather the law behind it, Ms. Foley noted that the Town could get into a difficult situation.

Mr. Crane said that when he first arrived in Concord, Ms. Foley advised him that this was something she and the Board had talked about. He was willing to share his perspectives, but didn't want to be viewed as "the new guy coming in and trying to grab the reins." He stated that in Longmeadow, where he came from, there is no Personnel Board. The Town's relatively new charter, from 2004, requires a compensation plan approved by the Select Board; the Town Manager fixes compensation for all employees and is the appointing authority. Mr. Crane stated that in his opinion, a personnel board can limit the organization in terms of flexibility. He continued to explain that personnel boards were intended to be a check and balance on the Town Manager, but that check and balance is now provided by employment laws, which provide many new methods for employees to seek redress. Mr. Crane said he supports the idea of Concord's Personnel Board examining its role, but he is not pushing for it. If the Board determines that there is no longer a need for a Personnel Board, he would recommend having a committee or task force look at our workplace and working conditions (telecommuting, dress code, opportunities for growth, etc.).

There was a discussion of how, if the role of the Personnel Board was different, there might be more ability to focus on things that would have a more meaningful impact on employees. For example, there was a discussion of the need to look at factors other than compensation benefits as a means of attracting and retaining employees. With high expectations on Town staff, the Board noted the need to identify why people come to public sector when they aren't going to make the money they would make in the private sector. Differences in how the younger generation approaches work were discussed,

specifically, that they are more focused on personal goals and having a healthy work-life balance. Mr. Crane emphasized that compensation is still an important factor in attracting and retaining employees, but that we need to consider what would set Concord apart if our compensation is similar to another town. Looking ahead, Mr. Crane plans to get outside help to assist him and Ms. Foley in looking at the entire compensation system. He commented that the end work product, even if there isn't a Personnel Board, is going to be a compensation plan that is a document available for people to see and comment on, and for which the Select Board can hold the Town Manager accountable without making wildly subjective unilateral compensation decisions. Ms. Quackenbush confirmed that transparency is important to Concord citizens and employees.

Mr. Crane pointed out that when an employee leaves, the organization loses their investment in that employee, which can include time, training, licensure costs, etc., and that it is hard to quantify how much money that is. There was a discussion of the current turnover rate, which Ms. Foley said had historically run about 10%. She did not have a current number because of the recent change in HRIS systems, and other factors, but did acknowledge that the current turnover rate seems higher and that the number of recruitments has increased.

Mr. Richardson asked if the proposal is to abolish the Personnel Board, and Ms. Quackenbush stated that she thinks the proposal is to study options first. Mr. Richardson noted that he doesn't feel the Board's current role provides a whole lot value. Mr. Mrachek concurred and noted that a challenge with a task force, or something that does add value, might be how to attract citizens with HR talent to participate. There are people with skills that could provide meaningful help to leadership; however, there is a trade-off as there would be an additional burden placed on leadership for time it takes to get data and inform the group on Concord's workforce and workplace. Mr. Mrachek expressed that he does not feel that he, or the Board, provides value. Mr. Crane stated that he doesn't think it is that the Board doesn't have value, but the value members bring is limited by the structure and a taskforce or committee may be more appropriate in today's climate. Ms. Crowley thinks it doesn't make sense for the Board to be looking at compensation and holding everything up. She is not sure that what the Board does is a help to the Town Manager and just in general, and feels it is time to let go.

There was a discussion of whether it was too late to move forward with an article to abolish the current Personnel Board structure, since the deadline for warrant articles was the next day. There was concern about it being perceived as moving too quickly or "pulling one over" on the voters. The Board discussed how best to approach the idea with citizens, and the importance of communicating well. Mr. Crane pointed out that the Envision Concord goals include a goal of reducing boards and committees, and said that our education/communication should explain that the Personnel Board began as a check and balance system, but that it has become a liability in an environment which has changed

significantly. Ms. Foley stated that there had been a warrant article in the past which would have taken approval of the compensation plan out of Town Meeting. She said that the article was initially well received, but the timing wasn't right to complete the process. Mr. Crane said that there seemed to be consensus among the Board about its lack of a meaningful role, as well as a consensus administratively that there is liability with the current system. He pointed out that the voters would have to be given adequate notice of what they are voting on, but the language of a motion could be tweaked if needed. Ms. Foley suggested that perhaps an article could be drafted in time for the deadline and then withdrawn before the warrant goes to print if the Board didn't vote to support it as written. Also, the public hearing process would give the Board the opportunity to hear feedback and then decide whether to proceed. Ms. Quackenbush noted that classification and personnel bylaw articles have not been hot topics at past hearings and town meetings, and therefore this change might be fairly easy if we've spent enough time communicating. Ms. Bates noted that the role of the Personnel Board has been questioned and discussed since she became a member in 2010, and likely before. Ms. Quackenbush expressed support of a change provided there is sufficient time to prepare communications for the hearing. The Board won't vote on this matter until and unless a specific Charter or Personnel Bylaw amendment is drafted for their consideration. There was a discussion of whether the idea could be discussed at the next Select Board meeting, and Mr. Crane said that he would discuss with the Select Board chair to determine next steps.

5. Approval of Minutes

Not discussed

6. Future Meeting Schedule

Not discussed

7. Adjournment

Nancy Crowley motioned to adjourn; Jim Richardson seconded the motion. The meeting was adjourned at 6:43 pm.

Respectfully submitted by Stephanie Oliver, Asst. HR Director/Amy Foley, HR Director

Documents Used or Referenced at the Meeting:

- Proposed Motions for Actions Requested, January 9, 2020 Personnel Board Meeting
- PPP #7-1, Miscellaneous Compensation Schedule – General – with proposed amendments
- PPP #7-2, Miscellaneous Compensation Schedule – Recreation – with proposed amendments