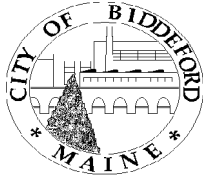


City of Biddeford
Personnel Committee
November 17, 2020 3:00 PM Zoom

- 1. Call to Order**
- 2. Acceptance of Minutes**
 - 2.1. Acceptance of Minutes
[Minutes 10-20-20.docx](#)
- 3. Discussion**
 - 3.1. Nonunion Adjustments and Pay Scale
[Nonunion Adjustment and Pay Scale Memo 11-17-20.pdf](#)
- 4. Other Business**
- 5. Adjourn**



PERSONNEL COMMITTEE MEETING

Tuesday October 20, 2020
Human Resources Department

3 PM

Minutes

ITEM 1 Call to order

Present were William Emheiser, Normand Belanger, Robert Quatrone. Also present were James Bennett, City Manager, Diana DePaolo, Human Resources Director, and Hillary Owens, Management Analysis.

As Chair Councilor Michael Ready was absent, a motion was made by Councilor Belanger, seconded by Councilor Quatrone, for Councilor Emheiser to act as Chair.

ITEM 2 Acceptance of Minutes

Minutes from August 18, 2020 meeting accepted

ITEM 3

Item 3.1 E-Policy Review

Committee revisited policy wording per Councilor Ready's request to wait for Councilor Belanger's input. Process reviewed and language accepted unanimously.

ITEM 4 Other Business

No other business.

ITEM 5 Adjourn

Meeting adjourned at 3:16

City of Biddeford, Maine



The Office of
City Manager

James A. Bennett

Email: jbennett@biddefordmaine.org

MEMORANDUM

TO:	Personnel Committee Mayor Alan Casavant
FROM:	James A. Bennett, City Manager
DATE:	November 13, 2020
RE:	Non-Union Adjustments

On Tuesday, the Personnel Committee will be considering adjustments to pay for the non-union employees. This memo contains my recommendations.

Background

Three of the four unions were scheduled to receive either a 2.5% or 2.25% adjustment to their respective pay scales effective July 1, 2020. The fourth union is still in negotiations. It should be noted that the contracts (except for the public works supervisor contract) have built in longevity steps within the agreements that make the economic value of the 2.5% adjustment greater.

During the budget process, the City formally asked those unions if they would agree to defer any adjustments to pay until January 1, 2021. The unions agreed. The specifics of that agreement require one of two events would occur prior to January 1.

- The City must adjust the pay of all employees according to the new pay scale on January 1, 2021. In addition, the City will pay any retro pay back to the employees for the six-month deferral.
- The City could formally request that the unions reopen up the contracts for the purposes of renegotiating the wages for the July 1, 2020 to June 30, 2021 period. The union is not required to do so.

The unions agreed to the deferral request based primarily on the City's desire to have better information regarding the two key city non-property tax revenues (excise tax and revenue sharing). We agreed to update the union monthly on these key revenues. As the committee members are aware, to date, we have exceeded the revenue forecasts each month. At the end of October, we have exceed projections by \$574,355.12 or 31.76% for the four month projections. As I have reported, I remain cautiously optimistic but concerned about the majority of the total forecast occurs in the last quarter of the budget year (April to June 2021). Even with the concern, the City should not expect the unions to agree to open up the contracts. I am recommended the City honor the contracts and not make any such request.

Non-Union Adjustment

Non-union pay is traditionally adjusted annually for July 1. The Council appropriates a merit pay pool of funds for the adjustments. Based on merit, raises are given to the employees. The non-union employees include the department heads as well as the other support staff (primarily in City Hall) that used to be part of a union before they voted to decertify (60 +/- employees). While the funds remained

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Diana Depaolo, Human Resource Director, 205 Main Street Biddeford, ME 04005, or call (207) 286-0593.*

in the adopted budget, all non-union adjustments were put on hold until January, similar to the unionized workforce approach.

Non-union employees are placed on the non-union pay scale that was developed and adopted in 2017. Unlike the union employees, there are no built in longevity steps. The scale provides guidance for initial placement of new hires based on relevant experience. Annually, the pay scale is 'aged' (adjusted by some percentage) in order to keep the scale in line with the market. As a reminder, the pay scale was developed based on what the comparable communities were paying for similar positions. Committee members may recall that 'aging' the pay scale does not result in any changes in compensation for any employee.

Normally, the aging of the pay scale would be the only action that would be required to implement merit increases. Pay would be adjusted by the City Manager. Pay adjustments would be limited by the available funds appropriated by the Council through the budget process and the limits of the pay scale itself.

Approval for Non-Union Employees' Adjustment

As outlined above, the Personnel Committee has the final authority on the 'aging' of the pay plan during normal years. This year has been anything but normal. Because of the pay deferment decision for non-union employees, a decision to authorize any adjustment is necessary.

For this year only, I am requesting that the merit criteria of the pay adjustment be put on hold. Instead, I am asking permission to implement pay adjustments based on two components. I am suggesting that all employees that have received a positive performance review would receive the same percentage adjustment. I would also like to provide to all non-union employees a one-time bonus (out of the available funds) that would be the same dollar amount. Details are these recommendations are contained later within this memo.

Aging of the Pay Plan

Over the last couple years, the pay plan has been 'aged' based on the cost of living. During the same time, the unionized workforce adjustments have exceed the 'aging'. As a reminder, prior to 2018, the non-union did not have any structure pay plan or pay scale. The attached chart summarizes those changes:

YEAR	CPI	POLICE	PWD	'AGING'
2016	2.1%	2.0%	2.0%	N/A
2017	2.1%	2.0%	2.0%	N/A
2018	1.9%	3.0%	2.0%	1.5%
2019	2.3%	5.0%	4.0%	3.5%
2020	1.8%*	2.5%	2.25%	TBD

I am recommending that the Personnel Committee approve the non-union pay scale be aged for FY21 by 2.5%, which is equal to the highest amount given in actual adjustment to any unionized pay scale. I remind the committee members, the aging does not change any employee's rate of pay. It does not give any person a raise. It simply adjust the range of pay that the City is willing to pay for any non-union positions.

Non-Union Adjustments

As noted above, I am formally recommended that we suspend the pay for performance merit system for this year only for the obvious reasons. If acceptable to the committee, a formal motion should be made for the change. I have included a set of suggested motions in a section below to implement the suggestions contained within.

If the committee is comfortable with the one year suspension, I would plan to use the available fund to provide for each employee (given acceptable performance and not currently a new hire on probation) a 1.5% across the board adjustment to their base pay, retro back to July 1. In addition, I would also grant a one-time two hundred and fifty dollar (\$250.00) bonus for the same employees. Budgeted funds for non-union adjustments are significant to cover this recommendation.

Finally, I am also formally recommending that the Personnel Committee recommend to the City Council that we give all non-union Thursday, December 31, 2020 off with pay. The corresponding offices would be closed for that day.

I offer the following rationale for my recommendations. First, by splitting the available funds between adjustment to wages and bonuses it allows more of the available funds to be paid to the lower wage earners. With the one-time bonus being equal dollar amount for all employees, it has a higher value to the lower wage earners.

Offering new years' eve of this year is primarily a thank you and psychological recognition that 2020 has not been an enjoyable year for most. I believe that our employees have been responsive, most cooperative and understanding as we continued to make adjustments to their work expectations. The token appreciation has little to no financial impact but I believe will be most appreciative by the staff.

I anticipate my other meeting that day will have concluded in time to join the committee meeting. I will be glad to response to any questions.

Suggested motions:

The following are the suggested motions to implement the recommendations contained within this memo.

1. Motion to approve the aging of the non-union pay scales by 2.5% for the period covering July 1, 2020 to June 30, 2021. *If the members desire a different percentage change, the same motion is appropriate with that amount being substituted.*
2. Motion to approve a one year suspension of the non-union merit pay system for the period covering July 1, 2020 to June 30, 2021.
3. Motion to authorize the City Manager to implement wage and bonus adjustments for FY21 budget as outlined and further limited by the available funds for said purpose.
4. Motion to recommend to the City Council that they provide the non-union employees December 31, 2020 off with pay and authorize the City Manager to close the corresponding officers to implement the paid day off.