

TO: Village Council and Mayor Brown
FROM: Finance Committee, Rob Bartlett - Chair
RE: Village Organization Structure
DATE: February 4, 2021

The Finance Committee met on Thursday, February 4, 2021 at 3:30 pm via Zoom to discuss the Village's organization structure. Present at the meeting were Finance Committee Chair Rob Bartlett, Finance Committee Members Joe Stelzer and Kelly Rankin, Mayor Bill Brown, council member Marcy Lewis, Fiscal Officer Tony Borgerding and Assistant Fire Chief Tim Feichtner.

As part of the 2020 salary benchmarking, for the first time we collected data from five neighboring communities (Terrace Park, Fairfax, Newtown, Columbia Township and Amberley Village) on the other village employee roles besides just police and fire. The attached table 1 summarizes the data collected. Key observations from an organizational structure standpoint are as follows:

1. Mariemont is the only municipality without a full-time Fiscal Officer.
2. Mariemont and Newtown are the only communities without at least a part time Village Administrator.
3. Mariemont and Amberley Village are the only communities that have a salaried Building Administrator role (Amberley Village also has the largest number of village employees and some of the highest salaries among the six communities). Everyone else pays for this work on an hourly basis.

Other observations about those three different roles:

1. Village Administrator: the activities we believe are not getting done today are as follows:
 - a. Economic Development – we have an industrial zone that is significantly underutilized and currently we have no incentives in place for development there. With Kellogg notifying us that they are reducing their number of employees, we need to attract businesses, particularly businesses with higher wages, as our earnings tax typically accounts for roughly 60% of our total revenue.
 - b. Grants – Fairfax' Village Administrator has gotten \$4.75 million in grants for their village. Columbia Township's previous Village Administrator got over \$11 million in grant money. There are funds available if we have someone who has the time and the skills to go after them.
 - c. Fiscal Responsibility – between 2015 and 2019, the Village spent \$1.15 million more than our revenue. This in spite of a new safety services levy in 2018 that brought in an additional \$305,000/year. We need someone to drive planning, budgeting and accountability, and someone who also has experience identifying and implementing savings opportunities throughout the Village.
 - d. Long Term Planning – we typically only look 1-2 years out in our planning. We need to start planning out 5+ years, particularly in areas like capital improvements (streets, pool, sewers, etc) and developing an overall master plan.
 - e. Communications – we need to improve communications with residents. We also need to improve working with organizations like Hamilton County Development Corp, Community Improvement Corp, Eastern Corridor Committee, Hamilton County Tax Incentive Council, and others, to share best practices and identify opportunities for Mariemont.
 - f. HR Manager – we have no program in place to assess and develop our non fire and police employees. We also have no proactive succession planning, organizational analysis or compensation analysis and management.
2. Building Administrator: We are currently paying four people to do what two people previously did. For perspective, between 2018 and 2020, the total cost of our Building Department exceeded the permit fees collected by \$40,713/year on average (see attached table 2). In order for us to break even at today's costs, we would need to almost double our fees. Our fees are already more expensive than Glendale, Madeira, Worthington and the City of Cincinnati. Doubling our fees would put us significantly above all

of the communities benchmarked (Wyoming and Hamilton County as well). We need to either find someone who can do all of the things our previous Building Administer did and be paid on an hourly basis, or we should adopt the same model as Fairfax and Terrace Park, who have a Zoning Administrator but have contracted with Hamilton County to do the building permits. Also, permit fees should cover our expenses so we can eliminate a \$40,000 deficit from our budget, but the fees should also not be exorbitant.

3. Fiscal Officer: we are currently paying four people to do the work of one Fiscal Officer. While having a full time Fiscal Officer is important, we recommend waiting until either the Administrative Assistant or the Staff Assistant role becomes vacant, and then hire a full time Fiscal Officer instead of filling the vacant role. We could also then absorb the two part time Fiscal Officer roles (saving roughly \$10,000/year). and return the Administrative Assistant role to being more of a typical administrative assistant. Having a full time Fiscal Officer would also help to drive more financial accountability and enable more in-depth financial analysis within the Village.

The following are the Finance Committee's specific recommendations:

1. For the next 90 days, the Mayor, working with Mr. Bartlett, will define the Village Administrator role and begin talking to potential candidates. During this 90-day period, alternative plans for hiring consultants to cover all of the areas that are not currently being addressed will also be developed by Mrs. Rankin. At 90 days or before, the Finance Committee will reconnect to develop a recommendation to present to council on what we think the right next steps are.
2. Over the next 60 days, the Mayor, working with Mrs. Rankin, will determine if a viable candidate exists to take over all aspects of the Building Administrator role, including doing the building permits and inspections, and to be paid on an hourly basis. Part of that analysis will also include how much permit fees would need to be increased to cover the cost of the redesigned Building Department. If a viable candidate is not located in 60 days or the necessary fee increase is determined to be too much, then the Village will start the process of creating a Zoning Administrator role in the Building Department and contract with Hamilton County for the building permits and inspections. This will also include a review all of the permit fees that will remain with Mariemont and the appropriate amount to charge for each.
3. When either the Administrative Assistant or Staff Assistant role becomes vacant, Mariemont should strongly consider hiring a full time Fiscal Officer instead, and use the Fairfax Fiscal Officer role description as a guide for what the responsibilities should be.

Respectfully Submitted,

Rob Bartlett, Chairman

Kelly Rankin, Vice-Chairman

Joe Stelzer, Member

Table 1:

	Mariemont	Terrace Park	Columbia Township	Newtown	Fairfax	Amberley Village
Village Admin		\$121,320**	\$130,000		\$103,000	~\$125,000****
Fiscal Officer	\$9,785*	\$45,000***	\$65,000	\$57,678	\$65,000	\$79,955
Admin Assistant	\$70,250			\$44,741		\$63,336
Staff Assistant	\$46,090					\$48,048*****
Building Admin	\$42,000	hourly	hourly	hourly	hourly	\$84,572

*Mariemont has 1 part-time Fiscal Officer and 1 part-time Assistant Fiscal Officer

**Terrace Park's Police Chief is also their Village Administrator

***Terrace Park's Fiscal Officer is also their Administrative Assistant

****Amberley Village did not provide the salary for their Village Manager, but in 2017 he made \$113,762

*****Amberley Village's Staff Assistant is a part time role. Their hourly rate translates into this level of pay if the role was full time.

Table 2

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>3 yr average</u>
Building Permit Income	\$44,647	\$43,753	\$42,294	\$43,565
Building Department Exp	<u>\$85,753</u>	<u>\$67,664</u>	<u>\$99,415</u>	<u>\$84,277</u>
Loss	(\$41,106)	(\$23,911)	(\$57,121)	(\$40,713)