

Joint Administrative Services Board
November 14, 2013 Called Meeting 3:00 pm

At a called meeting of the Joint Administrative Services Board held on Thursday, November 14, 2013 at 3:00 pm in Berryville Clarke County Government Center Meeting Room AB, Berryville Clarke County Government Center, 101 Chalmers Court, 2nd Floor; Berryville, Virginia.

Members Present

Sharon Keeler; David Ash; J. Michael Hobert; Michael Murphy; Chip Schutte

Members Absent

None

Staff Present

Tom Judge; Gordon Russell

Others Present

None

1. Call to Order - Determination of Quorum

At 3:00 pm, Chairman Schutte called the meeting to order.

2. Approval of Minutes

David Ash, seconded by Sharon Keeler, moved to approve the October 28, 2013 meeting minutes as presented. The motion carried as follows:

David Ash	-	Aye
J. Michael Hobert	-	Aye
Sharon Keeler	-	Aye
Michael Murphy	-	Aye
Charles "Chip" Schutte	-	Aye

3. ERP Proposal Evaluation Process.

Attached is the section of the RFP pertaining to proposal evaluation. The Board should determine the process for deciding upon the best proposal.

Highlights include:

- Received three ERP proposals from: Tyler Munis, Keystone and Open RDA.
- Evaluation is a three-phase process:
 - 1) Verify that each vendor has provided the minimum criteria;
 - 2) Review proposals of those vendors meeting the minimum criteria and look at from these perspectives: functional requirements, implementation requirements, cost, technical requirements, general vendor background;
 - 3) Vendors meeting requirements would be asked for further information and/or software demonstration, site visits, deviation review, and reference checks would be performed.
- A consultant, if deemed necessary, would enter the process during the second phase.
 - Received two proposals from consultants: GFOA and Plante Moran.
 - GFOA presented a cost of \$84,000 to perform the needs assessment, RFP compilation, evaluation and contract negotiation. Tom Judge noted that GFOA had already conducted and was paid for the needs assessment.
 - Plant Moran presented a cost of \$39,600 for evaluation [\$19,800] and statement of work and contract negotiation [\$18,000] having taken into account where the County is in the process.
 - Cost is inclusive of travel and incidentals, as requested by Tom Judge in the RFP.
 - No timeline was specified in the RFP however the timeline will be contingent on the County's pace.
 - The Board discussed handling evaluation and vendor selection in-house given the limited number of ERP proposals.
 - Both Chairman Schutte and Vice Chairman Hobert expressed their preference for hiring a consultant.
 - Mike Murphy suggested hiring, for a limited period, a "clerk of the works" for project management that would review and provide recommendation.
 - Gordon Russell suggested using consultant services to establish an implementation plan.
- Tom Judge proposed:

- A staff technical committee, Gordon Russell, Sharon Keeler, Annette Gilley, Mike Legge and Tom Judge, will conduct an initial review, evaluate and report back to the Board.
- The Joint Administrative Services Board will review and rank the proposals.
- If deemed necessary, a consultant would be hired to help write the statement of work and contract negotiations – a cost of approximately \$18,000.

4. Response from Springsted Concerning the Selection of Benchmark Communities

The County is updating its Pay and Classification study, and the School Board has released an RFP for a similar study, which is due back December 3. At its last meeting the board discussed the considerations for achieving a common set of benchmark communities for these studies. Questions raised were answered by the Government's current consultant, and are attached.

Tom Judge reminded that at its last meeting the Board had discussed various concerns and instructed him to seek direction from the consultant, John Anzivino – Springsted. Below is the email with questions and responses.

From: Tom Judge [mailto:tjudge@clarkecounty.gov]
Sent: Tuesday, October 29, 2013 10:51 AM
To: John Anzivino
Cc: David Ash; Murphy, Michael
Subject: Clarke County Benchmark Communities

John,

The Joint Administrative Services Board met yesterday. We discussed the impending Pay and Classification update for the Government, and the School Division's impending Pay and Classification Study. We agreed that establishing a common set of benchmark communities was a worthy goal, but many questions arose about how to accomplish this:

1. What should the size of the set be? Are there statistical benefits to a larger set?

We prefer to use, at minimum, about 10 to 12 localities/entities. The benefit to a larger set of benchmarks is ensuring we have an adequate number of base responses. It also serves as a better illustration of market competitiveness, particularly when the data is compared on a side by side as well as consolidated basis.

2. Is it best practice to allow the consultant to select the benchmark communities? If so, what basis would be used to make the selection?

We would select the benchmarks. This is a good idea because the choices come from an independent source and any perceived bias resulting in what may be considered a higher or lower pool of survey results can be avoided. The consultant would typically chose communities/organizations based upon a number of criteria including: exit interview data from the local government indicating where employees may be going to work in other jurisdictions for additional pay, geographic location (typically abutting the community

conducting the study, comparably sized jurisdictions with comparable services and other localities whom the community consistently benchmarks against. Some may be close by, or not. In the case of Hagerstown, Maryland we had to use Annapolis, Maryland and the City of Manassas because we needed comparable communities who operated electrical utilities. We always, however, gain a level of approval of the jurisdictions from the community.

3. If the Boards each wish to have a role in creation of a common set of benchmark communities, can the consultant assist in the negotiation that may be required to achieve this?

Yes.

There was much discussion here: include communities that take our employees? communities from which we draw employees? Similarly sized and located communities? Communities with similar tax bases?

As noted above these are all factors which may be used in the determination of benchmarks.

4. Can the consultant assist in a sensitivity analysis of the benchmark communities? For example, analyzing the affect of including or excluding certain communities?

Yes. We have done this before. This may add some cost to the project as additional sensitivity analyses take time to complete.

Please let me know your thoughts on these matters. The five JAS members (SB member, BOS member, County Administrator, School Superintendent, Treasurer) were in agreement that seeking this common basis of comparison should not risk slowing down the completion of these studies. I am to report back to this group at their meeting November 14.

Thanks,

Thomas J. Judge, Director of Joint Administrative Services, Clarke County, 540-955-6172

Mike Murphy stated that the Schools have issued an RFP.

Mike Hobert opined that it would be potentially beneficial if the Joint Administrative Services Board lead this project. Chip Schutte and Mike Murphy concurred.

Mike Murphy commented that the Schools had recommended that the consultant pick the control group.

Tom Judge noted that Clarke has employees that perform many different roles or tasks, which must be taken into account.

Mike Hobert commented on inclusion of the Schools' master supplement.

Mike Murphy suggested making Gordon Russell the alternate PIO.

The Joint Administrative Services Board would be responsible for:

- Selection and approval of benchmark communities.
- Study intent, common methodology.
- Governance process, policies.

Mike Murphy put forth that beyond pay and classification the Board could make recommendations and informed business practices.

Tom Judge added that there was common experience with FMLA, the Affordable Care Act, and other issues that the Board could broker and assist the Schools and the General Government in understanding. He remarked that over time there would be the possibility that the two entities could be drawn closer in terms of personnel policies.

Mike Murphy added that the Schools were in the process of reviewing leave policies

By consensus, the Board agreed to act as the control group for the pay and classification study.

5. Need for Employee Communication on Benefits.

JAS staff recommend a communications effort with employees with regard to the following benefit changes:

- a. *Flex Benefits. The Group now has a two-and-a-half month run-out period at the end of each plan year where employees can continue to incur claims against that plan year. A new regulation permits groups to opt for a \$500 carryover at the end of the plan year instead. It is recommended that flex plan members be polled as to which of these two options is preferred.*

Tom Judge provided an overview of the proposed federal change. He said that Board would be provided poll results for review.

By consensus, the Board agreed to proceed in this manner.

- b. *ACA Enrollment option. All employees should be informed that the open enrollment window for the Affordable Care Act is considered a "qualifying event" for dropping membership in Clarke County's group. That window continues open through March 31.*

Tom Judge provided an overview of the proposed federal change.

Mike Murphy commented that he has a conference call set up with the Kenyan Group, an insurance broker similar to American Fidelity; and he would be sending out an invitation for November 26 at 9:30 am to Board members, as well as Annette Gilley, Rick Catlett and others. He added that this group is designing plans under the Affordable Care Act.

c. New Hybrid Retirement Plan Option. All benefits eligible employees hired after January 1 will be enrolled in the Hybrid Retirement Plan. In addition, anyone in either of the other two retirement plans can opt to enroll in the Hybrid Retirement Plan during a one-time open enrollment window from January 1 through April 30, to take effect July 1.

Tom Judge provided an overview of the proposed change to the Commonwealth's retirement plan.

The communications effort would include mass emails of a link to relevant web pages, employee meetings in January, and communications to managers during staff meetings.

David Ash recommended that items a. and b. be communicated in such a manner that a specific course of action is not suggested.

Joint Administrative Services Director Employee Evaluation

Mike Hobert added to the agenda discussion of the annual employee evaluation opining that the matter should have been raised in October. He noted that the by-laws require annual review and he expressed his desire to conduct the evaluation quickly and efficiently and by the end of December.

Mike Murphy and David Ash will coordinate.

Next Meeting

The next regular meeting is scheduled for December 16, 2013.

Adjournment

Chairman Schutte adjourned the meeting at 4:35 pm.

Minutes Recorded by David Ash and Transcribed by Lora B. Walburn