

FINAL-Draft Posted 06/07/2021

VHFA Board Human Resources Committee Meeting Minutes

VHFA Board Room, 164 Saint Paul Street, Burlington, VT
and Zoom video meeting

June 7, 2021

Present: Josh Hanford, Chair (designee of Lindsay Kurrle), Gus Seelig, Jeanne Morrissey, Jill Rickard (designee of Michael Pieciak) attended via Zoom

Staff: Maura Collins, Steve Gronlund (at VHFA Board Room) attended via Zoom

Mr. Hanford called the meeting to order at 9:04 am. He asked if the notice of the meeting and agenda were publicly warned and Mr. Gronlund confirmed.

Mr. Seelig made a motion to accept the minutes of the May 18, 2020 HR Committee meeting and Ms. Morrissey seconded the motion. Minutes were unanimously approved via roll call by Mr. Hanford.

Mr. Gronlund reviewed the memo titled FY 2022 Salary and Benefit Budget Recommendations starting with the Salary Budget. He discussed each major section and explained the rationale for staff's recommendation. Key points included:

- the Agency is well above budget for FY21 due to two factors: the mid-year administration of the Mortgage Assistance Program (MAP) and remote work reimbursements paid to staff to cover the additional costs of running a home office for the full year
- The proposed FY2022 salary budget is \$3,073,800, which is a 10.38% increase from last year's budget and significantly more than our historical average of a 3.04% annual increase. The primary reason for this atypical increase is the addition of 4.5 new staff
- based on an informal salary survey of related organizations, staff is recommending a salary increase of 3% for FY22 for all staff
- The FTE and Salary Comparison report shows an increase of three staff members in the actual FY 2021 FTE count and anticipates one additional staff member in the FY 2022 FTE count
- staff also recommended a \$12,500 Market Adjustment Pool for FY22, \$9,450 for the Housing Fellowship Program, and a \$10,000 overtime budget
- Total salary budget proposed for FY22 is \$3,073,800

Mr. Seelig discussed the advantages of systemically increasing the pay of the lowest wage employees, citing the progressive benefits of intentionally elevating lower paid staff so they did not lose ground with percentage increases. Ms. Rickard highlighted the advantages of the state's system of rapid increases for the first five to seven years of employment with then

slower increases thereafter (in addition to annual cost of living adjustments). Various approaches were discussed, as well as acknowledgement that VHFA's traditional approach of using a Market Adjustment pool likely achieved much of the same outcome but on an individualized basis. The consensus was to support management's approach of using a Market Adjustment pool to ensure the lowest paid staff received an increase in pay that ensured their pay did not fall behind that of the highest paid employees.

Mr. Seelig made a motion to accept staff's recommendations regarding the salary budget with an additional \$7,500 approved for Market Adjustments for staff (for a total of \$20,000), increasing the salary budget to \$3,083,800. Ms. Rickard seconded the motion. The recommendations were unanimously approved via roll call by Mr. Hanford.

Mr. Gronlund reviewed the Benefits Budget section of the same memo. He discussed each major section and explained the rationale for staff's recommendation.

Ms. Rickard made a motion to accept staff's recommendations regarding the salary budget as presented in the memo. Mr. Seelig seconded the motion. The recommendations were unanimously approved via roll call by Mr. Hanford.

Mr. Seelig made a motion to enter executive session at 10:14 am, which was seconded by Ms. Morrissey. It was unanimously approved via roll call by Mr. Hanford. The purpose of the executive session was to discuss an employee's performance.

Mr. Seelig made a motion to leave executive session and adjourn the meeting at 10:26 am, which was seconded by Ms. Rickard. It was unanimously approved via roll call by Mr. Hanford.

Mr. Gronlund confirmed that minutes of the meeting had been kept and will be posted.

Respectively Submitted,

Steve Gronlund
Director of HR & Administration