



COMPENSATION COMMITTEE MEETING

DATE: January 18, 2017
TIME: 10:00 a.m.
PLACE: Polk County Courthouse, Dallas, Oregon

THE LOCATION OF THIS MEETING IS ADA ACCESSIBLE. PLEASE ADVISE THE BOARD OF COMMISSIONERS (503-623-8173), AT LEAST 24 HOURS IN ADVANCE, OF ANY SPECIAL ACCOMMODATIONS NEEDED TO ATTEND OR PARTICIPATE IN THE MEETING.

AGENDA ITEMS

1. CALL TO ORDER AND NOTE OF ATTENDANCE
2. SELECTION OF CHAIRPERSON
3. APPROVAL OF MINUTES – January 13, 2016
4. ELECTED OFFICIALS SALARY MEMO FOR 2017-2018
5. ACTION: RECOMMENDATION TO BUDGET COMMITTEE
6. ADJOURNMENT

2016-2017 POLK COUNTY COMPENSATION COMMITTEE
JANUARY 13, 2016

CALL TO ORDER AND NOTE OF ATTENDANCE

1:00 p.m., Norbert Hartmann called the 2016-2017 Polk County Compensation Committee Hearing to order. Vern Wells, and Blair Wasson were also in attendance.

Staff Present: Greg Hansen, Budget Officer
 Heather Chase, Recording Secretary

The following minutes refer to the 2016-2017 Proposed Compensation Committee document and to the CD where the corresponding discussion was recorded. CDs of the proceedings are on file in the Board of Commissioners' Office.

SELECTION OF CHAIRPERSON

MOTION: BLAIR WASSON MOVED, VERN WELLS SECONDED, TO NOMINATE NORBERT HARTMANN FOR CHAIRMAN OF THE COMPENSATION COMMITTEE FOR 2016-2017.

MOTION PASSED UNANIMOUSLY.

APPROVAL OF MINUTES – May 20, 2015

MOTION: BLAIR WASSON MOVED, VERN WELLS SECONDED, TO APPROVE THE MINUTES FROM MAY 20, 2015.

MOTION PASSED UNANIMOUSLY.

ELECTED OFFICIALS SALARY MEMO & RECOMMENDATION TO THE BUDGET COMMITTEE

Greg Hansen, Administrative Officer presented a memo summarizing his recommendations for the salaries of the Elected Officials. There were two points of discussion in Greg's proposal: the first is the lag in elected official's salaries, and the second is the appropriate salary for the Treasurer's position for Treasurer only duties.

The results of the 2015-2016 salary survey shows the salaries for elected officials in Polk County continues to fall further behind the average salaries of the five surrounding counties by 1.86% to 19%. Because of the lag of Polk County elected official's salaries exhibited in the comparables, Mr. Hansen is recommending the following salary and stipend increases:

	Salary	Stipend/Expense Allowance
Clerk	4%	\$0 to \$150
Sheriff	3%	\$350 to \$250
Assessor	5%	\$200 to \$350
Commissioner	8%	\$400 to \$500

Mr. Hansen explained that the District Attorney's salary is paid by the State; however, most counties offer a supplement, which Polk County has not provided in the past and Greg is not recommending adding a supplement.

TREASURER'S POSITION MEMO

Mr. Hansen also informed the Committee that at the end of the Calendar Year 2016, Linda Fox will be retiring. In her time as Treasurer, Linda has acted above and beyond the elected treasurer duties (approximate 0.2 FTE), serving also as the appointed Tax Collector and de facto Finance Officer. Because the position of treasurer is elected, there is no guarantee that her replacement will have the qualifications to take on these additional duties. From a business organizational

standpoint, Greg feels there is too great a risk to leave the financial management of a \$60 million corporation up to the electoral process. Mr. Hansen is proposing hiring a Finance Officer after Linda's retirement (at a cost of \$65,000-\$75,000 per year), and decreasing the salary of the elected treasurer to \$1,000 per month with no health insurance benefits. Greg noted that the elected Treasurer could apply for the Finance Officer position.

The reduction of the Treasurer's salary is scheduled on the Board of Commissioners agenda for Tuesday, January 26, 2016. The Board would like to take action on this position prior to the filing deadline so candidates for the position are aware of the salary and scope of the position.

The AFSCME, Deputy District Attorney, Deputy Sheriff's Association, and FOPPO have all settled. Deputy DAs and AFSCME will be getting 1% COLA July 1, 2016 and 1% January 1, 2017. FOPPO will be getting 1.5% January 1, 2016.

Mr. Hartmann opened the meeting to Public Comment.

Dave Weston, candidate for Treasurer testified that he agrees with Greg. Mr. Weston has 12 years' experience as a CFO, and has a Master's Degree in Business Administration. If elected, Mr. Weston would bring a lot of experience and familiarity to the County. Mr. Weston understands that elected officials are servants of the public, and do not work for Greg. Mr. Weston would also be willing to serve as the spokesman for the County on financial issues (i.e. Public Safety Levy).

E.M. Easterly testified that there are currently nine counties throughout the state that have elected to go to home rule government structure, and believes that reducing the Treasurer's position is the first step for Polk County to also begin the home rule process. Mr. Easterly also questions the comparable counties used for the salary recommendations and does not see good reason to increase the Commissioners' salaries 8% after the levy just passed last year and will likely be needed in another 4 years.

Commissioner Pope explained that the home rule vision is different for each county, but most eliminate the positions of Assessor, Treasurer, and Clerk positions. For the amount of work that the elected officials do, you could not find volunteers to do what the elected officials do. Any savings found by going to home rule would quickly be eliminated by the need to hire additional administrative staff to do the work current elected officials do.

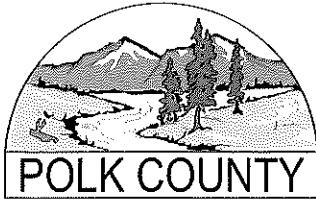
Vern Wells feels that an increase for the Commissioners' salaries are needed, before the comparables get so far behind that the County would never be able to catch up.

Blair Wasson commented that he weighs the health and condition of the private sector and local economy when considering whether to vote for salary increases, not so much as a comparison to surrounding counties. Currently property taxes and building development permits are trending up, showing economic growth. However, Mr. Wasson feels 8% is too high for the Commissioners.

MOTION: NORBERT HARTMANN MOVED, BLAIR WASSON SECONDED, TO RECOMMEND A COLA OF 4% FOR THE CLERK, ASSESSOR, AND COMMISSIONERS, AN INCREASE IN THE SHERIFF'S COLA AS REQUIRED TOM EET ORS REQUIREMENTS, SETTING THE TREASURER'S SALARY AT \$1,000/MONTH AS OUTLINED IN RECOMMENDATION 1, AND THE STIPEND/EXPENSE ALLOWANCES AS OUTLINED IN RECOMMENDATION 2.

MOTION PASSED UNANIMOUSLY.

Chairman Hartmann adjourned the meeting at 2:08 p.m.



INTEROFFICE MEMORANDUM

POLK COUNTY COURTHOUSE

TO: County Compensation Board
FROM: Greg Hansen, Administrative Officer
DATE: December 17, 2016
SUBJECT: Elected Officials' Salaries for 2017-2018

RECOMMENDATION:

The Polk County Compensation Board makes the following recommendations to the Budget Committee:

1. On July 1, 2017, increase/modify Elected Officials' salaries by the following amounts:

Clerk	3.0%
Sheriff	2.0%
Assessor	3.0%
Commissioners	6.0%
Treasurer	no change (\$1,000/mo) (Treasurer duties only)
District Attorney	\$750/month supplement (initial year)

2. On July 1, 2017, increase/decrease Elected Officials' stipend/expense allowances by the following amounts:

Treasurer	from \$5,850 to \$6,000 (increase)
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3. The only exception is if the Sheriff's salary needs to be modified to meet ORS requirements for his office.

ISSUE:

What is the appropriate salary increase for elected officials for fiscal year 2017-2018?

BACKGROUND:

The Oregon Legislature enacted Chapter 941 in 1989 requiring the governing body of each county to appoint a three to five member compensation board. Through Resolution No. 89-49 approved on 9/20/89, the County Board appointed the three citizen members of the Budget Committee to the Compensation Board.

Attached is the 2016-17 survey for elected officials. The survey results show an decrease in the degree that our salaries lag behind the surrounding counties. For 2016-2017 Polk County officials fall below the five-county average by a low of 3.38% to a high of 13.74%.

It should be noted that a 4% range above or below the five-county average salary is a goal that the County attempts to utilize for its salary/market competitiveness analysis for AFSCME and non-represented employees. When a range falls outside of 10% we either freeze the salary (when it is above) or do one time salary adjustments to correct the inequity (when it is below).

PAST COMPENSATION BOARD RECOMMENDATIONS:

In 1998-99, the Compensation Board recommended to the Budget Committee a 6% increase for the Assessor, a 4.5% increase for the Clerk and Treasurer, and a 3.3% increase for the Board of Commissioners and the Sheriff.

In 1999-2000, the Compensation Board recommended to the Budget Committee a 6% increase for the Sheriff, a 4% increase for the Assessor, Clerk, and Treasurer, and a 1.5% increase for the Board of Commissioners to maintain what was on the table for negotiation purposes.

In 2000-2001, the Compensation Board recommended to the Budget Committee a 5% increase for the Sheriff, a 4% increase for the Assessor, Clerk, and Treasurer, and a 3.5% increase for the Board of Commissioners, plus a \$50/mo increase in their expense allowance. The Treasurer also received a salary supplement for taking on additional finance duties.

In 2001-2002, the Compensation Board recommended to the Budget Committee a 4.0% increase for the Sheriff and 2.9% increase for all other elected officials. The supplements granted to the Commissioners and Treasurer remained the same.

In 2002-2003 the Compensation Board recommended to the Budget Committee a 2% increase for all of the County elected officials. The supplements granted to the Commissioners and Treasurer remained the same.

In 2003-2004 the Compensation Board recommended to the Budget Committee a 2% increase for all of the County elected officials (Treasurer excluded). The supplement granted to the Commissioners remained and the Treasurer's supplement was discontinued until after the election.

In 2004-2005, the Compensation Board recommended a 3% salary increase for the Clerk, Assessor, and Sheriff. The Board granted the Commissioners a 2% salary increase and the Treasurer a 5.06% increase. Also, incorporated into the Sheriff's salary was a monthly expense allowance of \$250. Later on in the budgetary process, the budget committee granted a monthly stipend of \$250 to the Assessor for his work on the ORCATS software.

In 2005-2006, the Compensation Board recommended salary increases of 2.7% for the BOC, 3.0% for the Assessor and Treasurer, 4.0% for the Clerk, and 5.0% for the Sheriff. In addition, a monthly stipend of \$250 was added to the Treasurer for finance duties.

In 2006-2007, the Compensation Board recommended salary increases of 2.8% for the BOC (plus an increase of \$50 in expense allowance), 5.0% for the Clerk, 4.8% for the Sheriff, and 4.0% for the

Assessor and Treasurer.

In 2007-08, the Compensation Board recommended salary increases of 2.7% for the BOC, 5.0% for the Clerk, 5.0% for the Sheriff, and 4.0% for the Assessor and Treasurer.

In 2008-09, the Compensation Board recommended salary increases of 3.8% for the BOC, 4.0% for the Clerk and Treasurer, 6.0% for the Sheriff, and 5.0% for the Assessor.

In 2009-10, the Compensation Board recommended no salary increases for all elected officials, while maintaining all expense allowances.

In 2010-11, the Compensation Board recommended salary increases of 0.7% for the BOC and Sheriff, and 2.5% for the Clerk, Assessor and Treasurer. Also, a stipend of \$150 for the Assessor was included to cover efforts associated with ORCATS and the Sheriff was given incentive pay which is offered to everyone in his Office.

In 2011-12, the Compensation Board recommended no salary increases for elected officials. All stipends and other benefits were maintained at their current levels.

In 2012-13, the Compensation Board recommended the same COLA's as the corresponding union, along with increases to expense allowances for the Sheriff (\$100/mo) and BOC (\$100/mo). The Treasurer and Assessor received \$100/mo and \$50/mo respectively. In 2012-13 elected officials received a 1.5% COLA (Sheriff received a 2.0% COLA).

In 2013-14, the Compensation Board recommended the same COLA's as the corresponding union. AFSCME did receive a COLA on January 1, 2014, **however the elected officials decided not to receive the corresponding COLA.**

In 2014-15, the Compensation Board recommended no salary increases for elected officials with the exception of the ORS which governs the Sheriff's salary. All stipends and other benefits were maintained at their current levels.

In 2015-16, the Compensation Board recommended a COLA adjustments for the Clerk & Treasurer in the amount of 6.0% and the Assessor an amount of 2.5%. The Sheriff received the statutory requirement to maintain his status as the highest paid individual in his office.

In 2016-17, the Compensation Board recommended COLA adjustments for the Clerk, Assessor and Commissioners in the amount of 4%, a COLA for the Sheriff to meet ORS requirements and set the Treasurer salary at \$1,000/month. Stipends/expenses allowances increased for \$150 for the Clerk and Assessor, \$100 for the Commissioners and \$5,500 for the Treasurer position for Finance Officer/Tax Collector duties.

DISCUSSION:

The results of the 2016-2017 salary survey showed that salaries for elected officials in Polk County made headway toward equity when comparing to the 5-county average. Polk County elected officials' salaries trail comparable salaries of the five surrounding counties from 3.38% to 13.74%.

I continue to believe that Polk County has the best set of elected officials in the State. Their cooperation and dedication makes the management of the County run effectively and efficiently. These officials tend to do more with less and yet provide a level of service that is second to none in Oregon.

As a result, I believe we need to continue to narrow the gap in the disparity of our elected officials' salaries. I provided the compensation committee with my recommendation to address the salary issue, however there are many modifications that can be made to address the issue.

The salary supplement for the District Attorney is being addressed for the thirteenth time by the Compensation Board. In the attachment, you can see that all five counties give their District Attorney a salary supplement. The five county average for the D.A.'s supplement is \$1,404.83 (approximately 18% additional salary) From an equity standpoint, there is no doubt that a supplement is warranted for the District Attorney, and even though the District Attorney is an employee of the State of Oregon, I believe it is time to begin to provide a supplement to this position.

The cost of living increase for last year was 0.4% and the first half of 2016 (Portland CPI-W) was 1.2%. Currently, the County has negotiations with all of its labor unions for the upcoming fiscal year (2017-18).

ALTERNATIVES:

1. Approve the recommended proposal as presented.
2. Modify the recommendation, by increasing/decreasing the proposed salary adjustments/stipend/expense allowances. Modifications in the recommendation will have a corresponding increase/decrease on the General Fund operating monies for the upcoming fiscal year.
3. Incorporate a new benefit into the elected officials' salaries (deferred compensation, additional supplements, etc.). These alternatives are not recommended at this time.

FISCAL IMPACT:

The recommendation has an approximate \$25,000 fiscal impact to all corresponding funds.

Monthly increases for the Elected Officials are as follows:

Commissioner	\$341
Assessor	\$194
Clerk	\$191
Sheriff	\$153
Treasurer	\$150
District Attorney	\$750

ELECTED OFFICIALS SALARY SURVEY FISCAL YEAR 2016-2017

COUNTY	COMMISSIONER	ASSESSOR	CLERK	SHERIFF	TREASURER	DIST. ATTORNEY
BENTON	\$ 7,839.00	\$ 8,259.00	N/A	\$ 9,187.00	N/A	\$ 2,513.00
LINCOLN	\$ 6,837.00	\$ 7,245.00	\$ 6,902.00	\$ 8,062.00	\$ 6,902.00	\$ 1,342.00
LINN	\$ 7,647.00	\$ 7,854.00	\$ 7,835.00	\$ 10,080.00	\$ 7,631.00	\$ 1,641.00
TILLAMOOK	\$ 6,728.00	\$ 6,955.00	\$ 6,578.00	\$ 8,003.00	\$ 7,456.00	\$ 1,292.00
YAMHILL	\$ 6,090.00	\$ 6,570.00	N/A	\$ 8,272.00	N/A	\$ 1,641.00
COUNTY AVERAGE	\$ 7,028.20	\$ 7,376.60	\$ 7,105.00	\$ 8,720.80	\$ 7,329.67	\$ 1,404.83
POLK COUNTY	\$ 6,179.00	\$ 6,804.00	\$ 6,526.00	\$ 8,436.00	\$ 6,850.00	\$ -
Differences Behind	13.74%	8.42%	8.87%	3.38%	7.00%	#DIV/0!

** Linn County has a three tiered salary range for elected officials and for survey purposes the first tier was selected for the Sheriff, middle tier was selected for BOC/DA and tier 3 for other electeds.

*** In Benton County this position is now appointed and now shown at Step 4 (middle of the salary range).

**** Yamhill County the Assessor has the Tax duties. The Sheriff qualifies for education/incentive pay, longevity pay which is calculated at 12%.

***** Tillamook County does not pay PERS, but pays an equivalent 7% into a different retirement system. Treasurer is also the budget/finance officer.

***** Lincoln County pays based upon a six term pay range. For survey purposes I selected 1st term rates for the Sheriff 2nd term salary rates for BOC/DA and 3rd term for the other elected officials.

Proposed Salaries for 2016-2017:

Position	Proposed Salary	% Increase	Other	Proposed Increase	Total	Rank	% Still Legging	Current Salary w/o Other	Total Monthly Increase
Commissioner	\$ 6,020	6.0%	\$ 500.00	\$ -	\$ 6,520	5	7.80%	\$ 5,679.00	\$ 341
Assessor	\$ 6,648	3.0%	\$ 350.00	\$ -	\$ 6,998	4	5.42%	\$ 6,454.00	\$ 194
Clerk	\$ 6,567	3.0%	\$ 150.00	\$ -	\$ 6,717	3	5.77%	\$ 6,376.00	\$ 191
Sheriff	\$ 7,803	2.0%	\$ 786.00 *	\$ -	\$ 8,589	3	1.53%	\$ 7,650.00	\$ 153
Treasurer	\$ 1,000	0.0%	\$ 6,000.00 **	\$ 150.00	\$ 7,000	3	4.71%	\$ 1,000.00	\$ 150
District Attorney	State Paid		\$ 750.00	\$ 750.00	\$ 750.00	6		State Paid	\$ 750

* Estimated based upon %

** Stipend is based upon Tax Collector and Finance Officer duties.

County Comparison Elected/Appointed

Position	Total FTE	Proposed Budget Size	Number of Supervisors	Top Salary	Proposed Salary	Proposed Annual Salary
Elected Officials						
Board of Commissioners	338.73	\$ 66,280,065		\$ 6,179.00	\$ 6,520.00	\$ 78,240.00
Assessor	10.00	\$ 1,235,874	1.00	\$ 6,804.00	\$ 6,998.00	\$ 83,976.00
Clerk	3.00	\$ 531,336		\$ 6,526.00	\$ 6,717.00	\$ 80,604.00
Treasurer/Tax Collector/Finance	2.80	\$ 426,562		\$ 6,850.00	\$ 7,000.00	\$ 84,000.00
Sheriff	65.90	\$ 9,136,505	13.00	\$ 8,436.00	\$ 8,589.00	\$ 103,068.00
District Attorney (State salary approx. \$102,000)	18.65	\$ 2,113,192	2.00	\$ -	\$ 750.00	\$ 9,000.00
Appointed Dept. Heads						
Administrative Services	14.80	\$ 2,086,036	1.00	\$ 8,586.00	\$ 8,586.00	\$ 103,032.00
Community Development	7.60	\$ 2,526,600	2.00	\$ 9,809.00	\$ 9,809.00	\$ 117,708.00 ***
Public Works	22.00	\$ 6,870,500	2.00	\$ 9,850.00	\$ 9,850.00	\$ 118,200.00
Health Services	133.55	\$ 21,510,624	17.00	\$ 9,888.00	\$ 9,888.00	\$ 118,656.00 ***
Comm. Corrections/Juv.	21.50	\$ 3,341,392	2.00	\$ 8,692.00	\$ 8,692.00	\$ 104,304.00 ***
Chief Deputy D.A.				\$ 8,300.00	\$ 8,300.00	\$ 99,600.00 **
Lieutenant (Jail & Patrol)				\$ 8,424.00	\$ 8,424.00	\$ 101,088.00 ***

** Not a Department Head

*** Receive additional supplement above salary (qualifications/duties)