

2014-2015 POLK COUNTY COMPENSATION COMMITTEE

May 14, 2014

CALL TO ORDER AND NOTE OF ATTENDANCE

9:30 a.m., Commissioner Craig Pope called the 2014-2015 Polk County Compensation Committee Hearing to order. Commissioner Ainsworth, Commissioner Wheeler, Vern Wells, Norbert Hartmann, and Blair Wasson were also in attendance.

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

The following minutes refer to the 2014-2015 Proposed Budget 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.

MOTION PASSED UNANIMOUSLY.

APPROVAL OF MINUTES – May 15, 2013

MOTION: BLAIR WASSON MOVED, VERN WELLS SECONDED, TO APPROVE THE MINUTES FROM MAY 15, 2013.

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. For the upcoming fiscal year, the Portland CPIW is 2.3%. However, Mr. Hansen is recommending no COLA for the elected officials, except for the Sheriff, who by law is required to have the highest salary in his office. The AFSCME and Deputy District Attorney unions are still in negotiations, so it is not known if these unions will receive a COLA this year or not. The FOPPO union just settled for no COLA but began incentive pay (1% for intermediate training and 2% for advanced training).

Polk County's salary for elected officials remains 6% to 15% below the average of the five surrounding counties. The District Attorney's salary is paid by the State; however, most surrounding counties offer a supplement, which Polk County does not provide. Greg noted that the Elected Officials also continue to make less than most of the appointed department heads within the County.

Vern Wells expressed concern with the disparity between the elected official's salaries and the appointed official's salaries. He feels that the salary inequality may eventually cause people to not want to run for elected office because the low salary reflects the position isn't valued by the County. Being an elected official is a difficult job, not just running a department(s), but doing it under the scrutiny of the press and public. Mr. Wells recommended that the Compensation Committee give the Elected Officials a 2.3% COLA, at an estimated cost of \$15,000 impact to the budget. This would not be a pay increase, but would only allow the Elected Officials to retain their current buying power as the CPIW goes up.

Blair Wasson disagreed with Mr. Wells' recommendation. A majority of the private sector has not recovered from the recession, or received any COLA in years. Mr. Wells countered that if that was true, the CPIW would be zero. By not giving a COLA, the County is giving them a reduction in the ability to buy basic goods and necessities.

Norbert Hartmann commented that elected officials position have a greater desire to serve the community than to get paid higher wages, because they could find positions in the private sector that would pay more. Mr. Hartmann agrees with Mr. Wasson that the economy in Polk County has not recovered from the recession, and does not justify a salary increase for the elected officials.

Mr. Hansen clarified that he is making the recommendation based on budgetary constraints and not on the performance of the elected officials. All of the elected officials and department heads continue to do more with less and provide great service to the community despite the budget and personnel cuts. Mr. Hansen suggested that since the County is always in negotiations with at least one union during this time of year, the Compensation Committee may be interested in meeting later in the year. Once labor negotiations are over, the Committee would know how the unions settled and could use that knowledge as a base decide on whether or not to provide a COLA to the Elected Officials.

MOTION: BLAIR WASSON MOVED, VERN WELLS SECONDED, TO ACCEPT THE BUDGET OFFICER'S ELECTED OFFICIAL'S SALARY RECOMMENDATIONS.

MOTION PASSED 2-TO-1, WITH BLAIR WASSON AND NORBERT HARTMANN IN FAVOR, VERN WELLS OPPOSED.

Chairman Hartmann adjourned the meeting at 9:55 a.m.



INTEROFFICE MEMORANDUM

POLK COUNTY COURTHOUSE

TO: County Compensation Board
FROM: Greg Hansen, Administrative Officer
DATE: May 13, 2015
SUBJECT: Elected Officials' Salaries for 2015-2016

RECOMMENDATION:

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

Option #1 – One-time Fix

1. On July 1, 2015, increase Elected Officials' salaries by the following amounts:

Clerk	8.0%
Sheriff	4.0%
Assessor	5.0%
Treasurer	8.0%
Commissioners	8.0%
District Attorney	no supplement

2. On July 1, 2015, increase/decrease Elected Officials' stipend/expense allowances by the following amounts:

Clerk	from \$0	to \$250 (increase)
Commissioner	from \$400	to \$500 (increase)
Assessor	from \$200	to \$250 (increase)
Treasurer	from \$350	to \$700 (increase)
Sheriff	from \$350	to \$250 (decrease)

3. The only exception is if the Sheriff's salary needs to be modified to meet ORS requirements for his office.

Option #2 – Transition – 3 year

1. On July 1, 2015, increase Elected Officials' salaries by the following amounts:

Clerk	3.0%
Sheriff	3.0%
Assessor	3.0%

Treasurer	3.0%
Commissioners	3.0%
District Attorney	no supplement

2. On July 1, 2015, increase/decrease Elected Officials' stipend/expense allowances by the following amounts:

Clerk	from \$0	to \$150	(increase)
Commissioner	from \$400	to \$450	(increase)
Assessor	from \$200	to \$250	(increase)
Treasurer	from \$350	to \$550	(increase)
Sheriff	from \$350	to \$300	(decrease)

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 2015-2016?

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 2013-14 survey for elected officials. The survey results show an increase in the degree that our salaries lag behind the surrounding counties. For 2013-2014 Polk County officials fall below the five-county average by a low of 3.92% to a high of 18.78%.

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 1996-97, the Compensation Board recommended to the Budget Committee and Board of Commissioners no increase for all elected positions because of Ballot Measure #8 and a very tight budget situation. The recommendation was approved by the Budget Committee and Board.

In 1997-98, the Compensation Board recommended to the Budget Committee a 6% increase for all elected officials with the exception of the Board of Commissioners. It was recommended to increase the Board's salary by 3%.

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 a 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.

DISCUSSION:

The results of the 2014-2015 salary survey showed that salaries for elected officials in Polk County continue to fall farther behind the 5-county average. Polk County elected officials' salaries trail comparable salaries of the five surrounding counties from 3.92% to 18.78%.

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 it is time to make a significant correction to our elected officials' salaries. I provided the compensation committee with two options (a one-time fix or 3 year transition), both of which address the problem at hand. I realize choosing either option will generate a lot of discussion, however doing nothing is not an option that I can recommend.

The salary supplement for the District Attorney is being addressed for the twelfth 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 \$1,342.33 (approximately 17% additional salary) From an equity standpoint, there is no doubt that a supplement is warranted for the District Attorney, however the District Attorney is a State employee and should be compensated appropriately by the State in my opinion.

The cost of living increase for the past year (2014 Portland CPI-W) was 2.1%. Currently, the County is in negotiations with three of its unions for wages.

ALTERNATIVES:

1. Approve the recommended proposal as presented (either Option #1 or #2).

2. Modify the recommendation, by increasing/decreasing the proposed salary adjustment. Modifications in the recommendation will have a corresponding increase/decrease on the General Fund Contingency.
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:

Option #1

The recommendation has an approximate \$40,000 fiscal impact to all corresponding funds.

Monthly increases for the Elected Officials are as follows:

Commissioner	\$537
Assessor	\$353
Clerk	\$713
Sheriff	\$194
Treasurer	\$800

Option #2

The recommendation has an approximate \$20,000 fiscal impact to all corresponding funds.

Monthly increases for the Elected Officials are as follows:

Commissioner	\$214
Assessor	\$232
Clerk	\$324
Sheriff	\$186
Treasurer	\$369

County Comparison Elected/Appointed

Position	Total FTE	Proposed Budget Size	Number of Supervisors	Top Salary	Option #1 Proposed Salary	Option #1 Proposed Annual Salary
Elected Officials						
Board of Commissioners	261.00	\$ 48,881,830		\$ 5,861.00	\$ 6,398.00	\$ 76,776.00
Assessor	9.00	\$ 1,058,024	1.00	\$ 6,255.00	\$ 6,608.00	\$ 79,296.00
Clerk	3.00	\$ 474,245		\$ 5,784.00	\$ 6,497.00	\$ 77,964.00
Treasurer/Tax Collector	2.80	\$ 321,553		\$ 5,979.00	\$ 6,779.00	\$ 81,348.00
Sheriff	47.40	\$ 7,232,190	11.00	\$ 7,772.00	\$ 8,409.00	\$ 100,908.00
District Attorney	11.55	\$ 1,253,546	2.00	\$ 7,581.00	\$ 7,581.00	\$ 90,972.00
Appointed Dept. Heads						
Administrative Services	13.60	\$ 1,899,756	1.00		\$ 7,956.00	\$ 95,472.00
Community Development	6.50	\$ 2,502,510	2.00		\$ 9,399.00	\$ 112,788.00 ***
Public Works	21.00	\$ 6,840,000	2.00		\$ 9,264.00	\$ 111,168.00
Health Services	98.65	\$ 13,183,000	14.00		\$ 8,739.00	\$ 104,868.00 ***
Community Corrections	19.50	\$ 2,918,884	2.00		\$ 8,286.00	\$ 99,432.00 ***
Chief Deputy D.A.				\$ 7,509.00	\$ 6,170.00	\$ 74,040.00 **

** Not a Department Head

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