

**MINUTES
COMPENSATION COMMITTEE**

May 2, 2006 3:45 p.m.

Room 32, Courthouse

PRESENT: Compensation Committee members Dennis Goecks, Ken Austin, and Michael Green.

Staff: Leslie Lewis, Kathy George, Mary P. Stern, John Krawczyk, Nancy Reed, Laura Tschabold, Julia Staigers, Steve Mikami, Dan Linscheid, Jack Crabtree, Kellye Fetters, Brad Berry, and Dave Lawson.

Guests: David Bates, News-Register, and Cassie Sollars, candidate for Commissioner.

Dennis called the meeting to order and stated that he will act as Chair at the request of the other two lay members.

John Krawczyk stated that the responsibility of the Compensation Committee is to make a recommendation to the Budget Committee regarding elected officials' salaries for the next fiscal year. He reviewed the 2006 elected officials salary survey for comparable counties, all counties, and counties of similar population, as well as the salary history of Yamhill County elected officials. He stated that all elected officials had been directed at the request of the Board not to budget a cost of living adjustment (COLA). He noted that YCEA employees will receive a 3.1% COLA and Teamsters employees, which are tied to the Portland CPI-U, will receive a 2.6% COLA.

He reviewed a proposed policy regarding elected officials' leave (see attachment) and stated that four elected officials currently have leave time on the books, ranging from 5.5 to 1004 hours.

Assessor - Dave Lawson stated that he followed the budget instructions because he is a team player, but he is hurt and frustrated by someone he doesn't work for telling him not to take a COLA. He pointed out that he spends \$350,000 less than comparable counties to run the Assessment and Taxation program and shouldn't have to beg for a COLA every year. He suggested that department heads and elected officials either grow or freeze as a team.

John K later stated that it is the Board's job to give directions as to how the budget should be prepared.

Surveyor - Dan Linscheid agreed with Dave's statements and stated that some kind of COLA would be appropriate unless everyone's salary is frozen.

Treasurer - Nancy Reed agreed with most of Dave's statements and reviewed her duties in comparison to treasurers in other counties. She requested a COLA and \$600 longevity pay.

Sheriff - Jack Crabtree stated that a COLA is not a raise because without it, his salary is actually valued less. He asked the committee to consider whether his job will be less important tomorrow than it is today. He said that he could find the money in his budget for a 2.6% COLA if it is recommended by the committee.

Commissioners - Mary Stern stated that the decision to take a COLA should be up to the elected official. She pointed out that it is easier to take a COLA each year than to have to catch up down the road because the salaries have gotten so far behind.

She stated that the proposed policy shouldn't penalize employees who run for office and continue serving the citizens of Yamhill County. She said that county employment is a training ground for elected officials who will be much better prepared to take on the responsibilities of the office. Michael Green stated that the growth rate of employee benefits is diminishing the county's ability to provide services.

Leslie Lewis stated that it is the Board's responsibility to look at the overall county budget and the Compensation Committee's responsibility to decide whether elected officials get raises. She said that the Board did the responsible thing when issuing the budget instructions, having just learned about the SP Newsprint appeal, and it should be the responsibility of elected officials to step up and "take the pain". She added that things have worked out fairly well through the budget process and most departments could sustain a COLA, although she has no interest in one. She said that if the committee were to approve a COLA, she would put hers into a discretionary line item to be spent on other worthy projects.

Kathy George stated that the Board had decided not to budget COLAs after learning of the huge potential loss to revenues because it didn't seem right to take a COLA while asking managers to cut back on services and personnel. She pointed out that of all the elected officials, Jan Coleman has had the least increase over the years.

District Attorney - Brad Berry explained that his principal salary comes from the state, which continues to abdicate its responsibility as a true partner in criminal prosecution. He stated that managers and elected officials deserve to continue receiving COLAs in order to keep their real pay from being reduced. He added that the Board is an exemplary steward of public resources.

Recess 4:58 p.m.; reconvene 5:05 p.m.

Deliberations - John K stated that a 2.6% increase to all elected officials would cost approximately \$11,600 per year. He said that there is currently no provision for elected officials to receive longevity pay, but YCEA employees were recently granted longevity pay based on the

number of years of service, ranging from \$100/year to \$600/year, and Teamsters management employees also get some longevity pay.

Dennis stated that although he is not opposed to the idea of extra pay for the Treasurer, he is concerned with the precedent that would be set by the concept of longevity pay. He suggested setting it up as extra income, similar to the Surveyor's transfer from Public Works. He also suggested that the amount be more than \$600 and that it be contingent on providing services for the budget preparation. John K stated that Nancy has been a tremendous help in the budget process. He suggested \$200/month, based on the fact that she is probably involved in the budget for six months out of the year.

Ken moved to approve COLAs for all elected officials based on the rate of the bargaining unit they supervise; Michael seconded the motion. The motion passed unanimously.

Michael moved to approve an additional \$200/month for the Treasurer, contingent on her services with the budget; Ken seconded the motion. The motion passed unanimously.

The group discussed the proposed policy for elected officials' leave. Michael recommended paying off flexible earned time (FET) immediately before taking office at the employee's current salary rate. He also noted that the Commissioners had been left off the list of elected officials. Dennis suggested changing the last sentence to protect those serving interim appointments. The committee agreed to the second option for sick leave or PEL, to be paid off at 50% of the cash value. They also agreed that those assuming office prior to the effective date of this policy would be eligible to sell back FET/PEL in the same manner as employees in the bargaining unit they supervise.

Michael moved to approve the recommendation of the proposed policy to the Budget Committee, as modified above; Ken seconded the motion. The motion passed unanimously. John K said he would have John Gray write up the policy and it would be sent out to Budget Committee members for review and approval before formal adoption by the Board.

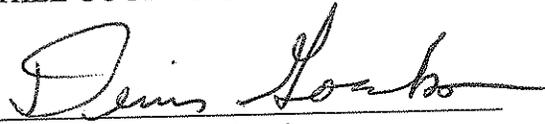
The meeting adjourned at 5:35 p.m.

At 10:00 a.m. the following day, the Compensation Committee reconvened with Dennis Goecks and Michael Green present and Ken Austin excused. Dennis moved approval of the Compensation Committee minutes from June 15, 2005; Michael Green seconded the motion. The motion passed unanimously and the meeting adjourned at 10:01 a.m.

Anne Britt
Secretary

YAMHILL COUNTY COMPENSATION COMMITTEE

Chair



Dennis Goecks

MINUTES
Page 3

Compensation Committee
May 2, 2006 3:45 p.m.

JK LL HG MS MS

Compensation Committee Policy on Elected Official Leave

When a county employee is elected or appointed to the offices of Assessor, ~~Commissioners~~ Clerk, District Attorney, Sheriff, Surveyor, or Treasurer, all accrued Flexible Earned Time (FET) or vacation held by the employee, shall be paid off at the employee's current rate of pay immediately before assuming the elected office.

- ~~Any sick leave or Personal Extended Leave accrued by the employee, assuming the elected office shall be forfeited unless the employee elects to be covered by the optional elected official pension plan in lieu of PERS. Such election shall be made at the time the employee takes office. If the employee chooses the optional pension plan, the leave shall remain in the elected official's leave account and be eligible to be paid off in the same fashion as any other management employee in a similar position. (or)~~
- Any sick leave or PEL shall be paid off at the time ^{the employee takes office} at the rate of pay earned immediately prior to taking office at 50% of the cash value of the leave, ~~provided the employee is at least 51 years old at the time of taking office.~~

This policy shall be effective for all employees who assume an elected office for the first time after the effective date of this policy. ~~This policy does not apply to interim appointments~~

Persons holding an elected office prior to the effective date of this policy shall be eligible to sell back Vacation, FET, PEL or sick leave in the same manner as any other management employee in a similar position.

COLA's - Same as bargaining unit

Treasurer - Supplement of \$200/month