

Minutes of Meeting
Pay Philosophy and Restructure
September 18, 2013
8:15 a.m.

The Kootenai County Board of Commissioners: Chairman Todd Tondee and Commissioner Dan Green met to discuss the following agenda items. Also present were Clerk Cliff Hayes, Chief Deputy Clerk Pat Raffee, Finance Director David McDowell, Human Resources Director Skye Reynolds, Human Resources Consultant Wade Larson, Treasurer Tom Malzahn, Chief Deputy Treasurer Laurie Thomas, Assessor Michael McDowell, Major Neal Robertson and Deputy Clerk Nancy Jones. Commissioner Nelson was excused.

A. Call to Order: Chairman Tondee called the meeting to order at 8:17 a.m.

B. Introductions: There were no introductions made.

C. Changes to the Agenda: There were no changes made to the agenda.

D. Old Business: There was no old business discussed.

E. New Business:

Human Resources (HR) Consultant Wade Larson gave a PowerPoint presentation that reviewed pay restructure options and implementation strategies. Recommendations that were included in the BDPA Salary Survey were incorporated into this presentation and were discussed by the attendees. The advantages and disadvantages of several pay reorganization options were considered. Concerns included the creation of pay compression, timing considerations, and the ability to reward effort and longevity during the restructure process. The group debated the cost of the various alternatives and contemplated multiple budgetary considerations, including whether the pay structure adjustments should all occur within the FY2014 budget cycle or be addressed over a longer period of time. Mr. Larson noted that, under the full BDPA recommendation, approximately 450 employees would receive wage adjustments (including 150 employees on the Sheriff's Office pay matrix).

Commissioner Nelson joined the meeting at 8:40 a.m.

The Board discussed the importance of establishing a target market for comparisons, and of researching ways to maintain competitive market wages over time. Chairman Tondee inquired about available indices that might be used as an annual comparative matrix.

Mr. Larson strongly recommended adjusting the pay matrix according to the BDPA recommendation and moving employees, as necessary, to the minimum of the new pay ranges. As part of this suggestion, any remaining funds would be used to subsidize one-time bonuses for merit recognition. Mr. Larson went on to recommend that, during the FY2015 budget cycle, HR should evaluate individual employee wages in order to calculate the accuracy of their position within the pay range. That analysis should include consideration of individual longevity and ability, as well as the employee's previous position in the pay scale (prior to the adjustment). The group agreed that a comprehensive County pay philosophy needs to be developed, and that a standard for movement through the ranges should be a primary goal.

Mr. Larson exited the meeting at 9:01 a.m.

The Board expressed their desire to postpone wage adjustments until December 1, 2013, or January 1, 2014, in order to provide an adequate opportunity to weigh pay scale adjustment options. Commissioner Green questioned whether employees would be supportive of this process. Assessor Michael McDowell felt that employees would be patient, provided that the Board remain communicative regarding their timeline and demonstrate a defined intent to execute a comprehensive plan.

Finance Director David McDowell agreed to work with the Sheriff and the payroll department, in order to establish a defined progression for the pay scale adjustments. Mr. McDowell stated that the process would likely take several weeks, but he was confident that the budget implications and any additional wage adjustment considerations would be ready for Board review and approval no later than November 1, 2013.

- F. Staff Reports:** There were no staff reports.
- G. Public Comment:** This section is reserved for citizens wishing to address the Board regarding a County related issue. There was no public comment.

The meeting was adjourned at 9:32 a.m.

Respectfully submitted,

CLIFFORD T. HAYES, CLERK

BY: _____
Nancy A. Jones, Deputy Clerk