

**COMMISSIONERS' MINUTES
KITITAS COUNTY, WASHINGTON
COMMISSIONERS AUDITORIUM
SPECIAL MEETING**

WEDNESDAY

1:30 P.M.

SEPTEMBER 9, 2009

Board members present: Chairman Alan Crankovich; Vice-Chairman Paul Jewell. Absent: Commissioner Mark McClain.

Others: Julie Kjorsvik, Clerk of the Board; Lisa Young, Human Resources Manager; Gene Dana, Sheriff; Joyce Julsrud, Clerk; Jerry Pettit, Auditor; Greg Zempel, Prosecutor; William Holmes, Probation Services Director and Marsha Weyand, Assessor.

SPECIAL MEETING COMPENSATION COMMITTEE COMMISSIONERS

Greg Zempel, Prosecutor, reviewed the Compensation Committee's proposal for separate COLA/Non-Merit pay, for all non-union bargained employees. They suggested a minimum COLA of 3% on January 1st to be applied to the employee and their wage scale, which would also benefit those who are at the top of their scale and a 2% increase on the position date (not merit-based, similar to a step-increase) to occur annually up to the range maximum. The committee felt a wage survey should still be conducted to ensure the County is maintaining market equity, and adjustments would still be available via presentation to the Board, on a case-by-case basis. The committee felt that by taking no action, it not only creates a financial loss for employees, but reduces employee morale and productivity. He indicated the committee realizes the financial difficulties the County has been facing recently, but felt the employee's compensation needed to be addressed immediately. They recommended allowing department heads to go back and take a look at their budgets to see where they can put off purchases, etc. in order to implement the proposal. He indicated the Management Team was in support of the proposal and agreed something must happen. Mr. Zempel felt that since the County was trying to build bridges for the employee basis through the CTI training, he felt it was a good time for the Board to take action.

Commissioner Jewell explained that although the sales tax has been coming higher than projected, the projection was a lot less than it has been in years past. He spoke of the market equity issue and asked what Human Resources does when conducting their surveys and how it is defined on what counties they do their comparison with. Lisa Young, Human Resource Manager said they do their comparables with 3 up and 3 down, in terms of population with Kittitas County. The committee came up with the proposed 3% COLA as an average after reviewing the Union contracts. It was noted that employees who are grandfathered in for longevity and who are at top of their scale, their wage will no longer be changed in the future with the way the current policy is written.

Jerry Pettit felt when looking at wages, they needed to look at entities within Kittitas County that are governmental, and neighboring counties including Yakima, Grant and Chelan. Gene Dana thought that at a minimum, the Board should approve the proposed COLA.

APPROVED

10/6/2009

Chairman Crankovich said he did not disagree with their proposal, but there are only two ways of accomplishing it, which is either a reduction in staff or the county's contribution to medical benefits. He indicated premiums were going up approximately 9.4% for Group Health alone and the increase to other plans which are not known at this time. Jerry Pettit felt the County should look at other options which may be less than what it is costing the county.

Commissioner Jewell questioned the committee on how their proposal would be budget neutral for 2010. Mr. Pettit said the Board should allow the Department Heads and Elected Officials to look at their budgets and let it become their responsibility to determine where to make cuts, could be in travel, employees, purchasing.

Chairman Crankovich said he has nothing against the employees, but was concerned that the committee's proposal will cost a significant amount to fund. Commissioner Jewell acknowledged that something needed to be addressed for those employees who are at the top of their scale. Mr. Zempel commented on the Union contracts who receive 5% for just showing up, but recognizes that the majority of the employees do good work. Commissioner Jewell said although he does not agree with an automatic increase, it is in the contract and they need to deal with it. Mr. Zempel said the merit pay has not been working and it's been creating friction when there are union and non-union employees working next to each other, when one receives an automatic 5% increase and the other must obtain an Above Average during their performance evaluation in order to receive a 4.8% increase.

Commissioner Jewell asked if the Department Heads want the ability to reward those employees who are better performers, than going with their proposal instead of the same wage increase for all employees across the board whether they have good performance or not.

Chairman Crankovich said if there is an appearance of unions getting more, it is not necessarily true because there are trade off's during the negotiation process. He said there needs to be a consistent method for performance evaluations and doesn't disagree with merit based system for those putting in the extra effort. Mr. Zempel said there was a need for equity between the employee base as a whole.

Mr. Pettit said the Compensation Committee has brought forward different proposals in the past, and they would like something done by the Board in order to be able to reward employees for doing a good job.

Commissioner Jewell asked if non-union employee's wages were higher than union employees as a general rule. He questioned what the average wage increase was and said he would like to have data on it. He also asked what the committee's proposal would cost in 2010.

Marsha Weyand, Assessor, wanted the record to reflect that Union employees do a good job and don't just show up to get a paycheck. Mr. Zempel agreed.

Commissioner Jewell said he would like to remain on some sort of merit based system. He said he would like to move the Unions to a merit based system; move those employees who are at the top of scales, by giving them a COLA right away because it's a problem that needs to be

addressed right away. He was in favor of pursuing a different model for the County to pare down employees (such as not filling vacant positions; consolidating and ways to improve efficiency) and allow the departments to redistribute funds to those employees in their department by rewarding those who have picked up the extra work. He said he remains committed to a merit base system.

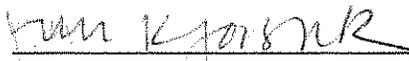
Commissioner Crankovich said he was in favor of a merit based system. Commissioner Jewell said if the Board were to go with a COLA, it should be a small percentage and the merit increase larger.

Direction was given to Human Resources to draft and formulate a policy for those at top of scale such as 3% (and to be sure and show their work for creating an average) with a merit based pay system, to be put on the next Monday morning Department Head meetings. The Board indicated that Joseph Whalen was working on drafting an evaluation system for review and had hoped to have it completed by the end of the year for the merit based system.

Mr. Zempel asked that the Compensation Committee and the Board of County Commissioners, hold another meeting in the future in order to keep pushing forward.

The meeting was adjourned at 2:50 p.m.

CLERK OF THE BOARD



Julie Kjorsvik

KITTITAS COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON



Alan Crankovich, Chairman