

KNOX COUNTY COMMISSION

Special Meeting

Thursday – August 22, 2011 - 8:00 a.m.

A special meeting of the Knox County Commission was held on Thursday, August 22, 2011, at 8:00 a.m., at the county courthouse, 62 Union Street, Rockland, Maine.

Commission members present were: Carol L. Maines, Commissioner District #1, Richard L. Parent, Jr., Commissioner District #2, and Roger A. Moody, Commissioner District #3.

County staff present included: County Administrator Andrew L. Hart, Administrative Assistant Candice Richards, Communications Director Linwood Lothrop, EMA Director Ray Sisk, Registrar of Probate Elaine Hallett, Register of Deeds Lisa Simmons, Chief Deputy Tim Carroll, District Attorney Geoffrey Rushlau (*arrived at 8:23 a.m.*), DA Prosecutorial Assistant Shane Riley (*left at 8:25 a.m. since the DA had arrived*), DA's Office Victim Witness Advocate Lynn Talbot, Finance Director Kathy Robinson, and Jail Administrator John Hinkley.

Others in attendance: Laurie Bouchard of LBouchard & Associates.

Special Meeting – Agenda **Monday – August 22, 2011 – 8:00 a.m.**

- I. 8:00 Meeting Called To Order**
- II. 8:01 Discussion Items**
 - 1. Pay Adjustment Philosophy – COLA, Longevity Pay, Across the Board Increases, Merit (Pay for Performance), Range Adjustments, etc.
 - a. COLA Basis (CPI, etc.)
 - b. Performance Evaluation as the Basis for Merit Pay
 - c. Union Contract Implications
 - 2. Pay System – 1) Step Plan (including # of steps) or 2) Open Ranges
 - 3. Job Descriptions
 - 4. Elected Officials – Job Descriptions; Job Evaluation (Grades and Salary Ranges); Compensation Philosophy
 - 5. Commissioners' Compensation
 - 6. Job Evaluation Committee and Process
 - 7. Benefits Analysis
 - 8. Cost Projections
- III. 9:30 Action Items**
 - 1. Pay Adjustment Philosophy
 - 2. Pay System
 - 3. Elected Officials
 - 4. Commissioners' Compensation
 - 5. Budget Recommendations
 - 6. Employee Communication Plan
- IV. 9:45 Next Steps and Time Frames**
- V. 10:00 Discuss Dates for Public Hearing for Bond Referendum Question**
- VI. 10:05 Adjourn**

I. Meeting Called to Order

Commission Chair Roger Moody called the August 22, 2011 special meeting of the Knox County Commission to order at 8:05 a.m.

II. Discussion Items – (items were not necessarily discussed in order and were blended.)

Administrator Andrew Hart explained that the County did not give its employees a CPI increase in the 2011 budget. The following are a few of the questions and comments raised during the meeting:

Q: If there is an automatic COLA increase, what happens when COLA is negative?

A: You never want to take pay away, but you could do a two-year average the next year or if you had an increase across the board above the COLA, you could just give the increase without the COLA

Q: If the Commission approves automatic cost of living, what happens if the budget committee doesn't approve it?

A: We'll fall further and further behind each year.

Q: What is “fringe factor”?

A: FICA, Medicare, retirement, etc.

Q: Can an increase be given across the board to all employees?

A: The open range works better if you want to keep flexibilities in the plan for things like longevity.

Q: Why look at giving employees the 1.4% COLA that wasn't built into the 2011 budget?

A: If the County wants to get caught up with the market, it needs to be added back in.

Commissioner Moody commented that the Commission undertook this study with the goal of getting the County caught up to the market. He said he was very comfortable with the step plan as shown on page 10 of the Executive Summary done by Gary Thornton, and that he liked the scale with the 8-year proficiency.

Commissioner Parent commented that he thought he preferred the 10-year plan with the ability to give across-the-board increases, as well as the COLA. He felt it was a fairer way to do it. He then asked the department heads currently in the room for their opinion.

EMA Director Ray Sisk stated that he liked the open range plan that is tied to the merit piece. There should be some recognition for those who go above and beyond what is actually required of them. He said that he would rather see people earn a pay raise than having people just get a raise because the calendar changed from one year to the next.

Ms. Bouchard explained that sometimes employers will do something in the middle where all employees across the board get a small increase, but then the employer also budgets a little more so that top-performing employees can get something extra. It's de-motivating for your top employees to see lazy employees getting the same pay increase as them.

Commissioner Moody commented that performance systems are great in concept but are difficult to fairly implement. There needs to be appropriate performance appraisals so that low-end employees understand that their performance is substandard. Right now the County's appraisal systems are not well developed. If the County can do the step plan well for a few years, then the refinement would be a performance matrix. To start out with the performance plan would be running before learning to walk.

Ms. Bouchard stated that there are 6 employees over the top of the range and 17 under the market rate for their job. She recommended that the Commission move the ranges based on the cost of living. Those above the market won't get a COLA until the ranges catch up to them since they are already above the maximum value.

Commissioner Moody said that the question is how the County will be able to afford to do this. The County needs to pay employees fairly but the Commission may need to make some net cost reductions or it may not make it through the budget process.

Jail Administrator John Hinkley commented that no matter what the Commission does, it will have a big impact on the taxpayers. He said that while he agreed that the County needed to be aware of the impact on the taxpayers, it's already extremely hard to keep employees because the County pays less than other counties. The employees are going to see the results of this study and morale will be affected by how the Commission proceeds with it. He added that probably the 10-year plan is a good balance between getting it done and not impacting the taxpayers too much at a time.

Chief Deputy Tim Carroll stated that he agreed with the 10-year plan and with Commissioner Moody's idea of looking at the performance piece down the road when the County is ready for that step. Supervisors and other staff will need a lot of training to be able to implement a performance program. Longevity should be there too in case there's no COLA because the idea is not just to recruit good employees, but also to retain them.

Finance Director Robinson stated that if you start separating increases outside of pay like longevity, it makes things very manual and complicated. Commissioner Maines asked if paying it as a bonus would solve that problem. Director Robinson replied that it might be easier to set up a structure where the County looks at employees after so many years and adjusts pay if need be. Commissioner Parent asked if the bonus would be paid annually. Ms. Bouchard answered that it would be.

Commissioner Maines asked Ms. Bouchard if organizations budget a chunk of money for merit bonuses Ms. Bouchard stated that they do.

Finance Director Robinson agreed that merit pay is a great tool but she also agreed with Commissioner Moody in that she was not sure it could be implemented right away. All employees get the COLA and usually the County doesn't pay extra above that anyway, so the people above the maximum will still get a yearly increase.

Commissioner Maines asked if the three commissioners could all agree that the 1.4% COLA from 2011 should be implemented as well as the 4.1% for 2012. Commissioners Moody and Parent both said yes. Commissioner Parent added that he was concerned, however, with what the Budget Committee will do.

Commissioner Maines asked if the three commissioners could all agree that merit programs are good but that for now, initially, the County should not do that yet. Commissioners Moody and Parent both said yes.

Commissioner Moody commented that the Commission needed to decide whether to go with the 5-year plan, 10-year plan, or the 16-year plan.

Finance Director Robinson said that the step program is very defined so if there are employees falling in different places other than the actual step, the administration will be constantly explaining why the employee is not on a step. The range system makes it far more flexible.

DA Geoff Rushlau commented that sometimes employees are already fully-proficient and you can move them up a step. You can have someone there 16 years, have gone above and beyond during the year, but they aren't getting any increases because they've been an employee for the County for so long. Bonuses let you reward that employee for doing work above and beyond what was normally required of them. You need to be able to reward those senior people. Commissioner Maines asked DA Rushlau how he felt about implementing the step plan now and implementing the merit system later. DA Rushlau said that he agrees with that plan because he thought that trying to implement the entire thing all at once is most likely impossible.

Commissioner Maines asked the other two commissioners if they had an opinion on Option 1 vs. Option 2. Commissioner Moody stated that the issue is when employees reach competency: is it five, eight, or ten years? He felt that it may depend on the job itself and/or the individual employee. Ms. Bouchard commented that she believed that 10 years is pretty fast to reach position potential. Commissioner Moody agreed and added that he worried about employee morale if having employees reach the maximum too fast. CD Carroll commented that job proficiency at 8 years is a lot less effective in law enforcement. They need to really be proficient at maybe 3 or 4 years. Deputies need to be proficient at their job before employees in other types of jobs need to be.

Commissioner Moody asked if any of the options presented had a 16-year plan with 5-year proficiency. Ms. Bouchard said no and that was because the structure is usually built around the market and the mid-range, or proficiency, is usually attached to halfway through the steps.

The chart on page 4 of the Executive Summary was referred to in the meeting as Additional Option 4. This was the original plan Gary had put in his report.

Department	1/1/2012 2.0% COLA	Adjustments to Minimum	Adjustments to Target Range Penetration	DEPARTMENT TOTAL
EMA	\$1,485	\$8,100	\$4,025	\$13,610
DA	\$4,487	0	\$8,707	\$13,194
Executive	\$2,809	\$1,803	\$1,533	\$6,145
Finance	\$2,707	0	\$9,637	\$12,344
Jail	\$27,815	\$4,092	\$23,298	\$55,205
Deeds	\$2,398	0	\$3,883	\$6,281
Probate	\$1,901	0	\$2,769	\$4,670
Sheriff	\$16,093	\$7,433	\$36,229	\$59,755
Airport	\$3,647	\$172	\$5,884	\$9,703
Communications	\$8,560	\$470	\$10,882	\$19,912
TOTAL ALL	\$71,901	\$22,070	\$106,847	\$200,818

2011 Wages	\$3,605,813
Proposed 2012 Adjustments	\$200,818
2012 Wages	\$3,806,631
Salary Increase 2011/2012	5.6%

Includes elected positions (except Judge of Probate & Commissioners)
 Does not include per diem, not regularly scheduled part-time, overtime or vacant positions
 Does not include longevity rate increases

Ms. Bouchard stated that if the Commission implements a step plan, it needs to be made clear to the employees that the steps are not guaranteed; each year the Commission and Budget Committee will have to see if the budget can support the increases.

The consensus of the Commission was that the 16-step plan will probably be an easier plan to sell to the budget committee and to work with. The consensus was also to go with Option 4 and adjusting to the mid-point.

Job Descriptions

Ms. Bouchard reminded everyone that the job descriptions were still being updated and that the copies in the binder that had been provided to the commission will be replaced when all the updates are made.

Elected Officials – Job Descriptions; Job Evaluation (Grades and Salary Ranges); Compensation Philosophy

The elected officials being discussed:

- a. Judge of Probate
- b. Register of Probate
- c. Commissioners
- d. Sheriff

Ms. Bouchard commented that if the County was going to have job descriptions for one or more elected officials, then the County should really have them for all elected officials. If the job functions for elected officials are written by statute, there's nothing wrong with having the job descriptions. As far as pay goes, if the County decides to do an average of what the other counties are paying, then the County should get rid of the job descriptions because that's what job descriptions are for.

Commissioners' Compensation

Ms. Bouchard explained that she had collected information about commissioners in other counties and what they're making.

Commissioner Maines asked if Ms. Bouchard could look at more information from other counties to see if commissioners could get increases. Commissioner Moody asked Ms. Bouchard to do the same for the Judge of probate and the Sheriff so everybody was being treated the same.

Job Evaluation Committee and Process

The Commission had been provided with a draft of the Job Evaluation Committee guidelines, drafted by Ms. Bouchard. Administrator Hart explained that he had already selected the committee members and they've already had some training. He wanted the Commission to authorize him to replace committee members if needed.

Job Evaluation Committee Guidelines

The Knox County Job Evaluation Committee will assist the County Administrator in the following activities as they relate to the Job Evaluation Program:

- a. Evaluate new positions.
- b. Re-evaluate positions, on a department manager's request, that have changed significantly in scope or complexity.
- c. Revisit existing job classifications on a department manager's request.

Committee Members: Committee members will consist of department managers appointed by the County Administrator. The County Administrator may elect to change the membership of the Committee at any time.

Meetings: The Job Evaluation Committee will meet on a regular schedule every six months. The County Administrator may also elect to convene the Committee at other times if necessary.

Job Evaluation Program: The County Administrator and the Job Evaluation Committee will use the Classification System developed by Thornton & Associates and approved by the Knox County Commission. During Job Evaluation Committee meetings, each Committee member will rate positions individually based on the information in the Job Description and any supporting documentation that may have been provided, and the Committee will work to reach consensus. If more information about a position is needed, the department manager and/or the incumbent may be invited to attend the meeting, but will exit before the position is rated. The County Administrator has the final say over any ratings where consensus cannot be reached.

Appeal Process: An employee who does not agree with the evaluation of his/her position may request a re-evaluation of the position in writing, including the detailed reasons for the disagreement. This request will go to the respective department manager/Sheriff, and if that individual is in agreement that the position should be re-evaluated, the request will be forwarded to the County Administrator. Once the Committee has re-evaluated the position, the County Administrator will inform the department manager/Sheriff of the outcome, and the department manager/Sheriff or immediate supervisor will inform the employee. If the employee does not agree with the decision, or if his/her department manager/Sheriff did not forward the request to begin with, s/he may file a grievance under the County's Grievance and Appeal Procedure or the respective Collective Bargaining procedures.

Questions: Questions about the Job Evaluation Committee or process should be directed to the County Administrator.

Administrator Hart said that some job descriptions have already been looked at, but that he would prefer to have this process put in place before the Committee actually starts reviewing them or things will get messy. Commissioner Moody asked if this would become part of the personnel policy. Ms. Bouchard explained that there's already something in the personnel policy for employees to ask for review of their grade or range if they have a problem with it. This guidelines information would go in the management handbook when that's finished.

Benefits Analysis

Not ready to do this yet

Cost Projections

Did this already with Gary's spreadsheet

III. Action Items

(No votes were taken. All voting will be done at the Regular Commission meeting on September 13th.)

Consensus of the Commission:

- 1) Include both COLAs
- 2) Move the salary ranges each year (beginning 1/1/2013) according to COLA
- 3) Wait on introducing a merit concept until performance evaluations are in place and working
- 4) Implement a 16-STEP Plan, which replaces longevity pay, and adjust employees up to midpoint based on years of experience in the position
- 5) Consider bonuses (in addition to COLA) when an employee is at the top of the range and is performing very well
- 6) Look at individual exceptions above midpoint if warranted
- 7) Look at phasing in larger individual increases if necessary from a budget perspective
- 8) Union contract – if an employee would have been better off with longevity pay than with the implementation of this program on 1/1/12, there may need to be some individual adjustments (but if both COLAs are approved, it is doubtful this would be the case).

Employee Communication Plan

It was discussed that department heads really want to be able to get their staff updated. Administrator Hart and Ms. Bouchard would work together to draft a memo to the employees. Commissioner Moody said that he wanted to see the draft before the final memo is sent out to the employees.

IV. Next Steps and Time Frames

Already determined.

V. Discuss Dates for Public Hearing for Bond Referendum Question

At a previous Commission meeting, it had been discussed having the three informational hearings at the towns of Thomaston (Commissioner Parent), Rockport (Commissioner Maines), and Union (Commissioner Moody). Administrator Hart needed to check to make sure there would not be any conflicts with regular selectmen meetings. The Administrative Office will get printed materials ready for those meetings and all three department heads were asked to attend all three hearings. John Hansen will have a chart for the wall to show what we're talking about. EMA Director Sisk suggested also showing what the recommendations of the space needs study were so the public can see we're not going for the most expensive option. It was also suggested that photos from inside the jail are very effective in showing how desperate the situation was.

VI. Adjourn

- A motion was made by Commissioner Carol Maines to adjourn the meeting. The motion was seconded by Commissioner Richard Parent. A vote was taken with all in favor.

The meeting adjourned at 11:08 a.m.

Respectfully submitted,

Candice Richards
Administrative Assistant

The Knox County Commission approved these minutes at their regular meeting held on October 11, 2011.