

COMPENSATION BOARD FOR ELECTED OFFICIALS
Meeting Discussion Highlights – March 7, 2023

Members Present

Melissa Fireside
Alisa Grandy
Aimee Smith

Guests Present

Gary Schmidt, County Administrator
Brian Nava, County Treasurer

Staff Present

Heather Pedersen
Erin Braman
Nina Smith

Call to Order		Heather Pedersen called the Compensation Board for Elected Officials (CB) meeting to order at 1:02 PM.
Welcome and Introduction of Members		All members present.
Recognition of Guests		Brian Nava, County Treasurer, joined at 1:00 PM until 2:31 PM Gary Schmidt, County Administrator, joined at 1:30 PM until 1:53 PM
Review and Approve Meeting Discussion		Meeting discussion highlights (minutes) from February 28, 2023 were reviewed and accepted without changes by the Compensation Board for Elected Officials.
Updates and Follow-Up	Update	Heather provided an update related to whether other County Clerks are required to have their own legal representation. Heather shared that Clackamas County Counsel provides legal representation for all elected officials. During the prior County Clerk’s tenure and approved under a different Board of County Commissioners (BCC), the prior Clerk had retained outside legal counsel for matters related to Elections. There is no current attorney/outside counsel on retainer for the Clerk at this time. Any new agreement for outside counsel would require approval by the current BCC.
	Update	Heather shared that she learned the Commissioners’ committee assignments are made collaboratively by all members of the BCC. The Chair does not appoint Commissioners to the committees or have veto authority as they Chair are one of five votes.
	Update	Heather provided a recap of the CB’s decisions made at the February 28 th meeting: Matches for Assessor and Clerk were confirmed (no changes made). Those updates were provided under “General Discussion” specific to matches.
	Update	Heather then provided an updated match review for Commissioner/Chair. The majority of jurisdictions rotate the Commission Chair assignment (Clark; Deschutes; Lane; Marion) and provide no additional compensation. Multnomah County has an elected Chair, but that role is very different from other jurisdictions and is more similar to the responsibilities of Clackamas County’s County Administrator. Washington County also has an Elected Chair; however that position has significantly more responsibilities than their Commissioner responsibilities, including overseeing and administering County programs and Board responsibilities, presides over meetings, executing Board policies, contracts, and bonds, and preparing the executive budget for submission to Board of County Commissioners. Washington County Chair’s compensation is set at 10% above Commissioner.

		<p>The match analysis was emailed to the Compensation Board members for their reference.</p>
<p>County Administrator/ Elected Official Presentations</p>		<p>County Administrator, Gary Schmidt Gary introduced himself and thanked the group for their work on the Compensation Board. Gary shared that one of his responsibilities is to serve as the Budget Officer for Clackamas County and propose a budget to the Budget Committee who makes the ultimate approvals.</p> <p>The Compensation Board asked Gary to share any updates available on the Clackamas County budget. Gary shared that in order to fund the new County courthouse, the BCC voted not to raise taxes (no increased funding/taxes) and the County will fund it through general funds. This will cost \$15 million annually for the next 30 years. The current General Fund is \$160 million dollars. Gary is proposing \$15 million in reductions to General Fund programs (an approximate 10% reduction to General Fund). Gary has been talking with appointed Directors to prepare proposed budget and will also work with elected officials who oversee departments. Gary's deadline is April 20th so the Budget Committee can publish the proposed budget on May 12th.</p> <p>Aimee asked if cuts were focused to specific departments or units, or an 'ask' being made across the County. Gary said it's across County with strategic reductions based on BCC and community priorities. Some departments will have a 1% reduction; some 20% based on priorities and programs. Gary said his goal is to present a budget that will be accepted (knowing there may be some modifications).</p> <p>Melissa asked about cuts based on strategy, is there a specific reduction of FTEs known? Gary has not directed specific cuts but noted there will be FTE impacts. The expectation/hope is that there will be a minimal cut of FTEs (less than 20 at this time); however, this is not finalized and could change. Aimee asked if the plans included freezing or reducing compensation and cost of living increases for exempt/management employees. Gary confirmed he is looking at every possibility and the current budget projections are based on a 4.5% COLA, which is the current ceiling in most contracts. If that goes higher, then there would be deeper budget impacts requiring a new proposed reductions. No merit freezes are planned as part of current budget proposals.</p> <p>Alisa asked if Gary had any recommendations for the Compensation Board relative to the budget reductions. Gary said that there is a constrained budget. Gary stated he believed a cost-of-living increase for elected officials would be appropriate. Regarding the salary gap/spread between an elected official and their second in command, Gary shared that it is his responsibility as the County Administer to makes decisions about staff/classifications in the offices of elected officials, including new classifications, salary grade increases, and extraordinary merits. Having a CB place a range/spread between the elected official and their #2, it puts Gary in a position where he must consider the possible impact to an elected official's compensation when approving those changes. Due to budget constraints, it will give him pause before approving knowing it may have an impact on the elected official salary. Four of the six elected official department budgets are primarily funded through general funds.</p>

	<p>Gary provided information about how the Board Chair is different or similar. In Clackamas County all five Commissioners are elected countywide. Each have one vote with no additional authority. The Chair is only exception who is has the responsibility to set the meeting agendas and chairs the meetings. The Chair gets one vote and cannot make decisions without the rest of the board agreeing. Gary acknowledged it is additional work and responsibility (e.g.: 5-10 additional hours/week to prepare for meetings), however the Chair doesn't have additional authority.</p> <p>Aimee asked if there is administrative staff to support the Chair and Commissioners. Gary said yes, each Commissioner has one Policy Advisor. Helps with administrative tasks (scheduling) and provides support on policy information, recommendations, assist to facilitate discussions and performs research.</p> <p>Melissa asked about compression and how determining non-elected Director level/second-in-command salary grades differ from Elected Officials. Gary responded (Heather confirmed) that there is a specific structure already established to ensure internal alignment (pay grades between Deputy/Director typically have a built-in spread). Anytime C&C/HR makes a recommendation in relation to changing the pay or salary grade for a regular second-in-command classification pay grade, it could impact the elected official compensation due to the 10% compression spread philosophy since it's based on a single rate for the elected official.</p> <p>Heather raised a discussion item from the previous meeting about the non-represented cost of living increase. As of 7/1/23, all bargaining units have a ceiling of 4.5% (exception of POA). Those bargaining units can bargain the difference between the cap of the COLA and the CPI. If this bargaining is not completed by 7/1/23, then a 4.5 % COLA will be automatically applied. Since represented employees will receive the 4.5% ceiling (at least), the non-represented will receive 4.5% on 7/1/23. If an additional difference is bargained and approved for EA bargaining group, then an additional amount will be applied to non-represented.</p> <p>County Treasurer, Brian Nava</p> <p>Brian provided a PowerPoint presentation and began by introducing himself. Brian's priorities are: Family, work, volunteering. Has worked with the State of Oregon's Audit Division. He was the County's first Internal Auditor and became Clackamas County Treasurer in 2019 after the former Treasurer retired. Brian has run unopposed twice.</p> <p>County Treasurer responsibilities are statutorily driven. Brian is a member of the Oregon Association of County Treasurer's and Finance Officers and is part of the legislative committee. Statute drives what Treasurers can do throughout the state.</p> <p>Treasurer's Office mission is to provide investment, treasury, and audit services to County residents.</p> <p><i>Clackamas County Internal Audit:</i> The Treasurer serves as the Internal Audit Administrator. Provides audit reports (performance, financial, compliance);</p>
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		<p>consulting; and good government hotline. Brian confirmed that Clackamas County uses Navex Global/Ethics Point which is also used by the State of Oregon.</p> <p><i>Clackamas County Treasurer duties:</i> Authority under Article VI of the Oregon Constitution. Among duties are: receiving and receipting money; disbursing funds; investing; cash management; maintaining accurate financial records; assist in issuing county debt; reporting.</p> <p>Ultimately, the Treasurer is the BANK for the County. Treasurer’s Priorities: Safety; Liquidity; Yield</p> <p><i>Future:</i> Continue prudent fund management, investing, security, and outreach. ORS compliance (ORS 295; 294; 208). Advance Electronic Payments (ACH, EFT, and maybe more); Enhance Cash Controls through Cash Controls Training and Cash Controls Administrative Rule; Intranet (“how to” guides, information, internal policies & procedures).</p> <p>Alisa inquired about possible comparables for the Treasurer position. Brian commented that Marion County had a major change where the Treasurer’s Office was absorbed into Finance. Heather confirmed with Brian that the Marion County Treasurer remains an elected official. Brian confirmed that any change to the “elected or non” status would require a vote of the people. Brian’s understanding is the Marion County Treasurer has not contracted out their investment management function but rather has contracted with an investment advisor. The Treasurer will be presented with investments and is required to sign and accept. Brian’s understanding is the Marion Treasurer still needs to sign off on the investment and take on that responsibility versus contracting out full investment management.</p>
General Discussion	<p>Decision</p> <p>Decision</p> <p>Decision</p>	<p><u>COMMISSIONER</u> Based on market, the Commissioners are 1.3% above market (last year 0.4% FY 22/23).</p> <p>Aimee asked if the other jurisdictions are on the same fiscal cycle. Heather confirmed Clark and Vancouver are the only jurisdictions whose FY is the calendar year where the other use a July – June FY.</p> <p>The Compensation Board discussed and determined that there is not a significant difference in additional responsibilities assigned to the Clackamas County Chair, therefore it was determined not to use a different market/other matching process. There is not a significant job difference or add-to-pay so leaving “as is” embedded with Commissioners is appropriate.</p> <p>Compensation Board does not see a reason to separate out the Chair role from the Commissioners for the purposes of considering market. They will continue the 2% add-to-pay. This may be revisited in the future.</p> <p>Based on difference in roles and responsibilities between Washington County’s Chair and Commissioners, the Compensation Board will continue to use the Commissioner compensation on the data sheet versus the Chair salary, which is 10% higher.</p>

	<p>Decision</p> <p>Follow-up for FY 24/25</p> <p>Decision</p> <p>Decision</p> <p>Decision</p> <p>Follow-Up</p>	<p><u>TREASURER</u> The Compensation Board looked at whether they should continue to use Marion County as a comparable. Removing Marion County would leave just two matches for Treasurer (City of Portland and City of Vancouver, both non-elected positions). Due to the lack of information related to the management of investments and impact to roles and responsibility, and how it has impacted Marion County, the CB determined to keep Marion as a match.</p> <p>For FY 24/25, HR staff will perform additional research about the Treasurer role and responsibility for managing/advising on investment portfolios.</p> <p>With the current matches, the Treasurer is 1% below market (last year below market by 2.1%).</p> <p><u>DISTRICT ATTORNEY</u> Deschutes County is a Tier 1 County based on population.</p> <p>Without Deschutes as a match, the DA is 15.2% above market; with Deschutes County, the DA is 16.6% above market.</p> <p>It was determined that Deschutes is a match based on budget/FTE, which is similar to Lane County, as well as confirmation it is also a Tier 1 County.</p> <p><u>JUSTICE OF THE PEACE</u> The Compensation Board determined to keep the existing matches.</p> <p><u>SHERIFF</u> The Compensation Board confirmed their intent to remove Clark County as a match as Jail Services are no longer under the Sheriff's Office.</p> <p>This puts Sheriff at 13.3% above market.</p> <p>For next week, HR will prepare documentation using the agreed upon compensation philosophy used by the Compensation Board. At that meeting, calculations can be finalized and the narrative drafted by the Compensation Board.</p>
Adjourn		Meeting adjourned at 3:00 PM.

Action Items/Items for Follow-up		
<u>Deliverable</u>	<u>Responsible Party</u>	<u>Due Date</u>
For 24/25, HR will do additional research about the Treasurer role and responsibility for managing/advising on investment portfolios.	Human Resources	2024
HR will prepare documentation using the agreed upon compensation philosophy used by the Compensation Board. At that meeting, calculations can be finalized and the narrative drafted by the Compensation Board.	Human Resources	03/14/2023

Upcoming meetings/events:

- Comp Board Meeting 5: March 14th 9am-12pm (scheduled in-person, Public Services Building, 2051 Kaen Road, Oregon City)
- Compensation Board Recommendations to Budget Committee: Wednesday April 26, 2023 (in-person)

Comp Board Handouts distributed

- Agenda
- Meeting Discussion Highlights from February 28, 2023
- Updated Match Sheet: Commissioner and Chair

Audio recording is available upon request.