



LANE COUNTY

HUMAN RESOURCES DIVISION / 125 East 8th Ave. / Eugene, OR 97401
Phone: (541) 682-3665/ Fax: (541) 682-4290

W. 10.a.

AGENDA COVER MEMORANDUM

AGENDA DATE: January 25, 2006

PRESENTED TO: Board of County Commissioners

PRESENTED BY: Greta Utecht, Human Resources Manager

AGENDA TITLE: **IN THE MATTER OF AMENDING CHAPTER 3 OF THE LANE MANUAL TO REVISE THE TERM AND DUTIES OF THE ELECTED OFFICIALS COMPENSATION BOARD (LM 3.600)**

I. MOTION

MOVE APPROVAL OF ORDER 06 -- _____ IN THE MATTER OF AMENDING CHAPTER 3 OF THE LANE MANUAL TO REVISE THE TERM AND DUTIES OF THE ELECTED OFFICIALS COMPENSATION BOARD (LM 3.600)

II. ISSUE

The Elected Officials Compensation Board (EOCB) is a non-mandated, appointed volunteer advisory board charged with recommending compensation schedules to the Budget Committee for Lane County's elected officials. Members are appointed by the County Administrator. Over the past five years several issues regarding how compensation is determined have generated a need to review the language in the Lane Manual in order to make it more relevant to current practices related to the definition of compensation, comparable market, frequency of meeting requirements and how recommendations are processed.

III. DISCUSSION

A. Background

The members of the EOCB are currently human resource professionals appointed annually by the County Administrator. Because this is a highly visible process, it is important that this group provide a broad perspective from different sectors in the

community. Local government, higher education, public transportation, private local for-profit business and private health insurance businesses are now represented on the board. This group of experts has met annually to discuss how compensation for elected officials should be determined, and since 2003, the membership of the EOCB has remained stable. It is important that it continue to do so because it takes a fair amount of time and study to develop a methodology of how to apply compensation practices to elected positions, each one having unique properties and issues associated with it.

Compensation Definition: Prior to 2003, compensation issues were focused primarily on salary alone. When insurance benefits rose to become a major driver in the County's overall personnel costs, the compensation discussion became more complex. Rather than salary alone, compensation was defined as "total compensation", including insurance benefits, retirement benefits (including pension and deferred compensation programs), vacation and sick leave, life insurance, medical leave, and other fringe components. As classified employees bargained for non-salary compensation ingredients to their total compensation package, the EOCB reviewed these same issues for elected officials.

Comparable Market: In attempting to provide both internal equity and external market information to the EOCB, Budget Committee and Board of County Commissioners, human resources staff has wrestled with how to do so in an 'apples to apples' comparison. The existing language in Lane Manual 3.500 requires the EOCB to "consider the compensation paid to persons comparably employed by the State of Oregon, local public bodies, and private businesses within a labor market deemed appropriate" by the EOCB for each elected officer. The problem that continues to arise and cause a conflict between the requirements and what is possible is that unless the County is willing to invest in costly private surveys, private sector data is unavailable. And, although State compensation information is public and available, it only applies to one of our elected officials, that of the District Attorney. In addition, the current language does not include the use of non-profit sector information.

Meeting Requirements: Section 3.600 also requires that the EOCB make annual recommendations to the Budget Committee, regardless whether there are any changes being recommended. During years when no changes are being made to classified employee compensation, the EOCB has not recommended changes for elected officials either. In order to reduce the time our volunteer EOCB members are asked to meet, reduce the amount of staff resources needed and to simplify the process, changing the meeting frequency requirement is recommended.

Processing Recommendations: Finally, the EOCB is now required to make all recommendations to the Budget Committee, which in turn can forward them on to the Board of County Commissioners, or make changes to them before they go to the BCC. For the non-board elected official positions, this adds time and complexity to

the process, since the Budget Committee meets less frequently now than it did in the past. Current State budget law no longer requires the Budget Committee to meet for review of all supplemental budget changes, and it generally only meets to determine and recommend the annual budget. These meetings take place in the spring of each year, usually in April and May. Unless a special meeting of the Budget Committee is convened for the sole purpose of reviewing the EOCB's recommendations, which is a time commitment for the Budget Committee members and a resource issue for budget staff, compensation changes for non-board elected officials can be delayed considerably. Since our non-board elected officials manage departments and or agencies staffed with classified employees, it can result in situations of internal inequity. Even when the inequity is addressed retroactively, there remain problems with implementation, budget implications and fairness.

The Lane Charter contains a provision that requires that any changes to the compensation for County Commissioners be implemented no earlier than the January following a general election, so that process is already determined and on a separate timeline from the other elected positions. Making recommendations for all elected officials at one time adds to the complication and confusion because they cannot be implemented simultaneously.

B. Analysis

In order to address the issues described above, staff proposes the following changes to Lane Manual section 3.600:

1. Add the term 'total' before compensation schedule so that it is clear that compensation includes all factors that are used to calculate total compensation: insurance benefits, retirement benefits, vacation, etc.
2. Delete private businesses from and add non-profit agencies to the list of comparable organizations that the EOCB uses in determining market comparability; add 'or' so that some or all of the organization types can be used, depending on the elected position.
3. Require that the EOCB meet at least every two years during the year in which there is a general election; require that the EOCB meet prior to July 31 of that year. This would provide the voters opportunity to respond to any recommendations, while reducing the requirement to meet when there is no need to do so.
4. Allow the EOCB to make recommendations directly to the Board of County Commissioners for non-board elected official compensation; continue requirement that recommendations concerning the compensation for County Commissioners be made to the Budget Committee. This would align the process with timing requirements in the Lane Charter, and make it possible to

address compensation of elected officials who manage classified staff in a more timely and responsive manner, simplifying it as well.

C. Alternatives/Options

1. Approve changes to Lane Manual Section 3.600 as described and proposed in attachments A and B.
2. Reject changes.

D. Recommendation

Approve Option 1.

IV. IMPLEMENTATION/FOLLOW-UP

Following Board action, proposed changes will be distributed to interested parties and the Lane Manual will be changed. Recommendations of the EOCB regarding the compensation of non-Board elected officials will be brought directly to the Board of County Commissioners; recommendations regarding compensation for the County Commissioners will be presented to the Budget Committee later this spring during its regular schedule of meetings as part of reviewing the proposed annual county budget.

V. ATTACHMENT

Board Order

Proposed Lane Manual section 3.600, legislative format

Proposed Lane Manual section 3.600, non-legislative format

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO.

IN THE MATTER OF AMENDING CHAPTER 3 OF
THE LANE MANUAL TO REVISE THE TERM AND
DUTIES OF THE ELECTED OFFICIALS COMPEN-
SATION BOARD OF LANE COUNTY (LM 3.600)

The Board of County Commissioners of Lane County orders as follows:

Lane Manual Chapter 3 is hereby amended by deleting, substituting, and adding the following section:

DELETE THIS SECTION

3.600

as located on pages 3-47 through 3-48
(a total of 2 pages)

INSERT THIS SECTION

3.600

as located on pages 3-47 through 3-48
(a total of 2 pages)

Said section is attached hereto and incorporated herein by reference. The purpose of this substitution and addition is to revise the term and duties of the Elected Officials Compensation Board of Lane County (LM 3.600).

Adopted this _____ day of _____ 2006.

Chair, Lane County Board of Commissioners

APPROVED AS TO FORM

Date 1/9/06 Lane County


OFFICE OF LEGAL COUNSEL

Superintendents' Group

K-12 selected by the Lane County

- (3) Labor
- (2) Community Based Organizations
- (3) Local Elected Officials
 - Lane County Commissioner
 - City of Eugene Councilor
 - City of Springfield Councilor
- (3) Public Agencies
 - Employment Department
 - Adult and Family Services
 - Vocational Rehabilitation
- (1) Economic Development

Business representatives shall be selected from among individuals nominated by general purpose business organizations. The number of such nominations must be at least 150 percent of the number of business and industry slots to be filled. Labor representatives shall be recommended by recognized state and local labor organizations or appropriate building trades councils. The remaining members shall be individuals recommended by interested organizations. Each jurisdiction shall appoint one-third of the business and industry membership whenever possible. Public sector and labor appointments shall be made by unanimous agreement of the chair of the Lane County Board of Commissioners and the mayors of Eugene and Springfield.

TERM: 3 years, ending December 31 *(Revised by Order No. 00-8-16-1; Effective 8.17.00)*

3.572 Metropolitan Wastewater Management Commission.

Operates and maintains the regional sewerage facilities, adopts financing plan and operation budget.

STAFFING: City of Eugene

MEETS: Variable

NONMANDATED

MEMBERSHIP: (7) Consists of one elected official each from Lane County, the City of Eugene and the City of Springfield, plus two lay citizens appointed by the City of Eugene, one by Lane County and one by the City of Springfield.

TERM: 3 years, ending June 30 *(Revised by Order No. 00-8-16-1; Effective 8.17.00)*

OTHER APPOINTED COMMITTEES

3.600 Elected Officials Compensation Board (Lane County).

Recommends to the Budget Committee and to the Board of County Commissioners a compensation schedule for County elected officials. Compensation Board is established pursuant to the authority granted by the Lane County Home Rule Charter.

STAFFING: Management Services

MEETS: As needed, but at least once each year in which there is a general election, prior to July 31 of that same year.

NONMANDATED

MEMBERSHIP: (5) Consists of five members appointed by the County Administrator.

TERM: 4 years, ending December 31. No limit on number of terms.

Lane Manual

DUTIES: Recommends to the Budget Committee a compensation schedule for County Commissioners and recommends to the Board of County Commissioners a compensation schedule for non-board elected officials (Assessor, Sheriff, Justices of the Peace, and District Attorney). The Compensation Board shall consider at least the following when determining the compensation schedule:

(a) The compensation paid to persons comparably employed by the State of Oregon; local public bodies, non-profit agencies, and/or other counties within a labor market deemed appropriate by the Compensation Board for each elected officer.

(b) The number of employees supervised; the size of the budget administered by each elective officer; the duties and responsibilities of each elective officer; and the compensation paid to subordinates and other appointed employees who serve in positions of comparable management responsibility. In any event, the Sheriff's compensation shall be fixed in an amount which is not less than that for any member of the Department of Public Safety.

(c) "Compensation" is to be evaluated on the basis of the total compensation received, as relevant to the particular elected position. For example, the District Attorney position receives health insurance benefits from the State of Oregon as a State official. Total compensation includes consideration of insurance benefits, retirement benefits (including pension and deferred compensation programs), time management or vacation and sick leave, life insurance, medical leave, and other fringe components.

The Compensation Board shall prepare and approve by majority vote a recommended compensation schedule for the elective officers and shall submit the recommended schedule to the Board of County Commissioners and/or the Budget Committee, with a copy provided to the Board of County Commissioners.
(Revised by Order No. 00-8-16-1; Effective 8.17.00)

Superintendents' Group K-12 selected by the Lane County

- (3) Labor
- (2) Community Based Organizations
- (3) Local Elected Officials
 - Lane County Commissioner
 - City of Eugene Councilor
 - City of Springfield Councilor
- (3) Public Agencies
 - Employment Department
 - Adult and Family Services
 - Vocational Rehabilitation
- (1) Economic Development

Business representatives shall be selected from among individuals nominated by general purpose business organizations. The number of such nominations must be at least 150 percent of the number of business and industry slots to be filled. Labor representatives shall be recommended by recognized state and local labor organizations or appropriate building trades councils. The remaining members shall be individuals recommended by interested organizations. Each jurisdiction shall appoint one-third of the business and industry membership whenever possible. Public sector and labor appointments shall be made by unanimous agreement of the chair of the Lane County Board of Commissioners and the mayors of Eugene and Springfield.

TERM: 3 years, ending December 31 (*Revised by Order No. 00-8-16-1; Effective 8.17.00*)

3.572 Metropolitan Wastewater Management Commission.

Operates and maintains the regional sewerage facilities, adopts financing plan and operation budget.

STAFFING: City of Eugene

MEETS: Variable

NONMANDATED

MEMBERSHIP: (7) Consists of one elected official each from Lane County, the City of Eugene and the City of Springfield, plus two lay citizens appointed by the City of Eugene, one by Lane County and one by the City of Springfield.

TERM: 3 years, ending June 30 (*Revised by Order No. 00-8-16-1; Effective 8.17.00*)

OTHER APPOINTED COMMITTEES

3.600 Elected Officials Compensation Board (Lane County).

Recommends to the Budget Committee and to the Board of County Commissioners a compensation schedule for County elected officials. Compensation Board is established pursuant to the authority granted by the Lane County Home Rule Charter.

STAFFING: ~~Office of County Administration~~ Management Services

MEETS: As needed, but at least once each year in which there is a general election, prior to July 31 of that same year.

NONMANDATED

MEMBERSHIP: (5) Consists of five members appointed by the County Administrator.

TERM: 4 years, ending December 31. No limit on number of terms.

DUTIES: ~~Annually recommends~~ Recommends to the Budget Committee a compensation schedule for County Commissioners and recommends to