Call to Order

Mr. Van Etten called the meeting to order at 8:30 a.m. and asked Mrs. Lando to lead the Pledge of Allegiance.

General Business

A. County Manager

1. Management Salary Plan – Mr. Wheeler informed the committee that they engaged the services of the Burke Group to review our management salary grid and compensation. He is not looking for any action today; this is just a presentation and we should have solid financial information for the October meeting.

Steve Deperrior stated the Burke Group is a compensation consulting firm and we also do retirement plan consulting and administration as well as provide actuarial services. We have been hired to review Steuben County’s current compensation structure and pay that is provided to approximately 70 non-civil service positions, including department heads and management positions. The objective of this review is to provide a comparison of how current compensation compares to published survey and peer county data; the development of a new compensation structure that is market and industry competitive; a review of current benefits provided and to provide recommendations relative to compensation adjustments, the implementation of a new compensation structure and maintaining that structure moving forward.

Mr. Deperrior reviewed the proposed base salary analysis. He commented the midpoint salary would reflect an individual having been in the position for 8 – 10 years. He would recommend reviewing your salary plan once every three to four years with the philosophy being that you want the pay at the market rate. Mr. Deperrior reviewed the County’s current benefits. Benefit categories are Health Insurance, Insurance Buyout, Retirement, Vacation, Sick Leave, Personal Leave and Holidays. For all categories with the exception of vacation, the County is at or above the market rate. Mr. Van Etten commented with regard to Vacation, Sick, Personal and Holiday leave, after one year an employee gets 41 days which represents 16 percent of the work year. Mr. Deperrior
stated you are right, however, from a market rate standpoint, other counties are providing better benefits for vacation time after 10 years.

Mr. Deperrior explained with the salary structure, you have 11 grades with a minimum, midpoint and maximum salary. The current distance between the midpoints is 10 percent and then 22 percent above midpoint and 22 percent below midpoint to get that spread is appropriate. We determine if the midpoint is consistent with market data. You currently have five levels of performance evaluations. Many organizations have moved to three levels in an attempt to simplify the evaluation process. He stated that based on the peer group and market data, we are recommending having a new structure for management and confidential employees; increase the structure from 11 to 14 grades (proposing Grades B through O); keep the current range spread of 44 percent (22 percent below midpoint/22 percent above midpoint) and keep the existing incremental increases in grade midpoints of 10 percent. In order to reflect incumbents experience and years in positions, we are proposing two options. The first option would be to divide the grades into quartiles, with each quartile representing an individual’s years of experience and/or years in the position. He explained many organizations moved to this option to set an individual at an appropriate level when they are hired and look internally to bring them up to market rate.

Mr. Deperrior stated the second option would be a 15 step program. Each grade is broken down into steps, with each step representing an individuals’ experience and/or years in the position. This option targets a specific point in the range to slot an individual in. Many organizations are moving away from this to go to a more performance based system, however, a lot of counties and municipalities have used a structure like this.

Mr. Wheeler stated one of the things we should note is with regard to the confidentials; we treat them like we treat the CSEA and they are not currently in the management salary grid. At the outset of this, we talked about putting those positions into the management system and that is what you see in this presentation. Mr. Deperrior commented one of the steps after this meeting is to look at this and see if it makes sense to you. Mr. Wheeler stated that he, Mr. Brewer and Mr. Alderman have met a number of times to proof this.

Mr. Deperrior stated that overall your base salaries appear to be consistent with peer and market data and he would recommend adjusting the structure. Your benefits are at or above market; although sometimes for mid-career individuals, they tend, in a system like that, to be on the lower end and it is sometimes reflected in the hiring process. Mr. Wheeler commented we are talking about every position with regard to grading and nothing will show an increase to his salary if you opt to change the grading system.

Mr. Swackhamer asked how do you come up with the costs? Mr. Deperrior replied we are looking at most of the positions in a very localized market and are looking at this specific Finger Lakes area. With more senior level positions, we are using New York State, outside of New York City. The peer group that we used includes Allegany, Cattaraugus, Chemung, Clinton, Jefferson, Livingston, Schuyler, Seneca, St. Lawrence, Wayne and Yates counties. There is some Buffalo data included as people are driving more for work.

Mr. Malter asked if we adopted this, what would the bottom line be? Mr. Wheeler replied it depends on the option and we do not have that data today. There are a number of positions that were considerably low graded. The cost will not be astronomical.

Mr. Van Etten commented the reason we got into looking at this is that we know we have compression with current salaries we are paying and trying to pull people in from the outside. We wanted to see what level we needed to be at to attract good talent. We have 11 grades now and there is a proposal to increase that to 14 grades. Why are we adding three additional grades? Mr. Deperrior replied that was done to accommodate some minor changes and to maintain the 10 percent spread. Mr. Wheeler explained those first three grades contain individuals, with the exception of the County Historian, who were treated outside the system, such as the confidentials and we carved those out. There will be a couple of changes that still need to be made.

Mr. Swackhamer asked with the benefits, have you added that as a dollar value? Mr. Deperrior replied we have not done anything with that. You could change the cost sharing for things such as the insurance. Mr. Wheeler
explained historically management has followed the CSEA in terms of insurance copays. Mr. Swackhamer asked what is the recommendation for benefits? Mr. Deperrior replied with benefits, we see other counties gradually, over time, looking at benefits and considering modifications. Retiree health insurance has the largest price tag. Mr. Van Etten stated benefit days are hard to take away, but the costs are easier to increment.

Mr. Malter stated in the past, in the 1980’s and 1990’s rather than increase pay, we increased the benefits and that is part of the reason why they are as high as they are. Ms. Fitzpatrick commented people know that working for government the salaries are going to be lower, but the benefits are higher than in the private sector. Mr. Van Etten stated people who are currently employed value that, however, if you are attracting talent, they are looking for a number.

Mr. Wheeler commented comparing against peer groups is important as we are competing with them. He stated at least with this data we are seeing, if you adopt a new system, the midpoints will be higher. Where the complication comes in, is you are reducing the subjectivity of where to start them. The easier transition is the grade system and the ability of setting parameters; it looks like it gives you a little more flexibility, but you do still lose some flexibility. Mr. Deperrior stated capturing a person’s experience is critical.

Mr. Maio stated he understands why we have the peer group, however, we are not just competing with counties of similar size, we are competing with Broome and Monroe. Mr. Deperrior stated the column for published survey data captures data from Broome and Monroe counties, as well as the private sector. Mr. Maio stated if we are getting to the average of the public sector, that is fine. However, if we are comparing only to counties of similar size, we are limiting ourselves. Mr. Wheeler commented when we transitioned the Sheriff’s Deputies to market rate; we pulled in the numbers for Broome, Monroe and Ontario counties and it skewed the numbers. Mr. Deperrior commented when we use the peer group and public survey data together, it is probably a good assessment of what is the market rate. We have identified the midpoint and there was a good philosophical discussion around that. That is the foundation of what we are trying to do.

Mr. Baker commented with regard to the District Attorney’s Office, the salaries for the Assistant District Attorneys (ADA) all include a stipend amount that was divided up among those positions to pay for nights and weekends spent working due to CAP (Counsel at Arraignment). Mr. Wheeler stated in the transition plans that we will show you, we would like to get away from stipends and put those amounts into their base salary. If the responsibility goes away, then we can have a discussion about that. Mr. Deperrior commented that would be his recommendation. Mr. Swackhamer stated a stipend is easier to take away rather than reducing salary. Mrs. Lando stated if they are doing the job, the stipend should be in their base pay.

**MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS’ LAW, ARTICLE 7§ 105.1.F. THE MEDICAL, FINANCIAL, CREDIT OR EMPLOYMENT HISTORY OF A PARTICULAR PERSON OR CORPORATION, OR MATTERS LEADING TO THE APPOINTMENT, EMPLOYMENT, PROMOTION, DEMOTION, DISCIPLINE, SUSPENSION, DISMISSAL OR REMOVAL OF A PARTICULAR PERSON OR CORPORATION MADE BY MRS. LANDO. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 4-0.**

**MOTION: TO ADJOURN EXECUTIVE SESSION AND RECONVENE IN REGULAR SESSION MADE BY MS. LATTIMER. SECONDED BY MRS. LANDO. ALL BEING IN FAVOR. MOTION CARRIES 4-0.**

**MOTION: TO ADJOURN MADE BY MRS. LANDO. SECONDED BY MS. LATTIMER. ALL BEING IN FAVOR. MOTION CARRIES 4-0.**

Respectfully Submitted by Amanda L. Chapman, Deputy Clerk, Steuben County Legislature