

Human Resources Committee Meeting

Douglas County, Nebraska

Monday, October 16, 2017

The meeting convened at 2:00 P.M. in Room 903 of the Omaha-Douglas Civic Center, 1819 Farnam Street, Omaha, NE 68183. A copy of the Open Meetings Act is located on the wall near the entrance of the room. A notice of the meeting was published in the October 3, 2017, issue of *The Daily Record*. County Commissioners present at the meeting were Clare Duda, and Mary Ann Borgeson. Others present at the meeting included Patrick Bloomingdale, Joe Lorenz, Diane Carlson, Marcos San Martin, and Catherine Hall, Administration; Julia Plucker, Kelley Plucker Law; Tim McNally, Kit Morse and Matthew Oberle, Human Resources; Amanda Wells, Rocio Padilla, Sheri Larsen and Constance Mierendorf, Douglas County Clerk/Comptroller's office. Mary Ann Borgeson chairs the Committee.

Non-Union Salary Increase Recommendations

- Matt Oberle presented the *2018 Non-union Salary Increase Recommendations* (Attachment A). He began with an overview of what other industries are projecting for increases. The majority of the companies (all of which do compensation surveys) project 3.0% increases.
- The historical union step increase was compared with the non-union step Increase and non-union range (Attachment A, p. 2).
- The current pay grade structure includes 48 pay grades with 3 grade classes. The A grade consists of managers and department directors; the M grade includes supervisors, some managers and some individual contributors, and the G grade includes individual contributors. Overlaps do occur in Grades G and M and in M and A.
- The Pay Grade Structure proposal begins to correct the overlaps in slow stages. The process will begin with the overlap in the G and M grades. The plan would eliminate 4 grades that overlap and take out the 2 bottom grades that are not being used. That takes the plan down from 16 to 12 grades.
- The ultimate goal is a very clean and structured pay scale.
- Mr. Oberle proposes a 3% increase. This is what was budgeted and is competitive.
- He wants to eliminate any duplicate grades and develop a mechanism to move to steps and reduce overlaps between A and M grades.
- This will increase step grades 3%; range grades 4%. Increase the structure by 3% for both types of grades. It will take some range employees and move them through the range by 1%. There are no steps at the top of the range.
- This will increase costs for step employees by \$361,039.95. The estimated cost of consolidating G and M grades is \$122,000, (for the entire year, hitting 2 budget years), and range employees comes in just under \$300,000 (Attachment A, p. 4).
- 3% was budgeted for these increases, the same as last year.
- Commissioner Borgeson asked if adding the 3 numbers (\$775,589.48) as presented is covered in the budget.

- Joe Lorenz said the money should be in the salary adjustment account; however, that amount is based on the need to make retroactive payments to unions when their contracts are not settled on time. The payments are often large and relate to the previous year.
- There is \$1,750,000 in the salary adjustment account. If all union contracts settled on time, there would not be a need for this reserve. Last year \$300,000 in salary adjustments was returned because the contracts had not settled yet.
- Commissioner Borgeson said she wants to make sure the Board has the amount Mr. Oberle presented in the budget.
- Diane Carlson asked Mr. Oberle to summarize the difference between last year's proposal and this year's proposal.
- Mr. Oberle said the concept is the same as last year. Changes are being implemented gradually. This proposal adjusts the bottom half of step grades first; no ranges are moving to steps this year.

Legislative Priorities

- Marcos San Martin presented the summary of last year's 105th Legislative Session. The Board took a position on 24 items (Attachment A). Because the Legislature is now going to short session, these bills are still viable. The Board still has this list as its priorities going into the next session.
- A couple of additional items came up in the interim and at the Tri-County meeting that might be added to the list. Sean Kelly suggests prioritizing LB 43, the 911 surcharge item. He would like to bring this forward again. LB 43 raises the surcharge from 50 cents to \$1. Mr. Kelley also recommends prioritizing LB 81, the application fee for handgun certificates. This needs to be updated since the fee was set in 1991. Both LB 43 and LB 81 are revenue generating bills.
- Commissioner Borgeson inquired about what would happen to the legislation Senator Craighead had proposed since she has resigned.
- Julia Plucker said it is up to the Speaker. Technically someone will have to take up a bill that has already moved out of committee. If it's still in committee, the Speaker probably would say that a sponsor could re-introduce it.
- The Draft for Discussion (Attachment C) is a list of Standing Shared Support Items and Potential Legislative Items that came out of discussion with Lancaster and Sarpy counties. Standing Shared Support Items include:
 1. support for criminal justice reform
 2. eliminating unfunded mandates
 3. sharing proportionally the automotive sales tax
 4. revising the definition of Greenbelt

- Julia Plucker heard that the Legislature is going to focus on school finance to try to figure out how to lessen the schools' burden and get ready for the next budget year.
- Mr. San Martin discussed Potential Legislative Items (Attachment C). He recommended 1. support for a legislative effort to update and modernize the County Purchasing Act. The thresholds for County Purchasing would double their existing levels.
- Items 2 and 3, opposing LB 510 and LB 570, also came up at Tri-County. They would be revenue losses for the County. Mr. Lorenz said approximately 10% of our tax revenue comes from personal property.
- The Board has seen items 4-8 before. They did not make the first session cut. They could still be added if the Board desires. They are not actual bills but are simply ideas at this point.
- Commissioner Borgeson said lobbying this next session should focus on revenue bills that are going to affect us since this is the short session.
- Addressing the elimination of unfunded mandates, the County can show the rising costs of having to add offices the state has mandated . Douglas County could make a good argument with figures to support the increased costs of providing office space for Probation and Health and Human Services
- Commissioner Duda said as the County looks at building a new juvenile courthouse, the County has not figured out how it is going to pay for it. There may be some alternative ideas that should be pursued. If a private company put up the money for a building and the County did a lease/purchase agreement, how would LB510 affect that?
- The County needs to be vigilant about LB510 since it may impose limitations that could ultimately affect Douglas County.
- Ms. Plucker said LB510 puts a cap of \$25 million on installment contracts in the proposed bill.
- Mr. San Martin said Mr. Kelley expressed some concerns about limiting any barriers on the County Justice reinvestment grant program.
- Bloomingdale we need money for capital improvement, not for programming.
- Mr. San Martin said that Mr. Kelley also recommended that we monitor any property tax reduction bills and also watch any outstanding issues or changes to the TERC process.
- Resolution 877 summarizes the County's legislative priorities adopted December 20, 2016 (Attachment D).

The meeting adjourned at 2:44 P.M.