

May 16, 2007

## **PERSONNEL COMMITTEE REPORT**

The Personnel Committee met Wednesday, May 16, 2007 at 3:00 p.m., in the QC Meeting Room, Third Floor, County Administration Building, 215 East Central, Bentonville

Committee Members Present: Hill, Hobbs, Schindler, Stephenson, Wolf

Others Present: Barbara Ludwig, Richard McComas

Media: Jennifer Turner – Benton County Daily Record  
Scarlett Simms – Morning News

### **1. NEW BUSINESS:**

#### **A. Salary Administration Policy**

Human Resources Director Barbara Ludwig stated that Benton County received a Best Practice award for the turnaround in the Employee Health Plan costs, and recent data suggests that while the number of procedures that employees are having performed is still increasing over last year, they are less expensive ones, which may indicate that employees are not choosing to forego medical treatment due to the increased deductibles, but are seeking more diagnostic and preventative measures and generally becoming more proactive in their healthcare. She noted that another smoking cessation program will begin in July.

Barbara Ludwig stated that at the last Personnel Meeting in April, they covered the entire Employee Manual, and they now need to go over the Salary Administration Policy. She said that she sent the two minor changes in the Employee Policy Manual that were recommended by the committee to the Elected Officials, and she has not received any negative feedback. She stated that the Salary Administration language will be part of the Employee Policy Manual, and it is an ordinance.

Barbara Ludwig went through all of the changes in the Salary Administration Policy language. The committee discussed the 3% raise that new exemplary employees are eligible for after 6 months of employment (if they were hired below the 90% rate and the new salary does not put them above 90%). She said that they will monitor it closely so that it will not become an automatic raise. JP Stephenson expressed concern that some Elected Officials might award the 3% raise routinely. JP Hill asked if it would be based on an evaluation. Barbara Ludwig stated that they would not do a formal evaluation at the end of 3 months, but it would be noted in the employee's annual evaluation. JP Wolf stated that there should be a letter placed in the personnel file to note why the raise was given at that point in time. Barbara Ludwig stated that she would not put it in the Policy language, but she would include language on the form that is turned in to Payroll to request the pay increase asking for an explanation. JP Stephenson stated that he did not see anything wrong with including it in the Policy language, so there would not be any excuse for not having it in the file. Barbara Ludwig added language to the Policy stating that the Elected Official or Department Head would include a letter stating the reason for the increase in the employee's personnel file. Richard McComas stated that not all of the Elected Officials use the same process for pay increases. JP Hill asked why the practice is not standardized throughout the county. Barbara Ludwig stated that the Sheriff's Office follows the advice of the

attorney for the Arkansas Association of Counties, who feels that evaluations conflict with at-will employment. JP Stephenson noted that they have no control over how an Elected Official chooses to run their office. JP Wolf stated that they can include it in the policies and procedures, and whether an Elected Official chooses to follow it or not is discussion for another time.

Barbara Ludwig stated that she has deleted all of Section 4 under Article 2 dealing with Salary Range Quartiles, because they no longer use them. She said our salaries have a midpoint, a maximum, a minimum, and 90% of midpoint, which are not quartiles.

JP Stephenson asked for an update on the 3 part-time positions that were approved as a floating pool. Barbara Ludwig stated that it is working very well, and they have been used in the Sheriff's Office, the Health Department, Judge Duncan's office, and one employee has been assisting in the Judge's Office with the Community Service Program. She said that two of them trained with the Election Commission during the last election. Richard McComas stated that there are currently no employees being supplied by any of the outside temporary services providers.

The committee discussed the procedure for setting the amount of merit increase. Barbara Ludwig stated that the current language sets a limit of 7%, but some years the Quorum Court may approve a merit increase of less than 7%. She said that allows an Elected Official to give some employees up to 7%, but it means reducing the amount other employees would receive. She said she has changed the language to state that the Quorum Court will set the amount of merit increase each year.

JP Stephenson stated that he would like to see language included which stipulates that Elected Officials are not county employees, and that their increases will be set in accordance with state-mandated minimums and maximums. Richard McComas stated that the Quorum Court had decided to only review Elected Officials' salaries in off election years, and that should probably also be added. Barbara Ludwig added the language.

The committee discussed limits of promotion increases and the factors that determine the amount of increase. Barbara Ludwig stated that the situations that most often cause the need for wage adjustments are cases where a person is promoted to a higher grade, but the new salary is more than a 5% increase over their previous salary. She said an outside candidate can be hired at 90% of the midpoint, which is not fair to current employees.

Barbara Ludwig explained the difference in the way salary decreases will be determined based on whether it is a voluntary downward transfer or a punitive demotion.

Barbara Ludwig stated that Johanson Consulting will no longer be writing job descriptions, and explained the change in the language in Article 8. She said they will be writing the job descriptions internally based on a questionnaire filled out by the Elected Official, in order for the format and wording to be more consistent. She said the Elected Official will have final say over the job descriptions, and they may appeal to the JESAP committee, which is now made up of all of the Elected Officials. She said that for position re-grades, they will be performing evaluations.

Barbara Ludwig explained the changes made in Ordinance No. O-2003-21, which amended the original Salary and Administration Policy Ordinance language concerning demotions and salary decreases. She said in some instances, employees were moving into lower grade positions, and keeping their higher salaries if they were not over 90% of midpoint.

JP Schindler stated that on Page 6, Section 10, Paragraph (d) has been deleted, and he thought it should be left in, because it clearly states when the Elected Officials/Department Heads should inform employees of a merit increase. Barbara Ludwig stated that she would put the language back in.

Barbara Ludwig stated that she would get the changes to the Elected Officials, and if there are no objections, the Policy Manual and Salary Administration Policy will hopefully be ready to go to the Committee of 13 in June, and the ordinances will take three readings.

Richard McComas stated that since these are procedural changes, if they cause any changes in an employee's status that require Personnel Committee approval, they should probably take priority over any new requests. JP Stephenson agreed, and that Barbara Ludwig and Richard McComas should probably make that clear in their presentation to the Finance Committee when they ask for any budget changes.

Barbara Ludwig stated that the next meeting will have a full agenda, as there are approximately 20 new positions being requested, as well as some reorganizations. She said that she has asked the Elected Officials and Department heads who are making the requests to attend the meeting to answer any questions.

JP Stephenson announced that the next Personnel Committee will be Tuesday, May 22, 2007 at 2:30 p.m.

JP Schindler commended Barbara Ludwig for the award that they received, and stated that it should get some recognition because it speaks to the quality of Benton County's staff. Barbara Ludwig stated that she thought that the employees deserved the credit.

After motion and second the meeting adjourned at 4:10 p.m.