

**ALLEN COUNTY COUNCIL MEETING MINUTES
SPECIAL MEETING OCTOBER 12, 2016
8:30 AM**

The Allen County Council met on Wednesday, October 12, 2016 at 8:30 am in the Human Resources Conference Room at Citizens Square. The purpose of the meeting was for discussion of the payroll grid recommendations proposed by Waggoner, Irwin and Scheele.

Attending: Robert A. Armstrong, Joel M. Benz, Larry L. Brown, William E. Brown, Roy A. Buskirk, Tom A. Harris and Sharon L. Tucker.

Also Attending: Tera Klutz, Auditor; Nick Jordan, Chief Deputy Auditor and Jackie Scheuman, Finance and Budget Director.

The meeting was called to order by President Roy Buskirk.

Roy Buskirk: I am kind of lost because Becky Butler isn't here to count down. We are here to discuss the Waggoner, Irwin and Scheele report as far as the wages and grids. I will turn this over to Tom Harris who is the President of the Personnel Committee.

Tom Harris: Thank you, Roy. We are coming back together to dissect and discuss a little bit more in detail the recommendations from the WIS report as well as what we want to do with the overall grid system. Auditor, I think what we have agreed to at this point is a three percent and has been approved by Council but has not been passed officially but is what is on the docket. We will move forward with an across the board for all County employees. What we are talking about today is something beyond that which would be the adjustment to the grid system. Unfortunately we understood that the WIS Consultants were not able to be with us this morning and so we are going to plow through that along with the help of Human Resources as well as the rest of Council and the Auditor's Office.

Roy Buskirk: For the television audience, the WIS report is what?

Tom Harris: Waggoner, Irwin and Scheele Consultants and they work with County governments, City governments and all kinds of governments throughout the State of Indiana. We asked them to look at our grids this year and into next year's budget but it is the first time we have had them come back and recalibrate or at least look at those grids in how many years?

Janette Jacquay: About ten years.

ALLEN COUNTY COUNCIL MEETING MINUTES

Tom Harris: We are now officially looking at the grid system. With that there are a number of different things that we should talk about but maybe just open it for general comments about where your thoughts are and any thoughts you might have about the grid system. I will open that for the Auditor's Office and HR. Maybe let me check just one more thing. Have there been any dramatic changes in any of the numbers that we have looked at in terms of turnover, recruitment challenges or anything since we met last? Does anything come to mind?

Mary Rian: There hasn't been any big change. We still see a lower number of LTC positions, maybe ten to twenty applications whereas an OSS-type position we are getting 200 to 300 applications. That is normal for the difference between the two. A lot of the OSS positions are clerical work and so we see a higher number of applications. We do get a lower number of PAT applications.

Tom Harris: That is kind of where we started some time ago was that the LTC and PAT grids were the primary concern for the HR Department, right? For the audience, LTC is Labor, Trades and Craft. PAT is Professional and Technology jobs, is that correct?

Janette Jacquay: Correct. When HR came to you in the spring of this year, we presented our concern to you that there was difficulty in recruiting and re-evaluation of within the County that were at the PAT level as well as the LTC level. That began the discussion as to how do we address the fact that those two grids are very low and we need to make a change and see some type of increase to be able to recruit as well as retain.

Roy Buskirk: With the three percent, does it make the LTC and PAT grids a little bit closer to where they should be?

Mary Rian: It makes them three percent closer but it really depends on where you would go with the WIS recommendations. It brings them up three percent higher and depending on where you would decide where the positions would hit market, it would make a difference.

Roy Buskirk: I guess what I meant was what are other government units doing this year as far as wage increases? Are they higher than the three or lower than the three?

Tera Klutz: I don't think the competition for the LTC and PAT are in any other government. I think the majority is private sector. That is why we are getting a lower number of job applications. I think that is not impacting or not impacting what other governments are doing. I will say that I believe

ALLEN COUNTY COUNCIL MEETING MINUTES

three percent for other governments would be higher. I don't know that I would see any other governments giving more than three percent next year.

Tom Harris: I was also going to ask, and we have asked it before and you have answered it several times, the last time we did the three percent is approximately when?

Tera Klutz: Per Jackie, the expert, it was 2009. That was because we made the employees start paying their contribution of three percent PERF. The net difference to the employee was not a three percent increase. The last time we did a three percent increase was before my time here.

Tom Harris: Approximately when was that just to get an understanding of how long ago that had been?

Tera Klutz: I have been here twelve years, so.

Tom Harris: So, a three percent across the board hasn't happened for over twelve years?

Tera Klutz: So they got a three percent increase in 2009.

Tom Harris: Understood but we took some things away or changed that benefit package. The benefit change took away the three percent.

Roy Buskirk: There have been some special grids that have been raised and the one that comes to mind was the confinement officers. One year, they received a ten percent raise. I think there have been some other specialty situations when we have raised greater than three percent.

Tera Klutz: Yes. So should we choose to pick and choose the grids to raise that have been done in the past depending on experience in that classification?

Tom Harris: I just wanted to simply point out that we shouldn't underscore or minimize the fact that we are doing a three percent. That is a big deal and hasn't happened for a number of years.

Sharon Tucker: How many years have we not given, when the economy was bad, we did not give a raise? I think that is important to remember too when we are looking at doing the three percent. There was a gap in not giving an increase which probably helped us not get behind.

ALLEN COUNTY COUNCIL MEETING MINUTES

Roy Buskirk: There really hasn't been too many but I will let the pros answer that.

Jackie Scheuman: Three years in a row we did not give an across the board raise however in one of those years we gave a one-time bonus.

Nick Jordan: And that was to offset the three percent PERF. It was 2012 when the one-time supplemental pay was given since the three percent PERF was to be paid by the employees.

Sharon Tucker: Is it fair to say that for a good three years salaries were stagnant because they not only took on their own PERF responsibilities and there was no increase from the County either?

Jackie Scheuman: Correct.

Sharon Tucker: We should remember that too.

Janette Jacquay: That is the reason we believe it contributed to the PAT and LTC grids being low.

Tracy Mitchener: I think it is also hard that the private sector is pretty tight with their pay but I think everything that I have read is the national average is people are getting a three percent increase this year. If we are trying to be competitive to the City of Fort Wayne or the private sector in Fort Wayne, I think we need to take that into consideration also. If we leave it at every percent, does that make us further behind if everyone else is moving up three percent?

Tom Harris: Two thoughts. One is, I had a chance to talk to Kent Irwin after our last time that he was here and he was pleasantly surprised that we had already implemented a three percent or were going to do it across the board. When they did their study, this WIS analysis, it was kind of what were we going to do about the wage increases for all jobs. Then when he heard we were going with a three percent across the board, it takes a lot of the pressure off of his findings that he was showing that we were off in some areas. We knew that would be EXEC jobs, if we do a three percent across the board the EXEC jobs fall pretty much where they need to be from his analysis. Did I say that accurately?

Janette Jacquay: With the EXEC, you mean Special Occupations.

Tom Harris: Oh, yes, I am sorry. Open it up for thoughts and questions and comments.

ALLEN COUNTY COUNCIL MEETING MINUTES

Sharon Tucker: I think our first concern is to make a determination on where we want to be. Do we want to be at market, below market or above market? Then we can figure out what PAT's from there need to be adjusted accordingly. I think the three percent and the Special Occ's were already right within and so I am not sure I am in favor of those positions having an adjustment. I do think the areas on the grids where we are well below, we really need to focus on those and it needs to be at market, below or above. That is our first question.

Roy Buskirk: One thing, when you are making these comparisons, you can't just look at the hourly wage. One thing on the County employees, which I am one, have a great benefit and that is health insurance. There are other things that come into play a little bit. I agree with you, Sharon, we need to decide that.

Joel Benz: To your point, Roy, one thing that has changed and in talking with some of the Department Heads, they were specifically mentioning the PERF changes as a reason why they thought it was a benefit that has gone away and we saved some money doing that and now we have to basically adjust for that loss.

Roy Buskirk: The PERF, in most cases the employee pays for that. We were a little unusual that we were paying PERF. PERF has increased so much that they are paying the three percent but we are paying how much?

Tera Klutz: 11.2 percent and I would say that we are one of the few Counties that required the employees to pay the three percent. Fort Wayne does not and Solid Waste does not.

Bill Brown: I would like to say something about PERF. It kind of goes back to when we changed it and it seems that it would put us into a position where we were an anomaly. We were one of a very few of State and local government entities that does not have PERF. I believe that is right.

Tom Harris: PERF being paid for?

Bill Brown: No, I am talking about overall. PERF is a lifetime benefit. I think people think about that when they go into government work. They get into a situation where this is going to be their lifetime scenario. Going back to some of the turnover rates in 2004 and 2005, 2006 and 2007 that they sort of trend and the PERF analogy that I just made may not be accurate. It just seems, from a gut level, if you are working in a governmental setting and you don't

ALLEN COUNTY COUNCIL MEETING MINUTES

have a lifetime pension, you may decide to go somewhere else where you can get that lifetime pension.

Roy Buskirk: Before we go on here, on the PERF it is 11.2% now and so it means the County is still paying 11.2% of the employees' PERF.

Nick Jordan: No, the County is paying 11.2% and the employee pays three percent and that is 14.2%.

Roy Buskirk: Oh, okay.

Bill Brown: The scenario that I just stated would only apply to new employees.

Tom Harris: But we should point out that there is still a retirement plan, the 401K?

Nick Jordan: 401A.

Tom Harris: So we match up to five percent for the employees that are paying into their retirement which is not uncommon for most employers.

Bill Brown: I understand that.

Tom Harris: And on the plus side, we debated this a few years ago, employees would take that with them to future employment and do things with their 401A while PERF could not be touched.

Bill Brown: Yes, they are vested at ten years. To be clear, it just seems to me that five percent is a generous contribution, but I believe a lifetime pension plan is looked upon as very valuable.

Sharon Tucker: From what I gathered from Tera's explanation is that we are one of the municipalities that are requiring their employees to pay into the PERF and if we are comparing local governments to local governments to make sure we are at the right market, we also have to consider that we are one of the only ones that are requiring that payment. You said that the City and a couple of other Counties don't require it and so right there puts us below market for our employees.

Roy Buskirk: What Tom has been talking about in the retirement program that we have, very few Counties have that.

ALLEN COUNTY COUNCIL MEETING MINUTES

Sharon Tucker: Right. At the same time, the programs that they have are offering 100% benefit that they are taking on. Whether it is retirement or 401K or PERF, we are still requiring that in order for them to gain this benefit, you have to contribute to it where the other Counties don't require contributions to get that benefit.

Roy Buskirk: That is only on PERF.

Tera Klutz: No, it is on everything. A five percent match here is a match. You are required to contribute and so it is across the board. I am glad you summarized that conversation.

Tom Harris: One of the recommendations that I would like to see come out of this is we do a cost analysis or benefit analysis, maybe, to determine the actual average to our benefit offering here in Allen County. We can cost that out and if HR needs help with that I can help with that. Ultimately you can put a dollar figure to a benefit plan and we need to do that because Council has had numerous discussions about how much that benefit package really provides and we can come up with a dollar amount and that is how you cost those out.

Jackie Scheuman: Benefit statements are sent out every year.

Tom Harris: But there should be an average.

Tera Klutz: You could call the average fifteen.

Roy Buskirk: How are those sent out? Let me rephrase that. Who said they just got theirs?

Bob Armstrong: I did. It was in my mailbox in the Auditor's Office.

Roy Buskirk: I haven't received mine for a long time.

Jackie Scheuman: I think they were recently sent. You all should have gotten them.

Larry Brown: Are they mailed?

Jackie Scheuman: They are passed out.

Mary Rian: They come into our office and are distributed by interoffice mail.

ALLEN COUNTY COUNCIL MEETING MINUTES

Bill Brown: Tom, to your point about the comparison, unless we are looking at wages and benefits or at least some proximity of that we aren't comparing apples to apples. Basically what I am saying is if you don't add the benefit package in for the analysis purposes, you can't...

Tom Harris: That is why I was saying when we are talking about making changes to the compensation plan we should have some average analysis of what that benefit package adds to the overall value of the positions. Tera, you said it is approximately...

Tera Klutz: I would say fifteen.

Mary Rian: But you would also have to have them do a study on what is typical for the market in order for it to provide any value. It is one thing to know your cost but to not know what it compares to others is not really getting you any information.

Tom Harris: We will have to get into the weeds a little bit to be able to get that number. They do studies in the world of HR about how much benefit packages are in the private sector and compare to the public sector in terms of the whole package. We won't have it for this discussion, obviously, but it might be beneficial in the future.

Bill Brown: Mary, you are making a great point. We do need both sides.

Sharon Tucker: I think there is danger of looking too much at that when you look at the benefit programs you also have to take into consideration that there are credits applied to packages depending on the health of the employees that are a part of that package. If an organization has an extremely healthy group of people, they will have one pricing and another organization has individuals with health challenges, they will have a different pricing and so it makes it hard to do apples to apples comparison. I think we are going in the right direction in looking at the basis of our compensation plan that the employees take home and then we look at a benefit package that would apply based on our grouping and make sure that we consider it but it shouldn't be the measuring point that we use to say whether or not our employees are getting proper compensation.

Roy Buskirk: The main reason for starting this conversation is where do we want to be, market above, below or whatever. You have to look at the benefit package too. Before you arrived, Sharon, we had an HR Director and he was very difficult. He did not want to look at benefits at all and that is probably one reason why I get a little excited and want to make sure that benefits are

ALLEN COUNTY COUNCIL MEETING MINUTES

in there. Do we want to decide if we want to be at market or above and then we can talk about the benefits?

Larry Brown: I suggest a different approach. Let's decide if we are looking at all positions or just the two that I personally think need to be modified? That is LTC and PAT.

Joel Benz: To further off of that I think I am still a little unclear and we need to drill down a little bit and determine what the actual problem is. Is the problem that the whole grid needs adjusted or is the problem what seems to be reflected in the turnover numbers that a lot of the turnover occurs in the first six months to a year? After that seems to normalize out. I really think we need to dive down a little bit to decide what is the real problem here? I think that would really help us going forward especially if we had some exit interviews so that we could see why people are leaving. That is on you guys to kind of do that but for us to make a determination, I think that is the kind of information that we need.

Janette Jacquay: We can mandate exit interviews from departments that are under the Commissioners' umbrella but departments under Elected Officials, we would need your assistance.

Tom Harris: And we can help mandate that.

Janette Jacquay: This is a conversation that we have had a number of times.

Roy Buskirk: It is pretty hard when you have someone leaving to get them to talk to you. It is up to them if they want to answer that question. You can have exit interviews but on specific questions, they can choose not to answer them.

Janette Jacquay: We have better support and processes to require Elected Officials to notify us and allow us to be in the process with that employee. We cannot obtain that information for you.

Tom Harris: We could write down that one recommendation coming out of this process might be to institute or implement an exit interview process. Is that fair? We wouldn't have to vote on this until the end but we can put that down to create an exit interview process.

Janette Jacquay: This is not the first time I have had this discussion. We are happy to do it but unless I have an Elected Official supporting HR in accomplishing that with other departments that are run by Elected Officials, I cannot get it done. I have tried.

ALLEN COUNTY COUNCIL MEETING MINUTES

Roy Buskirk: I thought the Personnel Committee had discussed this several months ago.

Janette Jacquay: We have discussed this for several years.

Roy Buskirk: It is the practice of the County to do an exit interview.

Bill Brown: I have a question. I don't think an employee is required to give an exit interview. First of all, you can have a policy but you may not get all of the information. However, is it permissible in the realm of some information is better than none, can we log if someone is working today in Allen County but in a couple of weeks they start working in New Haven, is that data that can be worked upon? That would be simple enough to understand.

Tom Harris: What I have found, and HR tell me if you have a different feeling, is asking people questions like why are you leaving unless it is a personality thing where they are upset with the manager, they will generally be open. Otherwise, they may not want to tell you. If it is benefits, they will say that they are getting a raise or a better pension, they will tell you. If they don't tell you, it might be relationship oriented.

Bill Brown: I don't know how difficult this might be but people leave, they move, they retire or major health issues or they go to work somewhere else. That is sort of the top piece of information that is probably there. If you looked at the list of the 12%, you could probably tell about a pretty good chunk of those folks.

Roy Buskirk: You can get a pretty good chunk of them but I would say that the reason they left had nothing to do with pay. Is there one on there that passed away?

Bill Brown: That is kind of my point. There is one that passed away but there could be that they moved, got another job...

Roy Buskirk: And in today's economy there could be the spouse moved for a better job. There are many reasons that a person can leave a job.

Bill Brown: I guess the point I am trying to make is that some of those are understandable without an exit interview.

Tom Harris: Understood. Right now, on Council there is an assumption that the turnover is correlated to pay and we truly don't know that.

ALLEN COUNTY COUNCIL MEETING MINUTES

Bill Brown: I agree with the exit interview policy moving forward.

Joel Benz: My second part of this is has this been brought on because we are losing people or is it difficulty on getting people? I think that moves the discussion.

Mary Rian: To bring it into what the initial problem was is where we were seeing the most contention with compensation as we went through departments and were with the LTC and PAT positions. That is where people were saying they couldn't get someone for that amount. It scores that way and I am sorry. We have to keep the integrity of our system and we can't go outside of that because you believe it pays something somewhere else. Those areas where we were seeing the most amount of contention with and we brought it to your attention that we had problems and we needed someone to take a better look at this to see if we are off. That is the main problem.

Joel Benz: So that is the problem, getting people. If the problem is getting people, I think it is worth it to take a look. It seems clearly the first six months we are losing people after we do get them. That probably reinforces that they get in and either they think we misrepresented to them or it wasn't what they expected. It is all in the hiring process, I would say. It is kind of concentrated, like you are saying, in those two areas. To get back to Larry's point, I would agree with Larry. I think we need to take a close look at these two and we can discuss the other two. First, let's specifically address these two areas.

Roy Buskirk: Do we want to be at market, above market or below market? I think that is the first thing we should decide.

Tom Harris: This thing is a little bit gray because what does that mean, the lag market? Philosophically for me, by the way when we speak to market I am thinking of being very competitive with the private sector. Should government go head to head in attracting and recruiting employees with private sector jobs? For me personally, I don't feel that should be the case. When you hear the word lag, the connotation is that they are really far apart. I am not suggesting that they should be very far apart or we will have problems. I see us lagging and I would be in favor of a lagging philosophy rather than a meeting philosophy.

Bill Brown: There is also another piece to this. In the analysis that Tera provided, we talk about being at market in three years, at six months or immediately. That has to be factored into the equation also. There is obviously a cost associated with that anywhere from less than a million to a little over two.

ALLEN COUNTY COUNCIL MEETING MINUTES

Larry Brown: For LTC and PAT, I have figures totaled up for six months and immediate.

Sharon Tucker: I am of the mindset that we need to be at market or just barely below and that is what I think I heard Tom saying. Then we go to what lags. If market is what everyone is at now, being a percentage or two below market is a small lag and I think that is not bad for government. I don't think we need to be above market. If our main purpose is to attract and retain talent and help create a road to one million, I think being at market or just barely below will be beneficial for us.

Bill Brown: I like the idea that Joel and Larry said to start with and understanding the initial problem of LTC and PAT. I would like to hear Larry's analysis and then moving on to the market concept.

Roy Buskirk: Before that if you are at market, you are lagging. You accumulate everything at market which is constantly changing, you are behind. It might only be a couple of months or three months but you are behind.

Tom Harris: On the flip side, we talked a little bit about the benefit package. While we might be lagging from a pay standpoint, our benefit package looks rich to the private sector. In some cases, companies don't even offer insurance. Our insurance costs, we think based on the discussions that we have had are less than other companies or other employers. They pay less, in County government, for their insurance than other companies. When you add all of that in, even if we are lagging on the pay amount we might be a better overall. That gets to Bill's point that they sometimes come to government for lots of different reasons.

Sharon Tucker: Can you look back though and look at it the same way in some of the cases organizations that are paying or offering the same or even better benefit packages than we offer? I think that we can see that from any argument. It depends on what side of the fence you want to stand on.

Bill Brown: I think that is really the point. You look at the private sector and there is paid time off and vacations. Vacations are at private sector, local government and State. It seems to me that it gets richer as you go. There are holidays that the Courthouse is closed, Post Office is closed and we are not closed. I am for the whole concept of quality of workplace however I think it is important to understand that. Those are attractive especially as time goes on.

Tom Harris: And the insurance package.

ALLEN COUNTY COUNCIL MEETING MINUTES

Bill Brown: The insurance package is important too. If you have an insurance package and x-amount time off and other benefits that go with that and the concept of wellness programs.

Sharon Tucker: I think those are things that sweeten the deal. I don't think I have ever run into someone who has said they are going to come to work at County government because they get Columbus Day off. I think those are things that help sweeten the deal. Ultimately everyone is always looking at what their salary is going to be and that is what we ultimately promote when we are looking for people because we don't say that they will make X-dollars per hour and they get insurance. We say here is what the salary is going to be and if we hire you, here is the package for insurance. They don't even get to know that or decide it is a factor when we are in the interview process.

Tracy Mitchener: I think it is also important to know that in the survey, the majority of the time the data came from other Counties. I think a good perspective to keep is that the majority of other Counties are probably lower than the private sector also. If we are going to have market at the very beginning, the majority of the data was from other Counties.

Mary Rian: That is the market that they considered and there is a list of it and it is on page four of their Compensation Analysis by Waggoner, Irwin and Scheele. They have a list of all of the groups that they used to compare us with. That is our market and it is heavily weighted in the public sector. Keep that in mind as you decide.

Tracy Mitchener: The wages that they are looking at have very similar packages as we do because they are other public entities. That is a key thing to keep in mind.

Roy Buskirk: I will entertain a motion as to if we want to be at market, above market or below market.

Bill Brown: I would like to make a motion to go with Larry's plan.

Roy Buskirk: We don't need that yet.

Bill Brown: Are we going to analyze all of the grids?

Roy Buskirk: What are you talking about?

Sharon Tucker: Right now we have to decide if we are at market, below market or above market without deciding what grids we mess with.

ALLEN COUNTY COUNCIL MEETING MINUTES

Whatever grids we decide to move, do we want those grids below market, at market or above market? That is the first question. Where do we, as a County, want our employees no matter which grids we move, do we want those grids to be at market, below market or above market? I will make the motion that we move the grids to market on the grids that we decide to move.

Joel Benz: That would be a total cost of \$4 million.

Roy Buskirk: We would look at all of the grids and decide which grids need to be adjusted and primarily there are two that we are talking about.

Sharon Tucker: Four.

Bill Brown: Did everybody get this page that Joel and I have to look at?

Sharon Tucker: Yes.

Joel Benz: Let me throw this little bit out there too. This is at market at six months, not immediately. If you factor in the aggregate raise including the three percent that we have already done, it would be a 14% raise for the salaries, across the board for LTC. OSS, across the board, would be a nine percent raise. PAT, across the board, nine percent raise. POLE, across the board, ten percent raise and that is at six months. I didn't figure it for market immediately but that would be almost double that.

Tom Harris: And that is with the three percent?

Joel Benz: Yes, with the three percent.

Tom Harris: So when you are saying nine...

Joel Benz: That is a six percent raise above the three that we have already done. If I backed that out, it would be 11% in LTC, six percent in OSS, six percent in PAT and seven percent in POLE.

Roy Buskirk: Let me bring up another point. This is to decide what we want to be. It is not saying that we are going to be. It is what we want to be. It might be baby steps to get to that point and the figures that you are putting out, Joel, is going to be a lot longer than six months because we don't have the funds to be able to do that.

Sharon Tucker: First we have to decide where we want to be and then once we decide how we get there. Then we decide if we want to do all of the grids or a portion of the grids.

ALLEN COUNTY COUNCIL MEETING MINUTES

Bill Brown: I think we need more analysis on the front-end here. I would rather look at the problem and then start talking about market. We have three different columns here.

Roy Buskirk: I don't have any.

Bill Brown: This was set up by Tera. This is a big deal.

Roy Buskirk: Larry, why don't you give us the information that you have.

Larry Brown: If you open the documents that Nick sent us yesterday and what Tera's staff gave us a couple of times over the last several months, the calculation if we want to be at market at three years, across the board, the bottom line total is \$906,383. Market at six months, grand total is \$2.8 million. Market immediately is \$4.9 million. That is across the board and all of the grids. If I could, I would like to explain why I will not second your motion here. I think it makes a difference which category and I personally don't think there is a problem immediately, anyway, with OSS and POLE. I would like to concentrate on LTC and PAT because they have been identified by HR that there is a concern and a problem. If we can agree on that then we can decide if we want to use the market rate. Market is the only thing we have available to us in data. We don't have two percent below market or four percent above market or whatever. We don't have that information yet. If that is what you want to do, we need to go back to the calculations and just stop where we are at. We have market information, market at three years, market at six months or market immediately. If we adjust LTC and PAT and pick market at six months, the total is \$688,100.

Bob Armstrong: For both of them.

Larry Brown: That is for the three percent and market for LTC and PAT.

Sharon Tucker: You are looking at the report that the Auditor's Office gave us? Correct me if I am wrong but didn't the report from Irwin Scheele give us several different options as to what the market increase would look like?

Tera Klutz: Yes and that is what I tried to reflect for those columns.

Sharon Tucker: I have that but part of the market lag, I thought the Irwin Scheele report had it at market, a little below market and above market. That is where I am getting that from, Larry. The report that we paid for gave us several options as what market above, at or below would look like. Then

ALLEN COUNTY COUNCIL MEETING MINUTES

Tera, based on that calculation pulled how do we get there at three months, six months or three years?

Mary Rian: We have the market data and you can do it anyway you want it. We know where market is and if you wanted to do a percent of market that is something that can be calculated. The easiest way to get it to something was to put it into our grids.

Sharon Tucker: They gave us option one and option two with each one. Your explanation is absolutely fair.

Larry Brown: I think I know as much or maybe a little bit more than most people on the LTC.

Sharon Tucker: Probably.

Roy Buskirk: The one thing I don't understand, Larry, you said we could get the market and that it would be difficult to make the two and four percent adjustments. I don't understand why it would be difficult because that is just math.

Larry Brown: But we don't have those figures.

Roy Buskirk: Didn't somebody say we had those numbers?

Tera Klutz: Market immediately is the market number from the WIS study with everybody's salary on it. When you back down from that there is a certain percentage for below market. To Larry's point, we don't have the exact column that says two percent below market or three percent. Basically it is just two different ways to look at it. At six months, it is clearly below market and market at three years is even lower. To know exactly what that percentage is will be a little different across the board.

Bill Brown: You were getting ready to make a point.

Larry Brown: LTC, people in the crafts and trades move for fifty cents an hour. We have concentrated a lot of our conversation on our benefits. Entry level could care less about benefits. Yes, we are all at the age where benefits mean a lot to us. Millennials don't have the slightest freaking idea of what benefits mean.

Bill Brown: I hate it when people stereotype millennials.

ALLEN COUNTY COUNCIL MEETING MINUTES

Larry Brown: I apologize. My point is that LTC needs to compete with the private sector immediately.

Roy Buskirk: Again, what I don't understand is you say we have market but we don't have two percent above it.

Larry Brown: We don't have those figures here.

Mary Rian: Not readily available.

Roy Buskirk: Just stick it into your calculator.

Larry Brown: Where is your calculator?

Bill Brown: I think you are making an excellent point to get to the problem areas of LTC and PAT, to get to market with those two immediately. I think that would go a long way towards the worst part of this problem.

Larry Brown: That is at six months. Immediate is rounded off at \$1.7 million.

Tom Harris: And I will jump in that I like that as well however, I would modify it a little bit more. On the PAT side, Joel to your point the hiccup or challenge for HR is that we can't recruit. If you look at the PAT grid, over 60% of the people on the PAT grid are above five years. HR has pointed out to me that a lot of the PAT grid is Managers or management positions in the County. The concern I have is giving people over five years, who probably won't go anywhere, all in management positions, larger increases while other employees in the County don't get increases that large is a concern for me. I look at it can we even modify the entry level up to five years in the PAT instead of the entire grid? That is where you have your challenge. We are dissecting even down to a tighter thing in saying you can't hire PAT people and so we need to pay them a little more to get them in here, they generally will stay with us but it is that entry level is where we are having the challenges.

Mary Rian: That is something that we have discussed before that you are kind of boxed into this grid system. This is what we have to offer you when you come in new to the County.

Tom Harris: What we can do, and I have talked to WIS about this, is we could adopt moving to market in...

Bill Brown: Just hold a second. Larry has played a big part in this conversation and he has stepped out.

ALLEN COUNTY COUNCIL MEETING MINUTES

Tom Harris: How long should I wait?

Sharon Tucker: If we look at the turnover report that was given to us, LTC doesn't have the largest turnover. OSS and PAT have the largest turnover. Am I looking at that wrong?

Tera Klutz: You have that a little wrong. I want to tell you that it is important to look at turnover. I would really be curious to hear HR's position. Our turnover rate for LTC is 11%. OSS is nine percent. PAT is nine percent and POLE is 18%. A grid that we are not even talking about has doubled the amount of turnover for OSS and PAT. POLE hasn't even been mentioned at all. I was curious as to your thoughts on that.

Larry Brown: It is Council's opinion that POLE is in the process of being fixed without changing salaries.

Tera Klutz: Okay, check the box then.

Mary Rian: I don't see it being a problem and that is why my suggestion was that the whole grid system be looked at. Waggoner, Irwin Scheele looked at all of our positions and not just the ones on the grids. It is very common in jails to have a large turnover. There have been a ton of articles on it and people have done crazy things to try to change that but it is a difficult environment. I talk a lot with A.J. Pape, who has been in front of you before, and he will tell you that pay does not seem to be the problem. It is keeping them there.

Tera Klutz: Thank you. I really appreciate that because that gets us clear of understanding why we are not even discussing that.

Tom Harris: I need to ask a question specifically. If someone leaves that entry level job in the jail and takes another position in the County, is that measured as turnover?

Mary Rian: It is not measured as turnover.

Janette Jacquay: We would look at it as a transfer.

Larry Brown: Follow up question, what if they transfer from our Allen County Jail to a local police department or city police department.

Mary Rian: If they are going outside of Allen County employment that would be turnover.

ALLEN COUNTY COUNCIL MEETING MINUTES

Larry Brown: Everyone in the jail will tell you that you start there if you want to get into law enforcement. There are Cities, Towns, State and Counties that are hiring all the time and they love Allen County Confinement Officers.

Mary Rian: I think that is also where a lot of people find out that they don't want to be in law enforcement.

Bob Armstrong: You also have to understand when you talk about the fix, so they say, that is just the jail when you talk about that. You have Community Corrections and ACJC. The fix might be at the jail but there are other entities out there that need to be looked at also.

Larry Brown: Are they POLE positions?

Bob Armstrong: Yes.

Tom Harris: Larry, as you stepped away for just a minute, I will follow up with my comment previously in that I would be interested in looking at just the entry level of PAT rather than the entire PAT grid. Over 60% of the people on the PAT grid have been with us over five years and the hiccup is in trying to recruit into the PAT level. I like moving them to market within six months. On LTC, we can move the whole grid. We can move the whole grid.

Roy Buskirk: I have a question. I know there are multiple locations but why would there be a problem at some of the other locations. Is it management problems or what are you referring to?

Bob Armstrong: I am just saying that you can't just focus on the jail. What is the turnover rate at ACJC or at Community Corrections?

Janette Jacquay: I can address that. The Juvenile Center is one that has had a great amount of turnover for the last three years. Many of the positions at ACJC are POLE positions as well. It is working with detained juveniles. Very difficult positions just like jail positions. When you are working with youth that are detained, they are not easy jobs. It is similar to Youth Services Center. When you are working with runaways and abused children, they are not easy jobs. Any candidates that come to us and are interested in those positions have degrees in Criminal Justice and are looking to work with youth. Not everyone though is coming in. They are looking for a job. Once they accept the job and work in that environment, they do find it to be difficult. I agree with Bob's position there that there is a lot of turnover within POLE. That percentage is high but it is not just jailers.

ALLEN COUNTY COUNCIL MEETING MINUTES

Mary Rian: And those are all 24 hour facilities.

Sharon Tucker: It sounds to me that we need to look at all of the grids.

Roy Buskirk: It comes down to the fact too that you need to look at the situation. Everyone has a different situation. That is what makes it so difficult to lump them together.

Larry Brown: I think it has been said but I would like to reiterate that such as the case of POLE, money isn't going to fix the problem. Further analysis on POLE may be beneficial before we might start throwing money at the problem knowing that is not going to fix it.

Bill Brown: To that point, we think there is a fix in place at the jail however; we don't know what that is. Time will tell but having analysis does make a lot of sense.

Bob Armstrong: A while back, wasn't there some concern about raising the pay of the POLE workers and some people in the POLE positions got raises and some didn't? Did we adjust that? I had a conversation over at ACJC about that and they said at one time they were in the process of adjusting POLE workers' pay and some of it happened and some of it didn't and it was based on something to do with the State and it was in with the...

Janette Jacquay: Probation Officers.

Bob Armstrong: They were trying to bring the POLE positions and the Probation Officers more inline. Was anything ever done with that? I talked to Chandra and she and I had that conversation. I know there has been some big turnover over there. In our conversation that was brought up but nothing was ever done. Was there a reason why that wasn't done?

Janette Jacquay: I was not aware of that.

Mary Rian: I guess I don't know what you are talking about. Was it their POLE workers or the Juvenile Probation Officers?

Jackie Scheuman: It is the Probation grid. The difference is that the Probation grid, Superior Court and ACJC work 40 hours, Circuit Court works 37.5 but they make the same salary. The Probation grid, by the State, says that you have to pay Probation \$37,000 a year. It doesn't say how many hours they have to work. It just says you have to pay them \$37,000 a year. Circuit Court, in essence, has a higher hourly rate because they only work 37.5 and

ALLEN COUNTY COUNCIL MEETING MINUTES

Superior works 40 hours. A lot of people leave Juvenile Probation for Adult to make the same money and work less hours.

Bob Armstrong: Is that the concept of the discussion we were having?

Jackie Scheuman: No, this is the Probation grid which is set by the State.

Tera Klutz: That is not anywhere in your documentation.

Mary Rian: Is it set by the State as a minimum or is it that it has to be set at this?

Jackie Scheuman: Yes, as a minimum.

Mary Rian: So we can make an adjustment to it.

Jackie Scheuman: Yes.

Roy Buskirk: It is already high.

Mary Rian: I hate to bring up something new but I think that needs to be looked at because I think it is a huge problem.

Bill Brown: I would agree with that. And having that anomaly that was put in place years ago...

Mary Rian: Just to keep them at a minimum. The 37.5 and 40 hours and making the same amount of money makes no sense.

Roy Buskirk: That has been going on for years. The State tells us what we have to pay them.

Bob Armstrong: At the minimum.

Roy Buskirk: At the minimum and hopefully we would get reimbursed. It is based upon the State Legislators that say there is \$10 million this year for Statewide. The County has to turn in the information and they have been very good on turning in the numbers to be able to get a reimbursement. The amount of \$10 million that the State puts up has not changed. It becomes a percentage of what we are paying the Probation Officers. It screws up some of the other pay in the County. The State tries to set that at what State employees' pay is. I found out recently that is what they try to do. The State gets so much of a pay raise and here at the County we are more or less making a difference in the pay.

ALLEN COUNTY COUNCIL MEETING MINUTES

Bill Brown: Taking this project in pieces, I think what Mary just mentioned about the 37.5 and 40 hours, is there consensus and is she empowered so that we can take that forward? Is that something that we all agree on to take a look at that because there is an adjustment that could be made.

Roy Buskirk: We have looked at going 40 hours County-wide and that would cost us a tremendous amount of money.

Bill Brown: I guess I am of the mindset to start eating this thing one piece at a time. That looks like something that is easy to fix.

Mary Rian: I think at least paying those 40 hour people the hourly rate that the 37.5 hour people are making. It would be something quick and then maybe even looking at does it make sense that we just pay them the minimum. How do you work in a position that has less responsibility and yet you make more money? I think we need to look further into it. The minimum adjustment would at least be to pay the 40 hour employees the hourly rate that the 37.5 hour employees are making.

Tom Harris: How many employees are we talking about?

Jackie Scheuman: I think there are about 50.

Tom Harris: What position specifically?

Jackie Scheuman: Juvenile Probation Officers.

Tom Harris: So that I am clear, you might restate it.

Jackie Scheuman: They are making, I am going to throw a number out, \$37,000 a year working 40 hours. Adult Probation is making \$37,000 a year working 37.5 hours a week. Juvenile Probation Officers have a lower hourly rate because the State grid goes by annual income. They say that you have to pay the Probation Officers a minimum of \$37,000 regardless of what they work. Because these two departments have different weekly hours, it became a discrepancy.

Joel Benz: Not to dismiss that but I think that is an issue for another day. We have talked quite a bit about POLE here and I don't think we are going to address that today. Is that the consensus? Let's move that one out of the way.

Tom Harris: I guess, to move that forward, we can bring that up at the next Personnel Committee meeting. We can address that next year outside of the

ALLEN COUNTY COUNCIL MEETING MINUTES

budget season or do we have to deal with that at the budget approval process? We can deal with it outside of the budget, okay.

Bill Brown: Let's empower Mary to move forward.

Tom Harris: If I could ask one question that may seem way off track but I need to understand this. What is the cost that the County pays as a percent for County insurance for employees versus what the employee pays? It is probably about a 90/10 split? The County pays about 90% and the employee pays about 10%.

Tera Klutz: I think you were at the same meeting I was when they went over this information when we had an insurance meeting with the Commissioners.

Tom Harris: Was that a couple of years ago?

Tera Klutz: Yes. I forget. Do you recall?

Tom Harris: No that is why I am asking.

Jackie Scheuman: The employee's portion might be \$30 and the County's portion could be \$100.

Tera Klutz: We don't remember.

Tom Harris: The reason I ask that is a lot of employers are pushing that cost to employees so that the employer pays like 70% and the employee pays about 30%. In our situation, the fact that our cost probably went up somewhat and yet we didn't pass any of that cost onto the employees. We kept insurance cost the same for the employees and so we are moving to a higher rate for the employer...

Tera Klutz: Actually we are not. Our cost went down for a fact. We have not changed the mix that we have had.

Tom Harris: So the percent of what the employer pays probably went down is what you are saying.

Tera Klutz: Or stayed the same, percentage-wise. We are self-funded.

Tom Harris: I understand.

Tera Klutz: They have kept our premium the same and our cost the same and kept employees' cost the same and so the percentage would be the same.

ALLEN COUNTY COUNCIL MEETING MINUTES

Tom Harris: If there is a way to figure that out and get that to me, I would be interested. Not necessarily for this meeting but I would like to understand that.

Tera Klutz: But for your benefit, if it is going to change any of your decision making today, you need to know that we pay a very high percent.

Nick Jordan: Probably 95%

Tom Harris: Wow.

Nick Jordan: Depending on what plan you choose, if you went with Plan One, employee premium is about six percent of the expected cost. If you go to Plan Four which is the high deductible, it is less than one percent of the expected cost.

Jackie Scheuman: But you are paying more out of pocket.

Tom Harris: One of the trends in the world of benefits is to shift that cost from the employer to the employee and we pay a very high percent. That clarifies that we have a very rich plan.

Tera Klutz: We absolutely have a very rich plan. I didn't want that to make you not make a decision today and so you know, we pay a very high percentage.

Tom Harris: Thank you.

Jackie Scheuman: One more caveat to that is when the Commissioners make a change in the plan, they might raise the deductible, they might raise the percentage of claims that are paid and your premium didn't change but you are going to pay more over here. That doesn't mean that the employee isn't paying more out-of-pocket, it is just that the premium didn't change.

Nick Jordan: That is exactly what happened. Premiums remain constant but deductibles have increased over the last ten years. The premiums have remained stagnant.

Sharon Tucker: And ultimately affects their take-home.

Larry Brown: The cost is still borne by the County for way more than the County employee as compared to the private sector.

ALLEN COUNTY COUNCIL MEETING MINUTES

Sharon Tucker: Somehow I feel like, and I could be wrong, but we have gotten way off on what has drawn us as to why we paid money for them to do this report and compared to other municipalities we are out of the percentage syncing with how people are paid. We are thinking that is why it is hard for us to retain and attract talent. How do we retain and attract talent with all of those benefit packages and not looking at the private sector? The private sector is always going to benefit differently than municipalities will.

Bill Brown: Private sector, again, is a great big category. That goes from zero benefits to incredibly good benefits. It is really tough without analysis.

Sharon Tucker: What we do know from the report that we paid lots of money for is that we are out of whack on our pay grids and so how do we get those pay grids back in whack?

Tom Harris: Way back there, you made a motion that has never been seconded.

Roy Buskirk: And it is still on the floor too.

Bill Brown: That takes us to the conversation though about LTC and PAT.

Tom Harris: Is it still alive? Does it need to be seconded?

Roy Buskirk: It needs to be seconded to move on and then it would be voted up or down.

Bob Armstrong: If we second it, is there a discussion?

Roy Buskirk: Yes.

Bob Armstrong: If we second it, is there going to be more discussion? Or are we going to discuss and then worry about a second?

Bill Brown: I think Roy asked for it prematurely, to be honest.

Roy Buskirk: If we are going to get anything decided today and I think we should decide some issues; this is the stepping stone of our foundation to know what we are going to be looking at.

Sharon Tucker: Can I amend my motion? I make a motion that we move whatever PAT grids we decide on or whatever grids we decide on to market at six months. That is my motion.

ALLEN COUNTY COUNCIL MEETING MINUTES

Roy Buskirk: That is altogether different of what your motion was.

Sharon Tucker: I amended it.

Bill Brown: I think it is a good amendment.

Bob Armstrong: Second.

Tom Harris: The only challenge with presenting it that way, I am in favor of two grids but if all of the grids are in this motion, I would not be in favor of it.

Larry Brown: That is not what she said.

Tom Harris: I understand that. It would need another motion. What I am saying is that I would not be in favor of moving all of the grids. I would only want to move the LTC and PAT.

Roy Buskirk: This whole thing was just to decide on what the County wants to pay, market, above or below. It has nothing to do with grids or anything else. That would be up to the Personnel Committee to decide which one of the grids needs to be looked at.

Tom Harris: We will need to do that today.

Bill Brown: The six-month piece was a key component of the motion.

Joel Benz: Let me present as an alternative, before we vote on this...

Larry Brown: We have already had a second.

Joel Benz: Okay.

Roy Buskirk: Yes, we are having discussion.

Larry Brown: Alternative is not applicable.

Joel Benz: I want to put this out here before we get a vote because...

Tom Harris: I would be interested in it.

Joel Benz: Here is my alternative, I feel like the problem is not attracting talent. If we are not attracting talent then it is on the front end. I feel like a hire-on bonus would be something to consider. I put some feelers out and got some negative feedback for that but I feel that is an alternative to an across

ALLEN COUNTY COUNCIL MEETING MINUTES

the board at market. Let's say you come in and we are going to say \$10,000 if you work here three years. I feel that once they get to the three years then they are pretty much assimilated. You give them \$5,000 when they hire on and then \$5,000 at three years. I feel that addresses the problem. Another piece of that is it allows us to rescind because it is a tool out there and we are not changing the total grids. Once we move forward, we are not going to take that back. This is a tool that we can put out there and then retract.

Sharon Tucker: The bonuses are just that a one-time incentive and it does nothing to address that we are off in our grids. If we are looking to get in line or bring our pay grids in scale with other competitors and the bonus won't address that.

Joel Benz: So maybe we do in conjunction some raise and some bonus so that it addresses the problem more specifically and we don't have this seismic shift in wage scales.

Roy Buskirk: Here is another problem that we have. We do not recognize any years of service from another County when a person applies here. If they worked for another County for ten years and they come here to apply, it is zero. All of that experience and everything else, we give them no credit as far as where they fit in on the grid.

Mary Rian: If you go to the City, the City does do that. For our employees leaving to go to the City they will do that.

Larry Brown: For the private sector and LTC recognizes experience. The private sector recognizes experience. The County system does not. I agree with the hiring bonus if you had a hiring problem that once they were in, the problem is all one way. That is not where the problem is at. The problem is when the private sector will pay a ten-year experienced craftsman \$10 more an hour, they are out of here. That is based on the market. Right now crafts are hurting extremely bad. Nobody wants to come into the crafts trades. It is going to get worse and it is going to get worse quick as the construction market keeps improving. You have a great idea, Joel, and I don't mean to throw water on your idea but I don't think it fixes the problem.

Tom Harris: My thought is along the same line. I like the innovative approach but I do worry a little bit on some entry level bonuses. While I agree with the bonus concept and I like it within a career track a little bit more. One starts at an entry level and then they decide to go in a different direction and take the bonus and leave at the end of the first year because they want to go in a different direction. In other types of career paths, they are an accountant and they want to go into an accounting firm and you get a bonus

ALLEN COUNTY COUNCIL MEETING MINUTES

because that is where they want to be. They may start in government in one of those jobs but then decide to go elsewhere. They take that bonus and then quit after that.

Joel Benz: Thank you for the discussion.

Tom Harris: That might be something in the future that we can look at.

Joel Benz: So back to the vote.

Tera Klutz: Which is of the grids that you decide to move, you would move to market at six months. That is the motion as stated by Sharon Tucker and seconded by Bob Armstrong.

Tom Harris: And before we call for the question, I would like to add is something I would ask for is to look at the PAT grid and it doesn't have to be in this motion because we have to decide which grids we are going to look at. I think we should look only at the entry level and not the entire grid. In the attempt to keep it moving forward, I would be okay...

Bob Armstrong: In the six month PAT and LTC, did you look at what six months would be for OSS and POLE?

Larry Brown: I didn't total it up.

Bill Brown: You know, with this motion does this mean in our two problem areas, if we pass this, LTC and PAT, we are not going to be able to move them to market immediately? The motion says market at six months. Our areas of concern brought this process on was the attraction of LTC and PAT. The motion, the way it was said does that mean we cannot move LTC and PAT to the market immediately.

Tom Harris: What happens is they will get a three percent increase that will go to the entry level and then it is a bigger jump at the six months.

Bill Brown: I hear what you are saying.

Sharon Tucker: To answer your question, yes we would do it over a six-month period.

Tera Klutz: I think there is a little confusion but that is not uncommon when we are talking about all of this. What you see before you is a raise immediately to go to market at six months. What you have done is there is a certain market that was decided for the market immediately. That means

ALLEN COUNTY COUNCIL MEETING MINUTES

that all of those grids, entry level and all the way across the board would have to move up to reflect that market. What becomes the starting salary then in three years you get a three percent raise and that moved up as well. We say market at six months, what we mean is that the salaries have been adjusted so that the starting salary will be higher if you go to market at six months rather than do nothing. It just means that you are going to reach market at your six-month step. You are going to start higher period today if you adopt this than if you didn't adopt it because already the whole grid would move up. We are not at market at six months right now in any of those categories and we are not at market immediately. It is not like they would start today and then get to that market in six months.

Bill Brown: I appreciate that additional information. What I don't want to do is lose the opportunity to get the areas that we are having the most trouble attracting LTC and PAT and extra incentive to attract those positions, I would like to have the option to make them market immediately.

Sharon Tucker: I think, from what Tera is saying, there is an amount whatever we are deciding to increase, they will automatically go up. That doesn't necessarily make them at market across the board but it does increase them. The motion that I put in place says that not only are we going to increase them but we are going to increase them to what market would be at what six months would be.

Tera Klutz: Right.

Sharon Tucker: We are increasing them to that immediately. They would get several increases but just not the great big one.

Tera Klutz: Okay, yes but to answer Bill's question so that he knows, you should vote no on this if you want the opportunity for them to go to market immediately. Don't vote yes. If you, as a group decide any of the grids that you move today goes to market at six months it means that you would not go to market immediately.

Joel Benz: Inaudible.

Bill Brown: It moves us away from solving our original problem. There is a considerable difference in six months and immediately. It is almost double to go to immediately.

Sharon Tucker: And that goes back to the million dollars to go to immediately.

ALLEN COUNTY COUNCIL MEETING MINUTES

Bill Brown: I wouldn't go for the whole grid to go to immediately. This would be right around \$1 million and that solves our problem. I am advocating that we create an opportunity that we do it and that we create the opportunity to have flexibility in the problem areas to make LTC and PAT to have the opportunity to go to market immediately and if we decide to do that or not, I hate to take that option off the table.

Tom Harris: I have a question from an HR standpoint. Would making the change to increase this for the six months, would that help in the recruitment process? They would be paid more with the increase of the three percent and then move them to market at six months. Would that be a plus, and hit the concerns that you have from a recruitment standpoint?

Mary Rian: That is hard to answer that. I would hope that any increase would help.

Bill Brown: I will jump in here and answer that. If you don't have as much money in the pot to pay LTC's and PAT's, it is going to be harder to attract them because you won't be able to put the money on the table.

Tom Harris: The reverse of that I would think is why we are having this meeting to help HR out. If you are saying it would be a plus, and that is what I was hoping to hear, it is going to be an improvement on your ability to attract and retain and recruit people.

Janette Jacquay: We would hope that would be an improvement, yes.

Jackie Scheuman: Maybe instead of deciding across the board, maybe you need to vote grid-by-grid. Maybe you need to say LTC. Maybe instead of across the board maybe all four of them don't need the same type of adjustment and maybe you should just take each one. At LTC, let's do this.

Tom Harris: At this point there is a motion on the floor.

Roy Buskirk: That is what I have been trying to get done, Jackie, to get the foundation started on this. We are going to have to look at many different issues in the wages and that would be a discussion about which one of the grids we were going to look at. How much money do we have available is going to be part of the question. The three percent pay raise is going to be done immediately. Now we are just talking about making adjustments on the grid.

Bill Brown: Initially we asked for an across the board three percent raise.

ALLEN COUNTY COUNCIL MEETING MINUTES

Everyone was talking at once.

Sharon Tucker: My motion is we move whatever grids we decide on and do it to market at six months.

Bob Armstrong: Can I still get my answer from Larry?

Roy Buskirk: And we have a second on this, correct?

Jackie Scheuman: Bob seconded it.

Larry Brown: Do you want this before we vote?

Bob Armstrong: Yes, if you can.

Larry Brown: \$2,147,651 for OSS and POLE and market at six months.

Roy Buskirk: All in favor say aye, those opposed, like sign. The motion fails 6-1 (Tucker).

Tom Harris: I move to move the LTC grid to market at six months the entire grid.

Larry Brown: I would like to ask a question before I second that. I am a little bit uneasy with HR's response. I thought the whole purpose of doing this; I guess I expected more enthusiasm that an increase would fix the problem. Now I am sensing that you are not sure. Does that mean you don't know or you disagree?

Mary Rian: I am hoping that it is enough to fix the problem. I don't know at what point it is going to be enough to fix the problem. Anything is going to help, but like you said if LTC's are so hard to come by and it keeps getting worse and worse and are only able to match the market then it might not be enough to solve all of our problems.

Larry Brown: Let me turn that around a little bit differently. What is your opinion of what would fix the problem? Just tell me if that is not fair.

Mary Rian: I don't know if it is fair because I can't fix the problem.

Roy Buskirk: In defense of HR, how do you expect HR to know what the market is going to be and the government is not known to move quickly. By the time we get something through...

ALLEN COUNTY COUNCIL MEETING MINUTES

Larry Brown: They are at job fairs and things like that and it is at those events that you find out what the private sector is paying LTC.

Mary Rian: My opinion is LTC is probably the most critical right now and probably the sooner the better for the LTC grid. On PAT, it may be significant at six months but I think it is better if you did it at market. I think the question is whether or not the County can afford to do that. There are so many things that come into play.

Larry Brown: Let us worry about the money.

Mary Rian: Okay. Hit market.

Bill Brown: That is what I said earlier. That does get more money available now to solve the problem.

Tom Harris: Especially LTC. With that in mind and the fact that we know the trend that is happening in the world of LTC, it is only going to challenge us in the future. We know that is going to be more and more of the issue. With that in mind, I will move to revise my motion to state that we move LTC immediately to market.

Larry Brown: I'll second that.

Roy Buskirk: Is there any further discussion?

Sharon Tucker: And the numbers again for immediately?

Bill Brown: I think it was PAT and LTC before that you talked about.

Jackie Scheuman: The motion was just LTC and \$197,000 from the General Fund.

Tom Harris: And that is immediately to move them to market.

Jackie Scheuman: We have \$2.6 million available.

Sharon Tucker: So we are going to spend just at \$2 million.

Jackie Scheuman: The motion is LTC only and market immediately.

Sharon Tucker: And what is the amount on that one?

ALLEN COUNTY COUNCIL MEETING MINUTES

Tera Klutz: \$197,087 or almost \$200,000 from the General Fund and \$330,000 from other funds.

Tom Harris: The reason I threw that out there is that we know the trends are only going to tighten. As bad as it may be now, there are not enough people in the pipeline coming into the LTC fields to change that in the next two or three years. That is why I amended my motion. There has been a motion and a second.

Bill Brown: I appreciate that and the \$197,000 is to take care of a problem that has been identified. I think it is a great starting point.

Joel Benz: I will just say this, I am glad to address the problem but I hate to do it all in one fell swoop. I would rather see us do a little bit, look for results and if the results aren't there then do a little bit more.

Bill Brown: I would say that looking at market immediately or six months, \$197,000 compared to \$2.8 million or \$4.9 million is a great way to start incrementally and get a sense of what works.

Sharon Tucker: That's true but you are looking at if we did all of them and the motion prior that was voted down was not for all of them. If we had decided to move LTC only that would have been where you are and I completely agree with Joel when he says we need to measure it and monitor it because we don't know if this is going to solve the problem. We started out saying that we don't just want to throw money at it and now we are throwing money at it.

Bill Brown: I think through a lot of conversation and analysis we have said that LTC needs attention now and it is a small amount of money.

Tom Harris: Sharon, I understand your concern and I am pretty conservative and in my head I am thinking that you see it in schools and in colleges and out there everywhere that we don't have enough people coming up through the ranks to learn LTC trades and crafts. The demand for people in this community, the unemployment rate is low and I think we are going to continue to drive that unemployment rate lower. I think LTC is going to continue to struggle and this problem isn't going to go away even with the increase that we are talking about.

Roy Buskirk: I have one quick comment on it. You might see in the future the Council being addressed for funding for schooling of some of these special trades. **All in favor say aye, those opposed, like sign. The motion passes 5-2 (Tucker and Benz).** Is there any other grid that we want to do this with?

ALLEN COUNTY COUNCIL MEETING MINUTES

Bill Brown: Is POLE currently off the table?

Sharon Tucker: They are all on the table.

Tom Harris: I will make a motion to move the PAT grid as mentioned previously by Sharon, move to market at six months but only up to the five-year increment.

Tera Klutz: I think what will happen is you will have five-year people making more than ten-year people because of how they are tied together.

Tom Harris: What is the next step down? Would it be Step 3?

Tera Klutz: No step at all. If you just make changes at a certain step level and you have everybody in a range, you are basically increase people at three years to be above five-year people. If you don't want to do the full market at six months, which is what our recommendation was earlier, then you would go maybe something less than market at six months. We don't have those percentages in front of us. You would want to do have of that if you weren't ready to go all the way.

Tom Harris: I understand that we are going to have wage compression issues but the issue is that in my head and my perspective is the entry level is talked about is the issue and it is not deeper in that grid.

Janette Jacquay: It is deeper in that grid.

Tom Harris: We don't show those as far as those numbers go.

Tracy Mitchener: Then what would happen is the classifications will not matter anymore. You could have a PAT 3 making the same as a PAT 5. You have to do the whole grid.

Mary Rian: You would have to completely revise the step system.

Tom Harris: I talked to Waggoner Irwin about this when they were here and they said Counties do that. You do have wage compression issues where one step is coming right up or is right at the next step.

Tera Klutz: Or over.

Jackie Scheuman: Then you are totally eliminating the grid.

ALLEN COUNTY COUNCIL MEETING MINUTES

Tom Harris: You are addressing a hiring issue is what we are trying to do.

Sharon Tucker: But are you penalizing your long-term employees?

Mary Rian: It is not necessarily a hiring issue. The contention is where the salaries are. If I was to go into a department and we are re-evaluating a PAT level position, it might already be a person that has been there for ten years. They are saying it is not enough. It could be a vacant position.

Tom Harris: There are a lot of things going on in my head and one of them is the fact that we are giving a three percent increase.

Larry Brown: For cost-of-living.

Tom Harris: I understand but a three percent, percent increases help people at a higher pay. They get a larger pay. Those people that are getting three percent on the PAT grid are already getting a larger increase than the people at a lower end of a grid. The three percent is the largest in twelve years. The other point that you guys mentioned is that a lot of the PAT people are professional managers and so now we are going to give larger increases to the people within that PAT grid and not pay the people at the lower end. I have a problem with that.

Tera Klutz: I need to explain something. The grid system, which some people are a fan of and some are not, was developed to address the equal pay for equal work. It is a very complex system but there is entry level and you move up slowly at some point in time. I think it best to explain we have two very similar positions or even have three and they are all PAT 4. We have one turnover and so we have two doing the same work here. We bring another one in and these two have more experience and we bring the entry level in already making more that opens us up to an issue of equal pay for equal work. That is exactly what the grid system was designed to get us out of. You cannot do that and maintain a grid system. To help Tom along, if he does not want to give raises to all of the long-time people but wants to try to address the entry thing, I think you have to go to a bonus level. There is no choice for you because you cannot change the way the grid system works without eliminating the whole system of equal pay for equal work. That way it's a bonus, which I am not a fan of, but that would address your one particular issue. It is not equal pay for equal work because it is a one-time thing and not built into the salary. I have not even gone into the morale issue that it would cause. It would get us into more legal trouble.

Tom Harris: Did I make a motion.

ALLEN COUNTY COUNCIL MEETING MINUTES

Tera Klutz: You made a motion but you weren't clear on what steps...

Tom Harris: I will withdraw my motion but I disagree with the equal pay for equal work because I see this happen in the private sector everywhere. You can work around that, but that said, I like the bonus concept that was talked about earlier. It might address it more and we may have the ability to pull that off and pull it out if we needed to easier than affecting the grids again.

Sharon Tucker: And what was your problem with moving the whole grid?

Tom Harris: There were several for me. One is that a lot of these are at Manager level positions. One is that they are already paid at a higher amount and when you apply a percent increase their amount of wage increase for a year is more than the guys that are working at a lower level. If you pay a dollar amount, it helps the people at the lower level but if you pay a percent increase, they get a larger amount.

Roy Buskirk: I don't think the grid has to be adjusted by a percentage level.

Tera Klutz: That is what we were just talking about.

Sharon Tucker: Tom, let me ask this question. When we did the report, were the positions that you are opposed to, were they out of sync or were they in sync with the market?

Tom Harris: The concern from HR and the concern in our numbers was the turnover in the first three years.

Tracy Mitchener: With the PAT grid, you also have to remember that these are positions that we have had a lot of controversy over. The hard to get through positions at Personnel Committee are usually the PAT positions. That was also our concern that those PAT positions, a lot of Department Heads and Elected Officials asked for those positions to be paid higher for their current employees. They see that the current employee is very important to run their department and so they asked for those positions because the pay was not high enough even for existing positions.

Five minute break.

Roy Buskirk: We are back and shall continue on.

Tom Harris: So we made the movement on the LTC and I have withdrawn my motion for the PAT grid. At this point there is no motion on the floor.

ALLEN COUNTY COUNCIL MEETING MINUTES

Tracy Mitchener: I do want to say that the PAT grid was not only the hiring but we have had a lot of very intense meetings especially in the Personnel Committee regarding PAT positions and those are concerning current employees.

Tom Harris: So if I could get clarity on this, if we move the PAT grid at six months to market, what would that cost be?

Joel Benz: The General Fund would be \$227,898 and in other funds would be \$157,726.

Tom Harris: The total would be near \$400,000. On the LTC, it would cost us how much?

Bill Brown: \$197,000.

Tom Harris: So we are in about \$600,000 in pay increases should we make the changes to the PAT grid, right?

Tera Klutz: So that you are comparing apples to apples, the \$197,000 was for the General Fund only and if you added that to the six-month PAT it would be about \$420,000 for the General Fund. The other funds would be approximately \$475,000. We look at impact on the General Fund or the impact on the other funds. The total would be...

Larry Brown: Near the \$900,000.

Bill Brown: I have a question. To your point, Tracy, when you mentioned it is more of an existing situation in the PAT positions.

Tracy Mitchener: I think it is both.

Bill Brown: Is there an opportunity if we save money by making a market at six months rather than immediately, is there an opportunity to take the annual savings those PAT positions individually? How rigid is that?

Roy Buskirk: The one thing I meant to bring up earlier is when is this going to start? The last motion that we had was that it would start immediately.

Jackie Scheuman: All of these figures are for the 2017 budget and not immediately as in today. It is immediately on January first.

Roy Buskirk: The way the motion was, it could almost be interpreted that it starts immediately.

ALLEN COUNTY COUNCIL MEETING MINUTES

Tera Klutz: Thanks for clarifying.

Bill Brown: I know there was a puzzled look on what I just mentioned but what I was trying to address is if we have a lack of money in PAT positions to get them to a pay grade that some of the elected folks and Department Heads have concerns about and we don't go to market immediately but go to market at six months, there is a savings annually to the County. Does that make sense? If we went immediately on PAT, it is going to cost X-amount of money than if we went in six months. That extra money, if we decide to stay at six months, can that extra money be used to redistribute into some of these PAT positions to make them more attractive?

Larry Brown: Your explanation is like my wife explaining two-for-one.

Bill Brown: Let's see what Tracy has to say about it.

Tracy Mitchener: I think the key is to target the ones that we have problems with. I think the problem with that would be they would only be able to change if they scored higher. The way the system is set up, we can't do that. It would have to be a whole grid.

Bill Brown: So the Department Heads or Elected Officials would have to add more duties or identify additional features in order to keep those people at a higher pay.

Tracy Mitchener: Yes.

Bill Brown: But the dollars would be there to accomplish that if they changed the job duties.

Tracy Mitchener: Yes but then you are compromising the system by adding things just so they can get a higher increase. I think the money is better spent adjusting the grids.

Bill Brown: Thanks, I appreciate that.

Tom Harris: The other thing I was looking at is what are the unforeseen consequences of raising the PAT grid but not OSS, as example? I am looking at the PAT and there are 316 PAT people, 266 OSS and LTC is 103. A lot of those LTC's work together and not necessarily with the PAT's or OSS but the OSS are working directly with the PAT's. Is that a fair understanding of that? What I am trying to do is understand the ramifications of a decision where you are paying ten percent increases to the PAT's and their secretarial

ALLEN COUNTY COUNCIL MEETING MINUTES

staff or administrative staff working for them didn't get that kind of an increase. That is what I am trying to understand.

Larry Brown: I keep thinking of the results when you put out positions and the interest you get. We don't have a problem there. When you have 200 apply for a position...

Tom Harris: Yeah.

Roy Buskirk: But then the problem is keeping them.

Mary Rian: I am trying to understand exactly what you were asking.

Tom Harris: Just the impact of employees working side by side, the PAT's and OSS's working together.

Mary Rian: I am sure there would be a perceived "why are they getting a bigger raise?" It is all going to come at the same time as the three percent. I can't say exactly how it would affect morale.

Janette Jacquay: We would hope that the Department Head or Elected Official will support HR and Council's decision and understand, as we educate them, why you decided to make the necessary changes that you did. The explanation and some of our communication with Department Heads, at different meetings or have come to HR on reclassifications because they are having trouble recruiting. They are certainly in the know as to what we have proposed and that WIS has done an analysis. They also understand that within their departments, they don't necessarily have issue recruiting for a secretary. They don't have as much difficulty with that as they do with the PAT's. With that said, if the proposed changes you are talking about happened and nothing happens with an OSS position, we would find the due diligence of the Department Head or Elected Official to explain that to the employee in the OSS position.

Tera Klutz: How would they explain that?

Janette Jacquay: We would help educate them on the fact that and go as deep as the job title and duties.

Tera Klutz: I think they would need that because I don't think they would be able to explain on their own. They may not know themselves.

Larry Brown: Excellent point.

ALLEN COUNTY COUNCIL MEETING MINUTES

Tom Harris: I guess the other side is the argument for adjusting the entire PAT grid is that the learning curve for the PAT positions are extensively longer than it might be for an OSS job. Is that fair for a lot of the PAT? Those are mostly management jobs. In the private sector, one of the things that is looked at is the amount of talent and how hard it is to get that talent and how hard it is to train that talent. Then what do you need to do to retain that talent for key positions. The PAT grid represents a lot of key positions.

Larry Brown: Does the applicant already have the skills?

Tom Harris: Which we don't pay for. That is an argument to increase the entire grid versus just some of the grid.

Larry Brown: Correct.

Tom Harris: And the other piece is that it is the largest grid. There are 316 people versus some of the other ones.

Tracy Mitchener: I think maybe right now we fix what we feel is the biggest grid but just because we don't pass today the OSS going up that we just drop it and never talk about it again. I think that is another day's discussion and we see if we are going to have problems with clerical.

Tom Harris: One final thought is that pay increases to the PAT positions could create a career track for the OSS. If you are an OSS person, this position is now being paid more I want to be in that position. From a retention standpoint, if we lose a PAT position the OSS may say "hey that pays pretty well and I want that".

Tracy Mitchener: And I think that is something that we also communicate is that today the OSS might not be going up but it is something for in the future we will continue to look at. Then they will know that there is potential in the future.

Janette Jacquay: Again this is why, and HR can justify, the reasons why we came to Council and the problems with these two grids. These are the problems we have recruiting and the problems why we do reclassifications. These are specific examples of that. We didn't have that with OSS or POLE.

Tera Klutz: I think that is great. I think Department Heads are going to need to know that. I have a lot of PAT's that work with OSS's and it would be nice to have those specific examples.

Tom Harris: Talking points.

Tera Klutz: I think that will help.

Janette Jacquay: And we would be happy to educate everyone on it depending on the decision that is made here. It seems that there are going to be some specific decisions on the grids and we will be happy to help the Department Heads and Elected Officials understand why the changes were made. The employees need to understand part of what HR hears from employees is when we survey them, they want communication. That is something that we find very important to make sure that employees are communicated with and part of that is through our own communication efforts with employees but we also have to rely on Department Heads and Elected Officials to support us and explain the information proactively as well.

Sharon Tucker: I think it is important that we don't forget that the numbers here were just ideas and we have talked about it before and even if we change OSS or PAT that we change them at 50% of the numbers shown or a percentage like you had said before. We don't know what that percentage will be but instead of giving 100% of what these numbers are, we go below that number and still make a change and still not affect the budget as dramatically as everyone immediately would be. Our initial problem of paying for all of this is that we saw there was a gap in market versus what we offer and on the second highest grid, OSS, we have nine percent turnover and PAT has nine percent turnover. We know LTC was a major problem and we took care of that. POLE is going to help correct itself in some areas but not in all areas. I think we still have an obligation to address the gap that we see and closing it a little bit whether it is 50% of what the difference is or 25% of whatever that gap is. I think we owe it to our employees to do something to help close that gap and bring them closer to what a market would look like.

Larry Brown: I appreciate what you are saying but I do think that a certain percent of turnover is normal and good. Where that's at is probably different by classification. I think, in my opinion, people that are within the OSS grid compared to people that are in the PAT grid, they know the difference between the grids and responsibilities and abilities and all of those kinds of things. I don't see it being that big of a deal when they are working side-by-side or in the same office or even desk to desk. There is a definite difference in responsibility.

Sharon Tucker: I agree with you on responsibility but I am looking at a market gap. I am solely looking at what other Counties are paying their employees as opposed to what we are paying ours. I am hoping that the

ALLEN COUNTY COUNCIL MEETING MINUTES

people that are higher are put in the right grid which then takes into consideration the responsibility that our grids are off based on market. That is what I am looking at.

Larry Brown: And I would agree that especially the POLE as well as OSS's are future discussions. Maybe that is future this year, maybe second quarter of next year but we need to keep an eye on them. I think for now and I will go ahead and make a motion that we adjust the PAT grid to market at six months.

Bill Brown: I will second that.

Roy Buskirk: Is there any further discussion?

Tom Harris: I have thrown out some thoughts both ways and one of the numbers that I am looking at is that the percent of employees below market in the PAT grid is three percent. The total number of employees below market is ten. I am sure that number doesn't make sense.

Larry Brown: That is what Tracy said about contested job review analysis and pay.

Tom Harris: What I do in my head is balancing strategy and morale and to the points that have been made about morale, I get it and how it could affect morale. I think strategically, for the County, for retention of talent in some of those key positions that obviously makes sense.

Tera Klutz: We have no issues with this at all.

Roy Buskirk: All in favor say aye, those opposed, like sign. The motion passes 6-1 (Benz).

Larry Brown: Move to adjourn.

Tom Harris: May I make a couple of comments before we adjourn? The exit interview is something that we have said we would move forward with but is not a part of this process. I would challenge HR to move forward and if you have some thoughts and ideas on how we can add teeth or Council can back you up, we would be happy to do that.

Larry Brown: Like a letter from Council?

Tom Harris: Absolutely.

ALLEN COUNTY COUNCIL MEETING MINUTES

Tracy Mitchener: Can we talk about it at Personnel Committee?

Tom Harris: Yes but if you can go forward in establishing a process for exit interviews instead of waiting for the Personnel Committee, I ask that you do that now rather than later. The more information we can get sooner will give us better information for the future. Also, create a process for a system to identify the value of the benefit package for County employees. Understanding the percent that the County pays versus what the employee pays in terms of their insurance package is something that I would be interested in. The other thing we talked about is how many years has it been that we looked at this process?

Janette Jacquay: At least ten years.

Tom Harris: One of the things we talked about is doing this every five years rather than waiting for a problem. We can't mandate future Councils to do that but we can put it out there that in five years we should do this as a process. That would help with the talking points too that we would be doing this on a regular basis.

Roy Buskirk: I think it needs to be understood that we are going to keep on going on down the grids and are not stopping.

Sharon Tucker: I kind of talked offline to Tom about this but I am worried about OSS and even those that are in POLE. I don't want them to feel like we have categorized the importance. Everyone is important but we spent a lot of time on two grids that may or may not have the immediate need but do we set a date on when we will take a hard look at them too. Morale does become important and we don't want our employees to feel like the derogatory descriptions to say secretary or whatever. Those are important positions and if they are off on the grid, we need to look at getting them in line with the market.

Roy Buskirk: I think what we should do is have a motion for OSS and POLES to be looked at within six months and the rest of the grids be looked at in a year.

Sharon Tucker: So moved. I can't say that.

Tom Harris: But the OSS and POLE are the rest of the grids, right? Why would you want to do the whole grid again in a year?

Roy Buskirk: There are more than four grids.

ALLEN COUNTY COUNCIL MEETING MINUTES

Tera Klutz: Probation Officers, we were talking about.

Tracy Mitchener: Special Occupations and Warrants.

Roy Buskirk: Did someone make that into an actual motion?

Bob Armstrong: You did.

Sharon Tucker: I made it into a motion.

Bob Armstrong: Second.

Roy Buskirk: We have a motion and a second. All in favor please signify by saying aye. Opposed like sign. The motion carries 6-1 (Harris). That should definitely give a better feeling for the balance of employees knowing that they have not been forgotten. Anything else need to come?

Bill Brown: I can't get it out of my head that if someone wants to add a value to some of the positions, we had that situation in ACJC, is there a specific skill set that could be requested?

Mary Rian: We don't ever ask. We ask what the employees do and we don't encourage them to make stuff up on what the employees do so that they can score higher. That is not accurate at all.

Bill Brown: Let's just say, for example, I get the point about not making stuff up. We definitely wouldn't want that. Someone is working in their organization but they really need someone to do more analysis and need someone to be certified in Excel. Currently this person doesn't have that but this person can produce documents that maybe would help them with continuous improvement for more analysis. It seems that if somebody actually had someone in that position but they had to be certified, it seems that would warrant more money.

Mary Rian: I think if it meant that they were assigning tasks that required a higher skill set but that would mean that initially they weren't required to do those things. They wouldn't get the points for that.

Bill Brown: To me, that creates an opportunity in the County-wide workforce to say identify the Department Head or Elected Official and where you have weaknesses that you need to improve and find people within your department that have the aptitude to do these things so that they can increase their skill set to do that additional work that will make their department function more efficiently.

ALLEN COUNTY COUNCIL MEETING MINUTES

Tom Harris: That is called skill based pay and sometimes if you identify a particular skill and someone is certified, you pay someone for that skill. We don't have that kind of a system.

Larry Brown: Because I use Excel or I use Word does not mean that I am skilled or certified in those programs. My point is that through HR we created a test and you have to pass a test, then you would be recognized. Over my years in Council, in one County or another, I have seen the same person doing the same thing go from a secretary to administrative assistant to this, to that and it is all about pay. The function never changed a bit. We went from the typewriter to the computer but big deal!

Tom Harris: So what you try to do is identify which jobs have skill based pay attached to them instead of across the board. You might have three job titles that are eligible for skill based pay and if someone learns how to do Excel that is fine but they don't get paid. It is only for these.

Bill Brown: You just can't go get certifications that aren't specific to what you do.

Roy Buskirk: You have to watch that because you have people that come up with all kinds of certifications.

Bill Brown: They would have to be prescriptive.

Janette Jacquay: The County's objective has always been that the job description, the pay is based on the job description and duties and not on the person. We are still working diligently to explain that to Department Heads and Elected Officials and that is part of the struggle. When a Department Head or Elected Official comes to HR and asks for the job to be reclassified, we go through that entire process very thoroughly. It is very difficult for them to take that employee or person that they like out of the equation. These are the duties and this is how we scored it based on those tasks and responsibilities.

Sharon Tucker: We don't want to see the person that they don't like, not get that same pay.

Roy Buskirk: That is a very hard thing to do, in what she was explaining there. The first thing with serving on the Personnel Committee is you remove the individual when we are discussing a pay raise and everything else.

ALLEN COUNTY COUNCIL MEETING MINUTES

Tom Harris: A couple of things we did not want to forget is the job evaluation, some kind of report about how that status has gone or changed. It wouldn't have to be right now but at the next Personnel Committee meeting, are we improving throughout the County? Superior Court might be more receptive and I would like to see a report or analysis that we have gotten better at it. Joel, to your point on the bonus piece, I would like HR to kind of think about how you go about doing that so that maybe next year's discussions we may have the opportunity to be a little more innovative for the County. Two more points and I am done. The City, what was the increase for City wages? They have proposed a budget and what is that? They proposed two and we are at three percent. Finally, I want to say congratulations to the Auditor and the Auditor's staff as well as Janette and your entire staff for all of the help that you have done on the last six months of all of these discussions. It is greatly appreciated.

Janette Jacquay: Thank you and we appreciate the time today and your efforts that you put into this as well. I know that the employees that will be affected will appreciate this.

Roy Buskirk: Did you have something else to say?

Bill Brown: I will sum it up like this. A driver who gets certified is worth more money than one who has not. That is my point.

Roy Buskirk: The bonus thing is, and I have tried to work this out in my mind, I am always concerned about the low wage people. You have to be very careful and so maybe everyone who makes below \$22,000 will get a \$500 bonus. What about the people earning \$22,100? All of a sudden they are going to be paid less.

Joel Benz: That is why I was only on hire.

Bill Brown: As a Library Board member, they analyze pay on a national average every year. They have lot fewer positions but three years ago we gave much higher raises to the lowest level folks. I think it was eight or nine percent because the higher compensated didn't deserve as much.

Roy Buskirk: With you being on the Library Board, it doesn't affect your pay on the Council.

Larry Brown: In my life on a previous County, it was handled because there was concern that a percentage increase kept increasing the gap. Often, a one percent increase across the board was given plus \$500, \$750 or \$1,000 was given to everybody. That minimizes the separation.

ALLEN COUNTY COUNCIL MEETING MINUTES

Tom Harris: Another option was to do a percent one year and then an across the board pay increase the next year. I will second the motion to adjourn.

Roy Buskirk: All in favor say aye, those opposed, like sign. The motion passes 7-0.