

OLYMPIC REGION CLEAN AIR AGENCY
2940 Limited Lane NW
Olympia, Washington 98502

Finance/Personnel Committee Meeting – Hybrid via Zoom
March 8, 2023

A video recording of this meeting is available on the ORCAA YouTube channel at:
<https://www.youtube.com/@ORCAADan/videos>

Members Present: Greg Brotherton, Jefferson County (Chair) (via Zoom)
Jim Cooper, City of Olympia (via Zoom)
Randy Neatherlin, Mason County (via Zoom)
Robin Vasquez, City of Lacey (via Zoom)

Members Absent:

Legal Counsel:

Staff Present: Jeff Johnston, Executive Director (via Zoom); Lynn Harding, Financial Services Manager (via Zoom), Dan Nelson, Communications Manager (via Zoom)

The meeting was called to order at 9:01 am.

APPROVAL OF AGENDA

Brotherton asked for approval of the agenda. Cooper moved approval and the motion carried unanimously.

APPROVAL OF MINUTES

Brotherton asked for approval of the Personnel Minutes of January 11, 2023. Cooper moved approval, motion was seconded and carried unanimously. Brotherton asked for approval of the Finance Minutes of February 8, 2023. Cooper moved approval, the motion was seconded and carried unanimously.

NEW BUSINESS

Brotherton asked if this presentation will be what is going to be presented to the full Board in April. Johnston explained the goal today is to walk through the slides and have a discussion with regards to getting direction from the Finance Committee. Johnston noted we need direction for our budget.

Johnston did note we need to discuss what the committee would like to take to the full Board at the April meeting.

Presentation by Compensation Connections

Shannon Drohman and Kathy Marek were representing Compensation Connections. Drohman went through the slides provided to the committees. Regarding the Market Data Sources, Neatherlin noted ORCAA represents more than just Thurston County, and the data doesn't seem to represent anything other than Thurston County and the larger economic areas.

Drohman explained Thurston County was chosen as it is the most likely place talent would come from

in the future. Drohman continued with the presentation, noting job title was not the main focus, but job content and qualifications as well.

Drohman explained there were several positions they recommend range changes to move the positions into a range that is more reflective of the job market. The cutoff selected is 5%, any position 5% or below the 50th percentile relative to market was recommended to be moved to a higher range. Neatherlin noted we don't necessarily have to hit the 50th percentile. Drohman went over the recommendations and how they came to those conclusions. Drohman also went over some implementation options and the next steps, which were arrived at during discussions with the Personnel Committee. Neatherlin noted he has a proposal he will present with regards to next steps.

Brotherton asked Neatherlin to discuss his proposal. Neatherlin explained his recommendations and considerations. Vazquez also noted we need to be cognizant of the budget as well and asked if staff had prepared those numbers. Johnston stated we have not as there were too many variables. We would like direction from the committee so we can put the number together and figure out how the revenue supports this change. Cooper noted he would need some indication of the impact on the budget (fees) prior to moving forward. Johnston noted we are looking at fees and may need to do a 'market' study on our fees as well. Johnston stated we will be contacting other local air's to compare fees.

Harding shared the 5-year budget forecast. Harding did state she had anticipated a 2% increase each year, however, it will likely be higher. Harding noted it will be up to the Board to decide how much of the reserve we will use and how much we will increase the fees to cover the cost. The Board also needs to decide what the minimum is for reserves for catastrophic events, to cover the cost of a new database, monitoring equipment, etc.

Brotherton stated, it appears the committee needs to give staff a few options to work with. Johnston agreed. Neatherlin stated he would like to have the committee agree to not move staff to the 'next step' on the scale. He noted it serves no purpose other than to give a raise across the board. Neatherlin requested the calculations including removing the phase of pushing people up a step, figuring out what percentage each of the 'below average' staff actually is, and also add 2.25% increase for next years budget (across the board).

Drohman briefly went over the 5 jobs that were below market. The initial 3 under step A, were people, not jobs. There were 2 positions that would have fallen on 21, but we felt they needed to move them to step 22 and we should eliminate 21. There was some additional discussion regarding the 50 percentile and some additional information was requested by Neatherlin.

Cooper was concerned with the timeline. Cooper agreed with removal of step 21 and using the next step adjustment. The salary adjustment should be brought back to the Finance Committee, Cooper continued, with 3 adjustments – 2%, 4% and 6% so we can see the implications. Vazquez, noting any increases will have a long-term affect as our staff will continue to move up the scale. She, too, would like to eliminate step 21, shift the 5 positions in question, and then look at the 2%, 4%, and 6% increase to see the cost differences.

Harding reiterated; to be clear, we are to eliminate step 21, bring the 5 positions up as recommended, add an across the board increase in salaries at 2.25%, 4% and 6%. Harding explained we will base the 5-year forecast on the 4% so we have an idea of where we might stand. Brotherton asked staff to separate out the next step proponent as well.

After some discussion, Brotherton noted it would be best to have a brief presentation from Compensation Connections for the full Board.

There was nothing further for the committee.

The meeting adjourned at 9:59 am.

CERTIFICATION

I hereby certify this is a true and correct copy of the minutes of the meeting of the ORCAA Finance and Personnel Committee held hybrid, via Zoom, on March 8, 2023, in Olympia, Washington.

ATTEST:



Jeff C. Johnston, Executive Director
Olympic Region Clean Air Agency

Greg Brotherton, Chair
ORCAA Finance Committee

DATED: April 12, 2023