

**State Officers Compensation Commission Meeting**

October 15, 2013, 11:00 a.m.  
Anchorage Legislative Information Office  
716 W. 4<sup>th</sup> Avenue, Suite 220  
Anchorage, Alaska  
Meeting Minutes

Members:

Rick Halford, Chairperson  
Gordon Harrison (by phone)  
Thomas McGrath  
Richard Knapp

Others present:

Nicki Neal, Department of Administration (by phone)  
Nancy Sutch, Department of Administration  
Jesse Kiehl, Office of Senator Egan (by phone)  
Dermot Cole (by phone)  
Pat Forgey (by phone)

**I. CALL TO ORDER**

Chairperson Halford called the meeting to order at 11:00 a.m.

**II. ROLL CALL**

All members were present.

**III. ELECTION OF CHAIRPERSON**

MOTION: *Appoint Rick Halford as chair of the Commission.*  
APPROVED: Moved and approved unanimously.

**IV. APPROVAL OF AGENDA**

MOTION: *Approve meeting agenda.*  
APPROVED: Moved and approved unanimously.

**V. APPROVAL OF MINUTES**

MOTION: *Approve the minutes from the October 22, 2012 meeting.*  
APPROVED: Moved and approved unanimously.

**VI. REVIEW OF AVAILABLE MATERIAL/INFORMATION**

Deputy Director Nancy Sutch explained the reports and data that was provided in the binders.

**VII. PREPARATION OF PRELIMINARY FINDING AND RECOMMENDATIONS**

DISCUSSION:

Members discussed whether or not recommendations are warranted this year.

Clarification regarding the cost-of-living increase awarded to Commissioners through Senate Bill (SB) 95 was provided.

Members discussed the reduction in salary some Deputy Commissioners would realize if they were to accept a promotion to Commissioner, if they should maintain their current salary plus a 5% increase, and the disparity this would create with the salary of a Commissioner.

“Catching up” Commissioners through the application of statutory wage increases (AS 39.27) that were not applied in 2010, 2011, and 2012 (2%, 2%, 2%), how to award statutory pay increases that were granted in SB 95 (1%, 1%, 2.5%) and future statutorily authorized increases were discussed. Concern was expressed that the Commission’s recommendations should not conflict with the Legislature and their intent for what increases, if any, should be granted to Commissioners in years beyond 2015.

It was pointed out that SB 95 amended geographic differential rates which included awarding a 5% geographic differential to employees with a duty station of Juneau. Discussion as to whether to apply geographic differential rates to the Governor, Lt. Governor, and Commissioners occurred.

Discussion occurred about adjusting the salary of the Governor and Lt. Governor to reflect statutory cost-of-living increases awarded since salaries were last adjusted and those that may be awarded in the future.

The compensation of legislators was discussed and it was decided that the current salary is adequate compared to other states that have 90-120 day sessions, when considering that they also receive office allowance and per diem.

No public testimony was received.

MOTION: Award a geographic difference for Commissioners stationed in Juneau commensurate with other state employees.

APPROVED: Moved and approved unanimously.

MOTION: Grant AS 39.27 wages increases for 2010, 2011 and 2012 to the Governor, Lt. Governor and Commissioners as of July 1, 2014. And in the future grant AS 39.27 wage increases to the Governor, Lt. Governor and Commissioners.

APPROVED: Moved and approved unanimously.

RESCINDED: There was a motion to rescind this motion and revise the language. No objections were raised.

MOTION: Effective July 1, 2014, Commissioners pay will be \$146,142.67 which includes 1% granted under AS 39.27 for 2014.

APPROVED: Moved and approved unanimously.

MOTION: The Governor's salary will increase to \$150,872.79 as of July 1, 2014, and that salary will be increased by 2.5% in 2015.

APPROVED: Moved and approved unanimously.

MOTION: The Lt. Governor's salary will increase to \$119,657.73 as of July 1, 2014, and that salary will be increased by 2.5% in 2015.

APPROVED: Moved and approved unanimously.

MOTION: If a Deputy Commissioner replaces a Commissioner, from the same department, without a break in service, the Deputy Commissioner will retain his/her pay rate while he holds the position of Commissioner.

APPROVED: Moved and approved unanimously.

Transmittal letter that explains why each of these motions were approved will be done by November 15. Actual wording of letter can be approved by group via a short meeting with public notice.

#### **VIII. OTHER BUSINESS**

Next meeting set for November 5 in Anchorage. (This was later moved to November 6)

No other business was brought before the commission.

The meeting was recessed at 12:15 p.m., resumed at 1:00 p.m. and adjourned at 2:05 p.m.