

State Officers Compensation Commission Meeting

November 6, 2015, 1 p.m.
550 w. 7th, 12th Floor, Suite 1270
Meeting Minutes

Members:

Thomas McGrath, Chairperson
Kathy Hosford
Julee Duhrsen

Others present:

Kate Sheehan, Department of Administration
Pat Forgey, ADN

I. CALL TO ORDER

Chair McGrath called the meeting to order.

II. ROLL CALL

All members were present.

III. APPROVAL OF AGENDA

MOTION: *Approved meeting agenda (with new item found in section V below).*

APPROVED: Moved and approved unanimously.

IV. APPROVAL OF MINUTES

MOTION: *Approved minutes from December 4, 2013 and October 27, 2015 meetings*

APPROVED: Moved and approved unanimously.

V. Discuss whether the commission should have Preliminary Findings and Recommendations

The agenda was amended to include this new topic.

After a brief discussion on the history of the commission and the 2013 Findings and Recommendations, commission members discussed the Governor and Lieutenant Governor's salaries. Discussion was that the salaries were comparable to other oil producing states and that the Governor's salary seemed to have kept pace with inflation over a 15 year time period.

MOTION: *Moved to recommend no increase for Governor and Lieutenant Governor due to declining revenues and cuts the administration is forced to make now.*

APPROVED: Moved and approved unanimously.

Commission members then moved on to discussing Commissioners' salaries. Discussion was had as to whether Governors had a difficult time finding Commissioners. It was determined that some Commissioners would end up taking a pay cut for the position while for others, it may be the most money they'll make. Members did not know of any complaints by Commissioners regarding their salaries.

It was pointed out by Member Hosford that the commission had recommend salary increases in 2014, which was rejected, and the State is in a worse position today.

When asked if Commissioners received any increases, Director Sheehan informed them that Commissioners do receive the statutory cost of living increases due to Senate Bill 95, passed in 2013.

Chair McGrath did voice concern about those Deputy Commissioners who have higher salaries than Commissioners. It becomes a problem when the Deputy Commissioner is asked to become Commissioner and they must then take a pay cut for essentially taking on more responsibility. It was discussed that it may never apply to someone but that it could, and has.

It was determined that the same language contained in the 2013 Recommendations could be used for the current recommendations; however, it was decided that statutory increases should not apply.

MOTION: Moved to recommend that the salary of a deputy commissioner who accepts the office of department head with the same department with no break in service and is paid a salary higher than the salary authorized for the department head, shall retain his or her current salary while holding the position of department head.

APPROVED: Moved and approved unanimously.

Discussion was held regarding the salary of legislators. There was agreement that legislators are granted a healthy wage for three to six months of work. There was also discussion that the reimbursable office expenses had been increased and all felt the legislature was in a good place. There were questions regarding when the office allowance was added, increased and whether or not receipts were required. Director Sheehan was tasked with gathering this information.

MOTION: Moved to recommend no increase for the legislature.

APPROVED: Moved and approved unanimously.

Final discussion was held on the timing and location of future meetings. Commission members expressed a desire to meet earlier in the fall. Suggestion was for the month of September since there should be more

information by that time as to the State's finances. All agreed that it was imperative to have more in person meetings with potential telephonic meetings when necessary.

Director Sheehan was tasked with drafting a preliminary report to send to members for review.

VI. Public Hearings

Since the Preliminary Findings were not completed prior to this meeting, public testimony was not taken.

VII. Discuss the scheduling, if necessary, of Public Hearings and Final Meeting

Public testimony, as well as the final meeting, was scheduled for Tuesday, December 8, 2015 in Anchorage.

VIII. Other Business

It was determined that all press inquiries would go to the Chair.

Meeting adjourned at 2:35 p.m.