

Agenda Item Number 11.D.

Executive Director Cost-of-Living Salary Adjustment

Presenter: Jerry Miller

Action Recommended: Approve Compensation Adjustment

Background:

In September, as a part of the biennial performance review process, the Board confirmed the Executive Committee's recommendation that seven goals be approved for the Executive Director's attention during the two-year period that began in July. However, the Committee deferred action on the question of a compensation adjustment in September, pending the completion of a salary survey of comparable positions. With the help of the agency's Human Resources Manager, Linda Aday, I conducted that survey and presented the findings to the Executive Committee at its November 20 meeting.

It was my conclusion, confirmed after review by the Committee, that the current compensation package for LCOG's Executive Director is in line with the market surveyed for salary and benefits. Accordingly, it was my recommendation to the Committee that George Kloeppe's salary be increased by the two percent cost-of-living adjustment (COLA) that was afforded management and non-represented staff in July 2003. I further recommended that in the future the Executive Director be granted the same COLA as provided for non-represented employees of LCOG—typically at the beginning of the fiscal year. This latter provision would separate the issues of cost-of-living pay increase from the biennial performance review. Any merit- or performance-based adjustments in the Director's compensation would be handled by the Chair, the Executive Committee and the Board of Directors as a part of the performance review. The next performance review is scheduled for June 2005.

At its November 20 meeting, the Executive Committee accepted my proposal and recommends that the Board:

- A. Approve a two percent (2%) COLA to the Executive Director's salary effective July 1, 2003—making George Kloeppe's monthly salary \$8,424.
- B. Authorize for future years the same cost-of-living salary adjustment as is made for management and non-represented staff of the agency.

All other provisions of the Employment Agreement between LCOG and its Executive Director would remain unchanged.