Meeting Summary
Human Resource Committee Meeting
Tuesday, May 28, 2013, 5:00 p.m. – 6:50 p.m.
OWASA Boardroom

Board Committee:	Stephen Dear, Michael Hughes, Dana Raborn, John Young, Alan Rimer (ex-officio)
Other Board Members:	None
Staff:	Ed Kerwin, Stephanie Glasgow, Stephen Winters, John Greene, Mason Crum, Dan Przybyl
Public:	Mac Clark

Alan Rimer chaired the meeting for Gordon Merklein. Stephanie Glasgow presented information and staff recommendations regarding the Board's directive from their January 10, 2013 meeting:

"That the OWASA staff further evaluates (including feedback from employees) the following WCG recommendations:

- ***a. Phase out Service Pay (longevity) because it works counter to OWASA's performance/merit based compensation strategy. Elimination of this program may be accomplished by making a one-time salary adjustment to all current employees, based on their years of service.***
- ***b. Reduce retirement benefits for new hires.***
- ***c. Analyze the competiveness of our 457 retirement benefits.***

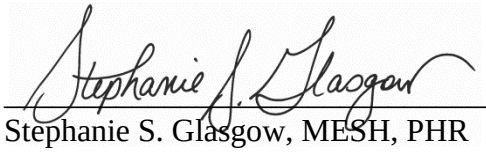
Staff shall review the above with the Human Resources (HR) Committee before making a final recommendation to the Board of Directors."

Summary of actions taken by the Human Resource (HR) Committee:

- Service Pay – After considerable discussion, a majority of the HR Committee agreed to support staff's recommended Option 3b which eliminates service pay effective July 1, 2013 and provide all employees a one-time pay increase based on length of service to keep them wholly compensated for 10 years. Michael Hughes preferred eliminating service pay without compensation and to consider opportunities to redistribute the money saved to employees based on performance.
- Retirement Benefits for New Hires – The HR Committee agreed to defer action for one year. This recommendation will also be presented to the Board on June 13, 2013.

- 457 Deferred Compensation – The Committee expressed interest in improving OWASA's competiveness, and agreed that more time is needed for staff to develop additional options for the HR Committee's consideration. The Committee favored a new system of deferred compensation benefit that is not linked to length of service. Staff will develop options for discussion at a future HR Committee meeting.

Prepared by:



Stephanie S. Glasgow, MESH, PHR
Director of Human Resources and Safety