

**Ramsey County Charter Commission
Monday, January 11, 2010**

Public Hearing

The Ramsey County Charter Commission held a public hearing to receive public input on two options for a potential amendment to the Ramsey County Home Rule Charter related to the salary of the seven elected County Commissioners. The Public Hearing was called to order at approximately 6:30 p.m. by Chair Peter Hendricks.

MEMBERS PRESENT:

District 1: Jim Schottmuller
District 2: Bob Benke
Richard Moses
District 3: Bryan Olson
District 4: Peter Hendricks
District 5: Rod Halvorson
Lyle Nelson
District 6: A.L. Brown
Russell Miller
District 7: Bud Berry
At-Large: Minoka Kitto

MEMBERS ABSENT:

District 3: Frank Gurney (unexcused)
District 4: Christopher Leifeld (excused)
District 7: Marvin Koppen (excused)
At-Large: Mike Fratto (excused)
Beth Miller (excused)

Also present: Darwin Lookingbill, Director, Civil Division, County Attorney's Office
Bonnie Jackelen, Chief Clerk-County Board

Mr. Hendricks said this is the second of two public hearings related to how the seven elected County Commissioners set their salary. The Public Hearing notice included two tentative options, which were read in full. They are:

OPTION A:

"Should the Ramsey County Home Rule Charter be amended so that a salary ordinance increasing Ramsey County Commissioners salaries by more than five percent (5%) shall be subject to an automatic referendum and shall not be effective until approved by a majority voting at a referendum?"

OPTION B:

"Should the Ramsey County Home Rule Charter be amended so the annual salary of Ramsey County Commissioners on January 1, 2011 and reassessed every year thereafter shall not exceed the current median annual income of a Ramsey County Household as defined by the U.S. Census Bureau (American Community Survey)?"

Chair Hendricks said the purpose of tonight's meeting is to solicit comments from the public.

Greg Copeland- St. Paul

As he stated at a previous public hearing, Mr. Copeland believes any amendment should track the census figures for the county using a unit of population as the common denominator to determine the pay of County Commissioners. This formula would take payment out of the realm of salary and put it into payment for public service. He suggested the amount of \$1 per capita.

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Bob Murray – Roseville

Mr. Murray said that people are strapped financially. He recommended no increase in salaries whatsoever. He would recommend an option c – a freeze of salary. Out of the two options presented, he would prefer Option B.

John Schaaf – North Oaks

Mr. Schaaf is the Mayor of the City of North Oaks. He is concerned over the two proposed options and stated they are seriously flawed in logic, analysis, purpose and intent. He has reviewed minutes and documents from previous Charter Commission meetings and believes he has a reasonable understanding and intent of the proposed charter amendments, options A and B. He has done a compensation analysis of the current Board members' salaries with other boards, senior board leadership for enterprises in excess of \$500 million, and counties throughout the state of Minnesota. He does not see a need to make any changes to compensation or the Charter at this time. In fact, he believes Commissioners are underpaid and have been underpaid for twenty years. He believes that in Ramsey County, we have the responsibility to ethically and fairly pay members of the Board so that they do not have to have multiple jobs.

Jim Berry – White Bear Lake

Mr. Berry is a member of the City of White Bear Lake Planning Commission and Charter Commission. He agreed with the comments made by Mr. Schaaf. He also went through election brochures from the last county commissioner race. One brochure compared the salary of Ramsey County Commissioners to the salary of the other metro area counties. Hennepin's salary is approximately \$93,000; Ramsey approximately \$82,000; Dakota approximately \$65,000; and Anoka approximately \$65,000. Hennepin and Ramsey are totally different counties than the other five metro counties, primarily from the standpoint that Hennepin and Ramsey each has a major core city that creates more complex budget and issue problems for the County. One way to look at the differences is in population; Dakota has approximately 350,000 residents; Anoka 300,000; Washington 200,000, Carver and Scott at 70,000. Yet, Carver and Scott provide compensation at the level of \$48-50,000 for their boards.

Mr. Berry said the Charter Commission is the caretaker of the Charter. The Charter should be changed only on rare occasions. If he had to choose between the two options, Option A is the only logical option.

Kent Peterson, Shoreview

Mr. Peterson has observed public policy for over 30 years and respects the government of Ramsey County. There are sound, objective methods to determine compensation for all jobs, including public officials. The proposed options are not objective, fair methods of determining compensation. One goes to an automatic referendum and the other refers to a median annual income of the citizens of the County; that is not fair and objective. He urged members to oppose both options and not place any question on the ballot this fall.

Mike Spellman, Shoreview

Mr. Spellman endorsed what has previously been said. He believes the Ramsey County Board is a group of dedicated and talented people with tremendous amounts of responsibility. This is not a part time position. He believes \$80,000 is a relatively middle class income. He wants his county commissioner to be well-compensated for what they do. Of all the issues facing Ramsey County right now, this does not rise to the level of the need to change the County's Charter. If people feel that

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County Commissioners are overpaid, they are able to vote against them in the next election. These options appear to preempt the right of future voters to make that decision on that basis. He encouraged members to scrap both of these options.

Ted Veilleux, New Brighton

Mr. Veilleux stated that government has gotten out of control, including local, state and federal salaries. The only people underpaid are mayors and city council members. There is no regard for the dollar. This year there was a zero increase in the New Brighton budget. If they can do it, others can also. He said that county commissioners know the salary of the position before they run for office.

Robert Hildreth, New Brighton

Mr. Hildreth said that when the salaries of Ramsey County Commissioners are compared to those of Hennepin County it is like corporations that continue to increase salaries until they become out of line with the people who are doing the work. A 20-25% increase is absolutely unjustified at any one time. Option B is too much of a cut; the salary could be cut a small amount. Government is too big and bureaucratic. Given the choice of Option A and Option B he would choose Option B.

Andrew Hine, St. Paul

Mr. Hine said he is not well enough informed to know why there is no option c, d, etc. He restricted his comments to the two options presented. Most salaries are somehow tied to the Consumer Price Index (CPI). He finds it unusual that the Ramsey County Commissioners get to set their own salaries. It is no surprise to hear that they gave themselves huge raises not long ago. While he can appreciate them wanting to get their pay aligned more closely to their peers, their timing and approach could have been more sensitive to the citizens. The last thing we need these days is an even more anti-government attitude. He works at 3M; in 2009 he was forced to take a week off without pay. This amounted to a 2% reduction in his salary. Raises have been in the 0-3% range for years. A 5% raise is practically unheard of. If the Commissioners want to give themselves a raise, it should be up to the bosses, i.e. the voters. He is in favor of Option A. He finds Option B to be quite ridiculous and spiteful. Government workers are more highly educated and highly skilled than the overall Ramsey County workforce. There are no fast food workers, light bulb sales people, or other minimum wage jobs. To expect any employee in the public sector to work for the overall median salary is extremely insulting. It would not be based on or reflective of their educational skill or experience. His job at 3M is known as a T2, which puts him in the middle of the technical pay scale. Vice Presidents and other executives are in an overpaid league of their own. He is paid \$70,000 for his average contribution at 3M – he has no degree nor does he play a leadership role. He believes Commissioners deserve to earn more than he earns. A \$50,000 salary would not attract the type of Commissioner he expects for his money. It would be doing Ramsey County a disservice by so greatly narrowing the field of potential commissioners. He is not in favor of option B. Perhaps there is the opportunity for other options. Perhaps salary increases or decreases could be tied to leading economic indicators such as the CPI. One final comment – Commissioners are often out in the community in the evening hours, and this inconvenient aspect of their jobs should be taken into consideration. He believes \$80,000 is a fair salary for Commissioners.

Tim Cocan (sp), New Brighton

Mr. Cocan is an ordinary warehouse worker; together, he and his wife don't make the salary of a County Commissioner. However, he has no problem with people making as much as possible. There is a difference between good behavior and bad behavior. In the private sector they are doing

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something to make money for the corporation. The government does not make money; they receive money from the taxpayer. Given the choice between Option A and Option B – he likes Option A because there has to be some restriction on how much a person can make in the public sector, but it should be done with common sense and be equitable. Option B is okay; he helps pay for the salaries and he can't afford it. He is unable to give much money but he gives of his time. He does so because he wants to help improve circumstances of the people. In summary, he believes salary should be a median level using the population, which would be fair for the people paying those salaries. When they want to increase their pay it should be voted on by the people of Ramsey County.

Joseph Watters

Mr. Watters is for Option B, not out of spite. County Commissioners are policymakers, not senior operating managers. They have a senior operating manager – Julie Kleinschmidt – who is the County Manager and is held accountable. If she does not perform they can terminate her at will. A commissioner cannot be terminated at will; we must wait until the end of their term to terminate them. He believes that directors in the private sector can be removed for cause, but that can't be done for a Commissioner. If the cities of White Bear Lake and North Oaks are so dependent on the County Commissioners to make decisions for them, they should unincorporate their cities and become entities of the County.

Lisa Peterson

Ms. Peterson said she is a resident of White Bear Township; a citizen of Ramsey County for ten years. She is against both options and doesn't feel the Charter Commission needs to put this through a referendum. For a number of years, Commissioners took no pay increase, one reason being the fear they might not be reelected to office. The ability to have elections to vote for County Commissioners is one of the checks and balances. Public office holders and government employees make less than what they would holding those same types of responsibilities with private companies, and yet, we expect so much from them. Their salaries need to be kept at a reasonable and fair level to attract good talented people. Especially if adopting Option B, we would not attract the talent needed to govern the County.

Mr. Brown asked Ms. Peterson if her opinion would change by saying that the Commissioners did give themselves increases of 20 and 25%.

Ms. Peterson said that does not change her opinion. She has done a lot of research about compensation, and believes that for a long period of time, County Commissioners were woefully underpaid. They need to look out for the future of the County, and that the Commissioner compensation is going to attract people with managerial talent to run our County.

Bob Murray

Mr. Murray said it appears that there are standards. He has a degree in clinical psychiatry, and he does residential and commercial cleaning – there are standards among lawyers, doctors, educators – some people think that makes a person. He believes ethics and hard work come from within. It is a privilege for anyone in office to be in that position. Education doesn't make a person. Public service shouldn't be a requirement based on education; it should be based upon people who want to serve people. He has heard that the average person wants services, some who are dependent on the

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County. He asks, why depend upon the County? He sees a lot of waste in St. Paul public schools. More money doesn't equate better jobs and better service. Government is supposed to represent us – if they don't like the salary, don't do the job.

June Lehr

Ms. Lehr said she lives in Vadnais Heights. She gets angry when reading the paper. In 2007 the County Commissioners said they wanted to keep up with the Hennepin County Commissioners, and may be why they raised their salaries 25%. In 2008 three Commissioners were up for reelection. We could have gotten rid of them but the people voted them back into office. In 2009, they gave themselves another pay increase. They did not raise their salaries for 2010. They knew what the salary was when they took office. Why would they run for the position if they didn't like the salary? There were a lot of angry people. She wondered what the majority of people would do when they get their real estate tax bill – how are they going to pay for it.

Mr. Brown asked Ms. Lehr if she was in favor of Option A or B.

Ms. Lehr said she did not have a preference. She said she couldn't understand why the Commissioners ran for office in 2007 if they knew what the salary was. Referring to the 5% increase mentioned earlier, asked who gets a 5% increase today? State employees had a salary freeze for two years; a lot of people took pay cuts in order to keep their jobs, and they can't make it any more. There is nothing but greed and corruption all the way from the federal level down to the city.

John Schaff

Mr. Schaff said a question had been raised about what services the County provides. There seems to be some misinformation or lack of understanding for a municipality such as the City of North Oaks, which has one full time employee and three part time employees. Everything is contracted out. The City looks to Ramsey County, paying about \$500,000 a year, on top of the taxes, for police protection. They pay the County for the County's court system, social services, roads, libraries. County governance, by State Statute, which they do not participate in, is very important for a city like North Oaks. North Oaks has the lowest operating costs of any city in the 117 municipalities in the seven county metropolitan area. They have a history of contracting out, thus a value to the City as a solid, fiscal responsible County governance. They have no other place to go as they are so heavily dependent upon the County. They pay more than their full share, not only for property taxes, predicated on the same value system as anybody else in Ramsey County, but they pay above that to contract for services. The value of the leadership in the policy is important to the northern tier cities – Shoreview, Arden Hills, Vadnais Heights, Gem Lake, Little Canada, North Oaks. They all depend heavily upon the County for their police.

Mr. Moses said before the public hearing portion is closed, there are many folks in the audience who had said they wished there were more than just Option A and B.

Mr. Hendricks said it was clear in the public hearing notice that the public hearing would be held for public input on Option A or B, and to present any other ideas for the indexing and planning compensation for the County Commissioners.

Mr. Moses said if anyone had any other options, the Commission members should hear those. Any ideas could be put in writing to the Charter Commission.

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Mr. Hendricks said if there is anyone who has not yet spoken, or who wished to clarify their position to come up to the podium.

Joseph Watters - Maplewood

Mr. Watters suggested looking at those who run for the Minnesota House and Senate, US House and Senate, knowing what the salary is and the cost to them is much higher, particularly if taking a job in Washington DC because not only do you have to maintain a residence here if living in the 4th District, you also need to have a residence in Washington DC while in office. If this is put in front of the people and it is voted down, fine. He referred to the comment that we would not be able to attract quality people. By lowering the salaries, giving a clearer definition of what the position is, we might attract more people.

Wayne Lehr – Vadnais Heights

Mr. Lehr said we are talking about the raises of 20-25%. He worked 30 years and never received more than 3%, and his wage did not start at \$89,000 to get a 20%. At 3% it would be too much. He does not believe in freezing the Commissioner salaries either. He believes in letting them go without raises 3-4 times and then give them their 3% and they'll probably come around where the rest of us, and then they would probably have trouble paying their taxes if they want to live in North Oaks, or wherever.

CLOSE PUBLIC HEARING

After hearing a motion and second, Mr. Hendricks closed the public hearing. He asked if any Charter Commission member wished to speak to either Option A or B, or any other option.

CHARTER COMMISSION DISCUSSION

Mr. Hendricks said that at the last meeting, the Charter Commission moved and adopted Option B. It was further refined at a subcommittee meeting. He asked the Commission members not to direct comments to a particular member.

Mr. Moses said we heard a couple things about the private sector versus the public sector. He worked in the private sector all his life, and never once got a 25% or a 20% raise. That is one reason the Commissioners showed themselves to be out of touch. In doing so, they put themselves in this stew, and that is something that can be changed at the Charter Commission level.

Mr. Halvorson asked if there would be a regular Commission meeting this evening.

Mr. Hendricks responded negatively. Any Commission member who wished to speak to these options can now do so. This will then be taken up at the next regularly scheduled Charter Commission meeting on February 1.

Mr. Halvorson asked if all Commission members have a right to communicate their points of view at the next Commission meeting rather than tonight.

Mr. Hendricks responded affirmatively.

Mr. Halvorson moved to adjourn the public hearing.

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Mr. Brown said he did not believe the Commission should have a long discussion. He will be out of the country on February 1. He does support Option B. There has been a lot of information out there. The Commission members should have the right to speak on this, but it is just the issue on whether to close the discussion altogether. We should not be in a rush to be over with this. We are volunteers, and if this is too burdensome, that is fine, but the right of other members to speak should not be squelched by having the motion closed later. That is not how we operate, and he hoped we would not go down that path.

Mr. Miller said he would like to continue the meeting because of the fact that sometimes we can't always get all the people together. He would support a continuance.

Mr. Hendricks said there is a motion on the table to adjourn tonight's meeting. It was the consensus to keep the hearing open.

Mr. Brown said he created the initial draft language for Option B, adopted by the Charter Commission. His intent had been to recognize that a 30% pay cut is tough. His intent was to bring folks who make policy in line with the folks who have to live with the policy. As the folks in the County and State do better or worse, they do better or worse. That is how it works with shares. He had taken the attitude that these folks are educated and therefore entitled to a lot more. That doesn't sit right. There is no requirement that these folks be any more educated than the other folks who might otherwise consider the position. The only requirement is their knowledge about management for budget and other things. We need to know and understand how much work they do. The Commission can't come to a decision until we have a better sense from the Commissioners. The Commission would do well to have a Commissioner come before the Commission to see what their day planner looks like. The Charter Commission should not be used for micromanagement. This is a broad policy discussion. Do they work 80 hours a week; how much does staff do; how many staff members do they have; how many issues are farmed out to other professionals. He likes his Commissioner; this was intended to bring them in line with the folks they govern. Let's be thoughtful about our decision.

Mr. Miller said he wants to know if the public wants the Charter Commission to vote on the salaries of the Commissioners. He wanted to be careful when voting to make sure we know what the public is looking for.

Mr. Benke agreed that we need more time and information. He would appreciate receiving a copy of Mayor Schaff's analysis done on compensation. It might reinforce the adage that you get what you pay for. We need to be careful about setting an artificially low rate of compensation. He agreed that one doesn't have to have a Ph.D. in order to serve effectively on a city council or county board, but he hoped the people elected are smart enough to understand what their staff is giving them; they have to work with others to bring back the best ideas. We need to pay good people to work hard to make good policy choices. He has questions about what happens if we vote to put an issue on the ballot: How will the voters of Ramsey County be informed as to what is the basis of the reason for putting it on the ballot in the first place? How do we explain to them the intricacies of compensation and what is fair to the kinds of people we want to elect? Who is going to provide that in a non-partisan, informed and productive way? He is not aware that the Charter Commission has the resources to do that research and publish all that information. If we don't do that, who will? Where is the information going to come from, how does it get presented, who's going to pay, what's it going to cost?

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A motion and second was made to adjourn the meeting.

Mr. Hendricks said the next meeting is scheduled for February 1, 2010.

AL Brown asked if the intent is to take a vote at that meeting. He moved that no vote be taken at the next meeting.

Mr. Hendricks did not believe a motion could be passed today at the public hearing.

Darwin Lookingbill, Director, Civil Division, County Attorney's Office, said the meeting was published as a public hearing. He advised to continue the discussion as a public hearing.

Ms. Jackelen said the time and location for the next meeting is 6:30 p.m., Monday, February 1, 2010, in the Court House Council Chambers.

Mr. Brown said having heard counsel's advice, he moved that no vote be taken at the next meeting. He did not feel there is enough information to vote.

Mr. Schottmuller said there is no rush to vote.

Mr. Hendricks pointed out that there is a motion and a second on the table against the advice from legal counsel.

Mr. Halvorson asked if the Commission can preclude from doing anything at the next meeting.

Mr. Brown said the motion can be taken to take the time needed. The motion should fix it at a meeting date not at the next meeting date.

Ms. Kitto said this could be brought up at every single meeting not to vote over the next three years. We can't do that. It is based upon the motion put on the table.

Mr. Brown said the time can be fixed for a vote. He did not understand the rush to vote. He has not made up his mind, and cannot until he has more information. Other Commission members may already have come to their own conclusions.

Mr. Hendricks said the next meeting is a public hearing related to the number of signatures needed for a referendum and the number of days to gather those signatures.

Mr. Miller said there have been occasions when things were carried over, delaying votes, a number of times. He would be in favor of allowing more time for more information.

Ms. Kitto asked if no one makes a motion to vote at the next meeting because the Commission members feel they've made that decision, then they wouldn't take a vote at that meeting. There is no determination to vote at that meeting. Now the discussion is being held when we can and cannot make a determination, and she did not agree with that.

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Someone said one of the Commission members has requested a delay in the vote because he will not be at the next meeting, and he has a strong desire to be a part of that decision. He is comfortable with not voting next time, to give the Commission more time to consider input.

Roll Call on the question that the time for voting be fixed for a meeting not at the next meeting (February 1, 2010): Ayes – Benke, Schottmuller, Brown, Berry, Miller – 5. Nays – Olson, Nelson, Moses, Halvorson, Kitto, Hendricks – 6. Nays carried the vote – 5-6.

ADJOURNMENT

Upon duly made motion, the meeting was adjourned.

Submitted by Bonnie C. Jackelen