

**PERSONNEL, LEGISLATIVE AND PUBLIC AFFAIRS  
SUBCOMMITTEE MEETING  
November 10, 2009  
7:00 p.m.  
(Or immediately following the PPO Subcommittee Meeting)**

**AGENDA**

**Personnel, Legislative and Public Affairs Subcommittee:**

Dave Klug, Chairperson  
John Schwope, Vice Chairperson  
Fred Conley  
Tim Fowler  
Scott Japp

Alternate Members: Dorothy Lanphier  
Jim Thompson

Staff Liaison: Emmett Egr

1. Meeting Called to Order –Chairperson Klug
2. Notification of Open Meetings Act Posting and Announcement of Meeting Procedure –  
Chairperson Klug
3. Quorum Call
4. Adoption of Agenda
5. Proof of Publication of Meeting Notice
6. Review and Recommendation on Amendments to P-MRNRD Pay Program Administration  
Manual for Calendar Year 2010 – John Winkler
7. Review and Recommendation on Employee Grievances *Confidential [Executive Session]*
8. Adjourn

## MEMORANDUM

TO: Personnel, Legislative and Public Affairs Subcommittee

SUBJECT: Recommendations to P-MRNRD Pay Program for CY 2010

DATE: November 2, 2009

FROM: John Winkler, General Manager

At the February 12, 2009 Board of Directors meeting, the P-MRNRD Pay Program for CY 2009 was approved. The plan was prepared by the Silverstone Group. It was determined that adjustments in future years would be based on the Silverstone Group Compensation Planning Bulletin and brought to the PLPA Subcommittee for review and recommendations to the Board for final approval and implementation. A variety of compensation survey sources, including national, regional and local survey sources, are used to provide compensation planning information. The following is some of the information provided regarding compensation trends for CY 2010 identified by the Silverstone Group:

- Companies are projecting median merit increases of 2.7% for 2010, the lowest in 29 years
- On a positive note, the number of companies freezing salaries is projected to decline from 37% in 2009 to 13% in 2010
- Inflation Rate is expected to be 1.6% to 2% in 2010
- Employees not meeting performance expectations will see their merit adjustments cut or eliminated, enabling employers to reward their best performers
- Aside from compensation, analysts are projecting dramatic increases in health care costs for 2010 – Papio NRD will see minimal increase!

After meeting with Silverstone Group representatives and reviewing the compensation information projections, the following recommendations are suggested for the P-MRNRD Pay Program for CY 2010:

- The Compensation Structure (salary ranges) will not be adjusted for 2010, however will be reviewed again next year to determine the need for any possible adjustments.
- Merit Matrix will be adjusted to an overall 2.5% for 2010 (Merit Matrix overall adjustment for 2009 was 3.5%)
- An increase of 1.5% will be given for 2010 COLA (Cost of Living) (COLA for 2009 was set at 2.5%)

**Management recommends that the following adjustments to the P-MRNRD Pay Program for CY 2010 be adopted:**

- **The Compensation Structure (salary ranges) will not be adjusted for 2010, however will be reviewed again next year to determine the need for any possible adjustments.**
- **Merit Matrix will be adjusted to an overall 2.5% for 2010**
- **An increase of 1.5% will be given for 2010 COLA (Cost of Living)**

7. Review and Recommendation on Employee Grievances  
***Confidential [Executive Session]***

Personnel Item – Information e-mailed to Directors.