

**PENNINGTON COUNTY BOARD OF COMMISSIONERS
PROPOSED SPECIAL MEETING AGENDA
MARCH 4, 2019
9:00 A.M.
COMMISSION CHAMBERS
COUNTY ADMINISTRATION BUILDING**



*Deb Hadcock, Chair District 3
Gary Drewes, Vice Chair District 5*

*Ron Rossknecht, Commissioner District 1
Lloyd LaCroix, Commissioner District 2
Mark DiSanto, Commissioner District 4*

Pennington County fully subscribes to the Americans with Disabilities Act. If you desire to attend this public meeting and are in need of accommodations, please notify the Commissioners' Office at (605) 394-2171 at least 24 hours prior to the meeting so that appropriate services and auxiliary aids are available.

*Welcome to the March 4th, 2020 Board of Commissioners Special Meeting.
Please silence cell phones, pagers and other electronic communication devices.
Agendas are located at the back of the Chambers.*

1. Call to Order
2. Moment of Silent Reflection
3. Pledge of Allegiance
4. Review and Approve Agenda
5. Presentation of Compensation & Classification Study for Pennington County, SD by Mr. Mark Goldberg, Gallagher Benefit Services, Inc.
6. Question and answer session
7. Adjourn

Further Compensation & Classification Study dates for discussion and possible action:

Tuesday April 7th, 2020 Regular Commission Meeting
Tuesday April 21st, 2020 Regular Commission Meeting

Scan the code to access the agenda packet online.





Pennington County Compensation & Classification Study

Mark Goldberg | February 2020



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Agenda

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Who is Gallagher?



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Who is Gallagher?

ARTHUR J. GALLAGHER KEY FACTS

600+

Sales / Service Offices –
30 Countries**

25,000+

Employees

\$4.25B

Total Revenues

GBS

NYSE



Arthur J. Gallagher was founded in 1927

Traded Under NYSE Symbol: GBS, since 1984

Awarded one of Ethisphere's Most Ethical Companies 2012 – 2019



One of the World's largest Insurance Brokerages

Operations in 33 countries; and Network of Correspondent Brokers and
Broker Consultants in more than 150 countries



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Who is Gallagher?

Gallagher Benefit Services, Inc. has been thoroughly engaged in public sector trends, providing insights based on nationwide experience for over 35 years.



Office locations are
nationwide



In-depth
understanding of
public sector
environments



Documented
Public Sector
experience



Practical and realistic solutions for public sector HR issues including:

- Compensation and Benefits
- Classification
- Job Evaluation
- Performance Management
- Organization Development



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Who is Gallagher?

Nationwide Public Sector Focus

- Over 140 City clients
- More than
 - 70 County clients
 - 27 State clients
- Examples of Similar Clients:
 - Lehigh County, PA
 - City of Dearborn, MI
 - City of Detroit, MI
 - City of Anaheim, CA
 - City of Portland, ME





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Project Scope



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Project Scope

Pennington County (the County) contracted with Arthur J. Gallagher (GBS) to conduct a classification and compensation analysis.

- This analysis included:
 - Completing an internal base salary relationship analysis and making recommendations regarding appropriate internal relationships.
 - Conducting an external custom survey to determine where to County pays relative to the market.
 - Designing four (4) salary structure options that align with the external market and addresses internal equity.
 - GBS included implementation costs for 8 separate options within the proposed salary structures.
- Place positions within the proposed salary structure and make position maintenance sustainable moving forward.
 - GBS evaluated and graded current positions within the County using our proprietary job evaluation methodology Decision Band Method (DBM®). Details on DBM® can be found on slides 7- 10.
 - Using the proposed salary structure, the County will have access to a salary structure which maintains both internal and external equity, because proposed salary grades are based on current market research and analysis.



Project Scope

Project Goals: What this Study IS versus What this Study IS NOT

What this Study IS

The purpose of this Study IS to ensure:

- Jobs are classified appropriately
- Compensation is competitive and equitable
- The organization has policies and procedures to keep the classification and compensation systems up to date and equitable
- The organization has classification and compensation systems that are easy to understand and administer

This Study is

- NOT a staffing needs study
- NOT an organizational structure study
- NOT a strategy designed to cut costs
- NOT a strategy to eliminate positions
- NOT a strategy to reduce or increase pay

What this Study is NOT



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Project Scope

Study Phases:

I. Project Orientation

- ✓ Reviewed the County's compensation philosophy and strategies.
- ✓ Discussed with Department Heads, Elected Officials, and HR about project scope.
- ✓ Clarified the County's classification and compensation strategies.

II. Internal Position Analysis/Classification Study

- ✓ Partnered with the County to review all job descriptions and update where appropriate.
- ✓ All Job Descriptions were reviewed multiple times.
- ✓ GBS used our proprietary job evaluation methodology to evaluate all positions.
- ✓ All assigned grades were reviewed with HR to ensure internal alignment.



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Project Scope

Study Phases:

III. Compensation Survey & Structure Study

- ✓ Labor markets and survey participants were identified to gather data from.
- ✓ Benchmark positions are identified and summarized.
- ✓ GBS developed and conducted a custom survey of identified positions.
- ✓ Published survey sources were used to supplement the custom survey data.
- ✓ All data were analyzed and reviewed to ensure internal equity and external competitiveness.
- ✓ A recommended pay structure is developed and costs are outlined.

IV. Final Report & Meetings

- ✓ Draft report is developed and discussed with the County's Human Resources.
- ✓ Quality assurance reviews were conducted.
- ✓ Final Report and presentations occur.



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Action Items



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Action Items

- Confirm salary structure.
- Finalize placement of employees within proposed salary structure.
- Determine which costing option best fits the County's goals and financial situation.
- Determine how quickly the County would like to move all employees to the minimum of the salary range
- Best practice in the industry is to adjust the salary structure every 2-3 years, although some clients of GBS do wait 3-5 years.
- Design of pay management guidelines including guidelines on
 - Hiring
 - compensation changes
 - how often job descriptions should be updated
- Creation of communication plan to maintain transparency into the process



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Action Items

Frequency of Updates to Salary Structure

- Market conditions change on an annual basis
- On average over the past several years salary structures move between 2% - 2.5% annually
- Best practice would be to adjust your salary structures to align with the market
- This can prove costly so the most common method most of our clients use is to adjust every 2-3 years



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Action Items

New Hires

- Pennington County's **current** process involves bringing all new hires in at step 1 of the applicable pay band, with discretion to move up to 7 steps within the first year.
- Pennington County's **proposed** process suggests new hires begin at step 1 of the applicable pay band, with discretion to start the new hire up to step 5 based on documented, job related experience.



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Action Items

How to Assign New Jobs Going Forward

- GBS used a market pricing methodology to place jobs into the new structure. As detailed earlier:
 - The benchmark jobs were placed into the new salary structure by identifying the grade midpoint closest to the market 50th percentile for each benchmark.
 - In order to place the other non-benchmark job titles into the structure, we compared the job responsibilities to the benchmark jobs and placed each job in the salary grade of jobs with a similar level of responsibility, scope, and complexity.



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Action Items

Communication Strategies Going Forward

- Design a communication plan with multiple channels and messages appropriate to each audience (employees, managers, leadership)
- Select the message you want to communicate.
- Consider if you want the audience grouping to receive logistical information only, or process
- Identify the messages you want heard and create a draft of each message.
- Messages should be simple and clear.



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Action Items

Communication Strategies Going Forward

- Use multiple channels to communicate the information regarding the Compensation Study. For general distribution these could include:
 - Creation of a centralized website for all related information
 - Employee memos
 - Statements from executives on a website
 - Large group orientation sessions
 - Group e-mails
 - Bulletin board postings in common areas
 - Paycheck envelope insert
 - Team/departmental briefings, huddles or chat sessions
 - Staffed telephone information line
 - Individual conferences



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Action Items

Communication Strategies Going Forward

- How can you determine if the communication is effective? There are two kinds of feedback. Unsolicited and solicited.
 - Unsolicited feedback comes from many sources and needs to be weighed based on the source, levity, and frequency.
 - Solicited feedback has various methods and asks for specific information.
 - Identify how you are going to solicit feedback, when you are going to solicit it, and exactly what you want to know



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Action Items

Communication Strategies Going Forward

- Use multiple channels to communicate the information regarding the Compensation Study. These could include:
 - Creation of a centralized website for all related information
 - Employee memos
 - Statements from executives on a website
 - Large group orientation sessions



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Classification and Job Evaluation



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Classification and Job Evaluation

What is job evaluation? Uses a defined methodology to determine the relative value of jobs within an organization.

- Provides an objective and documented method for job analysis and evaluation.
- Provides the basis for determining pay.
- GBS uses the Decision Band Method® for job evaluation.

Job Evaluation

- GBS reviewed all job descriptions provided by the County.
- GBS analyzed market data using published salary surveys. This data was aged to a common date of January 1, 2020 to ensure consistency.
- GBS then used our proprietary job evaluation methodology DBM® to evaluate all positions without vacancies for which the County provided a job description.
- All assigned grades were reviewed with the County to ensure internal alignment.
- These grades were integrated with market data to create a salary structure that aligns with the market and is internally equitable.

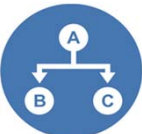
Classification and Job Evaluation – DBM®



The value of a job should reflect the importance of the job to the entire organization.



The importance of a job is directly related to the decision-making requirements of the job.



Decision-making is common to all jobs.

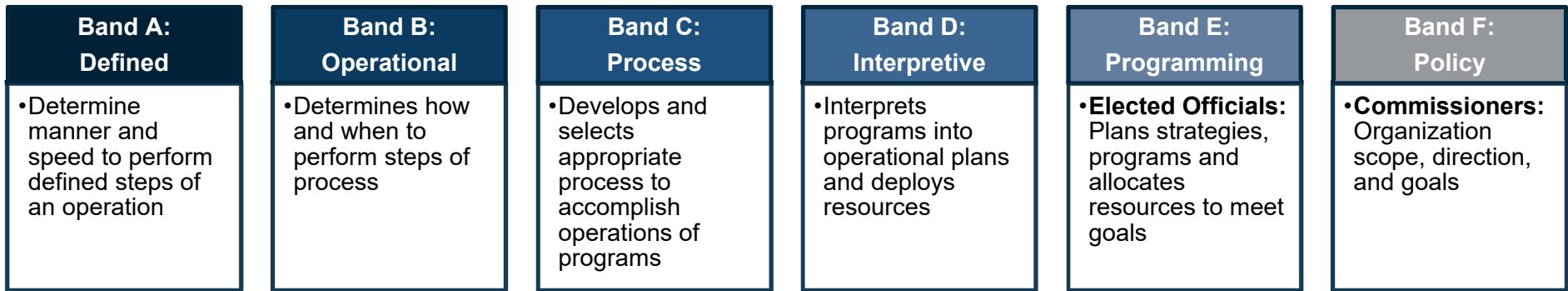


Decision-making is measurable.

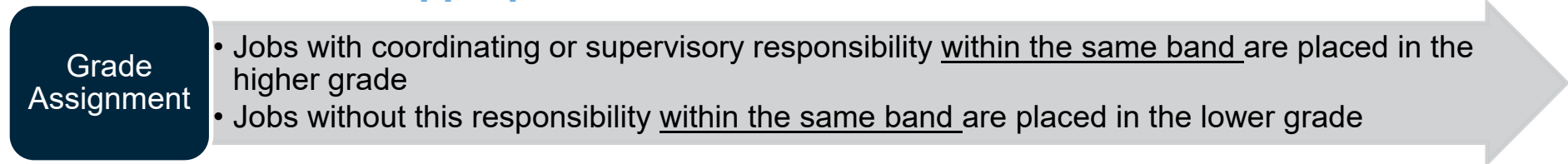


Classification and Job Evaluation – DBM®

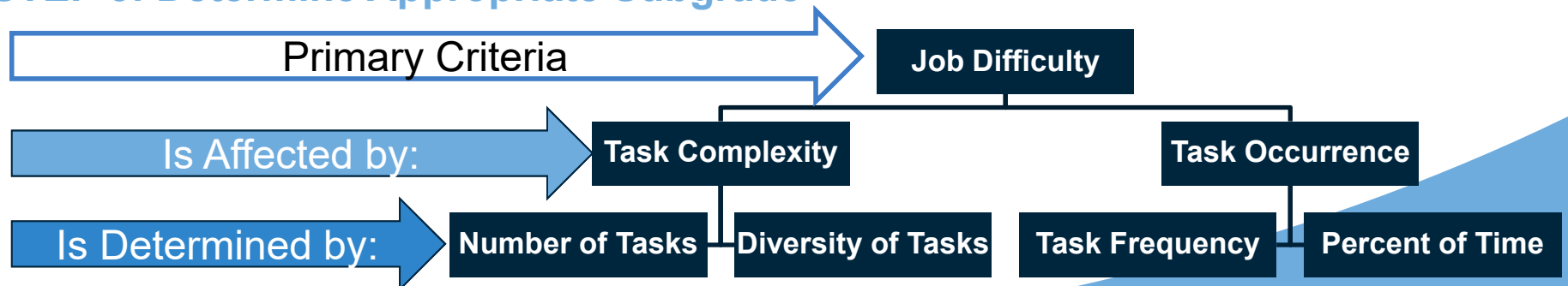
STEP 1: Determine Appropriate Band



STEP 2: Determine Appropriate Grade



STEP 3: Determine Appropriate Subgrade





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Compensation Strategy



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Compensation Strategy

A structured compensation strategy will:

- Help direct the overall goals of where the County wishes to pay relative to the market (at market, above market, or below market on either base salary or total compensation).
- Define how pay ranges should be established to align more effectively with the organizational strategy.
- Provide pay range structures for each impacted employee, including each pay range step from the current minimum to the current maximum.



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Compensation Strategy

What are we trying to address?

- To ensure that all jobs are aligned correctly internally and paid competitively against similar organizations in the market.

So....we want to make sure that

- We know the fair market value of jobs.
- Jobs that are performing similar tasks are in the same grade.



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Compensation Strategy

The purpose is to ensure that:

- Jobs are classified appropriately.
- Pay is fairly structured and competitive.
- Pay, in the future, is based on fair and documented information.
- The organization has a compensation system that is easy to understand and manage.



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Compensation Term Definitions



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Compensation Term Definition

Cost of Labor vs. Cost of Living

- Cost of labor reflects what a particular geographic market offers as compensation for a specific type of work.
- Cost of living reflects the cost of goods utilized by a typical consumer, including items such as housing, groceries and transportation.
- Since the goal of a compensation program is to pay employees a competitive wage or salary for the particular jobs they perform, GBS strongly recommends using cost of labor as the baseline for establishing the salary ranges rather than the cost of living.
- Cost of living can also vary widely, depending on how far the employee has to travel into work. For example, an employee could live in Hill City, which has a much lower cost of living, and commute into Pennington County. If cost of living were used as the basis for compensation, then that employee might be paid a higher rate than another employee who lives in a lower cost area and performs the same job.



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Compensation Term Definition

Different Data Cuts in Salary Surveys

- Some examples of data cuts include:
 - City or County
 - State
 - Regional
 - National
 - By industry
 - Profit or Non-Profit
 - Employee size
- Surveys such as Willis Towers Watson and Mercer have many different data cuts that can be used to assess salary data.
- GBS works with our clients to select those data cuts that are most appropriate to the job.



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Compensation Term Definition

Different Data Cuts in Salary Surveys

- So which one do you choose?
- The answer will vary based on the job.
- Some positions have a wider labor market (Directors, for example) and would be recruited on a more regional or even national basis.
- Other positions may have a more local labor market (Admin Assistants, for example).
- Still others may have a niche within a particular industry and using the data from that cut would be more appropriate.



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Compensation Term Definition

Aging of Salary Survey Data

- Salary surveys are published at various points during a year and salaries are constantly being adjusted by organizations.
- To account for this, GBS will age all salary survey information to a common date, January 1, 2020, for the County.
- This allows the client to review the data and feel confident that all the information is accurate.
- When using an aging factor, GBS uses a 3.0% factor, which is standard for the industry.



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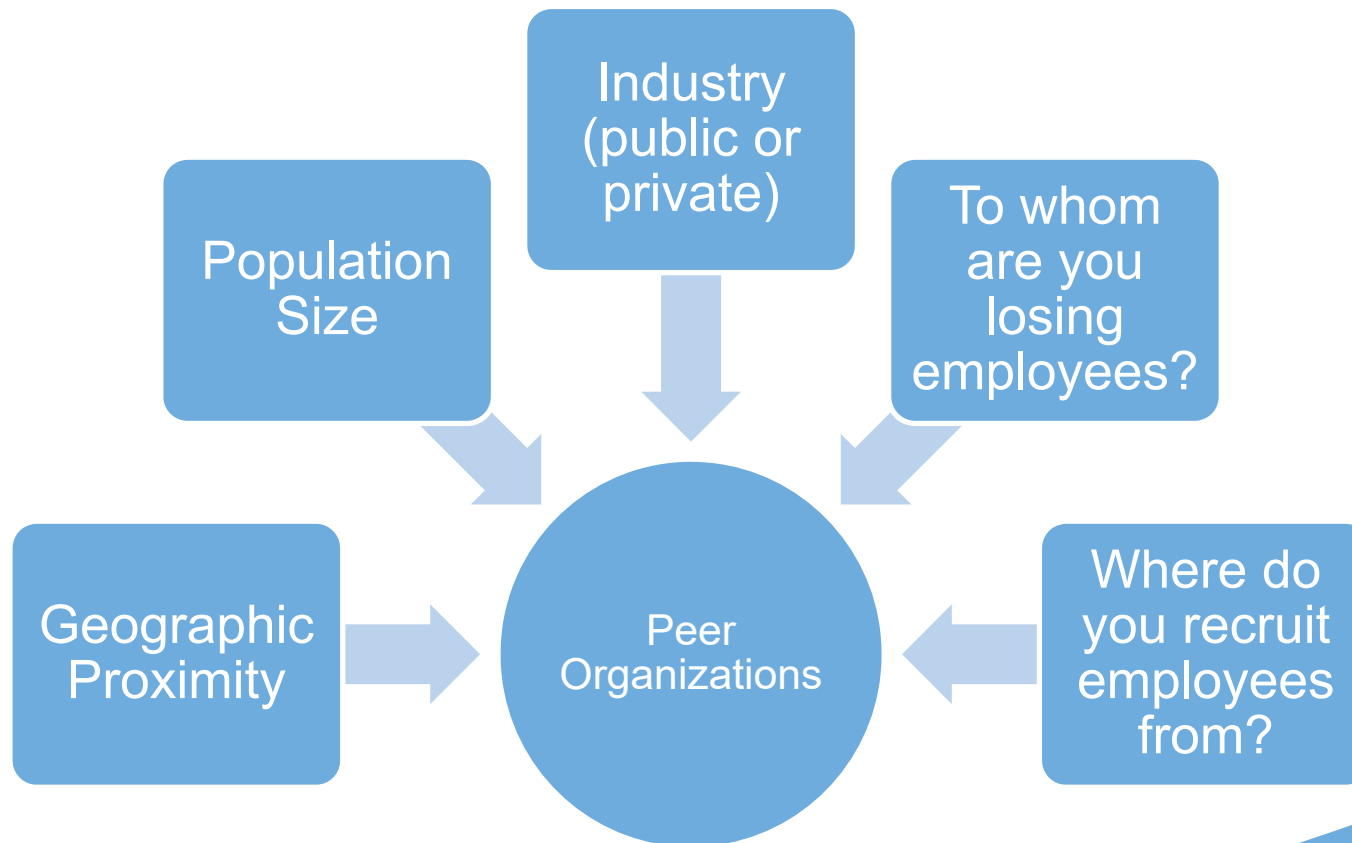
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Custom Survey Methodology



Custom Survey Methodology

GBS worked with the County to design a compensation survey. The following was taken into consideration when choosing peer organizations.



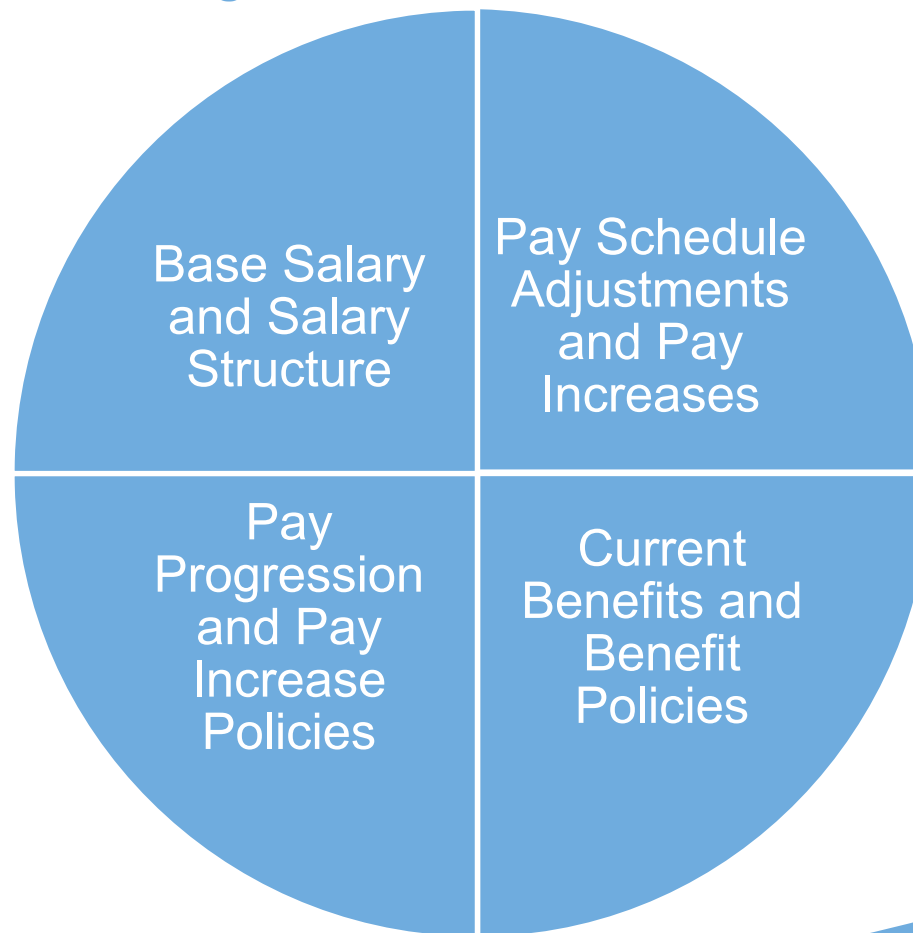


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Custom Survey Methodology

GBS worked with the County to design a compensation survey to send to peer organizations covering:



Custom Survey Methodology

GBS worked with County Leadership to determine potential participant organizations. The survey was sent to the following Forty (40) public sector agencies with the approval of the County:

Potential Participant Organizations	
Missoula County, MT	Brown County/Aberdeen, SD
Sarpy County, NE	City of Rapid City, SD
Burleigh County ND	City of Sioux Falls, SD
Cass County, ND	State of South Dakota, Pierre, SD
Grand Forks County, ND	Larimer County/Ft. Collins, CO
Hughes County, SD	Campbell County/Gillette, WY
Lincoln County, SD	City of Cheyenne, WY
Meade County, SD	City of Billings, MT
Minnehaha County, SD	Yellowstone County, MT
Metro Communications Sioux Falls, SD	City of Bozeman, MT
Central Dakota Communications Center Bismarck, ND	Gallatin County, MT
Pueblo County / Pueblo, CO	Flathead County, MT
Loveland, CO	City of Duluth, MN
Longmont, CO	St. Louis County, MN
Hall County / Grand Island, NE	City of Saint Cloud, MN
Woodbury County, Sioux City, IA	Stearns County, MN
City of Grand Forks, ND	City of Rochester, MN
City of Fargo, ND	Olmsted County, MN
Lancaster County/Lincoln, NE	City of Cedar Rapids, IA
	Linn County, IA



Custom Survey Methodology

Benchmark jobs were identified utilizing the following criteria:

Representative of at least 50%
of the employee population

Representative of all levels
(entry through management)
within the County

Common in
the
marketplace

High incumbent
count

Representative
of all functional
areas within the
County

Difficult to
recruit and/or
where high
turnover exists



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Custom Survey Methodology

GBS asked organizations to make a match for only those jobs that reflected at least 80% of the duties as outlined in the benchmark summaries.

- GBS compiled and validated the data collected from participants.
 - The survey was distributed by email and follow up contacts were made to potential survey participants by email and telephone to encourage participation with the participants to clarify missing or questionable information reported.
- Note that not all survey participants answered every question and may have provided multiple responses to the same question.



Custom Survey Methodology

GBS Partnered with the County to selected a list of 40 positions within the organization to include in the survey. The Benchmark jobs are:

Benchmark Positions	
24/7 Tech	Dispatcher 3
Accountant 2	EMT
Admin Asst 1	Foreman (Foreman - GM)
Appraiser 3	Heavy Equip Mechanic (heavy duty mech)
Asst Superintendent	HR Director
B&G Director	HR Generalist
B&G Spec 3	Hwy Maint Worker
B&G Super	Investigator (background investigator)
Bldg Tech 1	IT Asst Dir
Captain	IT Director
Caseworker	IT Specialist 2
Chief Dep Treas	Legal Secretary 2
Chief Deputy Sheriff	Lieutenant
Commander	LPN
Const Project Mgr	Medical Caseworker
Corporal	Office Mgr
Corrections Officer 1 (Correctional Officer I)	Prof Engineer
Corrections Officer 2 (correctional officer II)	Program Coord
Custodian	Sergeant
Dep Public Def	Sr Dep States Atty
Dep States Atty	Staff Asst 1
Deputy Clerk (deputy clerk 1)	Staff Asst 3
Deputy Sheriff 2	Staff Asst 4
Dispatch Super (Dispatch 4 used, no supv)	Tax & Title Asst 2



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Published Survey Process



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Published Survey Process

Market Pricing

- In addition to the custom survey, GBS also included data from the following published salary survey sources:
 - Mercer
 - Willis Towers Watson
 - CompData
 - Gallagher Integrated
- Data cuts for the survey sources included:
 - By geographic region (state, city, region, etc.)
 - National data
- A geographic differential was then applied using cost of labor data gathered from the Bureau of Labor Statistics to ensure that all of the salary data gathered was aligned with the Rapid City, SD market.
 - All data were aged to 1/1/2020



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Published Survey Process

Market Pricing - Various Data Cuts in Salary Surveys

So which one will be used?

- The answer will vary based on the job.
 - Some positions have a wider labor market (Directors, for example) and would be recruited on a more regional or even national basis.
 - Other positions may have a more local labor market (Admin Assistants, for example).
 - Still others may have a niche within a particular industry and using the data from that cut would be more appropriate.
- Regardless of which data cut is used, the more responses, the more accurate the data is.
- When there are fewer responses, one data point has the ability to skew the data and may provide an incorrect picture of the labor market.
- GBS does not report information for any position that has less than 5 respondents, as there is too strong a possibility of one organization affecting the results.



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Published Survey Design

GBS only matched to positions in a salary survey if at least 80% of the duties as outlined in the survey summary aligned with the benchmark position.

- The data and related analyses were reviewed by a Senior Consultant who has been involved in the project and other Gallagher staff members to ensure applicability, validity, accuracy, and consistency of the data.



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Published Survey Design

Gallagher performed several reviews of the data to identify any extreme data and to ensure validity and reliability of the data.

- Through a statistical analysis, any salary figures that were considered extreme outliers in relation to all other salary figures were excluded.
- GBS gathered actual pay for all benchmark positions and then used the median (50th percentile) to determine the market rate for each position.
- Once the survey analysis and report were completed, an internal quality control process was conducted.



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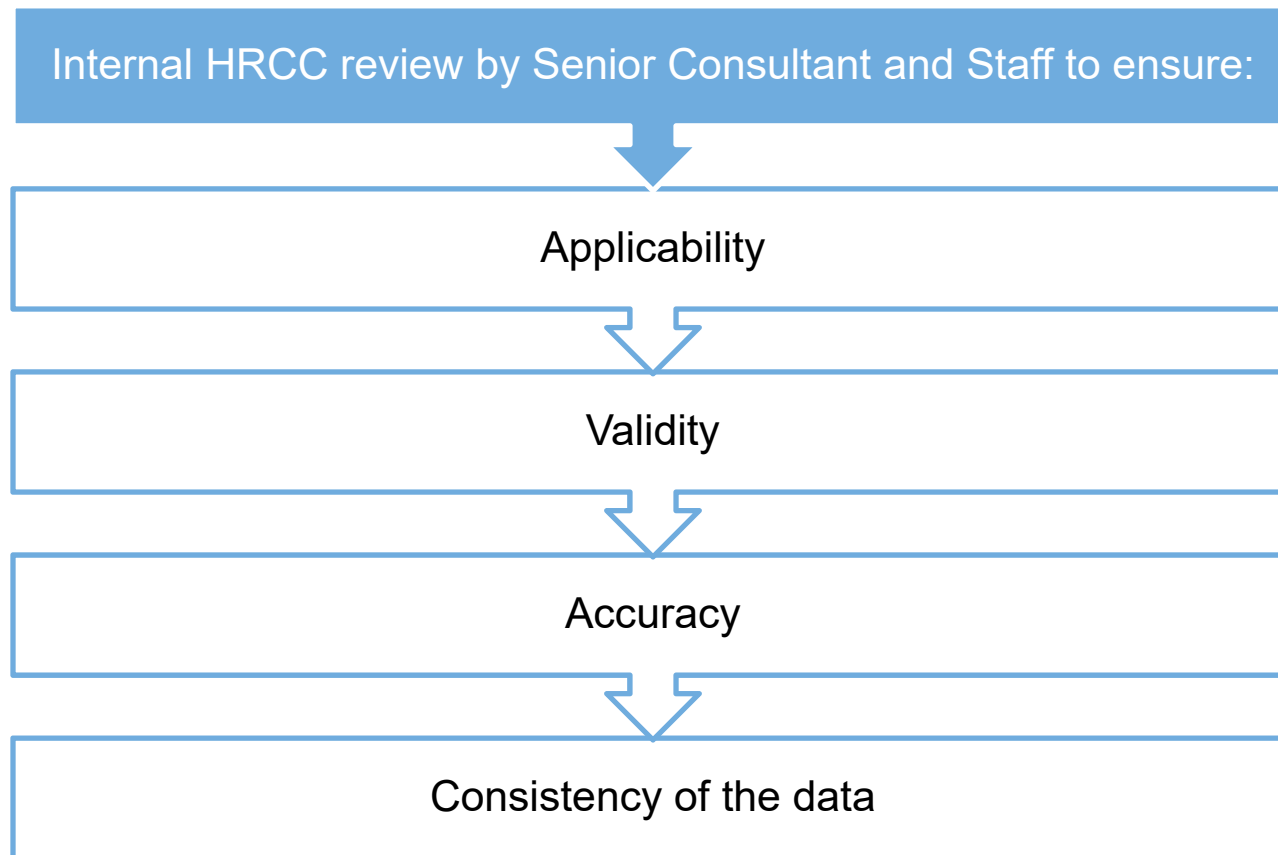
Published Survey Process

Applying geographic differentials is a sound compensation practice to normalize data obtained from various locations. This results in more precise figures for use in analyzing and setting pay.

- Just as data are trended forward to be more effective for a current point in time, data should be adjusted to reflect cost of labor differences between geographic areas.
- Gallagher used geographic differential data, obtained from the Economic Research Institute, to normalize salary data to the equivalent cost of labor in the Rapid City, SD market.



Survey Process: Quality Assurance





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Findings and Analysis



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Findings and Analysis

Market Comparison

- For each position the percentage difference has been calculated between the County's salary figure and the market salary figure in terms of the County's salary.
- If the figure is:
 - Positive (+) : Figure indicates that the County pays above the market
 - Negative (-) : Figure indicates that the County pays below the market
- The following guidelines are used when determining the competitive nature of current actual compensation:
 - +/- 5% (Highly Competitive)
 - +/- 10% (Competitive)
 - +/- 11-15% (Possible misalignment with the market)
 - > 15% (Significant misalignment with the market)



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Findings and Analysis

Market Data – Important Additional Considerations:

- Additional factors influencing actual salaries must be considered, including:
 - Performance
 - Turnover
 - Longevity
- Some benchmark jobs that at first appear misaligned with the market, do not necessarily reflect true misalignment when additional relevant factors are assessed.



Findings and Analysis

Salary Ranges: The range of pay established by employers to pay to employees performing a particular job or function.

- Salary Ranges have a minimum, maximum, and midpoint pay rate (with the midpoint usually placed at the 50th percentile of the market).
- The salary range is determined by conducting a market analysis.

Salary Range Width: The distance between salary range minimum and maximum; Range width varies widely by organization due to different compensation philosophies.

- Compensation theory recommends that a range be narrower at the bottom of a salary structure and wider at the top:
 - Jobs at the bottom of a structure often are fairly similar in labor market and skill set than those at the top.
- Range width normally falls between 40 – 60%.



Findings and Analysis

Market Comparison: Salary Structure Range Minimum

Across all survey matches the County compares to the market:

Salary Structure Overall Difference from the Market	
Percentile	Market 50th
All Positions	-5.75%

Based on these comparisons the County would be considered: “Competitive” at the Market 50th percentile.



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Findings and Analysis

Why use the 50th percentile for midpoints?

- General compensation theory defines the 50th percentile as a market competitive rate.
- The 50th percentile is defined as the median value.
- This means that within a set of data, half of the data points would fall below that value and half would be above it.
- Most clients use the 50th percentile when gathering market data as it defines a market competitive rate, since it falls squarely in the middle of the data.
- However, this does vary based on the organization's compensation philosophy.
- In the public sector, it is common to want to pay a market competitive rate, as paying more than that can be perceived negatively by the public and less makes it more challenging to attract talent.
- GBS does work with clients that do vary from the 50th percentile because of unique challenges in their environment, such as the labor market or location.

Details for the market rates for all benchmark positions are included on the next slides.

Findings and Analysis

Benchmark No.	Benchmark Title	Average Annual Salary	50th Percentile	Comparison
1	24/7 Tech	\$34,187.64	Less than 5 Responses	Less than 5 Responses
2	Accountant 2	\$51,420.57	\$55,500.01	-7.35%
3	Admin Asst 1	\$41,918.93	\$43,327.74	-3.25%
4	Appraiser 3	\$53,023.82	\$50,992.39	3.98%
5	Asst Superintendent	\$80,579.20	\$81,314.52	-0.90%
6	B&G Director	\$103,168.00	\$103,779.25	-0.59%
7	B&G Spec 3	\$51,443.60	\$47,719.26	7.80%
8	B&G Super	\$56,763.20	\$60,391.01	-6.01%
9	Bldg Tech 1	\$34,500.27	\$32,469.46	6.25%
10	Captain	\$82,189.12	\$88,204.50	-6.82%
11	Caseworker	\$42,573.44	\$48,056.36	-11.41%
12	Chief Dep Treas	\$73,528.00	\$61,103.57	20.33%
13	Chief Deputy Sheriff	\$95,680.00	\$109,459.00	-12.59%
14	Commander	\$86,694.40	\$87,218.09	-0.60%
15	Const Project Mgr	\$67,974.40	\$74,990.21	-9.36%
16	Corporal	\$60,729.07	\$54,990.63	10.44%
17	Corrections Officer 1	\$46,280.25	\$40,809.12	13.41%
18	Corrections Officer 2	\$55,913.17	Less than 5 Responses	Less than 5 Responses
19	Custodian	\$32,633.47	\$33,151.80	-1.56%
20	Dep Public Def	\$67,878.72	\$80,038.92	-15.19%
21	Dep States Atty	\$68,746.60	\$68,434.40	0.46%
22	Deputy Clerk	\$34,429.94	\$39,596.79	-13.05%
23	Deputy Sheriff 2	\$52,454.93	\$55,914.31	-6.19%
24	Detox Super	\$46,820.80	\$55,768.90	-16.04%
25	Detox Tech 1	\$36,484.50	\$33,313.44	9.52%
26	Dispatch Super	\$63,944.40	\$61,475.41	4.02%

Findings and Analysis

Benchmark No.	Benchmark Title	Average Annual Salary	50th Percentile	Comparison
27	Dispatcher 3	\$47,349.12	\$45,753.12	3.49%
28	EMT	\$39,820.44	\$32,586.58	22.20%
29	Foreman	\$63,485.76	\$52,467.05	21.00%
30	Heavy Equip Mechanic	\$51,746.24	\$49,031.95	5.54%
31	HR Director	\$84,572.80	\$111,320.37	-24.03%
32	HR Generalist	\$54,329.60	\$62,089.31	-12.50%
33	Hwy Maint Worker	\$40,618.55	\$45,190.63	-10.12%
34	Investigator	\$51,426.84	Less than 5 Responses	Less than 5 Responses
35	IT Asst Dir	\$74,152.00	\$93,615.97	-20.79%
36	IT Director	\$88,878.40	\$118,871.07	-25.23%
37	IT Specialist 2	\$50,173.07	\$60,076.03	-16.48%
38	Legal Secretary 2	\$46,042.29	\$43,294.05	6.35%
39	Lieutenant	\$72,820.80	\$95,208.21	-23.51%
40	LPN	\$42,695.47	\$43,979.43	-2.92%
41	Medical Caseworker	\$53,379.73	\$45,535.76	17.23%
42	Office Mgr	\$59,456.80	\$52,472.91	13.31%
43	Prof Engineer	\$71,718.40	\$78,545.45	-8.69%
44	Program Coord	\$55,725.80	\$58,498.17	-4.74%
45	Sergeant	\$60,718.67	\$75,933.80	-20.04%
46	Sr Dep States Atty	\$80,568.80	\$85,439.78	-5.70%
47	Staff Asst 1	\$33,429.50	\$37,981.32	-11.98%
48	Staff Asst 3	\$36,235.20	\$40,365.55	-10.23%
49	Staff Asst 4	\$42,402.88	\$48,169.89	-11.97%
50	Tax & Title Asst 2	\$35,994.40	\$39,579.01	-9.06%
51	Telecommunicator 2	\$39,120.64	Less than 5 Responses	Less than 5 Responses
52	Transport Officer	\$37,356.80	Less than 5 Responses	Less than 5 Responses



Findings and Analysis

GBS integrated the market data that was gathered with the DBM® grades that were assigned.

- GBS ran a regression analysis using the market data and the grades to establish the 50th percentile of the market for each DBM® grade.
- The Salary range midpoint was set at the 50th percentile of the market.

To address the County's concerns on Salary Range Width, and the best number of steps within a range, three (3) proposed structures were created:

- 7 Steps to midpoint (24 steps total) with a Fixed Range width of 40-55% (**7 Steps Fixed**)
- 9 steps to midpoint (24 steps total) with a Fixed Range width of 40-55% (**9 Steps Fixed**)
- Matrix structure with 9 steps to midpoint with a Fixed Range width of 40-55% (**Matrix**)



Findings and Analysis

Fixed Range Structure vs. Non-Fixed Range Structure Terms

- Fixed Range:
 - A Fixed Range will be “**skinnier**” than a Non-Fixed Range and have a comparatively **lower maximum**.
 - Restricts a given salary range within a fixed percentage to ensure internal consistency.
 - For example: The difference between the Minimum and Maximum of the proposed salary range and/or individual grades must be 40%.
 - Allows organizations to set their own range widths.
- Range Spread:
 - The percent difference between the minimum and the maximum of the range



Findings and Analysis

Fixed Range Proposed Structure

Fixed Range Structure				
DBM Rating	Minimum	Midpoint	Maximum	Range Spread
A11	\$21,709.33	\$25,104.67	\$30,393.06	40%
A12	\$25,743.69	\$29,770.00	\$36,041.16	40%
A13	\$29,778.04	\$34,435.33	\$41,689.26	40%
B21	\$33,824.51	\$39,114.67	\$47,354.32	40%
B22	\$37,858.87	\$43,780.00	\$53,002.42	40%
B23	\$41,893.23	\$48,445.33	\$58,650.52	40%
B24	\$46,945.26	\$54,287.50	\$65,723.36	40%
B25	\$53,002.85	\$61,292.50	\$74,203.99	40%
B31	\$46,945.26	\$54,287.50	\$65,723.36	40%
B32	\$53,002.85	\$61,292.50	\$74,203.99	40%
C41	\$56,882.99	\$67,134.67	\$85,324.48	50%
C42	\$60,835.90	\$71,800.00	\$91,253.86	50%
C43	\$64,788.82	\$76,465.33	\$97,183.23	50%
C44	\$69,738.87	\$82,307.50	\$104,608.31	50%
C45	\$75,674.19	\$89,312.50	\$113,511.28	50%
C51	\$69,738.87	\$82,307.50	\$104,608.31	50%
C52	\$75,674.19	\$89,312.50	\$113,511.28	50%
D61	\$78,992.64	\$95,154.67	\$122,438.59	55%
D62	\$82,865.56	\$99,820.00	\$128,441.62	55%
D63	\$86,738.48	\$104,485.33	\$134,444.65	55%
D64	\$91,588.36	\$110,327.50	\$141,961.96	55%



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Proposed Structures

7 Steps Fixed Structure



Proposed Structures – 7 Steps Fixed

In the 7 Step Fixed Structure:

- The newly developed salary structure implements a 24 step salary range.
- Employees are placed within this structure based on a combination of:
 - Proposed Range minimum
 - Current job grade
 - Years of experience

Overview:

- This salary structure features step increases as fixed dollar amounts (\$) depending on an employee's current job grade.
 - The Dollar Increase amounts between each step can be found on **slide 70**.
 - Bands C and D are progressively wider to account for differences in the labor market for jobs within these bands.
- Due to the Fixed Range:
 - The Dollar increase amounts before reaching the midpoint are **higher** because there are **fewer** steps between the minimum of the range and the midpoint.
 - The Dollar increase amounts after reaching the midpoint are **lower** because there are **more** steps between the midpoint and the maximum of the range.



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Proposed Structures – 7 Steps Fixed

Overview

- The range spread for this structure increases from **40% - 55%**, similarly dependent on an employee's current job grade.
- For employees with DBM® matched positions in **Bands A and B**, the overall average range spread between the 22 steps is **40%**.
- For employees with DBM® matched positions in **Band C**, the overall average range spread between the 22 steps is **50%**.
- For employees with DBM® matched positions in **Band D**, the overall average range spread between the 22 steps is **55%**.



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Proposed Structures – 7 Steps Fixed

This is a salary structure with standard progression rates established within a pay range for a job. Employees generally progress from step to step on the basis of performance.

- Pros for this structure:
 - Defined salary progression for employees
 - Fixed costs for salary increases
- Cons for this structure:
 - No differentiation based on performance
 - May be a disincentive for younger employees who would prefer to be paid at the midpoint more quickly
 - Need to ensure that the years needed to reach the midpoint is appropriate for the organization



Proposed Structures – 7 Steps Fixed

DBM Rating	Range Min						Range Mid	
	1	2	3	4	5	6	7	8
A11	\$21,709.33	\$22,275.22	\$22,841.11	\$23,407.00	\$23,972.89	\$24,538.78	\$25,104.67	\$25,415.75
A12	\$25,743.69	\$26,414.74	\$27,085.79	\$27,756.84	\$28,427.90	\$29,098.95	\$29,770.00	\$30,138.89
A13	\$29,778.04	\$30,554.26	\$31,330.47	\$32,106.69	\$32,882.90	\$33,659.12	\$34,435.33	\$34,862.03
B21	\$33,824.51	\$34,706.21	\$35,587.90	\$36,469.59	\$37,351.28	\$38,232.98	\$39,114.67	\$39,599.36
B22	\$37,858.87	\$38,845.73	\$39,832.58	\$40,819.44	\$41,806.29	\$42,793.15	\$43,780.00	\$44,322.50
B23	\$41,893.23	\$42,985.24	\$44,077.26	\$45,169.28	\$46,261.30	\$47,353.31	\$48,445.33	\$49,045.64
B24	\$46,945.26	\$48,168.97	\$49,392.67	\$50,616.38	\$51,840.09	\$53,063.79	\$54,287.50	\$54,960.20
B25	\$53,002.85	\$54,384.46	\$55,766.07	\$57,147.68	\$58,529.28	\$59,910.89	\$61,292.50	\$62,052.00
B31	\$46,945.26	\$48,168.97	\$49,392.67	\$50,616.38	\$51,840.09	\$53,063.79	\$54,287.50	\$54,960.20
B32	\$53,002.85	\$54,384.46	\$55,766.07	\$57,147.68	\$58,529.28	\$59,910.89	\$61,292.50	\$62,052.00
C41	\$56,882.99	\$58,591.60	\$60,300.21	\$62,008.83	\$63,717.44	\$65,426.06	\$67,134.67	\$68,204.66
C42	\$60,835.90	\$62,663.25	\$64,490.60	\$66,317.95	\$68,145.30	\$69,972.65	\$71,800.00	\$72,944.34
C43	\$64,788.82	\$66,734.91	\$68,680.99	\$70,627.08	\$72,573.16	\$74,519.25	\$76,465.33	\$77,684.03
C44	\$69,738.87	\$71,833.65	\$73,928.42	\$76,023.19	\$78,117.96	\$80,212.73	\$82,307.50	\$83,619.31
C45	\$75,674.19	\$77,947.24	\$80,220.29	\$82,493.34	\$84,766.40	\$87,039.45	\$89,312.50	\$90,735.96
C51	\$69,738.87	\$71,833.65	\$73,928.42	\$76,023.19	\$78,117.96	\$80,212.73	\$82,307.50	\$83,619.31
C52	\$75,674.19	\$77,947.24	\$80,220.29	\$82,493.34	\$84,766.40	\$87,039.45	\$89,312.50	\$90,735.96
D61	\$78,992.64	\$81,686.31	\$84,379.98	\$87,073.65	\$89,767.33	\$92,461.00	\$95,154.67	\$96,759.61
D62	\$82,865.56	\$85,691.30	\$88,517.04	\$91,342.78	\$94,168.52	\$96,994.26	\$99,820.00	\$101,503.62
D63	\$86,738.48	\$89,696.29	\$92,654.10	\$95,611.91	\$98,569.71	\$101,527.52	\$104,485.33	\$106,247.64
D64	\$91,588.36	\$94,711.55	\$97,834.74	\$100,957.93	\$104,081.12	\$107,204.31	\$110,327.50	\$112,188.35



Proposed Structures – 7 Steps Fixed

DBM Rating	9	10	11	12	13	14	15	16
A11	\$25,726.83	\$26,037.92	\$26,349.00	\$26,660.08	\$26,971.16	\$27,282.24	\$27,593.33	\$27,904.41
A12	\$30,507.78	\$30,876.68	\$31,245.57	\$31,614.46	\$31,983.35	\$32,352.24	\$32,721.13	\$33,090.03
A13	\$35,288.73	\$35,715.44	\$36,142.14	\$36,568.84	\$36,995.54	\$37,422.24	\$37,848.94	\$38,275.65
B21	\$40,084.04	\$40,568.73	\$41,053.41	\$41,538.10	\$42,022.78	\$42,507.47	\$42,992.15	\$43,476.84
B22	\$44,864.99	\$45,407.49	\$45,949.98	\$46,492.48	\$47,034.97	\$47,577.47	\$48,119.96	\$48,662.46
B23	\$49,645.94	\$50,246.25	\$50,846.55	\$51,446.86	\$52,047.16	\$52,647.47	\$53,247.77	\$53,848.08
B24	\$55,632.90	\$56,305.59	\$56,978.29	\$57,650.99	\$58,323.69	\$58,996.38	\$59,669.08	\$60,341.78
B25	\$62,811.50	\$63,571.00	\$64,330.50	\$65,090.00	\$65,849.50	\$66,609.00	\$67,368.50	\$68,128.00
B31	\$55,632.90	\$56,305.59	\$56,978.29	\$57,650.99	\$58,323.69	\$58,996.38	\$59,669.08	\$60,341.78
B32	\$62,811.50	\$63,571.00	\$64,330.50	\$65,090.00	\$65,849.50	\$66,609.00	\$67,368.50	\$68,128.00
C41	\$69,274.65	\$70,344.64	\$71,414.62	\$72,484.61	\$73,554.60	\$74,624.59	\$75,694.58	\$76,764.57
C42	\$74,088.69	\$75,233.03	\$76,377.38	\$77,521.72	\$78,666.07	\$79,810.41	\$80,954.76	\$82,099.10
C43	\$78,902.73	\$80,121.43	\$81,340.13	\$82,558.83	\$83,777.53	\$84,996.23	\$86,214.93	\$87,433.63
C44	\$84,931.12	\$86,242.94	\$87,554.75	\$88,866.56	\$90,178.37	\$91,490.19	\$92,802.00	\$94,113.81
C45	\$92,159.42	\$93,582.87	\$95,006.33	\$96,429.79	\$97,853.25	\$99,276.70	\$100,700.16	\$102,123.62
C51	\$84,931.12	\$86,242.94	\$87,554.75	\$88,866.56	\$90,178.37	\$91,490.19	\$92,802.00	\$94,113.81
C52	\$92,159.42	\$93,582.87	\$95,006.33	\$96,429.79	\$97,853.25	\$99,276.70	\$100,700.16	\$102,123.62
D61	\$98,364.54	\$99,969.48	\$101,574.42	\$103,179.35	\$104,784.29	\$106,389.22	\$107,994.16	\$109,599.10
D62	\$103,187.25	\$104,870.87	\$106,554.50	\$108,238.12	\$109,921.75	\$111,605.37	\$113,289.00	\$114,972.62
D63	\$108,009.96	\$109,772.27	\$111,534.58	\$113,296.89	\$115,059.21	\$116,821.52	\$118,583.83	\$120,346.15
D64	\$114,049.20	\$115,910.05	\$117,770.90	\$119,631.75	\$121,492.60	\$123,353.45	\$125,214.30	\$127,075.16



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Proposed Structures – 7 Steps Fixed

DBM Rating	Range Max							
	17	18	19	20	21	22	23	24
A11	\$28,215.49	\$28,526.57	\$28,837.65	\$29,148.73	\$29,459.82	\$29,770.90	\$30,081.98	\$30,393.06
A12	\$33,458.92	\$33,827.81	\$34,196.70	\$34,565.59	\$34,934.49	\$35,303.38	\$35,672.27	\$36,041.16
A13	\$38,702.35	\$39,129.05	\$39,555.75	\$39,982.45	\$40,409.15	\$40,835.86	\$41,262.56	\$41,689.26
B21	\$43,961.52	\$44,446.21	\$44,930.89	\$45,415.58	\$45,900.26	\$46,384.95	\$46,869.64	\$47,354.32
B22	\$49,204.95	\$49,747.45	\$50,289.94	\$50,832.44	\$51,374.93	\$51,917.43	\$52,459.92	\$53,002.42
B23	\$54,448.38	\$55,048.69	\$55,648.99	\$56,249.30	\$56,849.60	\$57,449.91	\$58,050.21	\$58,650.52
B24	\$61,014.48	\$61,687.18	\$62,359.87	\$63,032.57	\$63,705.27	\$64,377.97	\$65,050.67	\$65,723.36
B25	\$68,887.50	\$69,647.00	\$70,406.49	\$71,165.99	\$71,925.49	\$72,684.99	\$73,444.49	\$74,203.99
B31	\$61,014.48	\$61,687.18	\$62,359.87	\$63,032.57	\$63,705.27	\$64,377.97	\$65,050.67	\$65,723.36
B32	\$68,887.50	\$69,647.00	\$70,406.49	\$71,165.99	\$71,925.49	\$72,684.99	\$73,444.49	\$74,203.99
C41	\$77,834.56	\$78,904.55	\$79,974.53	\$81,044.52	\$82,114.51	\$83,184.50	\$84,254.49	\$85,324.48
C42	\$83,243.44	\$84,387.79	\$85,532.13	\$86,676.48	\$87,820.82	\$88,965.17	\$90,109.51	\$91,253.86
C43	\$88,652.33	\$89,871.03	\$91,089.73	\$92,308.43	\$93,527.13	\$94,745.83	\$95,964.53	\$97,183.23
C44	\$95,425.62	\$96,737.44	\$98,049.25	\$99,361.06	\$100,672.87	\$101,984.69	\$103,296.50	\$104,608.31
C45	\$103,547.08	\$104,970.54	\$106,393.99	\$107,817.45	\$109,240.91	\$110,664.37	\$112,087.82	\$113,511.28
C51	\$95,425.62	\$96,737.44	\$98,049.25	\$99,361.06	\$100,672.87	\$101,984.69	\$103,296.50	\$104,608.31
C52	\$103,547.08	\$104,970.54	\$106,393.99	\$107,817.45	\$109,240.91	\$110,664.37	\$112,087.82	\$113,511.28
D61	\$111,204.03	\$112,808.97	\$114,413.91	\$116,018.84	\$117,623.78	\$119,228.72	\$120,833.65	\$122,438.59
D62	\$116,656.25	\$118,339.87	\$120,023.50	\$121,707.12	\$123,390.75	\$125,074.37	\$126,757.99	\$128,441.62
D63	\$122,108.46	\$123,870.77	\$125,633.09	\$127,395.40	\$129,157.71	\$130,920.02	\$132,682.34	\$134,444.65
D64	\$128,936.01	\$130,796.86	\$132,657.71	\$134,518.56	\$136,379.41	\$138,240.26	\$140,101.11	\$141,961.96



Proposed Structures – 7 Steps Fixed

DBM Rating	Dollar Increase Per Step to Midpoint	Dollar Increase Per Step from Midpoint to Range Max*
A11	\$565.89	\$311.08
A12	\$671.05	\$368.89
A13	\$776.21	\$426.70
B21	\$881.69	\$484.69
B22	\$986.85	\$542.50
B23	\$1,092.02	\$600.31
B24	\$1,223.71	\$672.70
B25	\$1,381.61	\$759.50
B31	\$1,223.71	\$672.70
B32	\$1,381.61	\$759.50
C41	\$1,708.61	\$1,069.99
C42	\$1,827.35	\$1,144.34
C43	\$1,946.08	\$1,218.70
C44	\$2,094.77	\$1,311.81
C45	\$2,273.05	\$1,423.46
C51	\$2,094.77	\$1,311.81
C52	\$2,273.05	\$1,423.46
D61	\$2,693.67	\$1,604.94
D62	\$2,825.74	\$1,683.62
D63	\$2,957.81	\$1,762.31
D64	\$3,123.19	\$1,860.85

* Increases to the Midpoint will be higher in the 7 step to midpoint structure than the 9 step structure

* Increases to the Maximum will be lower in the 7 step to midpoint structure than the 9 step structure



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Proposed Structures

9 Steps Fixed Structure



Proposed Structures – 9 Steps Fixed

In the 9 Step Fixed Structure:

- The newly developed salary structure implements a 24 step salary range.
- Employees are placed within this structure based on a combination of:
 - Proposed Range minimum
 - Current job grade
 - Years of experience

Overview:

- This salary structure features step increases as fixed dollar amounts (\$) depending on an employee's current job grade.
 - The dollar increase amounts between each step can be found on **slide 78**.
 - Bands C and D are progressively wider to account for differences in the labor market for jobs within these bands.
- Due to the Fixed Range:
 - The dollar increase amounts before reaching the midpoint are **higher** because there are **fewer** steps between the minimum of the range and the midpoint.
 - The dollar increase amounts after reaching the midpoint are **lower** because there are **more** steps between the midpoint and the maximum of the range.



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Proposed Structures – 9 Steps Fixed

Overview

- The range spread for this structure increases from **40% - 55%**, similarly dependent on an employee's current job grade.
- For employees with DBM® matched positions in **Bands A and B**, the overall average range spread between the 24 steps is **40%**.
- For employees with DBM® matched positions in **Band C**, the overall average range spread between the 24 steps is **50%**.
- For employees with DBM® matched positions in **Band D**, the overall average range spread between the 24 steps is **55%**.



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Proposed Structures – 9 Steps Fixed

This is a salary structure with standard progression rates established within a pay range for a job. Employees generally progress from step to step on the basis of performance.

- Pros for this structure:
 - Defined salary progression for employees
 - Fixed costs for salary increases
- Cons for this structure:
 - No differentiation based on performance
 - May be a disincentive for younger employees who would prefer to be paid at the midpoint more quickly
 - Need to ensure that the years needed to reach the midpoint is appropriate for the organization



Proposed Structures – 9 Steps Fixed

DBM Rating	Range Min							
	1	2	3	4	5	6	7	8
A11	\$21,709.33	\$22,133.75	\$22,558.16	\$22,982.58	\$23,407.00	\$23,831.42	\$24,255.83	\$24,680.25
A12	\$25,743.69	\$26,246.98	\$26,750.26	\$27,253.55	\$27,756.84	\$28,260.13	\$28,763.42	\$29,266.71
A13	\$29,778.04	\$30,360.20	\$30,942.36	\$31,524.53	\$32,106.69	\$32,688.85	\$33,271.01	\$33,853.17
B21	\$33,824.51	\$34,485.78	\$35,147.05	\$35,808.32	\$36,469.59	\$37,130.86	\$37,792.13	\$38,453.40
B22	\$37,858.87	\$38,599.01	\$39,339.15	\$40,079.29	\$40,819.44	\$41,559.58	\$42,299.72	\$43,039.86
B23	\$41,893.23	\$42,712.24	\$43,531.25	\$44,350.27	\$45,169.28	\$45,988.29	\$46,807.30	\$47,626.32
B24	\$46,945.26	\$47,863.04	\$48,780.82	\$49,698.60	\$50,616.38	\$51,534.16	\$52,451.94	\$53,369.72
B25	\$53,002.85	\$54,039.06	\$55,075.26	\$56,111.47	\$57,147.68	\$58,183.88	\$59,220.09	\$60,256.29
B31	\$46,945.26	\$47,863.04	\$48,780.82	\$49,698.60	\$50,616.38	\$51,534.16	\$52,451.94	\$53,369.72
B32	\$53,002.85	\$54,039.06	\$55,075.26	\$56,111.47	\$57,147.68	\$58,183.88	\$59,220.09	\$60,256.29
C41	\$56,882.99	\$58,164.45	\$59,445.91	\$60,727.37	\$62,008.83	\$63,290.29	\$64,571.75	\$65,853.21
C42	\$60,835.90	\$62,206.42	\$63,576.93	\$64,947.44	\$66,317.95	\$67,688.46	\$69,058.98	\$70,429.49
C43	\$64,788.82	\$66,248.39	\$67,707.95	\$69,167.51	\$70,627.08	\$72,086.64	\$73,546.20	\$75,005.77
C44	\$69,738.87	\$71,309.95	\$72,881.03	\$74,452.11	\$76,023.19	\$77,594.27	\$79,165.34	\$80,736.42
C45	\$75,674.19	\$77,378.98	\$79,083.77	\$80,788.55	\$82,493.34	\$84,198.13	\$85,902.92	\$87,607.71
C51	\$69,738.87	\$71,309.95	\$72,881.03	\$74,452.11	\$76,023.19	\$77,594.27	\$79,165.34	\$80,736.42
C52	\$75,674.19	\$77,378.98	\$79,083.77	\$80,788.55	\$82,493.34	\$84,198.13	\$85,902.92	\$87,607.71
D61	\$78,992.64	\$81,012.89	\$83,033.15	\$85,053.40	\$87,073.65	\$89,093.91	\$91,114.16	\$93,134.42
D62	\$82,865.56	\$84,984.87	\$87,104.17	\$89,223.48	\$91,342.78	\$93,462.09	\$95,581.39	\$97,700.70
D63	\$86,738.48	\$88,956.84	\$91,175.20	\$93,393.55	\$95,611.91	\$97,830.26	\$100,048.62	\$102,266.97
D64	\$91,588.36	\$93,930.75	\$96,273.15	\$98,615.54	\$100,957.93	\$103,300.32	\$105,642.72	\$107,985.11



Proposed Structures – 9 Steps Fixed

DBM Rating	Range Mid							
	9	10	11	12	13	14	15	16
A11	\$25,104.67	\$25,457.23	\$25,809.79	\$26,162.35	\$26,514.91	\$26,867.47	\$27,220.03	\$27,572.59
A12	\$29,770.00	\$30,188.08	\$30,606.15	\$31,024.23	\$31,442.31	\$31,860.39	\$32,278.46	\$32,696.54
A13	\$34,435.33	\$34,918.93	\$35,402.52	\$35,886.12	\$36,369.71	\$36,853.31	\$37,336.90	\$37,820.50
B21	\$39,114.67	\$39,663.98	\$40,213.29	\$40,762.60	\$41,311.91	\$41,861.22	\$42,410.53	\$42,959.84
B22	\$43,780.00	\$44,394.83	\$45,009.66	\$45,624.48	\$46,239.31	\$46,854.14	\$47,468.97	\$48,083.80
B23	\$48,445.33	\$49,125.68	\$49,806.02	\$50,486.37	\$51,166.71	\$51,847.06	\$52,527.41	\$53,207.75
B24	\$54,287.50	\$55,049.89	\$55,812.28	\$56,574.67	\$57,337.06	\$58,099.45	\$58,861.85	\$59,624.24
B25	\$61,292.50	\$62,153.27	\$63,014.03	\$63,874.80	\$64,735.56	\$65,596.33	\$66,457.10	\$67,317.86
B31	\$54,287.50	\$55,049.89	\$55,812.28	\$56,574.67	\$57,337.06	\$58,099.45	\$58,861.85	\$59,624.24
B32	\$61,292.50	\$62,153.27	\$63,014.03	\$63,874.80	\$64,735.56	\$65,596.33	\$66,457.10	\$67,317.86
C41	\$67,134.67	\$68,347.32	\$69,559.98	\$70,772.63	\$71,985.29	\$73,197.94	\$74,410.59	\$75,623.25
C42	\$71,800.00	\$73,096.92	\$74,393.85	\$75,690.77	\$76,987.69	\$78,284.62	\$79,581.54	\$80,878.47
C43	\$76,465.33	\$77,846.52	\$79,227.72	\$80,608.91	\$81,990.10	\$83,371.30	\$84,752.49	\$86,133.69
C44	\$82,307.50	\$83,794.22	\$85,280.94	\$86,767.66	\$88,254.38	\$89,741.10	\$91,227.82	\$92,714.55
C45	\$89,312.50	\$90,925.75	\$92,539.00	\$94,152.26	\$95,765.51	\$97,378.76	\$98,992.01	\$100,605.26
C51	\$82,307.50	\$83,794.22	\$85,280.94	\$86,767.66	\$88,254.38	\$89,741.10	\$91,227.82	\$92,714.55
C52	\$89,312.50	\$90,925.75	\$92,539.00	\$94,152.26	\$95,765.51	\$97,378.76	\$98,992.01	\$100,605.26
D61	\$95,154.67	\$96,973.60	\$98,792.53	\$100,611.45	\$102,430.38	\$104,249.31	\$106,068.24	\$107,887.17
D62	\$99,820.00	\$101,728.11	\$103,636.22	\$105,544.32	\$107,452.43	\$109,360.54	\$111,268.65	\$113,176.76
D63	\$104,485.33	\$106,482.62	\$108,479.91	\$110,477.19	\$112,474.48	\$114,471.77	\$116,469.06	\$118,466.35
D64	\$110,327.50	\$112,436.46	\$114,545.43	\$116,654.39	\$118,763.36	\$120,872.32	\$122,981.28	\$125,090.25



Proposed Structures – 9 Steps Fixed

DBM Rating	Range Max							
	17	18	19	20	21	22	23	24
A11	\$27,925.15	\$28,277.71	\$28,630.26	\$28,982.82	\$29,335.38	\$29,687.94	\$30,040.50	\$30,393.06
A12	\$33,114.62	\$33,532.70	\$33,950.77	\$34,368.85	\$34,786.93	\$35,205.01	\$35,623.08	\$36,041.16
A13	\$38,304.09	\$38,787.69	\$39,271.28	\$39,754.88	\$40,238.47	\$40,722.07	\$41,205.66	\$41,689.26
B21	\$43,509.15	\$44,058.46	\$44,607.77	\$45,157.08	\$45,706.39	\$46,255.70	\$46,805.01	\$47,354.32
B22	\$48,698.62	\$49,313.45	\$49,928.28	\$50,543.11	\$51,157.94	\$51,772.76	\$52,387.59	\$53,002.42
B23	\$53,888.10	\$54,568.44	\$55,248.79	\$55,929.13	\$56,609.48	\$57,289.83	\$57,970.17	\$58,650.52
B24	\$60,386.63	\$61,149.02	\$61,911.41	\$62,673.80	\$63,436.19	\$64,198.58	\$64,960.97	\$65,723.36
B25	\$68,178.63	\$69,039.40	\$69,900.16	\$70,760.93	\$71,621.69	\$72,482.46	\$73,343.23	\$74,203.99
B31	\$60,386.63	\$61,149.02	\$61,911.41	\$62,673.80	\$63,436.19	\$64,198.58	\$64,960.97	\$65,723.36
B32	\$68,178.63	\$69,039.40	\$69,900.16	\$70,760.93	\$71,621.69	\$72,482.46	\$73,343.23	\$74,203.99
C41	\$76,835.90	\$78,048.55	\$79,261.21	\$80,473.86	\$81,686.52	\$82,899.17	\$84,111.82	\$85,324.48
C42	\$82,175.39	\$83,472.31	\$84,769.24	\$86,066.16	\$87,363.08	\$88,660.01	\$89,956.93	\$91,253.86
C43	\$87,514.88	\$88,896.07	\$90,277.27	\$91,658.46	\$93,039.65	\$94,420.85	\$95,802.04	\$97,183.23
C44	\$94,201.27	\$95,687.99	\$97,174.71	\$98,661.43	\$100,148.15	\$101,634.87	\$103,121.59	\$104,608.31
C45	\$102,218.52	\$103,831.77	\$105,445.02	\$107,058.27	\$108,671.53	\$110,284.78	\$111,898.03	\$113,511.28
C51	\$94,201.27	\$95,687.99	\$97,174.71	\$98,661.43	\$100,148.15	\$101,634.87	\$103,121.59	\$104,608.31
C52	\$102,218.52	\$103,831.77	\$105,445.02	\$107,058.27	\$108,671.53	\$110,284.78	\$111,898.03	\$113,511.28
D61	\$109,706.09	\$111,525.02	\$113,343.95	\$115,162.88	\$116,981.81	\$118,800.73	\$120,619.66	\$122,438.59
D62	\$115,084.86	\$116,992.97	\$118,901.08	\$120,809.19	\$122,717.30	\$124,625.40	\$126,533.51	\$128,441.62
D63	\$120,463.63	\$122,460.92	\$124,458.21	\$126,455.50	\$128,452.79	\$130,450.07	\$132,447.36	\$134,444.65
D64	\$127,199.21	\$129,308.18	\$131,417.14	\$133,526.10	\$135,635.07	\$137,744.03	\$139,853.00	\$141,961.96



Proposed Structures – 9 Steps Fixed

DBM Rating	Dollar Increase Per Step to Midpoint	Dollar Increase Per Step from Midpoint to Range Max*
A11	\$424.42	\$352.56
A12	\$503.29	\$418.08
A13	\$582.16	\$483.60
B21	\$661.27	\$549.31
B22	\$740.14	\$614.83
B23	\$819.01	\$680.35
B24	\$917.78	\$762.39
B25	\$1,036.21	\$860.77
B31	\$917.78	\$762.39
B32	\$1,036.21	\$860.77
C41	\$1,281.46	\$1,212.65
C42	\$1,370.51	\$1,296.92
C43	\$1,459.56	\$1,381.19
C44	\$1,571.08	\$1,486.72
C45	\$1,704.79	\$1,613.25
C51	\$1,571.08	\$1,486.72
C52	\$1,704.79	\$1,613.25
D61	\$2,020.25	\$1,818.93
D62	\$2,119.30	\$1,908.11
D63	\$2,218.36	\$1,997.29
D64	\$2,342.39	\$2,108.96

* Increases to the Midpoint will be lower in the 9 step to midpoint structure than the 7 step structure

* Increases to the Maximum will be higher in the 9 step to midpoint structure than the 7 step structure



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Proposed Structures

Matrix



Proposed Structures – Matrix

In the Matrix Structure:

- The newly developed salary structure implements a 9 step salary range up to midpoint and an open range up to the maximum.
- Employees are placed within this structure based on a combination of:
 - Proposed Range minimum
 - Current job grade
 - Years of experience

Overview:

- This salary structure features step increases as fixed dollar amounts (\$) depending on an employee's current job grade.
 - The dollar increase amounts between each step can be found on **slide 85**.
 - Bands C and D are progressively wider to account for differences in the labor market for jobs within these bands.
- Due to the Fixed Range:
 - The dollar increase amounts before reaching the midpoint are **higher** because there are **fewer** steps between the minimum of the range and the midpoint.
 - The dollar increase amounts after reaching the midpoint are **lower** because there are **more** steps between the midpoint and the maximum of the range.



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Proposed Structures – Matrix

Overview

- The range spread for this structure increases from **40% - 55%**, similarly dependent on an employee's current job grade.
- For employees with DBM® matched positions in **Bands A and B**, the overall average range spread between the 24 steps is **40%**.
- For employees with DBM® matched positions in **Band C**, the overall average range spread between the 24 steps is **50%**.
- For employees with DBM® matched positions in **Band D**, the overall average range spread between the 24 steps is **55%**.



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Proposed Structures - Matrix

This is a salary structure with standard progression rates until the midpoint of the structure. After the midpoint, employees would progress based on their performance rating.

- **Pros for this structure:**
 - Provides defined progression for employees but also allows top performers the ability to differentiate their pay after the midpoint
 - Employees who stay in a job for sustained period of time with satisfactory performance will be paid at the midpoint and can earn more, dependent on their performance rating
- **Cons for this structure:**
 - Can be difficult to communicate to employees
 - Employees need to have confidence in the performance management system
 - Need to ensure that the years needed to reach the midpoint is appropriate for the organization



Proposed Structures – Matrix

DBM Rating	Range Min									Range Mid	PERFORMANCE ZONE	Range Max
	1	2	3	4	5	6	7	8	9			
A11	\$21,709.33	\$22,133.75	\$22,558.16	\$22,982.58	\$23,407.00	\$23,831.42	\$24,255.83	\$24,680.25	\$25,104.67		\$30,393.06	
A12	\$25,743.69	\$26,246.98	\$26,750.26	\$27,253.55	\$27,756.84	\$28,260.13	\$28,763.42	\$29,266.71	\$29,770.00		\$36,041.16	
A13	\$29,778.04	\$30,360.20	\$30,942.36	\$31,524.53	\$32,106.69	\$32,688.85	\$33,271.01	\$33,853.17	\$34,435.33		\$41,689.26	
B21	\$33,824.51	\$34,485.78	\$35,147.05	\$35,808.32	\$36,469.59	\$37,130.86	\$37,792.13	\$38,453.40	\$39,114.67		\$47,354.32	
B22	\$37,858.87	\$38,599.01	\$39,339.15	\$40,079.29	\$40,819.44	\$41,559.58	\$42,299.72	\$43,039.86	\$43,780.00		\$53,002.42	
B23	\$41,893.23	\$42,712.24	\$43,531.25	\$44,350.27	\$45,169.28	\$45,988.29	\$46,807.30	\$47,626.32	\$48,445.33		\$58,650.52	
B24	\$46,945.26	\$47,863.04	\$48,780.82	\$49,698.60	\$50,616.38	\$51,534.16	\$52,451.94	\$53,369.72	\$54,287.50		\$65,723.36	
B25	\$53,002.85	\$54,039.06	\$55,075.26	\$56,111.47	\$57,147.68	\$58,183.88	\$59,220.09	\$60,256.29	\$61,292.50		\$74,203.99	
B31	\$46,945.26	\$47,863.04	\$48,780.82	\$49,698.60	\$50,616.38	\$51,534.16	\$52,451.94	\$53,369.72	\$54,287.50		\$65,723.36	
B32	\$53,002.85	\$54,039.06	\$55,075.26	\$56,111.47	\$57,147.68	\$58,183.88	\$59,220.09	\$60,256.29	\$61,292.50		\$74,203.99	
C41	\$56,882.99	\$58,164.45	\$59,445.91	\$60,727.37	\$62,008.83	\$63,290.29	\$64,571.75	\$65,853.21	\$67,134.67		\$85,324.48	
C42	\$60,835.90	\$62,206.42	\$63,576.93	\$64,947.44	\$66,317.95	\$67,688.46	\$69,058.98	\$70,429.49	\$71,800.00		\$91,253.86	
C43	\$64,788.82	\$66,248.39	\$67,707.95	\$69,167.51	\$70,627.08	\$72,086.64	\$73,546.20	\$75,005.77	\$76,465.33		\$97,183.23	
C44	\$69,738.87	\$71,309.95	\$72,881.03	\$74,452.11	\$76,023.19	\$77,594.27	\$79,165.34	\$80,736.42	\$82,307.50		\$104,608.31	
C45	\$75,674.19	\$77,378.98	\$79,083.77	\$80,788.55	\$82,493.34	\$84,198.13	\$85,902.92	\$87,607.71	\$89,312.50		\$113,511.28	
C51	\$69,738.87	\$71,309.95	\$72,881.03	\$74,452.11	\$76,023.19	\$77,594.27	\$79,165.34	\$80,736.42	\$82,307.50		\$104,608.31	
C52	\$75,674.19	\$77,378.98	\$79,083.77	\$80,788.55	\$82,493.34	\$84,198.13	\$85,902.92	\$87,607.71	\$89,312.50		\$113,511.28	
D61	\$78,992.64	\$81,012.89	\$83,033.15	\$85,053.40	\$87,073.65	\$89,093.91	\$91,114.16	\$93,134.42	\$95,154.67		\$122,438.59	
D62	\$82,865.56	\$84,984.87	\$87,104.17	\$89,223.48	\$91,342.78	\$93,462.09	\$95,581.39	\$97,700.70	\$99,820.00		\$128,441.62	
D63	\$86,738.48	\$88,956.84	\$91,175.20	\$93,393.55	\$95,611.91	\$97,830.26	\$100,048.62	\$102,266.97	\$104,485.33		\$134,444.65	
D64	\$91,588.36	\$93,930.75	\$96,273.15	\$98,615.54	\$100,957.93	\$103,300.32	\$105,642.72	\$107,985.11	\$110,327.50		\$141,961.96	



Proposed Structures – Matrix

After reaching the midpoint employees would be given a wage increase based on the following table:

Rating	Quartile			
	0-25%	25.01-50%	50.01-75 %	75.01-100%
	Q1	Q2	Q3	Q4
EE	n/a	n/a	3.25%	2.25%
MP	n/a	n/a	2.50%	1.00%
ME	n/a	n/a	1.50%	0.50%
MM	n/a	n/a	0.50%	0.00%
NM	n/a	n/a	0.00%	0.00%

Example:

Band Penetration Example		
Band Range		Employee Current Wage
Min	Max	
\$30,000	\$45,000	\$40,000

Calculation	
$= (40,000 - 30,000) / (45,000 - 30,000)$	
= 67%	Falls in the 3rd Quartile



Proposed Structures – Matrix

DBM Rating	Dollar Increase Per Step to Midpoint
A11	\$424.42
A12	\$503.29
A13	\$582.16
B21	\$661.27
B22	\$740.14
B23	\$819.01
B24	\$917.78
B25	\$1,036.21
B31	\$917.78
B32	\$1,036.21
C41	\$1,281.46
C42	\$1,370.51
C43	\$1,459.56
C44	\$1,571.08
C45	\$1,704.79
C51	\$1,571.08
C52	\$1,704.79
D61	\$2,020.25
D62	\$2,119.30
D63	\$2,218.36
D64	\$2,342.39



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Implementation Options



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Implementation Options

Overview

With the assistance of the County, GBS was able to develop 4 separate implementation options using the newly developed salary structures.

- These implementation options are designed to offer the County a range of options when choosing an option that best matches with current compensation goals.
- Each option is broken down to show the cost of implementing with each of the previously listed structures.
- An overview of the 4 implementation options requested by the County can be found on the following slides.



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Implementation Options

Implementation Options for: Mid-year Implementation (July 2020)

Option # 1: GBS determined the cost to bring all employees below the proposed range minimum up to the proposed minimum rate.

- **7 Steps to Midpoint:** This would be a 0.31% of payroll or \$120,647.68 and would provide increases to 42 employees.
- **9 Steps to Midpoint:** This would be a 0.31% of payroll or \$120,647.68 and would provide increases to 42 employees.
- **Matrix:** This would be a 0.31% of payroll or \$120,647.68 and would provide increases to 42 employees.

Concern: Would be applying additional increases to those hired between January and June, and not to those hired between July and December.



Implementation Options

Implementation Options for: Mid-year Implementation (July 2020)

Option # 2: GBS determined the cost to bring employees hired between January and June below the proposed range minimum up to the proposed minimum rate; and the cost to bring employees hired between July and December into the range based on the closest next step to their current salary.

- **7 Steps to Midpoint:** This would be 0.74% of payroll or \$290,482.69 and would provide increases for 392 employees.
- **9 Steps to Midpoint:** This would be 0.62% of payroll or \$242,779.22 and would provide increases for 392 employees.
- **Matrix:** This would be 0.50% of payroll or \$197,881.46 and would provide increases for 257 employees.



Implementation Options

Mid-Year Implementation Cost Breakdown:

Implementation Option		7 Steps to midpoint Fixed Range	9 steps to Midpoint Fixed Range	Matrix
Bring All to Minimum	Cost	\$120,647.68	\$120,647.68	\$120,647.68
	% of Payroll	0.31%	0.31%	0.31%
	# of Increases	42	42	42
	# above max	40	30	30
Mix: Bring Jan - Jun to Min; Bring July - Dec to Closest Next Step	Cost	\$290,492.69	\$242,779.22	\$197,881.46
	% of Payroll	0.74%	0.62%	0.50%
	# of Increases	392	392	257
	# above max	40	30	30



Implementation Options

Implementation Options for: Next Year Implementation (Jan 2021)

Option # 3: GBS determined the cost to bring all employees below the proposed range minimum up to the proposed minimum rate.

- **7 Steps to Midpoint:** This would be a 0.24% of payroll or \$93,935.77 and would provide increases to 36 employees.
- **9 Steps to Midpoint:** This would be a 0.24% of payroll or \$ 93,935.77 and would provide increases to 36 employees.
- **Matrix:** This would be a 0.24% of payroll or \$ 93,935.77 and would provide increases to 36 employees.



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Implementation Options

Implementation Options for: Next Year Implementation (Jan 2021)

Option # 4: GBS determined the cost to bring all employees into the range based on the closest next step to their current salary.

- **7 Steps to Midpoint:** This would be 1.35% of payroll or \$539,035.47 and would provide increases for 732 employees.
- **9 Steps to Midpoint** This would be 0.97% of payroll or \$388,466.83 and would provide increases for 732 employees.
- **Matrix:** This would be 0.65% of payroll or \$258,262.25 and would provide increases for 365 employees.



Implementation Options

Next Year Implementation Cost Breakdown:

Implementation Option		7 Steps to midpoint Fixed Range	9 steps to Midpoint Fixed Range	Matrix
Bring All to Minimum (Jan 1 2021)	Cost	\$93,935.77	\$93,935.77	\$93,935.77
	% of Payroll	0.24%	0.24%	0.24%
	# of Increases	36	36	36
	# above max	47	35	35
Bring All to Closest Next Step (Jan 1 2021)	Cost	\$539,035.47	\$388,466.83	\$258,262.25
	% of Payroll	1.35%	0.97%	0.65%
	# of Increases	732	732	365
	# above max	47	35	35



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Pay Practices & Benefits



Pay Practices & Benefits

The following chart summarizes the basic organizational data of the thirteen (13) survey participants.

	Market Averages
Operating Budget (FY 2019)	\$169,285,222
Average Population/citizens served	135,679
Number of FTE employees as of 6/1/19	719

- Overall, the County leads the market in terms of benefits and pay practices provided to employees.
- The County is aligned with the market for their pay philosophies.



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Pay Practices & Benefits

Compensation Philosophy: Background

The COLA adjustments the County currently applies are similar to what other organizations have done when they adjusted the overall pay-scale.

COLA increases are independent of any individual employee rate adjustment due to time in service or promotion.



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Pay Practices & Benefits

Compensation Philosophy:

- Eight (8) out of eleven (11) Organizations utilize a pay Philosophy
- Nine (9) out of ten (10) survey a specific group of organizations
- Eight (8) out of ten (10) utilize private sector data when establishing pay

Of those eight (8) organizations who utilize a pay philosophy, none take into account the value of benefits programs offered as it relates to base salaries



Pay Practices & Benefits

Compensation Philosophy:

The Control point is the point of the pay range to which employees' salaries are managed or the pay point that is considered the job rate or the rate for a fully functional employee:

Control point for pay range/pay system	Pay Range Min	4
	Pay Range Midpoint	5
	Pay Range Max	5
	Other	0

Current Job evaluation systems utilized by peer organizations (13 Responses):

Job Evaluation or internal equity system utilized	Point Factor System	5
	Decision Band Method®	2
	Classification	5
	Market Pricing	5
	No System	1

Note: Some organizations utilize more than one job evaluation system



Pay Practices & Benefits

Compensation Philosophy:

Most organizations do not utilize a merit system, pay-for-performance, or other system to reward individual performance in employees:

Use of a pay-for-performance or merit pay plan for individual employees	N/A	8
	Merit Pay	2
	Pay-for Performance	1
Use of an incentive/bonus plan, other than a pay-for-performance/merit plan?	Yes	1
	No	10

Responses from 11 Participants



Pay Practices & Benefits

Compensation Administration:

Pay schedules utilized by the market:

			County
Type of pay schedule design(s) to covers employees?	Step Ranges	11	Yes
	Open Ranges (grades but no steps)	2	
	No Ranges (Single rates only)	1	
	Combination of Steps and Open Ranges	1	
	Other	0	

The number of salary structures used by the market:

How many unique salary structures does your organization have?	1	6
	2	3
	3 or Greater	2

Note: Those that utilize 3 or greater salary structures have individual salary structures for each union agreement

Responses from 11 Participants



Pay Practices & Benefits

Compensation Administration:

How employees are moved through the pay range (Response from 11 Participants):

	Yes	No	Paid as (\$)	Paid as (%)	County
Longevity (time in job)	9	1	2	4	Yes
Individual Performance	7	2	0	4	Yes
Market Adjustment	5	2	1	2	
Other (Please specify)*	2	0	0	0	

Most organizations use a combination of longevity and individual performance to move employees through the pay range

Most organizations provide their increases as a percent increase (%)



Pay Practices & Benefits

Compensation Administration:

Are salary adjustments determined for the following:			County
	Promotion	9	Yes
	Demotion	9	Yes
	Lateral transfer	9	Yes
	Reclassification/Job title change	10	Yes
Other (Please specify)	0		

Most organizations provide a salary adjustment for demotions, transfers, and reclassifications (Responses from 11 Participants)

Which party has the final determination authority of individual salary adjustment?	Department Management	2
	Central HR	3
	Top Management / City Management	4
	Other (Please specify)	0

Top management typically has the final determination over a salary adjustment (Responses from 11 Participants)



Pay Practices & Benefits

Compensation Administration:

Average recent and planned increases out of 13 organizations:

	Amount	
	FY17/18	FY18/19
Pay Schedule Adjustment to pay range minimums, midpoints and maximums	2%	2%
Average Actual Pay Increase	3%	3%

Out of 11 organizations, 10 organizations adjustments to the pay schedule automatically result in increases to ALL their employees' base pay

If yes, how are salary adjustments applied to employees?	Set Increase (fixed \$ amount)	0
	Set Increase (fixed %)	8
	Increase Based on Experience	0
	Increase Based on Changes in Grade	1
	Other (Please specify)	0

Salary Adjustments are typically applied through a fixed percent increase



Pay Practices & Benefits

Compensation Administration:

How are new hires placed into the range?	
Job Range Minimum	7
Negotiated Placement based on Experience, Degree, and Skill (within certain % above range minimum)	6
Negotiated Placement based on Experience, Degree, and Skill (any place in between range minimum and cap)	3
Negotiated Placement based on Experience, Degree, and Skill (any place in the range)	4
Other (Please specify)	0

Which party has the final determination authority of the starting/hiring salary	
Hiring Department/Manager	5
Central HR	3
Top Management / City Management	4
Other (Please specify)	0

Responses from 11 Participants



Pay Practices & Benefits

Compensation Administration:

How does your organization place internal transfers into the range?	
Job Range Minimum	1
Negotiated Placement based on Experience, Degree, and Skill (within certain % above range minimum)	1
Negotiated Placement based on Experience, Degree, and Skill (any place in between range minimum and cap)	1
Negotiated Placement based on Experience, Degree, and Skill (any place in the range)	1
Current Actual Pay	6
Current Actual Pay with Negotiated % Increase	4
Apply Current Range Penetration to the New Range	2

Responses from 11 Participants



Pay Practices & Benefits

Compensation Administration:

How are re-hired employees placed into the range (when place in a similar job)?	
Job Range Minimum	3
Negotiated Placement based on Experience, Degree, and Skill (within certain % above range minimum)	1
Negotiated Placement based on Experience, Degree, and Skill (any place in between range minimum and cap)	2
Negotiated Placement based on Experience, Degree, and Skill (any place in the range)	5
Other (Please specify)	2

Responses from 10 Participants



Pay Practices & Benefits

Paid Leave: Response from 11 Participants

Years of Service	Annual Average Vacation Days (Market)		County*	
	Full Time	Part Time	Full Time	Part Time
1	11	4	10	10
2	12	4	10	10
3	12	4	10	10
4	13	5	10	10
5	14	5	15	15
6 – 10	15	0	15	15
Above 10	20	0	15	15
Above 15	20	0	20	20

* County allows Full time employees to accumulate up to double their allotted vacation; Part time may not accumulate vacation



Pay Practices & Benefits

Paid Leave: (Responses from 11 Organizations)

Leave Type	Overall Market Average	County
Sick Days	21	12
Paid Holidays	10	10
Personal Days	1	10

- **Most organizations noted pro-rated sick leave**
- **The presence of a limit or cap on sick leave varied by organization**
- **Some note the ability to role over sick leave**



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Pay Practices & Benefits

Health Benefits:

- Ten (10) of the thirteen (13) organizations include Rx benefits in their medical premium
- All organizations provide dental benefits separately from their medical premium
- One (1) organization includes vision benefits in their medical premium



Pay Practices & Benefits

Health Benefits: Medical Plan Premium

Plan Offered		Monthly Cost EE ONLY		Monthly Cost EE+CHILDREN		Monthly Cost EE+SPOUSE		Monthly Cost FAMILY	
		Employer	Employee	Employer	Employee	Employer	Employee	Employer	Employee
PPO or POS	Participant (12)	\$623.66	\$76.05	\$953.42	\$337.77	\$947.51	\$355.29	\$1,228.49	\$511.63
High Deductible	Participant (3)	\$813.15	\$9.40	\$920.82	\$198.28	\$952.82	\$235.50	\$1,061.49	\$467.57
HMO	Participant (0)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

PPO or POS Plan includes: Blue Access, BCBS of ND, Wellmark (BCBS; Select; Alliance; Self-Fund), BCBS Network Blue

High Deductible Plan includes: Wellmark Blue HAS 6350, HDHP

The County leads the market, offering a medical plan covering Medical, Dental, and Rx under the medical plan premium

Several organizations are providing a mix of benefits through Cafeteria Health Plans, and employee contributions to PPO/HMO Plans

All of the organizations provide Rx benefits in their health plan premium



Pay Practices & Benefits

Health Benefits: Dental Plan Premium

Plan Offered		Monthly Cost EE ONLY		Monthly Cost EE+CHILDREN		Monthly Cost EE+SPOUSE		Monthly Cost FAMILY	
		Employer	Employee	Employer	Employee	Employer	Employee	Employer	Employee
Dental PPO	Participants (12)	\$32.28	\$8.28	\$42.62	\$50.81	\$45.55	\$40.03	\$52.65	\$56.92
Dental HMO	Participants (0)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other	Participants (0)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Dental PPO Plan includes: Metlife PDP Plus, Delta Dental, BCBS of ND, Blue Dental Elite

The majority of organizations provide a PPO Dental plan.

Dental employer contributions are provided separately in most reported health plans.



Pay Practices & Benefits

Health Benefits: Vision Plan Premium

Plan Offered		Monthly Cost EE ONLY		Monthly Cost EE+CHILDREN		Monthly Cost EE+SPOUSE		Monthly Cost FAMILY	
		Employer	Employee	Employer	Employee	Employer	Employee	Employer	Employee
Standard Plan	Participants (6); Data mine (2)	\$0.00	\$8.65	\$0.00	\$17.22	\$0.00	\$15.67	\$0.00	\$22.76
Premium Plan	Market (0) organizations	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Standard Plan includes: Superior Vision, Avesis, VSP Vision, Eye Med, VSP Choice

Premium Plan includes: n/a

The majority of Organizations provide a standard vision plan.

Vision employer contributions are provided separately in most reported health plans.



Pay Practices & Benefits

Health Benefits: Other Benefit Premiums

Plan Offered		Monthly Cost EE ONLY		Monthly Cost EE+CHILDREN		Monthly Cost EE+SPOUSE		Monthly Cost FAMILY	
		Employer	Employee	Employer	Employee	Employer	Employee	Employer	Employee
Life Insurance	Participants (5)	70%*	38%*	50%	100%	50%	100%	50%	100%
Long Term Care	Participants (2)	100%	0%	n/a	n/a	n/a	n/a	n/a	n/a
Short Term Disability	Participants (0)	0%	100%	n/a	n/a	n/a	n/a	n/a	n/a

Life Insurance Plan includes: Hartford Life/AD&D, Sun Life, Basic EE Life w/AD&D, Hartford

Short Term Disability Plan includes: n/a

Percentages above represent the percent that offer 100% coverage

- 50% of employers cover 100% of the Monthly cost for EE + Spouse Life Insurance
 - *One organization does not fit this pattern and splits the cost of EE ONLY Life insurance 50/50

Two (2) organizations confirmed a Long Term Care plan is available to employees



Pay Practices & Benefits

Health Benefits: Wellness

Question	Offered/Required	Not Offered/Required
Reimburse expenses associated with wellness activities	7	4
On-site fitness facilities	2	9
Tuition reimbursement	5	6
Health assessments/ screenings	10	2
Require participation	0	11
Health premium discounts	2	8
Professional development programs	9	2

Responses from 12 Participants



Pay Practices & Benefits

Health Benefits: Retirement

Defined Contribution Plans Offered	Market Findings
Defined Benefit contribution	Most organizations participate in South Dakota Retirement System (SDRS) plan for classic and new member contribution. Employer's on average match 7% of employee contributions.
Defined Contribution (401K)	Limited information was available to identify trends. One organization provides 401k through North Dakota Public Employees Retirement System (NDPERS) and indicated employer contribution matches a part of employee contribution up to 12.26% of employee salary for their main plan.

Deferred Compensation 547(b)**	
Retirement Plan Offered:	see below*
Employer Contributions (Flat Amount):	\$38.47 per pay period
Employer Contributions (Max Match):	Up to 4% or \$1040 per year
Employee Contributions	Up to IRS Max

**Only 4 organizations provided Employer contribution responses for their Deferred Compensation out of the 8 organizations that provided responses

* Defined Benefit Plans include: Nationwide, SDRS Supp, TIAA 457, SDRS SRP, ICMA, Mass Mutual, Valic



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Thank You