



Board of County Commissioners Agenda Request

4B
Agenda Item #

Requested Meeting Date: January 23, 2024

Title of Item: Non-union Salary Adjustments

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| <input checked="" type="checkbox"/> REGULAR AGENDA <input type="checkbox"/> CONSENT AGENDA <input type="checkbox"/> INFORMATION ONLY | Action Requested: <input checked="" type="checkbox"/> Approve/Deny Motion <input type="checkbox"/> Adopt Resolution (attach draft) | <input type="checkbox"/> Direction Requested <input type="checkbox"/> Discussion Item <input type="checkbox"/> Hold Public Hearing* <i>*provide copy of hearing notice that was published</i> |
| Submitted by: Jessica Seibert and Bobbie Danielson | | Department: Admin/HR |
| Presenter (Name and Title): Bobbie Danielson, HR Director | | Estimated Time Needed: 8 Minutes |
| Summary of Issue: <p>An external consultant, DDA, was hired in 2023 to conduct a salary survey and to recommend a methodology for non-union salary adjustments. The methodology is attached.</p> <p>Phase I of the study was completed, board adopted, and implemented on November 28, 2023. In phase I, the consultant recommended a grade recalibration change for 7 job classes. One more was added January 23, 2024.</p> <p>This agenda request pertains to Phase II (final) portion of the study.</p> <p>Background information: The employer has been phasing in salary adjustments [by bargaining unit] across the organization over the past couple years. Salary adjustments for retention purposes have already been negotiated into the Teamsters Non-licensed bargaining unit, LELS Licensed Essential unit, and LELS Supervisory unit. Non-union salary adjustments are being recommended at the January 23, 2024 board meeting, consistent with the DDA methodology attached. The employer will begin negotiations with the Afscome Courthouse unit, Afscome HHS unit, and Local 49 this July, or soon thereafter, with the intent of proposing salary adjustments for those bargaining units as well.</p> <p>The recommendation being made today fits within the allotted budget.</p> | | |
| Alternatives, Options, Effects on Others/Comments: If you have any questions or require additional information prior to the meeting, please feel free to contact me. | | |
| Recommended Action/Motion: Motion to accept the DDA Methodology for 2024 non-union salary adjustments as presented (see attached). The salary adjustments will be effective January 28, 2024 (start of the next pay period, following Board approval). | | |
| Financial Impact: Is there a cost associated with this request? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No What is the total cost, with tax and shipping? \$ \$212,745 Is this budgeted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please Explain: | | |

Legally binding agreements must have County Attorney approval prior to submission.

Salary Survey Message to Staff

I'd like to take a moment to update you on the current salary survey work being done by David Drown & Associates (DDA). You'll recall that DDA was hired to complete a salary survey to determine how Aitkin County's minimum and maximum salaries compare to the market. The Commissioners have expressed interest in being competitive in the market in an effort to attract talented staff and retain the skilled staff we have.

The DDA salary survey involved reviewing 2023 salary information that was received from our seven comparison counties.

In Phase I of the salary study, the consultant recommended a grade recalibration change for the following positions. As previously shared with you, these positions received one grade increase, effective November 28, 2023.

- Jail Sergeant, to Grade 7
- Records Technician, Grade 4
- Dispatcher/Jailer, Grade 5
- Correctional Officer, Grade 5
- County Administrator, Grade 21
- HR Specialist, Grade 6
- Assistant County Engineer, Grade 14

Results of the Office Support Specialist and County Engineer are still pending and we anticipate those results will be finalized next week.

In Phase II of the salary study, the consultant developed a methodology to address wage compression, scale progression, and market position. We have heard staff concerns regarding compression created by past wage scale modifications and the desire for staff to move through the scale quicker. The methodology recommended by DDA divided our staff into four groups based on years of service, with a corresponding [2024, non-union] wage goal, not to exceed a 15% annual increase for 2024, including this salary adjustment and the 5% within range movement increase on 1/1/2024 combined.

Group #1, in current position since Year 2000 and prior, and be paid at or near 100% of the range Max.

Group #2, in current position since 2001-2010, and be paid at least 75% of the wage range Max.

Group #3, in current position since 2011-2018, and be paid at least 50% of the wage range Max.

Group #4, in current position since 2019-Present Date, and be paid at least 25% of the wage range Max.

Additional adjustments were made to meet the budget parameters. A copy of the full methodology used is attached.

The employer has been phasing in salary adjustments [by bargaining unit] across the organization over the past couple years. Salary adjustments for retention purposes have already been negotiated into the Teamsters Non-licensed bargaining unit, LELS Licensed Essential unit, and LELS Supervisory unit. Non-union salary adjustments will be recommended at the January 23, 2024 board meeting, consistent with the DDA methodology attached. The employer will begin negotiations with the Afscme Courthouse unit, Afscme HHS unit, and Local 49 this July, or soon thereafter, with the intent of proposing salary adjustments for those bargaining units as well.

You will see a request on the January 23, 2024, board agenda asking the Board for approval to make adjustments to non-union salaries. Contingent on Board approval, we anticipate these non-union wage adjustments will be effective on January 28, 2024, beginning of the pay period following board action.

If you have any questions, please feel free to contact me.

Aitkin County

DDA Methodology for 2024 Non-union Salary Adjustments Described / Discussed with Department Heads

Applied Increases to Non-union, to be effective January 28, 2024

Includes all non-union (including elected department heads), but excludes seasonals/temps.

DDA Created 4 **Years of Service in Current Position** Groups as follows:

Group #1, in current position since Year 2000 and prior

Group #2, in current position since 2001-2010

Group #3, in current position since 2011-2018

Group #4, in current position since 2019-Present Date

*We discussed Years of Service to Aitkin County vs. Years of Service in Current Position and decided to blend these as described below.

The goal is to have:

Group #1 be paid at or near 100% of the wage range Maximum (not to exceed a 15% annual increase all total for 2024, including this adjustment and the 5% WIRM 1/1/2024 combined).

Group #2 be paid at least 75% of the wage range.

Group #3 be paid at least 50% of the wage range.

Group #4 be paid at least 25% of the wage range.

The 2024 Open Range wage scale was broken down into steps A(min) through O(max) as an illustration to identify what wage would be 25%, 50%, 75%, and 100% of each Grade (salary range).

2024 Wage Scale

| 0 % | 25 % | 50 % | 75 % | 100 % | GRADE |
|----------|----------|----------|----------|----------|-------|
| \$ 54.90 | \$ 60.14 | \$ 65.39 | \$ 70.63 | \$ 75.87 | 21 |
| \$ 52.94 | \$ 57.99 | \$ 63.05 | \$ 68.10 | \$ 73.15 | 20 |
| \$ 50.98 | \$ 55.85 | \$ 60.71 | \$ 65.58 | \$ 70.44 | 19 |
| \$ 49.03 | \$ 53.70 | \$ 58.38 | \$ 63.05 | \$ 67.72 | 18 |
| \$ 47.07 | \$ 51.56 | \$ 56.04 | \$ 60.53 | \$ 65.01 | 17 |
| \$ 45.11 | \$ 49.41 | \$ 53.71 | \$ 58.00 | \$ 62.30 | 16 |
| \$ 43.16 | \$ 47.27 | \$ 51.37 | \$ 55.48 | \$ 59.58 | 15 |
| \$ 41.20 | \$ 45.12 | \$ 49.04 | \$ 52.95 | \$ 56.87 | 14 |
| \$ 39.24 | \$ 42.97 | \$ 46.70 | \$ 50.43 | \$ 54.16 | 13 |
| \$ 37.28 | \$ 40.82 | \$ 44.36 | \$ 47.90 | \$ 51.44 | 12 |
| \$ 35.33 | \$ 38.68 | \$ 42.03 | \$ 45.38 | \$ 48.73 | 11 |
| \$ 33.37 | \$ 36.53 | \$ 39.69 | \$ 42.85 | \$ 46.01 | 10 |
| \$ 31.41 | \$ 34.38 | \$ 37.36 | \$ 40.33 | \$ 43.30 | 9 |
| \$ 29.45 | \$ 32.24 | \$ 35.02 | \$ 37.81 | \$ 40.59 | 8 |
| \$ 27.49 | \$ 30.09 | \$ 32.68 | \$ 35.28 | \$ 37.87 | 7 |
| \$ 25.55 | \$ 27.95 | \$ 30.36 | \$ 32.76 | \$ 35.16 | 6 |
| \$ 23.59 | \$ 25.81 | \$ 28.02 | \$ 30.24 | \$ 32.45 | 5 |
| \$ 21.63 | \$ 23.66 | \$ 25.68 | \$ 27.71 | \$ 29.73 | 4 |
| \$ 19.67 | \$ 21.51 | \$ 23.35 | \$ 25.18 | \$ 27.02 | 3 |
| \$ 17.72 | \$ 19.37 | \$ 21.01 | \$ 22.66 | \$ 24.30 | 2 |
| \$ 15.76 | \$ 17.22 | \$ 18.68 | \$ 20.13 | \$ 21.59 | 1 |

We created an Excel spreadsheet listing all non-union employees by name, years of service with Aitkin County, time served in current position, their actual 2023 wage, their 2024 scale MIN and MAX.

Then, added a column to show their upcoming 1/1/2024 5% within range movement wage.

We input which Group # applied to each employee based on their original date of hire and their current position date of hire, what the group goal was (25%, 50%, 75%, or 100%), and finally what the goal wage was based on original date of hire and current position date of hire.

To provide Goal Group# adjustments based only on original date of hire would have cost \$453,828. Our remaining budget is \$212,315. (These numbers include PERA, Soc. Sec, and Medicare.)

We calculated how much it would cost to move each individual to their goal wage based on original date of hire and on current position date of hire, so these could be blended. If they were due for \$0 based on their current position date of hire, we adjusted that number to equal 50% of the original date of hire cost. (We refer to this as a blended rate for those who promoted so they will receive more than what the promoted Goal Group # would have provided, but less than the original date of hire date would have provided since they have not worked in that higher job classification the duration of their career.) To provide adjustments based on this blended rate would have cost \$320,826. Again, our remaining budget is \$212,315. (These numbers include PERA, Soc. Sec, and Medicare.)

To meet the budget number, we reduced all adjustments to 66% across the board. Again, none to exceed a 15% increase all total for 2024, including this adjustment and the 5% WIRM 1/1/20204 combined.) The end cost is an estimated \$211,745.34, under budget by \$569.72.