

**American River Flood Control District
District Pay Ranges
Staff Report**

Discussion:

The District hired Grace Consulting in 2014 to perform a Total Compensation study that looked at the market average pay and benefits for all of our pay classifications. This helped the District establish pay ranges that reflected the current market and allowed for competitive pay. The Study also looked at the benefit package provided by the District and other comparable local agencies.

In 2017, the District had Grace Consulting perform a similar study but only looked at updating the market average pay and adjusting the width of our pay ranges.

In March 2020, the District hired Grace Consulting to update the Total Compensation study for the purpose of adopting new pay ranges for each job classification. Staff worked with Grace to provide updated job descriptions and salary and benefits information for the District.

The Personnel Committee met in early June to review results data and recommendations from Grace Consulting (Attachment 1).

Based on the results and recommendations from the study, the Personnel Committee submits for the Board's approval, Resolution 2020-03 (Attachment 2) to adopt new District Pay Ranges with pay range midpoints placed at the Market Average Midpoint +5%. This puts the District's pay at slightly above the Market Average. The Committee also proposes pay ranges with a spread of 35% centered on each pay range midpoint.

Recommendation:

The General Manager recommends that the Board approve the new pay ranges based on the results from the Total Compensation Study from Grace Consulting.

PRELIMINARY RECOMMENDATIONS

- I recommend that you use the structure based on the Market Average Midpoints, so that you will lead the market average midpoint, but not to excess.
- To stay aligned with the market – adjust the salary range by the cost of living for each year – adjusting the midpoint and setting the range spread around that. When you conduct the study every few years, there will be less variance to deal with.
- If you keep the range spread at 35% - it will also allow room for salary growth.
- I adjusted the market for comparability to the Office Manager Job to the organizations with the most comparable jobs and the least amount of supervisory responsibility. (The structure database is attached).
- I adjusted the market value used for the range midpoint upwards by 5% to agree with your philosophy to pay 5% above market. This is the same process that was applied a couple of years ago
- Ten of the organizations plan to give an overall salary adjustment at some point this year. The average that is expected is 2.5% to 3% COLA. [As we discussed, this could change based on what the Feds allocate to the state and how that trickles down. There is a good chance that “claw-backs” may occur.](#)
- I reattached the benefits and incentives summaries. You match or exceed market contributions in all categories except life insurance and long-term disability insurance as we discussed. So that you would be leading the market average midpoint in total compensation overall.

MIDPOINT BASED ON MARKET AVERAGE MIDPOINT +5%

CLASSIFICATION	MONTHLY BASE PAY			RANGE SPREAD
	MIN	MIDPOINT	MAX	
General Manager	11,299	13,276	15,254	35.00%
		+49%		
Superintendent	7,579	8,905	10,232	35.00%
		+32%		
Field Supervisor	5,769	6,779	7,788	35.00%
		Mechanic+21%		
Office Manager/Clerk of the Board*	5,724	6,726	7,728	35.00%
Vehicle & Equipment Specialist	4,776	5,611	6,447	35.00%
		+2%		
Maintenance Worker Range B	4,681	5,501	6,320	35.00%
		+21%		
Maintenance Worker Range A	3,870	4,548	5,225	35.00%

MIDPOINT BASED ON MARKET AVERAGE MAXIMUM +5%

CLASSIFICATION	MONTHLY BASE PAY			RANGE SPREAD
	MIN	MIDPOINT	MAX	
General Manager	12,543	14,738	16,933	35.00%
		+46%		
Superintendent	8,565	10,064	11,563	35.00%
		+32%		
Field Supervisor	6,471	7,603	8,735	35.00%
		Mechanic+21%		
Office Manager/Clerk of the Board*	6,218	7,306	8,394	35.00%
Vehicle & Equipment Specialist	5,338	6,273	7,207	35.00%
		+2%		
Maintenance Worker Range B	5,232	6,148	7,063	35.00%
		+21%		
Maintenance Worker Range A	4,334	5,093	5,851	35.00%

* Office Manager salary recommendations are based on an adjusted market sample of the most comparable jobs with limited supervisory responsibility (see structure database)

[Some Recommendations on Next Page.](#)

American River Flood Control District

Resolution 2020-03

Adopting 2020 Pay Ranges

WHEREAS, the American River Flood Control District (the “District”) retained Grace Consulting to conduct a compensation and benefits study of comparable organizations in the relevant labor market for all positions in the District; and

WHEREAS, the results of that study and specific recommendations for the District are contained in the Salary Study of June 2020 (the “Study”); and

WHEREAS, consistent with the recommendations contained in the Study, the Board determines that it is in the best interests of the District to adopt new pay ranges for each position at the District. The pay ranges are established using the following methodology:

1. Use the Grace Consulting Study’s Market Average Midpoint plus 5% as the Midpoint for the District’s pay range for each position;
2. Using the District’s Midpoint as calculated in 1 above, establish a range of 35% from Bottom of Range (Minimum) to Top of Range (Maximum) for each position.

Therefore, the Board resolves that:

1. The monthly pay ranges for each position at the District as set forth in Exhibit “A” attached are hereby established and adopted using the methodology described above; and
2. The Employee Compensation and Benefits Policy is revised and adopted as set forth in Exhibit “B”, attached.

PASSED AND ADOPTED this 12th day of June, 2020.

ATTEST:

President
Board of Trustees

Secretary
Board of Trustees

EXHIBIT "A"

ARFCD Pay Ranges
Current and Proposed
FY 20-21

JOB CLASS	Current ARFCD Pay Ranges			Proposed Pay Ranges 2020-2021		
	Min	Mid	Max	Min	Mid	Max
General Manager	10,483	12,317	14,151	11,299	13,276	15,254
Superintendent	6,797	7,986	9,175	7,579	8,905	10,232
Field Supervisor	5,059	5,944	6,830	5,769	6,779	7,788
Office Manager/Clerk of the Board	5,270	6,192	7,114	5,724	6,726	7,728
Vehicle and Equipment Maint Spec				4,776	5,611	6,447
Maintenance Worker Range B	4,142	4,867	5,592	4,681	5,501	6,320
Maintenance Worker Range A	3,478	4,087	4,696	3,870	4,548	5,225

EXHIBIT "B"**American River Flood Control District
Employee Compensation and Benefits Policy
(Revised June 2020)**

This Employee Compensation and Benefits Policy is intended to serve as a guideline for District Management and the Board. The District seeks to recruit, retain, and promote employees of the highest caliber in terms of skills and ethics. The District also seeks to apply principles of equity and fairness in establishing the compensation of its employees. At the same time, District Management and the Board remain responsible stewards of District funds, consistent with their fiscal and legal responsibilities.

The Board should consider retaining an independent consultant to review the District's employee compensation and benefits every four or five years, or more or less frequently if the Board deems it necessary or appropriate. Salary ranges may be established for each position based in part on the consultant's review. Management and the Board may also be guided by their own experience and knowledge of the specific positions at the District in establishing both salary ranges and goal compensation. Salary ranges may be increased or decreased each year by applying an appropriate index, such as the labor market movement established by the U.S. Bureau of Labor Statistics.

Consistent with its goal to recruit and retain the highest caliber employees, the Board may be guided by the market average midpoint salary for each position as established by the consultant's review. Salary caps and floors may be established by using a percentage, such as 10%, above and below the market average midpoint salary plus 5%. Alternatively, the Board may establish a range by using the market average midpoint salary plus 5% as the midpoint in the range, and then establishing a percentage range, such as 35%, between the bottom of the range (minimum) and the top of the range (maximum).

Management and the Board shall consider each individual employee's performance to determine the employee's actual salary within the approved ranges. Management and the Board may also take into consideration employee benefits, cost of living increases, merit increases, incentive bonuses, and longevity bonuses in establishing staff compensation.

The District guarantees every applicant for employment and every employee the right of equal treatment without regard to race, color, sex, age, religion, national origin, sexual preference, gender identity, disability or veteran status, or any other class protected by law. This policy extends to recruiting, hiring, working conditions, benefits, training programs, promotions, use of the District's facilities, and all other terms and conditions of employment. In recruiting, selecting and promoting employees, it is the policy of the District to further the principles of equal employment opportunity by seeking talented and competent persons who are suited for a specific position by reason of training, experience, character, personality, intelligence, and general ability. Such action shall occur without regard to the individual's protected status or class.

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Consistent with its goal to recruit and retain the highest caliber employees, the Board may be guided by the ~~maximum~~ market average midpoint salary for each position as established by the consultant's review. Salary caps and floors may be established by using a percentage, such as 10%, above and below the ~~maximum~~ market average midpoint salary plus 5%. Alternatively, the Board may establish a range by using the ~~maximum~~ market average midpoint salary plus 5% as the midpoint in the range, and then establishing a percentage range, such as 35%, between the bottom of the range (minimum) and the top of the range (maximum).

~~The Board may establish as a goal an average compensation for each position's salary equal to 5% above the maximum market average salary. However,~~ Management and the Board shall consider each individual employee's performance to determine ~~whether the performance is equal to, above, or below the goal salary~~ the employee's actual salary within the approved ranges. Management and the Board may also take into consideration employee benefits, cost of living increases, merit increases, incentive bonuses, and longevity bonuses in establishing staff compensation.

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