

Agenda Item: 6.

MEMORANDUM

TO: Personnel, Legislative and Public Affairs Subcommittee

SUBJECT: Recommendations to P-MRNRD Pay Program for CY 2012

DATE: December 1, 2011

FROM: John Winkler, General Manager

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

After meeting with Silverstone Group representatives and reviewing the compensation information projections, the following recommendations are suggested for the P-MRNRD Pay Program for CY 2012:

- The Compensation Structure (salary ranges) to be adjusted by a 2% increase for 2012 (page 4).
- The CY 2012 Merit Matrix will change from 2.5% to a 3% increase (page 14).
- The COLA for 2012 will change from 1.5% to 0% (page 16).

Management recommends that the following adjustments to the P-MRNRD Pay Program for CY 2012 be adopted:

- **The Compensation Structure (salary ranges) will be adjusted by a 2% increase.**
- **The CY 2012 Merit Matrix will increase to 3%.**
- **The COLA for CY 2012 will be set at 0%.**

2012 Merit Increase Matrix

Performance Rating	Relationship to Market					
	<80%	80-89%	90-109%	110-120%	>120%	
1	0%	0%	0%	0%	0%	
2	0%	0%	0%	0%	0%	
3	3%	2.5%	2%	1.5%	0-1% Lump Sum	
4	3.5%	3%	2.5%	2%	1-2% Lump Sum	
5	4%	3.5%	3%	2.5%	2-3% Lump Sum	



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Current Midpoint Chart

<i>Grade</i>	<i>Minimum</i>	<i>Midpoint</i>	<i>Maximum</i>
1	\$23,002	\$28,753	\$34,503
2	\$28,510	\$35,638	\$42,765
3	\$34,018	\$42,523	\$51,027
4	\$39,526	\$49,408	\$59,289
5	\$45,034	\$56,293	\$67,551
6	\$50,542	\$63,178	\$75,813
7	\$56,050	\$70,063	\$84,075
8	\$61,558	\$76,948	\$92,337
9	\$67,066	\$83,833	\$100,599
10	\$72,574	\$90,718	\$108,861
11	\$78,082	\$97,603	\$117,123
12	\$83,590	\$104,488	\$125,385
13	\$89,098	\$111,373	\$133,647
14	\$94,606	\$118,258	\$141,909
15	\$100,114	\$125,143	\$150,171

Recommended Midpoint Chart (2% increase)

<i>Grade</i>	<i>Minimum</i>	<i>Midpoint</i>	<i>Maximum</i>
1	\$23,462	\$29,328	\$35,193
2	\$29,080	\$36,350	\$43,620
3	\$34,698	\$43,373	\$52,048
4	\$40,317	\$50,396	\$60,475
5	\$45,935	\$57,419	\$68,902
6	\$51,553	\$64,442	\$77,329
7	\$57,171	\$71,464	\$85,757
8	\$62,789	\$78,487	\$94,184
9	\$68,407	\$85,510	\$102,611
10	\$74,025	\$92,532	\$111,038
11	\$79,644	\$99,555	\$119,465
12	\$85,262	\$106,578	\$127,893
13	\$90,880	\$113,600	\$136,320
14	\$96,498	\$120,623	\$144,747
15	\$102,116	\$127,646	\$153,174

2012 Midpoint Variance Affected by the
Recommended 2% Increase

<i>Grade</i>	<i>Minimum</i>	<i>Midpoint</i>	<i>Maximum</i>
1	\$460	\$575	\$690
2	\$570	\$713	\$855
3	\$680	\$850	\$1,021
4	\$791	\$988	\$1,186
5	\$901	\$1,126	\$1,351
6	\$1,011	\$1,264	\$1,516
7	\$1,121	\$1,401	\$1,682
8	\$1,231	\$1,539	\$1,847
9	\$1,341	\$1,677	\$2,012
10	\$1,451	\$1,814	\$2,177
11	\$1,562	\$1,952	\$2,342
12	\$1,672	\$2,090	\$2,508
13	\$1,782	\$2,227	\$2,673
14	\$1,892	\$2,365	\$2,838
15	\$2,002	\$2,503	\$3,003