

**PERSONNEL, LEGISLATIVE AND PUBLIC AFFAIRS
SUBCOMMITTEE MEETING
April 8, 2008
7:00 p.m.
(Or immediately following the PPO Subcommittee Meeting)**

AGENDA

Personnel, Legislative and Public Affairs Subcommittee:

John Schwope, Chairperson
Fred Conley, Vice Chairperson
Dick Connealy
Rick Kolowski
Rich Tesar

Alternate Members: Tim Fowler
David Klug

Staff Liaison: Emmett Egr
Christine Jacobsen

1. Meeting Called to Order –Chairperson Schwope
2. Notification of Open Meetings Act Posting and Announcement of Meeting Procedure –
Chairperson Schwope
3. Quorum Call
4. Adoption of Agenda
5. Proof of Publication of Meeting Notice
6. Review and Recommendation(s) on P-MRNRD Wage and Salary Administration Program
for 2008 –Pat Teer
 - a. Wage and Salary Pay Ranges (Midpoints)
 - b. Wage and Salary Administration Guide (“n” Factor – 4.8%)
7. Review and Recommendation(s) on GM Evaluation [*Executive Session*]- John Schwope
8. Adjourn

MEMORANDUM

TO: Personnel, Legislative and Public Affairs Subcommittee

SUBJECT: Recommended Revisions to P-MRNRD Wage and Salary Administration Program

- a. Pay Range Revisions (Midpoints)
- b. Adjustment Guide Revisions ("n" Factor)

DATE: April 2, 2008

FROM: John Winkler, General Manager

The P-MRNRD Wage and Salary Administration Program requires the General Manager to provide recommendations to the Personnel, Legislative and Public Affairs Subcommittee for revisions in the Wage and Salary Pay Ranges (midpoints) and revisions in the Adjustment Guide ("n" factor) to be used for calendar year 2008. The PLPA Subcommittee is to review this information and make recommendations to the Board for consideration and action.

Base data from the Omaha job market is used to determine the recommended midpoint values and the "n" factor. The base data is taken from the 2007 Nebraska State Salary Survey (dated, March, 2008), which is prepared by the Nebraska Department of Personnel. The P-MRNRD is a participant in this survey.

a. Pay Range Revisions (Midpoints): Attached is the following information used to determine suggested midpoints for CY 2008:

1. Spreadsheet showing the midpoints using base data from the 2007 State Salary Survey. Approximately 180 benchmark positions in the Omaha area are used to calculate the updates.
2. Regression calculation used to determine the proposed P-MRNRD payline and midpoints for calendar year 2008.
3. Chart showing the proposed P-MRNRD payline (the straight line) and the midpoints.
4. Chart showing the 2007 and proposed pay ranges for calendar year 2008. The red numbers are the proposed numbers for CY 2008. The numbers in the middle box (yellow) are the midpoints. Please note that pay ranges vary from 9.8% increase for Salary Grade 2 through 2.7% for Salary Grade 21. The average increase in midpoint values is **4.8%**, which is the proposed "n" factor for CY 2008. The "n" factor for CY 2007 was 1%.

RECOMMENDATION: **It is recommended that the wage and salary pay ranges, as presented, be approved and that the changes be effective January 1, 2008.**

b. Adjustment Guide Revisions ("n" Factor): The Wage and Salary Administration Program provides an example wage and salary increase guide which includes three factors- evaluation period, adjustment factor, and the “n” factor. A copy of the example guide is attached. The second Adjustment Guide shows the proposed Adjustment Factors for calendar year 2008, using 4.8% as the "n" factor to compute Adjustment Factors. The Adjustment Factors for last year (2007) are also shown.

RECOMMENDATION: It is recommended that an "n" Factor of 4.8% be used to compute Adjustment Factors for Calendar Year 2008 and that the resulting Adjustment Guide be effective January 1, 2008.

If these recommendations are adopted, the estimated dollar impact on base salaries for calendar year 2008 (January 1, 2008 through December 31, 2008), would be approximately \$65,000.

Attached is a chart showing the history of the Wage and Salary Administration Program for calendar year 2008 through 1982 and cost of living adjustments made from 1981 through 1973. Also attached for your review is a copy of the proposed P-MRNRD Wage and Salary Administration Program for 2008.