

**PERSONNEL, LEGISLATIVE AND PUBLIC AFFAIRS
SUBCOMMITTEE MEETING
February 7, 2006
8:30 p.m.
AGENDA**

Personnel, Legislative and Public Affairs Subcommittee:

Fred Conley, Chairperson
Dick Connealy, Vice Chairperson
Tim Fowler
John Schwope
Rich Tesar

Alternate Members: Rick Kolowski
Jim Thompson

Staff Liaison: Emmett Egr
Christine Jacobsen

1. Meeting Called to Order – Chairperson Fred Conley
2. Quorum Call
3. Adoption of Agenda
4. Proof of Publication of Meeting Notice
5. Review of P-MRNRD Benefit Comparison (pursuant to 2005 State Salary Survey) – Pat Teer
6. Review and Recommendation(s) on P-MRNRD Wage and Salary Administration Program for 2006 –Pat Teer
 - a. Wage and Salary Pay Ranges (Midpoints)
 - b. Wage and Salary Administration Guide (“n” Factor – 3.1%)
7. Legislative Update – Steve Oltmans
8. Other Items of Interest
9. Adjourn

MEMORANDUM

TO: Personnel, Legislative and Public Affairs Subcommittee

SUBJECT: P-MRNRD Benefit Comparison

DATE: January 27, 2006

FROM: Pat Teer, Administrative Coordinator

As a part of the Nebraska State Salary Survey, the participants are asked to give information on benefit programs. Charts showing the comparison of the District and other Omaha area businesses are attached. The following is a summary of the benefit comparisons:

Benefit	P-MRNRD	P-MRNRD Ranking	Summary of Other Omaha Area Businesses
Vacation	0 – 5 Years = 13 days 6 – 10 Years = 18 days 11 Years + = 23 days	Mid to high range	Ranges from 5 days to a high of 25 days per year.
Holidays	10 Holidays	Mid to high range	Ranges from 4 holidays to high of 13 holidays.
Sick Leave After 1 year	18 days per year (reduced from unlimited max in 1994) ----- 18 days per year	High range ----- Mid to high range	Ranges from 5 days to high of 18. ----- Ranges from 5 to 30 days
Sick Leave – Maximum Accumulation	180 days max	Mid to high range	Ranges from 10 days to high of 310 days.
Health Insurance – Single	\$394.80/mo District pays for single coverage	High range	Ranges from \$90/month to a high of \$430/month.
Health Insurance – Family	Employee(1/3) - \$ 330.34 District (2/3) - <u>670.68</u> \$1,001.02	Mid to high range	Ranges from \$700/month to \$1,120/mo.
Dental Insurance – Single	\$31.65/mo District pays for coverage	High range	Ranges from \$16.50/month to \$42.00/month
Dental Insurance – Family	\$86.03/mo District pays for coverage	High range	Ranges from \$38/month to \$101/month
Life Insurance	1 times salary, minimum - \$20,000 – max. \$100,000	Low range	Ranges from 1 times salary to 2 times salary

Retirement	Employee - 5.6% District - <u>5.5%</u> 10.5% Contribution will increase 7/06 to: Employee - 5.5% District - <u>6.0%</u> 11.5%	Mid range	Ranges from 5% to 15%
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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: January 26, 2006

FROM: Steven G. Oltmans, General Manager

The P-MRNRD Wage and Salary Administration Program, as outlined in the Directors Policy Manual, 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 2006. 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 2005 Nebraska State Salary Survey (dated, December 2005), which is prepared by the Nebraska Department of Personnel. The P-MRNRD is a participant in this survey. If you will recall last year the NE Department of Personnel changed the timing for the salary survey and no base data was available to determine proposed midpoints. The Board used the average "n" factor for the past 5 years (3.3%) to determine midpoints and salary adjustments.

a. Pay Range Revisions (Midpoints): Attached is the following information used to determine suggested midpoints for CY 2006:

1. Spreadsheet showing the midpoints using base data from the 2005 State Salary Survey. Approximately 200 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 2006.
3. Chart showing the proposed P-MRNRD payline (the straight line) and the midpoints.
4. Chart showing the current (2005) and proposed pay ranges for calendar year 2006. The red numbers are the proposed numbers for CY2006. The numbers in the middle box (yellow) are the midpoints. Please note that pay ranges vary from -5.6% for Salary Grade 2 through 6.6% for Salary Grade 21. The average increase in midpoint is **3.1%**, which is the proposed "n" factor for CY 2006. The GM recommends that the midpoints for SG 2 through 5 (showing negative numbers) remain at CY 2005 levels.

RECOMMENDATION: **It is recommended that the wage and salary pay ranges for SG 2 through 5 remain at CY 2005 levels and that pay ranges for SG 6**

through SG 21 be adjusted to the proposed ranges, as presented, and that the changes be effective January 1, 2006.

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 annual pay range change. A copy of the example guide is attached. The second Adjustment Guide shows the proposed Adjustment Factors for calendar year 2006, using 3.1% as the "n" factor to compute Adjustment Factors. The Adjustment Factors for last year (2005) are also shown.

RECOMMENDATION: It is recommended that an "n" Factor of 3.1% (average increase in midpoint values) be used to compute Adjustment Factors for Calendar Year 2006 and that the resulting Adjustment Guide be effective January 1, 2006.

If these recommendations are adopted, the estimated dollar impact on base salaries for calendar year 2006 (January 1, 2006 through December 31, 2006), would be approximately \$58,000.

Attached for your review is a copy of the proposed P-MRNRD Wage and Salary Administration Program for 2006. Also attached is a chart showing the history of the Wage and Salary Administration Program for calendar year 2006 through 1982 and cost of living adjustments made from 1981 through 1973.