



Wisdom at Work

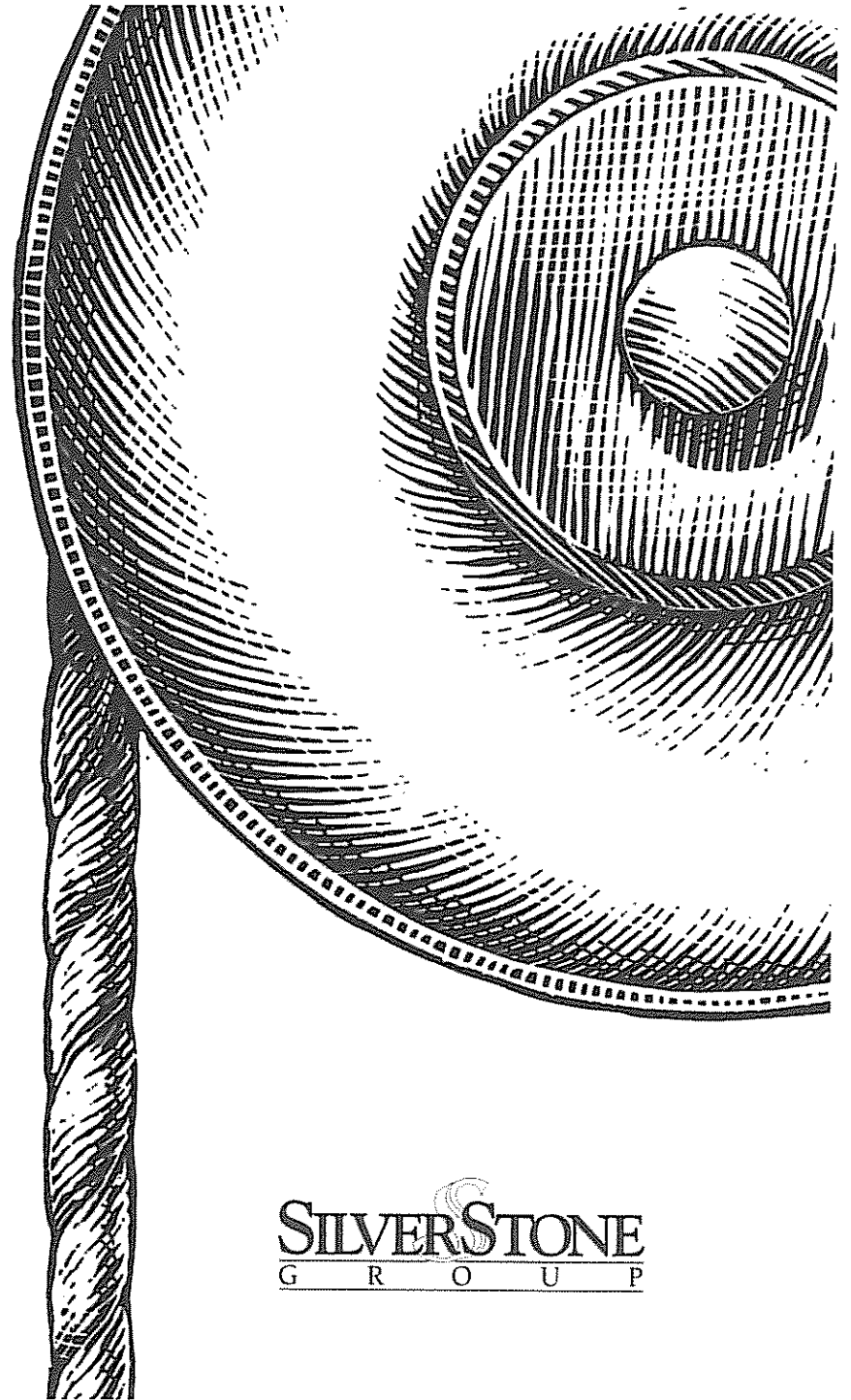
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GROUP

Compensation Committee Meeting



Papio-Missouri River
Natural Resources District

Roxanne Krasno, SPHR, CCP
February 10, 2009



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Recommendations to the Board

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Compensation Program Objectives

- Internally equitable
- Externally competitive
- Understandable
- Appropriate for the organization
- Attract, retain and motivate employees
- Efficient to administer

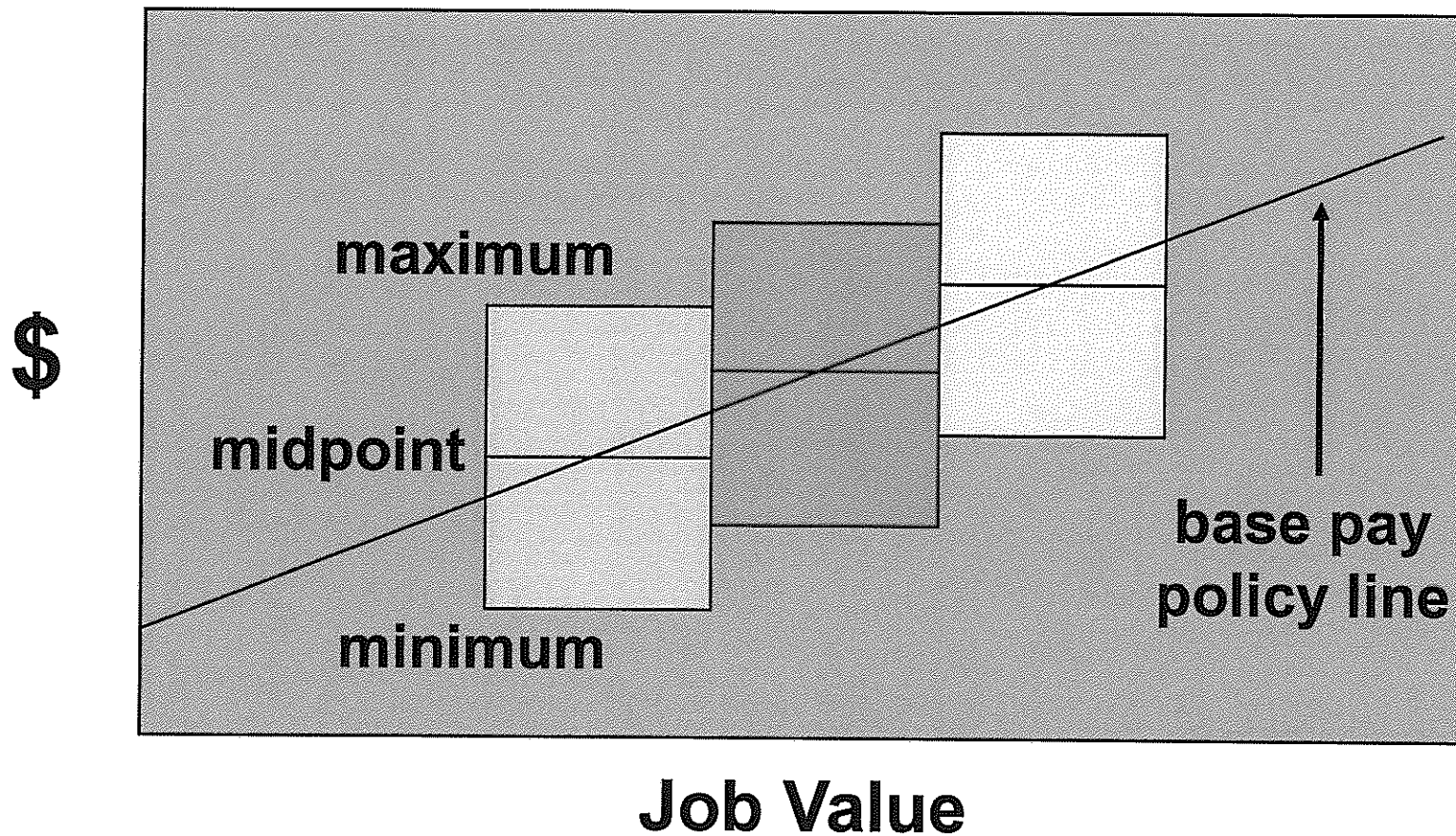
Went to Market

- Used updated job descriptions to match survey data
- A 70% match to duties
- Skill match to positions when appropriate
- Utilized multiple survey sources
- Consulted with NRD on final matches
- Benchmark jobs are arranged into a hierarchy

Components of a Base Pay Structure

- Number of pay grades
- Pay grade
 - Maximum
 - Midpoint
 - Minimum

Pay Structure Design



Components of a Base Pay Structure

(cont'd)

- Keeping length of service increases at 7, 15, and 25 years
- Any recommended compensation adjustments as a result of this study will be implemented over a three-year period

Job Grades and Pay Ranges

| Position Title | Proposed New Salary Grade | Grade Minimum | Grade Midpoint | Grade Maximum |
|--|---------------------------|---------------|----------------|---------------|
| Updated: 01/09 | | | | |
| General Manager | 15 | 100,114 | 125,143 | 150,171 |
| Assistant General Manager | 11 | 78,082 | 97,603 | 117,123 |
| Construction Engineer | 9 | 67,066 | 83,833 | 100,599 |
| Water Resources Engineer | 9 | 67,066 | 83,833 | 100,599 |
| IT Manager | 8 | 61,558 | 76,948 | 92,337 |
| Groundwater Management Engineer | 8 | 61,558 | 76,948 | 92,337 |
| Stormwater Management Engineer | 8 | 61,558 | 76,948 | 92,337 |
| Project Manager | 7 | 56,050 | 70,063 | 84,075 |
| Environmental Coordinator | 7 | 56,050 | 70,063 | 84,075 |
| Natural Resources Planner | 7 | 56,050 | 70,063 | 84,075 |
| Land and Water Programs Coordinator | 7 | 56,050 | 70,063 | 84,075 |
| Information/Education Coordinator | 7 | 56,050 | 70,063 | 84,075 |
| Administrative Coordinator | 7 | 56,050 | 70,063 | 84,075 |
| District Accountant | 7 | 56,050 | 70,063 | 84,075 |
| Operation and Maintenance Superintendent | 6 | 50,542 | 63,178 | 75,813 |

Job Grades and Pay Ranges

| Position Title | Proposed New Salary Grade | Grade Minimum | Grade Midpoint | Grade Maximum |
|---|---------------------------|---------------|----------------|---------------|
| Water Supply Superintendent | 5 | 45,034 | 56,293 | 67,551 |
| Water Supply Superintendent | 5 | 45,034 | 56,293 | 67,551 |
| Engineering Aide/Survey Coordinator | 5 | 45,034 | 56,293 | 67,551 |
| Asst Operation & Maintenance Superintendent | 5 | 45,034 | 56,293 | 67,551 |
| Park Superintendent | 5 | 45,034 | 56,293 | 67,551 |
| Field Representative | 5 | 45,034 | 56,293 | 67,551 |
| Field Representative | 5 | 45,034 | 56,293 | 67,551 |
| Field Representative | 5 | 45,034 | 56,293 | 67,551 |
| Education Specialist | 5 | 45,034 | 56,293 | 67,551 |
| Purchasing Agent/Files Administrator | 5 | 45,034 | 56,293 | 67,551 |
| Water Supply Operator | 4 | 39,526 | 49,408 | 59,289 |
| Water Supply Operator | 4 | 39,526 | 49,408 | 59,289 |
| District Office Secretary | 4 | 39,526 | 49,408 | 59,289 |
| NRCS Administrative Secretary | 4 | 39,526 | 49,408 | 59,289 |
| Engineering Aide/Drafter | 4 | 39,526 | 49,408 | 59,289 |

Job Grades and Pay Ranges

| Position Title | Proposed New Salary Grade | Grade Minimum | Grade Midpoint | Grade Maximum |
|---|---------------------------|---------------|----------------|---------------|
| District Accountant - Part Time | 3 | 34,018 | 42,523 | 51,027 |
| Engineering Aide/Surveyor-Instrument Person | 3 | 34,018 | 42,523 | 51,027 |
| Field Office Program Assistant | 3 | 34,018 | 42,523 | 51,027 |
| Field Office Program Assistant | 3 | 34,018 | 42,523 | 51,027 |
| Field Office Program Assistant | 3 | 34,018 | 42,523 | 51,027 |
| Field Office Program Assistant | 3 | 34,018 | 42,523 | 51,027 |
| Lead Land Steward | 3 | 34,018 | 42,523 | 51,027 |
| Environmental Education Assistant | 3 | 34,018 | 42,523 | 51,027 |
| Accounting Assistant | 3 | 34,018 | 42,523 | 51,027 |
| Heavy Equipment Operator | 3 | 34,018 | 42,523 | 51,027 |
| Heavy Equipment Operator | 3 | 34,018 | 42,523 | 51,027 |
| IT Intern - Temporary | 2 | 28,510 | 35,638 | 42,765 |
| Project Bookkeeper - Part Time | 2 | 28,510 | 35,638 | 42,765 |
| Water Supply Technician - Part Time | 2 | 28,510 | 35,638 | 42,765 |
| Medium Equipment Operator | 2 | 28,510 | 35,638 | 42,765 |
| Medium Equipment Operator | 2 | 28,510 | 35,638 | 42,765 |
| Medium Equipment Operator | 2 | 28,510 | 35,638 | 42,765 |
| Conservation Technician | 2 | 28,510 | 35,638 | 42,765 |
| Receptionist/Secretary | 2 | 28,510 | 35,638 | 42,765 |
| Land Steward | 2 | 28,510 | 35,638 | 42,765 |
| Custodian/Facility Maintenance Technician | 1 | 23,002 | 28,753 | 34,503 |
| Night Security - Part Time | 1 | 23,002 | 28,753 | 34,503 |
| Groundskeeper - Summer Temporary | 1 | 23,002 | 28,753 | 34,503 |

Components of a Base Pay Structure

Recommendations: (cont'd)

- It is recommended that Papio NRD budget for the implementation increases associated with the new compensation system.
- Is estimated to cost the district approximately \$59,323 over the next three (3) years.

Components of a Base Pay Structure (cont'd)

- Variable Pay
 - Pay for performance, merit based incentive system
 - COLA (cost of living adjustment)

Merit Increases:

- Factors impacting an employee's pay increase opportunity include both their performance rating and the relationship of their current pay to the market rate for their job.
- Actual percentage increase guidelines will vary from year to year based on changing market conditions and organizational strategy.

Merit Increase Matrix - Recommended

| Performance Rating | Relationship to Market | | | | |
|-----------------------|------------------------|--------|---------|----------|----------------------|
| | <80% | 80-89% | 90-110% | 110-120% | >120% |
| 1 | 0% | 0% | 0% | 0% | 0% |
| 2 | 0% | 0% | 0% | 0% | 0% |
| 3 | 3.5% | 3.0% | 2.5% | 2.0% | 1.0% Lump Sum |
| 4 | 4.0% | 3.5% | 3.0% | 2.5% | 1.5-2.5% Lump Sum |
| 5 | 4.5% | 4.0% | 3.5% | 3.0% | 2.5-3.5% Lump Sum |

Compensation Planning for 2009 – Recommendations: (cont'd)

- SilverStone Group recommends budgeting for Merit Increases on an annual basis
- Merit Increases with a scoring of 4 for all employees with the recommended structure in place is estimated to cost the district approximately \$91,695 annually.

Compensation Planning for 2009

National Data

| Employee Category | 2009 Merit Increases |
|--------------------------|----------------------|
| 1 to 199 Employees | 4.1 |
| 200 to 599 Employees | 3.4 |
| 600 to 1,799 Employees | 4.0 |
| 1,800 to 6,999 Employees | 3.8 |
| 7,000 or More Employees | 3.7 |

Source: IOMA July 2008

| Industry | 2009 Merit Increases | | |
|-----------------------------|----------------------|---------|------|
| | Low | Average | High |
| Manufacturing | 2.0 | 4.1 | 6.7 |
| Financial/Banking/Insurance | 1.3 | 3.7 | 7.8 |
| Business Services | 2.0 | 4.2 | 6.9 |
| Transp./Util./Comm. | 1.8 | 3.8 | 6.1 |
| Wholesale/Retail Trade | 1.0 | 3.6 | 8.4 |
| Healthcare | 1.6 | 3.4 | 5.5 |
| Nonprofit | 1.5 | 4.6 | 5.2 |
| Government | 0.2 | 2.2 | 2.4 |
| Education | 2.2 | 3.5 | 4.6 |
| Arch./Eng./Construction | 1.9 | 3.8 | 7.0 |
| Biotechnology | 1.3 | 3.7 | 6.8 |

Source: IOMA July 2008

Compensation Planning for 2009

Regional Data (Central U.S.)

| Employee Category | 2009 Structure Adjustment |
|-----------------------------|---------------------------|
| Officers/Executives | 2.7 |
| Exempt Salaried | 2.7 |
| Non-Exempt Salaried | 2.6 |
| Non-Exempt Hourly Non-Union | 2.6 |

Source: 35th Annual Salary Budget Survey, World at Work 2008/2009

Regional Data (North Central U.S.)

| Employee Category | 2009 Merit Increases |
|--------------------------|----------------------|
| 1 to 199 Employees | 4.2 |
| 200 to 599 Employees | 3.4 |
| 600 to 1,799 Employees | 3.9 |
| 1,800 to 6,999 Employees | 4.1 |
| 7,000 or More Employees | 3.4 |

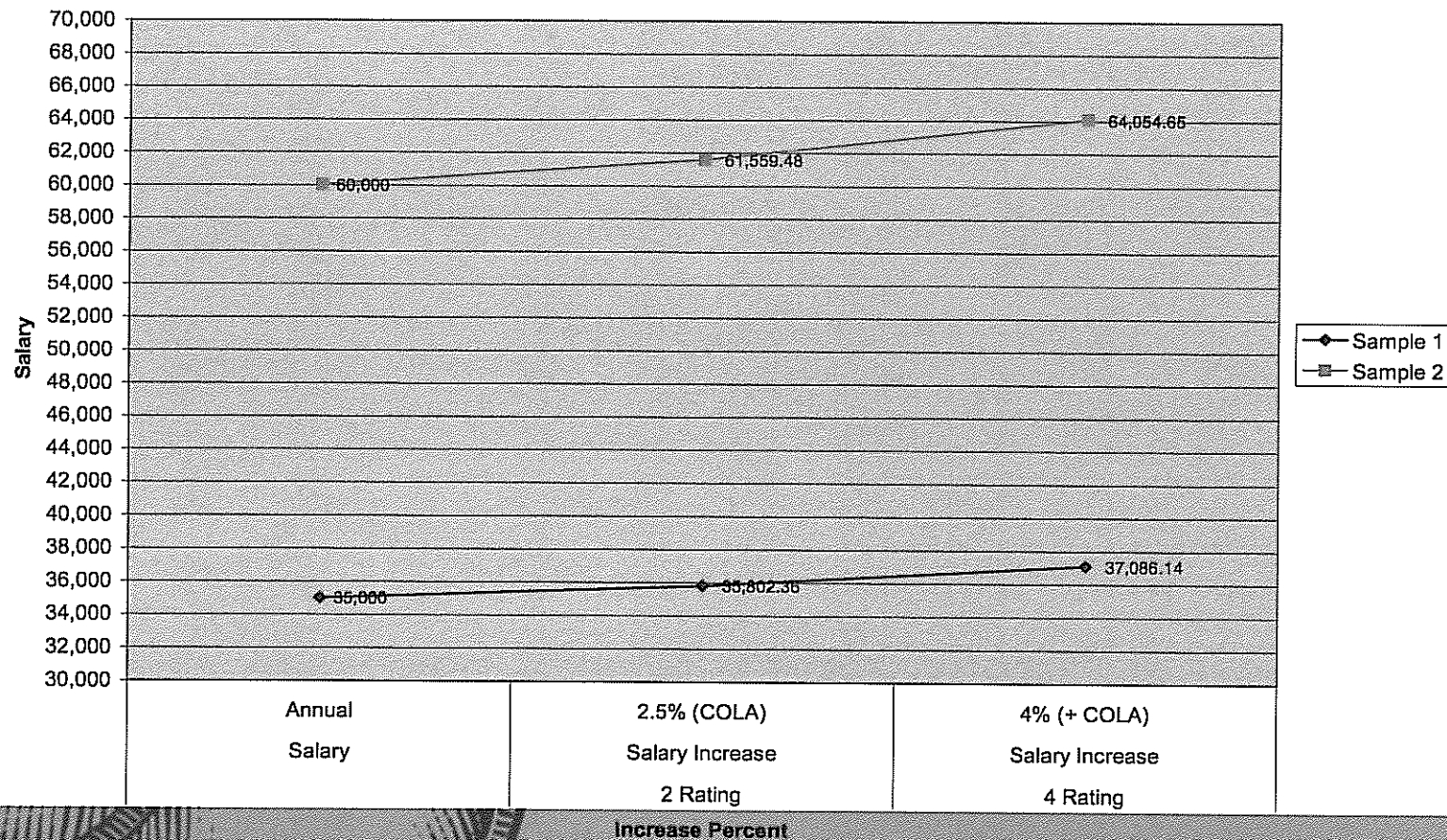
Source: IOMA July 2008

Compensation Planning for 2009 - Recommendations

- COLA Increases 2.5%

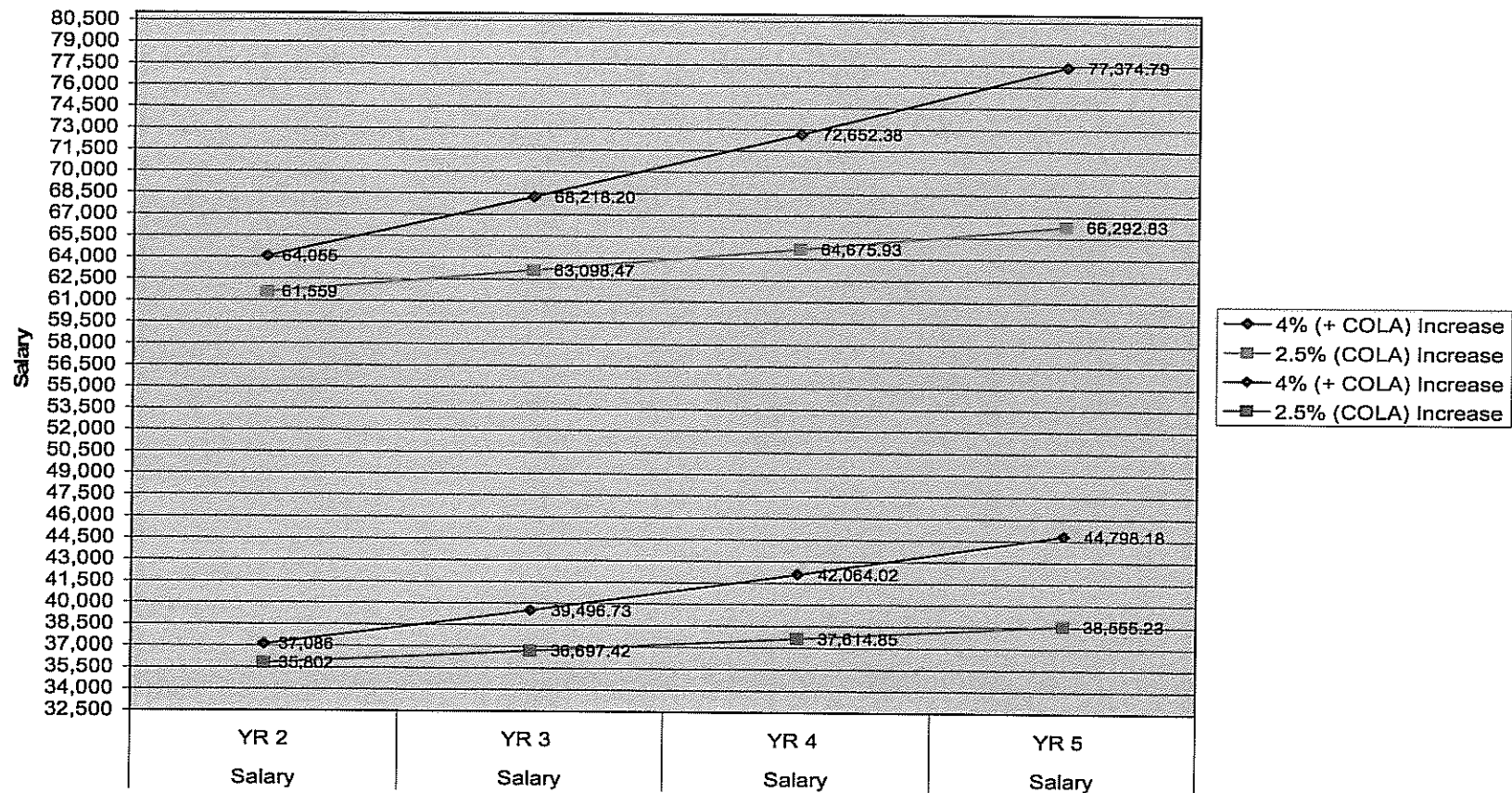
Sample Performance Review and Pay Increase:

Performance Evaluation/COLA Salary Increases



Sample Performance Review and Pay Increase:

Increase Rate Comparison



Thank You!

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