

**June 11, 2008**

**To:** COG Board of Directors

**From:** David Robertson, Executive Director

**Re:** Salary Study Findings and Recommendations

As approved by the Board of Directors in 2005, the COG Executive Director was authorized to take necessary actions, including conducting a yearly maintenance study of its compensation to ensure COG's competitive position in the job market.

This year the Office of Human Resources Management in consultation with the Management Advisory Group (MAG), LLC, COG's compensation consultant conducted COG's yearly maintenance salary survey using agreed upon organizational benchmarks and common positions.

The proposed recommendations highlighted below are consistent with COG's compensation philosophy of providing an equitable and competitive compensation structure that is aligned with the market place. The following is a synopsis of major findings and summary of recommended changes.

**Findings:**

COG has made overall progress in "catching up" with the market at the minimum, midpoint and maximum of the ranges. The points of comparison in the salary survey are to the average of the market. While COG has made some progress, COG's pay structure compared to benchmark organizations that include local jurisdictions, private and nonprofit organizations, still show that COG continues to be below most of the employers with whom it competes for talent. Overall, a comparison of 2007-2008 salary minimum, midpoint, and maximum show that COG's grades lag behind the market as follows:

Minimum	Midpoint	Maximum
-2.27%	-6.93%	-7.57%

**Recommendations:**

For the 2008-2009 year, it is recommended that COG make changes to the minimum, midpoint and maximum of its salary ranges that reflect the 2.27%, 6.93% and the 7.57% lags to the market as noted above. Specifically, management recommends the following:

1. Modify existing pay structure based upon the above findings as shown on the proposed salary ranges effective July 1, 2008. The proposed change for each grade will effectively increase salary bandwidth as follows:

GRADES	CURRENT BANDWIDTH	PROPOSED BANDWIDTH
Grades 1-12	55 Percent	63 Percent
Grades 13-15	50 Percent	57.7 Percent

2. No general salary structure increase is recommended.
3. Adjust salary of employees whose pay is below the minimum of the new range. In this case, only one employee is affected and would cost \$1,234 to move them up to the minimum of the new range.
4. Continue to review specific positions found to be grossly below market, and make necessary changes as warranted and subject to budgetary constraints.

**Direct Salary Cost Impact and Sources of Funds:**

The above actions constitute a minimal direct salary cost of \$1,234 for FY2009 resulting from one employee whose salary is below the minimum based upon the recommended new salary ranges. This cost will be absorbed through current program budget.

Please review the attached materials and Resolution R36-08 which will be placed in the consent agenda for your approval at the June 11, 2008 COG Board Meeting.