



Finance Committee Meeting

October 25, 2012

Salary Range Adjustment

Item III.

Recommended Action: Increase salary ranges by 2.5%

Budget Impact: None

Background:

JWB completed its bi-annual Salary Market Study and Analysis in August 2012. The survey was conducted by Certigy, a human resources consulting firm. The purpose of the survey was to determine if JWB's salary classification system, pay ranges and position grades are consistent with the market.

JWB employs a market-based compensation system; that is, compensating employees based on the market value of their jobs and targeting a hire-in rate for new employees that does not exceed the mid-point of the pay grade.

Based on the survey and analysis, Certigy concluded that the salary classification system is consistent with the market and that with few exceptions, the pay grades for positions are appropriate.

The consultants also concluded that since JWB salary ranges have not been adjusted since 2008 and overall market wages and salaries have increased during that period of time, non-executive pay ranges should be upwardly adjusted by a minimum of 2.5 percent. This change would enhance JWB's market competitiveness for recruitment and would offset pay range compression. Analysis of incumbent positions show that they are skewed toward the third and fourth quartile of their ranges, rather than the preferred first and second quartiles.

If approved, increasing the ranges would have no current budget impact.