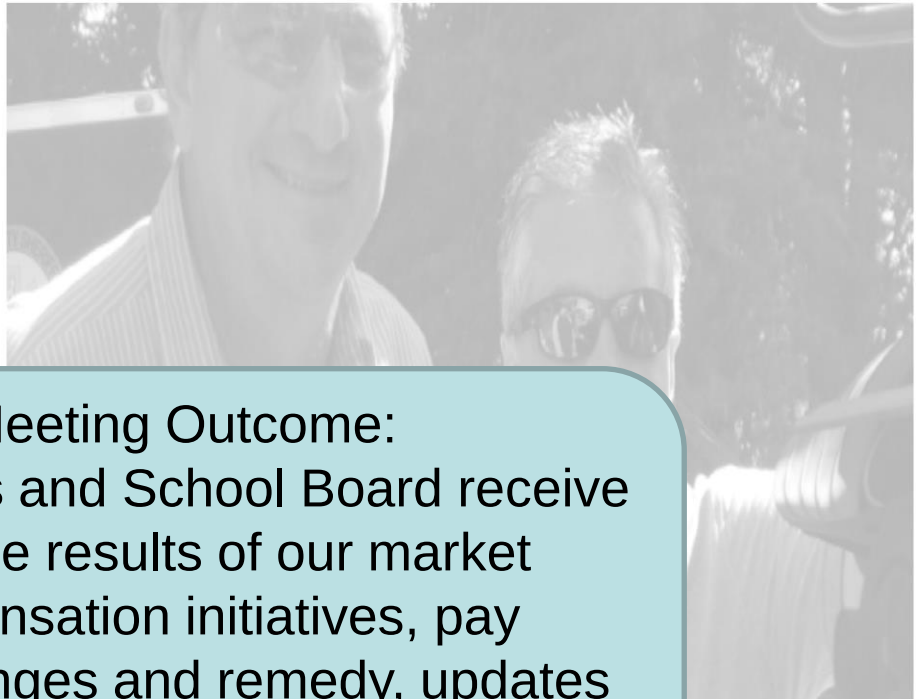
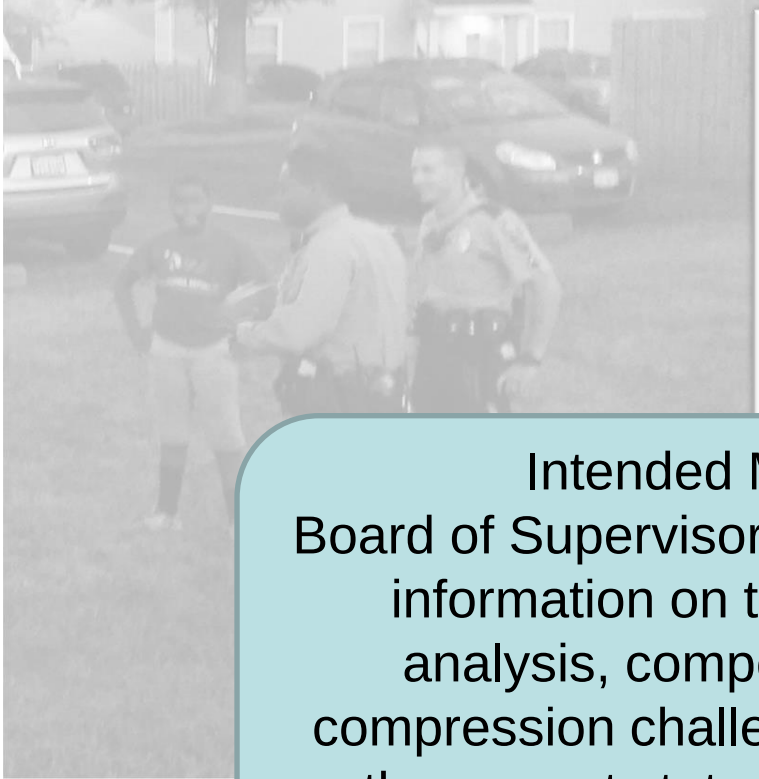




Intended Meeting Outcome:
Board of Supervisors and School Board receive
information on the results of our market
analysis, compensation initiatives, pay
compression challenges and remedy, updates
on the current state and ongoing work related to
our health insurance program.



Agenda

Compensation

- ✓ *Board adopted process, market survey analysis and Worldatwork projections*
- ✓ *Initiatives*
- ✓ *Compression-challenges and recommendations*

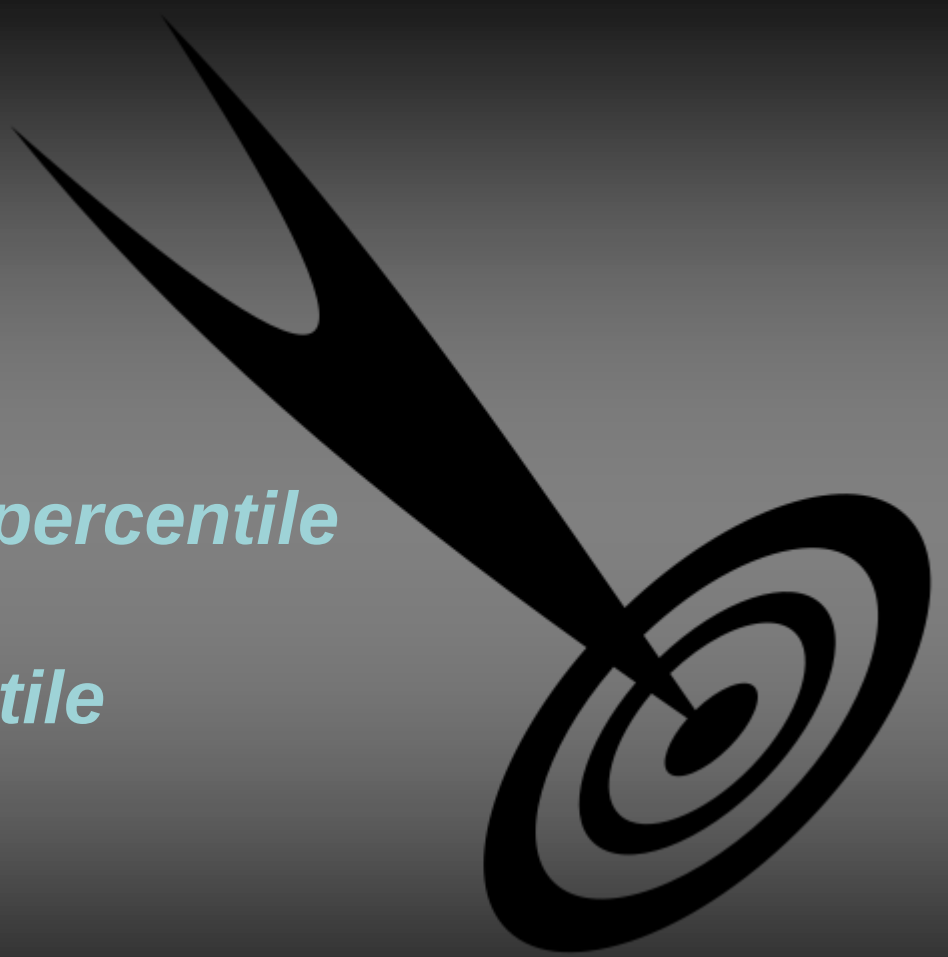
Benefits

- ✓ *Overview of our self-funded health plan*
- ✓ *Recent actions taken to manage our health program*
- ✓ *Planned actions, program changes and wellness initiatives for the coming year*
 - *Leave and disability program*

Compensation Targets

Market Targets

- *Classified Staff- 50th percentile
(Median of market)*
- *Teachers-75th percentile*



Board Adopted
Strategy

Every year

Joint Board Adopted Process. . .



Survey
Adopted
Market

July



Analyze
data
Do we
lead, lag
or meet
market?

August-September



Get
Worldatwork
Projections

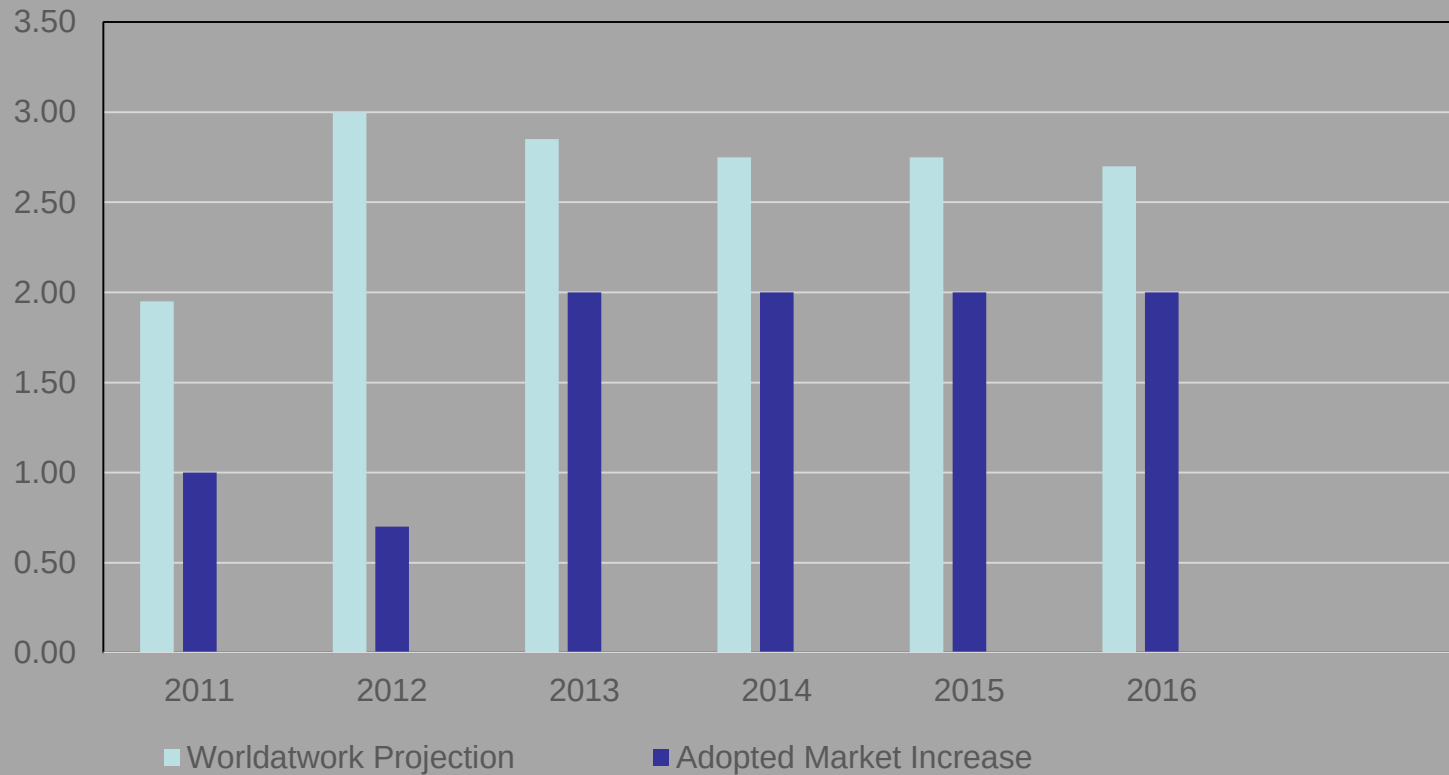
August-September



Project
Market
movement

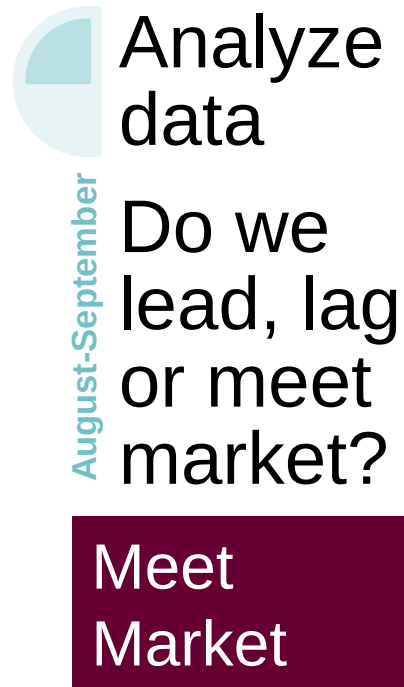
October

Worldatwork Projections vs Adopted Market Median Increases

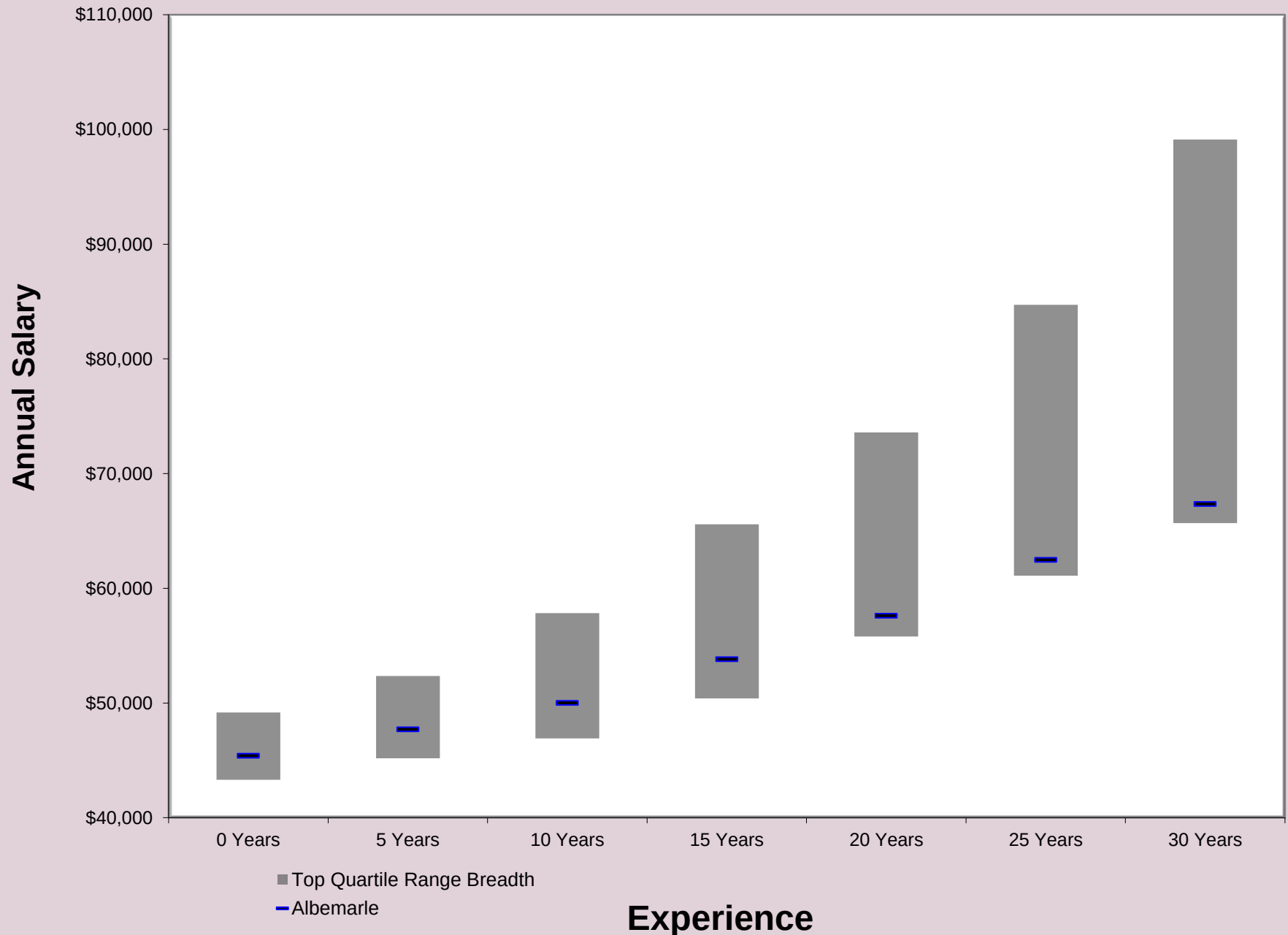


Salary Increase Projections
Over Time

Joint Board Adopted Process. . .

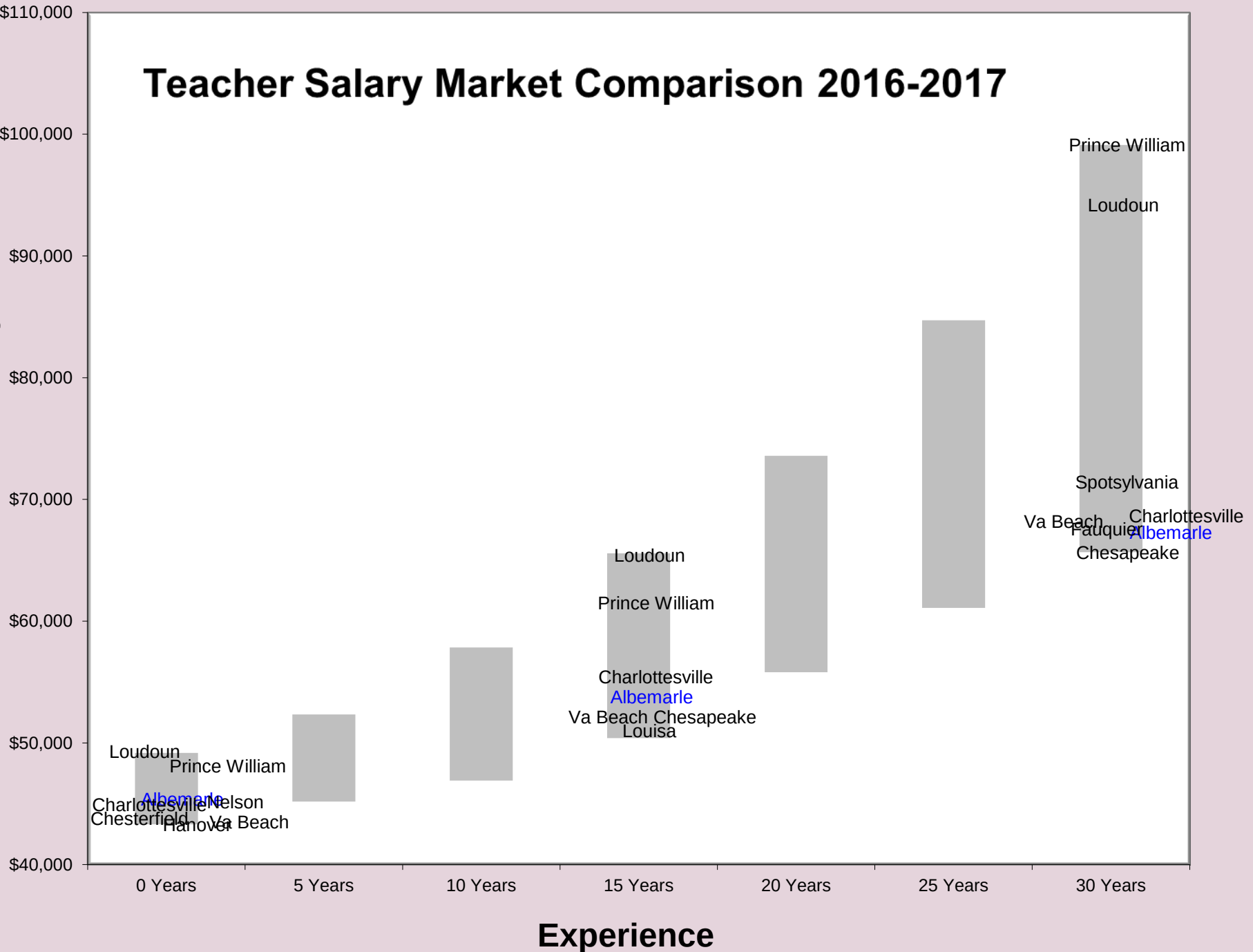


Teacher Salary Market Comparison 2016-2017



Teacher Salary Market Comparison 2016-2017

Annual Salary



Classified Employees

Pay for Performance

Merit Matrix					
Position in Pay Range	Fails to Meet Expectations (1)	Needs Development (2)	Successfully Meets Expectations (3)	Exceeds Expectations (4)	Exceptional (5)
At/Above Midpoint (A)	No increase	Market Increase - 1.0%	Market Increase	Market Increase + 0.5%	Market Increase + 1.0%
Below Midpoint (B)	No increase	Market Increase - 1.0%	Market Increase + 1.0%	Market Increase + 1.5%	Market Increase + 2.0%



- Departmental Classification Reviews
- Individual Classification and Salary Reviews
- Public Safety Career Development Programs
- Top of scale-Teacher longevity & classified lump sum payments
- School Division Compensation Broadband pilot
- Public Safety Pay Scale Review
- Fair Labor Standards Act-new regulations
- Compression analysis

Compensation

Initiatives and ongoing projects

Compression

Small differences in pay between experienced employees and newly hired employee in same job

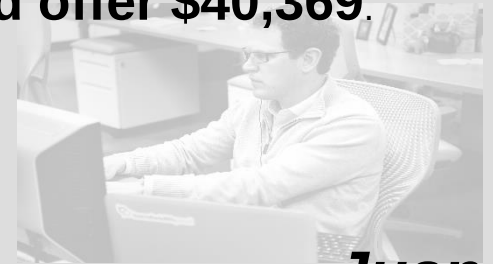
Sharon



**Communications Officer at ECC
since 2010,
8 years of total experience
Current salary- \$38,796**

Qualified candidate

**8 years of relevant experience
Based on the hiring range we
should offer \$40,369.**



Juan

**NO ROOM to hire candidates with experience without
leapfrogging current employees**

- Lose desired & highly qualified candidates
- Lengthy recruitments requiring current employees to cover vacancy (OT, comp, burnout, short staff)
- Morale issues

Compression Recommendation for Classified Employees

- ✓ *Consistent with current compensation strategy*
 - ✓ *Allows for competitive hiring offers*
 - ✓ *Preserves internal equity*
- Assumes an employee should be paid the market rate after eight years in same position;
 - Places affected employees in range based on their time in current position up to midpoint;
 - Modify current structure by increasing minimum hourly (VRS eligible) from \$9.75 to \$10.00; this collapses paygrades 1-4 into 1 paygrade

DOES NOT

- X Account for performance differentiations
- X Address compensation for employees paid above market rates (midpoint)



Health Insurance

Affordable

Meet Boards' adopted target-slightly above market

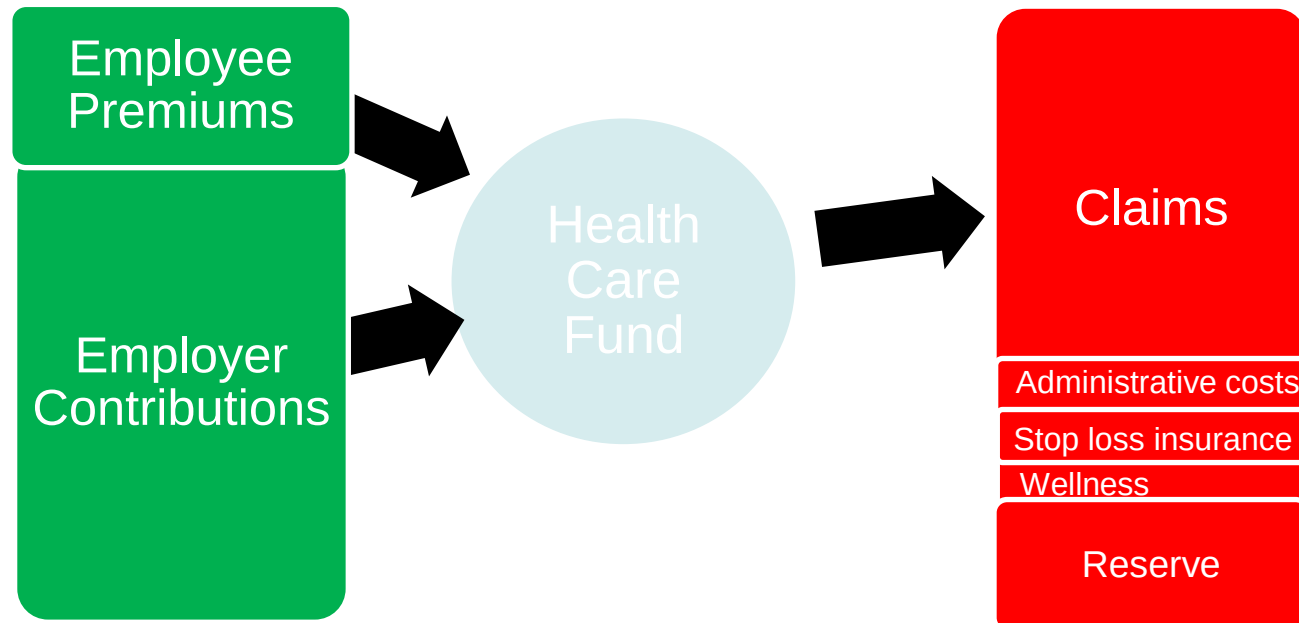
Address individuals and families needs

Compliance

**Target Reserves
20%-25%**



Self-Funded Health Plans



Managing our plan

What we have done...

- ✓ Implemented deductibles (Jan 2015)
- ✓ Changed spousal eligibility criteria (Oct 2015)
- ✓ Conducted Dependent Eligibility Review (2016)
- ✓ Selected Anthem as medical/dental/Rx administrator (Oct 2016)
- ✓ Analyzed market data (2016)
- ✓ Offered new Consumer Driven High Deductible plan with Health Savings Account (October 2016)

Managing our plan

What we are doing...

- ❑ Evaluating self-insurance
- ❑ Evaluating Local Choice options
- ❑ Reviewing claims data
- ❑ Changing our contribution strategy order to get our rates closer to usage among tiers, align with market and avoid the Cadillac tax
 - This change impacts County employees married to other County employees, Part-time Employees, Retirees
 - Work teams developing recommendations

What we are doing...

- ✓ Lose Well
- ✓ Onsite mammography
- ✓ Flu shots
- ✓ Fitbit Subsidy
- ✓ Activity Tracker Challenges

What we are evaluating...

- ☐ Flex Time for Wellness
- ☐ Incentivized Disease Management
- ☐ Risk Assessments & Biometric Screenings or Annual Physicals

Questions?

