

#5

To: Executive Board
From: Amy Jewell/Sarah Reeves
RE: Salary & Benefits review for CSWD
Date: Thursday, June 10, 2021

CSWD issued a Request for Proposal for a Competitive Salary and Benefits Study in March 2021. The scope of the RFP included conducting a comprehensive wage/salary and benefits market survey for the purpose of ensuring that CSWD's pay plans and pay structures possess external equity and labor market competitiveness. Survey data was requested for similar public and private organizations within similar labor markets. The RFP included evaluating each job description and CSWD's current Pay Grade & Step Schedule to determine the appropriateness of the current pay ranges by comparing to similar positions and providing recommendations of any salary adjustments, if identified. CSWD's benefit package was also compared to similar organizations to outline the competitiveness and to provide recommendations for adjustments, if identified. Finally, the scope included an implementation plan for any salary adjustment impacts.

CSWD has issued similar studies in 1992, 1998, 2006, and 2012. These studies were done to ensure that CSWD was paying staff within market range, and to provide that information to our Board. Historically, recommended changes occurred with Board approval only.

Gallagher Flynn & Company, LLP (GF) was awarded the contract and their report is attached. The report is broken down into three parts: 1) A *Salary Review* of each of CSWD's job descriptions, 2) A report on CSWD's *Benefit Package*, and 3) A suggested *Incentive Pay Report*.

1) Salary Review:

In summary, the report shows that of the 40 positions reviewed most are in competitive range. Nine were noted as potentially low, where further discussion should be held, and GF would like to discuss a livable wage for Drop-Off Center positions.

1. Executive Director
2. Administrative Director
3. Information Systems Director
4. Accounting Specialist
5. Maintenance Operator -Roll-off Truck Driver – Shopkeeper
6. Maintenance Lead
7. Director of Compliance & Haz Waste
8. Hazardous Waste Operator
9. Compost Assistant Manager
10. DOC discussion – livable wage

GF is also recommending that CSWD move away from the Pay Grade & Step Schedule structure that CSWD has used for the last 30 years. This request to alter this schedule was also discussed during the finance committee meetings with the result being to wait for this study before implementing any changes. CSWD budgeted \$50,000 in salaries and wages to cover any possible changes. Further discussion and recommendations will be provided at the meeting.

2) Benefits Package: GF summarized that the contributions to insurance premiums and health savings accounts was generous compared to other businesses and the number of paid vacation days and holidays are higher than average. It was noted that additional benefits are being considered by many employers, including education reimbursement, or childcare reimbursement. GF's recommendation is to conduct a survey, or focus groups, to learn more about what our specific work group may be looking for regarding offered benefits. Further proposals will be included for consideration on how to reduce health care costs for the calendar year 2022.

3) Incentive Pay: CSWD's current system includes a cost-of-living-allowance (based on the Northeast Urban CPI) and the opportunity to receive a step increase based on a successful evaluation. Separate from that, CSWD has historically budgeted about \$15,000 for Achievement Award payments of \$25 to \$1,000 and are available to all employees if one of the following was met:

1. Above and beyond work performance
2. Flexibility in skills/job changes/cooperation
3. Monetary savings/Innovative ideas
4. Met significant challenge/special events
5. Service to customers/CSWD image smooth operation/exceptional attitude

GF has included additional information on incentive pay and possible ranges of positions.

Based on input from the Executive Board, the following proposal may go to the Full Board for review:

- Implement a Competitive Job Range Model for FY 23, which would eliminate the current Pay Grade & Step Schedule
- Review the identified positions that are noted as low, and provide a proposal to bring up to market range in FY 22, using the money budgeted for this purpose
- Review benefit options with staff and present possible options to the Board for health insurance for calendar year 2022. This will likely go to the Board in September or October after the Green Mountain Care Board has approved plan and rate options for 2022.
- Consider adding incentive pay when developing the FY 23 Budget. Proposals will be brought to the Finance Committee for consideration during the budget development process.

Dan Lyons, Managing Director of HR Consulting at GF will present the report and further discuss the results at our meeting on Monday.