

## 2018 Non-union Salary Increase Recommendations

OCTOBER 16 2017

## 2018 HR Industry Increase Projections

Source	Percentage Increase
World At Work	3.0%
AON/Radford	3.0%
Economic Research Institute (ERI)	3.2%
Hay Group	3.0%
Mercer	2.9%
SHRM	3.0%

## Historical Union & Non-union Increases

Group / Year	2012	2013	2014	2015	2016	2017	2018
Average Union Increase	2.1%	2.2%	2.3%	2.6%	3.0%	3.1%*	2.6%*
Average Non-union Step Increase	0.5%	2.0%	2.5%	4.0%	4.0%	3.0%	
Average Non-union Range Increase	1.0%	2.0%	2.5%	4.0%	4.0%	4.0%	

\* Some contracts to be finalized

3

## Pay Grade Structure - current

48 pay grades

3 grade classes – G, M, A

- Within G grades – Step Hourly, Range Hourly
- Within M grades – Step Hourly, Step Monthly, Range Hourly, Range Monthly
- Within A grades – Range Monthly

Overlap in grades G and M as well as M and A

Difficult to compare supervisory/ subordinate relationships

Lines have been blurred over time of the right group to use each class

4

## Pay Grade Structure - proposal

---

### Phase in the structural changes

#### Start with overlap in the G and M grades

- Currently 16 grades between G and M structures
- Combine similar grades across these 2 structures for 12 total grades and 1 new structure
- After a 3% increase – people would potentially be off step but then at their next step date move to the next step in the structure
- Phase in steps throughout 2018

#### Range grades

- Eliminate unnecessary low level range grades – Keep any label M7 and higher

5

## Future Pay Grade Structure Changes

---

Eliminate Range grades in M jobs and move them to Step grades

Or

Develop mechanism to provide movement through the range

Reduce number of grades in the A and M range structure by eliminating near duplicate ranges

6

## Recommended Increase Summary

Group	Increase Percentage
Employees on Step pay grade	3%
Employees on Range Pay Grade	3% + 1% (increase ranges 3%)
Step Grades	3%
Range Grades	3%

Total of 16 at the max of a Range Grade

## 2018 Increase Cost

Group	Increase Cost
Step Employees	\$361,039.95
Estimated cost of consolidating G and M grades	\$122,224.81*
Range Employees	\$292,324.72

\*anticipated expense for step increases