



April 25, 2019

Total Compensation Study Final Report

County of Mendocino

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April 25, 2019

Ms. Heidi Dunham
Human Resources Director
County of Mendocino
501 Low Gap Road
Ukiah, CA 95482

Dear Ms. Dunham:

Koff & Associates is pleased to present the Total Compensation Study Draft Report to the County of Mendocino. This report documents the market compensation survey methodology, findings, and recommendations for internal alignment.

We would like to thank you, Juanie Cranmer, Cherie Johnson, and other County staff for your assistance and cooperation without which this study could not have been brought to its successful completion.

We will be glad to answer any questions or clarify any points as you are implementing the findings and recommendations. It was a pleasure working with County of Mendocino and we look forward to future opportunities to provide you with professional assistance.

Very truly yours,



Katie Kaneko
President



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EXECUTIVE SUMMARY

Background

October 2017 through January 2019 Koff & Associates (“K&A”) conducted a comprehensive Total Compensation Study for the County of Mendocino (County). All compensation findings and recommendations are presented in this report.

This compensation review process was precipitated by:

- The concern of management and the employee groups that employees should be recognized for the level and scope of work performed and that they are paid on a fair and competitive basis that allows the County to recruit and retain a high-quality staff;
- The desire to have a compensation plan that can meet the needs of the County; and
- The desire to ensure that internal relationships of salaries are based upon objective, non-quantitative evaluation factors, resulting in equity across the County.

The goals of the compensation study are to assist the County in developing a competitive pay and benefit plan, which is based upon market data, and to ensure that the plan is fiscally responsible and meets the needs of the County with regards to recruitment and retention of qualified staff.

Summary of Findings

This report summarizes the study methodology, analytical tools, and the total compensation (salary and benefits) survey findings. The results of the total compensation study showed:

- The County’s **base salaries, overall, in comparison to the market are 22.8% below the market average and 23.1% below the market median.**
- The County’s **total compensation, overall, in comparison to the market is 8.6% below the market average and 7.5% below the market median.**
- The County’s **benefits package** puts the County in a more competitive position compared to the market.
- K&A considers a classification falling within 5% of the market median or average to be competitive.

STUDY PROCESS

Benchmark Classifications

The County currently has 380 active classifications, and of those 145 classifications were selected to collect related salary and benefits data within the defined labor market. Classifications expected to provide a sufficient sample for analysis were selected as “benchmarks” to use as the basis to build the compensation plan. Benchmark classifications



are those classifications that are compared to the market, and these classifications are used as a means of anchoring the County's overall compensation plan to the market. Other classifications not surveyed will be included in the compensation plan and aligned to the benchmark classifications using internal equity principles.

The benchmark classifications are listed in Table 1.

Table 1. Benchmark Classification

Classification Title
1. Accountant
2. Account Specialist II
3. Account Specialist Supervisor
4. Administrative Analyst II
5. Administrative Secretary
6. Administrative Services Manager II
7. Agricultural Measures and Standards Specialist III
8. Agricultural Commissioner/ Sealer Weights & Measures
9. Air Pollution Control Officer
10. Air Quality Specialist
11. Animal Clinic Technician
12. Animal Control Assistant
13. Animal Control Officer
14. Animal Control Shelter Supervisor
15. Animal Facility Attendant
16. Applications Development Analyst II
17. Assessment Information Supervisor
18. Assessor
19. Auditor
20. Auditor-Appraiser



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Classification Title
21. Auditor-Controller
22. Auto Mechanic II
23. Benefits Specialist
24. Bookmobile Driver
25. Building Inspector II
26. Building Maintenance Mechanic II
27. Cartographer Planner
28. Chief District Attorney Investigator
29. Chief Executive Officer
30. Chief Fiscal Officer
31. Chief Operations Officer HHSA
32. Chief Planner
33. Chief Probation Officer
34. Child Support Accounting Specialist
35. Child Support Specialist II
36. Civil Engineer
37. Code Enforcement Officer I
38. Communications Coordinator
39. Community Health Services Specialist II
40. Community Health Worker II
41. Cook
42. Corrections Deputy
43. Corrections Lieutenant
44. County Counsel



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Classification Title
45. Custodian
46. Department Analyst II
47. Department Application Specialist
48. Deputy CEO
49. Deputy Clerk II - Board of Supervisors
50. Deputy County Counsel II
51. Deputy Director Mental Health Clinical Services
52. Deputy Director of Social Services
53. Deputy Director Public Health Nursing
54. Deputy Director Substance Use Disorder Treatment
55. Deputy Director Transportation - Engineering
56. Deputy Director Transportation MT Services
57. Deputy District Attorney II
58. Deputy Probation Officer II
59. Deputy Public Defender II
60. Deputy Public Guardian/Administrator
61. Deputy Sheriff-Coroner II
62. Director Animal Care
63. Director Child Support Services
64. Director Cultural Services
65. Director Environmental Health
66. Director Human Resources
67. Director Planning and Building
68. Director Transportation



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Classification Title
69. District Attorney
70. District Attorney Investigator
71. Eligibility Specialist II
72. Eligibility Specialist Supervisor
73. Emergency Services Coordinator
74. Employment & Training Worker II
75. Environmental Compliance Specialist
76. Environmental Health Manager
77. Environmental Health Specialist II
78. Executive Coordinator
79. Facility and Fleet Division Manager
80. Facility Project Specialist II
81. Food and Laundry Service Supervisor (Jail)
82. GIS Coordinator
83. Grounds Maintenance Technician II
84. Hazardous Material Operations Specialist
85. Health and Human Services Agency Director
86. Heavy Equipment Mechanic
87. HR Analyst II
88. HR Technician
89. Human Resources Manager
90. Information Services Division Manager
91. Information Systems Network Manager
92. Information Systems Technician II



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Classification Title
93. Inmate Services Coordinator
94. Juvenile Corrections Officer
95. Legal Clerk II
96. Legal Secretary II
97. Librarian II
98. Library Associate
99. Mail Technician II
100. Mental Health Clinician II
101. Mental Health Rehab Specialist
102. Museum Curator
103. Network Systems Analyst II
104. Nutritionist
105. Office Services Supervisor
106. Parts Specialist
107. Payroll Officer
108. Physical Therapist
109. Planner III
110. Program Manager
111. Program Specialist II
112. Property Tax Technician
113. Public Defender
114. Public Defender Investigator
115. Public Health Nurse
116. Public Safety Dispatcher



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Classification Title
117. Real Property Appraiser III
118. Registered Veterinary Technician
119. Retirement Financial/Investment Officer
120. Retirement Specialist II CONF
121. Revenue Recovery Specialist
122. Right of Way/Environmental Agent
123. Risk Analyst
124. Road Maintenance Supervisor I
125. Road Maintenance Worker III
126. Safety Officer
127. Sheriff-Coroner
128. Sheriff's Evidence Technician
129. Sheriff's Lieutenant
130. Sheriff's Sergeant
131. Social Worker Assistant II
132. Social Worker II
133. Social Worker Supervisor I
134. Spay Neuter Adoption Coordinator
135. Staff Assistant II
136. Staff Services Administrator
137. Substance Abuse Counselor II
138. Substance Abuse Program & Services Manager
139. Surveyor II
140. Treasurer-Tax Collector



Classification Title
141. Treasury Specialist
142. Undersheriff
143. Veteran's Services Representative
144. Victim/Witness Advocate
145. Vital Statistics Technician

Comparator Agencies

Another important step in conducting a market salary study is the determination of appropriate agencies for comparison. For this study K&A surveyed the County's established labor market of eight counties and two cities.

Table 2. Comparator Agencies

Agency
1. City of Santa Rosa
2. City of Ukiah
3. County of El Dorado
4. County of Lake
5. County of Humboldt
6. County of Napa
7. County of Nevada
8. County of Sonoma
9. County of Sutter
10. County of Yolo

Salary and Benefits Data

The last element requiring discussion prior to beginning a market survey is the specific benefit data that will be collected and analyzed. The following salary and benefits data was collected for each benchmark classification (the cost of these benefits to each agency was converted into dollar amounts and can be found in Appendix II [Benefit Detail] of this report; these amounts were added to base salaries for total compensation purposes).



1. Monthly Base Salary

The top of the salary range and/or control point. All figures are presented on a monthly basis.

2. Employee Retirement

The retirement reflects the benefits offered to the classic tier of employees:

- **Retirement Formula:** The service retirement formula for each agency's Classic plan. For agencies with retirement systems established under the County Employees Retirement Law of 1937 ("37 Act"), including the County of Mendocino, retirement formulas were converted to the equivalent PERS formula for purposes of comparison.
- **Enhanced Formula Cost:** K&A uses a baseline PERS formula of 2%@62 for miscellaneous employees and 2%@57 for safety employees. There is typically a cost to the employer for offering a formula with a higher benefit than the baseline formula. For each enhanced formula, the cost to the employer is based on a percentage range calculated by PERS. K&A took the midpoint of the range and multiplied the percentage by the top monthly salary to calculate the cost of the enhanced formula. K&A utilizes the PERS enhanced cost data as the basis for comparison across all defined benefit plans as the system performs the actuarial analysis to support the cost analysis and the size of the PERS system allows for the largest set of data to base a comparison on. The percentage value for each standard enhanced formula is listed below, in instances where there is a non-standard formula K&A aligns the benefit with the most comparable standard formula.
 - **Miscellaneous Employees**
 - 2%@60: midpoint of range = 1.5%
 - 2%@55: midpoint of range = 2.7%
 - 2.5%@55: midpoint of range = 4.9%
 - 2.7%@55: midpoint of range = 6.4%
 - 3%@60: midpoint of range = 7.4%
 - **Safety Employees**
 - 2%@55 : midpoint of range = 0.3%
 - 2.5%@57: midpoint of range = 3.5%
 - 2.7%@57 : midpoint of range = 4.6%
 - 2%@50 : midpoint of range = 5.1%
 - 3%@55 : midpoint of range = 7.1%
 - 3%@50 : midpoint of range = 8.9%



- **Employer Paid Member Contribution:** The amount of the employee's contribution to PERS that is paid by the employer (Employer Paid Member Contribution).
- **Single Highest Year:** The period for determining the average monthly pay rate when calculating retirement benefits. The base period is 36 highest paid consecutive months. When final compensation is based on a shorter period of time, such as 12 months' highest paid consecutive months, there is a cost to the employer. Similar to the enhanced formula, the cost to the employer is based on a percentage range calculated by PERS. K&A took the midpoint of the range and multiplied the percentage by the top monthly salary to calculate the cost of the final compensation.
- **Social Security:** If an employer participates in Social Security, then the employer contribution of 6.2% of the base salary up to the federally determined maximum contribution of \$663.40 per month was reported.
- **Other:** Any other retirement contributions made by the employer.

3. Deferred Compensation

Deferred compensation contributions provided to all employees of a classification with or without requiring the employee to make a contribution is reported.

4. Insurances

The employer paid premiums for an employee with family coverage was reported. The employer paid insurances included:

- Cafeteria/Flexible Benefit Plan
- Medical
- Dental
- Vision
- Life and Accidental Death and Dismemberment ("AD&D") Insurances
- Long-Term Disability Insurance
- Short-Term Disability Insurance
- Other

5. Leaves

Other than sick leave, which is usage-based, the number of hours off for which the employer is obligated. All hours have been translated into direct salary costs.

- **Vacation:** The number of paid time off (or vacation) hours available to all employees who have completed five years of employment.
- **Holidays:** The number of holiday hours (including floating hours) available to employees.



- **Administrative:** Administrative (or management) leave is normally the number of paid leave hours available to Fair Labor Standards Act (“FLSA”) Exempt and/or management to reward for extraordinary effort (in lieu of overtime). This leave category may also include personal leave which may be available to augment vacation or other time off.

6. Auto Allowance

This category includes either the provision of an auto allowance or the provision of an auto for personal use only. If a vehicle is provided to any classification for commuting and other personal use, the average monthly rate is estimated at \$450. Mileage reimbursement is not included.

7. Other

This category includes any additional other benefits not captured above available to all in the class such as uniform allowance provided to Public Safety employees.

All of the benefit elements are negotiated benefits provided to all employees in the classification. As such, they represent an ongoing cost for which an agency must budget. Other benefit costs, such as sick leave, tuition reimbursement, and reimbursable mileage are usage-based and cannot be quantified on an individual employee basis.

Data Collection

Data was collected during the months of October 2017– January 2019, through comparator agency websites, conversations with human resources, accounting, and/or finance personnel, and careful review of agency documentation such as classification descriptions, memoranda of understanding, organization charts, and other documents.

Matching Methodology

K&A believes that the data collection step is the most critical for maintaining the overall credibility of any study and relied on the County’s classification descriptions as the foundation for comparison.

When K&A researches and collects data from the comparator agencies to identify possible matches for each of the benchmark classifications, there is an assumption that comparable matches may not be made that are 100% equivalent to the classifications at the County. Therefore, K&A does not match based upon job titles, which can often be misleading, but rather analyzes class descriptions before a comparable match is determined.

K&A’s methodology is to analyze each class description and the whole position by evaluating factors such as:

- Definition and typical job functions;
- Distinguishing characteristics;
- Level within a class series (i.e., entry, experienced, journey, specialist, lead, etc.);
- Reporting relationship structure (for example, manages through lower-level staff);



- Education and experience requirements;
- Knowledge, abilities, and skills required to perform the work;
- The scope and complexity of the work;
- Independence of action/responsibility;
- The authority delegated to make decisions and take action;
- The responsibility for the work of others, program administration, and for budget dollars;
- Problem solving/ingenuity;
- Contacts with others (both inside and outside of the organization);
- Consequences of action and decisions; and
- Working conditions.

In order for a match to be included, K&A requires that a classification's "likeness" be at approximately 70% of the matched classification.

When an appropriate match is not identified for one classification, K&A often uses "brackets" which can be functional or represent a span in scope of responsibility.

- A functional bracket means that the job of one classification at the County is performed by two or more classifications at a comparator agency.
- A span of control bracket means that the comparator agency has one class that is "bigger" in scope and responsibility and one class that is "smaller," where the County's class falls in the middle.

If an appropriate match could not be found, then no match was reported as a non-comparable (N/C).

Data Spreadsheets

For each benchmark classification, there are three information pages:

- Top Monthly Salary Data
- Benefit Detail (Monthly Equivalent Values)
- Total Monthly Compensation

The average (mean) and median (midpoint) of the comparator agencies are reported on the top monthly base salary and total compensation data spreadsheets. The % above or below that the County is compared to the average and median is also reported.

The average is the sum of the comparator agencies' salaries/total compensation divided by the number of matches. The median is the midpoint of all data with 50% of data points below and 50% of data points above.

In order to calculate the average and median, K&A requires that there be a minimum of four (4) comparator agencies with matching classifications to the benchmark classification. The reason for requiring a minimum of four matches is so that no one classification has undue influence on



the calculations. Sufficient data was collected from the comparator agencies for 117 of the 145 benchmark classifications.

When using survey data to make salary range recommendations and adjustments, K&A recommends using the median, rather than the average, because the median is not skewed by extremely high or low salary values. However, the County has historically based market recommendations on the market average and, accordingly, we have used the average in our range placement recommendations to stay consistent with County practices.

MARKET COMPENSATION FINDINGS

The following table represents a summary of the market top monthly (base) salary and total compensation (base salary plus benefits [retirement, insurance, leaves, and allowances]) findings. For each benchmark classification, the number of matches (agencies with a comparable position) and percent above or below the top monthly salary market average and total compensation market average is listed. The table is sorted by top base salary in descending order from the most positive percentile (above market) to the most negative (below market).

Table 3. Market Average Compensation Results Summary

Classification Title	# of Matches	Top Monthly % Above or Below	Total Compensation % Above or Below
1. Deputy Clerk II - Board of Supervisors	8	5.3%	10.0%
2. Building Inspector II	9	0.1%	7.5%
3. Social Worker Assistant II	5	-0.2%	12.3%
4. Deputy Public Guardian/Administrator	6	-0.5%	6.2%
5. Director Planning and Building	10	-2.5%	2.1%
6. Treasury Specialist	4	-2.6%	13.8%
7. Administrative Secretary	10	-3.3%	6.7%
8. Legal Clerk II	5	-4.1%	7.8%
9. Office Services Supervisor	4	-5.0%	6.4%
10. Corrections Lieutenant	8	-5.0%	3.4%
11. Mental Health Clinician II	8	-6.0%	3.9%



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Classification Title	# of Matches	Top Monthly % Above or Below	Total Compensation % Above or Below
12. Treasurer-Tax Collector	6	-6.9%	9.1%
13. Revenue Recovery Specialist	7	-7.6%	4.1%
14. Auditor-Appraiser	8	-8.1%	3.4%
15. Deputy Probation Officer II	8	-8.1%	5.5%
16. Ag Measures and Standards Specialist III	8	-8.4%	1.5%
17. Social Worker Supervisor I	8	-8.9%	-0.0%
18. Auditor	8	-9.7%	1.3%
19. Deputy Director Public Health Nursing	8	-9.9%	-3.0%
20. Property Tax Technician	6	-10.2%	0.6%
21. Eligibility Specialist Supervisor	8	-10.3%	0.8%
22. Staff Assistant II	8	-11.4%	4.3%
23. Librarian II	6	-11.7%	-0.2%
24. Social Worker II	8	-11.8%	0.7%
25. Sheriff's Evidence Technician	7	-11.9%	2.9%
26. Community Health Services Specialist II	7	-12.1%	2.4%
27. Library Associate	4	-12.2%	3.2%
28. Veteran's Services Representative	7	-12.4%	1.5%
29. Heavy Equipment Mechanic	9	-12.6%	1.0%
30. Auditor-Controller	8	-13.2%	-0.7%
31. Chief Executive Officer	8	-13.2%	-8.0%
32. Administrative Services Manager II	6	-13.4%	-4.7%
33. Health and Human Services Agency Director	6	-13.4%	-8.4%
34. Public Health Nurse	8	-13.6%	-3.8%



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Classification Title	# of Matches	Top Monthly % Above or Below	Total Compensation % Above or Below
35. Agricultural Commissioner/ Sealer Weights & Measures	8	-13.8%	-6.2%
36. Corrections Deputy	8	-14.0%	1.8%
37. Assessor	8	-14.3%	1.1%
38. Eligibility Specialist II	8	-14.3%	0.1%
39. Facility and Fleet Division Manager	8	-16.3%	-6.2%
40. Victim/Witness Advocate	8	-16.3%	-0.9%
41. Program Specialist II	7	-16.4%	-3.7%
42. Code Enforcement Officer I	7	-16.9%	-3.3%
43. Account Specialist II	9	-17.2%	0.4%
44. Legal Secretary II	9	-17.6%	-1.8%
45. Road Maintenance Supervisor I	8	-17.9%	-4.3%
46. Public Safety Dispatcher	8	-18.0%	-2.6%
47. Chief Probation Officer	8	-18.2%	-7.7%
48. Substance Abuse Counselor II	6	-18.6%	-1.1%
49. Planner III	9	-19.2%	-7.9%
50. Sheriff-Coroner	8	-20.0%	-6.8%
51. Nutritionist	7	-20.3%	-8.2%
52. District Attorney	8	-20.5%	-4.2%
53. Employment & Training Worker II	7	-20.7%	-3.7%
54. Accountant	9	-20.8%	-6.9%
55. Emergency Services Coordinator	7	-21.2%	-12.5%
56. Right of Way/Environmental Agent	4	-21.2%	-7.5%



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Classification Title	# of Matches	Top Monthly % Above or Below	Total Compensation % Above or Below
57. Road Maintenance Worker III	9	-21.7%	-4.4%
58. HR Analyst II	10	-21.9%	-8.7%
59. Environmental Health Specialist II	8	-22.1%	-7.8%
60. HR Technician	9	-22.3%	-8.5%
61. Information Systems Technician II	9	-22.9%	-7.9%
62. Child Support Specialist II	8	-23.3%	-4.9%
63. Risk Analyst	7	-23.4%	-7.5%
64. Animal Control Officer	7	-23.6%	-3.8%
65. Community Health Worker II	6	-23.9%	-5.4%
66. Parts Specialist	4	-24.0%	-2.4%
67. Environmental Compliance Specialist	8	-24.3%	-9.4%
68. Public Defender	7	-25.1%	-17.1%
69. Chief Planner	10	-25.3%	-13.4%
70. Director Human Resources	10	-26.0%	-16.1%
71. Custodian	10	-26.2%	-4.4%
72. Mental Health Rehab Specialist	4	-26.7%	-11.6%
73. Applications Development Analyst II	9	-26.8%	-12.7%
74. Hazardous Material Operations Specialist	5	-26.9%	-8.7%
75. Real Property Appraiser III	8	-27.2%	-10.3%
76. Mail Technician II	4	-27.2%	-0.9%
77. Account Specialist Supervisor	5	-27.9%	-10.9%
78. Sheriff's Lieutenant	10	-28.2%	-14.5%
79. Human Resources Manager	6	-28.5%	-15.2%



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Classification Title	# of Matches	Top Monthly % Above or Below	Total Compensation % Above or Below
80. Undersheriff	7	-28.6%	-14.3%
81. Administrative Analyst II	9	-28.8%	-12.9%
82. Cook	8	-29.0%	-6.0%
83. Assessment Information Supervisor	4	-29.5%	-16.9%
84. Retirement Specialist II CONF	9	-30.1%	-13.1%
85. Staff Services Administrator	5	-30.3%	-14.3%
86. Deputy Sheriff-Coroner II	10	-30.6%	-11.8%
87. Substance Abuse Program & Services Manager	7	-31.4%	-16.5%
88. District Attorney Investigator	8	-31.5%	-51.8%
89. Animal Facility Attendant	4	-31.5%	-9.2%
90. Network Systems Analyst II	9	-31.6%	-16.6%
91. Chief District Attorney Investigator	8	-31.6%	-18.2%
92. Building Maintenance Mechanic II	9	-31.7%	-9.9%
93. Program Manager	8	-32.2%	-17.9%
94. Juvenile Corrections Officer	8	-32.7%	-9.2%
95. Sheriff's Sergeant	10	-33.4%	-15.5%
96. Food and Laundry Service Supervisor (Jail)	5	-34.1%	-12.4%
97. Department Analyst II	10	-34.4%	-16.4%
98. Grounds Maintenance Technician II	10	-35.0%	-10.4%
99. Auto Mechanic II	10	-35.8%	-12.6%
100. Deputy Director Transportation MT Services	7	-36.0%	-21.4%
101. Deputy CEO	7	-36.1%	-25.4%
102. Director Environmental Health	5	-36.5%	-22.3%



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Classification Title	# of Matches	Top Monthly % Above or Below	Total Compensation % Above or Below
103. Deputy District Attorney II	8	-36.8%	-17.9%
104. Facility Project Specialist II	4	-37.2%	-18.1%
105. Civil Engineer	9	-38.9%	-21.5%
106. Director Child Support Services	8	-39.7%	-26.2%
107. Director Transportation	7	-41.2%	-28.4%
108. Deputy Director of Social Services	7	-41.4%	-26.1%
109. Deputy County Counsel II	9	-41.7%	-24.3%
110. Deputy Public Defender II	6	-43.3%	-24.0%
111. Environmental Health Manager	5	-43.3%	-28.0%
112. Deputy Director Mental Health Clinical Services	6	-44.9%	-28.6%
113. Physical Therapist	7	-47.7%	-28.2%
114. Information Systems Network Manager	9	-48.1%	-31.5%
115. County Counsel	9	-53.1%	-37.8%
116. Public Defender Investigator	5	-53.3%	-31.6%
117. Deputy Director Transportation - Engineering	6	-70.6%	-49.5%
118. Air Pollution Control Officer	3	Insufficient Data	
119. Air Quality Specialist	2	Insufficient Data	
120. Animal Clinic Technician	3	Insufficient Data	
121. Animal Control Assistant	0	Insufficient Data	
122. Animal Control Shelter Supervisor	3	Insufficient Data	
123. Benefits Specialist	1	Insufficient Data	
124. Bookmobile Driver	1	Insufficient Data	



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Classification Title	# of Matches	Top Monthly % Above or Below	Total Compensation % Above or Below
125. Cartographer Planner	0	Insufficient Data	
126. Chief Fiscal Officer	3	Insufficient Data	
127. Chief Operations Officer HHSA	2	Insufficient Data	
128. Child Support Accounting Specialist	1	Insufficient Data	
129. Communications Coordinator	0	Insufficient Data	
130. Department Application Specialist	1	Insufficient Data	
131. Deputy Director Substance Use Disorder Treatment	3	Insufficient Data	
132. Director Animal Care	3	Insufficient Data	
133. Director Cultural Services	0	Insufficient Data	
134. Executive Coordinator	2	Insufficient Data	
135. GIS Coordinator	3	Insufficient Data	
136. Information Services Division Manager	0	Insufficient Data	
137. Inmate Services Coordinator	1	Insufficient Data	
138. Museum Curator	2	Insufficient Data	
139. Payroll Officer	1	Insufficient Data	
140. Registered Veterinary Technician	2	Insufficient Data	
141. Retirement Financial/Investment Officer	1	Insufficient Data	
142. Safety Officer	2	Insufficient Data	
143. Spay Neuter Adoption Coordinator	0	Insufficient Data	
144. Surveyor II	0	Insufficient Data	
145. Vital Statistics Technician	2	Insufficient Data	



Base Salary

Top monthly salary market results show that two (2) benchmark classifications are paid above the market average:

- One (1) classification is paid above the market average by less than 5%;
- One (1) classification is paid above the market average by more than 5% and less than 10%;

Top monthly salary market results show that one hundred fifteen (115) benchmark classifications are paid below the market average:

- Six (6) classifications are paid below the market average by less than 5%;
- Eleven (11) classifications are paid below the market average by 5% or more and less than 10%;
- Thirty (30) classifications are paid below the market average by more than 10% and less than 20%;
- Thirty-four (34) are paid below the market average by 20% or more and less than 30%;
- Thirty-four (34) are paid below the market average by more than 30%.

There were twenty-eight (28) classifications in which K&A was unable to find four (4) matches within the comparator agencies and are indicated by an Insufficient Data notation.

Of the 117 benchmarks that sufficient data was obtained, seven (7), or six percent (6%) fell within 5% of the market average. Generally, a classification falling within 5% of the average is considered to be competitive in the labor market for salary survey purposes because of the differences in compensation policy, actual scope of work, and position requirements. However, the County can adopt a different standard.

Total Compensation

Total compensation market results show that thirty (30) benchmark classifications are paid above the market average:

- Twenty (20) classifications are paid above the market average by less than 5%;
- Seven (7) classifications are paid above the market average by more than 5% and less than 10%; and
- Three (3) classifications are paid above the market average by more than 10% and less than 20%.

Total compensation market results show that eighty-six (86) benchmark classifications are paid below the market average:

- Twenty (20) classifications are paid below the market average by less than 5%;
- Twenty-two (22) classifications are paid below the market average by more than 5% and less than 10%;



- Twenty-seven (27) classifications are paid below the market average by more than 10% and less than 20%.
- Twelve (12) are paid below the market average by more than 20% and less than 30%;
- Five (5) are paid below the market average by more than 30%.
- One (1) classification is paid at market average.

Of the 117 benchmarks that sufficient data was obtained, forty (40), or thirty-four percent (34%) fell within 5% of the market average. Overall, the differences between market base salaries and total compensation indicate that the County's benefits package puts the County at a more competitive advantage. Further analysis indicates that, on average, classifications are 22.8% below the market average for base salaries, while that figure changes to 8.6% below the market average for total compensation, which is a 14.2% difference (i.e., the County "gains" a 14.2% competitive advantage when taking benefits into consideration).

Benefits

The market benefits data reveals the major contributing factor providing the competitive advantage is the County's contribution to healthcare. We found that the County contributed a dollar amount approximately 38% greater than the average of the ten comparator agencies.

INTERNAL SALARY RELATIONSHIPS

Building from the salary levels established for identified benchmark classes, internal salary relationships can be developed and consistently applied in order to develop specific salary recommendations for all non-benchmarked classifications. While analyzing internal relationships, the same factors analyzed when comparing the County's classifications to the labor market are used when making internal salary alignment recommendations.

In addition, the following are standard human resources practices that are commonly applied when making salary recommendations based upon internal relationships:

- A salary within 5% of the market average or median is considered to be competitive in the labor market for salary survey purposes because of the differences in compensation policy and actual scope of the position and its requirements.
- Certain internal percentages are often applied. Those that are the most common are:
 - The differential between a trainee and experienced (or journey) class in a series (I/II or Trainee/Experienced) is generally 10% to 15%.
 - A lead or advanced journey-level (III or Senior-level) class is generally placed 10% to 15% above the journey-level.
 - A full supervisory class is normally placed at least 15% to 25% above the highest level supervised, depending upon the breadth and scope of supervision.



- Depending on the organizational structure and scope of responsibility mid-management classifications would typically be aligned at least 15% to 40% above the highest level supervised.
- When a market or internal equity adjustment is granted to one class in a series, the other classes in the series are also adjusted accordingly to maintain internal equity.

Internal equity between certain levels of classifications is a fundamental factor to be considered when making salary decisions. When conducting a market compensation survey, results can often show that certain classifications that are aligned with each other are not the same in the outside labor market. However, as an organization, careful consideration should be given to these alignments because they represent internal value of classifications within job families, as well as across the organization.

For the purposes of this study, the County should utilize market data to develop the salary recommendations for all of the benchmarked classifications and use internal equity principles to make the salary recommendations for the classifications that were not benchmarked. For the non-benchmarked classifications, internal alignments with other classifications will need to be considered, either in the same class series or those classifications that have similar scope of work, level of responsibility, and “worth” to the County. Where it is difficult to ascertain internal relationships due to unique qualifications and responsibilities, reliance can be placed on past internal relationships. It is important for County management to carefully review these internal relationships and determine if they are still appropriate given the current market data.

It is also important to analyze market data and internal relationships within class series as well as across the organization, and make adjustments to salary range placements, as necessary, based on the needs of the organization.

The County may want to make internal equity adjustments or alignments, as it implements the compensation strategy. This market survey is only a tool to be used by the County to determine market indexing and salary determination.

Pay Philosophy

The County has many options regarding what type of compensation plan it wants to implement. This decision will be based on what the County’s pay philosophy is, at which level it is able to pay its employees compared to the market, whether it is going to consider additional alternative compensation programs, and how great the competition is with other agencies over recruitment of a highly qualified workforce.

Options for Implementation

Each organization will have to assess their ability and positioning relative to the market. While the County may be interested in bringing salaries to the desired market position, in most cases this goal may not be reached with a single adjustment. One option is to move employees into the salary range that is recommended for each class based on this market study and to the step within the new range that is closest to their current compensation. If employees’ current



salaries are significantly below market so that their current compensation falls below the bottom of the newly recommended range, then larger adjustments would be needed to move those employees at least to the bottom of the new salary range.

Another option is to use a phased implementation approach. Normally, if the compensation implementation program must be carried over months or years, the classes that are farthest from the desired market position should receive the greatest equity increase (separate from any COLAs). If a class falls within 5% of the desired market position, it would be logical to not make an equity adjustment in the first round of changes. However, if a class is more than 5% below the desired market position, a higher percentage change may be initially warranted to reduce the disparity.

For example, if the County decided to implement the recommendations over a three-year period, then the following guidelines could be applied for the initial increase of the three-year implementation plan:

Table 4. Three-Year Implementation Proposal

Market Disparity	% Increase
0 to 4.99%	0 to 2.49%
5.0% to 9.99%	2.5% to 4.99%
10.0% to 14.99%	5.0% to 7.49%
15.0% to 19.99%	7.5% to 9.99%
20.0% and above	10.0%

The initial first year adjustment would provide a portion of the equity increase and place the class into the closest step (but not below) where they are now. Subsequent increases would be spaced on a similar schedule (at annual intervals) based upon the remaining disparity after each adjustment.

Please note that typically, for those classes that had a market disparity of 0 to 4.99%, K&A recommends a 0% increase in the first year and an adjustment in the second year. Depending upon the County's financial situation, which will have to be reviewed before each further adjustment is made, all market disparity adjustments are intended to be completed by the third year. The County may also consider a similar implementation plan over a longer period of time, like a five-year implementation plan.

The County will need to spend additional time to go through a process of deliberation and decision-making as to what compensation philosophy it should implement to attract, motivate, and retain a high-quality workforce. However, the County may want to consider adjusting those classifications' salaries that are currently below the desired market position as soon as possible, assuming that incumbents' performance meets the County's level of expectation.



When classifications are over market, K&A typically recommends Y-rating employees whose current pay exceeds the maximum of the recommended range until the market numbers “catch up” with their current salary. To Y-rate an employee means to keep the employee’s salary frozen and to provide no salary increases (including no cost of living adjustments) until the employee’s current salary is within the recommended salary range. This will result in no immediate loss of income, but will delay any future increases until the incumbent’s salary is within the salary range.

Other options to “freezing” a classification’s salary in place until the market catches up are:

- **“Grandfathering” of salary ranges:** This means that the salary range for the classification is adjusted down to what the market numbers are. However, current incumbents would continue being paid at the current rate of pay (which would put them outside of the new and adjusted salary range for the class) until they separate from employment with County. Any new-hires would be paid within the newly established salary range.
- **Single-incumbent classes:** If a class only has one incumbent, an option would be to wait until the employee separates from employment with County and then adjust the salary range for the class according to the market.
- **Recent hires:** Some employees who have recently been hired may still be at one of the lower steps within their current salary range. So, even if the top of their current salary range is above market, the incumbents are currently still paid below the market maximum because they are not at the top of their current salary range. In this case, an immediate salary range adjustment could be made to bring the salary range within the market. This would bring the affected incumbents either to the top of the market range or very close to it, but they would not technically be Y-rated or lose any pay.

Another option, of course, is to actually reduce salaries down to the market. However, from an employee relations perspective this may not be a viable option.

USING THE MARKET DATA AS A TOOL

K&A would like to reiterate that this report and the findings are meant to be a tool for the County to create and implement an equitable compensation plan. Compensation strategies are designed to attract and retain excellent staff; however, financial realities and the County’s expectations may also come into play when determining appropriate compensation philosophies and strategies. The collected data presented herein represents a market survey that will give the County an instrument to make future compensation decisions.

It has been a pleasure working with County on this critical project. Please do not hesitate to contact us if we can provide any additional information or clarification regarding this report.

Respectfully submitted by,

Koff & Associates



Total Compensation Study – Final Report County of Mendocino

A handwritten signature in purple ink, appearing to read 'Katie Kaneko', is written over a faint, light blue rectangular background.

Katie Kaneko
President



Appendix I

Results Summary



Appendix II

Market Compensation Data Spreadsheets