



Colorado River District

Protecting Western Colorado Water Since 1937

MEMORANDUM OCTOBER 5, 2018

TO: BOARD OF DIRECTORS

FROM: ANDY MUELLER, GENERAL MANAGER
AUDREY TURNER, ADMINISTRATIVE CHIEF

SUBJECT: TRIENNIAL COMPENSATION STUDY FROM EMPLOYERS COUNCIL

ACTION: *Staff requests Board acceptance of the 2018 Compensation Study and related salary range adjustments.*

STRATEGIC INITIATIVE(S): *11.A. The River District will seek to be an attractive and competitive employer in the region, state, and water community. This includes maintaining, to the best of its ability, a highly competitive compensation package and supporting the work-life balance that is valued by the District and its employees.*

It has been the practice of this District to conduct a compensation study every three years to commission a market check to make sure our salary ranges are in line with the Board's pay policy of setting the midpoint of salary ranges at the 65th percentile of our competitive labor market. Outside of salary survey adjustments, annual adjustments are made to salary ranges based on survey data from Employers Council. These adjustments typically range from 0.8 to 2% annually.

Susan Owens conducted the study since the late 1990s but has retired from this type of work. Staff engaged a new consultant, Employers Council (formerly Mountain States Employers Council). The River District has been a member of Employers Council for decades. The compensation study is broken into two parts. The surveys department of Employers Council collected the survey data and the compensation department analyzed the data and made recommendations and findings. Consistent with past practice, staff identified 47 employer contacts which the River District considers competitive employers. These are employers with whom we are likely to compete for key employees when we are hiring. Unfortunately, we had a lower response rate this year. Only 21 employers responded to the survey whereas 36 organizations responded in 2015. However out of those 21 employers, 17 of the respondents were also respondents to the survey in 2015. This should assist us in providing a consistent sample of the marketplace.

Published surveys are also utilized where available. Typically, the published survey data is weighted 50% with the custom survey also weighted 50%. The result is compared to the midpoint of the existing range. If the result is outside the range of 90-110% of the current midpoint, an adjustment to the salary range may be recommended.

The survey is still in its final stages and will be distributed to the Board once we have the final product. Overall, the news is positive in that the new salary survey, despite being performed by a

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different consultant, demonstrates that our salary ranges are in fact comparable to and competitive with the marketplace. Further, the compensation study illustrates that the annual adjustments to the salary ranges has kept them in line with the market. There are, as to be expected, a few positions identified for adjustments to the salary range. As a reminder, these adjustments are strictly for the salary range. Individual salaries may be adjusted as well at the discretion of the General Manager.

Terri Evans from Employers Council in Denver will be at the Board meeting to present the findings of the compensation study and will be available for any questions.