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In December of last year, DDA Human Resources was engaged to conduct a market analysis of Swift County's compensation system, to report our findings, and to recommend changes to your existing compensation system. We have completed this work. This letter outlines our findings and recommendations.

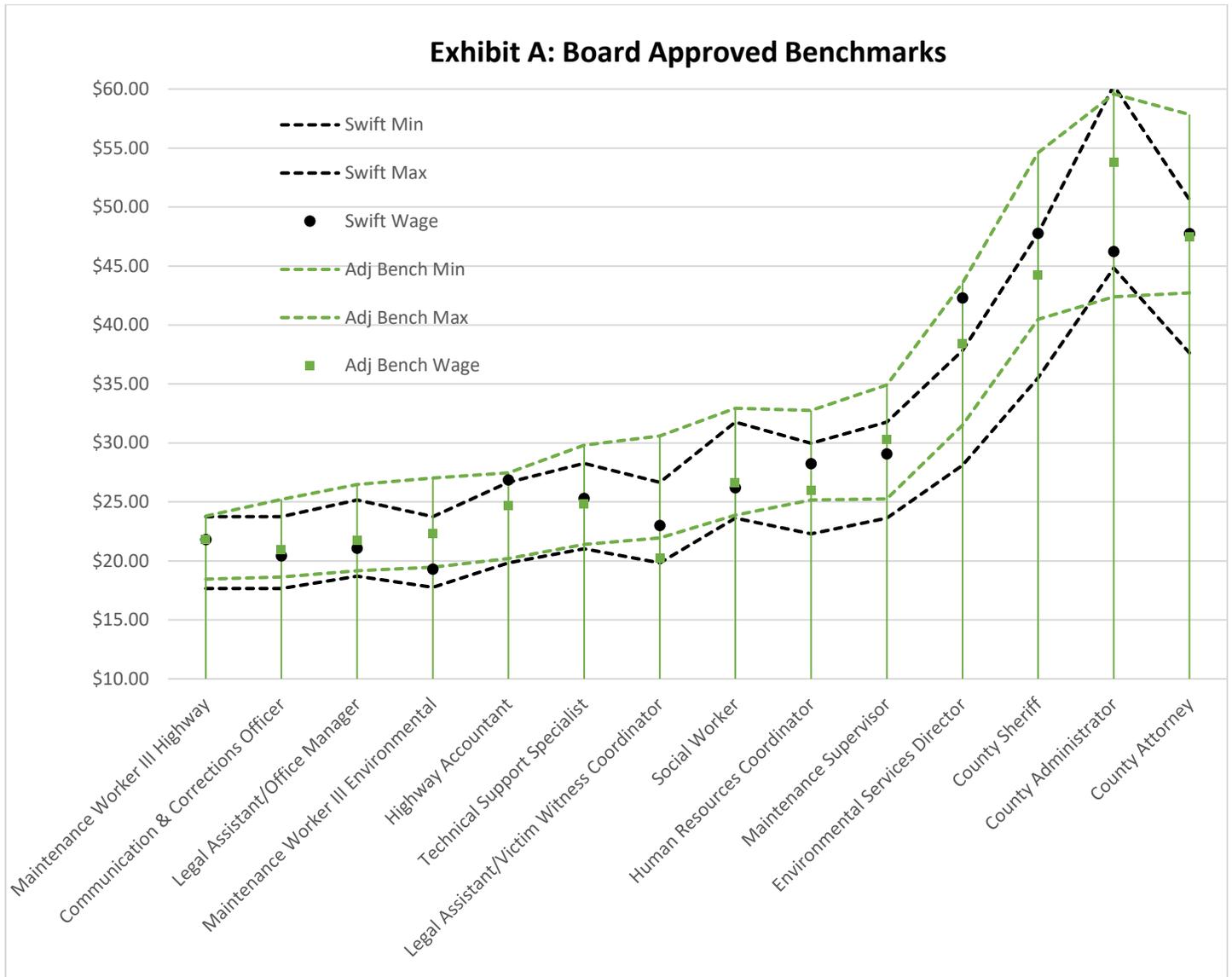
Benchmark Communities and Jobs

A list of 17 jurisdictions in the region were selected to serve as a comparison group – benchmarks. The list includes both counties in your region which are similar to you in terms of size, service offerings, tax capacity, and cities and counties with whom you may compete for employees.

Big Stone	Martin
Chippewa	Meeker
City of Appleton	Pope
City of Benson	Renville
City of Morris	Rock
Grant	Stevens
Kandiyohi	Traverse
Lac Qui Parle	Yellow Medicine
Lyon	

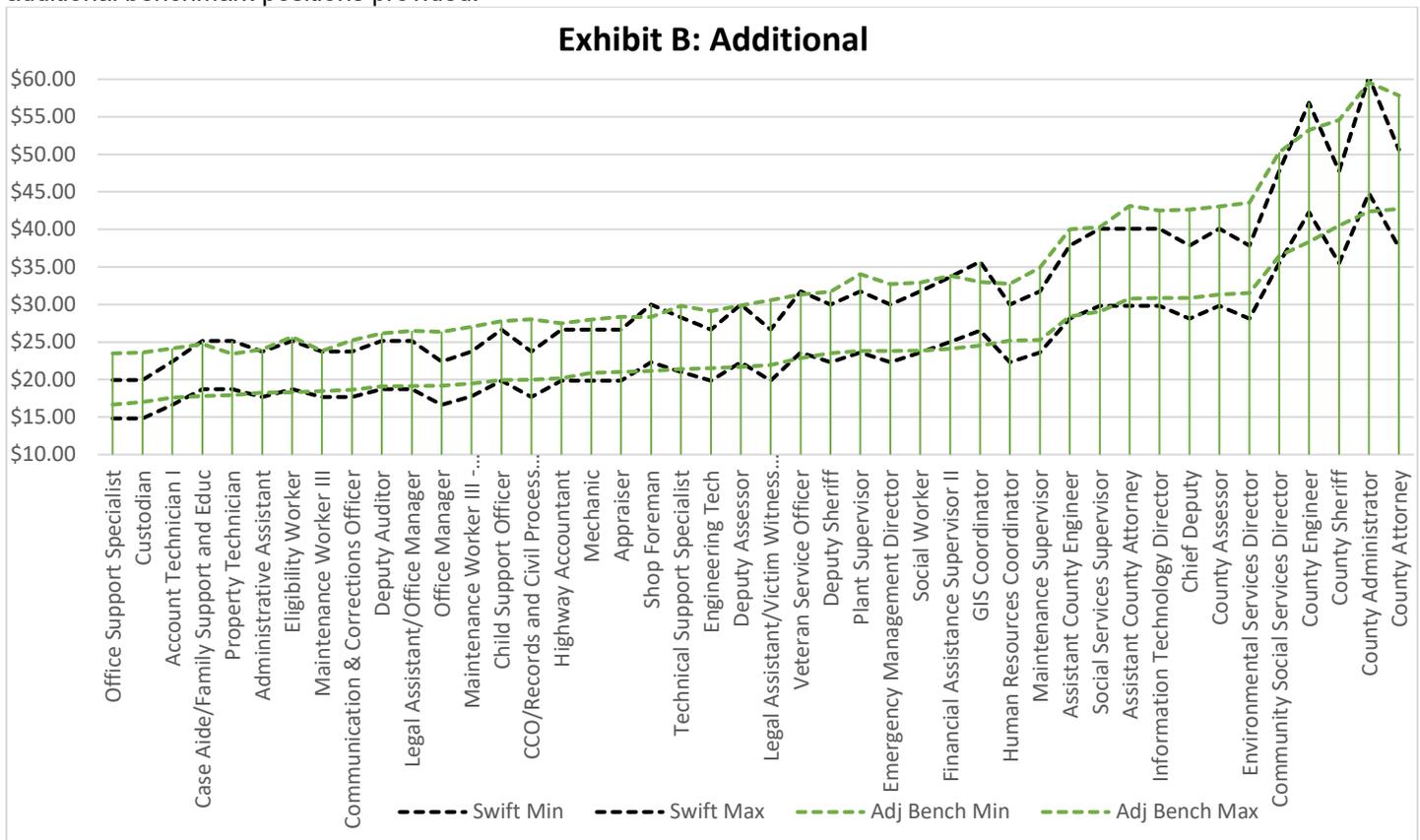
Communication and Corrections Officer	Maintenance Worker III Highway
Maintenance Worker III Environmental Services	Legal Assistant/Office Manager
Legal Assistant / Victim Witness Coordinator	Highway Accountant
Technical Support Specialist	HR Coordinator
Maintenance Supervisor	Social Worker
Environmental Director	County Sheriff
County Attorney	County Administrator

Wage data was collected on a sampling of jobs that you have in common with these jurisdictions. Exhibit A shows the distribution of wages benchmark communities pay for these jobs approved by the County Board.



The above graph illustrates that Swift County current pay structure is slightly below market average for minimum rates and maximum rates. While the pay ranges may be below market, Swift is currently paying at or above market rate for current pay for 11 of the 14 jobs. Based on this graph, slight adjustments to the current pay structure will maintain competitive wages for Swift County. Currently the County Attorney position wage range is most in disagreement to the market. However, the current rates are very competitive to market rates. It should be advised, that this position is elected, and wages are generally set by the Board based.

While the above graph provides a snapshot of Swift County compared to the market, we wanted to provide a snapshot with more benchmark jobs to ensure that the pay structure was fair for entry level positions, mid-level positions, supervisor positions and department head positions. The below graph illustrates Swift County in comparison to the market with additional benchmark positions provided.



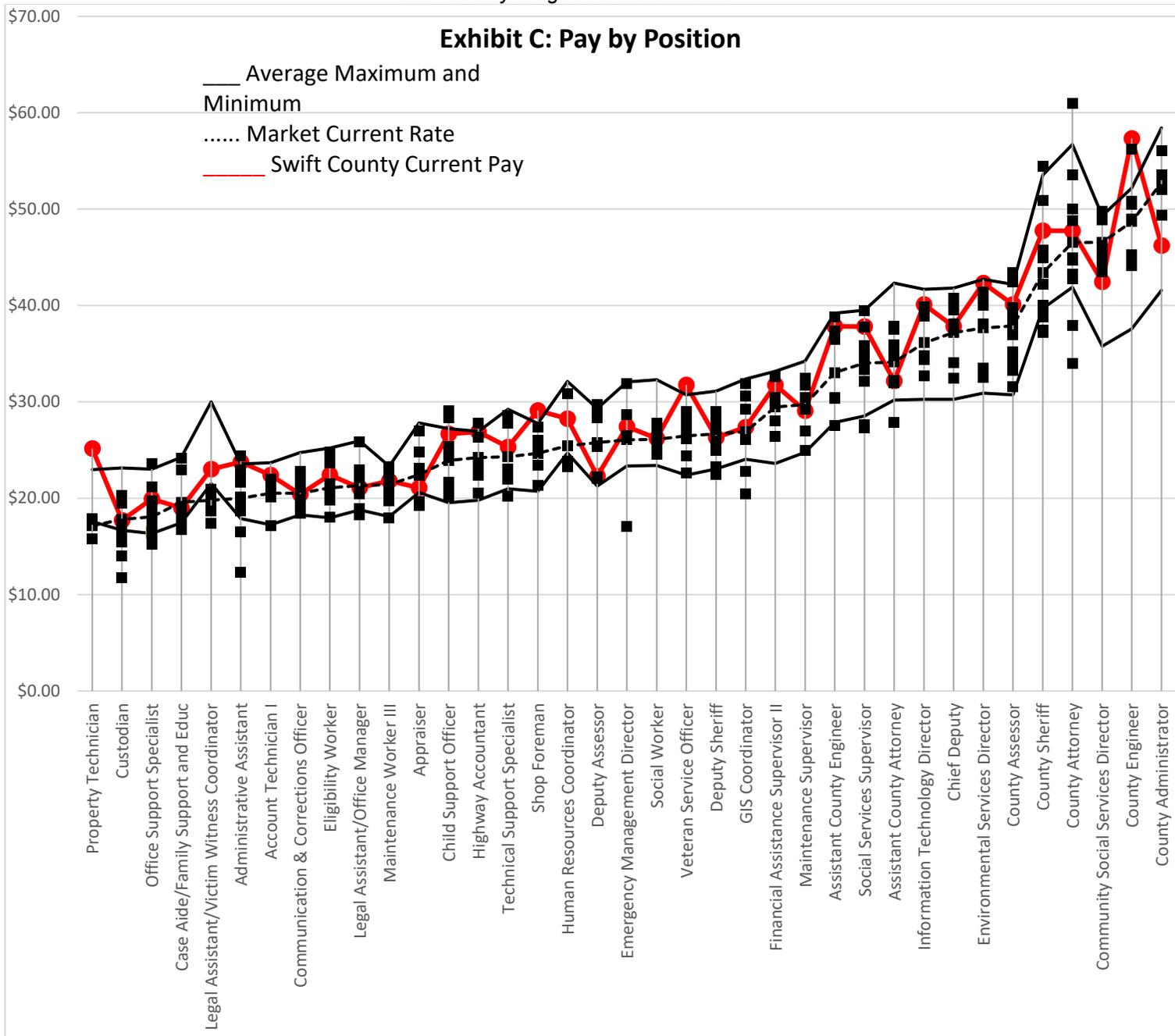
While the above graph is similar to the first illustration, it does show that the entry level positions at Swift County have wage ranges that are moderately under market pay. Overall the pay structure at Swift County is in general alignment with the market and would suggest minor adjustments at the entry level positions are needed to the pay structure.

When looking at how current wage ranges are paid in comparison to the market, we would recommend further investigation to determine if the job is properly classified:

- Office Manager
- Custodian
- Communication and Corrections Officer
- CCO/ Records and Civil Process Specialist
- Human Resources Coordinator
- Office Support Specialist
- Environmental Services Director
- Legal Assistant/ Victim Witness Coordinator
- GIS Coordinator
- Property Technician
- Maintenance III
- Maintenance III- Environmental Services

As a result, Swift County's current pay structure currently functions with the minimum rates near market average and the maximum rates slightly below market average.

Exhibit 1:
Swift County Wages vs. Benchmarks



Care must be exercised in reading too much into simple wage comparison data for any particular job, as employee tenure has a major impact on wages that is not really shown by a simple wage analysis. A job with a high number of new employees, for example, will likely appear under-paid when compared to a group of more seasoned employees from other communities.

This shortcoming is overcome by comparing salary plan information rather than wage information. Exhibit B illustrates the market average wage range and benchmark current wages.

Overall Recommendations

Swift County’s current pay plan is a conventional grade and step system. This is a very common type of system, and it is used in some form by most counties in your region. Jobs with similar job duties and responsibilities are grouped into pay grades, which are then ranked order of importance to the jurisdiction. Swift County has pay grades ranked from 6 to 26. Each of these pay grades is structured with a series of 11 steps. A new employee is hired at or near the bottom step in the grade for that job, and the employee annually earns a “step increase” in salary as each year of successful performance is completed. Over time, the employee gradually moves from the bottom to the top of the salary range.

Exhibit D is a grid showing a close approximation of Swift County’s Pay Plan for 2019 wages. (Very slight differences of a few cents have evolved over time as the original system was manually adjusted for COLA increases.) The system is very simple; each step in the system represents a 3.0% wage increase. Likewise, each increase in pay grade represents a 6.0% wage increase from the grade below it.

Exhibit D: Swift County’s 2019 Grade & Step System

	Step	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Grade	1	2	3	4	5	6	7	8	9	10	11
6	\$14.00	\$14.42	\$14.85	\$15.30	\$15.76	\$16.23	\$16.72	\$17.22	\$17.73	\$18.27	\$18.81
6% 7	\$14.84	\$15.29	\$15.74	\$16.22	\$16.70	\$17.20	\$17.72	\$18.25	\$18.80	\$19.36	\$19.94
6% 8	\$15.73	\$16.20	\$16.69	\$17.19	\$17.70	\$18.24	\$18.78	\$19.35	\$19.93	\$20.52	\$21.14
6% 9	\$16.67	\$17.17	\$17.69	\$18.22	\$18.77	\$19.33	\$19.91	\$20.51	\$21.12	\$21.76	\$22.41
6% 10	\$17.67	\$18.20	\$18.75	\$19.31	\$19.89	\$20.49	\$21.10	\$21.74	\$22.39	\$23.06	\$23.75
6% 11	\$18.74	\$19.30	\$19.88	\$20.47	\$21.09	\$21.72	\$22.37	\$23.04	\$23.73	\$24.45	\$25.18
6% 12	\$19.86	\$20.46	\$21.07	\$21.70	\$22.35	\$23.02	\$23.71	\$24.42	\$25.16	\$25.91	\$26.69
6% 13	\$21.05	\$21.68	\$22.33	\$23.00	\$23.69	\$24.40	\$25.14	\$25.89	\$26.67	\$27.47	\$28.29
6% 14	\$22.31	\$22.98	\$23.67	\$24.38	\$25.11	\$25.87	\$26.64	\$27.44	\$28.27	\$29.11	\$29.99
6% 15	\$23.65	\$24.36	\$25.09	\$25.85	\$26.62	\$27.42	\$28.24	\$29.09	\$29.96	\$30.86	\$31.79
6% 16	\$25.07	\$25.82	\$26.60	\$27.40	\$28.22	\$29.07	\$29.94	\$30.84	\$31.76	\$32.71	\$33.69
6% 17	\$26.58	\$27.37	\$28.19	\$29.04	\$29.91	\$30.81	\$31.73	\$32.69	\$33.67	\$34.68	\$35.72
6% 18	\$28.17	\$29.02	\$29.89	\$30.78	\$31.71	\$32.66	\$33.64	\$34.65	\$35.69	\$36.76	\$37.86
6% 19	\$29.86	\$30.76	\$31.68	\$32.63	\$33.61	\$34.62	\$35.66	\$36.73	\$37.83	\$38.96	\$40.13
6% 20	\$31.65	\$32.60	\$33.58	\$34.59	\$35.63	\$36.69	\$37.79	\$38.93	\$40.10	\$41.30	\$42.54
6% 21	\$33.55	\$34.56	\$35.60	\$36.66	\$37.76	\$38.90	\$40.06	\$41.26	\$42.50	\$43.78	\$45.09
6% 22	\$35.56	\$36.63	\$37.73	\$38.86	\$40.03	\$41.23	\$42.47	\$43.74	\$45.05	\$46.40	\$47.80
6% 23	\$37.70	\$38.83	\$39.99	\$41.19	\$42.43	\$43.70	\$45.01	\$46.36	\$47.76	\$49.19	\$50.66
6% 24	\$39.96	\$41.16	\$42.39	\$43.67	\$44.98	\$46.33	\$47.72	\$49.15	\$50.62	\$52.14	\$53.70
6% 25	\$42.36	\$43.63	\$44.94	\$46.29	\$47.67	\$49.10	\$50.58	\$52.10	\$53.66	\$55.27	\$56.93
6% 26	\$44.90	\$46.25	\$47.63	\$49.06	\$50.54	\$52.05	\$53.61	\$55.22	\$56.88	\$58.58	\$60.34

Note: This chart closely replicates Swift County’s current Pay plan. It uses 3% step increases, and a 6% jump between pay grades. The slight variances between this chart and County’s actual plan are due to accumulated rounding errors from prior manual adjustments.

Exhibit E graphically show the pay range – the minimum and maximum salary -- for a sampling of Swift County jobs compares to the average salary range paid by benchmark jurisdictions. We observe that Swift County’s 30% spread in its salary ranges looks very similar to the benchmark average. Swift County’s minimum salaries running about 96% of the benchmark average, with top salaries running at about 94% of benchmark averages.

Further considerations

1. Set a clear pay philosophy. This will help determine pay structure adjustments in a consistent method.
2. More extensive analysis of job duties. You will note that the market pay ranges for several specific jobs differ noticeably from the amounts paid by the market. (Generally, a difference of 10% from the market suggests further investigation is warranted.) It is not clear whether this variance is explained because job duties are different for a position with a similar job title. It is generally recommended to review job descriptions every three years.
3. Review Job Classifications. Like previously stated, a difference of more than 10% from market suggests further investigation to determine whether the position has been improperly classified internally. It would be recommended to look at job classifications.
4. Ongoing Maintenance. A review of job descriptions and the internal classification of jobs was beyond the scope of this engagement. DDA Human Resources stands ready to provide additional assistance in these areas if desired. As an alternative, many of our clients have opted to participate in our ongoing pay plan maintenance program. For an annual fee, we not only provide an annual calibration of your salary plan to market, but we also

systematically review and update job descriptions and classifications on a rotating 3-year basis, along with forecasting and budgeting assistance. An ongoing maintenance plan keeps your compensation system always current and catches small problems before then can grow into larger ones.

5. Pay for elected officials is different. While ranges are provided by benchmark communities, there are various elements the Board must consider.