

**Recommendations of  
Salary Study For Non-  
Union Employees  
Prepared by Condrey &  
Assoc.**



# History

- The City Council authorized the Community Resources Dept. to retain Condrey & Assoc. to perform a salary study of all non-union positions in December of 2013.
- Condrey & Assoc. is a human resources consulting firm based in Athens Georgia. Dr. Condrey has over 30 years experience in human resources management and has consulted nationally and internationally with over 800 organizations on personnel issues.
- The City has used Condrey & Assoc. several times to perform salary studies for the City. Based on this history they are very familiar with the City of Rapid City and our workforce.

# History continued . . .

- Previous salary studies were completed in 2000 and 2009.
- The 2000 study was implemented over several years and the 2009 study was not implemented at all.
- As a participant in our 2009 study, Pennington County received a copy. While they did not specifically adopt the proposal, it was used by various department heads as a basis to increase wages to competitive levels for some positions within the county.
- In 2012 the City entered into contracts with all three of its bargaining units addressing salary adjustments for the next three years with the Fraternal Order of Police and four years for the International Assoc. of Fire Fighters and Assoc. of Federal, State, County & Municipal Employees.
- Due to the decision to not implement the 2009 study, the competitiveness of the salaries of the City's non-union employees has not been addressed in over 10 years.

# Objectives of the Salary Study

- Review and upgrade the current classification system and pay plan for all non-union employees of the City.
- Collect wage survey data and produce a recommended pay plan based on job analysis, job evaluation, and wage survey data.

# Salary Study Steps

In order to collect sufficient data to make the recommendations in its report, Condrey & Assoc. performed the following steps:

- Distributed position questionnaires to the City's non-union employees.
- Made an onsite visit to interview City employees from all of the departments (approximately 75% of the full time employees whose positions are covered in the study were interviewed).
- Conducted an internal analysis of salaries.
- Conducted an external analysis of salaries

# Cities to which external salary comparisons were made

## **South Dakota**

Aberdeen  
Brookings  
Sioux Falls  
Pennington County

## **Colorado**

Arvada  
Ft. Collins  
Longmont  
Grand Junction

## **Iowa**

Cedar Rapids  
Sioux City

## **Kansas**

Lawrence

## **Michigan**

Kalamazoo

## **Minnesota**

Moorhead  
St. Cloud

## **Nebraska**

Chadron

## **Wisconsin**

Appleton

## **Wyoming**

Casper  
Laramie

# Recommendations & Cost

	Classification Changes	Equity Adjustment	Total Annual Cost	General Fund Annual Cost
Plan A	\$490,540	\$356,088	\$846,628	\$642,590
Plan B	\$394,396	\$350,521	\$744,917	\$565,392
Plan A Modified	\$490,540	\$264,036	\$754,576	\$565,932
<b>Plan B Modified</b>	<b>\$394,396</b>	<b>\$260,262</b>	<b>\$654,658</b>	<b>\$496,694</b>

- **Plan B Modified brings Rapid City to approximately 47% of median according to Condrey salary survey**
- **Nonunion employees are to receive a 2.5% cost of living increase July 1, 2014 per resolution**
- **The combination of the two brings Rapid City very near the 50% median for the region according to Condrey**
- **Approximately 75% of the cost of implementation is to the General Fund**

• Figures presented are the estimated cost for equity adjustment increases. The calculations Plans A and B are based on a maximum 1 step increase for employees with 1-3 year(s) of service, a 2 step increase for employees with 4-6 years of service and a 3 step increase for employees with 7 or more years of service as of June 30, 2014. The calculations Plans A and B Modified are based on a maximum 1 step increase for employees with 1-3 year(s) of service and a 2 step increase for employees with 4 or more years of service as of June 30, 2014.



# The Proposed Plan

- Rather than recommend unilateral increases for all non-union employees, all positions were evaluated separately. Some grades increased while others decreased or stayed the same. This method did result in larger increases in salary for certain positions that were identified as being the most underpaid.
- Condrey estimates that on average the salaries for Rapid City's non-union employees are at approximately 30 to 35% of the median of the market. The proposal in the study recommends increasing salaries to 50% of the market. (i.e. if adopted it would mean half of the cities in the study would pay more for a similar position and half would pay less.)



# Why Should Rapid City Implement the Proposals contained in the Report?

- This study covers approximately 30% of the City's workforce or approximately 210 employees.
- It is important to understand that the City's non-union employees are not just upper management. The category includes secretaries, planners, IT staff, middle and front line managers, Public Safety management and other professionals who work for the City. These employees are crucial to the daily operations of the City.
- The salary study shows that the salaries of many of these employees are not where they need to be. If we want to attract qualified employees and retain the employees we have, the salaries need to be competitive.

- We have compression issues that need to be addressed. The top union employees in some positions make more with overtime than their immediate supervisors. The Fire Dept. and Police Dept. in particular are having trouble getting union employees to promote to non-union management positions based on salary issues.
- The Fire Dept. recently reclassified Captains from non-union to union positions based in part on the compression issues.
- We are having trouble filling certain positions or attracting qualified candidates with the salaries we are offering. Two notable examples are the Traffic Engineer and Human Resources Manager.