

City of Rexburg Compensation System

Grade/Step System

The Grade/Step System is used to ensure that we are wise and fair stewards of public monies.

Each full time employee that works for the City of Rexburg is assigned to a position, which position is assigned to a grade.

The base compensation of an employee is determined by the grade.

The base of a grade is typically from step 1 to step 37 (each step represents 1%).

When someone is topped out on step 37 they are eligible for a lump sum calculated as up to 4% of their salary, or as follows using the grade and step chart: \$33,919.27 less \$32,614.70 = \$1,304.57.

YEAR: 2014		CODE: GEN. DESCRIPTION: FY 2014 GENERAL SALARY TABLE										TYPE: S2		RANGE: 45		ANNUAL HOURS: 2080	
		STEP															
GRADE		1	5	9	13	17	21	25	29	33	37						
01	MONTHLY	1909.56	1985.94	2065.38	2147.99	2233.91	2323.27	2416.20	2512.85	2613.36	2717.90						
	YEAR	22914.64	23831.24	24784.49	25775.86	26806.90	27879.16	28994.34	30154.11	31360.28	32614.70						
	PERIOD	954.78	992.97	1032.69	1073.99	1116.95	1161.63	1208.10	1256.42	1306.68	1358.95						
	HOURLY	11.010	11.450	11.910	12.390	12.880	13.400	13.930	14.490	15.070	15.680						
	OVERTIME	16.515	17.175	17.865	18.585	19.320	20.100	20.895	21.735	22.605	23.520						
02	MONTHLY	1985.94	2065.38	2147.99	2233.91	2323.27	2416.20	2512.85	2613.36	2717.90	2826.61						
	YEAR	23831.24	24784.49	25775.86	26806.90	27879.16	28994.34	30154.11	31360.28	32614.70	33919.27						
	PERIOD	992.97	1032.69	1073.99	1116.95	1161.63	1208.10	1256.42	1306.68	1358.95	1413.30						
	HOURLY	11.450	11.910	12.390	12.880	13.400	13.930	14.490	15.070	15.680	16.300						
	OVERTIME	17.175	17.865	18.585	19.320	20.100	20.895	21.735	22.605	23.520	24.450						

Performance Evaluations

Performance evaluations are an integral part of determining the compensation, and should be performed at least annually by the supervisor of the employee. Employees are typically evaluated for merit raises as follows:

- After their introductory period (typically 6 months after being hired).
- 1 year later.
- Every two years thereafter until reaching the ceiling of their base pay (step 37).
- Two years later the employee is eligible for a lump sum merit raise (up to 4% of salary).
- Every year thereafter they are eligible for a lump sum merit raise (up to 4% of salary).

Employees being reviewed for merit increases can receive between 0 to 4%.

Salary Study

Salary study is normally performed every 5 years.

We compare positions, not employees.

We seek to be as objective as possible, which creates fairness and a structured system.

Ensures that positions are competitive to the market (Market refers to whom we compete with for employees).

We compare salary ranges, not actual wages.

If the study suggests a change in the grade of a position, it does not affect the current wages of the employee in that respective position; it does affect the longtime earning power for that position.

Examples of How a Salary Study can affect the Grade/Step of a Position-Employee wage would not change, but their Grade and step assigned would change.

<u>Example</u>	<u>Current Grade/Step</u>	<u>New Grade/Step</u>	<u>Notes</u>
Grade goes up from 17 to 18	17/37	18/33	Next review would be for a potential step merit raise up to 37
Grade goes down from 6 to 5	6/17	5/21	Next review would be for a potential step merit raise up to 25
Grade goes down-currently topped out	8/37	7/41*	Next review would be for a potential lump sum up to 4%

*This is the only situation where we would allow an individual to be paid above step 37 in their base pay. Someone else in that same position that was not topped out at the time the salary study was adopted would have a maximum base salary of step 37.

Cost of Living Adjustment (COLA)

A COLA maintains the integrity of the wage range for positions between study years.

Annual COLA's are determined from the percent change by year on the Consumer Price Index for Jan that is released March.

There is no guarantee that a COLA will be received each year, this is something that must be approved by City Council on an annual basis through the budgeting process.

If a COLA is adopted, each step on the grade step chart is increased by that respective COLA amount.

Disclaimer: *** The City makes no promise as to what your future earnings might be when you are hired*******

It is important that employees understand the City of Rexburg Compensation System, if you have further questions, please contact a representative of the HR Department.