



BOARD OF HEALTH – Work Meeting
Agenda for November 19, 2019 at 1:00 PM

1. Call to Order
 - a. Opening ceremonies – Pledge Allegiance to the Flag of the United States of America
 - b. Roll Call
2. Public Comment
3. New Business
 - a. Classification and Compensation Study Results*
 - b. MERS Actuarial Studies*
4. Adjournment

BRANCH-HILLSDALE-ST. JOSEPH COMMUNITY HEALTH AGENCY



CLASSIFICATION AND COMPENSATION STUDY

MUNICIPAL CONSULTING SERVICES LLC

MUNICIPAL CONSULTING SERVICES LLC

October 25, 2019

Rebecca A. Burns, M.P.H., R.S.
Health Officer
Branch-Hillsdale-St. Joseph Community Health Agency
570 Marshall Rd.
Coldwater, MI 49036

Dear Ms. Burns,

We have completed the classification and compensation study for Branch-Hillsdale-St. Joseph Community Health Agency. This final report presents the results of the study as well as the documentation required to implement and maintain a classification and compensation system on an ongoing basis.

The report is organized in a series of sections and appendices as follows:

- Section I: Overview of the classification and compensation study;
- Section II: Results of the study and suggestions for implementation;
- Section III: Classification and compensation system maintenance;
- Section IV: Employee benefits comparison;
- Appendix A: Job analysis questionnaire;
- Appendix B: Job evaluation plan and rankings;
- Appendix C: Market survey results;
- Appendix D: Suggested grade and salary structure with additional information;
- Appendix E: Summary of employee benefits comparison.

In summary, the study has resulted in a comprehensive pay system analysis based on fundamental principles of wage and salary administration. Major tasks in the study process have included:

- Development of a list of comparable employers;
- Interviews with department heads;
- Establishment of internal positional ranking;
- Development of a market survey and analysis of the resulting survey data;
- Development of a pay grade structure and corresponding suggestions for implementation of a new compensation system.

Primary components of the completed pay system include:

- The development of a pay grade structure based on an evaluation of internal position requirements;
- Pay ranges that provide a basis for evaluating the current pay levels of employees;
- A sample progression schedule for moving employees through pay ranges;

- Comparative summary analysis of employee benefits;
- The data and information necessary for informed decision-making regarding pay and benefit levels for affected employees;
- A final report developed as a system that can be used for ongoing pay system administration.

We have appreciated the opportunity to assist Branch-Hillsdale-St. Joseph Community Health Agency in this important study. Should you have any questions related to this report please contact me at 734.904.4632.

Very truly yours,

A handwritten signature in black ink that reads "Mark Nottley". The signature is written in a cursive style with a large, looping initial "M".

Mark W. Nottley, Principal
Municipal Consulting Services LLC

SECTION I

**OVERVIEW OF THE CLASSIFICATION AND
COMPENSATION STUDY**

SECTION I

OVERVIEW OF THE CLASSIFICATION AND COMPENSATION STUDY

The classification and compensation analysis contained in this report has been designed specifically for job classifications in Branch-Hillsdale-St. Joseph Community Health Agency (BHSJ). It encompasses fundamental principles related to wage and salary administration and the proper evaluation of internal and external pay factors.

In the following subsections we provide information concerning the project approach, the results of the study and the components of the classification and compensation system that we are suggesting for employees.

JOB ANALYSIS AND JOB DESCRIPTION DEVELOPMENT: THE FIRST MAJOR TASK

To accurately evaluate compensation, it is necessary to gain a strong working knowledge of each affected position. To accomplish this, we performed the following tasks:

- A variety of data was requested and reviewed including job descriptions, the current pay schedule, personnel policies pertaining to pay and other information related to compensation and pay practices.
- Employees completed a job analysis questionnaire concerning their respective duties and positional requirements (see Appendix A).
- Following review of the above information, interviews were conducted with department heads to gain additional insight into each job.
- Comprehensive job descriptions were then developed for each position utilizing the assembled information. The findings, conclusions and recommendations in the report are based on the duties and responsibilities specified in the job descriptions. The job descriptions have been submitted electronically to BHSJ in a Word format to allow for any future changes to job duties or requirements.

BHSJ should retain the job analysis questionnaire for future reference purposes, and as a tool to be used to maintain accurate job descriptions.

If modifying or creating new classifications, BHSJ should employ a similar job analysis methodology (i.e. questionnaire completion, department head interview, job description development or modification).

JOB EVALUATION: ESTABLISHING INTERNAL RANKING

Following the job analysis process, we proceeded to determine the relative internal value of the studied positions. This process involved:

- Development and weighting of a job evaluation plan (see Appendix B).
- The evaluation of each position as measured against specific job evaluation factors including:
 - Education and relevant experience
 - Judgment and independence of action
 - Internal and external relations
 - Supervisory or managerial responsibility
 - Job complexity
 - Responsibility for the welfare and safety of others
 - Technology use
 - Impact on programs, services and operations
 - Document concentration
 - Work environment.
- The ranking of each position based on the resulting point totals (the ranking results are also included in Appendix B).

MARKET SURVEY: DETERMINING PAY COMPARABILITY

As a next step in the process, we proceeded to design and conduct a salary and employee benefits survey. This included the following tasks:

- A list of comparable employers was developed based on discussion with BHSJ's Health Officer and Director of Administration as well as our knowledge of health departments in Michigan. This list included similarly-sized health agencies or others that are in geographic proximity and/or share attributes held by BHSJ. (The list of surveyed health agencies is presented in Appendix C with supporting demographic data.)
- A survey instrument was then developed which provided a description of each studied position and elicited information concerning wage levels and employee benefits.
- Completed surveys were received from eleven health agencies including:
 - Barry/Eaton District Health Department
 - Berrien County Health Department
 - Calhoun County Health Department
 - Central Michigan District Health Department
 - District Health Department #10

- Jackson County Health Department
- Kalamazoo County Health and Human Services
- Lenawee County Health Department
- Mid-Michigan District Health Department
- Monroe County Health Department
- Van Buren/Cass County District Health Department.

Additionally, wage data was collected for select positions (including registered nurses) from local area community mental health agencies as well as state-wide area agencies on aging.

It should be mentioned that each organization surveyed in this study is unique in its own regard, with different organizational structures and alternative allocations of duties among employees. Further, not every employer delivers the same mix of services found in BHSJ. Consequently, we have carefully scrutinized the assembled data and used only the information that is applicable to BHSJ's positional pool.

Essentially, the focus of our market analysis was to determine the likely job market for each of BHSJ's positions. Our objective was to identify positions with similar responsibilities, requiring similar knowledge, skill and expertise. (See Appendix C for the wage survey results and all related materials.)

PAY STRUCTURE: DEVELOPING PAY GRADES AND SALARY RANGES

The job evaluation results (contained in Appendix B) and the market survey data (contained in Appendix C) provided the basis for developing a suggested grade structure and corresponding pay ranges (contained in Appendix D and discussed in Section II). Related to this:

- The grade structure organizes the classifications into nine pay grades, based on the job evaluation rating results. (The job evaluation point range parameters established for each pay grade should remain constant for ongoing program integrity.)
- Proposed salary ranges were then developed from an analysis of the salary survey. The ranges are designed to have maximum values that approximate the reported average market levels for range maximums. The widths of the pay ranges (i.e. 20%) were determined based on discussion with BHSJ and are very close to what is currently used.

OVERVIEW OF THE FOLLOWING SECTIONS OF THE REPORT

The suggested pay ranges are discussed in greater detail in the following Section II of the report along with approaches for implementation of the pay/grade structure and related pay system.

Section III of the report focuses on techniques for maintaining the pay system for ongoing use in the event that BHSJ elects to adopt the pay system.

Lastly, Section IV provides discussion regarding the comparison of employee benefits. BHSJ may find this information to be useful in evaluating the impact of employee benefits on total compensation or in comparing particular benefit levels. All employee benefit survey results are summarized in a matrix in Appendix E of the report.

SECTION II

RESULTS OF THE STUDY AND SUGGESTIONS FOR IMPLEMENTATION

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RESULTS OF THE STUDY AND SUGGESTIONS FOR IMPLEMENTATION

In regard to implementing the compensation study results, it is our policy to provide suggestions and supporting data for consideration, but not attempt to establish compensation policies for our clients. Adoption of the study's findings is a policy matter to be decided by the Board of Health who must consider financial and other policy constraints. Within this context we offer the following.

SUGGESTED PAY GRADES AND RANGES

As discussed in Section I, job analysis and market survey provide the basis for the suggested pay grades and ranges contained in Exhibit 1 below. Midpoints are structured to reflect market averages, as determined by the market survey. The suggested grade and salary structure is also illustrated in Appendix D with information pertaining to point parameters and market averages.

Exhibit 1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Suggested Pay Grades and Ranges

Pay Grade	Title	Minimum of New Range	Midpoint of New Range	Maximum of New Range
1	Environmental Health Assistant Clerk	\$12.29	\$13.52	\$14.75
2	WIC Breastfeeding Peer Counselor	\$13.83	\$15.22	\$16.60
2	Administrative Support Clerk			
2	CSHCS-Representative			
2	Vision and Hearing Technician			
2	Immunization Clerk			
2	Clinic Clerk Technician			
3	Area Agency on Aging Program Specialist	\$15.63	\$17.19	\$18.76
3	Area Agency on Aging Outreach Specialist			
3	Environmental Health Administrative Assistant			
3	Clinic Administrative Assistant			
4	Area Agency on Aging - VOCA Elder Abuse Victim Specialist	\$17.66	\$19.43	\$21.20
4	Fiscal Support Specialist			
5	OPEN GRADE	\$19.96	\$21.96	\$23.95
6	Health Educator	\$22.55	\$24.81	\$27.07
6	Environmental Health Sanitarian I			
6	Area Agency on Aging Social Work Care Consultant			

Exhibit 1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Suggested Pay Grades and Ranges (cont'd)

Pay Grade	Title	Minimum of New Range	Midpoint of New Range	Maximum of New Range
7	Environmental Health Sanitarian II	\$25.49	\$28.04	\$30.58
7	Finance and IT Support Specialist			
7	Area Agency on Aging RN Care Consultant			
7	Community Health Services Registered Nurse			
7	Public Health Registered Nurse			
7	Accountant			
7	Emergency Preparedness Coordinator			
7	IT Network Manager			
8	Clinic Supervisor	\$28.80	\$31.68	\$34.56
8	Community Health Services Supervisor			
8	Environmental Health Supervisor			
9	Area Agency on Aging Director	\$33.50	\$36.85	\$40.20
9	Environmental Health Director			
9	Personal Health and Disease Prevention Director			
9	Administrative Services Director			

In regard to the above, incumbent employees have salaries that are below or within the suggested salary ranges. These situations are discussed separately below.

Employees with wage level below the range minimum

An employee with a current wage level below the minimum of the suggested range is referred to as a “green circle.” in human resources’ terminology. For BHSJ, there are 22 positions with 40 employees with green circle status. The following Exhibit 2 specifies incumbents with current wage levels below the minimum of the suggested ranges as well as the hourly cost impact required to move each employee to the range minimum.

Exhibit 2
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Cost to Move Green-Circled Positions to Range Minimum

Position	Current Salary	Range Minimum	Cost to Achieve Range Minimum Hourly	Estimated # of Hours per Year	Cost to Achieve Range Minimum Annualized
WIC Breastfeeding Peer Counselor (BC)	\$13.04	\$13.83	\$0.79	1,040	\$821.60
WIC Breastfeeding Peer Counselor (AE)	\$13.04	\$13.83	\$0.79	1,040	\$821.60
WIC Breastfeeding Peer Counselor (KL)	\$12.36	\$13.83	\$1.47	1,170	\$1,719.90
Administrative Support Clerk	\$12.72	\$13.83	\$1.11	1,170	\$1,298.70
CSHCS-Representative (NE)	\$13.45	\$13.83	\$0.38	1,950	\$741.00
CSHCS-Representative (TL)	\$13.04	\$13.83	\$0.79	1,170	\$924.30
Vision and Hearing Technician (EY)	\$13.04	\$13.83	\$0.79	1,170	\$924.30
Clinic Clerk Technician (AB)	\$12.36	\$13.83	\$1.47	1,950	\$2,866.50
Clinic Clerk Technician (BE)	\$12.36	\$13.83	\$1.47	1,950	\$2,866.50
Clinic Clerk Technician (RF)	\$13.04	\$13.83	\$0.79	1,950	\$1,540.50
Clinic Clerk Technician (LH)	\$13.04	\$13.83	\$0.79	1,950	\$1,540.50
Clinic Clerk Technician (CK)	\$12.36	\$13.83	\$1.47	1,950	\$2,866.50
Area Agency on Aging Outreach Specialist	\$13.74	\$15.63	\$1.89	1,170	\$2,211.30
Environmental Health Administrative Assistant (EH)	\$14.96	\$15.63	\$0.67	1,950	\$1,306.50
Area Agency on Aging - VOCA Elder Abuse Victim Specialist (JE)	\$16.56	\$17.66	\$1.10	1,950	\$2,145.00
Area Agency on Aging - VOCA Elder Abuse Victim Specialist (DN)	\$16.12	\$17.66	\$1.54	1,950	\$3,003.00
Environmental Health Sanitarian I (BA)	\$20.82	\$22.55	\$1.73	1,950	\$3,373.50
Environmental Health Sanitarian I (BK)	\$21.44	\$22.55	\$1.11	1,950	\$2,164.50
Environmental Health Sanitarian I (BP)	\$20.24	\$22.55	\$2.31	1,950	\$4,504.50
Environmental Health Sanitarian I (AR)	\$20.24	\$22.55	\$2.31	1,950	\$4,504.50
Area Agency on Aging Social Work Care Consultant (KP)	\$20.24	\$22.55	\$2.31	1,170	\$2,702.70
Area Agency on Aging Social Work Care Consultant (AR)	\$20.24	\$22.55	\$2.31	1,950	\$4,504.50
Finance and IT Support Specialist	\$24.07	\$25.49	\$1.42	1,950	\$2,769.00

Exhibit 2
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Cost to Move Green-Circled Positions to Range Minimum (cont'd)

Position	Current Salary	Range Minimum	Cost to Achieve Range Minimum Hourly	Estimated # of Hours per Year	Cost to Achieve Range Minimum Annualized
Community Health Services Registered Nurse	\$24.07	\$25.49	\$1.42	1,950	\$2,769.00
Public Health Registered Nurse (MA)*	\$24.07	\$25.49	\$1.42	520	\$738.40
Public Health Registered Nurse (RD)	\$24.07	\$25.49	\$1.42	1,950	\$2,769.00
Public Health Registered Nurse (CJ)	\$24.07	\$25.49	\$1.42	1,560	\$2,215.20
Public Health Registered Nurse (RP)	\$24.07	\$25.49	\$1.42	1,560	\$2,215.20
Public Health Registered Nurse (TS)	\$24.07	\$25.49	\$1.42	1,950	\$2,769.00
Public Health Registered Nurse (CS)	\$24.07	\$25.49	\$1.42	1,950	\$2,769.00
Accountant	\$23.09	\$25.49	\$2.40	1,950	\$4,680.00
IT Network Manager	\$21.44	\$25.49	\$4.05	1,950	\$7,897.50
Clinic Supervisor (DF)	\$28.03	\$28.80	\$0.77	1,950	\$1,501.50
Clinic Supervisor (YA)	\$28.03	\$28.80	\$0.77	1,950	\$1,501.50
Clinic Supervisor (AM)	\$28.03	\$28.80	\$0.77	1,950	\$1,501.50
Community Health Services Supervisor	\$26.44	\$28.80	\$2.36	1,950	\$4,602.00
Environmental Health Supervisor	\$28.03	\$28.80	\$0.77	1,950	\$1,501.50
Area Agency on Aging Director	\$30.99	\$33.50	\$2.51	1,950	\$4,894.50
Environmental Health Director	\$32.70	\$33.50	\$0.80	1,950	\$1,560.00
Administrative Services Director	\$31.93	\$33.50	\$1.57	1,950	\$3,061.50
TOTAL COST TO ACHIEVE			\$57.52		\$101,067.20

*Employee's annual hours were reported as casual. For calculation purposes the estimated number of hours per year is based on 10 hours per week.

It is suggested that the green-circled positions be moved to the minimum of the range, thereby assuring consistent application of the developed pay system. This could be a one-time adjustment or realized over a period of time. Summarily, the timing of these pay adjustments (if at all) will be a Board decision considered within the context of the Board's compensation philosophy and BHSJ's ability-to-pay.

Employees with salaries falling within the range

The salaries of the other employees fall within the suggested salary ranges. Whether the wages of these employees should, or should not be adjusted, is an issue that BHSJ must consider within the larger context of compensation philosophy. In our experience, organizations have widely differing philosophies concerning pay levels. As examples:

Exhibit 3
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Compa-Ratio Analysis

Position	Current Wage	Recommended Mid-Point	Compa-Ratio
Environmental Health Assistant Clerk	\$13.45	\$13.52	0.99
WIC Breastfeeding Peer Counselor (BC)	\$13.04	\$15.22	0.86
WIC Breastfeeding Peer Counselor (AE)	\$13.04	\$15.22	0.86
WIC Breastfeeding Peer Counselor (KL)	\$12.36	\$15.22	0.81
Administrative Support Clerk	\$12.72	\$15.22	0.84
CSHCS-Representative (NE)	\$13.45	\$15.22	0.88
CSHCS-Representative (TL)	\$13.04	\$15.22	0.86
Vision and Hearing Technician (CA)	\$14.63	\$15.22	0.96
Vision and Hearing Technician (KS)	\$14.63	\$15.22	0.96
Vision and Hearing Technician (EY)	\$13.04	\$15.22	0.86
Immunization Clerk (MG)	\$16.30	\$15.22	1.07
Immunization Clerk (HS)	\$16.30	\$15.22	1.07
Immunization Clerk (JV)	\$14.96	\$15.22	0.98
Clinic Clerk Technician (AB)	\$12.36	\$15.22	0.81
Clinic Clerk Technician (BE)	\$12.36	\$15.22	0.81
Clinic Clerk Technician (RF)	\$13.04	\$15.22	0.86
Clinic Clerk Technician (JF)	\$14.63	\$15.22	0.96
Clinic Clerk Technician (LH)	\$13.04	\$15.22	0.86
Clinic Clerk Technician (SJ)	\$14.23	\$15.22	0.93
Clinic Clerk Technician (MT)	\$14.63	\$15.22	0.96
Clinic Clerk Technician (CK)	\$12.36	\$15.22	0.81
Area Agency on Aging Outreach Specialist	\$13.74	\$17.19	0.80
Environmental Health Administrative Assistant (SH)	\$16.30	\$17.19	0.95
Environmental Health Administrative Assistant (EH)	\$14.96	\$17.19	0.87
Environmental Health Administrative Assistant (BL)	\$16.30	\$17.19	0.95
Clinic Administrative Assistant (CC)	\$16.30	\$17.19	0.95
Clinic Administrative Assistant (DC)	\$16.30	\$17.19	0.95
Clinic Administrative Assistant (JH)	\$16.30	\$17.19	0.95
Area Agency on Aging - VOCA Elder Abuse Victim Specialist (JE)	\$16.56	\$19.43	0.85
Area Agency on Aging - VOCA Elder Abuse Victim Specialist (DN)	\$16.12	\$19.43	0.83
Fiscal Support Specialist (RC)	\$17.99	\$19.43	0.93
Fiscal Support Specialist (KM)	\$19.02	\$19.43	0.98
Health Educator (RA)	\$23.38	\$24.81	0.94

Exhibit 3
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Compa-Ratio Analysis (cont'd)

Position	Current Wage	Recommended Mid-Point	Compa-Ratio
Health Educator (KM)	\$24.07	\$24.81	0.97
Environmental Health Sanitarian I (BA)	\$20.82	\$24.81	0.84
Environmental Health Sanitarian I (CJ)	\$22.70	\$24.81	0.91
Environmental Health Sanitarian I (BK)	\$21.44	\$24.81	0.86
Environmental Health Sanitarian I (BP)	\$20.24	\$24.81	0.82
Environmental Health Sanitarian I (DW)	\$24.07	\$24.81	0.97
Environmental Health Sanitarian I (JY)	\$24.07	\$24.81	0.97
Environmental Health Sanitarian I (RZ)	\$24.07	\$24.81	0.97
Environmental Health Sanitarian I (AR)	\$20.24	\$24.81	0.82
Area Agency on Aging Social Work Care Consultant (KP)	\$20.24	\$24.81	0.82
Area Agency on Aging Social Work Care Consultant (AR)	\$20.24	\$24.81	0.82
Environmental Health Sanitarian II	\$26.71	\$28.04	0.95
Finance and IT Support Specialist	\$24.07	\$28.04	0.86
Community Health Services Registered Nurse	\$24.07	\$28.04	0.86
Public Health Registered Nurse (MA)	\$24.07	\$28.04	0.86
Public Health Registered Nurse (RD)	\$24.07	\$28.04	0.86
Public Health Registered Nurse (CJ)	\$24.07	\$28.04	0.86
Public Health Registered Nurse (RP)	\$24.07	\$28.04	0.86
Public Health Registered Nurse (TS)	\$24.07	\$28.04	0.86
Public Health Registered Nurse (CS)	\$24.07	\$28.04	0.86
Accountant	\$23.09	\$28.04	0.82
Emergency Preparedness Coordinator	\$26.71	\$28.04	0.95
IT Network Manager	\$21.44	\$28.04	0.76
Clinic Supervisor (DF)	\$28.03	\$31.68	0.88
Clinic Supervisor (YA)	\$28.03	\$31.68	0.88
Clinic Supervisor (AM)	\$28.03	\$31.68	0.88
Community Health Services Supervisor	\$26.44	\$31.68	0.83
Environmental Health Supervisor	\$28.03	\$31.68	0.88
Area Agency on Aging Director	\$30.99	\$36.85	0.84
Environmental Health Director	\$32.70	\$36.85	0.89
Administrative Services Director	\$31.93	\$36.85	0.87
OVERALL COMPA-RATIO AVERAGE			0.89

A compa-ratio of less than one is below the range midpoint, or market average, and a number greater than one indicates a salary exceeding the midpoint. Exhibit 3 shows that BHSJ's

employees are paid (based on our assumed midpoint), on average, 0.89 of what their counterparts in comparable communities earn, or roughly 11% below the market average.

MOVING EMPLOYEES THROUGH THE RANGES OVER TIME

As previously discussed, with market competitive pay ranges in place, BHSJ will need to establish a plan for moving employees through the pay ranges over time. BHSJ has historically used a traditional step system. This type of system provides a rational basis for determining salary adjustments and moving employees through the ranges, thereby acknowledging time on the job and increased proficiency (as previously illustrated in Chart 1).

To facilitate implementation of the new pay system, the following Exhibit 4 illustrates a step-system option for Branch-Hillsdale-St. Joseph Community Health Agency.

The example step system shown in Exhibit 4 contains seven steps. As discussed earlier in the report, the pay ranges are 20% in width. In actuality, BHSJ could use any number of steps; the step system below is only an example based on what is currently used.

Exhibit 4
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Traditional Step System – 7 Step Example (20% Width)

Grade	Minimum			Midpoint			Maximum
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
1	\$12.29	\$12.70	\$13.11	\$13.52	\$13.93	\$14.34	\$14.75
2	\$13.83	\$14.29	\$14.75	\$15.22	\$15.68	\$16.14	\$16.60
3	\$15.63	\$16.15	\$16.67	\$17.19	\$17.71	\$18.23	\$18.76
4	\$17.66	\$18.25	\$18.84	\$19.43	\$20.02	\$20.61	\$21.20
5	\$19.96	\$20.63	\$21.29	\$21.96	\$22.63	\$23.29	\$23.95
6	\$22.55	\$23.30	\$24.06	\$24.81	\$25.56	\$26.32	\$27.07
7	\$25.49	\$26.34	\$27.19	\$28.04	\$28.89	\$29.74	\$30.58
8	\$28.80	\$29.76	\$30.72	\$31.68	\$32.64	\$33.60	\$34.56
9	\$33.50	\$34.62	\$35.73	\$36.85	\$37.97	\$39.08	\$40.20

As noted above, the example step system shown in Exhibit 4 contains seven steps within a 20% wide range. This seven step example allows for the reflection of range midpoints at Step 4 and provides a logical pattern of increases based on the suggested range width. BHSJ provides the first step increase at six months following performance review. The employee is then awarded a step increase after each subsequent year of employment.

When considering a step system, it may be helpful to think of it as a way to join job performance and competency in a position with the appropriate pay levels or step placement (as depicted previously in the continuum shown in Chart 1). For example, new employees at BHSJ are hired at the range minimum (Step 1), in cases in which labor market conditions permit. New hires will

typically need time to become familiar with the organization and learn the nuances of the position. During this period a salary at or near the range minimum is appropriate (Steps 1 and Step 2 at six months). Ideally, employees would then move one step higher each year (presuming adequate performance and budgetary wherewithal) until midpoint is achieved. As illustrated in the previous Chart 1, at this point in the employment cycle, the employee will presumably have gained competence in the job and related duties. In following years the employee is awarded for the higher experience and expertise that has accumulated – moving one step higher each year until range maximum is achieved.

PLACEMENT OF EXISTING EMPLOYEES WITHIN THE NEW PAY GRADE STRUCTURE VIA THE STEP SYSTEM

Implementation of the new pay grade structure will be subject to the Board of Health's acceptance. Should the Board also decide to implement our suggested step system, it will be necessary to place employees on a step within the new pay structure. For employees, some salary adjustment will need to be done to align them on a step within the new system.

One common method would be to move each employee to the next highest step in his/her respective salary range. This will result in an initial pay increase that will vary from employee to employee depending on their current distance from the next highest step. However, the primary purpose of this approach is to establish the pay system and the relative positioning of each employee within a suggested step level within the new pay ranges.

While recognizing that conditions will change before actual implementation, it is our intention to provide some preliminary cost estimate for the above adjustment. A later update will be needed; our objective is to provide only a starting point.

Related to this, the following Exhibit 5 contains cost estimation for system implementation consistent with the Exhibit 4 step system illustrated above. Key features include the following:

- Green-circled employees are placed at range minimum.
- All other employees are moved to the next highest step above current wage.

As seen below, moving employees to the next highest step would result in a cost of \$118,761.50. This is the total estimated initial cost for implementation of the step system as presented.

Exhibit 5
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Costing Analysis – Move All Employees to Next Highest Step

Position	Current Wage	Grade	Next Step	Amount	Cost to Move to Next Step Hourly	Estimated # of Hours per Year	Cost to Move to Next Step Annualized
Environmental Health Assistant Clerk	\$13.45	1	4	\$13.52	\$0.07	1,170	\$81.90
WIC Breastfeeding Peer Counselor (BC)	\$13.04	2	1	\$13.83	\$0.79	1,040	\$821.60
WIC Breastfeeding Peer Counselor (AE)	\$13.04	2	1	\$13.83	\$0.79	1,040	\$821.60
WIC Breastfeeding Peer Counselor (KL)	\$12.36	2	1	\$13.83	\$1.47	1,170	\$1,719.90
Administrative Support Clerk	\$12.72	2	1	\$13.83	\$1.11	1,170	\$1,298.70
CSHCS-Representative (NE)	\$13.45	2	1	\$13.83	\$0.38	1,950	\$741.00
CSHCS-Representative (TL)	\$13.04	2	1	\$13.83	\$0.79	1,170	\$924.30
Vision and Hearing Technician (CA)	\$14.63	2	3	\$14.75	\$0.12	1,950	\$234.00
Vision and Hearing Technician (KS)	\$14.63	2	3	\$14.75	\$0.12	1,950	\$234.00
Vision and Hearing Technician (EY)	\$13.04	2	1	\$13.83	\$0.79	1,170	\$924.30
Immunization Clerk (MG)	\$16.30	2	7	\$16.60	\$0.30	1,950	\$585.00
Immunization Clerk (HS)	\$16.30	2	7	\$16.60	\$0.30	1,950	\$585.00
Immunization Clerk (JV)	\$14.96	2	4	\$15.22	\$0.26	1,950	\$507.00
Clinic Clerk Technician (AB)	\$12.36	2	1	\$13.83	\$1.47	1,950	\$2,866.50
Clinic Clerk Technician (BE)	\$12.36	2	1	\$13.83	\$1.47	1,950	\$2,866.50
Clinic Clerk Technician (RF)	\$13.04	2	1	\$13.83	\$0.79	1,950	\$1,540.50
Clinic Clerk Technician (JF)*	\$14.63	2	3	\$14.75	\$0.12	520	\$62.40
Clinic Clerk Technician (LH)	\$13.04	2	1	\$13.83	\$0.79	1,950	\$1,540.50
Clinic Clerk Technician (SJ)	\$14.23	2	2	\$14.29	\$0.06	1,950	\$117.00
Clinic Clerk Technician (MT)	\$14.63	2	3	\$14.75	\$0.12	1,950	\$234.00
Clinic Clerk Technician (CK)	\$12.36	2	1	\$13.83	\$1.47	1,950	\$2,866.50
Area Agency on Aging Outreach Specialist	\$13.74	3	1	\$15.63	\$1.89	1,170	\$2,211.30
Environmental Health Administrative Assistant (SH)	\$16.30	3	3	\$16.67	\$0.37	1,950	\$721.50
Environmental Health Administrative Assistant (EH)	\$14.96	3	1	\$15.63	\$0.67	1,950	\$1,306.50
Environmental Health Administrative Assistant (BL)	\$16.30	3	3	\$16.67	\$0.37	1,950	\$721.50
Clinic Administrative Assistant (CC)	\$16.30	3	3	\$16.67	\$0.37	1,950	\$721.50

Exhibit 5
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Costing Analysis – Move All Employees to Next Highest Step (cont'd)

Position	Current Wage	Grade	Next Step	Amount	Cost to Move to Next Step Hourly	Estimated # of Hours per Year	Cost to Move to Next Step Annualized
Clinic Administrative Assistant (DC)	\$16.30	3	3	\$16.67	\$0.37	1,950	\$721.50
Clinic Administrative Assistant (JH)	\$16.30	3	3	\$16.67	\$0.37	1,950	\$721.50
Area Agency on Aging - VOCA Elder Abuse Victim Specialist (JE)	\$16.56	4	1	\$17.66	\$1.10	1,950	\$2,145.00
Area Agency on Aging - VOCA Elder Abuse Victim Specialist (DN)	\$16.12	4	1	\$17.66	\$1.54	1,950	\$3,003.00
Fiscal Support Specialist (RC)	\$17.99	4	2	\$18.25	\$0.26	1,950	\$507.00
Fiscal Support Specialist (KM)	\$19.02	4	4	\$19.43	\$0.41	1,950	\$799.50
Health Educator (RA)	\$23.38	6	3	\$24.06	\$0.68	1,950	\$1,326.00
Health Educator (KM)	\$24.07	6	4	\$24.81	\$0.74	1,950	\$1,443.00
Environmental Health Sanitarian I (BA)	\$20.82	6	1	\$22.55	\$1.73	1,950	\$3,373.50
Environmental Health Sanitarian I (CJ)	\$22.70	6	2	\$23.30	\$0.60	1,950	\$1,170.00
Environmental Health Sanitarian I (BK)	\$21.44	6	1	\$22.55	\$1.11	1,950	\$2,164.50
Environmental Health Sanitarian I (BP)	\$20.24	6	1	\$22.55	\$2.31	1,950	\$4,504.50
Environmental Health Sanitarian I (DW)	\$24.07	6	4	\$24.81	\$0.74	1,950	\$1,443.00
Environmental Health Sanitarian I (JY)	\$24.07	6	4	\$24.81	\$0.74	1,950	\$1,443.00
Environmental Health Sanitarian I (RZ)	\$24.07	6	4	\$24.81	\$0.74	1,950	\$1,443.00
Environmental Health Sanitarian I (AR)	\$20.24	6	1	\$22.55	\$2.31	1,950	\$4,504.50
Area Agency on Aging Social Work Care Consultant (KP)	\$20.24	6	1	\$22.55	\$2.31	1,170	\$2,702.70
Area Agency on Aging Social Work Care Consultant (AR)	\$20.24	6	1	\$22.55	\$2.31	1,950	\$4,504.50
Environmental Health Sanitarian II	\$26.71	7	3	\$27.19	\$0.48	1,950	\$936.00
Finance and IT Support Specialist	\$24.07	7	1	\$25.49	\$1.42	1,950	\$2,769.00
Community Health Services Registered Nurse	\$24.07	7	1	\$25.49	\$1.42	1,950	\$2,769.00
Public Health Registered Nurse (MA)*	\$24.07	7	1	\$25.49	\$1.42	520	\$738.40

Exhibit 5
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Costing Analysis – Move All Employees to Next Highest Step (cont'd)

Position	Current Wage	Grade	Next Step	Amount	Cost to Move to Next Step Hourly	Estimated # of Hours per Year	Cost to Move to Next Step Annualized
Public Health Registered Nurse (RD)	\$24.07	7	1	\$25.49	\$1.42	1,950	\$2,769.00
Public Health Registered Nurse (CJ)	\$24.07	7	1	\$25.49	\$1.42	1,560	\$2,215.20
Public Health Registered Nurse (RP)	\$24.07	7	1	\$25.49	\$1.42	1,560	\$2,215.20
Public Health Registered Nurse (TS)	\$24.07	7	1	\$25.49	\$1.42	1,950	\$2,769.00
Public Health Registered Nurse (CS)	\$24.07	7	1	\$25.49	\$1.42	1,950	\$2,769.00
Accountant	\$23.09	7	1	\$25.49	\$2.40	1,950	\$4,680.00
Emergency Preparedness Coordinator	\$26.71	7	3	\$27.19	\$0.48	1,950	\$936.00
IT Network Manager	\$21.44	7	1	\$25.49	\$4.05	1,950	\$7,897.50
Clinic Supervisor (DF)	\$28.03	8	1	\$28.80	\$0.77	1,950	\$1,501.50
Clinic Supervisor (YA)	\$28.03	8	1	\$28.80	\$0.77	1,950	\$1,501.50
Clinic Supervisor (AM)	\$28.03	8	1	\$28.80	\$0.77	1,950	\$1,501.50
Community Health Services Supervisor	\$26.44	8	1	\$28.80	\$2.36	1,950	\$4,602.00
Environmental Health Supervisor	\$28.03	8	1	\$28.80	\$0.77	1,950	\$1,501.50
Area Agency on Aging Director	\$30.99	9	1	\$33.50	\$2.51	1,950	\$4,894.50
Environmental Health Director	\$32.70	9	1	\$33.50	\$0.80	1,950	\$1,560.00
Administrative Services Director	\$31.93	9	1	\$33.50	\$1.57	1,950	\$3,061.50
TOTAL COST OF IMPLEMENTATION					\$66.71		\$118,761.50

*Employee's annual hours were reported as casual. For calculation purposes the estimated number of hours per year is based on 10 hours per week.

As noted above, the total cost to move all employees to the next highest step would be \$118,761.50. This would be done as a means of correlating the wages of employees to the steps included in the new pay system. The above is only an example.

PLACING NEW EMPLOYEES IN THE STEP SYSTEM

As discussed above, original appointment to any position will ideally be made at the minimum rate of the suggested pay range. Advancement can then proceed through successive increases. However, each new hire will inevitably be unique, and may in fact represent a situation in which greater experience and expertise are objectives in recruitment. Moreover, a shortage may exist in

the labor pool for some positions, thus dictating the need to offer a higher salary. Therefore, each new hire should be assessed individually and placed at a range level consistent with BHSJ’s needs and market demands. In light of the competitive environment for some professional positions, we would suggest that BHSJ retain a high level of latitude in assessing individual situations and new hires.

HEALTH OFFICER COMPENSATION

The Health Officer has an employment contract with the Branch-Hillsdale-St. Joseph Community Health Agency and, as such, is not included in the suggested pay grade structure for administrative employees presented in Exhibit 1. However, wage data has been collected for the position (as summarized in Appendix C-2). Related to this:

- All eleven of the health departments surveyed for the study have an incumbent health officer. A comparison of base wages for the incumbents indicates the following:
 - BHSJ’s Health Officer has an hourly rate of \$38.75 based on BHSJ’s 37.5 hour workweek. The average of the eleven surveyed health departments is \$54.24 (again based on the respective agencies’ workweek). In comparison to the market average, BHSJ’s Health Officer is 30% lower on hourly wage.
 - If computed from an annual wage (as also reported by many of the survey participants) rather than being computed hourly from the general workforce weekly hours, the market average is \$112,362 as opposed to \$75,562 for BHSJ’s Health Officer or roughly 33% lower for BHSJ.

Summarily, BHSJ’s Health Officer is significantly lower on base salary than the survey sample: roughly 30%. To provide additional illustration of a competitive pay level, we have developed a pay range using the same range width as was used in Exhibit 1 for the suggested pay grade structure for other BHSJ employees. The average salary of the eleven health departments is used for the range maximum in this example; it could also be credibly argued that this number would more appropriately indicate the midpoint of the market since six of the eleven reported market salaries exceed this number. However, a significant pay disparity can still be seen using the more conservative approach.

Exhibit 6
Model Pay Range for the Health Officer Using the Market Average
As the Range Maximum (a conservative estimate)

<u>Minimum of Range</u>	<u>Midpoint of Range</u>	<u>Maximum of Range</u>
\$88,294	\$99,331	\$110,368

Summarily, even using a conservatively designed salary range, BHSJ's Health Officer still has an annual salary that is \$12,732 below what would be the range minimum. Presuming satisfaction with the Health Officer's performance, this level of pay disparity could be cause for concern.

SECTION III

**CLASSIFICATION AND COMPENSATION SYSTEM
MAINTENANCE**

SECTION III

CLASSIFICATION AND COMPENSATION SYSTEM MAINTENANCE

A classification and compensation program, once designed and implemented, is not self-sustaining. It needs proper maintenance to continue to serve its purpose. Maintaining the program requires reviewing, adjusting and controlling salary structures so they continue to be effective. Key points are discussed below.

MAINTAINING THE PAY GRADE STRUCTURE

As a result of reorganization, new programs or changes in management procedures, new jobs may be established and the complexity of existing jobs may change.

For new positions, BHSJ should define the particular duties of the position and create an accurate job description (Appendix A can be used to document new duties). For altered positions, differences like increased requirements for education and/or experience, an increase in the technical nature of the job, new requirements for a specialized skill, additional supervisory responsibilities or other significant changes could warrant a reevaluation of the grade assignment. The job evaluation plan contained in Appendix B can be used to evaluate both new and altered positions for reclassification.

UPDATING THE COMPENSATION PLAN'S PAY RANGES

Economic conditions, the availability of people, and the prevailing labor market rates will all impact salary structures. To accurately reflect the labor market, the compensation plan must be reviewed and adjusted annually.

In this sense, pay adjustments will be a two-step process:

1. A general "across the " adjustment to each pay range should be made to reflect inflationary or cost of living increases;
2. Individual-level adjustments based on steps (and satisfactory performance) should then be considered.

To adjust the pay plan, BHSJ could consider utilizing the Consumer Price Index (CPI). Related, there are a number of CPI indices that are reported. If this approach is taken, BHSJ should consider the CPI-U for the Midwest Region for the annual update.

However, by all indications, the wage market is tightening and wages are increasing at a faster rate than CPI or other inflation indicators. Until such time that balance is restored to these economic indicators, BHSJ may be better served to use another metric. As one option, BHSJ

could consult the Bureau of Labor Statistics' Employment Cost Index or another reliable labor costs' metric.

Whichever approach is used, the first adjustment to the salary ranges should be made at the beginning of fiscal year (FY) 2020. It should be noted that range increases do not necessarily equate to pay increases; this latter point is a matter to be decided by BHSJ's Board of Health.

As the system ages and operations and duties continue to evolve, the pay system will eventually need major update and revision. When this becomes apparent, a full study should be conducted to check the adequacy of pay rates and the appropriateness of job descriptions. The typical life cycle of a pay plan is ten years if properly maintained.

SECTION IV
EMPLOYEE BENEFITS COMPARISON

SECTION IV

EMPLOYEE BENEFITS COMPARISON

In addition to pay data, employee benefit information was also solicited from the eleven health agencies included in our survey grouping. Ten of the eleven health agencies responded to the request for benefit data – District Health Department #10 provided limited information that was insufficient for our comparison.

The collected information (summarized in Appendix E) has not been utilized in developing the pay structure. Essentially, it is provided as supplementary information, which may assist BHSJ in determining relative comparability. Benefits can generally be viewed as a compliment to the base salary. If benefit levels are generous, an organization may choose to maintain employees at a lower level of the pay range. In contrast, lower benefit levels may be offset by higher salaries.

For the benefits comparison, we have requested the surveyed health agencies' administrative non-union offerings. In reviewing the benefits data (contained in Appendix E), we have noted the following:

PAID TIME OFF

"Paid time off" typically includes holidays, vacation leave, personal days and sick time. Findings include the following:

- A five-year employee at BHSJ receives 44 combined (potential) off-days per annum while the average five-year employee in the ten health agencies receives approximately 37 days. Much of this differential appears to be the result of the elimination of sick-time and conversion to all purpose time off (PTO) by some of the agencies.
- BHSJ allows a maximum sick-time bank of 260 hours with a buy-back provision at retirement of 100% of value, or annual buy-back of any time exceeding 260 hours. Among the surveyed health agencies, conditions and buy-backs vary significantly. Five report buy-backs at retirement at levels similar to BHSJ, but three of the five are only at 50% of value.
- For four health agencies, sick-time has been converted to all purpose time off (PTO). This is a growing practice often intended to simplify off-time and minimize or eliminate banked payouts and related future liabilities.

INSURANCE BENEFITS

Health, life and disability insurance offerings are addressed below. The specifics of health care coverage differ widely among employers making comparison of health plans a difficult task.

However, there are cost and program features that can be readily summarized or quantified and may be of interest to BHSJ. These are summarized below:

- In the past, health agencies commonly provided full-family health coverage to employees at little or nominal cost. Rising costs have since made health care cost containment a priority. With the passage of PA 152, public sector employees that have not opted out are now required to share costs either through an 80/20 cost split or the institution of premium caps. All ten of the surveyed health agencies have adopted PA 152, as has BHSJ.
- In regard to the total cost for single/family coverage for the core plan (most prevalent), BHSJ expends \$599 per annum for a single plan and \$1,812 for a family plan. The survey data contained in Appendix E illustrates the per policy cost (single/family) for all ten respondents. The average of these is \$538 for single coverage and \$1,594 for family. Related, in regard to gross cost, BHSJ is higher than the average of our sample for both single and family coverage (i.e. 11% and 13%). This information may be useful to BHSJ by providing a “snapshot” of costs among comparable employers. It should be noted that this cost comparison represents cost to the health agencies before any employee premium cost sharing, an area of cost recovery discussed in the next bullet.
- BHSJ requires employee cost sharing for health care premiums at 20% of total premium cost as do five of the ten agencies. One other is at 10% while four others have no cost sharing. While there are other factors to consider, the rough calculation of removing employee costs from the gross health care cost listed above yields a net cost estimate of \$479 single plan and \$1,449 family plan for BHSJ as compared to \$472 single and \$1,399 family for the ten surveyed health agencies. Summarily, net health care cost is much more comparable when employee cost sharing is included.
- BHSJ provides dental coverage for employees at 80% of cost borne by the employer. Seven of the ten surveyed health agencies also provide this benefit to employees with percent of cost ranging from 100% to 80% of premium cost paid by the employer. One other employer provides a flat \$1,000 maximum for dental and optical coverage and two others provide no dental coverage.
- BHSJ and five of the agencies provide optical coverage ranging from 80% to 100% of premium cost paid by the employer. Four others provide no coverage and one other employer provides a flat \$1,000 maximum for dental and optical coverage.
- BHSJ provides a \$208 monthly payment for employees opting out of BHSJ’s coverage. Nine of the responding communities also have this benefit option at levels lower than the typical premium cost. In this situation, the payment in lieu of provision can provide a cost advantage to any of these health agencies in an area of rising costs – should any employee be eligible for, and choose this option.
- BHSJ offers an IRS Section 125 Flex Benefit Plan – seven of the ten surveyed health agencies also extend this benefit. It is an innovative device for securing an employee

benefit at minimal (i.e. administrative) cost to the employer. Benefits include pre-tax treatment for dependent care and medical expenses within specified limitations.

- BHSJ provides short-term disability insurance (STD) but does not provide employer-paid long-term disability coverage (LTD). Among the surveyed health agencies, six of the ten provide STD, and four provide LTD. In some public institutions, STD is used progressively as an option to sick-time accruals and banks. Typically, this would involve conversion to a system of (all purpose) personal time off and the elimination of sick-time and related banks (as discussed earlier). The disability coverage would then serve as the compensatory method for extended sick-time occurrence. This is becoming an increasingly popular option in the public sector.
- In regard to life insurance, public sector employers often cover employees at dollar amounts lower than their private sector counterparts. This is not readily explainable since term life insurance is a relatively modest cost portion of any benefit package. BHSJ provides term life insurance of \$15,000. Some of the health agencies used in the comparison link life insurance amount to annual salary while others offer a flat dollar amount. Due to the variances in how the benefit is computed it is not possible to calculate an accurate average, but BHSJ is lower on this benefit amount than any of the nine surveyed agencies that provide life insurance.

RETIREMENT BENEFITS

Retirement plans are classified as either defined contribution (investment-based, variable) or defined benefit (traditional pension, fixed). Key findings pertaining to retirement benefits include the following:

- Three of the ten health agencies as well as BHSJ have defined contribution retirement plans for newer employees. The DC plan is a “pay as you go” approach in which accrued liability and future pension obligations are avoided. As such, it represents a transparent and portable retirement option. BHSJ provides a maximum 5% employer contribution in the DC plan. The average employer contribution for the three surveyed agencies providing this type of plan is 6.7%.
- Seven of the ten surveyed health agencies report defined benefit (DB) retirement programs for employees that are still open. These traditional plans pay a fixed pension to eligible retirees. Consistent with BHSC’s approach, the larger trend is away from DB plans as health agencies attempt to reduce future liabilities and increase financial transparency.
- Retiree health care coverage is a significant benefit offering due to the uncertainty surrounding future health care costs. With these costs increasing at double-digit rates, many communities have eliminated this benefit. BHSJ no longer provides retiree health care. Four of the ten health agencies provide this benefit though one of the four has eliminated it for new hires.

- An emerging trend involves replacing retiree health care with a Health Savings Plan (HSP). Only one of the health agencies provides HSP with a \$1,850 annual employer contribution.

LONGEVITY AND OTHER BENEFIT ISSUES

Longevity payments are found primarily in the public, as opposed to the private sector. The rationale for this compensation component is simply that tenure in the job increases job knowledge and capability and should be compensated. In this sense, longevity is closely linked to organized labor's philosophical position that pay should be based on seniority as opposed to the more discretionary notion of merit. As health agencies have become more budget conscious over the prior two decades, elimination of longevity payments has been a frequent management objective.

BHSJ provides this benefit at a maximum of \$600 per annum. Only two of the ten surveyed health agencies provide longevity pay, with the maximum benefit as high as \$1,000. Both agencies have eliminated the benefit for new hires.

OTHER BENEFIT ISSUES

Appendix E also summarizes other items that may be of interest to BHSJ including specific questions pertaining to benefit detail not discussed above. Many benefit offerings are relatively uniform between the health agencies. However, there are differences. In considering total compensation or possible areas for change, BHSJ may wish to consider focusing on those areas of greatest interest.

CLOSING AND SUMMARY

As discussed in Section II of the report, BHSJ's wage levels are below market for many positions. However, in the area of employee benefits there are areas where BHSJ is higher than the selected labor market or could potentially benefit from changes. More specifically:

- Off-time is at a higher level in BHSJ with employees receiving 44 combined (potential) off-days per annum for a five-year employee while the average five-year employee in the ten surveyed health agencies is 37. One reason for the differential is the conversion to PTO days (with elimination of sick-time) in four of the ten agencies. PTO is a growing concept in the public sector. An additional possible benefit is the elimination or reduction of the liability associated with booked sick-time. As such, PTO conversion might warrant future consideration for BHSJ.
- BHSJ provides longevity pay unlike many of the surveyed agencies. As discussed, the rationale for longevity is the value added by increased seniority. However, if BHSJ

continues to use a step system (as suggested), the concept of longevity pay may be seen as redundant since the step system is based on the same premise.

Here are also efficiencies in BHSJ's benefit package that should be noted. Specifically:

- Health care costs are contained and the 20% employee premium cost sharing ensures that both employees and the employer have a stake in maintaining affordable coverage.
- BHSJ does not offer retiree health care coverage for employees; a huge liability to carry.
- BHSJ has converted to a defined contribution plan with a relatively modest 5% employer contribution. This pay-as-you-go plan avoids the future liability of continuing with a DB plan. Further, BHSJ is comparatively low on DC contribution level by the employer in comparison to the surveyed agencies.

Summarily, over time, BHSJ's management and Board of Health, appear to have incrementally modified benefits to ensure a competitive benefit package that is also cost-sustainable. BHSJ is to be commended for its efforts in this area. The additional suggestions that we have made could be future considerations to further these efforts.

As noted, benefits can generally be viewed as a compliment to the base salary. If benefit levels are generous, an organization may choose to maintain employees at a lower level of the pay range. In contrast, lower benefit levels may be offset by higher salaries. For BHSJ, in comparison to the survey group, there does not appear (on average) a level of difference that should significantly influence management decisions on base wage levels either negatively or positively. However, there are always continuing opportunities to tailor a benefit package to achieve cost savings. BHSJ has taken advantage of some and will undoubtedly continue on this path. Related to this, the comparative data may be useful in revealing some trends that are of interest to BHSJ.

APPENDIX A
JOB ANALYSIS QUESTIONNAIRE

**APPENDIX A
BRANCH-HILLSDALE-ST. JOSEPH
COMMUNITY HEALTH AGENCY

JOB ANALYSIS QUESTIONNAIRE**

The purpose of this questionnaire is to obtain accurate information concerning the duties and responsibilities associated with your job. The information will be used to assist us in understanding your position for purposes of compensation analysis.

Computer Form Instructions:

1. This program will allow you to type in the gray fields only when they are selected or chosen. (When a field is chosen, it will turn dark gray.)
2. The {Tab} key allows you to move from one gray field to the next. Pressing {Shift} and {Tab} together will take you to the previous field. You may also select a field by clicking on it with your mouse.
3. If you are asked to comment on a particular topic, the gray field provided for your response will allow unlimited comment. When you reach the end of a line, text will automatically wrap onto the next line. If you wish to make a paragraph break within these comment fields, simply press {Return} or {Enter} as you normally would. {Backspace}, {Delete} and other commands also work in the gray fields the same as they would in any other situation.
4. To place an X in one of the check boxes, simply click on the appropriate box with your mouse or press the space bar while the box is selected. To remove an X, click on the marked box, or press the space bar while a marked box is selected.

Name: _____ Date: _____
 Job Title: _____ Department: _____
 Supervisor's Name/Title: _____
 With this employer: _____

INSTRUCTIONS

This questionnaire covers many aspects of your job. Each of the following sections contains instructions specific to the questions being asked in that section. Some questions require a written response, others only a checkmark next to a printed answer. If no answer is exactly accurate, please check the answer that you feel is closest to being correct for your position.

Your responses are important in helping us to better understand your position. Please answer all questions to the best of your ability. **When completed, return the questionnaire to your department head. This should be done by July 19, 2019.** Thank you!

Section 1: Position Summary

Briefly describe the major purpose and primary function of your position in several sentences.

Section 2: Position Duties and Responsibilities

List the essential duties and responsibilities of your job in the spaces provided. **PLEASE LIST ONLY THOSE THAT ARE NOT INCLUDED ON YOUR JOB DESCRIPTION.** An essential duty or responsibility is fundamental to the job. The individual who holds the job must be able to perform the required task(s) unaided if so specified, or with reasonable accommodation that does not place a disproportionate or undue burden on the employer.

ESSENTIAL DUTIES AND RESPONSIBILITIES

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.
- 11.
- 12.
- 13.
- 14.
- 15.

Section 3: Knowledge and Education

Consider the extent to which your job requires knowledge normally gained through formal education. In the box below, choose the minimum education level required for your job. **Once the field is selected, an arrow will appear at the right of the box.** Clicking on this arrow will allow you to view a list of options. Simply click on the appropriate choice.

- Select from List -

*Provide the curriculum or program of study (e.g., accounting, construction management, law, business education, communications, etc.).

Section 4: Work Experience

Consider the extent to which your job requires related experience and training in addition to any formal education that might be required for the job. In the box below, choose the minimum experience required for your position.

- Select from List -

Is previous supervisory or management experience required of this position? Yes No

If yes, please describe:

Describe the nature and specific type of work experience required for your job. (e.g. law, accounting, general labor, secretarial, etc.)

Section 5: Special Employment Requirements

Please list any licensure or certifications that are required before you can be employed in this position? (i.e. state certifications or licenses required by either the governing agency or your employer.)

Section 6: Supervisory or Management Responsibility

List below the titles and number of positions you manage, supervise, or serve as a working supervise for. Please indicate if you supervise these individuals directly or through subordinate supervisors. Specify how many positions are full-time and how many are part-time.

<u>Position Title</u>	<u>Number Supervised</u>		<u>Number in position who are:</u>	
	<u>Directly</u>	<u>Indirectly</u>	<u>Full-Time</u>	<u>Part-Time</u>

Section 7: Internal/External Contacts

Your job requires that you have contact with persons outside your department or work unit; possibly both inside and outside the organization. Please list the most significant contacts below. This might include contacts with other departments, other governmental agencies, contractors, volunteers, professional firms, the general public or others. Very briefly describe the nature and purpose of the interactions.

Section 8: Work Related Stress or Pressures

Does the position involve a lot of stress or pressure on a regular basis? If so, please give an example of the kind of situation that causes stress or pressure.

Section 9: Equipment Use and Knowledge

Please indicate which of the following types of automated equipment you are required to use in performing the essential functions of your job:

- Basic office equipment such as telephones, calculators, photocopiers, fax and similar equipment
- Computer programs:
 - word processing
 - spreadsheet
 - database (basic data entry and report generation)
 - database (data manipulation, research, report creation)
 - financial applications (general data entry at department level)
 - financial applications (sophisticated usage as in accounting)
 - computer aided design
 - GIS/mapping
 - audio/visual/technical equipment (advanced)
 - other specialized computer programs or specialized electronics

If the last box is checked, please specify the type of program or specialized equipment.

Automobile or motorized equipment.

If yes, please specify the type of motorized equipment and special licenses required (such as CDL).

Does your position involve training others on a regular basis in the use of any of the above software?

Does your job require troubleshooting particular software applications or computer hardware, beyond the level expected of an average user? If yes, please explain.

Section 10: Additional Employee Comments

Please provide any additional comments you feel would be useful in helping us better understand your job. Feel free to expand on any of the areas covered in the preceding sections.

Section 11: Department Head Comments

Please read the employee's responses to this questionnaire before completing this section. Do not alter the employee's comments or answers. Use this section for making additional comments. Please return all questionnaires, including your own, to Theresa Fisher by **July 26, 2019.**

Are there any responses that you consider inaccurate? If so, please discuss them below.

List any job duties/responsibilities required of this position which were omitted by the employee.

Additional comments:

Name of person completing this form:

Date completed:

APPENDIX B

JOB EVALUATION PLAN AND RANKINGS

Appendix B-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Job Evaluation Plan

FACTOR 1: EDUCATION AND RELEVANT EXPERIENCE

In using this factor, two separate yet related judgments must be made. First, identify the minimum level of education required to be adequately prepared for the duties and responsibilities of the position. Second, determine the minimum years of relevant experience necessary to adequately perform the job. (Typically found on the position’s job description.) **NOTE:** Rate the MINIMUM requirements of the *position*, not the attainment of the position incumbent; these may differ.

Special Circumstances:

- In some cases experience may substitute for formal education and vice versa. Rate the minimum qualifications of the position, or a combination thereof.
- Positions requiring professional certifications or licensure may be rated at “somewhat more than” the minimum educational and experience level required or this training can be reflected in the minimum requirements by increasing educational attainment to a commensurate amount.

MINIMUM EDUCATION REQUIRED	MINIMUM RELATED WORK EXPERIENCE REQUIRED				
	1	2	3	4	5
	<u>Less than 2 years</u>	2 yrs.	3 to 4 yrs.	5 to 6 yrs.	Over 6 years
A. High school diploma or equivalent.	173	197	220	243	267
B. Vocational or trade school, or some college, business school or other specialized training beyond typical high school curriculum.	220	243	267	295	313
C. Associate’s degree or equivalent.	267	295	313	337	360
D. Bachelor’s degree or equivalent.	313	337	360	383	404
E. Master’s degree	360	383	404	435	453
F. Juris Doctorate	404	435	453	471	500

Appendix B-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Job Evaluation Plan (cont'd)

FACTOR 2: JUDGMENT AND INDEPENDENCE OF ACTION

This factor describes the level of judgment and independence of action exercised in determining proper courses of action. In evaluating a position against this factor, think about the extent to which policies, procedures, rules and so forth either guide or restrict judgment and independence of the position. Consider also whether peers and/or supervisors are available for collaboration in decision making, and the degree to which the employee is empowered to use discretion.

LEVEL OF JUDGMENT AND INDEPENDENCE REQUIRED	DEGREE	POINT VALUE
A. Duties and responsibilities of the position are carried out according to straightforward and standardized policies, procedures, rules, etc. There is a need for the employee to exercise judgment, but others are available to assist and discretion is thereby limited. Work is closely monitored and regularly reviewed, often as part of a hierarchal process.	Almost exactly like = Somewhat more than = Highest of category =	90 120 150
B. Duties and responsibilities of the position require that the employee to exercise greater discretion in performing position-related tasks and determining appropriate courses of action. The position does require some technical or professional training to effectively interpret standards and guidelines. Basic decisions are made independently while more complex or unique issues are solved by supervisory personnel. Discretion has limitations, with work monitored on a "spot check" basis.	Almost exactly like = Somewhat more than = Highest of category =	180 210 240
C. Duties and responsibilities of the position require the employee to interpret a wider assortment of policies, procedures and rules to determine appropriate courses of action. Technical or professional training is required to effectively interpret standards and guidelines. Basic operating decisions are made independently while more complex or unique issues are solved collaboratively with supervisory personnel. Discretion is higher and work is monitored as one important step of a larger procedural and operating system.	Almost exactly like = Somewhat more than = Highest of category =	270 300 330
D. Duties and responsibilities of the position require that the employee regularly interpret policies, procedures and rules to determine appropriate courses of action. The employee has information available to guide him/her in effective interpretation of standards and guidelines, but significant discretion is exercised. Most decisions are made independently, and technical or professional training is required. Higher level managers are available to assist with especially unique situations but independent judgment is expected in routine matters. Work is monitored on a longer-term, periodic basis with the expectation that closer scrutiny is not required.	Almost exactly like = Somewhat more than = Highest of category =	360 390 420
E. Duties and responsibilities of the position are governed by broad and complex technical, administrative, or professional standards and guidelines. The employee must regularly exercise independent judgment in decision-making, and exercise considerable discretion. The employee performs with a high degree of latitude, and work is monitored only on a periodic or exception basis. The employee regularly participates in the development of professional standards and guidelines.	Almost exactly like = Somewhat more than = Highest of category =	450 480 510

Appendix B-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Job Evaluation Plan (cont'd)

FACTOR 3: INTERNAL AND EXTERNAL RELATIONS

This factor examines the types and frequency of internal and external contacts a position encounters, and the communication skills needed to successfully handle these contacts.

First, examine the hierarchy of communication skills listed and select the category which reflects the *highest requirement* of the position. Although a job may entail a variety of levels of contacts, use the highest requirement to determine the point award.

Second, after selecting the highest requirement, determine the frequency with which that activity occurs.

COMMUNICATION SKILLS REQUIRED	FREQUENCY		
	1. Normal Frequency	2. High Intensity	3. Maximum Intensity
A. Internal or external contacts are experienced in the position. Skill in exchanging meaningful service or statistical information through prescribed procedural systems is required.	60	80	100
B. Greater levels of internal and external contacts are experienced in the position. Skill in responding to more varied and substantive questions, providing explanation of more substantive procedures, and engaging in more complex information exchange is required.	120	140	160
C. Increasingly more complex internal and external contacts are experienced in the position. Skill in interpreting and translating facts and information, defining situations and issues, advising others of more complex alternatives and options, and interviewing and developing information from others is required. Unusual or difficult situations are addressed to the extent possible.	180	200	220
D. Complex internal and external contacts are experienced in the position. Skill in giving instructions, resolving disagreements, and/or leading meetings and consultations is required. This position is responsible for the resolution of unusual or difficult situations with a relatively high level of discretion.	240	260	280
E. Extremely complex internal and external contacts are experienced in this position. Skill in leading and organizing others, negotiating agreements and mediating and resolving disputes is required at an extremely high level in the organization.	300	320	340
F. Internal and external contacts and interactions are at the highest management /professional level and involve the latitude to make significant management distinctions and decisions as well unilaterally formulate alternative approaches to policies and procedures pertaining to both internal and external interactions.	360	380	400

Appendix B-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Job Evaluation Plan (cont'd)

FACTOR 4: SUPERVISORY OR MANAGERIAL RESPONSIBILITY

This factor reflects the supervision exercised and management or leadership role assigned to a position. Select first the level of authority exercised, then the span of control as determined by the size of the supervisor's staff.

Special Circumstances:

- Count part-time or seasonal staff proportional to full-time equivalent. .
- Assure that supervision involves more than informal leadership.

	STAFF SIZE (Both direct and indirect reporting relationships)				
	1. 1-5	2. 6-15	3. 16-20	4. 21-35	5. Over 35
LEVEL OF SUPERVISORY AND MANAGEMENT AUTHORITY EXERCISED (ONE FTE MINIMUM)					
A. No formal supervisory responsibility or oversees less than one full-time equivalent (FTE) employee but does have responsibility for coordinating the work of others on a periodic basis while performing similar work.	10	20	30	40	50
B. <u>Crew Leader/Office Manager</u> : Formally recognized as a crew or office leader in performing tasks of a more complex nature while coordinating the workload of others to achieve the desired outcome. Though not an FLSA supervisory position, does have responsibility for planning and coordinating work assignments and overseeing the work of others. Points may also be awarded at this level for higher level professional positions that operate at a high level but have limited supervisory responsibility due to the technical or professional nature of their jobs.	30	40	50	60	70
C. <u>Working Supervisor</u> : Functions as a line supervisor with a high level of autonomy in assigning, evaluating and determining work assignments. Generally, but not always, performs similar tasks. Is responsible for work scheduling, formal oversight and recommendations for hire, termination or discipline.	50	60	70	80	90
D. <u>Department Director</u> : Responsible for planning, directing, staffing and controlling employees of a major department or service area; possibly works through one or more subordinate supervisors, including working supervisors.	70	80	90	110	120
E. <u>2nd Level Manager</u> : Executive level, similar to a 1 st Level Manager, with a greater depth of responsibility due to the use of multiple subordinate 1 st Level Managers.	90	100	110	120	130

Appendix B-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Job Evaluation Plan (cont'd)

FACTOR 5: JOB COMPLEXITY

This factor measures the degree of complexity which is characteristic of a position's duties and responsibilities. Complexity is defined as the level of "thinking process" or analytic ability required of a position. In determining the appropriate point assignment, consider *overall* complexity, not unique projects or activities which are rare and impermanent to the position.

LEVEL OF COMPLEXITY ENCOUNTERED	DEGREE	POINT VALUE
A. Position primarily involves the use of factual information and data that does not present significant variables or ambiguities. Redundant steps, methods and processes are typically well defined, choices involve a manageable set of options and information is readily available to ascertain correct approach. More complex situations can arise that require more complex thinking processes but these are limited by the scope of responsibilities.	Almost exactly like = Somewhat more than = Highest of category =	90 120 150
B. Position primarily involves the use of factual information and data, but also encounters a higher level of variables or ambiguities which require analytic or basic problem solving ability to select correct actions from a set of options. Redundant steps, methods and processes are typically well defined, but the employee must sometimes modify or adapt them to address a situation.	Almost exactly like = Somewhat more than = Highest of category =	180 210 240
C. Position involves both the use of factual information and data, and the modification and continuous improvement of processes. At this level, the position regularly addresses variables or ambiguities and requires analytic and problem solving ability to select correct action from an more expansive set of options. Steps, methods and processes are a mix of redundant and original tasks, and processes must be occasionally reassessed, modified or adapted to address unique situations.	Almost exactly like = Somewhat more than = Highest of category =	270 300 330
D. Position involves the extensive use of analytic and problem solving ability to select correct actions from a wide range of options. Steps, methods and processes are sometimes original and must be continuously reassessed, modified or adapted to address unique situations or realize improvements in process. Among others, this level is appropriate for multi-faceted positions with program or service planning responsibilities.	Almost exactly like = Somewhat more than = Highest of category =	360 390 420
E. Position is focused on projects involving the dedication of substantial time and effort to researching, organizing and assessing information which contains substantial variables and ambiguities. As a result, steps, methods and processes are often original, and the incumbent may be required to develop new and original procedures and processes. An advanced analytic and problem solving ability is required for the position.	Almost exactly like = Somewhat more than = Highest of category =	450 480 510

Appendix B-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Job Evaluation Plan (cont'd)

FACTOR 6: RESPONSIBILITY FOR THE RIGHTS OF OTHERS

This factor is concerned with the impact the position’s duties have on the rights of others. In considering the potential impact of a position, consider probable and typical errors which may occur in the regular course of performing a job, not the most extreme consequences.

Second, after selecting the highest, but still probable consequences, determine the frequency with which opportunity for error presents itself.

PROBABLE CONSEQUENCES OF ERRORS	FREQUENCY		
	1. Accurate as Stated	2. Higher Impact	3. Significantly Higher than Stated
A. Errors in the position could cause manageable inconvenience but would not heavily correlate to significantly infringing on rights. Effect of errors would impact a single or limited set of individuals or customers.	30	40	50
B. Errors in the position could cause inconveniences or legalities that are more difficult to resolve at the basic service level, but would not have a long-term impact on rights. Effect of errors would impact a limited set of individuals or customers.	60	70	80
C. Errors in the position in performing duties present the potential for legal or service issues that could be difficult to resolve and/or have financial or welfare impacts. Effect of errors would be more widespread across multiple individuals or customers.	90	100	110
D. Errors in the position are further up the chain of command or decision-making chain and by definition would impact multiple work processes, customer areas or legal or service issues. Resolution would require input from superiors at a more complex and sustained level in resolving legal and/or financial impacts.	120	130	140
E. Errors in the position could cause significant inconvenience or legal issues that are extremely difficult to resolve, or may temporarily pose a significant problem for the general public.	150	160	170
F. Errors in the position could cause a major, long-term inconvenience to the public that would have the realistic potential to cause long-term service issues or impacts on the rights of the public.	180	190	200

Appendix B-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Job Evaluation Plan (cont'd)

FACTOR 7: TECHNOLOGY USE

This factor measures the level of knowledge and expertise required in a position with respect to utilizing, developing, and implementing various technologies. Determine first the level of knowledge and skill required of the position (not the level of the position incumbent) and then determine the degree most appropriate for the position.

LEVEL OF TECHNOLOGICAL KNOWLEDGE AND SKILL REQUIRED	DEGREE	POINT VALUE
A. Job duties require the ability to use of computer software including Microsoft Suite applications such as word processing, spreadsheet, PowerPoint and data bases as well as department-specific software or financial applications requiring a moderate level of training.	Somewhat less than =	50
	Almost exactly like =	60
	Somewhat more than =	70
	Highest of category =	80
B. Job duties require utilization of, and a greater knowledge of specialized software such as complex use of financial applications, CAD, GIS, database manipulation and other complex and specialized programs. The lower level of this grading is also appropriate for the individual that <u>regularly</u> provides computer assistance or training for a particular unit or office setting.	Almost exactly like =	90
	Somewhat more than =	100
	Highest of category =	110
C. Job duties require more advanced use of computer software, including specialized applications, which constitute a primary portion of the job (such as GIS). Employees at this level may also serve as information technology and network specialists with responsibility for computer system installation, maintenance, troubleshooting, security and employee training.	Almost exactly like =	120
	Somewhat more than =	130
	Highest of category =	140
D. Job duties require the development, programming, maintenance, repair and oversight of contracted services for computer systems, databases, networks, telecommunications, security or other complex systems and possibly an intermediary level of supervision.	Almost exactly like =	150
	Somewhat more than =	160
	Highest of category =	170
E. Job duties require leadership and administrative activities associated with the research, development, purchase and implementation of computer systems, system coordination and related technological advances up to and including executive and administrative leadership.	Almost exactly like =	180
	Somewhat more than =	190
	Highest of category =	200

Appendix B-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Job Evaluation Plan (cont'd)

FACTOR 8: IMPACT ON PROGRAMS, SERVICES AND OPERATIONS

This factor measures direct or indirect impact on the programs, services or operations carried out or provided by units of the organization. The nature of such impact is defined as the extent to which effective or ineffective performance of a classification's duties or responsibilities contribute to assure, interfere with, or prevent the achievement of goals, objectives, plans, or other established performance criteria. Rate the classification in terms of its probable consequences, as opposed to potential consequences which rarely, if ever, occur.

NATURE OF IMPACT	DEGREE	POINT VALUE
A. The work product, though important to the organization, is directly tied to other work processes. Errors are detected or apparent in succeeding steps and thus can be detected and corrected at an early stage.	Almost exactly like =	125
	Somewhat more than =	150
	Highest of category =	175
B. The work products and purpose of the job directly affect the accuracy, reliability, or acceptability of other work processes. Completed work has a direct relationship to other important activities or related work within one or more organization units. Errors are normally detected in succeeding operations but involve expenditure of time to trace and correct. Consequences affect the work of others or cause inconvenience to the public. There also may be measurable monetary consequences related to the handling of financial transactions, equipment, supplies or other materials.	Almost exactly like =	200
	Somewhat more than =	225
	Highest of category =	250
C. The work products and purpose of the job contribute to the attainment of both immediate and on-going goals and objectives. The job may materially influence or impact long-range direction, planning or control. The job affects the design or operation of systems, programs or equipment. Errors are difficult to detect and would result in inaccurate reports, incomplete or misleading information, invalid test results, unsound recommendations, or incorrect decisions.	Almost exactly like =	275
	Somewhat more than =	300
	Highest of category =	325
D. The work products and purpose of the job have a significant impact on major aspects of programs, services and operations. Responsibilities may be shared among individuals or may be a direct responsibility. Influence extends to both short- and long-term matters affecting an organizational component. Errors would not be detected through normal means, but would become apparent later through subsequent activities or events.	Almost exactly like =	350
	Somewhat more than =	375
	Highest of category =	400
E. The work products and purpose of the job have a major impact on all aspects and phases of program, service or operations management. Decisions and overall influence contribute directly to the image of success and future of programs, services or operations and have a major long-term impact.	Almost exactly like =	425
	Somewhat more than =	450
	Highest of category =	475
F. The purpose of the job is focused on the coordination on all of programs, services and operations and the establishment and ongoing review and modification of organizational goals, objectives and action plans. The level of organizational impact exhibited is of a direct controlling nature as is usually associated with the highest levels of management.	Almost exactly like =	500
	Somewhat more than =	525
	Highest of category =	550

Appendix B-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Job Evaluation Plan (cont'd)

FACTOR 9: DOCUMENT CONCENTRATION

This factor measures the extent to which the position requires mental concentration and focus on the job of the type that is frequently associated with ongoing work involving numbers, figures and automated document review and development. Determine the frequency that this occurs, while excluding time devoted to customer service, meetings, phone work and other duties.

APPLICABLE FACTORS	FREQUENCY		
	1. Normal (25%-50%)	2. Higher Portion of Job (51%-75%)	3. Primary Job Function (Over 75%)
<u>Mental Concentration:</u> The task detail regularly required of the position (i.e. working with figures, paperwork, fine motor skills)	20	40	60

Appendix B-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Job Evaluation Plan (cont'd)

FACTOR 10: WORK ENVIRONMENT

This factor measures the degree to which a position is subjected to unpleasant or adverse working conditions as a function of the job. Office "climate control" issues are not considered an unpleasant or adverse condition.

Determine first the highest condition or demand encountered *as a function of the position* (A, B, C or D) then the approximate frequency with which that condition is experienced.

WORKING CONDITIONS	FREQUENCY		
	1. Occasionally (25%-50%)	2. Periodically (51%-75%)	3. Frequently (Over 75%)
A. Work is carried on in a normal office setting or with limited exposure to truly disagreeable working conditions. Some less than ideal situations might exist, including rude or disagreeable customers but the work environment is not unhealthy by generally accepted health standards. Any health-related or disagreeable conditions are manageable and can be tolerated without special accommodation. This level is also appropriate for the individual that must travel to other sites for administrative or clerical work. Points may be awarded based on a higher frequency of disagreeable factors in the work and the service environment more generally.	5	10	15
B. Work requires office and field work which may expose the employee to dust and dirt, unsanitary or unhealthy conditions and other negative conditions present in the work environment. This level is appropriate for the employee with frequent field work requiring nominal levels of physical exertion (without accommodation) such as code inspectors, nurses, social workers and others exposed to unhealthy home or environmental conditions would also be rated in this category as would some animal control personnel.	20	25	30
C. Work environment is disagreeable due to discomfort from heavy manual activities (repeated lifting, pushing, digging etc.) extreme weather conditions, situations that require high levels of caution and safety awareness, or other factors which require adjusting to or procedurally accommodating these uncomfortable situations as a primary condition of the job. Jobs rated at this level are typically those focused on heavy manual labor.	35	40	45
D. Work environment is very disagreeable due to extreme manual labor and adverse environmental conditions, with exposure to hazardous materials or dangerous chemicals, confined or precarious work sites and other conditions which require the use of special safety equipment and substantial physical or mental accommodation to perform the job. This factor level is appropriate for the most extreme circumstances in which compensation is directly correlated to working conditions.	50	55	60

Appendix B-2
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Point Factor Analysis and Grade Ranking

Suggested Grade	Position Title	Education and Experience	Ed/Ex #	Judgment and Independence	Internal and External Relations	Supervision	Sup #	Job Complexity	Responsibility for the Rights of Others	Technology	Impact on Operations	Document Concentration	Work Environment	Total Points	Point/Grade Parameters
1	Environmental Health Assistant Clerk	173	a1	120	60	0	-	120	40	60	150	60	15	798	700-901
2	WIC Breastfeeding Peer Counselor	173	a1	150	100	0	-	150	60	50	175	20	25	903	901-1100
2	Administrative Support Clerk	173	a1	150	60	0	-	150	50	70	175	60	15	903	
2	CSHCS-Representative	173	a1	150	80	0	-	150	50	70	175	60	20	928	
2	Vision and Hearing Technician	173	a1	150	80	0	-	150	60	80	175	60	25	953	
2	Immunization Clerk	197	a2	150	80	0	-	150	60	70	175	60	25	967	
2	Clinic Clerk Technician	220	b1	150	80	0	-	150	60	70	175	60	25	990	
3	Area Agency on Aging Program Specialist	197	a2	180	100	0	-	240	50	80	200	60	15	1122	1101-1300
3	Area Agency on Aging Outreach Specialist	220	b1	180	120	0	-	240	70	80	200	40	20	1170	
3	Environmental Health Administrative Assistant	243	b2	180	100	0	-	240	80	80	200	60	25	1208	
3	Clinic Administrative Assistant	243	b2	180	120	10	a1	240	80	80	200	60	25	1238	
4	Area Agency on Aging - VOCA Elder Abuse Victim Specialist	243	b2	210	160	0	-	270	120	80	250	40	30	1403	1301-1500
4	Fiscal Support Specialist	295	c2	210	140	0	-	270	80	90	250	60	15	1410	
5	OPEN GRADE	-	-	-	-	-	-	-	-	-	-	-	-	-	1501-1700
6	Health Educator	313	d1	300	180	0	-	330	90	80	350	40	20	1703	1701-1900
6	Environmental Health Sanitarian I	313	d1	300	180	0	-	330	120	80	350	40	30	1743	

Appendix B-2
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Point Factor Analysis and Grade Ranking (cont'd)

Suggested Grade	Position Title	Education and Experience	Ed/Ex #	Judgment and Independence	Internal and External Relations	Supervision	Sup #	Job Complexity	Responsibility for the Rights of Others	Technology	Impact on Operations	Document Concentration	Work Environment	Total Points	Point/Grade Parameters
6	Area Agency on Aging Social Work Care Consultant	313	d1	300	180	0	-	330	120	80	350	40	30	1743	1701-1900
7	Environmental Health Sanitarian II	360	d3	330	200	0	-	360	130	80	375	40	30	1905	1901-2100
7	Finance and IT Support Specialist	313	c3	330	220	30	b1	360	120	120	375	60	15	1943	
7	Area Agency on Aging RN Care Consultant	337	d2	330	220	30	b1	360	140	90	375	40	30	1952	
7	Community Health Services Registered Nurse	337	d2	330	220	30	b1	360	140	90	375	40	30	1952	
7	Public Health Registered Nurse	337	d2	330	220	30	b1	360	140	90	375	40	30	1952	
7	Accountant	337	d2	330	260	10	a1	360	140	100	375	60	15	1987	
7	Emergency Preparedness Coordinator	360	d3	330	280	0	-	360	160	80	375	40	15	2000	
7	IT Network Manager	337	d2	330	260	0	-	360	160	150	375	60	15	2047	
8	Clinic Supervisor	337	d2	360	320	60	c2	390	170	80	400	40	30	2187	
8	Community Health Services Supervisor	383	d4	360	320	50	c1	390	170	80	400	40	30	2223	
8	Environmental Health Supervisor	383	d4	360	320	60	c2	390	170	80	400	40	30	2233	
9	Area Agency on Aging Director	383	d4	390	360	100	d2	420	170	80	450	40	25	2418	2301-2500
9	Environmental Health Director	404	d5	390	360	80	d2	420	180	80	450	40	25	2429	
9	Personal Health and Disease Prevention Director	404	d5	390	360	110	d4	420	180	80	450	40	25	2459	
9	Administrative Services Director	404	d5	390	360	100	d2	420	170	130	450	60	15	2499	

APPENDIX C
MARKET SURVEY RESULTS

Appendix C-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Listing of Market Comparables Used for the Study

Health Department	2017-18 Estimated Potential Population Served
Branch/Hillsdale St. Joseph Community Health Agency	150,414
Barry/Eaton District Health Department	170,983
Berrien County Health Department	151,141
Calhoun County Health Department	134,487
Central Michigan District Health Department	188,922
District Health Department #10	250,974
Jackson County Health Department	158,823
Kalamazoo County Health and Human Services	264,870
Lenawee County Health Department	98,266
Mid-Michigan District Health Department	183,899
Monroe County Health Department	150,439
Van Buren/Cass County District Health Department	127,101
AVERAGE OF OTHERS	170,900

Sources: US Census' American Community Survey 2017 five-year estimates and the Census' 2018 population estimates.

Appendix C-2
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Comparison of Labor Market Wage Data

Position Title	BHSJ Range Max or Highest Wage	Average of Market	Percent BHSJ to Market	Barry/ Eaton District Health Dept.	Berrien County Health Dept.	Calhoun County Public Health Dept.	Central Michigan District Health Dept.	District Health Dept. #10	Jackson County Health Dept.	Kalamazoo County Health & Community Services Dept.	Lenawee County Health Dept.	Mid- Michigan District Health Dept.	Monroe County Health Dept.	Van Buren/ Cass County District Health Dept.	Life Ways CMH	St. Joseph County CMH
Health Officer	\$38.75	\$54.24	71%	\$51.06	\$62.68	\$57.81	\$50.94	\$46.39	\$56.24	\$55.67	\$42.50	\$54.02	\$47.19	\$72.12	-	-
Administrative and Finance Services Director	\$34.94	\$42.26	83%	-	\$44.95	-	\$41.77	\$40.70	\$43.57	-	\$36.94	\$40.77	\$36.52	\$52.88	-	-
Administrative Support Clerk	\$14.63	\$16.47	89%	\$15.93	\$15.37	-	\$19.72	\$16.40	\$16.05	\$18.24	-	-	\$15.39	-	\$14.84	\$16.28
Information Technology Manager	\$24.07	\$31.33	77%	-	-	\$31.73	\$34.63	-	-	-	-	\$27.72	-	\$31.25	-	-
Information Technology Software Specialist	\$24.07	\$29.34	82%	-	\$35.22	-	-	-	-	-	\$28.04	\$25.92	\$28.20	-	-	-
Accountant	\$26.71	\$29.94	89%	\$31.71	\$33.77	\$33.26	\$30.13	\$28.75	\$33.78	\$29.17	-	\$23.53	-	\$29.81	\$32.06	\$23.34
Accounts Payable Clerk	\$19.02	\$21.14	90%	\$20.57	\$24.10	\$24.30	\$18.70	\$20.15	\$19.92	\$22.80	\$19.43	\$20.99	\$19.37	\$22.12	-	\$21.25
Payroll Clerk	\$19.02	\$20.41	93%	\$20.57	\$24.10	-	\$20.43	\$20.15	\$19.92	-	\$22.37	\$17.71	\$19.37	\$18.27	-	\$21.25
Emergency Preparedness Coordinator	\$26.71	\$30.73	87%	\$28.62	\$30.70	\$32.05	\$34.63	\$28.75	\$33.10	\$29.24	\$30.73	\$27.72	-	\$31.73	-	-
Health Educator	\$24.07	\$26.55	91%	\$26.48	\$26.51	\$25.78	\$24.89	\$24.59	\$29.48	\$32.05	\$26.54	\$24.82	\$25.86	\$25.00	-	-
Director of Clinical Community Health	\$34.94	\$39.61	88%	\$38.24	\$40.87	\$42.16	\$41.77	\$40.70	\$40.24	\$40.05	\$36.94	\$40.77	\$36.52	\$37.50	-	-
Clinical Services Supervisor	\$28.03	\$32.94	85%	\$30.80	\$33.77	\$34.88	\$34.63	\$31.36	\$33.78	\$31.87	\$30.73	\$32.40	\$33.50	\$34.62	-	-
Hearing and Vision Manager	\$28.03	\$34.36	82%	-	\$33.77	-	-	-	-	\$34.95	-	-	-	-	-	-
Public Health Nurse RN	\$24.07	\$29.16	83%	\$28.62	\$29.16	\$30.25	\$28.62	\$26.79	\$30.13	\$29.17	\$27.57	\$30.31	\$27.64	\$25.48	\$34.26	\$31.07
Hearing/Vision Technician	\$14.63	\$17.86	82%	\$15.93	\$17.58	\$20.56	\$17.13	\$17.98	\$17.06	\$18.63	\$18.54	\$17.91	-	\$17.31	-	-
Clinic Administrative Clerk I	\$16.30	\$15.91	102%	\$15.93	\$16.46	\$18.12	\$15.75	\$15.06	\$16.05	-	\$15.35	\$15.09	\$15.39	\$16.59	\$14.84	\$16.28

Appendix C-2
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Comparison of Labor Market Wage Data (cont'd)

Position Title	BHSJ Range Max or Highest Wage	Average of Market	Percent BHSJ to Market	Barry/ Eaton District Health Dept.	Berrien County Health Dept.	Calhoun County Public Health Dept.	Central Michigan District Health Dept.	District Health Dept. #10	Jackson County Health Dept.	Kalamazoo County Health & Community Services Dept.	Lenawee County Health Dept.	Mid- Michigan District Health Dept.	Monroe County Health Dept.	Van Buren/ Cass County District Health Dept.	Life Ways CMH	St. Joseph County CMH
Clinic Administrative Clerk II	\$16.30	\$18.25	89%	\$18.41	\$18.11	\$20.56	\$17.13	\$16.40	\$17.06	\$18.24	-	\$17.08	\$16.49	\$17.31	\$20.93	\$21.25
CSHCS LBS Representative	\$14.63	\$16.70	88%	-	\$16.46	-	-	\$17.98	-	\$18.63	\$13.74	-	-	-	-	-
Breastfeeding Peer	\$14.63	\$16.07	91%	\$15.93	\$15.72	\$12.00	\$17.13	\$16.40	\$20.08	\$17.51	-	\$15.09	-	-	-	\$14.78
Director of Environmental Health	\$34.94	\$38.72	90%	\$38.24	\$40.87	\$42.15	\$41.77	\$40.70	\$38.13	\$39.57	\$36.94	\$40.77	\$36.52	\$30.29	-	-
Supervisor of Environmental Health	\$28.03	\$31.86	88%	\$31.71	\$33.77	-	\$34.63	\$31.36	\$32.41	\$31.87	\$30.73	\$32.40	-	\$27.88	-	-
Sanitarian 2 (registered)	\$26.71	\$27.59	97%	\$28.62	\$26.51	\$29.96	\$27.44	\$26.79	\$29.48	\$29.17	\$25.03	\$27.06	\$25.86	-	-	-
Sanitarian 1 (not registered)	\$24.07	\$25.04	96%	\$26.48	\$24.10	\$27.97	\$24.89	\$24.59	\$26.56	\$25.25	\$23.41	\$24.85	\$24.00	\$23.32	-	-
Environmental Health Office Leader/Clerk	\$16.30	\$18.90	86%	\$18.41	\$18.11	\$24.30	\$17.13	\$17.98	\$18.10	\$18.63	\$17.68	\$17.08	\$20.82	\$17.31	-	\$21.25
Part-Time Clerk Receptionist	\$14.63	\$14.45	101%	\$15.93	\$12.63	-	-	-	-	-	-	-	-	-	-	\$14.78
WEEKLY HOURS (FOR WAGE CONVERSION)	37.5	-	-	40.0	37.5	40.0	35.0	40.0	40.0	40.0	37.5	40.0	40.0	40.0	40.0	40.0

Methodology:

Annual survey data has been converted to hourly based on the number of hours worked per week.

Wage data for BHSJ are all range maximums with the exception of the Health Officer.

Collected wage data is mostly range maximums, again with the exception of the Health Officer.

Dash indicates no comparable position reported for that particular job.

In a number of cases surveyed title differs from actual BHSJ title. This has been done to make the title more recognizable to survey respondents.

Some data have been eliminated due to differences in job complexity and scope of responsibilities.

Notes:

Other Health Officers, with the exception of Kalamazoo do not have responsibility for Area Agency on Aging.

Comparisons used for Administrative and Finance Services Director do not always include all duties of the position (i.e. Finance, IT, HR, Maintenance).

Other entities do not have the same division of responsibilities for information technology. Some use the larger county departments. Data has been carefully scrutinized to provide the most accurate

Appendix C-2
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Comparison of Labor Market Wage Data (cont'd)

IT comparisons. For example, the Finance and IT Specialist is surveyed as a mid-range IT professional. The IT Manager is compared to other IT Managers with consideration for the fact that the position has no supervisory responsibility and shares technology duties with the Finance and IT Specialist. BHSJ has a unique organizational alignment in this regard.

Fiscal Support Specialists have been surveyed for both accounts payable and payroll responsibility.

Clinic Coordinators are surveyed as Clinic Managers which is more consistent with duties.

Hearing and Vision Services Manager data was collected for Community Health Services Coordinator recognizing that the latter has more expansive duties. This data has limited applicability.

Clinic Clerk Technicians and Clinic Clerk Managers are surveyed as Clinic Administrative Clerk I and II. Immunization Technicians are presumed as Clinic Admin. Clerk I. These titles are more recognizable to the surveyed agencies.

Barry/Eaton District Health Department: Clinic Clerk prior 2010 used for Clinic Administrative Clerk II. Post 2010 used for Clinic Administrative Clerk I.

Data collected for Public Health Nurse is presumed to be applicable to all nurse classifications and assignments in BHSJ.

Environmental Health Office Manager/Clerk was surveyed separately as this is a common division of responsibility.

Source: Survey of listed agencies, effective September 15, 2019.

Appendix C-3
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Comparison of Labor Market Wage Data for Area Agencies on Aging

Position Title	BHSJ Range Max or Highest Wage	Average of Market	Percent BHSJ to Market	Region 9 - Northeast Michigan Community Services Agency, Inc.	Senior Resources of West Michigan (Region 14)	Region 3B Area Agency on Aging - CareWell Services Southwest	Region 2 Area Agency on Aging	Region IV Area Agency on Aging	Region 5 - Valley Area Agency on Aging	DASAS	LIFEWAYS	St. Joseph County CMH
Outreach Worker	\$16.30	\$19.42	84%	-	\$15.23	\$18.50	\$21.96	-	\$22.00	-	-	-
Area on Aging Program Specialist (Clerical)	\$16.30	\$18.29	89%	\$23.24	-	\$15.52	\$16.40	\$18.00	-	-	-	-
Social Work Care Consultant	\$24.07	\$25.72	94%	-	-	\$27.48	-	\$26.39	\$22.00	-	\$29.87	\$22.84
VOCA Elder Abuse Victim Specialist	\$19.02	\$20.60	92%	-	-	\$22.11	\$24.70	-	-	\$15.00	-	-
Area Agency on Aging RN Care Consultant	\$24.07	\$29.10	83%	\$32.69	\$27.88	\$27.53	\$27.00	\$26.39	\$26.00	-	\$34.26	\$31.07
WEEKLY HOURS	37.5	-	-	40	40	40	37.5	40	40			
NUMBER OF FTE EMPLOYEES	8	-	-	49	84	59	51	70	58			

Methodology:

Annual survey data has been converted to hourly based on the number of hours worked per week.

Wage data for BHSJ are all range maximums with the exception of the Health Officer.

Collected wage data is mostly range maximums, again with the exception of the Health Officer.

Dash indicates no comparable position reported for that particular job.

In a number of cases surveyed title differs from actual BHSJ title. This has been done to make the title more recognizable to survey respondents.

Some data have been eliminated due to differences in job complexity and scope of responsibilities.

Survey data is effective September 15, 2019.

Notes:

Due to relative size of the agencies, there are no credible comparables for BHSJ's Area Agency on Aging Director.

DASAS VOCA Elder Abuse Victim Specialist reported comparable is residential DV/SA Advocate.

Region 3B VOCA Elder Abuse Victim Specialist is a CHW that does EAP case coordination.

Source: Survey of listed agencies, effective September 15, 2019.

APPENDIX D
SUGGESTED GRADE AND SALARY STRUCTURE

Appendix D
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Suggested Pay Grade Structure

Pay Grade	Point Value Parameters	Title	BHSJ Range Maximums	Market Average Maximum of Range	Minimum of New Range	Midpoint of New Range	Maximum of New Range
1	700-901	Environmental Health Assistant Clerk	\$14.63	\$14.45	12.29	13.52	14.75
2	901-1100	WIC Breastfeeding Peer Counselor	\$14.63	\$16.07	13.83	15.22	16.60
2		Administrative Support Clerk	\$14.63	\$16.47			
2		CSHCS-Representative	\$14.63	\$16.70			
2		Vision and Hearing Technician	\$14.63	\$17.86			
2		Immunization Clerk	\$16.30	\$15.91			
2		Clinic Clerk Technician	\$14.63	\$15.91			
3	1101-1300	Area Agency on Aging Program Specialist	\$16.30	\$18.29	15.63	17.19	18.76
3		Area Agency on Aging Outreach Specialist	\$16.30	\$19.42			
3		Environmental Health Administrative Assistant	\$16.30	\$18.90			
3		Clinic Administrative Assistant	\$16.30	\$18.25			
4	1301-1500	Area Agency on Aging - VOCA Elder Abuse Victim Specialist	\$19.02	\$20.60	17.66	19.43	21.20
4		Fiscal Support Specialist	\$19.02	\$20.78			
5	1501-1700	OPEN GRADE			19.96	21.96	23.95
6	1701-1900	Health Educator	\$24.07	\$26.55	22.55	24.81	27.07
6		Environmental Health Sanitarian I	\$24.07	\$25.04			
6		Area Agency on Aging Social Work Care Consultant	\$24.07	\$25.72			
7	1901-2100	Environmental Health Sanitarian II	\$26.71	\$27.59			
7		Finance and IT Support Specialist	\$24.07	\$29.34	25.49	28.04	30.58
7		Area Agency on Aging RN Care Consultant	\$24.07	\$29.10			
7		Community Health Services Registered Nurse	\$24.07	\$29.16			
7		Public Health Registered Nurse	\$24.07	\$29.16			
7		Accountant	\$26.71	\$29.94			
7		Emergency Preparedness Coordinator	\$26.71	\$30.73			
7		IT Network Manager	\$24.07	\$31.33			
8	2101-2300	Clinic Supervisor	\$28.03	\$32.94	28.80	31.68	34.56
8		Community Health Services Supervisor	\$28.03	\$34.36			
8		Environmental Health Supervisor	\$28.03	\$31.86			
9	2301-2500	Area Agency on Aging Director	\$34.94	-	33.50	36.85	40.20
9		Environmental Health Director	\$34.94	\$38.72			
9		Personal Health and Disease Prevention Director	\$34.94	\$39.61			
9		Administrative Services Director	\$34.94	\$42.26			

Appendix D
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Suggested Pay Grade Structure (cont'd)

Methodology:

BHSJ listed salaries are range maximums.

Green indicates at least one incumbent is a green circle.

The market data are also primarily salary range maximums. There are very few exceptions, the vast majority are range maximums.

Since the maximum for the labor market is the highest amount paid, it is used to develop the new recommended ranges for BHSJ, with a small added increment to allow for proper spacing between grades.

The range width is set at 20%, which is very close to the current range width.

The salary ranges should be implemented consistent with the discussion in Section II of the report. Typically, employees will move through the ranges over time as expertise and experience are acquired. Range movement may be attainable through seniority, performance or some combination depending on the particulars of BHSJ's system at any point-in-time.

Note:

Please consult Appendix C-2 notes for comparative explanations and qualifiers for the market data and application to particular jobs.

APPENDIX E

SUMMARY OF EMPLOYEE BENEFITS COMPARISON

Appendix E-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Comparison of Employee Benefits

Category of Benefits	Branch-Hillsdale-St. Joseph CHA	Barry/Eaton District Health Dept.	Berrien County Health Dept.	Calhoun County Public Health Dept.	Central Michigan District Health Dept.	Jackson County Health Dept.	Kalamazoo County Health and Community Services Dept.	Lenawee County Health Dept.	Mid-Michigan District Health Dept.	Monroe County Health Dept.	Van Buren / Cass County District Health Dept.
Paid Time Off and Longevity											
Number of annual holidays	11	12	12	12.5	11	11	8	12	18.5	12.5	9
Annual personal days	0	0	2	0	24.5	0	0	0	2.5	4	0
Annual sick time (days)	11.2	15	13	PTO	12	PTO	5	PTO	12	6	PTO
Maximum sick-time accrual (days)	260 hours	90	150	-	12	-	100	-	30	6	37
Is there a sick-time buyback option annually or at retirement?	Yes	Yes	Yes	-	No	-	Yes	-	Yes	No	Yes
If yes, max time that can be sold back and value awarded to each day:											
annually?	Any over 260 hours at 100%	50% of value to 15 days	No	-	-	-	No	-	3 days at 50%	-	5 days at 100%
at retirement?	200 hours at 100% of value	90 days at 50% of value	900 hrs. for 7.5, 960 hrs. for 8 hr. at 100% of value	-	-	-	100 days at 50% of value	-	30 days at 50% of value	-	37 days at 100% of value
Do you use PTO days rather than sick time?	No	No	No	Yes	No	Yes	No	Yes	No	No	Yes
Total vacation days earned (including PTO if applicable and not listed above):											
at 1 year	16	12	15	18	4	20	18	16	6	8.25	29
at 5 years	22	17	20	23	4	20	21	21	15	12.75	30
at 10 years	28	22	20	28	4	25	23	24	18	15	34
at 20 years	28	22	25	33	4	30	27	26	21	25.5	37
Longevity payment?	Yes	No	No	Yes	No	No	No	No	No	Yes	No
at 5 years	\$150	-	-	\$250	-	-	-	-	-	\$125	-
at 10 years	\$300	-	-	\$500	-	-	-	-	-	\$250	-
at 20 years	\$600	-	-	\$1,000	-	-	-	-	-	\$500	-

Appendix E-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Comparison of Employee Benefits (cont'd)

Category of Benefits	Branch-Hillsdale-St. Joseph CHA	Barry/Eaton District Health Dept.	Berrien County Health Dept.	Calhoun County Public Health Dept.	Central Michigan District Health Dept.	Jackson County Health Dept.	Kalamazoo County Health and Community Services Dept.	Lenawee County Health Dept.	Mid-Michigan District Health Dept.	Monroe County Health Dept.	Van Buren / Cass County District Health Dept.
If have longevity, has it been eliminated for new employees?	No	-	-	Yes	-	-	-	-	-	Yes	-
Insurance											
Adopted PA 152 caps or 80/20?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total monthly cost for the core/base health care plan (Single/Family) for administrative employees	Single: \$599 Family: \$1,812	Single: \$458 Family: \$1,373	Single: \$640 Family: \$1,900	Single: \$719 Family: \$1,963	Single: \$448 Family: \$1,344:	Single: \$658 Family: \$1,973	Single: \$532 Family: \$1,595	Single: \$500 Family: \$1,563	Single: \$458 Family: \$1,374	Single: \$410 Family: \$1,187	Single: \$561 Family: \$1,671
Do employees contribute to health care premium on the core/base plan in 2019?	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	No	Yes
If yes, per pay amount or % (single and family)	20%	10%	20%	20%	-	20%	20%	-	-	-	20%
Monthly payment in lieu of health care coverage ?	\$208	Single: \$150 Family: \$375	No option	\$100	\$243	\$250	Single: \$43 Family: \$108	Single: \$43 Family: \$58	\$130/ \$170	\$83	\$300
Employer-paid dental coverage (premium percentage)?	80%	100%	\$1,000 maximum family reimbursement for dental/optical	100%	No	100%	80%	No	85%	95%	100%
Employer-paid optical coverage (premium percentage)?	80%	100%		100%	No	100%	80%	No	No	95%	No
Health Savings Account provided?	No	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	No

Appendix E-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Comparison of Employee Benefits (cont'd)

Category of Benefits	Branch-Hillsdale-St. Joseph CHA	Barry/Eaton District Health Dept.	Berrien County Health Dept.	Calhoun County Public Health Dept.	Central Michigan District Health Dept.	Jackson County Health Dept.	Kalamazoo County Health and Community Services Dept.	Lenawee County Health Dept.	Mid-Michigan District Health Dept.	Monroe County Health Dept.	Van Buren / Cass County District Health Dept.
If yes, annual amount that is employer-paid	-	\$2,000/yr	-	Single: \$750 or \$1,500 Family: \$1,500 or \$3,000	\$1,600	Single: \$400 Family: \$800	-	\$3,200	Difference between hard cap and insurance cost	Single: \$500 Family: \$1,000	-
Is a Flex Benefit Plan available for pre-tax reimbursement?	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Short-term disability insurance provided?	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No	Yes	No
Long term-disability insurance provided?	No	No	No	No	No	Yes	Yes	Yes	No	Yes	No
Employee life insurance amount	\$15,000 reduced after age 65	\$20,000	\$50,000	Up to \$50,000	\$30	\$30,000	1x salary to \$250,000 maximum	\$50,000	Not provided	\$20,000 to \$50,000	\$25,000
Employer-paid retiree health insurance?	No	No	Yes	No	No	Yes	Yes	No	No	Yes	No
If yes, % or amount premium paid by employer	-	-	50%	-	-	80%	80%	-	-	100%	-
Is spouse also covered at employer cost?	-	-	No	-	-	Yes	No	-	-	Yes	-
Supplement after 65 paid by employer?	-	-	Yes	-	-	Yes	Yes	-	-	Yes	-
Prescriptions after 65 paid by employer?	-	-	Yes	-	-	Yes	Yes	-	-	Yes	-
Has the public entity eliminated retiree health care for new employees ?	-	-	No	-	-	Yes	No	-	-	Yes	-

Appendix E-1
Branch-Hillsdale-St. Joseph Community Health Agency
Classification and Compensation Study
Comparison of Employee Benefits (cont'd)

Category of Benefits	Branch-Hillsdale-St. Joseph CHA	Barry/Eaton District Health Dept.	Berrien County Health Dept.	Calhoun County Public Health Dept.	Central Michigan District Health Dept.	Jackson County Health Dept.	Kalamazoo County Health and Community Services Dept.	Lenawee County Health Dept.	Mid-Michigan District Health Dept.	Monroe County Health Dept.	Van Buren / Cass County District Health Dept.
Is there a Retiree Health Savings Plan provided (or similar health care funding mechanism)?	No (eliminated in 2018)	No	No	No	No	Yes	No	No	No	No	No
If yes, what is annual employer contribution?	-	-	-	-	-	\$1,850/yr	-	-	-	-	-
Is the Retiree Health Savings Plan just for new hires?	-	-	-	-	-	Yes	-	-	-	-	-
Primary Pension Retirement Plan											
Defined Contribution Plan?	Yes	No	No	No	Yes	Yes	No	Yes	No	No	No
Employer maximum contribution	5%	-	-	-	10%	5%	-	5%	-	-	-
Is plan for new hires only?	Yes	-	-	-	Yes	Yes	-	Yes	-	-	-
Defined Benefit Plan?	Yes - closed to new hires	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Current employee required contribution	3.30%	2%	5%	8.25%	2%	Varies	0%	5%	2.68% and 3%	2%	7% to 10%
Multiplier	2.00%	2.50%	2.20%	2.00%	Not provided	2% to 2.5%	Varies	Not provided	2% or 2.25%	1.5 to 2.5%	Not provided
Hybrid Plan?	No	No	No	No	No	No	No	No	No	No	No
Employee required match/contribution	-	-	-	-	-	-	-	-	-	-	-
Multiplier used in pension calculation	-	-	-	-	-	-	-	-	-	-	-
Maximum employer match/contribution	-	-	-	-	-	-	-	-	-	-	-
Is plan for new hires only?	-	-	-	-	-	-	-	-	-	-	-
Additional employer contribution to 457 or 401a for non-union employees?	No	No	No	No	Yes	No	No	No	No	No	Yes

**Appendix E-1
 Branch-Hillsdale-St. Joseph Community Health Agency
 Classification and Compensation Study
 Comparison of Employee Benefits (cont'd)**

Category of Benefits	Branch-Hillsdale-St. Joseph CHA	Barry/Eaton District Health Dept.	Berrien County Health Dept.	Calhoun County Public Health Dept.	Central Michigan District Health Dept.	Jackson County Health Dept.	Kalamazoo County Health and Community Services Dept.	Lenawee County Health Dept.	Mid-Michigan District Health Dept.	Monroe County Health Dept.	Van Buren / Cass County District Health Dept.
If yes, amount that is employer paid	-	-	-	-	5%	-	-	-	-	-	\$2,500/yr
Miscellaneous											
Base hours worked per week for full-time non-exempt?	37.5	40	37.5, Roads, Parks, Sheriff's Deputies and Bailiffs are 40	40	35	40	40	37.5	40	40	40
How many steps in your non-union pay system?	6	7	7	7	8	5	6	7	6	9	0
Do part-time employees <u>under 30 hours</u> receive benefits?	Employees working 30 - 37 hours receive full benefits except possibly holiday pay. Benefits are pro rata where applicable. Under 30 hr. see below.	Only if .8 or above	Yes	No	No	Limited	Yes	No	Yes	No	No
If yes, is health care provided?	No	Yes	Yes	Yes	-	-	No	-	No	-	-
If yes, is retirement provided?	No	Yes, .8 FTE or above	Yes	Yes	-	-	Yes	-	Yes	-	-

**Appendix E-1
 Branch-Hillsdale-St. Joseph Community Health Agency
 Classification and Compensation Study
 Comparison of Employee Benefits (cont'd)**

Category of Benefits	Branch-Hillsdale-St. Joseph CHA	Barry/Eaton District Health Dept.	Berrien County Health Dept.	Calhoun County Public Health Dept.	Central Michigan District Health Dept.	Jackson County Health Dept.	Kalamazoo County Health and Community Services Dept.	Lenawee County Health Dept.	Mid-Michigan District Health Dept.	Monroe County Health Dept.	Van Buren / Cass County District Health Dept.
For part-time benefits received specify type of benefit and formula used determine amount	Under 30 hrs. but at least 25 hr. receive sick time pro rata and related accrual bank provisions	.8 FTE get fringe benefits	Based on hours worked	Receive pension and pro rata PTO	-	-	Health care only if .50 FTE	-	Over 20 hours receive pro rata retirement - also pro rata off-time	-	-

Source: Survey of listed agencies, effective September 15, 2019.



Classification & Compensation Study Narrative

Prepared by BHSJCHA Management

For Board of Health work meeting November 19, 2019

Branch-Hillsdale-St. Joseph Community Health Agency contracted with Municipal Consulting Services LLC to have a comprehensive classification and compensation study completed by September 30, 2019. The full study is attached for your review. On page II-1 of the resulting report, the vendor suggests new Pay Grades and Ranges based on the market averages. BHSJCHA management has reviewed the report and developed the following options to use as a basis for discussion and adoption.

Option 1

If the Agency were to adopt the Pay Scale recommended by Municipal Consulting Services LLC, bringing the Agency's wages up to the market averages and placing each employee on the scale based on their current years of service, we estimate it would cost the Agency an additional \$491,322.30 in the first year. Assuming that current funding levels will remain the same, the Agency cannot support this increase. Details showing the estimated budget for this plan are shown on the following pages, titled Option 1. Management does not recommend this option.

Option 2

If the Agency were to adopt the Pay Scale recommended by Municipal Consulting Services LLC, and place each employee in the next highest step respective to their current salary, we estimate it would cost the Agency an additional \$158,439 in the first year. Each subsequent year would increase the additional costs as people move through the step system. Although this option would initially cost less to implement, it would result in new employees being compensated equally to employees who have more knowledge and experience. We are certain this will have a negative effect on employee morale for long-term staff. Additionally, assuming that current funding levels will remain the same, the Agency will not be able to support the increase cost of wages in five years. Details showing the estimated budget for this plan are shown on the following pages, titled Option 2. Management does not recommend this option.

Option 3

Considering the Agency's current funding levels, we are unable to achieve the vendor's proposed Pay Scale. Therefore, we analyzed the available funds and have created a modified scale, based on the vendor's proposed Pay Scale in the final report. The modified scale utilizes Step 5 from the vendor's proposed scale as Step 7. The rest of the modified scale is created by working backward, keeping the width of the pay ranges at 20%, while maintaining the integrity of space between steps. If the Agency were to adopt this modified Pay Scale, and place each employee on the scale based on current years of service, we estimate it would cost the Agency an additional \$279,825 in the first year. Details showing the estimated budget for this plan are shown on the

following pages, titled Option 3. Management recommends this option as a compromise for the following reasons:

- The modified pay scale will bring employees closer to market averages
- It maintains the practice of compensating staff in recognition of their knowledge and experience

Option 4

The Classification and Compensation Study identified that the Agency currently has a few positions which are classified into the wrong grade on the pay scale. In order to be consistent and equitable in the way individuals are compensated for the work that they perform, these positions need to be moved to the correct grade. If the Agency were to continue utilizing the current scale, and place people on the scale based on the new pay grades, it would cost the Agency an additional \$20,554. Details showing the estimated budget for this plan are shown on the following pages, titled Option 4. Management does not recommend this option because it makes no effort to adjust compensation to market averages.

Option 1

2019-20 PROPOSED SALARY SCHEDULE (STAFF AT CORRECT STEP ACCORDING TO YEARS OF SERVICE)

Position	Date of Hire	Current Wage		Wage Grade	STEP							Wages (Year 1)
		10/1/19	10/1/19		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	
EH ASST	7/31/2017	13.45		1	12.29	12.70	13.11	13.52	13.93	14.34	14.75	15,940.08
ADMIN SUPPORT	2/4/2019	12.72		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	17,390.25
BR PEERC	5/29/2018	13.04		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	15,340.00
BR PEERC	10/22/2018	13.04		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	15,340.00
BR PEERC	6/4/2019	12.36		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	16,847.91
CCT	6/10/2019	12.36		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	28,079.85
CCT	6/24/2019	12.36		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	28,079.85
CCT	8/20/2018	13.04		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	28,983.75
CCT	1/2/2018	13.04		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	28,983.75
CCT	1/4/2016	14.23		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	30,811.20
CCT	7/15/2019	12.36		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	16,847.91
CCT	8/18/2008	14.63		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	32,619.00
IMTECH	6/18/2012	16.30		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	32,619.00
IMTECH	1/17/2006	16.30		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	32,619.00
IMTECH	8/8/2017	14.96		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	29,907.30
LBS-CSHCS REP	7/24/2017	13.45		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	29,907.30
LBS-CSHCS REP	10/31/2018	12.72		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	17,390.25
V/H TECH	9/14/2006	14.63		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	31,340.80
V/H TECH	5/14/1990	14.63		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	31,340.80
V/H TECH	10/9/2017	13.45		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	28,735.36
SWCARCO	10/14/2019	14.52		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	31,734.75
ORW	10/1/2019	13.74		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	19,040.85
CLASST	4/18/1977	16.30		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	36,863.40
CLASST	11/5/2007	16.30		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	36,863.40
CLASST	1/3/2011	16.30		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	36,863.40
EH ASST	2/8/2006	16.30		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	36,863.40
EH ASST	5/20/2019	14.96		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	31,734.75
EH ASST	6/4/2012	16.30		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	36,863.40
VOCAS	2/13/2019	16.56		4	17.66	18.25	18.84	19.43	20.02	20.61	21.20	35,861.25
VOCAS	10/1/2019	16.12		4	17.66	18.25	18.84	19.43	20.02	20.61	21.20	35,861.25
FISCALSS	10/26/2015	17.99		4	17.66	18.25	18.84	19.43	20.02	20.61	21.20	40,498.65
FISCALSS	2/3/1997	19.02		4	17.66	18.25	18.84	19.43	20.02	20.61	21.20	41,658.00
SWCARON	8/27/2019	20.24		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	27,470.70
VOCAS	10/8/2018	20.24		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	47,277.90
EHSAN	3/11/2019	20.82		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	45,784.50
EHSAN	11/2/2015	22.70		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	51,718.80
EHSAN	10/30/2018	20.82		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	47,277.90
EHSAN	6/4/2019	20.24		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	45,784.50
EHSAN	7/15/2019	20.24		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	45,784.50
EHSAN	11/20/2006	24.07		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	53,192.55
EHSAN	1/28/2008	24.07		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	53,192.55
EHSAN	4/3/1989	24.07		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	53,192.55
HEALTH ED	1/5/2015	23.38		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	53,192.55
HEALTH ED	6/17/1993	24.07		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	53,192.55
AAACMN	10/14/2019	20.24		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	51,758.10
ACCOUNTANT	4/15/2019	23.09		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	53,428.35
ITNETMGR	11/27/2017	21.44		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	53,428.35
ITDBMGR	7/26/2002	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	60,089.70
CRN	11/4/2019	21.44		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	50,087.85
CRN	3/23/2009	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	60,089.70
CRN	12/3/2012	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	60,089.70
PHCLNURS	2/10/2003	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	23,852.40
PHCLNURS	8/11/2000	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	60,089.70
PHCLNURS	2/7/1994	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	47,704.80
PHCLNURS	1/1/2020	20.24		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	25,043.93
PHCLNURS	7/1/2001	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	8,944.65
PHCLNURS	5/29/2007	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	60,089.70
EHSS	4/17/2006	26.71		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	60,089.70
EPCOORD	6/21/2004	26.71		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	60,089.70
IAPCOOR	8/7/2013	28.03		8	28.80	29.76	30.72	31.68	32.64	33.60	34.56	67,910.40
CC	12/11/2007	28.03		8	28.80	29.76	30.72	31.68	32.64	33.60	34.56	67,910.40
H/VCOOR	8/8/2016	26.44		8	28.80	29.76	30.72	31.68	32.64	33.60	34.56	64,137.60
CC	1/2/2013	28.03		9	28.80	29.76	30.72	31.68	32.64	33.60	34.56	67,910.40
EHCORR	6/7/2004	28.03		8	28.80	29.76	30.72	31.68	32.64	33.60	34.56	67,910.40
AAAD	10/1/2018	30.99		9	33.50	34.62	35.73	36.85	37.97	39.08	40.20	70,209.45
OPDIR/HR	7/31/2017	31.93		9	33.50	34.62	35.73	36.85	37.97	39.08	40.20	72,410.25
PHDIR	10/1/2019	30.99		9	33.50	34.62	35.73	36.85	37.97	39.08	40.20	65,827.50
EHR	3/12/2017	32.70		9	33.50	34.62	35.73	36.85	37.97	39.08	40.20	72,410.25
ADM/HO	1/16/2016	38.75		10	47.48	48.60	49.72	50.84	51.96	53.08	54.20	99,900.60

Total Proposed Wages	2,990,304.99
Current Budget Wage	2,570,386.00
Wage Difference	419,918.99

MERS	431,975.10
H INS	602,520.72
LSA	13,463.16
FICA	228,758.33
Total Fringe	1,276,717.31
Current Budget Fringe	1,205,314.00
Fringe Difference	71,403.31

Wage/Fringe Add Budget	491,322.30
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Option 2

2019-20 PROPOSED SALARY SCHEDULE (STAFF START STEP 1 *OR NEXT PAY RATE)

Position	Date of Hire	Current Wage		Grade	Wages							Wages (Year 1)
		10/1/19	Wage		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	
EH ASSIT CLERK	7/31/2017	13.45		1	12.29	12.70	13.11	13.52	13.93	14.34	14.75	15,940.08
ADMIN SUPPORT	2/4/2019	12.72		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	16,305.57
BR PEERC	5/29/2018	13.04		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	14,383.20
BR PEERC	10/22/2018	13.04		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	14,383.20
BR PEERC	6/4/2019	12.36		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	16,305.57
CCT	6/10/2019	12.36		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	27,175.95
CCT	6/24/2019	12.36		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	27,175.95
CCT	8/20/2018	13.04		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	27,175.95
CCT	1/2/2018	13.04		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	27,175.95
CCT	1/4/2016	14.23		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	28,983.75
CCT	7/15/2019	12.36		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	16,305.57
CCT	8/18/2008	14.63		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	28,983.75
IMTECH	6/18/2012	16.30		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	32,619.00
IMTECH	1/17/2006	16.30		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	32,619.00
IMTECH	8/8/2017	14.96		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	29,907.30
LBS-CSHCS REP	7/24/2017	13.45		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	27,175.95
LBS-CSHCS REP	10/31/2018	12.72		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	16,305.57
V/H TECH	9/14/2006	14.63		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	27,848.00
V/H TECH	5/14/1990	14.63		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	27,848.00
V/H TECH	10/9/2017	13.45		2	13.83	14.29	14.75	15.22	15.68	16.14	16.60	26,111.04
SWCARCO	10/14/2019	14.52		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	30,712.95
ORW	10/1/2019	13.74		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	18,427.77
CLASST	4/18/1977	16.30		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	32,756.55
CLASST	11/5/2007	16.30		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	32,756.55
CLASST	1/3/2011	16.30		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	32,756.55
EH ASST	2/8/2006	16.30		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	32,756.55
EH ASST	5/20/2019	14.96		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	30,712.95
EH ASST	6/4/2012	16.30		3	15.63	16.15	16.67	17.19	17.71	18.23	18.76	32,756.55
VOCAS	2/13/2019	16.56		4	17.66	18.25	18.84	19.43	20.02	20.61	21.20	34,701.90
VOCAS	10/1/2019	16.12		4	17.66	18.25	18.84	19.43	20.02	20.61	21.20	34,701.90
FISCALSS	10/26/2015	17.99		4	17.66	18.25	18.84	19.43	20.02	20.61	21.20	34,701.90
FISCALSS	2/3/1997	19.02		4	17.66	18.25	18.84	19.43	20.02	20.61	21.20	34,701.90
SWCARON	8/27/2019	20.24		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	26,586.45
VOCAS	10/8/2018	20.24		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	44,310.75
EHSAN	3/11/2019	20.82		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	44,310.75
EHSAN	11/2/2015	22.70		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	44,310.75
EHSAN	10/30/2018	20.82		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	44,310.75
EHSAN	6/4/2019	20.24		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	44,310.75
EHSAN	7/15/2019	20.24		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	44,310.75
EHSAN	11/20/2006	24.07		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	48,751.65
EHSAN	1/28/2008	24.07		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	48,751.65
EHSAN	4/3/1989	24.07		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	48,751.65
HEALTH ED	1/5/2015	23.38		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	47,277.90
HEALTH ED	6/17/1993	24.07		6	22.55	23.30	24.06	24.81	25.56	26.32	27.07	48,751.65
AAACMN	10/14/2019	20.24		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	50,087.85
ACCOUNTANT	4/15/2019	23.09		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	50,087.85
ITNETMGR	11/27/2017	21.44		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	50,087.85
ITDBMGR	7/26/2002	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	50,087.85
CRN	11/4/2019	21.44		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	50,087.85
CRN	3/23/2009	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	50,087.85
CRN	12/3/2012	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	50,087.85
PHCLNURS	2/10/2003	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	19,882.20
PHCLNURS	8/11/2000	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	50,087.85
PHCLNURS	2/7/1994	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	39,764.40
PHCLNURS	1/1/2020	20.24		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	25,043.93
PHCLNURS	7/1/2001	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	7,455.83
PHCLNURS	5/29/2007	24.07		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	50,087.85
EHSS	4/17/2006	26.71		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	53,428.35
EPCOORD	6/21/2004	26.71		7	25.49	26.34	27.19	28.04	28.89	29.74	30.58	53,428.35
IAPCOOR	8/7/2013	28.03		8	28.80	29.76	30.72	31.68	32.64	33.60	34.56	56,592.00
CC	12/11/2007	28.03		8	28.80	29.76	30.72	31.68	32.64	33.60	34.56	56,592.00
H/VCOOR	8/8/2016	26.44		8	28.80	29.76	30.72	31.68	32.64	33.60	34.56	56,592.00
CC	1/2/2013	28.03		9	28.80	29.76	30.72	31.68	32.64	33.60	34.56	56,592.00
EHCOORD	6/7/2004	28.03		8	28.80	29.76	30.72	31.68	32.64	33.60	34.56	56,592.00
AAAD	10/1/2018	30.99		9	33.50	34.62	35.73	36.85	37.97	39.08	40.20	65,827.50
OPDIR/HR	7/31/2017	31.93		9	33.50	34.62	35.73	36.85	37.97	39.08	40.20	65,827.50
PHDIR	10/1/2019	30.99		9	33.50	34.62	35.73	36.85	37.97	39.08	40.20	65,827.50
EHDIR	3/12/2017	32.70		9	33.50	34.62	35.73	36.85	37.97	39.08	40.20	65,827.50
ADM/HO	1/16/2016	38.75		10	47.48	48.60	49.72	50.84	51.96	53.08	54.20	93,298.20

Total Proposed Wages	2,719,269.72
Current Budget Wage	2,570,386.00
Wage Difference	148,883.72

MERS	390,861.24
H INS	602,520.72
LSA	13,463.16
FICA	208,024.13
Total Fringe	1,214,869.25
Current Budget Fringe	1,205,314.00
Fringe Difference	9,555.25

Wage/Fringe Add Budget	158,438.97
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Option 3

2019-20 BHSJ PROPOSED SALARY SCHEDULE

Position	Date of Hire	Current Wage		Grade	Hire In Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Wages (Year 1)
		10/1/19	Wage									
EH ASST	7/31/2017	13.45		1	11.61	11.99	12.38	12.77	13.16	13.54	13.93	15,963.66
ADMIN SUPPORT	2/4/2019	12.72		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	15,916.50
BR PEERC	5/29/2018	13.04		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	14,497.60
BR PEERC	10/22/2018	13.04		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	14,040.00
BR PEERC	6/4/2019	12.36		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	15,916.50
CCT	6/10/2019	12.36		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	26,527.50
CCT	6/24/2019	12.36		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	26,527.50
CCT	8/20/2018	13.04		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	27,392.10
CCT	1/2/2018	13.04		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	27,392.10
CCT	1/4/2016	14.23		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	29,101.65
CCT	7/15/2019	12.36		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	15,916.50
CCT	8/18/2008	14.63		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	30,811.20
IMTECH	6/18/2012	16.30		2	13.06	13.50	13.94	14.37	14.81	15.24	16.30	32,029.50
IMTECH	1/17/2006	16.30		2	13.06	13.50	13.94	14.37	14.81	15.24	16.30	32,029.50
IMTECH	8/8/2017	14.96		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	29,946.60
LBS-CSHCS REP	7/24/2017	13.45		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	28,237.05
LBS-CSHCS REP	10/31/2018	12.72		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	15,916.50
V/H TECH	9/14/2006	14.63		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	29,603.84
V/H TECH	5/14/1990	14.63		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	29,603.84
V/H TECH	10/9/2017	13.45		2	13.06	13.50	13.94	14.37	14.81	15.24	15.68	26,318.72
SWCARCO	10/14/2019	14.52		3	14.76	15.25	15.74	16.23	16.73	17.22	17.71	28,996.19
ORW	10/1/2019	13.74		3	14.76	15.25	15.74	16.23	16.73	17.22	17.71	17,397.72
CLASST	4/18/1977	16.30		3	14.76	15.25	15.74	16.23	16.73	17.22	17.71	34,800.15
CLASST	11/5/2007	16.30		3	14.76	15.25	15.74	16.23	16.73	17.22	17.71	34,800.15
CLASST	1/3/2011	16.30		3	14.76	15.25	15.74	16.23	16.73	17.22	17.71	34,800.15
EH ASST	2/8/2006	16.30		3	14.76	15.25	15.74	16.23	16.73	17.22	17.71	34,800.15
EH ASST	5/20/2019	14.96		3	14.76	15.25	15.74	16.23	16.73	17.22	17.71	29,963.52
EH ASST	6/4/2012	16.30		3	14.76	15.25	15.74	16.23	16.73	17.22	17.71	34,800.15
VOCAS	2/13/2019	16.56		4	16.68	17.24	17.79	18.35	18.91	19.46	20.02	33,871.80
VOCAS	10/1/2019	16.12		4	16.68	17.24	17.79	18.35	18.91	19.46	20.02	32,778.30
FISCALSS	10/26/2015	17.99		4	16.68	17.24	17.79	18.35	18.91	19.46	20.02	37,152.30
FISCALSS	2/3/1997	19.02		4	16.68	17.24	17.79	18.35	18.91	19.46	20.02	39,339.30
SWCARON	8/27/2019	20.24		6	21.30	22.01	22.72	23.43	24.14	24.85	25.56	25,946.95
VOCAS	10/8/2018	20.24		6	21.30	22.01	22.72	23.43	24.14	24.85	25.56	43,244.92
EHSAN	3/11/2019	20.82		6	21.30	22.01	22.72	23.43	24.14	24.85	25.56	43,244.92
EHSAN	11/2/2015	22.70		6	21.30	22.01	22.72	23.43	24.14	24.85	25.56	47,433.21
EHSAN	10/30/2018	20.82		6	21.30	22.01	22.72	23.43	24.14	24.85	25.56	43,244.92
EHSAN	6/4/2019	20.24		6	21.30	22.01	22.72	23.43	24.14	24.85	25.56	43,244.92
EHSAN	7/15/2019	20.24		6	21.30	22.01	22.72	23.43	24.14	24.85	25.56	43,244.92
EHSAN	11/20/2006	24.07		6	21.30	22.01	22.72	23.43	24.14	24.85	25.56	50,225.40
EHSAN	1/28/2008	24.07		6	21.30	22.01	22.72	23.43	24.14	24.85	25.56	50,225.40
EHSAN	4/3/1989	24.07		6	21.30	22.01	22.72	23.43	24.14	24.85	25.56	50,225.40
SHEALEDU	1/5/2015	23.38		6	21.30	22.01	22.72	23.43	24.14	24.85	25.56	48,829.30
CHE	6/17/1993	24.07		6	21.30	22.01	22.72	23.43	24.14	24.85	25.56	50,225.40
AAACMN	10/14/2019	20.24		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	47,300.96
ACCOUNTANT	4/15/2019	23.09		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	48,878.94
ITNETMGR	11/27/2017	21.44		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	50,456.92
ITDBMGR	7/26/2002	24.07		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	56,768.85
CRN	11/4/2019	21.44		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	47,300.96
CRN	3/23/2009	24.07		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	56,768.85
CRN	12/3/2012	24.07		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	56,768.85
PHCLNURS	2/10/2003	24.07		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	22,534.20
PHCLNURS	8/11/2000	24.07		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	56,768.85
PHCLNURS	2/7/1994	24.07		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	45,068.40
PHCLNURS	1/1/2020	20.24		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	23,650.48
PHCLNURS	7/1/2001	24.07		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	8,450.33
PHCLNURS	5/29/2007	24.07		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	56,768.85
EHSS	4/17/2006	26.71		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	56,768.85
EPCOORD	6/21/2004	26.71		7	24.07	24.87	25.68	26.48	27.28	28.09	28.89	56,768.85
TAPCOOR	8/7/2013	28.03		8	27.20	28.10	29.01	29.92	30.83	31.73	32.64	64,137.60
CC	12/11/2007	28.03		8	27.20	28.10	29.01	29.92	30.83	31.73	32.64	64,137.60
H/VCOOR	8/8/2016	26.44		8	27.20	28.10	29.01	29.92	30.83	31.73	32.64	60,571.98
CC	1/2/2013	28.03		9	27.20	28.10	29.01	29.92	30.83	31.73	32.64	64,137.60
EHCkoord	6/7/2004	28.03		8	27.20	28.10	29.01	29.92	30.83	31.73	32.64	64,137.60
AAAD	10/1/2018	30.99		9	31.64	32.69	33.75	34.80	35.86	36.91	37.97	64,241.38
OPDIR/HR	7/31/2017	31.93		9	31.64	32.69	33.75	34.80	35.86	36.91	37.97	68,389.25
PHDIR	10/1/2019	30.99		9	31.64	32.69	33.75	34.80	35.86	36.91	37.97	62,167.44
EHDIR	3/12/2017	32.70		9	31.64	32.69	33.75	34.80	35.86	36.91	37.97	68,389.25
ADM/HO	1/16/2016	38.75		10	43.34	44.79	46.24	47.68	49.13	50.57	52.02	96,540.45

Total Proposed Wages	2,816,397.21
Current Budget Wage	2,570,386.00
Wage Difference	246,011.21
MERS	407,689.97
H INS	602,520.72
LSA	13,463.16
FICA	215,454.39
Total Fringe	1,239,128.24
Current Budget Fringe	1,205,314.00
Fringe Difference	33,814.24
Wage/Fringe Add Budget	279,825.45

Option 4

2019-20 BHSJ CURRENT SALARY SCHEDULE (MOVE STAFF TO CORRECT WAGE GRADE)

Position	Date of Hire	Current Wage		Grade	Hire In Rate	6 MONTH	1 YEAR	2 YEAR	3 YEAR	4 YEAR	5 YEAR	Wages
		10/1/19	Wage									
EH ASST	7/31/2017	13.45		1	11.10	11.43	11.76	12.09	12.44	12.80	13.14	15,857.55
ADMIN SUPPORT	2/4/2019	12.72		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	14,996.88
BR PEERC	5/29/2018	13.04		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	13,561.60
BR PEERC	10/22/2018	13.04		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	13,561.60
BR PEERC	6/4/2019	12.36		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	14,996.88
CCT	6/10/2019	12.36		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	24,994.80
CCT	6/24/2019	12.36		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	24,994.80
CCT	8/20/2018	13.04		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	25,623.60
CCT	1/2/2018	13.04		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	25,623.60
CCT	1/4/2016	14.23		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	27,961.95
CCT	7/15/2019	12.36		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	14,996.88
CCT	8/18/2008	14.63		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	28,747.95
IMTECH	6/18/2012	16.30		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	32,029.50
IMTECH	1/17/2006	16.30		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	32,029.50
IMTECH	8/8/2017	14.96		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	29,396.40
LBS-CSHCS REP	7/24/2017	13.45		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	26,429.25
LBS-CSHCS REP	10/31/2018	12.72		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	14,996.88
V/H TECH	9/14/2006	14.63		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	27,621.44
V/H TECH	5/14/1990	14.63		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	27,621.44
V/H TECH	10/9/2017	13.45		2	12.36	12.72	13.04	13.45	13.85	14.23	14.63	25,393.60
SWCARCO	10/14/2019	14.52		3	13.74	14.11	14.52	14.96	15.37	15.85	16.30	28,531.80
ORW	10/1/2019	13.74		3	13.74	14.11	14.52	14.96	15.37	15.85	16.30	16,199.46
CLASST	4/18/1977	16.30		3	13.74	14.11	14.52	14.96	15.37	15.85	16.30	32,029.50
CLASST	11/5/2007	16.30		3	13.74	14.11	14.52	14.96	15.37	15.85	16.30	32,029.50
CLASST	1/3/2011	16.30		3	13.74	14.11	14.52	14.96	15.37	15.85	16.30	32,029.50
EH ASST	2/8/2006	16.30		3	13.74	14.11	14.52	14.96	15.37	15.85	16.30	32,029.50
EH ASST	5/20/2019	14.96		3	13.74	14.11	14.52	14.96	15.37	15.85	16.30	29,396.40
EH ASST	6/4/2012	16.30		3	13.74	14.11	14.52	14.96	15.37	15.85	16.30	32,029.50
VOCAS	2/13/2019	16.56		4	16.12	16.56	17.02	17.51	17.99	18.50	19.02	32,540.40
VOCAS	10/1/2019	16.12		4	16.12	16.56	17.02	17.51	17.99	18.50	19.02	31,675.80
FISCALSS	10/26/2015	17.99		4	16.12	16.56	17.02	17.51	17.99	18.50	19.02	35,350.35
FISCALSS	2/3/1997	19.02		4	16.12	16.56	17.02	17.51	17.99	18.50	19.02	37,374.30
SWCARON	8/27/2019	20.24		6	20.24	20.82	21.44	22.08	22.70	23.38	24.07	23,862.96
VOCAS	10/8/2018	20.82		6	20.24	20.82	21.44	22.08	22.70	23.38	24.07	40,911.30
EHSAN	3/11/2019	20.82		6	20.24	20.82	21.44	22.08	22.70	23.38	24.07	40,911.30
EHSAN	11/2/2015	22.70		6	20.24	20.82	21.44	22.08	22.70	23.38	24.07	44,605.50
EHSAN	10/30/2018	20.82		6	20.24	20.82	21.44	22.08	22.70	23.38	24.07	40,911.30
EHSAN	6/4/2019	20.24		6	20.24	20.82	21.44	22.08	22.70	23.38	24.07	40,911.30
EHSAN	7/15/2019	20.24		6	20.24	20.82	21.44	22.08	22.70	23.38	24.07	40,911.30
EHSAN	11/20/2006	24.07		6	20.24	20.82	21.44	22.08	22.70	23.38	24.07	47,297.55
EHSAN	1/28/2008	24.07		6	20.24	20.82	21.44	22.08	22.70	23.38	24.07	47,297.55
EHSAN	4/3/1989	24.07		6	20.24	20.82	21.44	22.08	22.70	23.38	24.07	47,297.55
SHEALEDU	1/5/2015	23.38		6	20.24	20.82	21.44	22.08	22.70	23.38	24.07	45,941.70
CHE	6/17/1993	24.07		6	20.24	20.82	21.44	22.08	22.70	23.38	24.07	47,297.55
AAACMN	10/14/2019	20.24		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	44,114.25
ACCOUNTANT	4/15/2019	23.09		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	45,371.85
ITNETMGR	11/27/2017	21.44		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	46,727.70
ITDBMGR	7/26/2002	24.07		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	52,485.15
CRN	11/4/2019	21.44		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	44,114.25
CRN	3/23/2009	24.07		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	52,485.15
CRN	12/3/2012	24.07		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	52,485.15
PHCLNURS	2/10/2003	24.07		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	20,833.80
PHCLNURS	8/11/2000	24.07		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	52,485.15
PHCLNURS	2/7/1994	24.07		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	41,667.60
PHCLNURS	1/1/2020	20.24		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	22,057.13
PHCLNURS	7/1/2001	24.07		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	7,812.68
PHCLNURS	5/29/2007	24.07		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	52,485.15
EHSS	4/17/2006	26.71		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	52,485.15
EPCOORD	6/21/2004	26.71		7	22.45	23.09	23.78	24.48	25.21	25.93	26.71	52,485.15
TAPCOOR	8/7/2013	28.03		8	23.54	24.24	24.96	25.69	26.44	27.22	28.03	55,078.95
CC	12/11/2007	28.03		8	23.54	24.24	24.96	25.69	26.44	27.22	28.03	55,078.95
H/VCOOR	8/8/2016	26.44		8	23.54	24.24	24.96	25.69	26.44	27.22	28.03	51,954.60
CC	1/2/2013	28.03		9	23.54	24.24	24.96	25.69	26.44	27.22	28.03	55,078.95
EHCkoord	6/7/2004	28.03		8	23.54	24.24	24.96	25.69	26.44	27.22	28.03	55,078.95
AAAD	10/1/2018	30.99		9	29.18	30.07	30.99	31.93	32.70	33.91	34.94	60,895.35
OPDIR/HR	7/31/2017	31.93		9	29.18	30.07	30.99	31.93	32.70	33.91	34.94	62,742.45
PHDIR	10/1/2019	30.99		9	29.18	30.07	30.99	31.93	32.70	33.91	34.94	57,338.70
EHDIR	3/12/2017	32.70		9	29.18	30.07	30.99	31.93	32.70	33.91	34.94	64,255.50
ADM/HO	1/16/2016	38.75		10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	76,143.75

Total Proposed Wages	2,606,550.42
Current Budget Wage	2,570,386.00
Wage Difference	36,164.42
MERS	374,318.50
H INS	602,520.72
LSA	13,463.16
FICA	199,401.11
Total Fringe	1,189,703.49
Current Budget Fringe	1,205,314.00
Fringe Difference	(15,610.51)
Wage/Fringe Add Budget	20,553.91

Municipal Employees' Retirement System of Michigan

Branch-Hillsdale-St Joseph Comm Hlth
Agcy (1202) - Division 01
Retirement Plan Options



October 7, 2019

In care of:
Municipal Employees' Retirement System of Michigan
1134 Municipal Way
Lansing, Michigan 48917

The purpose of this report is to show the financial implications to the employer of different retirement plan design options for Branch-Hillsdale-St Joseph Comm Hlth Agcy (1202) – Division 01. The report consists of separate sections that correspond to the different plan options under consideration. Each section contains the following additional detail:

- An executive summary that describes the plan provisions and provides a brief explanation of the results.
- An exhibit showing the short-term impact of the proposed benefit change – that is, the net impact on the applicable fiscal year's contribution.
- An exhibit showing the estimated 5-year contribution impact of the proposed benefit change (i.e., a projection of the Actuarial Accrued Liabilities, Valuation Assets, funded ratio, and employer contributions under both the current and proposed plans).
- A graph showing the projected funded ratio and employer contribution under both the current and proposed plans.

This report was prepared at the request of MERS on behalf of the municipality and is intended for use by the municipality and those designated or approved by the municipality. **The report may be provided to parties other than the municipality only in its entirety.** GRS is not responsible for unauthorized use of this report.

This valuation assumed the continuing ability of the plan sponsor to make the contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The valuation was based upon information furnished by MERS staff, concerning Retirement System benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal reasonability, but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by the municipality and MERS staff.

Municipal Employees' Retirement System of Michigan
October 7, 2019
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The Plan Document Article VI sec. 71 (1)(d), provides the MERS Board with the authority to set actuarial assumptions and methods after consultation with the actuary. This report was prepared using certain assumptions approved by the Board. The MERS Board adopted the actuarial assumptions based on the recommendations of the prior actuary. A description of these assumptions and methods can be found as follows:

- Plan Document, v03152018,
- Actuarial Policy, DOC 8062 (2019-04-25), and
- 2018 Appendix.

On February 28, 2019, the Board adopted new economic assumptions for use beginning with the December 31, 2019 annual valuation report. These assumptions are a 7.35% investment rate of return and a 3.00% wage inflation assumption. The Board has a review of the demographic assumptions scheduled during 2019-2020. Changes resulting from these studies will have an impact on the level of calculated employer contributions, which are not reflected in this report.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge, the information contained in this report is accurate and fairly presents the actuarial position of the municipality as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices and in conformity with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

Mark Buis and Shana M. Neeson are Members of the American Academy of Actuaries (MAAA) and meet the Academy's Qualification Standards to render the actuarial opinions contained herein.

The signing actuaries are independent of the plan sponsor.

Sincerely,



Mark Buis, FSA, EA, FCA, MAAA



Shana M. Neeson, ASA, FCA, MAAA



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Executive Summary

Executive Summary

The purpose of this report is to show the impact on the liabilities and contributions of the proposed benefit changes for Branch-Hillsdale-St Joseph Comm Hlth Agcy (1202) – Divisions 01. The following proposed benefit changes have been considered:

Option	Division	Proposed Change in Benefit	
1	Gnrl (01)	Member Contribution Rate:	5.00%
2	Gnrl (01)	Bridge Benefit:	
		Benefit Multiplier To Bridge Date:	2.00% Multiplier (no max)
		Benefit Multiplier On/After Bridge Date:	1.50% Multiplier (no max)
		Bridge Date:	January 1, 2020
		FAC Type:	Frozen FAC
		Bridge Benefit Max:	80% of FAC at Termination of Employment
3	Gnrl (01)	Bridge Benefit:	
		COLA Bridge Date:	January 1, 2020
		COLA for Future Retirees To Bridge Date:	2.50% (Non-Compound)
		COLA for Future Retirees On/After Bridge Date:	0.00%

The results of our calculations are shown as follows:

- The exhibits on pages 2, 5, and 8 show the short-term impact of the proposed benefit change (i.e., the change in the Actuarial Accrued Liability [AAL] as of December 31, 2018 and the change in the employer contribution for the fiscal year beginning January 1, 2020).
- In order to illustrate the long-term impact of the proposed benefit change, we are also showing projections under both the current and the proposed benefits. The projection results are illustrated both in tabular and graphical form.

Please note the following regarding these calculations:

- The option would change both the AAL and the Normal Cost. The change in AAL will be recognized over 15 years. The Normal Cost is the cost to provide benefits accrued each year. In the long run, the employer contribution is expected to converge to the employer's share of Normal Cost, if all the actuarial assumptions are met in the future.
- Under Option 2 (bridged benefit with frozen FAC) there is an immediate impact on the Unfunded Accrued Liability (UAL) because the Final Average Compensation (FAC) for current active members is frozen. This may result in a significant part of the decrease in the employer contribution.
- The proposed changes may affect the risk profile of the Plan. At this time we do not believe additional risk assessment is necessary.

Supplemental Valuation Results – Option 1

Branch-Hillsdale-St Joseph Comm Hlth Agcy (1202) – Gnrl (Division 01)

Employer Computed Contributions

Based on the 12/31/2018 Annual Actuarial Valuation

	Current Benefits		Proposed Option 1		Difference from Current	
Benefits						
a) Benefit Multiplier	2.00% Multiplier (no max)		2.00% Multiplier (no max)			
b) Normal Retirement Age	60		60			
c) Vesting	6 years		6 years			
d) Early Retirement (Unreduced)	55/25		55/25			
e) Early Retirement (Unreduced)	-		-			
f) Early Retirement (Reduced)	50/25		50/25			
g) Early Retirement (Reduced)	55/15		55/15			
h) Final Average Compensation	5 years		5 years			
i) COLA for Future Retirees	2.50% (Non-Compound)		2.50% (Non-Compound)			
j) COLA for Current Retirees	-		-			
k) Normal Form of Payment	-		-			
l) Death and Disability (D-2)	-		-			
m) Member Contribution Rate	3.00%		5.00%		5.00%	
n) Other	-		-			
Participant Summary						
a) Active	40		40		0	
b) Vested Former Members	19		19		0	
c) Retired	61		61		0	
d) Total	120		120		0	
e) Annual Payroll	\$1,673,482		\$1,673,482		\$0	
Results						
1. Determination of Unfunded Accrued Liabilities and Funded Percent						
a. Present Value of Future Benefits (Active) ¹	\$6,269,479		\$6,276,787		\$7,308	
b. Present Value of Future Normal Costs (Active) ²	\$1,338,510		\$1,369,081		30,571	
c. Accrued Liability ³						
i. Active Employees [1.a. - 1.b.]	\$4,930,969		\$4,907,706		(\$23,263)	
ii. Vested Former Employees	1,520,438		1,520,438		0	
iii. Retirees and Beneficiaries	8,778,930		8,778,930		0	
iv. Pending Refunds	<u>44,111</u>		<u>44,111</u>		0	
v. Total	\$15,274,448		\$15,251,185		(\$23,263)	
d. Actuarial Value of Assets	\$13,101,014		\$13,101,014		\$0	
e. Unfunded Accrued Liability (UAL) [1.c.v. - 1.d.]	\$2,173,434		\$2,150,171		(\$23,263)	
f. Division Percent Funded [1.d. / 1.c.v.]	85.8%		85.9%		0.1%	
2. Employer Contribution Development ⁴						
	As an Annual \$	As a % of payroll	As an Annual \$	As a % of payroll	As an Annual \$	As a % of payroll
a. Total Normal Cost ⁵	\$186,048	11.93%	\$190,296	12.21%	\$4,248	0.28%
b. Employee Contribution Rate	<u>46,788</u>	<u>3.00%</u>	<u>77,928</u>	<u>5.00%</u>	<u>31,140</u>	<u>2.00%</u>
c. Employer Normal Cost [2.a - 2.b.]	139,260	8.93%	112,368	7.21%	(26,892)	(1.72%)
d. Amortization of UAL ⁶	<u>193,068</u>	-	<u>190,836</u>	-	<u>(2,232)</u>	-
e. Employer Contribution ⁷ [2.c. + 2.d., not less than 0]	\$332,328	-	\$303,204	-	(\$29,124)	-
Miscellaneous and Technical Assumptions						
1. Increase in Final Compensation	2.00 %		2.00 %			
2. Withdrawal Rate Scaling Factor	100 %		100 %			

¹ The total value, in today's dollars, of benefits expected to be earned by the current active population and paid in the future.
² The portion of the present value of future benefits for current active members, expected to be earned after the valuation date.
³ The portion of the present value of future benefits earned through the valuation date.
⁴ Percentages of pay are not developed for a closed division.
⁵ The total normal cost is the ongoing cost of the plan under the applicable benefit structure.
⁶ Refer to the valuation Appendix, on the MERS website, for a description of the amortization policy.
⁷ Note that the results shown are based on the December 31, 2018 assumptions without any phase-in.

This report may be provided to parties other than the municipality only in its entirety.

Municipal Employees' Retirement System of Michigan Branch-Hillsdale-St Joseph Comm Hlth Agcy (1202) – Gnrl (Division 01) 5-Year Projections of Employer Contributions and Funded Ratios

Option	Description
Baseline	Current Benefit Provisions
1	Member Contribution Rate: 5.00%

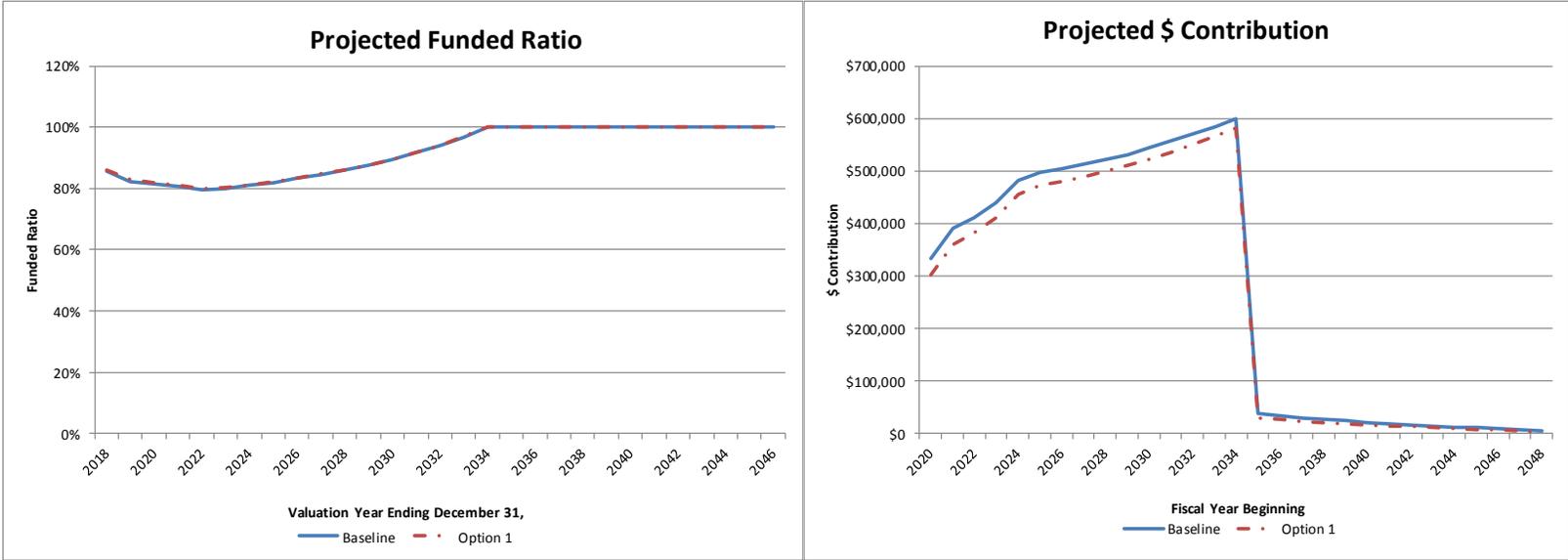
Valuation Year Ending December 31,	Baseline			Option 1			Fiscal Year Beginning January 1,	Baseline	Option 1
	Actuarial Accrued Liability	Valuation Assets	Funded Ratio	Actuarial Accrued Liability	Valuation Assets	Funded Ratio		Total Employer Contribution	Total Employer Contribution
2018	\$15,300,000	\$13,100,000	86%	\$15,300,000	\$13,100,000	86%	2020	\$332,000	\$303,000
2019	15,700,000	12,900,000	82%	15,700,000	13,000,000	83%	2021	390,000	359,000
2020	16,100,000	13,100,000	81%	16,100,000	13,200,000	82%	2022	411,000	382,000
2021	16,400,000	13,300,000	81%	16,400,000	13,300,000	81%	2023	440,000	412,000
2022	16,700,000	13,300,000	80%	16,700,000	13,300,000	80%	2024	481,000	455,000
2023	16,900,000	13,500,000	80%	16,900,000	13,600,000	80%	2025	498,000	472,000

Notes:

- 1) The results shown in the Baseline and Option 1 are based on the December 31, 2018 assumptions without any phase-in.
- 2) A projection is not a prediction. Future costs will be determined by future valuations and may change based on actual experience.

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Municipal Employees' Retirement System of Michigan Branch-Hillsdale-St Joseph Comm Hlth Agcy (1202) – Gnrl (Division 01)



Comments:

- In the long run, the employer contribution will trend towards the employer long-term cost of the different benefit structures (for closed divisions, the normal cost will ultimately trend to zero as all active members reach retirement) . The long-term cost of the various benefit structures expressed as a percent of pay is shown in the table below:

	Baseline	Option 1
Total Long-term Cost	11.93%	12.21%
Employee Contribution	3.00%	5.00%
Employer Long-term Cost	8.93%	7.21%

- Under Option 1 there is a decrease in the employer contribution as a result of the higher employee contribution rate.

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Supplemental Valuation Results – Option 2

Branch-Hillsdale-St Joseph Comm Hlth Agcy (1202) – GnrI (Division 01)

Employer Computed Contributions

Based on the 12/31/2018 Annual Actuarial Valuation

	Current Benefits		Proposed Option 2		Difference from Current	
Benefits						
a) Benefit Multiplier	2.00% Multiplier (no max)		Bridged Benefit (See below)		Bridged Benefit (See below)	
b) Normal Retirement Age	60		60			
c) Vesting	6 years		6 years			
d) Early Retirement (Unreduced)	55/25		55/25			
e) Early Retirement (Unreduced)	-		-			
f) Early Retirement (Reduced)	50/25		50/25			
g) Early Retirement (Reduced)	55/15		55/15			
h) Final Average Compensation	5 years		5 years			
i) COLA for Future Retirees	2.50% (Non-Compound)		2.50% (Non-Compound)			
j) COLA for Current Retirees	-		-			
k) Normal Form of Payment	-		-			
l) Death and Disability (D-2)	-		-			
m) Member Contribution Rate	3.00%		3.00%			
n) Other	-		-			
Participant Summary						
a) Active	40		40		0	
b) Vested Former Members	19		19		0	
c) Retired	61		61		0	
d) Total	120		120		0	
e) Annual Payroll	\$1,673,482		\$1,673,482		\$0	
Results						
1. Determination of Unfunded Accrued Liabilities and Funded Percent						
a. Present Value of Future Benefits (Active) ¹	\$6,269,479		\$5,083,676		(\$1,185,803)	
b. Present Value of Future Normal Costs (Active) ²	\$1,338,510		\$1,021,747		(316,763)	
c. Accrued Liability ³						
i. Active Employees [1.a. - 1.b.]	\$4,930,969		\$4,061,929		(\$869,040)	
ii. Vested Former Employees	1,520,438		1,520,438		0	
iii. Retirees and Beneficiaries	8,778,930		8,778,930		0	
iv. Pending Refunds	44,111		44,111		0	
v. Total	\$15,274,448		\$14,405,408		(\$869,040)	
d. Actuarial Value of Assets	\$13,101,014		\$13,101,014		\$0	
e. Unfunded Accrued Liability (UAL) [1.c.v. - 1.d.]	\$2,173,434		\$1,304,394		(\$869,040)	
f. Division Percent Funded [1.d. / 1.c.v.]	85.8%		90.9%		5.1%	
2. Employer Contribution Development ⁴	As an	As a % of	As an	As a % of	As an	As a % of
	Annual \$	payroll	Annual \$	payroll	Annual \$	payroll
a. Total Normal Cost ⁵	\$186,048	11.93%	\$140,412	8.99%	(\$45,636)	(2.94%)
b. Employee Contribution Rate	46,788	3.00%	46,860	3.00%	72	0.00%
c. Employer Normal Cost [2.a - 2.b.]	139,260	8.93%	93,552	5.99%	(45,708)	(2.94%)
d. Amortization of UAL ⁶	193,068	-	109,764	-	(83,304)	-
e. Employer Contribution ⁷ [2.c. + 2.d., not less than 0]	\$332,328	-	\$203,316	-	(\$129,012)	-
Miscellaneous and Technical Assumptions						
1. Increase in Final Compensation	2.00 %		2.00 %			
2. Withdrawal Rate Scaling Factor	100 %		100 %			

¹ The total value, in today's dollars, of benefits expected to be earned by the current active population and paid in the future.
² The portion of the present value of future benefits for current active members, expected to be earned after the valuation date.
³ The portion of the present value of future benefits earned through the valuation date.
⁴ Percentages of pay are not developed for a closed division.
⁵ The total normal cost is the ongoing cost of the plan under the applicable benefit structure.
⁶ Refer to the valuation Appendix, on the MERS website, for a description of the amortization policy.
⁷ Note that the results shown are based on the December 31, 2018 assumptions without any phase-in.

Bridged Benefit Description:

Benefit Multiplier To Bridge Date: 2.00% Multiplier (no max)
 Benefit Multiplier On/After Bridge Date: 1.50% Multiplier (no max)
 Bridge Date: January 1, 2020
 FAC Type: Frozen FAC
 Bridge Benefit Max: 80% of FAC at Termination of Employment

This report may be provided to parties other than the municipality only in its entirety

Municipal Employees’ Retirement System of Michigan Branch-Hillsdale-St Joseph Comm Hlth Agcy (1202) – Gnrl (Division 01) 5-Year Projections of Employer Contributions and Funded Ratios

Option	Description
Baseline	Current Benefit Provisions
2	Bridged Benefits: Benefit Multiplier To Bridge Date: 2.00% Multiplier (no max) Benefit Multiplier On/After Bridge Date: 1.50% Multiplier (no max) Bridge Date: January 1, 2020 FAC Type: Frozen FAC Bridge Benefit Max: 80% of FAC at Termination of Employment

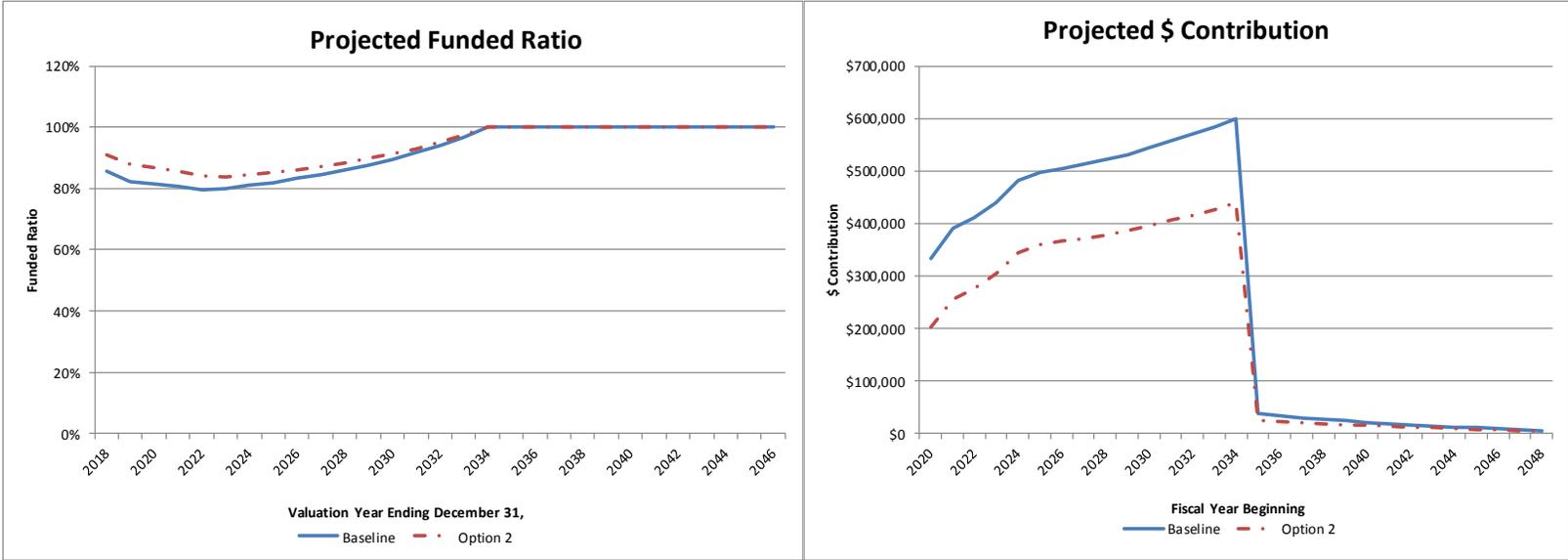
Valuation Year Ending December 31,	Baseline			Option 2			Fiscal Year Beginning January 1,	Baseline	Option 2
	Actuarial Accrued Liability	Valuation Assets	Funded Ratio	Actuarial Accrued Liability	Valuation Assets	Funded Ratio		Total Employer Contribution	Total Employer Contribution
2018	\$15,300,000	\$13,100,000	86%	\$14,400,000	\$13,100,000	91%	2020	\$332,000	\$203,000
2019	15,700,000	12,900,000	82%	14,700,000	12,900,000	88%	2021	390,000	256,000
2020	16,100,000	13,100,000	81%	15,000,000	13,000,000	87%	2022	411,000	277,000
2021	16,400,000	13,300,000	81%	15,200,000	13,000,000	86%	2023	440,000	305,000
2022	16,700,000	13,300,000	80%	15,400,000	12,900,000	84%	2024	481,000	345,000
2023	16,900,000	13,500,000	80%	15,500,000	13,000,000	84%	2025	498,000	360,000

Notes:

- 1) The results shown in the Baseline and Option 2 are based on the December 31, 2018 assumptions without any phase-in.
- 2) A projection is not a prediction. Future costs will be determined by future valuations and may change based on actual experience.

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Municipal Employees' Retirement System of Michigan Branch-Hillsdale-St Joseph Comm Hlth Agcy (1202) – Gnrl (Division 01)



Comments:

- In the long run, the employer contribution will trend towards the employer long-term cost of the different benefit structures (for closed divisions, the normal cost will ultimately trend to zero as all active members reach retirement) . The long-term cost of the various benefit structures expressed as a percent of pay is shown in the table below:

	Baseline	Option 2
Total Long-term Cost	11.93%	8.99%
Employee Contribution	3.00%	3.00%
Employer Long-term Cost	8.93%	5.99%

- Under Option 2 there is a decrease in the employer contribution as a result of the lower multiplier and frozen FAC.

This report may be provided to parties other than the municipality only in its entirety.



Supplemental Valuation Results – Option 3

Branch-Hillsdale-St Joseph Comm Hlth Agcy (1202) – Grnl (Division 01)

Employer Computed Contributions

Based on the 12/31/2018 Annual Actuarial Valuation

Benefits	Current Benefits		Proposed Option 3		Difference from Current	
a) Benefit Multiplier	2.00% Multiplier (no max)		2.00% Multiplier (no max)			
b) Normal Retirement Age	60		60			
c) Vesting	6 years		6 years			
d) Early Retirement (Unreduced)	55/25		55/25			
e) Early Retirement (Unreduced)	-		-			
f) Early Retirement (Reduced)	50/25		50/25			
g) Early Retirement (Reduced)	55/15		55/15			
h) Final Average Compensation	5 years		5 years			
i) COLA for Future Retirees	2.50% (Non-Compound)		Bridged Benefit (See below)		Bridged Benefit (See below)	
j) COLA for Current Retirees	-		-			
k) Normal Form of Payment	-		-			
l) Death and Disability (D-2)	-		-			
m) Member Contribution Rate	3.00%		3.00%			
n) Other	-		-			
Participant Summary						
a) Active	40		40		0	
b) Vested Former Members	19		19		0	
c) Retired	61		61		0	
d) Total	120		120		0	
e) Annual Payroll	\$1,673,482		\$1,673,482		\$0	
Results						
1. Determination of Unfunded Accrued Liabilities and Funded Percent						
a. Present Value of Future Benefits (Active) ¹	\$6,269,479		\$5,842,525		(\$426,954)	
b. Present Value of Future Normal Costs (Active) ²	\$1,338,510		\$1,105,406		(233,104)	
c. Accrued Liability ³						
i. Active Employees [1.a. - 1.b.]	\$4,930,969		\$4,737,119		(\$193,850)	
ii. Vested Former Employees	1,520,438		1,520,438		0	
iii. Retirees and Beneficiaries	8,778,930		8,778,930		0	
iv. Pending Refunds	44,111		44,111		0	
v. Total	\$15,274,448		\$15,080,598		(\$193,850)	
d. Actuarial Value of Assets	\$13,101,014		\$13,101,014		\$0	
e. Unfunded Accrued Liability (UAL) [1.c.v. - 1.d.]	\$2,173,434		\$1,979,584		(\$193,850)	
f. Division Percent Funded [1.d. / 1.c.v.]	85.8%		86.9%		1.1%	
2. Employer Contribution Development ⁴						
	As an Annual \$	As a % of payroll	As an Annual \$	As a % of payroll	As an Annual \$	As a % of payroll
a. Total Normal Cost ⁵	\$186,048	11.93%	\$153,924	9.87%	(\$32,124)	(2.06%)
b. Employee Contribution Rate	46,788	3.00%	46,788	3.00%	0	0.00%
c. Employer Normal Cost [2.a - 2.b.]	139,260	8.93%	107,136	6.87%	(32,124)	(2.06%)
d. Amortization of UAL ⁶	193,068	-	174,480	-	(18,588)	-
e. Employer Contribution ⁷ [2.c. + 2.d., not less than 0]	\$332,328	-	\$281,616	-	(\$50,712)	-
Miscellaneous and Technical Assumptions						
1. Increase in Final Compensation	2.00 %		2.00 %			
2. Withdrawal Rate Scaling Factor	100 %		100 %			

- ¹ The total value, in today's dollars, of benefits expected to be earned by the current active population and paid in the future.
- ² The portion of the present value of future benefits for current active members, expected to be earned after the valuation date.
- ³ The portion of the present value of future benefits earned through the valuation date.
- ⁴ Percentages of pay are not developed for a closed division.
- ⁵ The total normal cost is the ongoing cost of the plan under the applicable benefit structure.
- ⁶ Refer to the valuation Appendix, on the MERS website, for a description of the amortization policy.
- ⁷ Note that the results shown are based on the December 31, 2018 assumptions without any phase-in.

Bridged Benefit Description:

COLA for Future Retirees To Bridge Date:	2.50% (Non-Compound)
COLA for Future Retirees On/After Bridge Date:	0.00%
COLA Bridge Date:	January 1, 2020

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Municipal Employees’ Retirement System of Michigan Branch-Hillsdale-St Joseph Comm Hlth Agcy (1202) – Gnrl (Division 01) 5-Year Projections of Employer Contributions and Funded Ratios

Option	Description
Baseline	Current Benefit Provisions
3	Bridged Benefits: Bridge Date: January 1, 2020 COLA for Future Retirees To Bridge Date: 2.50% (Non-Compound) COLA for Future Retirees On/After Bridge Date: 0.00%

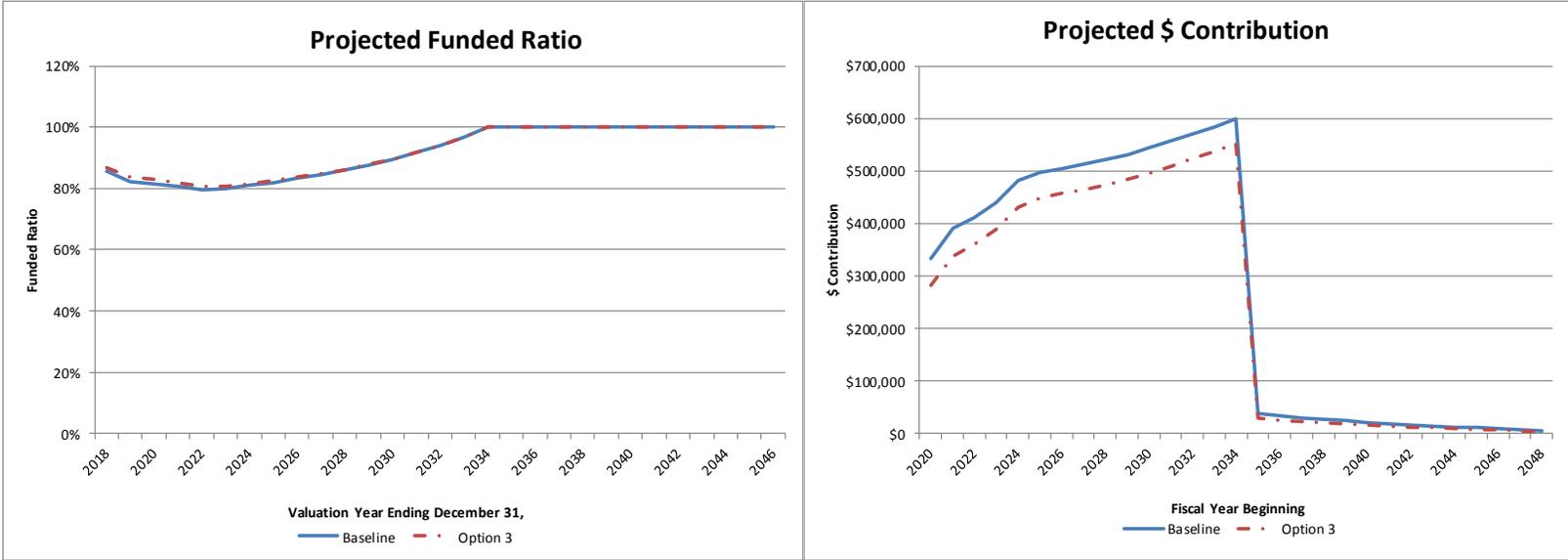
Valuation Year Ending December 31,	Baseline			Option 3			Fiscal Year Beginning January 1,	Baseline	Option 3
	Actuarial Accrued Liability	Valuation Assets	Funded Ratio	Actuarial Accrued Liability	Valuation Assets	Funded Ratio		Total Employer Contribution	Total Employer Contribution
2018	\$15,300,000	\$13,100,000	86%	\$15,100,000	\$13,100,000	87%	2020	\$332,000	\$282,000
2019	15,700,000	12,900,000	82%	15,400,000	12,900,000	84%	2021	390,000	337,000
2020	16,100,000	13,100,000	81%	15,800,000	13,100,000	83%	2022	411,000	359,000
2021	16,400,000	13,300,000	81%	16,100,000	13,100,000	82%	2023	440,000	389,000
2022	16,700,000	13,300,000	80%	16,300,000	13,100,000	81%	2024	481,000	431,000
2023	16,900,000	13,500,000	80%	16,500,000	13,300,000	81%	2025	498,000	448,000

Notes:

- 3) The results shown in the Baseline and Option 3 are based on the December 31, 2018 assumptions without any phase-in.
- 4) A projection is not a prediction. Future costs will be determined by future valuations and may change based on actual experience.

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Municipal Employees' Retirement System of Michigan Branch-Hillsdale-St Joseph Comm Hlth Agcy (1202) – Gnrl (Division 01)



Comments:

- In the long run, the employer contribution will trend towards the employer long-term cost of the different benefit structures (for closed divisions, the normal cost will ultimately trend to zero as all active members reach retirement) . The long-term cost of the various benefit structures expressed as a percent of pay is shown in the table below:

	Baseline	Option 3
Total Long-term Cost	11.93%	9.87%
Employee Contribution	3.00%	3.00%
Employer Long-term Cost	8.93%	6.87%

- Under Option 3 there is a decrease in the employer contribution as a result of the bridged COLA.

This report may be provided to parties other than the municipality only in its entirety.

Important Comments

Important Comments

1. The liabilities were calculated using the actuarial assumptions and methods adopted by the MERS Retirement Board and do not assume 100% retirement when first eligible. Actuarial assumptions and methods do not determine the cost of the benefits provided; they only impact the pattern of employer contributions. If future experience is unfavorable compared to the assumptions used, employer contribution rates will increase in future years, and vice versa. For example, if members retire when first eligible, the actual liabilities would be higher than calculated resulting in higher employer contributions.
2. The actuarial value of assets used to determine both the funded ratio and the required employer contribution is based on a smoothed value of assets. Only a portion of each year's investment market gain or loss is recognized in the current actuarial value of assets; the remaining portions of gains and losses will be reflected in future years' actuarial value of assets. This reduces the asset volatility impact on the determined required employer contribution and funded ratio. The smoothed actuarial rate of return for 2018 was 3.80%.

As of December 31, 2018, the actuarial value of assets is 110% of market value. This means that there is a net outstanding asset loss that is not yet recognized in the actuarial value of assets. Absent future asset gains offsetting the net outstanding asset loss, the net outstanding asset loss will be recognized in future actuarial valuations and is expected to decrease funded ratios and increase employer contribution requirements.

3. Unless otherwise indicated, a funded status measurement is based upon the actuarial accrued liability and the actuarial value of assets. The measurement is:
 - a. Inappropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations.
 - b. Inappropriate for assessing benefit security for the membership.
 - c. Dependent upon the actuarial cost method which, in combination with the amortization policy and asset valuation method, affects the timing and amounts of future contributions. The amounts of future contributions will differ from those assumed due to future actual experience differing from assumed.

A funded status measurement of 100% is not synonymous with no required future contributions. If the funded status were 100%, the Plan would still require future normal cost contributions (i.e., the cost of the active membership accruing an additional year of service credit).

4. This report describes the financial effect of the proposed benefit plan. No statement contained within is a recommendation in favor of or in opposition to the proposed benefit plan.
5. The funded status shows the relationship of the assets to the amount needed to fund past service benefits, the actuarial accrued liability, under valuation assumptions.

Important Comments (Continued)

6. Contribution requirements take into consideration prior service with other MERS entities (for eligibility service only), reflected in the difference between benefit and vesting service. If members have service not reflected on the results page (e.g., prior MERS or Act 88 service), the unfunded liabilities and employer contributions may be understated.
7. The actuaries' understanding of the default invoicing procedure is that a percent of pay employer contribution is applied for open divisions and a dollar amount is applied for closed divisions.
8. Employer contributions are based on a percentage of members' reported pay for open divisions. If actual reported payroll is substantially lower than the payroll used in this report, the actuaries recommend a minimum contribution of the dollar developed in the "Results," item 2.e.
9. The results do not show the potential impact on other post-employment benefits (such as retiree health care insurance) or ancillary benefits (such as life insurance).
10. The results of separate actuarial valuations generally cannot be added together to produce a correct estimate of the employer contributions. The total can be considerably greater than the sum of the parts due to the interaction of various plan provisions and assumptions used.
11. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. The scope of this supplemental actuarial valuation does not include an analysis of the potential range of such future measurements.
12. The calculations are based upon assumptions regarding future events, which may or may not materialize and proposed plan provisions. The actual impact of the proposed plan change(s) will change over time as actual experience emerges. Contact your MERS representative at 800-767-MERS if you believe that:
 - a. The assumptions are unreasonable,
 - b. The plan provisions are missing or incorrectly described,
 - c. Conditions have changed since the calculations were made,
 - d. The information provided in this report is inaccurate or is in any way incomplete, or
 - e. You need further information to make an informed decision.

Important Comments (Concluded)

13. The following information, assumptions and funding methods were used in the projections under the various options:
 - a. Demographic, financial information and benefit provisions provided by MERS for the December 31, 2018 annual valuation, except where noted otherwise.
 - b. The assumptions and methods used in the December 31, 2018 annual valuation, except where noted otherwise.
 - c. All demographic assumptions will be met during the projection period.
 - d. If new hires are included in the valuation, the active population is assumed to remain stable during the projection period.
 - e. Demographic assumptions under the DC plan are unchanged from those of the DB plan, if applicable.
 - f. The Market Value of Assets will earn the assumed investment return each year during the projection period.
 - g. There will be no benefit changes during the projection period.
 - h. The employer contributions through December 31, 2019 are not affected, and are based on previous annual actuarial valuations.