



# GENERAL COMPENSATION PHILOSOPHY

## Purpose

Attract, engage, and retain a highly qualified workforce with a competitive compensation plan that aligns with the County budget, labor market, government regulations, and industry best practices.

## General Information

The County's compensation strategy aims to maintain external competitiveness and internal equity, taking the following into account:

- Compliance with County obligations as stated in the Charter and County Code
- Fair compensation to retain employees
- Competitive compensation to attract applicants
- Comparability to other similar California counties
- Budget and organizational issues and projections
- Trends, cost of living, and funding issues
- Collective bargaining agreements and interests

## Strategy

- 1) Salary comparisons will be made based upon the top step in the salary range, with additional consideration for total cash compensation and benefits.
- 2) Compensation will be primarily informed by the relevant labor market (Appendix A). To the greatest extent possible, compensation will be evaluated with one universal labor market for all classifications.
  - a) For certain positions that are highly specialized and lack comparable data within the relevant labor market, additional agencies (e.g., local cities, additional counties, etc.) may be considered for survey purposes if a

comparable classification is identified. Survey data from additional agencies may be weighted in consideration of significant dissimilarities in the relevant labor market criteria.

- b) A minimum of three comparable classifications among the agencies of comparison will be required to establish market data. In cases where three comparable classifications cannot be found, internal alignment will be used to make salary adjustment recommendations.
- 3) Survey data will be gathered from the relevant labor market for comparable classifications to the benchmark in the subject classification series.
  - 4) If within market, salary equity adjustments will generally not be recommended unless the County is experiencing significant recruitment and retention issues in a particular classification. Salaries outside market may be recommended for equity adjustment.
    - a) During periods of limited financial resources, as determined by the County Executive Office, equity adjustments will be generally limited to classifications that are both outside market and experiencing significant recruitment and retention issues. Where both conditions do not exist, equity adjustments will generally not be made.
  - 5) Salary differentials between classifications within a supervisory structure will be monitored and maintained to avoid compaction as defined by collective bargaining agreements and Board direction, when applicable.
  - 6) In addition to labor market placement, salary adjustments and new salaries will be evaluated against related classifications in the County to maintain internal alignment.
  - 7) When routine analysis of the relevant labor market results in a change in the comparable jurisdictions included, a phased implementation will be used to collect survey data for individual classifications and recommend any necessary adjustments.

## Definitions

**Benchmark.** The journey level ("II") classification within a classification series.

**Comparable Classification.** Classifications in survey agencies that are identified by Human Resources as similar in function, duties, qualifications, and responsibilities to positions in the County.

**Internal Alignment.** Ensures consistency of pay rates for different work or skills across classifications within the organization and maintains classification plan integrity. Equivalent positions within the County will be identified based upon allocation factors such as minimum qualifications, supervision received and exercised, span of control, complexity of work, consequence of error, and decision-making authority.

**Outside Market.** Salaries that are more than 5% above or below the market mean (average) will be considered outside market.

**Relevant Labor Market.** California counties with the greatest degree of similarity and competitiveness to Placer County, based on the following criteria:

- Agencies in Direct Talent Competition, as measured by:
  - Geographic proximity
  - Contiguity
- Agency Demographics, as measured by:
  - Size of workforce
  - Size of budget
  - Population served
- Economic Profile, as measured by:
  - Median annual income
  - Median home price
  - Median rent

The relevant labor market will include 8 - 10 of the most comparable jurisdictions based on these factors. Data from California counties will be reviewed every five years and the relevant labor market adjusted accordingly with the most comparable jurisdictions.

**Within Market.** Salaries that fall within 5% above or below the market mean (average) will be considered within market.



## **Appendix A**

### Relevant Labor Market

In accordance with the General Compensation Philosophy, the following California agencies comprise Placer County's relevant labor market:

**El Dorado County**

**Monterey County**

**Nevada County**

**Sacramento County**

**Santa Barbara County**

**Santa Cruz County**

**San Luis Obispo County**

**Solano County**

**Sonoma County**