

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2189

2007 SENATE APPROPRIATIONS

SB 2139

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No.2015 and (2189)

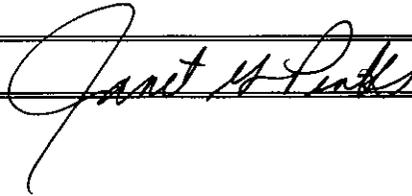
Senate Appropriations

Check here for Conference Committee

Hearing Date: 01/15/07

Recorder Job Number 1069

Committee Clerk Signature



Minutes:

**Chairman Holmberg** opened the hearing on SB 2015 and 2189 at 9:00 a.m. January 15, 2007 with roll call. He announced that the two bills were being heard together as they both discuss State Employee Compensation.

**Senator Dave Nething, District 12, Jamestown,** introduced SB 2189 testifying indicating that the state is in a good position and the the budget Governor Hoeven proposed is good. He indicated the OMB budget waits until crossover because of the nature of the bill and the number of items that need to be considered or added to. He stressed it is important to put state employees on the fast track and put them first as well as bring them current with the times. He indicated he hoped the appropriations committee likes the proposal and acts on it quickly.

**Lt. Governor Jack Dalrymple** testified on the bill on behalf of the Governor's Office. He indicated the factors that entered into the bill. The 4/4 reflects the attitude the committee has toward employees. He discussed the \$75 increase for lower end employees, the 4/4 increase, the issues of the minimal acceptable amount in wages, the total cost of the health insurance, the equity pool and the fact that this is the largest increase to the lower price wage scale.

**Senator Krauter** questioned why the \$75 increase and not \$100 and if the fiscal staff could explain the bottom line numbers at \$75 or \$100.

**Representative Dave Weiler**, District 30, Bismarck, testified, indicating he was asked to co sponsor SB 2189. He explained why the state is where it is today and asked the committee to support the bill.

**Senator Richard (Dick) Dever, District 32, Burleigh County**, testified in support of SB 2189, thanking Senator Nething for introducing the bill, applauding state employees for being present to testify, indicating the importance of this bill and thanking appropriations for putting this on the fast track.

**Senator Robinson** testified in support of SB 2189, indicating the state is in a rare position, to allow for things getting done that could not be done before. He indicated this bill is consistent with the Governor's package and will be a big factor in keeping our employees happy.

**Senator David O'Connell, District 6, Bottineau**, testified in support of SB 2189, indicating it is time to show appreciation to state employees. He stressed to get the raise on the table and if there is extra money at the end, we can always add to it.

**Roger Johnson, Commissioner, Department of Agriculture**, presented written testimony (1) in support of SB 2015 and SB 2189, providing raises to state employees and establishing a market equity pool. He indicated there is a need to have an additional amount for the equity pool. He further indicated the losses to his department as it related to equity pay. He had concerns about the decreases in health coverage. He indicated his department had analyzed the impact of the market and equity needs. The proposed package is the absolute minimum increase.

**Cory Fong, Tax Commissioner**, presented written testimony (2) in support of SB 2189. He stressed a strong need to adjust salaries to keep up with the market.

**Arvy Smith, Deputy State Health Officer, Department of Health**, presented written testimony (3) in support of SB 2015 and SB 2189 regarding state employee compensation issues and salary adjustments. She indicated what the employees in the department do, that many employees left the department's

workforce (12 percent), and that of those 60 percent left for higher salaries. She indicated salary is a major issue within the department. She said this salary increase is a step in the right direction.

**Senator Mathern** indicated he was pleased that there was some feedback from the employees when they leave the agency and he wondered if the health coverage had anything to do with employees leaving.

**Francis Ziegler, Director, ND Department of Transportation**, presented written testimony (4) supporting SB 2015 and 2189. It is his belief that this bill will positively impact the departments ongoing efforts to recruit and retain employees. He indicated this state cannot have economic impact with the DOT.

**Gary Feist, President, ND Public Employees Association, (NDPERS)** presented written testimony (5) testifying in support of ST 2015 and 2189 stressing that the current proposal will continue to move salaries closer to the market. He stressed the state needs to be competitive if we are going to attract the young.

**Senator Krauter** asked that if \$75 was applied to low end wages where is that on the scale. The response was at \$18,000 or less.

**David Sprinsynatic, Adjutant General**, testified in support of SB 2189 and 2115 asking that strong consideration be given to these bills. He indicated salary equity is essential and we need to do this much, if not more.

**Gerry Nies, Grand Forks**, testified in support of SB 2015 and 2189, indicating that many employees now are working one or two jobs to make ends meet. He stressed the need to continue having fully paid health insurance coverage. He quoted Martin Luther King, "I have a dream, this will not happen the last hour of the last day.

**Dennis Fewless, state employee, member ND State Employees Assn**, distributed written testimony (6) in support of SB 2189. He indicated he is encouraged that this bill will help correct some of the inequities

and enable the state to obtain and maintain a workforce that can ensure a high quality of life and economic growth in ND.

**Brad Holt, President, Local 2857, AFSCME Corrections United, Bismarck**, representing correctional officers and NDSP and MRCC, presented written testimony (7) and testified in support of SB 2015 and 2189. He indicated state workers present a valuable service to North Dakota and are deserving of the 4 percent annual raise proposed.

**Ron Franz, state employee since 1980**, testified in support of SB 2015 and 2189. He stressed the importance of equity pay raises and relayed his personal experiences. He expressed concern that he didn't know if the budgeted equity amount was enough.

**David Skalsky, Assistant Director, State Historical Society**, distributed written testimony (8) in support of SB 2015.

**Sharon Silengo, Photo Archivist, State Historical Society**, testified as a private person in support of SB 2015 and 2189. She relayed her personal experiences as it relates to salary equity. She did stress the 4/4 raise is good, but definitely inadequate.

**Henry Winckler, ND State Employee at BSC**, testified in support of SB 2189. He indicated that salary increases have not kept up with the cost of living increases. He indicated that when students find jobs with adequate pay, it is not in ND. State employees deserve a good pay package.

**Todd Sando, Assistant Sate Engineer, Director of Water Development for ND State Water Commission**, presented written testimony (9) and testified in support of SB 2015.

**Tom Mork, State Employee since 1988**, testified in support of SB 2015 and 2189. He indicated he had been in four agencies and the private sector and understands the equity issues.

**James Long, WSI**, presented written testimony (10) and testified in support of the proposed amendment to SB 2015 as has been expressed in the WSI budget request.

**Chairman Holmberg** indicated there is a subcommittee looking at the WSI request.

**Holly Pope, Citizen, Minot**, testified in support of SB 2015 and 2189 citing her disappointment when she says raises in the private sector and not with state employees.

**Teresa Schaffer, Correction Officer, NDSP**, testified in support of SB 2015 and 2189. She expressed her concerns at the turnover rates, the risks that correction officers are taking with their profession and the health insurance benefits to state employees.

**Sherry Gartner, EMS**, testified in support of SB 2189 and the equity budget proposal. She testified about the 70 percent turnover in EM Communications and that is not acceptable. The reason for the exits is low pay.

**Lisa Fair McEvers, ND Department of Labor**, testified in support of SB 2015, and asked for clarification as to how the bill reflects increases for part time employees as well as full time equivalent employees.

**Morella Krein, citizen, Department of Human Services**, testified in support of SB 2189 and stressed the inequities in the pay rates and how it is not conducive to long-term employees.

**Mary Ryan, citizen, State Historical Society of North Dakota**, testified in support of SB 2015 and 2189 stressing how important the health care coverage and how important it is not to increase the co-pay.

**Cathy Halgunseth, Citizen, Department of Veterans Affairs**, testified in support of SB 2015 and 2189, stressing how important equitable pay is. At the current rates, there will continue to be a high turnover rate.

**Dorothy Streyle, Human Resources, ND Parks and Recreation Department**, distributed written testimony supporting SB 2015. (12)

**Ruth Kihm, citizen, Teacher, MSC**, on behalf of the League of Students, testified in support of SB 2015 and 2189. She indicated that too often despite recruitment offers to students, the students go out of state because of the compensation.

**Allen Kihm, citizen, ND Public Employees Association, teacher, NDSU,** testified in support of SB 2189.

He cited instances he was aware of, of job applications turning down North Dakota jobs because the pay scale is substantially higher in private sector.

**Carrie Smith, citizen, 15-year employee with social services,** testified in support of SB 2015 and 2189.

She indicating she is aware of state employees whose family financial needs are not being met and they must rely on public funds for assistance.

**Robert Jacobson, Citizen, Fargo,** testified in support of SB 2189 and applauds the package as proposed.

**Candy Skowgie, Administrative Secretary,** testified in support of bill 2189.

**David Kemnitz, NDAFL-CIO,** testified in support of SB 2015 and 2189, stressing the AFL-CIO supports the efforts being made.

**Jody Moor, Executive Director, ND Public Employee Association,** testified in support of SB 2115 and 2189. He indicated the AFL-CIO wants to see state employees first, not last. He thanked the committee for hearing this early in the session and he looks forward to a do pass.

**Linda Houfek, Human Resources Director, Department of Corrections and Rehabilitation,** presented written testimony (15) and testified in support of SB 2015.

**Ardyth Pfaff, Human Resources, IT Department,** testified in support of SB 2015 and 2189. She indicated there is still more work to do, but these bills are an excellent start. She indicated there are 14,000 FTE's, and it takes a state of the art plan design to manage this number of people. She indicated that on the Health, prescript drug plan, PERS pays 8.9% and employees pay 51.03% of the cost; on the hospital coverage PERS pays 52.64% and the employee pays 47.36% and with physician (clinic) coverage PERS pays 45% and employees pay 54.15 percent. She indicated applicants are getting very smart and realize the health coverage plan is very diluted. She stressed it is important to keep the interim benefit committee in tact.

**Ericka Perry, citizen, Administrative Assistant for DOT**, testified in support of SB 2015 and 2189. She discussed personal concerns and indicated if we want to keep young people in ND the equity pay needs to be addressed.

**Chairman Holmberg** closed the hearing on SB 2015 and 2189.

**Senator Wardner** moved a DO PASS on SB 2189, Senator Robinson seconded.

**Senator Mathern** suggested adding the statement "and health benefits are not to be reduced" as intent in SB 2189. There was discussion.

**Senator Mathern** moved for a DO PASS on this suggestion. Senator Robinson seconded.

**Chairman Holmberg** indicated the makers of the first motion would need to withdraw their suggestion.

**Senator Wardner** questioned having a revision to this bill.

Further discussion ensued.

**Chairman Holmberg** indicated there appears to be confusion and the bill would be sent to the sub-committee.

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2189

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01/19/07

Recorder Job Number: 1461

Committee Clerk Signature



Minutes:

**Chairman Holmberg** opened the hearing on SB 2189.

**Senator Mathern** suggested an amendment number 70600.0201 to SB 2189. There was brief discussion.

**Senator Mathern** moved the amendment .0201 be adopted. Senator Krauter seconded.

Discussion ensued. Roll call vote was taken resulting in DO NOT PASS with 6 yes, 7 no, 1 absent.

**Senator Krebsbach** moved to adopt the bill as written, Senator Wardner seconded. A roll call vote was taken resulting in DO PASS with 13 yes, 0 no, 1 absent.

**Chairman Holmberg** closed the hearing on SB 2189.

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2189

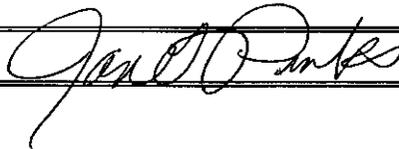
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01/22/07

Recorder Job Number: 1485

Committee Clerk Signature



Minutes:

**Chairman Holmberg** opened the hearing on SB 2189.

**Senator Mathern** moved an amendment which was distributed 70600.0201 which adds the words and that the health care benefit should not be decreased to SB 2189, page 2, line

**28. Senator Krauter seconded.** There was discussion and it was felt this bill should be sent to the house with the strongest language possible to make sure health care benefits don't decrease to the point that persons with a salary increase have the increase eaten up by higher co-pays and deductibles. There was indication there would be another vehicle to put this amendment on.

**Senator Wardner** indicated this bill is on a fast track and I would like to think that by the time those committees that are involved with this amendment would be done. The final decision on this bill will be in conference committee and he felt this could be done without the amendment. A roll call vote was taken resulting amendment resulting in 6 yes, 8 no, 0 absent. The motion failed.

**Senator Krebsback** moved the SB 2189 DO PASS, **Senator Robinson** seconded. **No discussion.** A roll call vote was taken resulting in 14 yes, 0 no, 0 absent. The motion carried a DO PASS on SB 2189.

**Chairman Holmberg** closed the hearing on SB 2189.

*2 minutes  
recorded  
1st one used*

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2189

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01/25/07

Recorder Job Number: 1865

Committee Clerk Signature



Minutes:

**Chairman Holmberg** opened discussion on the equity model of distribution.

**Ken Purdy** distributed a draft of the market/equity distribution by agency which is based on the November payroll. He reviewed that this a draft and will change after the legislators adjourn and prior to July 1, 2007. Each agency will distribute the equity increases and then will distribute thier 4 and 4 raises within their budgets. The department of Human Resource Management will work with each division on an individual basis because each increase given is done on an individual basis.

**Senator Robinson** expressed his concerns as to whether state wages will hold their own when the private sector also makes increases. The response was that the average pay should be at the midpoint on the scale.

The discussion closed.

70600.0201  
Title.

Prepared by the Legislative Council staff for  
Senator Mathern  
January 19, 2007

PROPOSED AMENDMENTS TO SENATE BILL NO. 2189

Page 2, line 28, after "\$658.08" insert "and that the health care benefits not be decreased"

Renumber accordingly

1/19/07 SP 2189  
 Date: Roll Call Vote #: 0201 amend

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES  
 BILL/RESOLUTION NO.

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number .0201

Action Taken Not Passed

Motion Made By Mathern Seconded By Krauter

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm		✓	Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm			Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm		✓	Senator Tim Mathern	✓	
Senator Randel Christmann		✓	Senator Larry J. Robinson	✓	
Senator Tom Fischer		✓	Senator Tom Seymour	✓	
Senator Ralph L. Kilzer		✓	Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach		✓			
Senator Rich Wardner		✓			

Total (Yes) 6 No 7

Absent 1

Floor Assignment Holmberg

If the vote is on an amendment, briefly indicate intent:

1-19-07

Date: 2/89  
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO.

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number Do Pass

Action Taken Do Pass

Motion Made By Krebsbach Seconded By 2. Holmberg

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm			Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner	✓				

Total (Yes) 13 No 0

Absent 1

Floor Assignment Sen Holmberg

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE (410)**  
January 19, 2007 8:54 a.m.

**Module No: SR-13-0801**  
**Carrier: Holmberg**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2189: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS**  
(13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2189 was placed on the  
Eleventh order on the calendar.

2007 HOUSE APPROPRIATIONS

SB 2189

## 2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2189**

House Appropriations Committee

Check here for Conference Committee

Hearing Date: 2-1-07

Recorder Job Number: 2662

Committee Clerk Signature

*Marie Skora*

Minutes:

**Chairman Svedjan:** Opened the hearing on SB 2189.

**Sen Nothing, Dist 12:** Introduced SB 2189. This bill is identical to what was in the OMB...a bill which was the Governor's recommendation. We removed it and put in a separate bill so we could get it on a faster track than the OMB bill usually takes. That's usually the last one out of a body that starts the process and one of the last comes from the legislature. This is an effort to move it along and hopefully your committee would also feel that it's worthwhile to have it on the fast track to let our state employees know that we appreciate them and want them to know that they're high on agenda in resolving their pay increases.

**Chairman Svedjan:** There were no changes made the bill in the Senate...it's still a 4 and 4 and is there anything else?

**Sen Nothing:** No, it's identical to what was in the OMB bill...that section would be taken out after your action.

**Chairman Svedjan:** And it carries a \$75 minimum?

**Sen Nothing:** Yes

**Chairman Svedjan:** So all of that remains the same... committee members, is there anything in this that you would like to query further?

**Rep Kerzman:** I see it just refers to permanent state employees...was there any discussion about part time or temporaries?

**Sen Nething:** Not that I'm aware of...I wasn't there when they had the bill in the Senate Appropriations.

**Rep Wald:** On Line 12 & 14, Page 1, you say "classified state employees"...why not include non-classified?

**Sen Nething:** That's the way it was when it was presented in the SB 2015.

**Chairman Svedjan:** Would you have any objection if we struck "classified" and include "all employees"?

**Sen Nething:** That's up to the committee to decide, primarily, my purpose is to hope that whatever you do with we can keep it on the fast track.

**Chairman Svedjan:** When we're done with questions for you, we'll ask Mr Purdy to address that question for us.

**Rep Ekstrom:** We've heard a number of agency budgets now over the last week or two and they're have been several where they've said they have an equity bill put in by the Governor, separate from the \$10M. Will those folks also be entitled to share in the equity pool?

**Sen Nething:** I don't know...I'm not the one to answer that question.

**Chairman Svedjan:** My understanding is that they would participate in the equity pool over and above the 4.4% and I see Mr Purdy shaking his in the affirmative. If no further questions for Sen Nething, Mr Purdy, could you step up to the podium and address Rep Wald's question?

**Mr Purdy:** As I understood the question, it was whether we could strike the work classified in Sections 1 and 2 and that really isn't possible because the entire basis for the equity measurement, the analysis of the equity situation is based on our classified employment...our

grades, salary ranges and positioning of salary ranges, etc. If we strike the word classified we're adding that and trying to compare to where an appointed official might be paid or where the attorneys and the attorney generals office...we don't have a salary range for them...they're independent of the market analysis in our classified service. The same thing with Workforce Safety and the Department of Commerce, who were excluded from the jurisdiction of our personal system to establish their own, so they have their own and are responsible for their own market analysis and requesting their own equity funds, if that were necessary.

**Rep Pollert:** We've had at least a couple agency bills...more the smaller ones, that we specifically asked, because they've come forward with equity proposals that have been recommended by the Governor and we specifically asked them...are they in the \$10M pool and they've told us no, but they've put into the agency budget.

**Mr Purdy:** Let me clarify that (some of the budget staff may help me if I stumble) as they receive the budget request (there were a tremendous number requests for additional funds) in most cases OMB took those out of the agency budgets in favor of a more comprehensive and complete look overall including all of the agencies. They left some appropriations in a few agencies because of probably the most extreme situations or even more unusual than the norm so those agencies will receive that money, they will also be eligible to share in the market equity fund. I anticipate that the amount they get independently would affect the amount they get out of the equity fund and we'll take that into consideration, but it won't be a direct offset.

**Chairman Pollert:** We also have had an instance where not only are they for the 4 and 4 have been included, but also in the 10M equity and there's been a little also that's been requested and been recommended for an increase as well, in the grade level. So not only is it 4 and 4 but it's also part of the 10M pool...it's also another recommendation as well. Is that more than just one agency that I've seen, or is that common?

**Mr Purdy:** I think there were several and I don't know exactly the number offhand.

**Chairman Svedjan:** Were you planning on providing testimony.

**Mr Purdy:** If you'd like a quick run through...I don't want recover what we covered in the joint appropriations committee meeting, but if you want a quick summary of the kind of a steps we anticipate it covers, some of the questions Rep Pollert was just asking about how it will all fit together. Mr Purdy reviewed earlier testimony                    **SEE ATTACHMENT 4**

**Rep Klein:** Will that 10M equity go out in the first year?

**Mr Purdy:** Yes, July 1, 2007

**Rep Ekstrom:** Your office will be doing the oversight to make sure that we're not adding to the compression problems?

**Mr Purdy:** The market equity fund is...the agencies are essentially required to follow the model that we provide. They have the authority to take exception if there are some unusual circumstances...in past years when we've done that they've documented that, we've visited with them and covered that so they do have some latitude but it's very limited...the model is based on our system.

**Rep Williams:** I want to make sure I understand what I think you said earlier...a state agency (any agency) may have (in these budget hearings) they may try to establish their own small equity pool. If that happens, did I hear you say that that would be taken into consideration when you look at the 10M?

**Mr Purdy:** Yes

**Rep Williams:** So basically, in general, if an agency or several agencies have their own equity pool, it's basically just adding to the general equity pool of 10M?

**Mr Purdy:** In a sense, but it's focused more directly at the issue that agency is dealing with, so it would come out...it would be more focused to that agency then they would get if that were added to the market equity fund.

**Rep Williams:** However, when you're giving money out of this larger equity pool, it would be basically for them a negative if they had their own.

**Mr Purdy:** Not a negative...if agency A is tapped for \$100T and there's a recommendation for another \$10T in their individual budget, it wouldn't automatically take \$10T off that \$100T and give them \$90T, but it would figure into the overall calculation of the model and reduce it proportionally.

**Rep Carlson:** When you give out the equity on July 1<sup>st</sup>, is that before the 4 and 4 is applied or after?

**Mr Purdy:** Before

**Rep Carlson:** Another question, possibly for Council...we addressed the budget this morning where we added money because of what we believed was reasonable to add an equity pool in one of our agencies and that's why Rep Williams was asking those questions, and Mr Chairman, I'd like to know how many budgets have additional equity pools out there in addition to the \$10M that's being sent out...what's the total when we're all done? How many other agency equity pools are we going to be addressing?

**Chairman Svedjan:** Allen, do you have a read on that? I know there's been some discussion around the LC budget...the Judicial budget...there may be others, but I think your question has more to do with equity pools that reside in agency budgets right now.

**Rep Carlson:** Yes.

**Allen:** *Last name not in recording or Registration*) We did, in the analysis of the Governor's budget book, on Page 1 – 2 is a schedule that showed the other funding that was in agency budgets

for equity adjustments...they weren't all for classified employees, that would include unclassified as well...there is the schedule in the book that you can refer to.

**Chairman Svedjan:** What page was that again?

**Allen:** Page 1 – 2 ... it's under the State Employee tab, for instances, the Attorney General has \$654T...Office Administrative hearings, the Governor's Office, Insurance Department, Retirement Investment Office, Public Employees Retirement System, Department of Financial Institutions and Department of Corrections that have moneys in addition to the \$10M that's in the statewide pool.

**Chairman Svedjan:** And those agencies would participate in the \$10M?

**Allen:** Those that have classified employees...the attorneys in the Attorney General's office wouldn't.

**Rep Carlson:** We've had the discussion over a number of biennium's about what is the best way to address equity and we've had discussions about minimums and percentages, equity, merit and performance and now we have somewhat of a hybrid here with a minimum of \$75/month and it's 4 and 4, but it really doesn't address whether anybody did a better job, it's just that we're going to make sure that everybody gets 4 and 4 plus and equity pool. Could you explain how we're addressing performance and equity here when you have a flat 4 and 4?

**Mr Purdy:** In Section 3 of 2189, it is the intent of the 60<sup>th</sup> Legislative Assembly that compensation adjustments for permanent state employees are to be based on documented performance and equity and the intent is performance based pay and that agencies not do it across the board. Performance based pay if they're ready and prepared and are confident in their performance appraisal system; if their equity issues internally are still their highest priority...they may prioritize that. The models we provide give them two options to start in either way...start in the performance avenue or start in the equity avenue. If they distribute 2/3

of their raise via performance, then 1/3 may be based on a percent for performance...the remaining 1/3 may then be distributed based on a flat dollar share for equity funds...we're trying to balance that argument of percents versus dollars and we're trying to alleviate agencies to insure that their performance management systems are ready to recognize performance in distributing pay.

**Rep Carlson:** Are we going to see some type of follow up to this, because in the past we've reviewed this and found that in reality the majority of the raises were exactly the percentages we gave them without many variations between one being 5 and one being 3. I understand that we want our managers to manage but because of fear of having unrest within a department, they have many times been all the same and then I'm saying this is just nothing but words.

**Mr Purdy:** The past appropriations have been something along the lines of 2% appropriation...\$35 is to be across the board, the remainder for performance...that leaves a very small amount left...so another appropriation is 3% with 2% across the board and 1% for performance...this really does give them more latitude although it does carry the \$75 minimum, if performance meets all standards. So again, we're not divorcing performance from it at all...any of these increases...the market equity fund, the general increase...anything in here is contingent upon performance meeting all standard, so that element is there in that sense too. It's going to take some time for agencies to polish and gain confidence and to build their ability to be real effective in performance measurement and performance distribution of the pay. Many agencies are ready right now, others are going to much more cautious about it and if they're not prepared for it the worst they can do is go out and give some employees 2% and some employees 8% and not have the documentation and the analysis and the

performance measure to back that up, so those agencies probably should narrow that range of digression and not make big variations.

**Chairman Svedjan:** SEE ATTACHMENTS 1, 2, 3, 7, 8, 9, 10 and 11. You should all have received printed testimony from the Department of Human Services, the State Health Department and also from the Tax Commissioner's Office ... for any of you out in the audience... I'd like to commend this to our reading so we can expedite the hearing. If there others out there who have printed testimony, I'd would like for you to give us the testimony. For anyone not having printed testimony, I would invite you to come to the podium and state your case.

**Roger Johnson, Agriculture Commissioner:** Appeared in support of the bill. SEE ATTACHMENT 5... Please turn to the top of the 2<sup>nd</sup> Page of my testimony and the equity pool... look at numbers.

**Dave Sprynczynatyk, Adjutant General, National Guard and Department of Emergency Services:** Appeared in support of the bill. Our number 1 priority in the budget request is for an equity adjustment, equity pool... that was taken out and rolled up into the \$10M pool... this for us is very important and critical... we have a lot of folks that worked for us for a number of years. Retaining those people is vital to our ability to provide for Emergency Services, State Radio and the National Guard... we have many loyal and dedicated individuals... the Legislature has treated us well in the past, but it's important today that we address the inequity situation that we have and I'd ask your favorable consideration on SB 2189.

**Francis Ziegler, Director of the Department of Transportation:** Appeared in support of the bill... SEE ATTACHMENT 6. I do want to bring to your attention to the fact that we believe that even though with the provisions of addressing the equity, we may continue to see challenges

in recruiting and retaining equipment operators and engineers, which may up about 45% of our workforce.

**Tom Worth:** Appeared in support of SB 2189...I'm taking approved annual leave to speak with you here today. I've been a state employee since 1988 and during my tenure with the state I've been employed with 4 different state agencies...I don't do this because I enjoy changing jobs, but I do it to better myself...to move up in pay and in pay grade. Many of my fellow employees have followed a similar path and while this does not show as turnover because it within the state system, it does result in a discontinuity for both myself and the agencies I worked with. All other things being equal, people would just as soon stay where they are, but often times movement is the only way for advancement. Prior to my employment with the state I worked for over a decade in the private sector. With this diversity of work experience, I've found my co-workers in North Dakota state government to be every bit as competent, committed and professional as those I had the pleasure of working with in the private sector. I fully realize that when I sought employment sector that the opportunity for remuneration would not be as great but I feel all workers are entitled to dignity and courtesy and respect no matter where they are employed. One principal method of showing respect is regular and meaningful increases in pay in recognition of a job well done, just as a standard practice in the private sector. Simply put, I feel this is something that must occur to retain staff so I would encourage timely and complete passage of this bill.

**Morella Krein:** For the record, I'm on annual leave. I've been with the department for 11 years...I came to the department with 13 years of experience in eligibility, supervisory and bachelors of Science degree in social work. The department has assisted me in attaining my master's degree in management. In 2005 I became aware that a new employee of the unit I was working for made over \$100 more then me...I also found out that a person that started

after me was making the same. Currently, in the new unit I'm in, a new employee was recently hired and is making over \$100 more. We're talking about equity and that's why I want to state my situation. If this process continues at the state, longevity has no meaning...I ask you for your support in SB 2189.

**Chairman Svedjan:** To anyone out there, please sign the roster regardless of whether you're For, Neutral or Against...we're wanting to wrap this up very soon.

**Sherry Gartner:** I'm an employee of Department of Emergency Services, Division of State Radio, for 3 years. I took a few hours of annual leave this afternoon to come and voice my support of SB 2189. I believe state employees do deserve the 4% and 4% raises as included in Governor Hoeven's budget. The focus of my talk today, however, is the proposed \$10M equity pool. The Division of State Radio has hired 11 new employees in the last 5 years...of those 11 new employees, we have already lost 7 and I know that 2 out of the 4 of us that are left are currently seeking other employment. A 64% turnover rate among new employees in an emergency communications center where lives are on the line everyday is not acceptable. One of the main reasons, either directly or indirectly, for losing these employees was low pay. We currently have 3 dispatcher openings at State Radio...of the 5 recently interviewed candidates, 2 were disqualified for their backgrounds...1 they are still conducting the background check on and 2 were offered the job...only 1 accepted, the other 1 turned us down. We'll have to go through another phase of interviewing in order to fill those other 2 positions...it will be a lot tougher this time because Bismarck Central is currently hiring dispatchers at around \$400/month more than we are. A pay comparison study has been done for our division...it shows a typical state radio employees wage is anywhere from \$339/month to \$1,176/month behind employees with similar qualifications and experience at the other large dispatch centers in North Dakota. Please note that state radio is responsible for

communications with more than 3 ½ times the population served more than 9 times the resources dispatched and more than 19 times the licensed radio users in the next largest dispatch center used for our pay comparison study. Some of the biggest differences in pay show up in employees that have been there 10 or more years. State Radio employees have not been treated fairly over the long run in regards to pay. Compression is also an issue at State Radio...the starting wages were forced to be raised in order to obtain applicants for the job, but the wages of long time employees were not adjusted accordingly. To sight one example, a co-worker of mine with 27 years of service at State Radio makes only \$188 more per month than me with my 3 years of service. This does not give me hope for a lifetime career and future with the state. The Division of State Radio is not the only agency facing these compression and equity issues...you've heard many stories today...I'm sure you'll hear many more...it's a problem among most agencies. The \$10M equity pool is needed to correct the discrepancies in pay that exist today and you, the legislators, need to remember that state employee pay is something that needs to be addressed at every single legislative session in order to prevent these serious discrepancies from happening again and in order to show us new employees that we have something to look forward to with the future at the state.

**Mary Kate Ryan:** For the record, I've taken annual leave from my job at the State Historical Society of North Dakota to be here today. I'm here to speak in favor of the entire bill, but specifically to the fully paid health insurance premium. When I started my job 4 years ago I thought the premium sounded like a nice benefit but I honestly didn't think about it much. Last year after a medically rough year I was grateful to seek the medical care I needed...even with the fully paid premium, I paid out about 1 ½ months worth of my take home salary in co payments, deductibles and co insurance. The paid premium is a valuable and valued part of the state employee compensation package...I urge the committee to support the fully funded

premium as part as the state employee compensation package that includes the 4 and 4 and the \$10M in equity.

**Rep Carlisle:** I move a DO PASS ON SB 2189

**Rep Martinson:** I second it.

**Rep Wieland:** I appreciate the fact that several of the employees have come forth and stated that they took annual leave to be here today. I think that's admirable and I intend to support this bill.

**Roll Call Vote on a DO PASS MOTION**      Yes 24      No 0      Absent 0

**Motion Carries**                      Carrier      Rep Carlisle

**Rep Carlson:** I still would like any tracking device of some kind, just to see what other equity pools we're creating as we go through this process because our intention today as we dealt with one of our budgets, that our equity pool would be in addition to what they had already been penciled in for and I'm afraid that it's going to be one of those where it will be deducted from, so I'd like to keep track of those any other agencies that are adding extra money where their request was short and they thought they had more coming or would like to get more so we could monitor that as we go through. This is unusual that we fast track this bill like this through the process.

**Chairman Svedjan:** I don't disagree with what you said so I would invite the chairman, particularly of the 3 sections, to use as a guide. Page 1 – 2 in the orange book, in your analysis of the budgets, and to keep me informed of your findings and your recommendations to that regard.

**Rep Skarphol:** What we did in the amendment that we put on this particular agency...we said that this equity pool was that to be subordinate to the or done in lieu of what was included in

the anticipated dispersal to this agency. In other words, we put legislative intent that we did not want them to reduce what was intended to go to this agency in lieu of what we'd put on there.

**Chairman Svedjan:** You're talking an agency where you feel an additional equity pool is justified...now this could be the reverse as well.

**Rep Skarphol:** In this instance, we removed some employees that had been requested and followed by saying...this individual asked to get some of those employees back... we said, would you rather have the employees or an equity pool and he felt it was more important to have the equity money then to have the additional employees. It in fact gave him part of what was removed back as an equity.

**Chairman Svedjan:** I understand that, but in the event that there may be equity pools that are being requested that are more difficult to justify...that's what needs to be analyzed in our budget review.

**2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
 BILL/RESOLUTION NO. 2189**

House Appropriations Full Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken No Pass

Motion Made By Carlisle Seconded By Martinson

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
Representative Wald	✓		Representative Aarsvold	✓	
Representative Monson	✓		Representative Guleson	✓	
Representative Hawken	✓				
Representative Klein	✓				
Representative Martinson	✓				
Representative Carlson	✓		Representative Glassheim	✓	
Representative Carlisle	✓		Representative Kroeber	✓	
Representative Skarphol	✓		Representative Williams	✓	
Representative Thoreson	✓				
Representative Pollert	✓		Representative Ekstrom	✓	
Representative Bellew	✓		Representative Kerzman	✓	
Representative Kreidt	✓		Representative Metcalf	✓	
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 24 No 0

Absent 0

Floor Assignment Carlisle

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE (410)**  
February 1, 2007 6:01 p.m.

**Module No: HR-19-1868**  
**Carrier: Carlisle**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2189: Appropriations Committee (Rep. Svedjan, Chairman) recommends DO PASS**  
**(24 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2189 was placed on the**  
**Fourteenth order on the calendar.**

2007 TESTIMONY

SB 2189

Roger Johnson  
Agriculture Commissioner  
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Bismarck, ND 58505-0020

*Same  
fun to  
have*

**Testimony of  
Agriculture Commissioner Roger Johnson  
SB2015 and SB2189  
Senate Appropriations Committee  
January 15, 2007**

Chairman Holmberg and members of the Appropriations Committee, I am Agriculture Commissioner Roger Johnson. I am here today in support of SB2015 and SB2189 which provide raises to state employees of four percent and four percent for the coming biennium and establish a market equity pool for additional salary adjustments.

We are a small state agency—the 2005 Legislature authorized us for 61 FTEs. During the 2003-05 biennium, we lost eleven employees, and the lack of raises for state employees was a significant factor in this extremely high turnover rate.

For the first six months of the current biennium, we retained all of our staff. However, during calendar year 2006, we lost seven employees, which is an 11+ per cent turnover rate. The salary levels relative to the responsibilities and the market competition, we believe, are a significant factor in this high turnover rate. All but one of these employees went to positions outside state government.

Losing a state employee represents not only the added cost of recruiting and filling a vacant position, it also represents a loss of investment in training, it represents a loss of valuable experience and it represents added costs of training a new employee.

Approving this package of raises will send a signal to the employees that their work merits adequate compensation. And, I believe that the four and four package with the current level of health insurance is a minimum, and you should be considering more.

I am concerned by the reduction in health insurance benefits proposed by both bills, which would increase deductibles and increase co-payments by employees. I would urge you to maintain health benefits at the current levels.

Further, the market equity adjustments in SB2015 and SB2189 are a good first step, but you should consider doing more than \$10 million to address market inequities. In building our agency budget, we did an analysis of various job categories in our agency, using the publication "Wages for North Dakota Jobs—2006 Edition." We made a comparison of our salaries to the "typical or median" salary for that job in either the city or region, whichever was most appropriate. Based upon that analysis, we determined that we had sixteen employees in six job categories that were significantly underpaid relative to the market. As a result we submitted an enhancement request to the Governor requesting an additional \$318,139 to become competitive and to be able to retain our employees. Our request was based upon making up only half the difference between our salary levels and the market.

We have analyzed the impact of the \$10 million market equity pool on our market equity needs, and we have found that of the sixteen employees that we determined to be underpaid according to market conditions, only ten will be eligible for market equity adjustments. Over one third of our agency's critical salary needs will go unaddressed.

We have calculated our agency's need in attempting to become competitive with market conditions. If we are a typical agency and these numbers were extrapolated to the statewide salaries paid to all employees, the amount to meet market conditions would be almost \$54 million statewide.

State employees have been told session after session that they need to tighten their belts because state finances were tight. The financial situation of the state is much brighter than it was two years ago when this legislature provided four and four raises to state employees. I urge you to make significant adjustments in state employee compensation.

Thank you for the opportunity to testify. I'd be happy to answer any questions that you have.



(2)

**STATE OF NORTH DAKOTA**  
**OFFICE OF STATE TAX COMMISSIONER**  
Cory Fong, Commissioner

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**SENATE APPROPRIATIONS COMMITTEE**  
**Senator Ray Holmberg, Chairman**  
**Testimony from Tax Commissioner Cory Fong Re: Senate Bill 2189**  
**January 15, 2007**

I am here to speak in support of the Governor's recommended pay package for state employees, which has also been introduced as Senate Bill 2189.

The Tax Department has a staff of professionals who are devoted to their jobs and are efficient at getting the work done. In the past we have been fortunate to have a decent pool of applicants from which to choose to fill vacancies. However, the number of qualified applicants is changing because of the increasing competition for skilled and quality employees that exists throughout our state, and especially here in Bismarck, due to workforce shortages resulting from our growing economy.

For this reason, I speak in support of the entire pay package as presented. However, I believe the equity package is especially helpful to state agencies in adjusting salaries to keep up with the competitive market we face not only in Bismarck, but across much of the state as a result of our expanding North Dakota economy.

We have had legislatively authorized equity packages in the past. They were helpful. I believe including a good equity program for this biennium will again be a step in the right direction. With the job market challenges in Bismarck I believe state government has added competition for attracting and keeping quality employees. An equity package of the magnitude being proposed will help us retain our trained employees and provide adjustments resulting from internal compression. An increase in the salary ranges will help us attract qualified staff who want to work and live in North Dakota.

On behalf of our employees in the Tax Department, I commend the Governor and the Legislature for proposing what I consider a strong state employee pay package.

**Testimony**

**Senate Bill 2015 and Senate Bill 2189**

**Senate Appropriations Committee**

**Monday, January 15, 2007; 9 a.m.**

**North Dakota Department of Health**

Good morning, Chairman Holmberg and members of the Senate Appropriations Committee. My name is Arvy Smith, and I am the Deputy State Health Officer for the North Dakota Department of Health. I am here today to testify in support of Senate Bills 2015 and 2189, regarding state employee compensation issues and salary adjustments.

**Introduction**

Public health affects the lives of every North Dakotan every day. Because of the efforts of public health, we breathe clean air and drink safe water. Our garbage is picked up and disposed of properly. We can feel confident that the food we eat at restaurants is safe. Our parents and grandparents are cared for in quality nursing homes. Our children are immunized against many diseases that we hardly think about today but that struck fear into the heart of every parent just a few decades ago – diseases such as diphtheria, measles and polio.

**Employee Recruitment and Retention**

Employees of the Department of Health consistently provide timely and efficient services to the people of North Dakota. In order for us to maintain those services and meet the public health challenges facing our state, it is imperative that we maintain this quality workforce. Unfortunately, the department has faced growing recruitment and retention issues over the past few years.

Since January 1, 2004, 110 employees have left the Department of Health. This is equivalent to more than one-third of the department's workforce. Our turnover rate for the last two years has been more than 12 percent, which is approximately 30 percent higher than the average for state employees of 9.2 percent in 2005.

Salary levels are a major issue for the Department of Health. For example, about 60 percent of the employees who quit to work elsewhere since January 2004 left for higher salaries; in fact, they reported salary increases at their new jobs from \$2,400 to \$45,000 annually. This is especially troublesome when the department loses experienced staff. We try to use savings and new federal and special funds to make salary adjustments where we can. But we must continue to provide equitable salaries

within our department. Studies by motivational experts indicate that inequitable salaries cause morale problems. Some important highlights with regard to salary levels in the department are as follows:

- One out of every five of our employees who leave the department go to work for other state agencies.
- For the past two years, the department has had approximately a 20 percent to 30 percent higher turnover rate than the average for state employees.
- Experienced engineer and environmental scientists' salaries are 11 percent and 9 percent, respectively, below those in other agencies in the same pay grade.
- In many cases, our state employee salaries are less than those of our counterparts in city and county government.
- In at least six cases, salaries are as much as \$1,000 per month less than other states in the region.

The occupations experiencing the highest turnover vary by year but include health facility surveyors, environmental engineers and scientists, program administrators, lab professionals and epidemiologists. Replacements for many Department of Health professionals are often difficult to recruit.

As the department addresses environmental issues related to agriculture, energy and other economic development in the state, the difficulty in recruiting and retaining qualified staff will become even more evident. New biodiesel, ethanol and other plants will result in an increase in requests for air and water quality permits. A full staff of qualified scientists will be required to handle the increased workload in a timely manner. It will be difficult for the department to provide quality services in a timely manner when we lose staff to other agencies or the private sector because of salary concerns.

Costs related to our salary equity issues are significant. The Department of Health requested \$1,077,905 (\$568,315 general funds) in our optional budget to increase salaries to levels consistent with salaries of other North Dakota state employees. An additional \$1,954,259 was requested to address external market salary issues.

The governor's 4 percent per year salary package is a step toward addressing compensation and turnover issues so that we can retain our professional staff and continue to provide timely assistance to citizens and industry during this period of economic development. We hope the governor's \$10 million funding for equity increases will be available to further assist us in making another step toward our salary funding needs. We also ask that it be distributed in a manner that addresses equity issues within North Dakota state government prior to addressing external market issues.

### **Conclusion**

To help us continue our quality service to the people of the state and to help us recruit and retain employees, we ask you to support the 4 and 4 salary increase for state employees and the \$10 million equity funding as included by the governor in his budget request.

This concludes my testimony. I am happy to answer any questions you may have.

(16)

**SENATE APPROPRIATIONS COMMITTEE**

January 15, 2007

9:00 a.m. - Brynhild Haugland Room

**North Dakota Department of Transportation  
Francis Ziegler, P.E., Director**

**Senate Bill 2015**

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Good morning Mr. Chairman and members of the committee. I'm Francis Ziegler, Director of the North Dakota Department of Transportation (NDDOT).

Thank you for the opportunity to address the committee today and discuss Senate Bill 2015 and its companion Senate Bill 2189.

The NDDOT supports the statewide salary equity pool outlined in Senate Bill 2015. The Department appreciates the efforts and support shown in this bill for employees. This bill addresses the Governor's proposed four percent general salary increase in 2007 and 2008, the \$10 million statewide equity pool, and full funding for health insurance.

This bill will positively impact the Department's ongoing efforts to recruit and retain knowledgeable employees. NDDOT's employees are continuously asked to work hard and stay current with changing technology to serve the residents of North Dakota. For example, our equipment operators are out there at 4 a.m. on some cold winter days, clearing roads so that the rest of us can make it to work on time. We are happy to see support of fair compensation for all of our employees.

NDDOT plans to move forward in our efforts to continue to focus on pay for performance in compensating our hard-working employees.

Even with the provisions for addressing equity, NDDOT may continue to see challenges with recruiting and retaining equipment operators and engineers, which make-up 45 percent of our workforce.

Again, the Department would like to express full support for SB 2015 and its companion bill SB 2189. Thank you.



NORTH DAKOTA  
PUBLIC EMPLOYEES ASSOCIATION

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AMERICAN FEDERATION  
OF TEACHERS LOCAL 4660 AFL-CIO



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**TESTIMONY OF GARY FEIST  
ON SB 2015(SB 2189)  
BEFORE THE SENATE APPROPRIATIONS COMMITTEE  
JANUARY 15, 2007**

*Same given to  
House  
Appropriations*

Good morning Chairman Holmberg and members of the Senate appropriations committee. My name is Gary Feist and I am President of the North Dakota Public Employees Association. I would like to thank Chairman Holmberg and members of the committee for holding the hearing on SB 2015/SB 2189 today, a day that state employees are able to come and testify on the compensation package that has been proposed by Governor Hoeven. NDPEA is here today to testify in favor of compensation package included in SB 2189.

The state employee compensation package of 4% and 4% passed last session was a great start in the right direction of moving state employee salaries closer to the market. The current proposal of 4% and 4%, the \$10 million equity pool, and the fully funded health insurance premium will continue to move the salaries of state employees closer to the market and make the state more competitive in recruiting and retaining a quality workforce. The study released by Ken Purdy from Human Resource Management Services (HRMS) indicates that with the compensation package included in this bill salaries will approach 95% of the market which is a goal the state set back in the 1990's.

*Quality Services from Quality People*

# Testimony

As the states economy has grown the competition for workers has increased which has affected many state agencies. Years ago when a state job was posted an agency would have many applicants to choose from. Today when a position is posted only a few qualified applicants apply for the position. When the applicants are interviewed and the agency makes an offer to the best qualified applicant, many times the applicant has already accepted a job somewhere else or the applicant is unwilling to accept the job for the compensation that is being offered. In my agency, the tax department, we have hired new college graduates and trained them, only to see them leave within one to two years of being with the department for more money somewhere else. NDPEA is all for opportunity and advancement but the state needs to become competitive with its compensation package if it is going to attract and retain quality employees.

Agencies have increased the starting pay due to market demands for some of their harder to fill positions to attract and hire quality employees. Increase starting salaries has created a salary compression problem with long term employees. For example an employee with one year of service will be making more than an employee with seven years of service in the same job title. This situation is difficult for the employee and the agency and leads to low employee moral and self worth. When this occurs employees decide it is not worth staying with the agency so they look to leave for another state agency or the private sector. In the report to a joint hearing of the Senate and House Appropriations on January 4, 2007, Ken Purdy informed the committee that the state had experienced a 10.6% turnover rate for 2006. The turnover rate will continue to grow if the state does not offer a competitive compensation package for its employees.

NDPEA believes that the \$10 million equity pool is vital for state employees furthest from their midpoints with the most years of service. This equity pool will help to alleviate some of the compression problems that have occurred over the years and will help to retain some of the quality employees who are currently leaving for better salaries. NDPEA supports the use of the equity model developed by HRMS. The model will insure that the equity funds are distributed to the employees who are the furthest from their midpoints with the most years of service

When state budgets have been tight state employees were told hang in there when times are good we will take of you. Well NPEA believes that these may be the best of times so I would urge you to pass the salary compensation package proposed by Governor Hoeven which provides for a 4% and 4% with each employee receiving at lease \$75, the \$10 million equity pool, and the fully funded family health insurance plan. The \$75 minimum will help our lowest paid state employees recapture some of the purchasing power that has been lost over the years. State employees provide quality services to the citizens of this state each and every day and they deserve the salary package that has been proposed. NDPEA and all state employees would also like to ask the members of this committee and the legislature as a whole to pass the state employee compensation package as quickly as possible and not leave it to the last day of the session. State employees would like to be first, not last as they have been in many past legislative sessions. Thank you for your time and if you have any questions I would be happy to answer them.

Testimony  
SB 2189  
Senate Appropriations Committee  
January 15, 2007

Good morning Chairman Holmberg and members of the committee. My name is Dennis Fewless. I am a long-time state employee and a member of the Independent North Dakota State Employee Association.

I am a director of a division of 33. Over the years, my staff and I have watched as our colleagues in energy companies, product manufacturing, and federal and local agencies have received better pay and continued cost-of-living and merit increases. And we have watched as our bills for electricity, heating, groceries, etc. continued to increase, greatly outpacing our abilities to pay.

We are encouraged by SB 2189, which can help correct some of these inequities. I believe SB 2189 is absolutely necessary to obtain and maintain a workforce that can ensure a high quality of life and environment for economic growth in North Dakota.

I encourage you to vote yes on SB 2189. Thank you, Chairman and committee members for your consideration and time.



2

## **AFSCME CORRECTIONS UNITED**

**Senate Appropriations Committee**

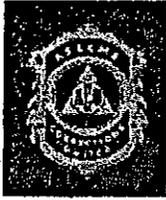
**SB 2015, SB 2189**

**Brynhild Haugland Room**

**January 15<sup>th</sup>, 2007**

**Chairman Holmberg, honorable members of the committee, my name is Brad Holt, President of Local 2857, AFSCME Corrections United, in Bismarck. We represent correctional officers at the NDSP and MRCC. I have been a correctional officer at NDSP for 16 years.**

**I come to you today to urge you to support SB 2015 and SB 2189. State workers provide valuable service to the people of North Dakota on daily basis and are deserving of the 4% annual raises proposed in this Legislation. Many State workers, Correctional officers in particular, lag behind the average in their pay grade on the salary quartile. A number of officers with 20 years of service are still below their mid-point on the monthly salary range. This I believe has had a direct effect on our employee turnover within the DOCR. The projected turnover for full-time FTE's in the DOCR in 2007 is 18%. For temp employees the rate is even higher, in 2005, 59% of temp employees left employment with the DOCR. This is a tremendous waste of time and money lost in training these people only to see them leave for jobs with higher pay. In my experience it takes around 2 to 3 years for an individual to come in and learn enough to become an effective Correctional Officer. Chairman Holmberg and members of the Committee, in recent years the DOCR has become a sort of farm system where County jails, city and county Law enforcement,**



## **AFSCME CORRECTIONS UNITED**

**Highway Patrol, as well as other State and Federal agencies recruit our trained officers. We are now seeing a number of officers with 5-10 years of experience leave employment with the DOCR for better paying jobs with these agencies. These Officers are the "Back- bone" of the institution and their knowledge and experience are incredibly hard to replace. In many jobs inexperienced employees contribute to lower productivity and less efficiency. In our jobs at the DOCR an inexperienced employee has a greater chance to also get someone hurt or killed.**

**I would also urge you to continue support of our benefits package, especially our fully funded Health Insurance premiums. In talking with many of my fellow State workers this benefit is one of the only things that keep them from moving on to other jobs. I believe that any cuts to this benefit would result in a turnover rate that would make the present one seem a trickle in comparison.**

**Chairman Holmberg and members of the committee, in conclusion I would again urge you to support these much needed and well deserved raises and benefits as well as the equity pool which is needed to bring State workers up to where they need to be on the pay scale and closer to private sector market values.**

**Thank You.**

(4)

Senate Appropriations Committee  
Senate Bill 2015  
January 15, 2007

Testimony by David Skalsky, Assistant Director  
State Historical Society of North Dakota

Mr. Chairman and members of the Senate Appropriations committee, my name is David Skalsky and I am the Assistant Director of the State Historical Society of North Dakota. I am here on behalf of the Society to ask you to support the \$10 million statewide equity pool and 4% annual increases as proposed in Senate Bill 2015.

Both of these components are equally important. Therefore, I ask that you don't cut or reduce one to help fund the other. The 4% annual increases are needed so salaries for state employees don't fall further behind those paid in the private sector. The \$10 million statewide equity pool is needed so agencies that are the furthest behind can take additional steps in addressing salary issues. Without both of these, salaries will be even less competitive than they are now.

While any proposed reduction to either of these two components would be a step backward, I have provided an attachment supporting the need for the \$10 equity pool as I feel it is most likely to be cut or reduced. Salaries for staff at the Society not only lag behind their counter parts in other states, they also lag behind those paid to other state agencies. As you can see in the attachment, 79% of our staff are paid salaries which are below the statewide average comp ratios. Not shown in the attachment is that 30% of our staff have monthly salaries that are within 5% of the bottom of their pay grade, even though they have 3 to 18 years of service with the state. The attachment shows that it would take approximately \$480,000 in general funds just to bring our staff to the statewide average comp ratios. The State Historical Society alone could easily use 10% of the \$5 million general fund portion of the equity pool to address salary issues.

The most critical issue the Society faces today is staff salaries. Again, we ask you to support the \$10 million equity pool and 4% annual increases. Mr. Chairman, this concludes my testimony. I would be happy to answer any questions you may have.

STATE HISTORICAL SOCIETY COMP RATIO COMPARISON TO STATEWIDE AVERAGE

Title	Grade	HISTORICAL SOCIETY		STATEWIDE		Staff Below Statewide Comp Ratio	Monthly Amount Needed	Biennial Amount Needed To Bring Staff to Statewide Average Comp Ratio		
		Hist Soc Current Comp Ratio	Current Salary	Feb-06 Grade All Current Comp Ratio	Grade All Salary At Feb-06 Comp Ratio			Salary and Fringe Benefits		
								General Funds	Federal Funds	Total
MICROFILM SPECIALIST	5	0.99	\$1,908	0.93	\$1,781		\$0	\$0	\$0	
ADMIN ASSISTANT I	6	0.97	\$2,052	0.94	\$1,990		\$0	\$0	\$0	
ADMIN ASSISTANT I	6	0.95	\$2,002	0.94	\$1,990		\$0	\$0	\$0	
SECURITY OFFICER I	7	0.88	\$2,047	0.97	\$2,267	1	\$220	\$6,184	\$6,184	
SECURITY OFFICER I	7	0.88	\$2,060	0.97	\$2,267	1	\$207	\$5,818	\$5,818	
ACCOUNT TECHNICIAN II	7	0.96	\$2,234	0.97	\$2,267	1	\$33	\$924	\$924	
SECURITY OFFICER I	7	0.81	\$1,893	0.97	\$2,267	1	\$374	\$10,515	\$10,515	
ADMIN ASSISTANT II	7	1.03	\$2,403	0.97	\$2,267		\$0		\$0	
HISTORIC SITE SUPV I	8	0.76	\$1,936	1.02	\$2,600	1	\$664	\$18,689	\$18,689	
SECURITY OFFICER I	8	0.78	\$2,001	1.02	\$2,600	1	\$599	\$16,861	\$16,861	
ADMIN ASSISTANT III	8	0.93	\$2,368	1.02	\$2,600	1	\$232	\$6,538	\$6,538	
SECURITY OFFICER I	8	1.05	\$2,677	1.02	\$2,600		\$0	\$0	\$0	
INSTRUMENT TECH I	8	1.04	\$2,652	1.02	\$2,600		\$0	\$0	\$0	
ADMIN ASSISTANT III	8	0.90	\$2,296	1.02	\$2,600	1	\$304	\$8,563	\$8,563	
ADMIN ASSISTANT III	8	0.89	\$2,274	1.02	\$2,600	1	\$326	\$9,182	\$9,182	
ADMIN ASSISTANT III	8	0.99	\$2,541	1.02	\$2,600	1	\$59	\$1,672	\$1,672	
LIBRARIAN I	9	0.81	\$2,288	0.92	\$2,586	1	\$298	\$8,382	\$8,382	
LIBRARIAN I	9	0.81	\$2,288	0.92	\$2,586	1	\$298	\$8,382	\$8,382	
ARCHIVIST I	9	0.82	\$2,315	0.92	\$2,586	1	\$271	\$7,623	\$7,623	
MUSEUM SPECIALIST I	9	0.82	\$2,315	0.92	\$2,586	1	\$271	\$7,623	\$7,623	
HISTORIC SITE CONSTR SUPV	9	1.07	\$3,016	0.92	\$2,586		\$0	\$0	\$0	
HISTORIAN I	10	0.70	\$2,182	0.93	\$2,871	1	\$709	\$19,938	\$19,938	
PUBLIC INFO SPEC I	10	0.70	\$2,162	0.93	\$2,871	1	\$709	\$19,938	\$19,938	
HISTORIC SITE SUPV II	10	0.72	\$2,207	0.93	\$2,871	1	\$664	\$18,672	\$18,672	
VISITOR SERVICES COORD	10	0.81	\$2,486	0.93	\$2,871	1	\$385	\$10,825	\$10,825	
MUSEUM SPECIALIST II	10	0.83	\$2,541	0.93	\$2,871	1	\$330	\$9,278	\$9,278	
EDUCATION PROGRAMS COORD	10	0.77	\$2,355	0.93	\$2,871	1	\$516	\$14,509	\$14,509	
CONFR II	10	1.07	\$3,292	0.93	\$2,871		\$0	\$0	\$0	
HISTORIC SITE SUPV I	10	0.75	\$2,306	0.93	\$2,871	1	\$565	\$15,888	\$15,888	
HISTORIC SITE SUPV I	10	0.78	\$2,402	0.93	\$2,871	1	\$469	\$13,187	\$13,187	
HISTORIC SITE SUPV III	10	0.74	\$2,261	0.93	\$2,871	1	\$610	\$17,154	\$17,154	
PHOTO ARCHIVIST	11	0.75	\$2,542	0.94	\$3,189	1	\$647	\$18,187	\$18,187	
PLANNER III	11	0.92	\$3,120	0.94	\$3,189	1	\$69		\$1,929	
LIBRARIAN II	11	0.92	\$3,128	0.94	\$3,189	1	\$63	\$1,760	\$1,760	
PUB COORDINATOR/DESIGNER	11	0.85	\$2,911	0.94	\$3,189	1	\$278	\$7,807	\$7,807	
SECURITY OFFICER II	11	0.81	\$2,758	0.94	\$3,189	1	\$431	\$12,111	\$12,111	
ARCHIVIST II	11	0.92	\$3,132	0.94	\$3,189	1	\$57	\$1,591	\$1,591	
LIBRARIAN I	11	0.91	\$3,114	0.94	\$3,189	1	\$75	\$2,097	\$2,097	
LIBRARIAN II	11	0.92	\$3,126	0.94	\$3,189	1	\$63	\$1,760	\$1,760	
ARCHEOLOGIST I	11	0.84	\$2,856	0.94	\$3,189	1	\$333	\$9,354	\$9,354	
PLANNER II	11	1.02	\$3,466	0.94	\$3,189		\$0		\$0	
REG HISTORIC SITES MGR	12	0.96	\$3,640	0.96	\$3,631		\$0	\$0	\$0	
HISTORIC PRESERV PRGM MGR	12	0.90	\$3,397	0.96	\$3,631	1	\$234	\$6,576	\$6,576	
EDUCATION PROGRAMS COORD	12	0.68	\$2,568	0.96	\$3,631	1	\$1,063	\$29,895	\$29,895	
MUSEUM SPECIALIST II	12	0.76	\$2,887	0.96	\$3,631	1	\$744	\$20,922	\$20,922	
PUBLIC INFO SPEC III	12	1.11	\$4,218	0.96	\$3,631		\$0	\$0	\$0	
HISTORIAN II	12	0.75	\$2,837	0.96	\$3,631	1	\$794		\$22,328	
MUSEUM SPECIALIST II	12	0.77	\$2,931	0.96	\$3,631	1	\$700	\$19,684	\$19,684	
REG HISTORIC SITES MGR	12	1.07	\$4,062	0.96	\$3,631		\$0	\$0	\$0	
HISTORIAN II	12	0.74	\$2,811	0.96	\$3,631	1	\$820	\$23,059	\$23,059	
MUSEUM SPECIALIST II	12	0.71	\$2,682	0.96	\$3,631	1	\$949	\$26,688	\$26,688	
GRANTS/CONTRACTS OFR II	12	0.75	\$2,837	0.96	\$3,631	1	\$794		\$22,328	
ARCHEOLOGIST II	13	0.85	\$3,582	0.99	\$4,158	1	\$576		\$16,214	
DIV DIR, STATE HIST SOC	15	0.95	\$4,876	1.03	\$5,322	1	\$446	\$12,556	\$12,556	
DIV DIR, STATE HIST SOC	15	0.94	\$4,809	1.03	\$5,322	1	\$513	\$14,440	\$14,440	
DIV DIR, STATE HIST SOC	15	0.94	\$4,809	1.03	\$5,322	1	\$513	\$14,440	\$14,440	
ASST DIR, STATE HIST SOC	15	1.01	\$5,200	1.03	\$5,322	1	\$122	\$3,442	\$3,442	

Historical Society Average Comp Ratio **0.87**

Staff Below Average **45**

**\$482,716** **\$62,799** **\$545,515**

Approved FTE's **57**

General Federal Total

Percentage of Historical Society Staff Below Average Comp Ratio **79%**

TESTIMONY ON SENATE BILL 2015

9

Senate Appropriations Committee

**Todd Sando**  
**North Dakota Assistant State Engineer,**  
**North Dakota State Water Commission**

January 15, 2007

Mr. Chairman and members of the Senate Appropriations committee, I am Todd Sando, Assistant State Engineer, and Director of Water Development for the North Dakota State Water Commission.

I am here in support of Senate Bill 2015, in particular the salary raises of 4.0 percent for the first year of the 2007-09 biennium, 4.0 percent for the second year of the 2007-09 biennium, and the Statewide equity pool for classified state employees.

The Water Commission budget submittal to OMB included an optional adjustment of \$400,000 to address salary issues. Our understanding was that this was not included in our budget because of the equity pool in OMB's budget.

For the record, I would like to point out the difficulties the Water Commission is having in retaining a qualified staff, especially water resource engineers, and the difficulty recruiting our staff. Difficulties are also occurring with hydrologists, information technology staff, scientists, meteorologists, and engineering technicians.

My testimony will concentrate on Water Resource Engineer Managers. The hiring dilemma and retention problems have expanded from entry level engineers to Engineer Managers with up to twenty years of experience. In the past three years, we have lost 6 key Engineer Managers who have taken other jobs outside of state government. They include the heads of our Design and Construction, Northwest Area Water Supply, Southwest Pipeline, Regulatory, Flood Plain Mapping, and Devils Lake Project. These positions have major responsibilities assisting with water development across the state. For example, the project managers of the Northwest Area Water Supply and Southwest Pipeline projects have had the responsibility for developing over \$100,000,000 in water infrastructure.

The problem is bigger than just equity raises. These Engineer Managers are mainly above midpoint of their salary range. The salaries are significantly below market and need to be increased. We are to the point that all levels of government, including local governments, are compensating their engineers at higher wages.

The Water Commission is spending significant time and money recruiting, selecting, and training our professional staff along with significant productivity losses. Studies show that turnover costs average 25 percent of a worker's annually salary. We are the training ground to export not only our young talent, but also our senior level staff. I would hope with the current economic climate in North Dakota, compensation improvements can help overcome these issues.

10

PROPOSED AMENDMENTS TO SENATE BILL NO. 2015

Page 5, line 16, after the period insert:

Any general salary increases provided for in this Act do not apply to Workforce Safety and Insurance. It is the intent of the Sixtieth Legislative Assembly that Workforce Safety and Insurance provide salary increases throughout the 2007-09 biennium based on Workforce Safety and Insurance's separate merit and performance system.

Renumber Accordingly

12

Senate Appropriations Committee  
SB2015 –OMB budget, employee equity and compensation adjustments  
Brynhild Haugland Room – 9:00 am  
Monday, January 15, 2007

Mr. Chairman and members of the Senate Appropriations, I am Dorothy Streyle, Human Resource contact for the North Dakota Parks and Recreation Department. I appear in support of SB2015, specifically Section 12 regarding the statewide equity pool for classified state employees and Section 13 regarding state employee compensation adjustments.

Our department has identified numerous areas of compensation compression and equity issues. We offer the following employee statistics related to department staff. Data is included on the attached graphs and summarizes as follows:

- ✓ Current FTE count is 46.5
- ✓ Only six staff are at or above the midpoint of their respective salary range, ranging from a 1.0 c-ratio (exactly midpoint) to 1.07 (\$300 over the midpoint). All six of these employees have over 25 yrs of state employment
- ✓ Five employees have 30 years or more of service, three are still below the midpoint
- ✓ Eighty-nine percent of department employees are at midpoint or below
- ✓ There are no employees in the fourth quartile
- ✓ The department's average compa ratio is .88, clearly below the current state average of .96

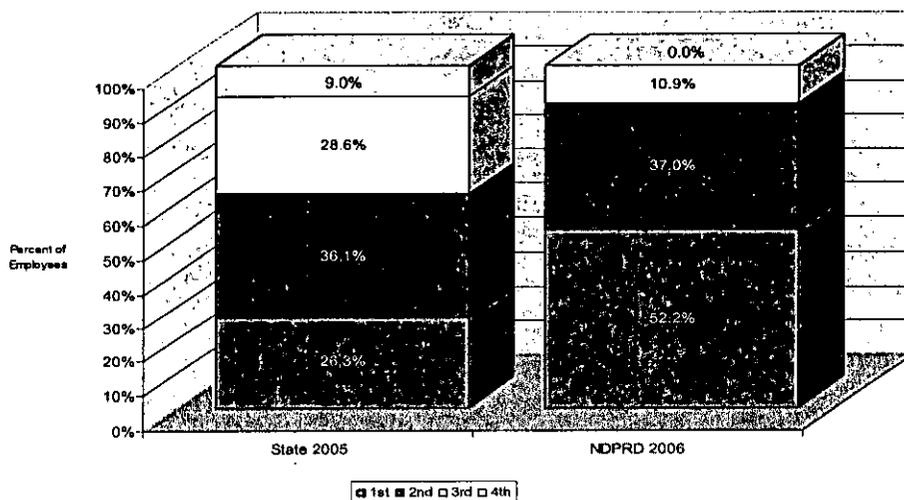
Our original budget request included a \$450,000 equity optional adjustment. Figures were obtained using compa ratio information bringing the department average up to .99.

We ask for your approval of the equity pool included in SB2015 to resolve the documented compensation compression. We would be pleased to provide further data if needed.

Enclosures

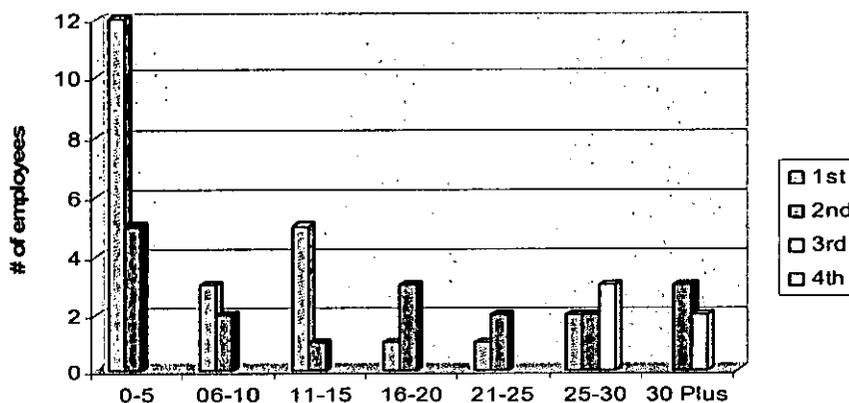
## Salary Range Quartile Distribution North Dakota Parks & Recreation Department

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## NDPRD Staff Years of Service

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(13)

# DEPARTMENT OF CORRECTIONS AND REHABILITATION

3100 Railroad Avenue, PO Box 1898 • Bismarck, ND 58502-1898  
(701) 328-6390 • FAX (701) 328-6651 • TDD 1-800-366-6888  
Website: [www.discovernd.com/docr](http://www.discovernd.com/docr)

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## Senate Appropriations Committee

### Senate Bill 2015

Mr. Chairman and members of the Committee, I am Linda Houfek, the Human Resources Director for the Department of Corrections and Rehabilitation. I am here today to ask your support for the state employee compensation adjustments and the statewide equity pool for classified state employees. With the increasing turnover rates faced by our department and other state agencies, these adjustments will assist us in our efforts to recruit qualified applicants and to retain the dedicated employees that work for the State of North Dakota.

The DOCR has approximately 680 authorized staff and on average about 40 temporary employees. We employ staff in several job categories including administrators/management, professional, para professional, protective service staff, administrative services staff, skilled craft and service/maintenance staff. Staff are located in four separate facilities and in fourteen regional locations throughout the State.

In 1999, the DOCR received \$557,186 from the market equity appropriated by the legislature. This allowed us to provide equity increases to 79% of our staff. These increases averaged about 2%. In 2001, the DOCR received \$576,000 and used this to provide equity increases that averaged about 2% to 92% of our staff. In 2005 the legislature provided \$1.75 million to the DOCR to address departmental salary equity issues. This provided equity adjustments that averaged 3% to 4% for over 85% of our staff. This, along with the general adjustments that were given, assisted the department in relieving some of the compression of staff salaries at the low end of the pay ranges and allowed for some movement into the ranges.

Currently in our department about 89% of our staff are below midpoint. We continue to have compression at the lower end of salary ranges. We anticipate that if the statewide equity dollars were appropriated we again would see a move in staff salaries away from the compression at the lower end of the ranges, and staff would see some recognition for service as their salaries would reflect some movement in their pay ranges. The statewide equity pool and the state employee compensation adjustments will support state agencies in our recruiting and retention efforts for the State of North Dakota.



# HUMAN RESOURCE MANAGEMENT SERVICES

## STATE OF NORTH DAKOTA

Laurie Sterioti Hammeren, SPHR  
Director

### Market Equity Model Explanation

Attached is a DRAFT chart of Market/Equity distribution by agency.

The Mkt/Equity Fund will be distributed in 2 stages. Movement of the salary ranges to 95% of average market requires salary increases to employees whose salaries would be below the new range minimums. The columns in the attached chart labeled 'To Meet New Mins . . .' shows that initial allocation of approximately \$1.4 million.

The second stage is distribution of the remaining \$8.6 million based on the Market/Equity Model. The Market/Equity Model focuses on spreading employees more equitably through the salary ranges. Distribution is prioritized based on the largest increases for the most experienced employees who are low in their assigned salary range. The columns in the attached chart labeled 'Market/Equity Fund' shows the draft allocation of the remaining Market Equity Funds.

By calculating the distribution for each employee, the model allocates more funds to agencies which have historically had fewer dollars to spend on salaries and thus have more employees with much experience who are low in their respective salary range.

The Market Equity Model will be recalculated after the legislative session to account for any final legislative changes and employment changes (such as new hires, separations, salary changes, and exceptions identified by agencies). There may also be adjustments to the model depending on a few salary equity appropriations in individual budgets.

The Market/Equity fund alone does not 'fix' the worst agencies in one shot, there should be an effort to attain the goals over several bienniums.

Agencies are allowed and encouraged to adjust the Market/Equity allocations (w/HRMS approval) based on specific circumstances; i.e. poor performance, recent promotions, etc.

The Market/Equity Fund then combines with the performance and equity focus of the general increase to give agencies the flexibility to address their own priority compensation needs.

For more information contact:

Laurie Sterioti-Hammeren, Director  
328-4735

Ken Purdy, Compensation Manager  
328-4739

HR Management Services Division  
Office of Management & Budget

**Agency Allocations for 95% Mdpt & \$10 Mill Mkt/Eqty**

Agency	To Meet New Mins w/95% Mdpt		Market/Equity Fund		Total Mkt/Eqty Funds	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
10800 Secretary of State	-	-	20,244	19,232	20,244	19,232
11000 OMB	6,204	3,480	122,502	87,309	128,706	90,789
11200 ITD	44,575	2,675	244,558	14,673	289,133	17,348
11700 State Auditor	12,246	8,572	80,670	56,469	92,916	65,041
12000 State Treasurer	-	-	1,344	1,344	1,344	1,344
12500 Attorney General	102,396	81,917	272,307	217,848	374,703	299,765
12700 Tax Commissioner	33,504	33,504	172,091	172,091	205,595	205,595
14000 Office of Admin Hearings	-	-	19,769	-	19,769	-
18800 Indigent Defense	-	-	12,012	12,012	12,012	12,012
19000 RIO	1,074	-	22,820	-	23,894	-
19200 NDRERS	12,561	-	30,269	-	42,830	-
20100 DPI	26,982	8,095	176,517	52,954	203,499	61,049
22600 Land Dept	786	-	14,057	-	14,843	-
25000 St Library	58,032	47,586	49,030	40,205	107,062	87,791
25200 School for the Deaf	9,650	8,188	27,945	26,821	36,995	35,515
25300 Vision Services	2,058	1,770	20,664	17,771	22,722	19,541
27000 Career & Tech Ed	-	-	35,282	23,992	35,282	23,992
30100 Health Dept	25,446	6,107	429,001	102,957	454,447	109,064
31300 Veterans Home	12,831	1,837	69,244	69,241	82,081	82,081
31600 Indian Affairs Comm	-	-	504	504	504	504
32100 Veterans Affairs	-	-	8,260	8,260	8,260	8,260
32500 DHS	478,777	234,601	2,768,711	1,356,700	3,247,488	1,591,301
36000 Protection & Advocacy	20,196	4,159	7,598	14,320	92,194	18,479
38000 Job Service	51,624	155	545,915	1,636	596,939	1,791
40100 Insurance Comm	1,433	-	35,319	-	36,747	-
40500 Div of Mineral Resources	4,911	4,420	56,421	50,779	61,332	55,199
40600 Labor Dept	-	-	10,864	10,864	10,864	10,864
40800 PSC	-	-	29,037	18,584	29,037	18,584
41200 Aeronautics Comm	-	-	6,076	-	6,076	-
41300 Dept of Financial Inst	-	-	9,128	-	9,128	-
41400 Securities Dept	-	-	9,044	9,044	9,044	9,044
47100 Bank of ND	3,126	-	119,085	-	122,211	-
50400 Highway Patrol	-	-	203,309	130,118	203,309	130,118
51200 Div of Emergency Services	-	-	73,306	37,386	73,306	37,386
53000 DOCR	33,772	319,386	1,140,178	1,071,770	1,479,950	1,391,156
54000 Adj Gen/Natl Guard	2,046	512	98,562	24,643	100,608	25,155
60200 Agriculture Dept	12,972	7,135	83,946	46,172	96,918	53,307
60700 Milk Marketing Board	-	-	3,808	-	3,808	-
61100 Soybean Council	-	-	-	-	-	-
61600 Seed Dept	-	-	15,484	-	15,484	-
62400 Beef Commission	-	-	476	-	476	-
62500 Wheat Commission	-	-	3,472	-	3,472	-
62600 Barley Council	-	-	-	-	-	-
66500 St Fair Association	-	-	3,780	-	3,780	-
67000 Racing Comm	-	-	1,148	344	1,148	344
70100 Historical Society	48,654	40,383	94,559	78,485	143,213	118,868
70900 Council on the Arts	5,970	5,970	11,172	11,172	17,142	17,142
72000 Game & Fish	10,464	-	183,210	-	193,674	-
75000 Parks & Rec	38,175	30,540	101,306	81,045	139,481	111,585
77000 Water Comm	-	-	138,044	131,142	138,044	131,142
80100 DOT	3,042	-	790,984	-	794,026	-
<b>Total</b>	<b>1,369,518</b>	<b>862,489</b>	<b>8,436,422</b>	<b>3,997,896</b>	<b>9,805,940</b>	<b>4,860,385</b>



**STATE OF NORTH DAKOTA**  
**OFFICE OF STATE TAX COMMISSIONER**  
Cory Fong, Commissioner

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**HOUSE APPROPRIATIONS COMMITTEE**  
**Representative Ken Svedjan, Chairman**  
**Testimony from Tax Commissioner Cory Fong Re: Senate Bill 2189**  
**February 1, 2007**

I am here to speak in support of the Governor's recommended pay package for state employees, which has also been introduced as Senate Bill 2189.

The Tax Department has a staff of professionals who are devoted to their jobs and are efficient at getting the work done. In the past we have been fortunate to have a decent pool of applicants from which to choose to fill vacancies. However, the number of qualified applicants is changing because of the increasing competition for skilled and quality employees that exists throughout our state, and especially here in Bismarck, due to workforce shortages resulting from our growing economy.

For this reason, I speak in support of the entire pay package as presented. However, I believe the equity package is especially helpful to state agencies in adjusting salaries to keep up with the competitive market we face not only in Bismarck, but across much of the state as a result of our expanding North Dakota economy.

We have had legislatively authorized equity packages in the past. They were helpful. I believe including a good equity program for this biennium will again be a step in the right direction. With the job market challenges in Bismarck I believe state government has added competition for attracting and keeping quality employees. An equity package of the magnitude being proposed will help us retain our trained employees and provide adjustments resulting from internal compression. An increase in the salary ranges will help us attract qualified staff who want to work and live in North Dakota.

On behalf of our employees in the Tax Department, I commend the Governor and the Legislature for proposing what I consider a strong state employee pay package.

**Testimony**

**Senate Bill 2189**

**House Appropriations Committee**

**Thursday, February 1, 2007; 2:15 p.m.**

**North Dakota Department of Health**

Good afternoon, Chairman Svedjan and members of the House Appropriations Committee. My name is Arvy Smith, and I am the Deputy State Health Officer for the North Dakota Department of Health. I am here today to testify in support of Senate Bill 2189, regarding state employee compensation issues and salary adjustments.

**Introduction**

Public health affects the lives of every North Dakotan every day. Because of the efforts of public health, we breathe clean air and drink safe water. Our garbage is picked up and disposed of properly. We can feel confident that the food we eat at restaurants is safe. Our parents and grandparents are cared for in quality nursing homes. Our children are immunized against many diseases that we hardly think about today but that struck fear into the heart of every parent just a few decades ago – diseases such as diphtheria, measles and polio.

**Employee Recruitment and Retention**

Employees of the Department of Health, as well as all state employees, consistently provide timely and efficient services to the people of North Dakota. In order for us to maintain those services and meet the public health challenges facing our state, it is imperative that we maintain this quality workforce. Unfortunately, the department has faced growing recruitment and retention issues over the past few years.

Since January 1, 2004, 110 employees have left the Department of Health. This is equivalent to more than one-third of the department's workforce. Our turnover rate for the last two years has been more than 12 percent, which is approximately 30 percent higher than the average for state employees of 9.2 percent in 2005.

Salary levels are a major issue for the Department of Health. For example, about 60 percent of the employees who quit to work elsewhere since January 2004 left for higher salaries; in fact, they reported salary increases at their new jobs from \$2,400 to \$45,000 annually. This is especially troublesome when the department loses experienced staff. We try to address salary issues using federal and special funds. However, if we don't address salaries for general funded positions as well, we create inequitable salaries within our own department. Studies by motivational experts

indicate that inequitable salaries cause morale problems; they also can result in salary discrimination actions. Some important highlights with regard to salary levels in the department are as follows:

- For the past two years, the department has had approximately a 20 percent to 30 percent higher turnover rate than the average for state employees.
- One out of every five of our employees who leave the department go to work for other state agencies.
- Experienced engineer and environmental scientists' salaries are 11 percent and 9 percent, respectively, below those in other agencies in the same pay grade.
- In many cases, our state employee salaries are less than those of our counterparts in city and county government.
- In at least six cases, salaries are as much as \$1,000 per month less than other states in the region.

The occupations experiencing the highest turnover vary by year but include health facility surveyors, environmental engineers and scientists, program administrators, lab professionals and epidemiologists. Replacements for many Department of Health professionals are often difficult to recruit.

As the department addresses environmental issues related to agriculture, energy and other economic development in the state, the difficulty in recruiting and retaining qualified staff will become even more evident. New biodiesel, ethanol and other plants will result in an increase in requests for air and water quality permits. A full staff of qualified scientists will be required to handle the increased workload in a timely manner. It will be difficult for the department to provide quality services in a timely manner when we lose staff to other agencies or the private sector because of salary concerns.

Costs related to our salary equity issues are significant. The Department of Health requested \$1,077,905 (\$568,315 general funds) in our optional budget to increase salaries to levels consistent with salaries of other North Dakota state employees. An additional \$1,954,259 was requested to address external market salary issues.

The governor's 4 percent per year salary package is a step toward addressing compensation and turnover issues so that we can retain our professional staff and continue to provide timely assistance to citizens and industry during this period of economic development. We hope the governor's \$10 million funding for equity increases will be available to further assist us in making another step toward our salary funding needs. We also ask that it be distributed in a manner that addresses equity issues within North Dakota state government prior to addressing external market issues.

**Conclusion**

To help us continue our quality service to the people of the state and to help us recruit and retain employees, we ask you to support the 4 and 4 salary increase for state employees and the \$10 million equity funding as included by the governor in his budget request.

This concludes my testimony. I am happy to answer any questions you may have.

**Testimony  
Senate Bill 2189 – Department of Human Services  
House Appropriations Committee  
Representative Svedjan, Chairman  
February 1, 2007**

Chairman Svedjan, members of the House Appropriations Committee, my name is Carol Olson, Executive Director of the Department of Human Services. I appreciate the opportunity to appear before this committee and am here to provide testimony in support of Senate Bill 2189.

We appreciate the opportunity our Department had in working with the interim committee to offer information about employee turnover and hiring difficulties and to offer suggestions to try and solve some of the pressing salary and benefit issues facing the State.

I would like to share with you some of the recent examples of the Department's difficulties:

- Qualified applicants for a registered nurse position and a data input operator position were offered jobs but declined due to low salaries.
- A psychologist at one of our Human Service Centers is leaving to take a job in the private sector for \$120,000 per year. At the Human Service Center, this individual was earning \$54,516 per year.
- A Human Service Center hired a human relations counselor on 7/1/06, and the person resigned on 11/9/06. The next person hired to fill this position called and left a message on the day before his start date saying that he would be taking another job at a much higher rate of pay.
- One Human Service Center has an opening for four community home counselors to work in an adolescent treatment facility.

Despite extensive advertising including targeted recruitment aimed at university students with majors in behavioral health fields, the Center has received only one applicant who subsequently declined to be interviewed. This forces existing employees to work overtime and further contributes to burnout. Because of salary and benefit differences, staff often leave to work in restaurants, manufacturing, or nursing homes and group homes.

- A maintenance worker at one of the Human Service Centers was hired on 9/25/06 only to quit on 10/31/06 for a higher paying job.
- Probably the most discouraging sequence of events in hiring a candidate for a position occurred at the Child Support Enforcement Division. A person was offered a job, and the next day she declined because the pay was too low. A second offer was made to the next applicant, and the new candidate accepted with a January 29 start date. On January 26, the individual called to say he had decided on a much better job offer. We left a message for the third candidate offering the position, but the applicant called and told us she had already accepted another job. That exhausted the original pool of candidates that fit the Department's needs. So the process for hiring will have to start all over again.

Senate Bill 2189 will help solve some of the Department's recruitment and retention issues.

On behalf of the Department of Human Services and all the dedicated and hard working employees who work for us, I support Senate Bill 2189.

This concludes my testimony. I would be happy to answer any questions you may have.

**SB 2189**

**House Appropriations  
February 1, 2007**

Ken Purdy, Compensation Mgr  
HR Management Services Div  
Office of Management & Budget

The following information explains the provisions in SB 2189, further detailing the intent of the state employee compensation package. Page one describes the effect of each section of the bill and page 2 outlines the actual steps that will occur during implementation of the bill's provisions.

**Section 1 – Appropriates \$10 million Market Equity Pool (\$5 mill gf; \$5 of)**

**Section 2 – Market Equity Pool Distribution Intent**

- July 2007, paid August 1
- Independent of general salary increase
- Distribution based on most experience and position in salary range
- Probationary employees are eligible
- Performance must meet standards for eligibility
- HRMS provides a model base plan, agencies may
  - Adopt the model plan
  - Adopt the model plan with exceptions
  - Offer an alternate plan meeting legislative intent
- OMB will transfer general funds or special fund appropriation authority to each agency based on accepted plan

**Section 3 – Legislative Intent for General Increase of 4.0% Each Year of the Biennium (appropriations included in each agency budget)**

- Adjustments to be based on documented performance and/or equity (not across the board)
- Effective July 2007 (paid Aug 1) and July 2008 (paid Aug 1)
- Appropriation is 4.0% each year of the biennium
- No salary increase if documented performance does not meet standards
- Minimum increase of \$75 each year if performance meets all standards
- Probationary employees not entitled to the general increase; however, the increase may be given on July 1 or upon completion of probation
- No increase during biennium if salary exceeds or would exceed assigned salary range maximum

**Section 4 – Legislative Intent for Health Insurance Premiums (appropriations in each agency budget)**

- Full premium of \$658.08 be paid by the state for employees

## Implementation Plan (steps)

The provisions of SB 2189 take effect on July 1, 2007. The following steps will ensure that each agency is affected consistently in any special agency appropriation, in the Market Equity Fund distribution, and finally their general increase appropriation.

1. Move ranges, Midpoint = 95% of Avg Market
2. Agencies apply any special appropriations from their budgets
3. Salary adjustments ensuring all employees paid at least at new range minimum
  - a. Approximately 570 employees receiving \$1.4 million (from \$10 mill Mkt/Equy Fund)
4. Apply remaining \$8.6 million Mkt/Equy funds based on HRMS model
5. Agencies will determine the general increases based on their plans for performance &/or equity (this step will occur for both July 2007 and July 2008)
  - a. HRMS will provide 2 base general increase models to each agency
    - i. Performance primary; Equity secondary
    - ii. Equity primary; Performance secondary
  - b. HRMS will consult with agencies to customize the models for agency priorities
6. Agencies will ensure that the minimum increase for staff meeting all performance standards is \$75/mo

*Attach 6.*

**HOUSE APPROPRIATIONS COMMITTEE**  
**February 1, 2007**  
**2:15 p.m. – Roughrider Room**

**North Dakota Department of Transportation**  
**Francis Ziegler, P.E., Director**

**Senate Bill 2189**

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Good afternoon Mr. Chairman and members of the committee. I'm Francis Ziegler, Director of the North Dakota Department of Transportation (NDDOT).

Thank you for the opportunity to address the committee today and discuss Senate Bill 2189.

The NDDOT supports the statewide salary equity pool, the Governor's proposed four percent general salary increase in 2007 and 2008, and full funding for health insurance, outlined in Senate Bill 2189. The Department appreciates the effort and support shown in this bill for employees.

This bill will allow us to begin addressing equity issues and positively impact the Department's ongoing efforts to recruit and retain a skilled work force. NDDOT's employees are continuously asked to perform difficult and time sensitive tasks, which include road maintenance, snow or ice control, and construction activities in high traffic and dangerous conditions to serve the residents of North Dakota

We are happy to see support of fair compensation for all of our employees.

NDDOT plans to continue to move forward focusing on pay for performance in compensating our hard-working employees.

Even with the provisions for addressing equity, NDDOT may continue to see challenges with recruiting and retaining equipment operators and engineers, which make up 45 percent of our workforce.

Again, the Department would like to express full support for SB 2189. Thank you.

To: House Appropriations

Date: 02/01/2007

From: Victoria Lee Miner

RE: SB 2189

Dear Chairman and Committee Members:

I love working for the people of North Dakota. It's a very rewarding job, however, I have worked here for 8 years and still qualify for food stamps with my salary.

I am also a single parent and believe that it's time the state employees get a noticeable raise.

We work very hard every day for the fine people of North Dakota, please work for us and help

us out by passing SB 2189.

Thank you for your consideration.

Victoria Lee Miner



NORTH DAKOTA  
PUBLIC EMPLOYEES ASSOCIATION

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AMERICAN FEDERATION  
OF TEACHERS LOCAL 4660 AFL-CIO



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TESTIMONY OF JODEE BUHR  
ON SB 2189  
BEFORE HOUSE APPROPRIATIONS COMMITTEE  
FEBRUARY 1, 2007

Good afternoon Chairman Svedjan and Committee members. My name is Jodee Buhr, Executive Director of the North Dakota State Employees Association, AFT Local #4660.

On behalf of NDPEA and all state employees, I want to thank the sponsors of SB 2189: Senators Nething, Dever, Robinson and Representatives Delmore, Porter, and Weiler.

We have worked very hard for months, along with state agencies and state employees, to provide you and other legislators with the information and data necessary to help you understand the challenges our state agencies are facing in attracting and retaining quality employees. The reason this challenge exists is because our wages still lag behind the market, agencies have equity and compression problems, and turnover rates continue to increase.

The January 28, 2007 edition of the Bismarck Tribune featured two stories about area businesses and their attempts to attract and retain workers in the current "worker

*Quality Services from Quality People*

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# Testimony

shortage” climate in our state. As reported, area businesses are realizing that they need to become more creative and innovative to attract the employees they need. What this means for our state agencies is that the competition for their respective employees is growing and we must be willing to recognize this and do what is necessary to stay competitive. Passing SB 2189 will certainly help us accomplish this!

As you know, state employees have repeatedly been told to “hang in there” when the budget has been tight and that “we’ll remember you when times are good” and now, times are good; so **now is the time** to remember our hard working, dedicated state employees. State employees deserve to be treated as the priority they are this Legislative Session. We believe that putting the compensation package into a separate bill was a step in the right direction and we appreciate the bipartisan support this bill has received. Chairman Svedjan and Committee members, we are asking **you** for the same support and consideration of SB 2189. Thank you and I would be happy to answer any questions.



# DEPARTMENT OF CORRECTIONS AND REHABILITATION

3100 Railroad Avenue, PO Box 1898 • Bismarck, ND 58502-1898  
(701) 328-6390 • FAX (701) 328-6651 • TDD 1-800-366-6888  
Website: [www.discovernd.com/docr](http://www.discovernd.com/docr)

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## House Appropriations Committee

### Senate Bill 2189

Mr. Chairman and members of the Committee, I am Linda Houfek and I am the Human Resources Director for the Department of Corrections and Rehabilitation. I am here today in support of Senate Bill 2189.

The DOCR has approximately 680 authorized staff and on average over 40 temporary employees. DOCR staff are located in four separate facilities and in fourteen regional locations throughout the State.

Our employees, as other state employees, are dedicated to the work that they do. Work where the primary responsibilities are public safety and the supervision of offenders who are placed in the care, custody and control of the DOCR. These are not glamorous jobs; they are jobs that if we are doing them well will not attract media and public attention. Many of our staff work shifts. Some of these shifts start early in the morning and others end late at night. In the community our juvenile corrections staff and parole and probation staff are called upon to work at all hours of the day and night. For the majority of our staff, their work takes no holidays or weekends and often finds our staff away from their families at times when normally families are spending time together. The potential for danger is great every working day.

The number of offenders that we supervise has increased tremendously (the inmate population, for example, has more than doubled in the last 12 years). The complexity of work done by the DOCR has also increased placing a strain on our budget and on the staff to ensure that in the institution and in the community we are meeting the legal, medical, treatment, education and safety needs of offenders, and at the same time maintaining staff and public safety.

The average salary 12/2006 for the DOCR classified staff is approximately \$32,736 a year and a large number of our staff earn well under that amount. An entry level Correctional Officer starts out as a temporary employee and earns \$1850 per month or about \$22,000 a year and receives no benefits.

In the last 30 months the DOCR had 161 employees in authorized positions leave the department and when we include employees in temporary Correctional Officers and Juvenile Institutional Correctional Specialists positions that number increases to 200. That translates into a turnover of 30% of our staff over those 30 months. Our turnover rate is continuing to climb and we anticipate the rate for this year could be at least 3% to 4% higher than last year. The main reasons given for leaving the DOCR are salary, lack of benefits, advancement, personnel, and retirement. Over the last year our department had the opportunity to provide several documents to the interim Employee Benefits Programs Committee addressing our difficulties and challenges in recruiting and retaining qualified staff.

The proposed statewide equity pool will allow the salary range midpoints to be at 95% of the average market. This will provide more market competitive salary ranges. These dollars and the proposed state employee compensation adjustments will allow for the movement of existing employees into the pay ranges. Both will provide the State with assistance in recruiting and retaining employees for the State.

Our staff, as other State employees, did not go to work for the State expecting to become wealthy, but they do want to be compensated fairly for the work that they do.

House Appropriations Committee  
Senate Bill 2189  
February 1, 2007

Testimony by David Skalsky, Assistant Director  
State Historical Society of North Dakota

Mr. Chairman and members of the House Appropriations committee, my name is David Skalsky and I am the Assistant Director of the State Historical Society of North Dakota. I am here on behalf of the Society to ask you to support the \$10 million statewide equity pool and 4% annual increases as proposed in Senate Bill 2189.

Both of these components are equally important. Therefore, I ask that you don't cut or reduce one to help fund the other. The 4% annual increases are needed so salaries for state employees don't fall further behind those paid in the private sector. The \$10 million statewide equity pool is needed so agencies that are the furthest behind can take additional steps in addressing salary issues. Without both of these, salaries will be even less competitive than they are now.

While any proposed reduction to either of these two components would be a step backward, I have provided an attachment supporting the need for the \$10 equity pool as I feel it is most likely to be cut or reduced. Salaries for staff at the Society not only lag behind their counter parts in other states, they also lag behind those paid to other state agencies. As you can see in the attachment, 79% of our staff are paid salaries which are below the statewide average comp ratios. Not shown in the attachment is that 30% of our staff have monthly salaries that are within 5% of the bottom of their pay grade, even though they have 3 to 18 years of service with the state. The attachment shows that it would take approximately \$480,000 in general funds just to bring our staff to the statewide average comp ratios. The State Historical Society alone could easily use 10% of the \$5 million general fund portion of the equity pool to address salary issues.

The most critical issue the Society faces today is staff salaries. Again, we ask you to support the \$10 million equity pool and 4% annual increases. Mr. Chairman, this concludes my testimony. I would be happy to answer any questions you may have.

STATE HISTORICAL SOCIETY COMP RATIO COMPARISON TO STATEWIDE AVERAGE

Position	Years of Service As of 9-30-2006	Grade	HISTORICAL SOCIETY		STATEWIDE		Staff Below Statewide Comp Ratio	Monthly Amount Needed	Biennial Amount Needed To Bring Staff to Statewide Average Comp Ratio		
			Hist Soc Current Comp Ratio	Current Salary	Feb-06 Current Comp Ratio	Salary At Feb-06 Comp Ratio			Salary and Fringe Benefits		
									General Funds	Federal Funds	Total
00006471	2.50	5	0.99	\$1,908	0.93	\$1,781		\$0	\$0	\$0	
00006496	12.03	6	0.97	\$2,052	0.94	\$1,990		\$0	\$0	\$0	
00006464	1.35	6	0.95	\$2,002	0.94	\$1,990		\$0	\$0	\$0	
00006499	9.20	7	0.88	\$2,047	0.97	\$2,267	1	\$220	\$6,184	\$6,184	
00006498	8.04	7	0.88	\$2,060	0.97	\$2,267	1	\$207	\$5,818	\$5,818	
00006495	4.67	7	0.96	\$2,234	0.97	\$2,267	1	\$33	\$924	\$924	
00006488	5.53	7	0.81	\$1,893	0.97	\$2,267	1	\$374	\$10,515	\$10,515	
00006469	23.17	7	1.03	\$2,403	0.97	\$2,267		\$0		\$0	
00010217	3.43	8	0.76	\$1,936	1.02	\$2,600	1	\$664	\$18,689	\$18,689	
00006510	7.76	8	0.78	\$2,001	1.02	\$2,600	1	\$599	\$16,861	\$16,861	
00006507	33.17	8	0.93	\$2,368	1.02	\$2,600	1	\$232	\$6,538	\$6,538	
00006490	28.67	8	1.05	\$2,677	1.02	\$2,600		\$0	\$0	\$0	
00006489	21.83	8	1.04	\$2,652	1.02	\$2,600		\$0	\$0	\$0	
00006481	10.25	8	0.90	\$2,296	1.02	\$2,600	1	\$304	\$8,563	\$8,563	
00006477	10.42	8	0.89	\$2,274	1.02	\$2,600	1	\$326	\$9,182	\$9,182	
00006465	34.08	8	0.99	\$2,541	1.02	\$2,600	1	\$59	\$1,672	\$1,672	
00006504	4.17	9	0.81	\$2,288	0.92	\$2,586	1	\$298	\$8,382	\$8,382	
00006493	5.11	9	0.81	\$2,288	0.92	\$2,586	1	\$298	\$8,382	\$8,382	
00006483	7.03	9	0.82	\$2,315	0.92	\$2,586	1	\$271	\$7,623	\$7,623	
00006470	2.33	9	0.82	\$2,315	0.92	\$2,586	1	\$271	\$7,623	\$7,623	
00006461	27.33	9	1.07	\$3,016	0.92	\$2,586		\$0	\$0	\$0	
00010255	2.62	10	0.70	\$2,162	0.93	\$2,871	1	\$709	\$19,938	\$19,938	
00010254	6.58	10	0.70	\$2,162	0.93	\$2,871	1	\$709	\$19,938	\$19,938	
00006513	3.38	10	0.72	\$2,207	0.93	\$2,871	1	\$664	\$18,672	\$18,672	
00006511	7.20	10	0.81	\$2,486	0.93	\$2,871	1	\$385	\$10,825	\$10,825	
00006500	6.53	10	0.83	\$2,541	0.93	\$2,871	1	\$330	\$9,278	\$9,278	
00006494	5.46	10	0.77	\$2,355	0.93	\$2,871	1	\$516	\$14,509	\$14,509	
00006486	33.33	10	1.07	\$3,292	0.93	\$2,871		\$0	\$0	\$0	
00006468	8.19	10	0.75	\$2,306	0.93	\$2,871	1	\$565	\$15,888	\$15,888	
00006467	17.18	10	0.78	\$2,402	0.93	\$2,871	1	\$469	\$13,187	\$13,187	
00006463	3.50	10	0.74	\$2,261	0.93	\$2,871	1	\$610	\$17,154	\$17,154	
00006472	6.27	11	0.75	\$2,542	0.94	\$3,189	1	\$647	\$18,187	\$18,187	
00006512	1.26	11	0.92	\$3,120	0.94	\$3,189	1	\$69		\$1,929	
00006508	14.58	11	0.92	\$3,126	0.94	\$3,189	1	\$63	\$1,760	\$1,760	
00006501	23.67	11	0.85	\$2,911	0.94	\$3,189	1	\$278	\$7,807	\$7,807	
00006497	22.92	11	0.81	\$2,758	0.94	\$3,189	1	\$431	\$12,111	\$12,111	
00006485	19.01	11	0.92	\$3,132	0.94	\$3,189	1	\$57	\$1,591	\$1,591	
00006482	25.75	11	0.91	\$3,114	0.94	\$3,189	1	\$75	\$2,097	\$2,097	
00006474	5.46	11	0.92	\$3,126	0.94	\$3,189	1	\$63	\$1,760	\$1,760	
00006466	4.53	11	0.84	\$2,856	0.94	\$3,189	1	\$333	\$9,354	\$9,354	
00006460	33.17	11	1.02	\$3,466	0.94	\$3,189		\$0		\$0	
00006514	19.52	12	0.96	\$3,640	0.96	\$3,631		\$0	\$0	\$0	
00006509	4.33	12	0.90	\$3,397	0.96	\$3,631	1	\$234	\$6,576	\$6,576	
00006506	5.58	12	0.68	\$2,568	0.96	\$3,631	1	\$1,063	\$29,895	\$29,895	
00006502	16.62	12	0.76	\$2,887	0.96	\$3,631	1	\$744	\$20,922	\$20,922	
00006492	12.88	12	1.11	\$4,216	0.96	\$3,631	1	\$0	\$0	\$0	
00006487	3.60	12	0.75	\$2,837	0.96	\$3,631	1	\$794		\$22,328	
00006484	17.95	12	0.77	\$2,931	0.96	\$3,631	1	\$700	\$19,684	\$19,684	
00006478	8.58	12	1.07	\$4,062	0.96	\$3,631		\$0	\$0	\$0	
00006476	7.70	12	0.74	\$2,811	0.96	\$3,631	1	\$820	\$23,059	\$23,059	
00006475	8.79	12	0.71	\$2,682	0.96	\$3,631	1	\$949	\$26,688	\$26,688	
00006473	2.87	12	0.75	\$2,837	0.96	\$3,631	1	\$794		\$22,328	
00006462	11.79	13	0.85	\$3,582	0.99	\$4,158	1	\$576	\$16,214	\$16,214	
00006505	25.00	15	0.95	\$4,876	1.03	\$5,322	1	\$446	\$12,556	\$12,556	
00006503	25.08	15	0.94	\$4,809	1.03	\$5,322	1	\$513	\$14,440	\$14,440	
00006491	19.29	15	0.94	\$4,809	1.03	\$5,322	1	\$513	\$14,440	\$14,440	
00006479	15.04	15	1.01	\$5,200	1.03	\$5,322	1	\$122	\$3,442	\$3,442	

Average Years 12.58

Historical Society Average Comp Ratio 0.87

Staff Below Average 45

Approved FTE's 57

Percentage of Historical Society Staff Below Average Comp Ratio 79%

\$482,716 \$62,799 \$545,515

General Federal Total