

Position Classification & Compensation Study Report

City of St. Francis, Minnesota

November 4, 2024



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November 4, 2024

City of St. Francis 101 4th Street East St. Francis, MN 55033

Executive Summary

Abdo was contracted by the City of St. Francis to provide an independent position classification and compensation study to accomplish a variety of important strategic priorities, including job description review, an analysis of the current municipal compensation markets and a review of current and potential Minnesota Pay Equity compliance requirements. The City last conducted a formal independent position classification and compensation study many years ago and is hoping to establish a competitive pay plan that can be used in the years to come.

As part of our study, Abdo worked closely with the City to review position descriptions provided for each current and proposed future position and conducted a Fair Labor Standards Act (FLSA) review to support the overtime exemption election for all applicable existing positions. FLSA testing checklists and results were provided to the City separate from this report.

To achieve the objectives set forth in our project scope of work, we completed a scoring exercise using a model similar to the State of Minnesota Hay Study. Using this model, each position was given a score in the following categories; Know-How, Problem Solving, Accountability and Special Conditions. These categories are intended to measure and rank the level of knowledge, skills, influence and impact on City operations for each position.

To complete the evaluation and scoring of St. Francis positions, we reviewed the organizational structure, current job descriptions and requested additional information and clarification from City leadership, as needed. Upon completing the scoring of positions and conducting pay equity testing, our firm also completed a market wage analysis to compare the City's current wage scale, by position, to the comparable public employee wage market in Minnesota.

The market analysis consisted of analyzing salary data from comparable local governments in Minnesota by reviewing municipal salary data published by the League of Minnesota Cities (LMC) through their 2024 annual salary survey, and by directly soliciting wage data from several municipalities that did not participate in the LMC survey.

The results of both the classification (position scoring) and compensation analysis follow.

Methodology

Historically, the City has primarily relied upon an internally developed step and grade compensation model for each position and has performed its own informal compensation analysis on a regular basis to remain competitive. While some positions may have been paid higher or lower than the predicted pay scale, the City has historically been in compliance with the Minnesota Pay Equity Act, submitting its most recent reporting in 2022. The City will be required to submit their next Pay Equity Report for 2025.

The City of St. Francis determined that a formal, independent, system-wide position reclassification and market wage analysis was necessary to assist executive leadership in establishing a new, logical and justifiable employee wage and salary framework to build upon into the future.

Scoring Analysis

This section reflects the review, analysis and scoring of all St. Francis positions. To complete this task Abdo used updated job description information for current positions, based on direction from the City. Our firm reviewed the job descriptions and solicited necessary feedback from City representatives to gain the insight needed to accurately score each position. Scoring was completed using a plan adapted from the State of Minnesota Hay Method. The model assigned each position a score in the following categories (adapted from the State of Minnesota 2009 Hay Manual): Know-How, Problem Solving, Accountability, and Special Conditions.

Know-How represents the knowledge, skills and abilities (KSAs) an employee needs to be successful in a particular job. The Hay Method places the greatest emphasis on Know-How. Know-How is defined as an expert skill, information or body of knowledge that imparts an ability to cause a desired result. The Know-How category is the most heavily weighted category. If a position is more easily learned, the position will point toward the lower end of the scale.

Know-How category is further divided into three parts: Depth and Breadth of Job-Specific Knowledge (aka Technical and Specialized Know-How and Job-Specific Knowledge); Integrating Know-How (aka Managerial Breadth or Know-How); and Human Relation Skills (aka Human Relations Know-How). A number is assigned for total Know-How points by making several separate choices for each of the three elements described and an overall assessment.

Job-Specific Knowledge includes the position's requirements for knowledge and skills related to practices, procedures, specialized techniques and professional disciplines. It also includes basic and job-specific supervisory and managerial knowledge, skills, and abilities (KSAs), when appropriate. This aspect of Know-How does not make distinctions among differently sized managerial jobs nor does it include human relation skills. It is important to remember that this element measures the requirements of the position, not the qualifications of an incumbent.

Integrating Know-How considers the need to integrate and manage progressively more diverse functions and is used to rank managerial breadth and scope, from similar to very different functions. When required, basic and job-specific supervisory and managerial knowledge, skills and abilities are included in the Job-Specific part of a Know-How rating. The overall size of an organization directly influences the number of managerial breath categories, because the organizational size often reflects requirements for increased managerial complexity and diversity.

Human Relation Skills is the third element of a job's Know-How rating. It is the active, practicing interpersonal skills typically required for productive working relationships to work with, or through, others inside and/or outside of the organization to get work accomplished. It assumes that each job requires a foundation of basic human relations skills. To be effective, an employee must typically be proficient at the highest level of Human Relations Skill regularly required for the position.

Problem Solving is the process of working through details of a problem to reach a solution. Problem solving may include mathematical or systematic operations and can be a gauge of an individual's critical thinking skills. Problem Solving measures the intensity of the mental process that uses Know-How to: (1) identify, (2) define, and (3) resolve problems. It is a percentage of Know-How, reflecting the fact that "you think with what you know." This is true of even the most creative work. Ideas are put together from something already there. The raw material of any thinking is knowledge of facts, principles and means.

Context includes the influences or environment that limit or guide decision-making such as rules, instructions, procedures, standards, policies, principles from fields of science and academic disciplines. Positions are guided by organizational, departmental or functional goals, policies, objectives and practices circumscribed by procedures and instructions. In general, policies describe the "what" of a subject matter, procedures detail the steps needed to follow through on a policy (i.e., how, where, when, by whom) and instructions outline the specific aspects of how to perform the tasks, such as the operation of a machine or how to select the appropriate letters to use in particular situations.



Thinking Challenge includes the nature of the problems encountered and the mental processes used to resolve the problems. The scale ranges from simple problems to very complex issues, with the premise that simple issues recur regularly in the same form and after a while are resolved by rote or instinct, but very difficult issues require substantial thinking and deliberation. The types of situations encountered and the processes involved in identifying, defining or resolving related problems are considered. Thinking Challenge reflects the degree of difficulty in finding improvements and adapting to changes.

Accountability does not mean being responsible for getting one's own work done. Rather, it reflects responsibility for actions and their consequences and the measured effect of the job on end results for the organization. Accountability includes three factors: Freedom to Act/Empowerment, Magnitude, and Job Impact.

Freedom to Act/Empowerment involves the degree of personal or procedural control or guidance exercised over the position. For example, what constraints are put on an employee in this job? How closely supervised is the position? What kinds of decisions are made higher up in the organization?

Magnitude is the portion of the total organization encompassed by the position's primary purpose. It's most typically indicated by the general dollar size of the area(s) most directly affected by the job, i.e., the resources over which the position has control or influence. A variety of factors are considered such as size of budget is employee responsible for, what degree of influence is held and is this person a decision maker.

Job Impact is considered to be indirect (indirect or contributory) or direct and measurable (shared or primary). It involves the way in which the position's actions affect end results in the agency. For example, how does the employee influence the business - directly or indirectly? Does the employee provide advisory or interpretive services for others to use in making decisions? Is the job an information-recording one? Does it provide a necessary service with a relatively small effect on the business of the agency? "Contributory" and "primary" are, by far, the most frequently used options."

Special Conditions consider the physical effort, environmental conditions, hazard exposure, and sensory attention demands that an employee is commonly subject to in the position. For example, two positions may be assigned identical points in all other areas but the position that is regularly required to work in extreme outdoor conditions (i.e., heat or extreme cold) would receive additional points for these factors.

The work associated with this scoring represents the primary work conducted for this assignment, which is to review positions and functions and provide a consistent measurement and "scoring" of functions and responsibilities within the municipality.



Findings and Recommendations

Position Points

Table 1 represents the total score assigned to each position based on the Methodology discussed.

Table 1: Position Classification and Point Assignment

Position Title	Proposed Score
Liquor Store Clerk	112
Office Assistant	165
Police Records Clerk	165
Streets/Parks Worker	174
Acct Tech/Deputy Clerk	175
Community Development Specialist	183
Liquor Store Assistant Manager	185
Water/Sewer Worker	194
Administrative Assistant	200
Administrative Captain	229
Police Officer	268
Police Investigator	268
Liquor Store Manager	269
Building Inspector	279
Water/Sewer Superintendent	284
Streets/Parks Superintendent	290
City Clerk	304
Police Sergeant	322
Community Development Director	373
Public Works Director	431
Finance Director	439
Fire Chief	446
Police Chief	484
City Administrator	510

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Market Analysis

This section documents a sample of the wages offered to the employees of comparable local governmental units in Minnesota. The comparable government entities identified for this study were communities of comparable size, complexity, geographic location, and proximity to the metro area.

The City of St. Francis is within 30 miles of both St. Paul and Minneapolis and in close proximity to many other metro cities of varying size. As a result, the City is actively competing for talented employees with these large and small metro communities. The City should consider a competitive compensation scale to attract and retain qualified employees that have the knowledge, skills and abilities to provide service levels expected within the community, particularly considering the current labor market. These factors, coupled with the demand of specific technical and multi-faceted positions within the City, have resulted in the recommendations provided in this survey.

The wages of the comparable positions for the municipalities listed in **Table 2** were compared with those at the City of St. Francis. It should be noted that the governments listed do not always have the exact type or number of positions as St. Francis and, in these cases, assumptions about duties and levels of responsibilities were made based on job titles and supervisory reporting information and were used to identify comparable positions.

Table 2 - Market Survey

The Market Survey lists government agencies that were included in standard demographics for at least one existing position in the market analysis.

Albertville city
Belle Plaine city
Cambridge city
Dayton city
Isanti city

New Prague city
Oak Grove city
Wyoming city
Wyoming city
Zimmerman city

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Results, by individual position, of the market wage study are reflected in *Table 3*.



Table 3 – 2024 Market Analysis

Combined Sources - Market Salary Data													
Position Title		RAGE Market in - Hourly		ERAGE Market Salary - Salary		y Over / (Under) Current Market Minimum \$	City Over / (Under) Current Market Minimum %	Но	AVERAGE ourly Market Max Hourly	AVERAGE Hourly Market Max Salary	C	/ Over / (Under) urrent Market Maximum \$	City Over / (Under) Current Market Maximum %
Acct Tech/Deputy Clerk	\$	28.81	\$	59,933.12	\$	0.52	2%	\$	36.39	\$ 75,687.04	\$	0.27	1%
City Administrator	\$	62.30	\$	129,579.38	\$	(1.21)	-2%	\$	77.87	\$ 161,976.53	\$	(1.51)	-2%
City Clerk	\$	40.04	\$	83,290.13	\$	0.51	1%	\$	47.94	\$ 99,715.20	\$	2.76	5%
Community Development Director	\$	49.54	\$	103,032.80	\$	(7.31)	-17%	\$	63.17	\$ 131,398.80	\$	(10.40)	-20%
Community Development Specialist	\$	27.90	\$	58,032.00	\$	6.69	19%	\$	36.04	\$ 74,952.80	\$	7.21	17%
Office Assistant	\$	27.81	\$	57,837.24	\$	(1.16)	-4%	\$	34.94	\$ 72,665.75	\$	(1.60)	-5%
Finance Director	\$	53.10	\$	110,442.06	\$	(4.09)	-8%	\$	66.06	\$ 137,401.83	\$	(4.83)	-8%
Administrative Captain	\$	28.72	\$	59,731.36	\$	(28.72)		\$	36.17	\$ 75,241.92	\$	(36.17)	
Fire Chief	\$	52.04	\$	108,232.80	\$	(3.03)	-6%	\$	65.18	\$ 135,574.40	\$	(3.95)	-6%
Building Inspector	\$	39.99	\$	83,175.04	\$	0.56	1%	\$	49.56	\$ 103,082.72	\$	1.14	2%
Liquor Store Assistant Manager	\$	28.80	\$	59,893.60	\$	0.53	2%	\$	37.20	\$ 77,376.00	\$	(0.54)	-1%
Liquor Store Clerk	\$	16.76	\$	34,860.80	\$	7.90	32%	\$	21.23	\$ 44,158.40	\$	9.61	31%
Liquor Store Manager	\$	39.42	\$	81,993.60	\$	(2.70)	-7%	\$	51.00	\$ 106,069.60	\$	(5.04)	-11%
Police Officer	\$	35.51	\$	73,860.80	\$	(4.70)	-15%	\$	45.81	\$ 95,276.48	\$	(5.11)	-13%
Police Records Clerk	\$	27.74	\$	57,704.40	\$	(2.07)	-8%	\$	35.15	\$ 73,112.00	\$	(3.08)	-10%
Police Sergeant	\$	44.39	\$	92,339.52	\$	(5.09)	-13%	\$	56.15	\$ 116,787.84	\$	(7.05)	-14%
Administrative Assistant	\$	27.27	\$	56,725.07	\$	3.60	12%	\$	34.02	\$ 70,754.67	\$	4.58	12%
Police Investigator	\$	37.98	\$	79,003.60	\$	(7.17)	-23%	\$	48.25	\$ 100,354.80	\$	(7.55)	-19%
Police Chief	\$	55.13	\$	114,662.08	\$	(6.12)	-12%	\$	69.79	\$ 145,167.36	\$	(8.56)	-14%
Public Works Director	\$	47.91	\$	99,652.80	\$	(2.36)	-5%	\$	59.96	\$ 124,720.27	\$	(3.05)	-5%
Streets/Parks Worker	\$	28.26	\$	58,774.40	\$	(0.52)	-2%	\$	35.07	\$ 72,940.80	\$	(0.40)	-1%
Streets/Parks Superintendent	\$	42.45	\$	88,296.00	\$	(3.54)	-9%	\$	52.54	\$ 109,283.20	\$	(3.93)	-8%
Water/Sewer Superintendent	\$	41.11	\$	85,498.40	\$	(2.20)	-6%	\$	51.71	\$ 107,551.60	\$	(3.10)	-6%
Water/Sewer Worker	\$	31.08	\$	64,644.51	\$	(1.75)	-6%	\$	38.58	\$ 80,248.29	\$	(1.92)	-5%

Key market wage analysis considerations and findings include:

- All market and City of St. Francis wage data is based on 2024 compensation scales.
- A negative average market variance (\$ or %) indicates that the current City of St. Francis wages fall BELOW the market
- A positive average market variance (\$ or %) indicates that the current City of St. Francis wages fall ABOVE the
 market
- Current employee pay range MINIMUMS for each position were, on average, 3% **below** the market minimum pay for similar positions. *It is important to note, however, that this is an <u>average</u> and individual positions vary widely.*
- Current employee pay range MAXIMUMS for each position were, on average, 3% **below** the market minimum pay for similar positions. *It is important to note, however, that this is an average and individual positions vary widely.*
- The significant market variances for many positions typically indicates that either the position wage range is well
 above or below the market or that the position within St. Francis may not be a good match to comparable data in
 regard to duties, experience requirements, and responsibilities, to other positions with similar titles in comparable
 cities. Potential causes of market variance for each position should be evaluated independently.
- Overall, a reevaluation of the existing position classification and wage scale will assist in realigning all positions in relation to the City's internal organizational structure and to the market. Doing so will, presumably have a positive impact on future employee recruitment and current employee satisfaction and retention.
- It is important to consider that many cities approve annual Cost of Living Adjustments (COLA) and will plan to do so for a January 1, 2025, effective date. As a result, it should be noted that, should the City not elect to apply a 2025 COLA adjustment to either their current compensation model or to the proposed compensation scale updates, current market variances, as reflected in the following table, would continue to grow.

Compensation Plan

During initial discussions with City leadership, it was clear that the following key strategic goals and assumptions applied:

- The City of St. Francis is motivated to attract and retain qualified talent to facilitate successful City operations
 and leadership. In order to do this effectively, both in the past and looking ahead, the City has historically aimed
 to position itself competitively related to wages wishes to provide a compensation structure that motivates career
 progression and development.
- The City wishes to maintain a formalized pay structure across the entire organization that will be both compliant.

- with Minnesota Pay Equity requirements and offer competitive pay for all positions.
- The City values the contributions, skills and experience of each individual and position and is committed to maintaining job descriptions that accurately depict each position.
- The City understands that employees and residents have questions and concerns related to the overall
 compensation philosophy of the City that is based on their perceptions of the marketplace and the City wishes to
 compile independent and accurate market data to address specific concerns and guide future decisions related
 to compensation.
- It is important to remember that, while employees represented by any of the City's five (5) union agreements were
 included in the market study and considered during development of the proposed step and grade compensation
 structure, union employee wages must be negotiated independently. Adoption of the proposed compensation
 model would approve the scoring for these union positions but would not place them in the proposed salary
 structure unless otherwise agreed upon through collective bargaining.

The proposed <u>non-union</u> compensation model reflects the following structural components:

- Step and grade model utilizes a total of 8 steps, including the start step, to achieve maximum compensation after 7 years and encompasses a total of 20 grade levels.
- All 8 steps are intended to be used as the standard compensation scale, to be awarded using the City's current step award process, primarily length of service and acceptable performance.
- The minimum pay level for the proposed non-union compensation scale is, on average, 2.10% above market minimum pay averages for each position.
- The maximum pay level for the proposed compensation scale is, on average, 2.0% above market maximum pay averages for each position.
- The proposed scale includes a 5% adjustment between grades.
- The proposed scale reflects a 3.33% adjustment between steps.
- The range within each grade of the proposed scale (Step 1 through Step 8) is 26%.

Table 4 - Step and Grade Scale - Proposed 2024 Compensation Model

						Standar	d Steps			
Points		Grade	1	2	3	4	5	6	7	8
0	100	1	\$ 24.25	25.06	25.89	26.75	27.65	28.57	29.52	30.50
101	125	2	\$ 25.46	26.31	27.19	28.09	29.03	29.99	30.99	32.02
126	130	3	\$ 26.74	27.63	28.55	29.50	30.48	31.49	32.54	33.63
131	168	4	\$ 28.07	29.01	29.97	30.97	32.00	33.07	34.17	35.31
169	190	5	\$ 29.48	30.46	31.47	32.52	33.60	34.72	35.88	37.07
191	232	6	\$ 30.95	31.98	33.05	34.15	35.28	36.46	37.67	38.93
233	244	7	\$ 32.50	33.58	34.70	35.85	37.05	38.28	39.56	40.87
245	255	8	\$ 34.12	35.26	36.43	37.65	38.90	40.19	41.53	42.92
256	265	9	\$ 35.83	37.02	38.25	39.53	40.84	42.20	43.61	45.06
266	270	10	\$ 37.62	38.87	40.17	41.50	42.89	44.31	45.79	47.32
271	278	11	\$ 39.50	40.82	42.18	43.58	45.03	46.53	48.08	49.68
279	300	12	\$ 41.48	42.86	44.28	45.76	47.28	48.86	50.48	52.16
301	320	13	\$ 43.55	45.00	46.50	48.05	49.65	51.30	53.01	54.77
321	335	14	\$ 45.73	47.25	48.82	50.45	52.13	53.86	55.66	57.51
336	369	15	\$ 48.01	49.61	51.26	52.97	54.74	56.56	58.44	60.39
370	435	16	\$ 50.41	52.09	53.83	55.62	57.47	59.39	61.36	63.41
436	485	17	\$ 52.93	54.70	56.52	58.40	60.35	62.36	64.43	66.58
486	495	18	\$ 55.58	57.43	59.34	61.32	63.36	65.47	67.65	69.91
496	508	19	\$ 58.36	60.30	62.31	64.39	66.53	68.75	71.04	73.40
509	540	20	\$ 61.28	63.32	65.43	67.61	69.86	72.18	74.59	77.07



Conclusion

Table 5 - Position Point & Grade Assignment with Minimum and Standard Maximum

Position Title	Proposed Score	New Grade	Ne	w Min	Ne	w Max
Liquor Store Clerk	112	2	\$	25.46	\$	32.02
Office Assistant	165	4	\$	28.07	\$	35.31
Police Records Clerk	165	4	\$	28.07	\$	35.31
Acct Tech/Deputy Clerk	175	5	\$	29.48	\$	37.07
Community Development Specialist	183	5	\$	29.48	\$	37.07
Liquor Store Assistant Manager	185	5	\$	29.48	\$	37.07
Administrative Assistant	200	6	\$	30.95	\$	38.93
Administrative Captain	229	6	\$	30.95	\$	38.93
Liquor Store Manager	269	10	\$	37.62	\$	47.32
Building Inspector	279	12	\$	41.48	\$	52.16
Water/Sewer Superintendent	284	12	\$	41.48	\$	52.16
Streets/Parks Superintendent	290	12	\$	41.48	\$	52.16
City Clerk	304	12	\$	41.48	\$	52.16
Community Development Director	373	16	\$	50.41	\$	63.41
Public Works Director	431	16	\$	50.41	\$	63.41
Finance Director	439	17	\$	52.93	\$	66.58
Fire Chief	446	17	\$	52.93	\$	66.58
Police Chief	484	17	\$	52.93	\$	66.58
City Administrator	510	20	\$	61.28	\$	77.07

In light of our comprehensive study and City compensation philosophy, our recommendation would be as follows:

- Adopt the proposed 2024 step and grade plan, without a COLA, moving each individual employee to the next salary step, without a decrease in salary, and
- Utilize the step and grade scale to calculate and apply 2025 and all future annual approved cost of living increases (COLA) for all positions, effective each January 1st; and
- Utilize the step and grade scale to calculate and consistently apply any 2025 and all future merit or longevity-based increases (above cost-of-living amounts), if applicable.

It should also be noted that, if there were ever an instance that an employee was awarded a wage above their appropriate grade maximum step, the City should consider implementing a formal and documented longevity plan that meets the definition of exceptional service pay to accommodate these types of pay scale exceptions.

Pay Equity Compliance

The 2021 pay scale for the City of St. Francis was tested in the Minnesota Pay Equity Compliance system, as required, and was found to be in compliance as of January, 2022, testing of the current pay system as of October 30, 2024 confirms the existing plan is also in compliance. The reports and certification generated from the 2024 testing have been included in **Appendix A** of the report

The proposed scale has also been tested in the Minnesota Pay Equity Compliance system and was found to be in compliance. The reports generated form the test have been included in **Appendix B** of the report. In addition, **Appendix C** includes a publication from the State of Minnesota providing guidance on interpreting and understanding the Minnesota Pay Equity System.



Implementation

The next step in this process is to consider implementation of the Compensation System. Before moving to this step there are several questions the Council will want to consider.

- Should the City adopt a new step and grade plan, including position point assignments for all existing positions?
- What is the overall 2025 and/or 2026 cost of implementation for non-union employees, assuming employees
 would move to the step and grade program and are placed at the step closest to, but not below, their current
 salary? See detailed implementation phases and costs below.
- How should the City address potential future situations where individual employee longevity and/or performance warrants exceptional service pay above the maximum wage for the relevant grade?

Phase 1: Transition onto Proposed Step and Grade Structure

If adopted, the proposed step and grade program, based on 2024 data, could be implemented, effective January 1, 2025, by placing employees at the step that is closest to their current salary, without a decrease in salary, and assumes that employees (if any) that are currently being compensated above the proposed wage scale would remain at their current rate of pay. Estimated annualized costs of January 1, 2025, Phase 1 adoption are listed below.

Phase 2: 2025 Cost of Living Adjustment

The City has adopted a 3.00% COLA for the 2025 calendar year, effective January 1, 2025. This COLA would be applied to the newly adopted step and grade program and non-union individuals would receive the COLA adjustment. Cost of Living Adjustments (COLAs) of 2.00% - 3.00% have historically been awarded by the City and should not be considered an "additional" expense related to adoption of the proposed step and grade program.

Phase 3: Individual Market Placement Adjustments

Once transitioned onto the proposed step and grade structure, there are individuals that, due to tenure and experience, may warrant additional step awards to ensure they are placed at the appropriate position within the market range. This will be looked at with the 2026 Budget and a proposal will be brought to the council during the budget discussions.

	Estimated Current Annual Payroll	\$	1,836,500.00
Phase 1:	Implementation Cost (Annualized) (Base)	\$ 35,500.00	1.93%

It is important to note that estimated implementation costs do not include annualized wages for the addition/promotion of staff in new or currently vacant positions as these are not considered as part of the compensation structure implementation, but rather new or ongoing labor expenses.

Closing

Should the City decide to move to the new step and grade plan, we recommend approval at a regular meeting of the City Council.

Abdo would like to thank the City of St. Francis for the opportunity to prepare and present this Position Classification and Compensation Analysis. We would especially like to thank the leadership team for their assistance in providing the necessary data to conduct the study.



Appendix A



Compliance Report

Jurisdiction: St. Francis Report Year: 2025

23340 Cree St NW Case: 2 - 2024 Current - Test (Private

(Jur Only))

St. Francis, MN 55070

Contact: Darcy Mulvihill Phone: (763) 753-2630 E-Mail: finance@stfrancismn.o

rg

The statistical analysis, salary range and exceptional service pay test results are shown below. Part I is general information from your pay equity report data. Parts II, III and IV give you the test results.

For more detail on each test, refer to the Guide to Pay Equity Compliance and Computer Reports.

I. GENERAL JOB CLASS INFORMATION

	Male Classes	Female Classes	Balanced Classes	All Job Classes
# Job Classes	12	7	1	20
# Employees	24	9	6	39
Avg. Max Monthly Pay per employee	7594.44	7020.38		7115.83

II. STATISTICAL ANALYSIS TEST

A. Underpayment Ratio = 97.22221 *

	Male Classes	Female Classes
a. # At or above Predicted Pay	7	4
b. # Below Predicted Pay	5	3
c. TOTAL	12	7
d. % Below Predicted Pay (b divided by c = d)	41.67	42.86

^{*(}Result is % of male classes below predicted pay divided by % of female classes below predicted pay.)

B. T-test Results

Degrees of Freedom (DF) = 31	Value of T = 0.297
Degrees of Freedom (Dr) = 31	Value 01 1 - 0.237

a. Avg. diff. in pay from predicted pay for male jobs = 22

III. SALARY RANGE TEST = 97.62 (Result is A divided by B)

A. Avg. # of years to max salary for male jobs = 6.83

B. Avg. # of years to max salary for female jobs = 7.00

IV. EXCEPTIONAL SERVICE PAY TEST = 0.00 (Result is B divided by A)

A. % of male classes receiving ESP = 0.00 *

B. % of female classes receiving ESP = 0.00

*(If 20% or less, test result will be 0.00)

b. Avg. diff. in pay from predicted pay for female jobs = 9

Appendix B



Compliance Report

Jurisdiction: St. Francis Report Year: 2025

23340 Cree St NW Case: 1 - 2024 Proposed - Test

(Private (Jur Only))

St. Francis, MN 55070

Contact: Darcy Mulvihill Phone: (763) 753-2630 E-Mail: finance@stfrancismn.o

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The statistical analysis, salary range and exceptional service pay test results are shown below. Part I is general information from your pay equity report data. Parts II, III and IV give you the test results.

For more detail on each test, refer to the Guide to Pay Equity Compliance and Computer Reports.

I. GENERAL JOB CLASS INFORMATION

	Male Classes	Female Classes	Balanced Classes	All Job Classes
# Job Classes	13	7	1	21
# Employees	25	9	6	40
Avg. Max Monthly Pay per employee	7789.89	7399.62		7366.08

II. STATISTICAL ANALYSIS TEST

A. Underpayment Ratio = 188.4615 *

	Male Classes	Female Classes
a. # At or above Predicted Pay	6	5
b. # Below Predicted Pay	7	2
c. TOTAL	13	7
d. % Below Predicted Pay (b divided by c = d)	53.85	28.57

^{*(}Result is % of male classes below predicted pay divided by % of female classes below predicted pay.)

B. T-test Results

Degrees of Freedom (DF) = 32	Value of T = -1.041
Degrees of freedom (Dr) = 32	Value of 1 = -1.041

a. Avg. diff. in pay from predicted pay for male jobs = 8

III. SALARY RANGE TEST = 97.80 (Result is A divided by B)

A. Avg. # of years to max salary for male jobs = 6.85

B. Avg. # of years to max salary for female jobs = 7.00

IV. EXCEPTIONAL SERVICE PAY TEST = 0.00 (Result is B divided by A)

A. % of male classes receiving ESP = 0.00 *

B. % of female classes receiving ESP = 0.00

*(If 20% or less, test result will be 0.00)

b. Avg. diff. in pay from predicted pay for female jobs = 163

Appendix C



Interpreting Results of Compliance Tests

Your jurisdiction is required to pass four tests to be in compliance with pay equity law. For more information about compliance tests, refer to the Guide to Understanding Pay Equity Compliance.

- Completeness and Accuracy Test Report is submitted on time, data is correct, and required information has been provided
- 2. Statistical or Alternative Test- Compares salary data to determine if female classes are paid consistently below male classes of comparable work value (job points). The Minnesota Pay Equity Management System will generate results applying the Statistical Analysis Test. Underpayment ratio results of 80 and above are passing. In some cases, the Alternative Analysis is required and consists of a manual review of the data. Refer to the following page to determine which test applies to your report.
- **3. Salary Range Test** Compares the average number of years required for female classes to move through a salary range consisting of a time-phased step progression to the average number of years required for male classes. Results of 0 or 80 and above are passing scores. (Test does not apply if years to achieve maximum salary are not defined or if salary ranges are not defined).
- **4. Exceptional Service Pay Test** Compares the percentage of female classes receiving longevity or performance pay to the percentage of male classes receiving longevity or performance pay. In noting exceptional service pay, recipients must exceed the maximum salary reported. Results of 0 or 80 and above are passing scores. (Test does not apply if exceptional service pay is not available in your jurisdiction).



Compliance Determination Questionnaire

Answer the questions below to interpret results of a jurisdiction's compliance report. <u>Please note that MMB will make all final compliance determinations</u>, this should be used for informational review purposes only.

- 1. Is the underpayment ratio at or above 80%?
 - **A.** Yes- Compliance (Go to guestion 4)
 - **B.** No- Are there 6 or more male classes and at least one class with a salary range?
 - I. YES- Move on to T-test and then go to question 2.
 - II. NO- Use alternative analysis test; go to question 3.
- 2. Is the value of T and degrees of freedom within range according to the t-test table?
 - A. Yes-Compliance (Go to question 4)
 - **B.** No- Out of compliance (Go to question 4, please note that even if the other tests listed in questions 4 and 5 have passing scores the jurisdiction may still be out of compliance)
- 3. Alternative Analysis Test If the answer is yes to any of the statements below, the jurisdiction may be out of compliance, even if the other tests listed in questions 4 and 5 have passing scores.
 - Is there a female job class with more points and less pay than a male class and the difference cannot be explained by years of service?
 - Is there a female job class with the same points as a male class and less pay and the difference cannot be explained by years of service?
 - Is there a female job class between 2 male classes and the female job class receives less pay than either male class and the difference cannot be explained by years of service?
 - Is there a female class rated lower than all male classes and pay is not reasonably proportionate to points as other classes and the difference cannot be explained by years of service?
 - **I.** Did you answer yes to any of the questions above?
 - A. NO- Compliance, go to question 4
 - **B.** Yes- Jurisdiction may be out of compliance (Go to question 4, please note that even if the other tests listed in questions 4 and 5 have passing scores the jurisdiction may still be out of compliance)



- 4. Is the salary range test 0%, or at or above 80%?
 - A. Yes-Compliance (Go to question 5)
 - **B.** No- Out of compliance (Go to question 5, Jurisdiction may be out of compliance with pay equity law, even if there is a passing score on a test from a previous question)
- 5. Is the exceptional service pay test 0%, or at or above 80%?
 - **A.** Yes- Compliance (End)
 - **B.** No- Out of compliance (Jurisdiction might be out of compliance with pay equity law, even if there is a passing score on a test from a previous question)