

# LYON COUNTY

## Management Compensation Plan

The purpose of a management compensation plan is to identify and pay salaries sufficient to attract, retain, and reward the management staff of talented people that are capable of meeting a balance between internal relationships and addressing the need to recognize and reward individual performance. The management compensation plan consists of four components: salary ranges, starting salaries, performance management, and salary reviews.

*Salary Ranges* – Lyon County has established three management salary ranges. These are the approximate ranges used in developing and validating the ranges of comparable positions. Lyon County management employees are paid within a salary range assigned to that position. The management salary ranges will be reviewed by the Human Resources Director annually, and recommendations for adjustments of the ranges will be made to the County Manager. The Board of County Commissioners will approve any movement of the management salary ranges as part of the annual budget process.

*Starting Salaries* – A combination of factors will be considered when determining the starting salaries of individuals entering the management salary ranges. These factors include, but are not limited to, qualifications and experience of the applicant, internal relationships (both horizontal and vertical), the applicant's current or most recent salary, the availability of other similarly qualified individuals, and the County's ability to pay.

*Performance Management Evaluations* – The evaluation process includes evaluating both past performance and planning for the future performance. The purpose of the performance management evaluation is to recognize, evaluate, and record a summary of an employee's performance over a specific period of time and to plan future performance and developmental goals. The employee should be an active participant in this process, providing input into establishment of future performance and developmental goals. Evaluations should be conducted as often as the County Manager deems necessary, but at a minimum of once every twelve months.

*Salary Reviews* – The purpose of a salary review is to evaluate and, when appropriate, adjust the salary of an employee. The adjustment of a management employee's salary is not automatic and several factors should be taken into consideration. These include, but are not limited to: achievement of goals, unanticipated accomplishments, management of human resources, management of fiscal resources, performance of day-to-day tasks or responsibilities, the employee's current salary as related to internal relationships, and the availability of County funds for salary increases. Salary reviews typically occur in conjunction with an employee's annual performance management evaluation cycle, which normally coincides with the employee's anniversary date. The amount of the salary adjustment is based on the funds made available by the Board of County Commissioners during the annual budget process.

### Chart for Management Salary Adjustments

Salary Comparison	Based on a Management Performance Evaluation			
	Above Target Performance	-----At Target----- Performance	-----Below Target Performance	
	Percent of Increase			
Current salary is towards the minimum of the salary range.	5-8%	4-6%	2-4%	0%
Current salary is close to the mid-point of the salary range.	4-6%	3-5%	0-3%	0%
Current salary is towards the maximum of the salary range.	0-5%	0-4%	0-2%	0%

The above chart provides guidance for salary increases based on funds the Board of County Commissioners makes available during the budget process, usually a flat percentage of total management salaries. The County Manager or designee has the responsibility to determine the appropriate salary increase for individuals in management positions, communicating with governing boards and judges as necessary. The Dollar Chart for Salary Adjustments table should be used as an aid for determining whether and employee’s current salary is toward the minimum, mid-point, or maximum of the salary range.

Management employees who have reached the top of their salary range or individuals in a management position that have exhibited exceptional performance may be eligible for a once a year, flat sum bonus. The Board of County Commissioners will identify a separate pool of funds, for this purpose during the annual budget process. The County Manager or designee will determine the appropriate amount for “Above Target” performance, “Significantly Above Target” and exceptional performance.

The following factors were taken into consideration when developing the recommended salary ranges:

- *Width of Range* – The width of the salary range in the percent (%) of spread for the range from minimum to maximum. Somewhere between a 30% to 50% spread is acceptable. The appropriate width for the management salary ranges had been identified to be just slightly above 44%. This allows for inclusion of all existing positions into three salary ranges.

- *Comparable Labor Market* – Identifying a comparable labor market is difficult for public sector management positions, especially in small to mid-size organizations. Factors that were considered are geographical locations, scope of services provided, and the means of providing the service, population, total budget, and number of full-time employees (FTE's). The comparable labor market for Lyon County was identified to include: Carson City, Churchill County, Douglas County, Elko County, and Nye County.
- *Benchmark Positions* – Benchmark positions are frequently found in the comparable counties (labor Market) and have very similar job responsibilities. Several management positions within Lyon County have been identified to be “benchmark” positions. These positions are: Road Division Manager, Human Resources Director, Human Services Director, Chief Financial Officer/Comptroller, and County Manager.

The positions included in this management compensation plan are all at the department head or division manager levels. The primary responsibilities and time commitments of these management positions include developing and implementing goals, objectives, and operational policies, preparing and administering budgets, and supervising staff. The supervision exercised includes hire and fire authority. Incumbents may have additional staff responsibilities, which may include performing specialized tasks that require application of technical or procedural expertise and require significant, independent judgment.

The following job dimensions or criteria were considered when determining the placement of a position into a salary range. The placement of positions in a salary range requires this criterion to be consistently applied.

- *Expertise*, including the type of knowledge and ability required to perform the work of the position, plus the nature and extent of training and education required to become qualified to perform the staff work of the position.
- *Decision making*, including the impact of the decisions made, the complexity of the decisions, and the extent to which expertise is required to make the decisions.
- *Independence of action*, including the nature, frequency, and extent of supervision received by the employee in the position.
- *Management control*, including the nature, level, and size of staff supervised, the nature and complexity of functions and programs directed, and the extent of control or authority exercised. Budget is also a factor in this dimension.
- *Job related contacts*, including the purpose of the contacts, and the types and responsibilities of those contacted.
- *Physical conditions*, including the frequency and nature of the physical effort required, the nature of the work environment, and the frequency and nature of risk exposure.

The placement of positions within the ranges – how positions are paid in relationship to other positions within Lyon County (internal equity) – is more critical than comparing what other employers are paying for similar positions (external equality). Two internal relationships were also taken into consideration: vertical relationships, which are the relationships between management and subordinate positions, and horizontal relationships, those between management positions. The above comparability of management positions is critical to the

proper placement of positions within the established ranges. Movement of a position from one range to another requires a written justification from the County Manager and an amendment of the Management Compensation Plan.

**Management Salary Ranges**  
**Effective 7/01/2016 2.5% Salary Adjustment & 2.5% Merit increase**

**Employer-Paid**

	<b>Min</b>	<b>Mid</b>	<b>Max</b>
Management I	\$ 59,230.50	\$ 74,589.90	\$ 89,949.30
Management II	\$ 69,999.70	\$ 88,743.20	\$ 107,487.00
Management III	\$ 102,307.00	\$ 119,041.00	\$ 135,773.00

**Employee/Employer Paid**

	<b>Min</b>	<b>Mid</b>	<b>Max</b>
Management I	\$ 67,882.60	\$ 85,485.70	\$ 103,089.00
Management II	\$ 80,224.90	\$ 101,706.00	\$ 123,188.00
Management III	\$ 117,252.00	\$ 136,429.00	\$ 155,606.00

PERS "In Lieu Of" Factor = 1.146075

## LYON COUNTY

### Placement of Position into Ranges

#### **Management I**

Public Guardian  
Building Official

#### **Management II**

Chief Juvenile Probation Officer  
Community Development Director  
Comptroller  
Human Resources Director  
Human Services Director  
Information Technology Director  
Library Director  
Utilities Director  
Facilities Director  
Roads Division Director  
Lyon County Sheriff's Command Staff

#### **Management III**

County Manager