



## Northern Virginia Regional Commission

### RESOLUTION

Resolution No. 18-34

PATRON: Robert W. Lazaro, Jr.  
Executive Director

DATE: April 26, 2018

#### IMPLEMENTATION OF MARKET-BASED SALARY ADJUSTMENTS

WHEREAS, Northern Virginia Regional Commission (NVRC) engaged HR Extension, Inc., to conduct an assessment of the NVRC's pay plan and its pay competitiveness in comparison with a reasonable array of similar employers in the labor market; and

WHEREAS, HR Extension, Inc., identified, for each of NVRC's current positions, from two to six reasonable matches among current jobs within City of Alexandria; Counties of Arlington, Fairfax and Prince William; Town of Vienna; and Metropolitan Washington Council of Governments – in terms of the level of duties and responsibilities; and

WHEREAS, when pay comparisons were made between NVRC's jobs and local comparators, NVRC's jobs were found to be an average of 7% behind the market; and

WHEREAS, in a separate action associated with the compensation study, the Commission is considering (1) amending its pay plan upward by 5% to bring its pay grade ranges conservatively in alignment with the market, and (2) and re-grading three positions where the market for those jobs has changed sufficiently that NVRC's positions were no longer in the most appropriate of its pay grades; and

WHEREAS, those changes would improve the competitiveness of the Commission's pay plan structure and can be made with no implementation cost because they do not adjust the actual salaries of incumbent employees; and

HR Extension, Inc., has identified target rates of pay for each incumbent employee that takes into account both the market comparisons for their jobs and other factors, such as number of years employed during the past ten years when absence of most normal pay adjustments (e.g., for performance, promotion, re-grading) atypically constrained progression through the pay plan; and

WHEREAS, findings included the following:

- 5 employees currently are being paid from 80% - 86% of their target rates;
- 6 employees currently are being paid from 90% - 93% of their target rates;
- 2 employees currently are being paid at approximately 100% of their target rates; and

WHEREAS, it has been the Commission's practice to provide a general salary adjustment for all employees when the pay plan is adjusted, so that employees retain their relative position within their pay grades; and

WHEREAS, a combination of a general adjustment, and additional salary increases for the five employees whose pay is most below their target rates, is an equitable approach to bringing all employees toward their target pay; and

WHEREAS, given the Commission's imperative to continue its multi-year recovery from deficit;

THEREFORE BE IT RESOLVED that, for planning purposes in preparation of its draft FY 2019 Annual Budget and Programs, the Commission directs its Executive Director to include the following assumptions for salary adjustments:

- a general salary adjustment of 2% will be allowed for all incumbent employees, in light of an upward adjustment to the pay plan (estimated cost: \$21,400),
- additional salary adjustments will be allowed for 5 employees, so that all employees are paid at least 90% of their target rates (estimated cost: \$22,600),
- if implemented, these adjustments will be in lieu of other routine salary adjustments (e.g., for merit) during FY 2019, and the thirteen incumbent employees affected by the changes will have their anniversaries for annual merit review changed to July 1, beginning July 1, 2019.

BE IT FURTHER RESOLVED that these changes will become effective on July 1, 2018, provided the Commission adopts a FY 2019 Annual Budget and Programs that financially supports them.



#### CERTIFICATION

The undersigned certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Northern Virginia Regional Commission on April 26, 2018.

ROBERT W. LAZARO, JR., CERTIFYING OFFICER