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FOR IMMEDIATE RELEASE

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County Approves New Sustainable Employee Classification and Compensation System

Cumberland County, PA- Today during their public meeting the Cumberland County Salary Board approved a new employee classification and compensation system for non-bargaining unit employees. This effort has been in the works for nearly a year. The financial space needed to allow this adjustment to be budget neutral has been created over the last 3 – 4 years as a result of the County's efforts to lower costs in the face of flat or marginally increased revenues.

In July 2014, Cumberland County contracted with Arthur J. Gallagher & Company to complete a comprehensive review of the non-bargaining employee classification system. This included benchmarking County salaries to compensation levels in similar (i.e., public sector, non-profit) organizations.

The reclassification and benchmarking is a necessary precedent to the County's new merit-based system, scheduled to go into effect in 2016. All positions were reviewed and ranked to set a consistent and defensible standard based on scope of responsibility. Benchmarking County salaries to relevant markets was last done seven years ago. This is necessary to ensure that Cumberland County remains a competitive employer in the local market, able to recruit and retain a quality work force to best serve Cumberland County residents.

Upon completion of the review, all non-bargaining unit positions were placed into a new classification system with minimum and maximum compensation levels, based on the benchmarking. It was found that approximately 39% of non-bargaining employees' current compensation rates were below the market minimum and 19% were at or above the maximum for the salary bands. With today's vote, the employees below the minimum will be brought up to the minimum. Employees over the minimum will see no change in their salaries. Salaries over the maximum range will be considered frozen going forward.

During the 2015 Budget process, money was budgeted for any compensation adjustments resulting from Gallagher's data results. The funds available to do this without requiring a tax increase came from a portion of the savings achieved as a result of gainsharing, a voluntary separation plan and other cost savings measures taken by the County. As part of the County's ongoing policy of sharing the benefits of greater efficiency with its employees, these compensation adjustments will be sustainable – i.e., not required tax increases to fund them – going forward. The adjustments will contribute to ongoing savings by reducing turnover and shortening time needed to fill vacancies. Both of these factors are key drivers of overtime, which has been a major source of the County's increasing personnel costs in recent years.

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