Management Committee
Meeting date: February 9, 2022

For the Metropolitan Council meeting of February 23, 2022

Subject: Pay Equity Implementation Report
District(s), Member(s): All
Policy/Legal Reference: M.S. 471.991-.999 – MN Rules Chapter 3920
Staff Prepared/Presented: Marcy Syman, Director of Human Resources (651-602-1417); Kevin Pogatchnik, Compensation Analyst (651-602-1578)
Division/Department: Human Resources

Proposed Action
That the Metropolitan Council approve the preliminary 2022 Pay Equity Implementation Report.

Background
In 1984, the Minnesota Legislature passed the Local Government Pay Equity Act (M.S. 471.991-.999). Local governments were given until December 31, 1991, to comply with the law and were required to file reports with Minnesota Management & Budget (MMB) by January 31, 1992. All jurisdictions were then placed on a three-year reporting cycle with a third of them reporting each year beginning in January of 1994. This is an analysis of pay structure relationships among male and female-dominated job classifications at the Council.

Rationale
The Metropolitan Council is required to file a Pay Equity Implementation Report with the State of Minnesota’s Department of Management & Budget no later than January 31, 2022

The Local Government Pay Equity Act requires the Metropolitan Council to establish and maintain equitable compensation relationships. The purpose of the law is “to eliminate gender-based wage disparities in public employment in this state.” Equitable compensation relationships are achieved when “the compensation for female-dominated classes is not consistently below the compensation for male-dominated classes of comparable work value... within the political subdivision.”

Compliance is demonstrated by passing four tests.
1. Completeness and accuracy test
2. Statistical analysis test
3. Salary range test
4. Exceptional service pay test

The Council passes the statistical analysis, salary range and exceptional service pay tests. Our report is complete and has passed the initial MMB review. Council approval is needed prior to “official” submission. Upon full approval of this business item, the Council passes the completeness and accuracy test for full compliance.

Thrive Lens Analysis
This action and result supports the Council’s Equity outcome by ensuring gender pay equity.
Compliance Report

Jurisdiction: Metropolitan Council
390 North Robert Street

St. Paul, MN 55101-1805

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Report Year: 2022
Case: 4 - 2021 DATA (Private (Jur Only))

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

<table>
<thead>
<tr>
<th></th>
<th>Male Classes</th>
<th>Female Classes</th>
<th>Balanced Classes</th>
<th>All Job Classes</th>
</tr>
</thead>
<tbody>
<tr>
<td># Job Classes</td>
<td>358</td>
<td>206</td>
<td>104</td>
<td>668</td>
</tr>
<tr>
<td># Employees</td>
<td>1729</td>
<td>404</td>
<td>1884</td>
<td>4017</td>
</tr>
<tr>
<td>Avg. Max Monthly Pay per employee</td>
<td>7339.71</td>
<td>8673.72</td>
<td>6992.37</td>
<td></td>
</tr>
</tbody>
</table>

II. STATISTICAL ANALYSIS TEST

A. Underpayment Ratio = 119.0522 *

<table>
<thead>
<tr>
<th></th>
<th>Male Classes</th>
<th>Female Classes</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. # At or above Predicted Pay</td>
<td>238</td>
<td>148</td>
</tr>
<tr>
<td>b. # Below Predicted Pay</td>
<td>120</td>
<td>58</td>
</tr>
<tr>
<td>c. TOTAL</td>
<td>358</td>
<td>206</td>
</tr>
<tr>
<td>d. % Below Predicted Pay (b divided by c = d)</td>
<td>33.52</td>
<td>28.16</td>
</tr>
</tbody>
</table>

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

B. T-test Results

<table>
<thead>
<tr>
<th>Degrees of Freedom (DF) = 2131</th>
<th>Value of T = -12.222</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Avg. diff. in pay from predicted pay for male jobs = 3</td>
<td></td>
</tr>
<tr>
<td>b. Avg. diff. in pay from predicted pay for female jobs = 599</td>
<td></td>
</tr>
</tbody>
</table>

III. SALARY RANGE TEST = 97.21 (Result is A divided by B)

A. Avg. # of years to max salary for male jobs = 5.66
B. Avg. # of years to max salary for female jobs = 5.82

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)