

# Management Committee

For the Metropolitan Council meeting of February 13, 2013

## ADVISORY INFORMATION

**Date Prepared:** February 4, 2013

**Subject:** Approval of Pay Equity Implementation Report

### **Proposed Action:**

That the Metropolitan Council approve the Council's 2013 Pay Equity Implementation Report. The report will be provided at the meeting.

### **Summary of Committee Discussion / Questions:**

The 2013 Pay Equity submission resulted in compliance for the Metropolitan Council. Details were presented in a PowerPoint presentation.

**Management Committee**

Meeting date: January 23, 2013

For the Council Meeting of February 13, 2013

**ADVISORY INFORMATION**

**Date:** January 14, 2013

**Subject:** Approval of 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); Sandi Blaeser, Chief Labor Relations Officer (651-602-1582)

**Division/Department:** Human Resources

**Proposed Action**

That the Metropolitan Council approve the Council's 2013 Pay Equity Implementation Report. The report will be provided at the meeting.

**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 or them reporting each year beginning in January of 1994. Computer software used for reporting pay equity was developed by MMB. This software calculates the tests for compliance and produces the final report.

**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 February 28, 2013.

**Overview and Funding**

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 - determines whether jurisdictions have filed reports on time, included correct data and supplied all required information.
2. Statistical analysis test - compares salary data to determine if female classes are paid consistently below male classes of comparable work value (job points). Software is used to calculate this test.

3. Salary range test - compares the average number of years it takes for individuals in male and female classes to reach the top of a salary range. This test only applies to classes where there are an established number of years to move through salary ranges.
4. Exceptional service pay test - compares the number of male classes in which individuals receive longevity or performance pay above the maximum of the salary range to the number of female classes where this occurs.

The Council's data passes the statistical analysis, salary range and exceptional service pay tests. Our report is complete and will be filed by the deadline so we anticipate passing the completeness and accuracy test.

### **Known Support / Opposition**

None known.