

2013 Performance Review of Gayle Mountcastle
Board of Park Commissioners, Park Ridge Park District

March 6, 2014

The Board acknowledged that 2013 was a particularly challenging year for the Executive Director given the numerous large scale projects that the District had undertaken namely, the Centennial Aquatics construction project and the Youth Campus zoning and planning projects. Despite these challenges, Ms. Mountcastle led the District to over a \$1 Million dollar budget surplus for the 2013 fiscal year.

In preparing her goals for 2013, Ms. Mountcastle identified six specific objectives to accomplish during the 2013 fiscal year. These goals included specific tasks surrounding the following areas: 1) Centennial Pool project; 2) developing additional revenue sources for the district; 3) negotiating the TIF, Youth Campus zoning and Salt Dome Agreement with the City of Park Ridge; 4) meeting 2013 budget projections; 5) revising and completing the Administration Policy Manual; and, 6) beginning development of the Youth Campus project.


During the public presentation that Ms. Mountcastle gave to the Board on her accomplishments for 2013, she was asked to assess her progress on each of the six objectives. Ms. Mountcastle believed that she exceeded goals 1, 2 and 4 – did not complete goals 3 and 5 – and successfully completed goal 6.

The Board of Commissioners met in closed session to further discuss the performance appraisal and to recommend a salary adjustment for 2014. The Board generally agreed with Ms. Mountcastle's self-assessment of the six objectives for 2013.

The Board utilized the 2014 Salary Administration Matrix prepared by the District's HR Director Diane DiGangi. Taking Ms. Mountcastle's self-assessment along with its own assessment of her performance, the Board recommended a score of 3.75, which, according to the Matrix, equates to a 3.0% salary increase for 2014.

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Memo

To: Gayle Mountcastle
From: Diane DiGangi, Human Resources Director 
Date: March 17, 2013
Subject: Board's Request for Executive Director's Compensation Data

This memo and supporting exhibits are pursuant to the Board's request to provide data related to the Executive Director's compensation.

Park Ridge Park District's Compensation Structure

For background specifically related to the Park Ridge Park District's internal compensation structure: In 2010 our District engaged McGladrey (an independent consulting firm) to design a market-based compensation program for full-time staff. This structure met with Board approval and is in place today. Several components of the study included: the collection of market data for comparable positions, the development of salary ranges and administrative policies and procedures.

McGladrey established our District's compensation ranges from a combination of data they obtained through published surveys and a custom survey they conducted.

Compensation from published surveys was obtained from:

- Local Park Districts
- Not-for-profit organizations
- Local Chicago-area employers (public & private sector)
- Sport and fitness industry
- Public/governmental institutions

Compensation from a custom survey of 16 local high-performing park districts referred to as comparable districts (Exhibit 6).

- | | |
|-----------------|-------------------|
| ➤ Buffalo Grove | ➤ Hoffman Estates |
| ➤ Carol Stream | ➤ Mundelein |
| ➤ Des Plaines | ➤ Niles |
| ➤ Downers Grove | ➤ Oak Park |
| ➤ Elk Grove | ➤ Skokie |
| ➤ Elmhurst | ➤ Tinley Park |
| ➤ Glen Ellyn | ➤ Vernon Hills |
| ➤ Glenview | ➤ Woodridge |

One result of the McGladrey study was to help us establish our philosophy and priority to move proven, good performing employees to the midpoint of the range, with superior performing employees advancing at an accelerated rate (excerpt is reflected in exhibit 5).

Considerations:

This report reflects statistical/factual data. Said another way, it doesn't give the whole picture when comparing peer district's compensation. Omitted from this report are other conditions that are typically considered when evaluating an employee's compensation and thus value to the organization. Some may include: expertise of the incumbent, stage of the organization such as a growth/rebuilding, status quo/maintenance stage etc., accomplishments and challenges faced by the District.

Exhibit 1:

Reflects our Districts' 2014 salary administration matrix which was created by McGladrey. This matrix is utilized for the District's full-time employee population. Our philosophy is to give annual merit increases based upon performance, subject to the 2014 overall approved budget of 3%. I have not been privy to whether this matrix has been utilized in the past by the Board when awarding a salary increase for the Executive Director.

Exhibit 2:

Reflects internal Park Ridge compensation ranges, the current base salary of our Executive Director, scenarios based upon performance using the matrix, last year's increase and the performance rating definitions utilized on our District's performance evaluation form. I have not been privy to whether this evaluation form is utilized by the Board in evaluating the Executive Director.

Exhibit 3:

You will find the results of a 2013 compensation survey reflecting Executive Director's Compensation from a number of Park and Recreation Districts. This data was provided to me by Highland Park who engaged Voorhees Associates to conduct the survey. This data is as of August of 2013. This report is silent to any contributions made to the pension plan on behalf of their District. The far left margin under the column heading "DiGangi Edits" we identified the specific Districts that are considered comparable to Park Ridge per our District's study from the aforementioned McGladrey study. In addition, we added a ball-park estimate of what might reasonably represent a 3% increase over 2013 data. At the bottom of this exhibit, you will find we added compensation percentiles for their study.

Exhibit 4:

Reflects the compensation base pay of comparable districts not reflected in the Voorhees survey. Statistics were provided to me by the respective districts.

Exhibit 5:

An excerpt from the McGladrey study related to the midpoint of the compensation range.

Exhibit 6:

An excerpt from the McGladrey study identifying the peer districts.

Please let me know if you need anything further!

Attachments: Exhibits one through six

EXHIBIT 1

2014 Salary Administration Matrix Board of Directors Approved 1/9/14 Merit Pool Maximum of 3% based on performance Effective 1/1/14 Retroactive					
Performance Rating	Employee's Position in Salary Range - Notes (1) (3)				
	1st Quartile	2nd Quartile	3rd Quartile	4th Quartile	At Maximum Note (2)
Superior 4.5 - 5.0	5.5%	4.5%	3.5%	2.5%	2.5% Lump Sum
Outstanding 3.8 - 4.4	4.5%	3.5%	2.5%	1.5%	1.5% Lump Sum
Satisfactory/Meets Expectations 3.0 - 3.7	3.5%	2.5%	1.5%	1.0%	1% Lump sum
Below Expectations 2.0 - 2.9	0.0%	0.0%	0.0%	0.0%	0.0%
Unsatisfactory below 2.0					

Notes:

(1) Salary Ranges: For 2014, for full-time employees, the Board of Directors has approved a 2% increase in the salary ranges over 2013.

(2) If as a result of this increase an employee would have otherwise exceeded the range maximum, the employee will be brought to the maximum and receive the balance in a lump sum payment.

(3) All increases are subject to meeting the District's 3% Maximum Pool

EXHIBIT 2

Park Ridge Executive Director				
Current	Quartile	2014 Range		
Base		Minimum	Midpoint	Maximum
\$143,225	2	\$115,804	\$150,544	\$185,284

Merit Increase Scenarios Based on Matrix			
Performance Rating	Per Matrix %	Increase/Year \$	New Base \$

Superior	4.5%	\$6,445	\$149,670
Outstanding	3.5%	\$5,013	\$148,238
Satisfactory/At Expectations	2.5%	\$3,581	\$146,806

To Reach Midpoint		
Addtl. To Reach Midpoint	Addt. %	New Base \$

\$874	0.6%	\$150,544
\$2,306	1.6%	\$150,544
\$3,738	2.5%	\$150,544

Total Increase \$	Total Increase %
\$7,319	5.1%
\$7,319	5.1%
\$7,319	5.1%

Last Year's Adjustment				
2012	2013 New	Increase	Increase	Breakdown
Base \$	Base \$	\$	%	Assumed

\$133,499	\$143,225	\$5,340	4.00%	Merit
		\$4,385	3.28%	Midpoint Market adjustment
		\$9,725	7.28%	

RATING	DEFINITIONS UTILIZED PER THE DISTRICTS' PERFORMANCE EVALUATION FORM
Superior	Performance and results achieved <u>consistently exceed</u> standards and expectations for the position requirements and objectives
Outstanding	Performance and results achieved <u>often exceed</u>
Satisfactory/At Expectations	Performance and results achieved <u>generally meet</u>

Movement toward the midpoint

Per the McGladrey study, first priority should be given to adjusting salaries of employees who are currently below the minimum of the assigned range. Second priority should be given to moving proven, good performing employees to midpoint. Superior performing employees should advance at an accelerated rate (see exhibit 5)

EXHIBIT 3

Data Added by D. DiGangi for Comparison Purposes	
Comparable Districts Per PRPD Study Via McGladrey	Total Compensation Data Agreed Assuming a 3% Increase
X	\$211,808
	\$185,400
X	\$180,514
X	\$172,776
	\$169,950
	\$153,429
	\$152,617
	N/A
	\$145,165
X	\$144,612
X (Note 1)	\$142,835
	\$133,900
	\$123,600
	\$122,120

Prepared by: Voorhees Associates, LLC/Engaged by Highland Park EXECUTIVE DIRECTOR SALARY AND BENEFIT SURVEY - AUGUST, 2013 ALL SURVEY RESPONDENTS									
District Comparables	Annual Salary	Deferred Comp.	Cash Bonus	Total Compensation	Car or Car Allowance	Is Housing Provided?	Do Dept. Heads Get Cars or Allow.	Are Values Applied to IMRF	
Glenview (PD)	\$192,680	\$9,959	\$3,000	\$205,639	Car Provided	Yes	Yes/Car	Yes ^A	Yes
Highland Park	\$170,000	\$10,000	None	\$180,000	\$7,200/year	No	Yes/\$2,400 to \$4,200	Yes	Yes
Arlington Hgts. (PD) *	\$175,256	None	None	\$175,256	\$6,500/year	No	Dir. of Fin. & H.R. Dir./\$6,000	Yes	Yes
Buffalo Grove (PD)	\$156,122	\$3,122	\$8,500	\$167,744	Car Provided	No	Yes/Car	Yes	Yes
Hoffman Estates (PD)	\$160,000	None	\$5,000	\$165,000	Car Provided	No	Yes/Car	Yes	Yes
Northbrook (PD)#	\$140,960	\$3,000	\$5,000	\$148,960	Car Provided	No	2 get a Car, 1 gets \$3,000	Yes	Yes
Wilmette (PD)	\$143,172	None	\$5,000	\$148,172	Car Provided	No	Yes/\$4,800	Yes	Yes
Park Ridge (PD)	\$143,225	None	Unknown**	\$143,225	Car Provided	No	No	Yes	Yes
Deerfield (PD)	\$140,937	None	None	\$140,937	Car Provided	No	Park Dir. & Recreation Dir./Car	Yes<<	See ~
Skokie (PD)	\$140,400	None	None	\$140,400	Car Provided	No	2 get a Car, 1 gets \$3,000	Yes	Yes
Elk Grove Vil. (PD)	\$137,000	None	None	\$137,000	\$7,000/year	No	Yes/Various amounts	Yes	Yes
ML Prospect (PD)	\$130,000	None	None	\$130,000	\$4,800/year	No	Parks Dir a Car, Dir. of Rec. \$3,000	No	No
Glencoe (PD)	\$120,000	None	None	\$120,000	\$5,000/year	No	No	No	No
Wheaton (PD)	\$118,563	None	None	\$118,563	Car Provided	Yes	No	Yes	Yes

*Only a portion - the value of the personal use of the car is taxable to the employee and is also included in IMRF wages.

^Car allowance for 2013 is \$4,000; Amount shown is for 2014.

--Yes for gross up, no for car allowances.

#Deferred comp is a one time contribution and bonus is one time only.

<<Only the portion of car value claimed as personal use is included in IMRF wages & taxable income.

**Respondent noted the info was on public salary website, but cash bonuses were not listed.

Notes:

(1) Elk Grove's actual base at February 2014

Voorhees' Survey -- Total Compensation Percentile Calculated by D. DiGangi					
20%tile	30%tile	50%tile	60%tile	75%tile	90%tile
\$137,514	\$143,941	\$152,617	\$156,733	\$172,776	\$177,419
					\$211,808

Note: PRPD's Executive Director's current base falls just under the 30th %tile of the Voorhees' survey data when aged

EXHIBIT 4

Additional Districts/Executive Director Base Pay: 3/5/14 From Highest to Lowest						PROJECTED INCREASE AND NOTES	
Comparable Districts Per McGladrey Study	Member Name	Base as of effective date	EFFECTIVE DATE	Data Aged Assuming a 3% increase Unless otherwise indicated			
X	Niles Park District	\$168,928	1/1/2014	\$168,928			
X	Mundelein Park & Recreation District	\$150,143	7/1/2013	\$154,647			
X	Carol Stream Park District	\$149,000	6/1/2013	\$153,470			
X	Downers Grove Park District	\$147,000	6/1/2013	\$151,410			
X	Des Plaines Park District	\$146,785	5/1/2013	\$151,189			
X	Vernon Hills Park District	\$145,500	6/1/2013	\$147,805			
X	Elk Grove Park District	\$142,935	12/20/2013	\$147,223			
	Park Ridge	\$143,225	1/1/2013	N/A			
X	Elmhurst Park District	\$133,900	3/1/2013	\$137,917			
X	Tinley Park District	\$130,397	3/1/2013	\$134,306			
X	Woodridge Park District	\$126,500	5/1/2013	\$130,295			
X	Glen Ellyn Park District	\$120,000	1/1/2014	\$120,000			

Notes:

(1) Data not aged

Typically 3%. Currently searching for new Executive Director. Eligible for an annual bonus based on specific criteria that has averaged \$10,000/year
Unknown. Last year was 5%. Board will decide 6/1/14

Projected at 3%
Expected 1/1/15

Unknown

Contract states the higher of 2.5% or the CPI. Next increase would be 1/1/2015

4. Salary Structure Development & Implementation Guidelines

Compensation program implementation issues

With the introduction of any new salary structure a given employee's current base salary will be:

- Below the new salary range minimum
- Above the new salary range maximum
- Or within the new salary range

First priority should be given to adjusting salaries of employees who are currently below the minimum of the assigned range. Second priority should be given to moving proven, good performing employees to midpoint. Superior performing employees should advance at an accelerated rate.

Following are more specific recommendations for addressing each of the circumstances identified above:

- Below the new salary range minimum: Assuming impacted employees have been in the role for at least one year and performing at expectation, they should be raised promptly to the new minimum
 - There is only one Park District employee whose current salary is below the salary range minimum:
 - Grade 5: Facility Operations Tech/Maintenance Mechanic - Anthony Szmegalski. Cost to bring salary to the range minimum: \$4,056
- Above the salary range maximum: Any merit increases granted in the future should be paid as a lump sum payment until the salary range maximum has caught up with the incumbent's salary
 - There are currently no Park District employees whose current salary is above the salary range maximum.

Project Methodology

Custom Survey Participants

Buffalo Grove Park District	Hoffman Estates Park District
Carol Stream Park District	Mundelein Park District
Des Plaines Park District	Niles Park District
Downers Grove Park District	Park District of Oak Park
Elk Grove Park District	Skokie Park District
Elmhurst Park District	Tinley Park Park District
Glen Ellyn Park District	Vernon Hills Park District
Glenview Park District	Woodridge Park District