

**GOVERNOR DAUGAARD'S RECOMMENDATION FOR THE
FY2019 STATE EMPLOYEE COMPENSATION PLAN**

	<u>GENERAL FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>OTHER FUNDS</u>	<u>TOTAL FUNDS</u>
MARKET ADJUSTMENT:	\$ 0	\$ 0	\$ 0	\$ 0

No market adjustment salary increase is recommended.

PAY FOR PERFORMANCE:	\$ 0	\$ 0	\$ 0	\$ 0
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No pay-for-performance or other increase is recommended for classified employees.

ADJUST ARTIFICIAL MINIMUMS:	\$ 631,981	\$ 534,249	\$ 491,603	\$ 1,657,833
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The Governor is recommending movement of the artificial minimums of the General Pay Structure to 86% of the true market minimums. The market and salary structures have continued to increase, but with no market adjustment to salaries the range minimums have moved further away from the true market minimums. These amounts are recommended to make some progress raising entry level salaries towards the market.

HEALTH INSURANCE:	\$ 0	\$ 0	\$ 0	\$ 0
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There is no increase for the employer-paid portion of the state employee health insurance plan recommended by the Governor for FY2019.

TOTAL COST OF RECOMMENDED STATE EMPLOYEE COMPENSATION PLAN:	<u>\$ 631,981</u>	<u>\$ 534,249</u>	<u>\$ 491,603</u>	<u>\$ 1,657,833</u>
REMAINING FY2018 POOL:	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL INCREASE FOR RECOMMENDED STATE EMPLOYEE COMPENSATION PLAN:	<u>\$ 631,981</u>	<u>\$ 534,249</u>	<u>\$ 491,603</u>	<u>\$ 1,657,833</u>

For FY2019, the components of the state employee compensation plan are recommended as a pool in the Bureau of Finance and Management to be distributed to agencies following the passage of the General Appropriations Act.