

Appendix: Comparisons of Selected Current Government Salaries to Local Non-Profit and Private Sector Salaries

In the following section, a variety of reasonable comparisons are made between current salaries for Vermont State Government executives and other positions within Vermont and nationally from which people might be recruited for these positions. Positions of similar pay but less responsibility are also described in order to make clear how inadequately some current State salaries recognize the level of responsibility and the scope of work in the position. Direct comparisons are not available in all cases.

Position	Current Pay	Current Salary Range	Comparisons/Issues
<u>Education</u> -Commissioner -Deputy Commissioner	\$77,417* 68,952 *Search now underway for replacement.	\$61,810- \$92,715 Not specified	30% of school superintendents in Vermont - including most of the superintendents in the state's largest districts - are paid more than the Commissioner of Education, according to data collected by the Vermont Superintendent's Association. The average salary for all full-time superintendents is \$71,986. Obviously, the Commissioner's position involves more responsibility. If we want a Commissioner who is from Vermont, must they take a pay cut to accept the position?
<u>Banking and Insurance</u> -Commissioner -Deputy Commissioner	78,820 67,454	61,810- 92,715 Not specified	For all publicly traded banks in Vermont, the lowest <i>base</i> salary for senior executives - not including incentives of any kind - was \$98,852 in 1998 (from data filed with the SEC). Depending on the size of the bank, internal audit manager positions may range as high as \$85,000. Experienced commercial loan officers will often make \$60,000 - \$80,000, according to various surveys of the banking industry. The Commissioner's responsibilities include significant policy development in a rapidly changing industry. This requires someone with a thorough understanding of the changes occurring, not someone who has been implementing policies developed by others.
<u>Transportation</u> -Secretary -Deputy Secretary -Commissioner, Motor Vehicles	77,896 72,113 73,673	66,219- 99,329 Not specified 55,932- 83,898	According to PAS, Inc., a compensation survey firm that specializes in the construction industry, the average pay for construction project managers nationwide was \$70,009. Highway construction management salaries will range much higher than this, varying with the size of the company.
<u>Human Services</u> -Secretary -Commissioner, Mental Health -Commissioner, SRS -Commissioner, Social Welfare	\$85,051 83,298 84,760 81,411	\$66,219- \$99,329 61,810- 92,715 " "	The chief executives of Vermont's mental health centers currently make \$62,774-\$83,877. The average salary is \$70,736. These managers implement the policies and programs that the AHS leadership develop. This suggests that the AHS leadership's salaries should be significantly higher.

-Deputy Secretary -Principal Assistant to Secretary -Deputy Commissioner, Mental Health -Principal Assistant, Mental Health -Deputy Commissioner, SRS -Deputy Commissioner, Social Welfare	63,481 74,692 60,819 62,545 60,819 67,267	" " Not specified " " " " " " " "	The leadership of the mental health centers are making more than deputy commissioners in many cases even though the administrative and policy-making responsibilities, budgets managed and number of people managed by the deputy commissioners are larger.
Administration -Secretary -Deputy Secretary -Commissioner of Finance and Management	83,428 76,856 74,568	66,219-99,329 Not specified 61,810-92,715	In 1998, a survey conducted by the Twin State Coalition for Health and Human Resources found average pay for Directors of Operations And Management to be \$101,470 for the companies and non-profits in the Lebanon-Springfield area. This group included large non-profits along with for-profit firms; average revenues were less than \$100 million. In this same survey, average pay for controllers and finance managers was \$69,539. Pay for these positions increases significantly as the size of the organization increases. Recent recruiting and compensation studies done by Gallagher, Flynn & Co. (Vermont's largest independent accounting firm) suggests that the typical CFO for a company with revenues of \$10 million to \$30 million will have a salary of \$70,000 - \$110,000, with incentives in most cases. The size and complexity of State government finances is much greater than for these companies.
-Chief Information Officer -Director of Communications and Information Technology	75,961 66,830	Not specified Not specified	In the private sector, \$70,000-\$80,000 is the minimum level at which most Vermont companies are now hiring technology project managers and systems analysts. Leadership positions related to technology positions in larger companies bring much higher salaries, typically well over \$100,000.
-Commissioner of Personnel -Principal Assistant	67,392 45,056	55,932-83,898 Not specified	For most companies in Vermont with less than 300 employees, salaries for human resource managers are in the \$40,000-\$65,000 range. Positions with labor relations responsibilities, however, pay substantially more, and national data from Watson Wyatt surveys of health care and large non-profit organizations shows average salaries above \$100,000 for organizations with more than 600 employees.
-Commissioner of Taxes -Deputy Commissioner	71,552 50,003	55,932-83,898 Not specified	National salary data developed from recruiting accountants shows that the average pay for tax managers in CPA firms with nine years of experience is now \$72,600. While that may be an

			appropriate comparison for the level of tax knowledge needed for the position, few accounting managers will have experience managing a staff of 183, the current size of the Tax Department. The managerial expertise required for this position in addition to the tax knowledge needed suggests that the current pay range is low.
Commerce and Community Development -Secretary -Deputy Secretary of Commerce -Commissioner, Economic Development	75,462 67,545 61,214	66,219-99,329 Not specified 55,932-83,898	The directors of various independent agencies who receive State funds and operate for public purposes, e.g. VEDA and VHFA, have salaries of \$65,000-\$85,000. In several cases, the Commerce Secretary serves on their Board of Directors or is responsible for developing policies and managing the relationship between the State and the Agency. The Secretary's responsibilities are more extensive than those of the directors of these agencies who are sometimes paid more.
-Commissioner of Tourism -Director, Travel & Information Services	62,878 44,033	55,932-83,898 Not specified	The Palmer survey of salaries in the Chittenden County area reported an average salary of \$66,186 for all marketing directors in the companies surveyed in 1998. (At least 4% needs to be added to have a current figure. This included many very small companies and none with the responsibility for coordinating marketing for a whole industry.) Data from HVS International, a national resort recruiting firm, recruiting, places average compensation for directors of marketing in resorts at \$60,000-\$80,000. Marketing for a whole state is much more complex than this work.
Public Service -Commissioner -Deputy Commissioner	78,852 64,022	61,810-92,715 Not specified	Nationally, the median pay for the senior executive with responsibility for designing rates requests is \$107,000. Even for the smallest organizations (those with fewer than 500 employees), the average is \$82,000. They are only responding to the regulating environment, which the Commissioner is helping create.

Appendix: Comparison to Pay in Other New England States

State of Vermont Exempt Salaries Report 7/30/99

Agency/Department	Title	Vermont	New Hampshire	Maine	Rhode Island	Massachusetts	Connecticut
ADMINISTRATION Administration, Agency of	Secretary Of Administration	\$83,428.00	\$83,257.00	-	\$114,128.00	104,698.00	115,500.
Administration, Agency of	Chief Information	\$75,961.00	-	\$73,465.60	103,048.00	-	-

	Officer						
Administration, Agency of	Deputy Secretary of Administration	\$76,856.00	-	-	118,972.00	81,499.00	-
Buildings & General Services	Commissioner Of State Buildings	\$75,462.00	\$65,508.00	-	105,159.00	86,579.00	-
Buildings & General Services	Deputy Commissioner Of State Buildings	\$69,908.00	-	-	83,597.00	63,969.00	-
Buildings & General Services	Director of Comm & Info Technology	\$66,830.00	\$74,372.00	-	80,054.00	97,285.00	-
Finance & Management, Dept of	Commissioner Of Finance & Management	\$74,568.00	\$65,508.00	\$83,470.40	97,284.00	94,912.00	-
Finance & Management, Dept of	Deputy Commissioner	\$65,187.00	-	\$78,499.20	93,906.00	83,552.00	-
Personnel, Dept of	Commissioner Of Personnel	\$67,392.00	\$74,372.00	-	93,923.00	104,698.00	100,500.
Personnel, Dept of	Principal Assistant	\$45,056.00	-	38,578.00	90,517.00	-	-
Taxes, Dept of	Commissioner Of Taxes	\$71,552.00	\$83,257.00	-	120,064.00	104,698.00	100,500.
Taxes, Dept of	Deputy Commissioner Of Taxes	\$50,003.20	\$74,372.00	-	85,513.00	98,775.00	-
HUMAN SERVICES Human Services	Secretary of Human Services	\$85,051.00	\$83,257.00	\$83,470.40	110,049.00	89,435.00	115,500.
Human Services	Deputy Secretary Human Services	\$63,481.00	\$76,612.00	-	103,725.00	94,069.00	-
Human Services	Principal Assistant	\$74,692.00	-	-	-	83,219.24	-
Developmental & Mental Health	Commissioner Of Mental Health	\$83,928.00	\$78,828.00	\$83,470.40	113,365.00	93,507.00	-
Developmental & Mental Health	Deputy Commissioner Of Mental Health	\$64,708.00	-	-	96,734.00	89,976.00	-
Developmental & Mental Health	Principal Assistant	\$62,545.60	-	-	-	80,792.00	-

Economic Opportunity, Office of	Director, Office Of Economic Opportunity	\$51,584.00	-	-	-	-	-
Corrections, Dept of	Commissioner Of Corrections	\$80,142.00	\$81,047.00	\$83,470.40	107,769.00	104,698.00	-
Corrections, Dept of	Deputy Commissioner Of Corrections	\$61,068.00	\$61,701.00	-	96,913.00	98,775.00	-
Health, Department of	Commissioner Of Health	\$91,728.00	\$81,047.00	-	111,559.00	104,698.00	-
Health, Department of	Deputy Commissioner Of Health	\$59,238.00	-	-	98,569.00	68,678.00	-
Health, Department of	Principal Assistant	\$51,209.00	-	-	-	-	-
Social & Rehab Services, Dept	Commissioner Of Social & Rehab Service	\$84,760.00	-	-	-	-	-
Social & Rehab Services, Dept	Deputy Commissioner Of Social & Rehab Sv	\$60,819.00	-	-	75,999.00	-	-
Social Welfare, Dept of	Commissioner Of Social Welfare	\$81,411.00	-	-	92,089.00	102,646.00	-
Social Welfare, Dept of	Deputy Commissioner Of Social Welfare	\$67,267.00	-	-	76,887.00	92,226.00	-
Social Welfare, Dept of	Principal Assistant - Health Access	\$99,195.00	-	-	-	102,145.00	-
TRANSPORTATION Transportation, Agency of	Secretary Of Transportation	\$77,896.00	\$83,257.00	\$83,470.40	104,820.00	95,645.00	115,500.
Transportation, Agency of	Deputy Secretary, Agency Of Transportation	\$72,113.00	\$81,047.00	-	110,497.00	91,999.00	-
Transportation, Agency of	Commissioner Of Motor Vehicles	\$73,673.00	\$74,372.00	-	83,592.00	80,309.00	-
Transportation, Agency of	Principal Assistant	\$61,131.00	-	-	-	78,039.00	-
COMMERCE & COMMUNITY DEVELOP. Commerce &	Secretary Of Commerce &	\$75,462.00	\$83,257.00	-	Privatized	N/A	100,500.

Community Development	Community Development						
Commerce 7 Community Development	Deputy Secretary of Commerce	\$67,545.00	-	-	Privatized	N/A	-
Commerce & Community Development	Commissioner Of Economic Development	\$61,214.00	\$62,172.00	\$81,036.00	Privatized	90,908.00	-
Commerce & Community Development	Deputy Commissioner Of Economic Development	\$49,420.00	-	-	Privatized	65,431.00	-
Commerce & Community Development	Commissioner Of Housing & Comm Affairs	\$66,601.00	-	-	Privatized	85,000.00	-
Commerce & Community Development	Deputy Commissioner-Housing & Comm Affairs	\$54,496.00	-	-	Privatized	64,276 & 77,443	-
Commerce & Community Development	Commissioner Of Travel	\$62,878.00	-	-	Privatized	68,075.00	-
Commerce & Community Development	Director, Travel & Information Services	\$44,033.00	\$48,827.00	-	Privatized	-	-
Commerce & Community Development	International Trade Director	\$45,011.00	\$48,827.00	-	Privatized	-	-
NATURAL RESOURCES Natural Resources, Agency of	Secretary Of Natural Resources	\$75,462.00	\$62,172.00	\$81,036.80	93,614.00	96,366.00	100,500.
Natural Resources, Agency of	Deputy Secretary, Agency Of Natural Resources	\$67,849.00	-	-	83,592.00	-	-
Environmental Conservation	Commissioner Of Environmental Conserv	\$72,508.00	\$81,047.00	\$83,470.40	93,692.00	90,390.00	-
Environmental Conservation	Deputy Commissioner of Env. Conservation	\$64,688.00	\$78,828.00	-	64,075.00	94,069.00	-
Fish & Wildlife, Dept of	Commissioner Of Fish & Wildlife	\$61,006.40	\$62,172.00	\$75,587.20	73,874.00	84,467.00	-

Forests, Parks & Recreation	Commissioner Of Forests, Parks & Recreation	\$71,385.00	\$62,172.00	-	71,986.00	93,181.00	-
OTHER Agriculture	Commissioner	\$69,076.00	\$62,172.00	\$81,036.80	-	75,968.00	-
Agriculture, Food/Markets	Deputy Commissioner-Admin	\$53,768.00	-	-	-	58,423.00	-
Agriculture, Food/Markets	Deputy Commissioner-Agricul. Dev.	\$48,984.00	\$48,856.00	-	-	47,976.00	-
Public Safety, Dept of	Commissioner Of Public Safety	\$83,408.00	\$83,257.00	\$75,587.20	105,502.00	-	-
Public Service Board	Public Service Board Chairperson	\$86,028.80	\$83,257.00	-	-	-	-
Public Service, Dept of	Commissioner Of Public Service	\$78,852.00	-	-	-	-	-
Public Service, Dept of	Deputy Commissioner of Public Service	\$64,022.00	-	-	-	-	-
Education, Dept of	Commissioner Of Education	\$77,417.00	\$83,257.00	\$77,896.00	137,480.00	140,000.00	-
Education, Dept of	Deputy Commissioner Of Education	\$68,952.00	\$74,372.00	\$68,577.60	101,900.00	86,961.00	-
Employment & Training, Dept of	Commissioner Of Employment & Training	\$69,014.40	\$74,372.00	-	114,312.00	83,050.00	-
Governor's Commission on Women	Executive Director, Commission On Women	\$54,142.00	\$31,473.00	-	44,881.00	63,189.00	-
Labor & Industry, Dept of	Commissioner Of Labor & Industry	\$69,472.00	\$62,172.00	\$83,470.40	Combined with DET	-	-
Labor & Industry, Dept of	Deputy Commissioner Of Labor & Industry	\$57,553.00	\$48,856.00	-	95,490.00	-	-
Liquor Control, Dept of	Commissioner Of Liquor Control	\$55,848.00	\$74,372.00	-	-	50,220.00	-
Lottery Commission	Director,	\$68,785.00	\$74,372.00	-	83,523.00	-	-

	Lottery Commission						
Attorney General	Attorney General	\$83,491.00	\$83,257.00	\$85,966.40	85,000.00	80,000.00	-
Attorney General	Deputy Attorney General	\$74,547.00	\$76,612.00	\$79,164.80	101,289.00	-	-
Banking, Insurance, Securities	Commissioner Of Banking & Insurance	\$72,820.00	\$78,828.00	\$83,470.40	87,692.00	-	-
Banking, Insurance, Securities	Deputy Commissioner Of Banking	\$67,454.00	\$65,508.00	-	78,751.00	80,792.00	-
Banking, Insurance, Securities	Deputy Commissioner Of Insurance	\$67,454.00	\$74,372.00	-	82,899.00	67,406.00	-
Banking, Insurance, Securities	Deputy Commissioner Of Securities	\$52,000.00	\$58,929.00	-	-	-	-
Banking, Insurance, Securities	Vermont Health Care Authority Exec Director (Deputy duties)	\$77,043.00	-	-	-	-	-

* For Connecticut, only pay ranges were available. The midpoint of the range was utilized for comparison. For all positions, the low end of Connecticut range is higher than Vermont's current salary.

Last reviewed December 20, 1999.