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Minnesota Local Government Pay Equity Compliance Report

**Submitted to the Minnesota Legislature by
Minnesota Management and Budget**

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Executive Summary

Minnesota Management and Budget (MMB) is responsible for the enforcement of the Local Government Pay Equity Act ([Minnesota Statutes 471.991 - 471.999](#) and [Minnesota Rules Chapter 3920](#)).

The Local Government Pay Equity Act (LGPEA) examines local government pay structures for evidence of gender inequity. The act applies to about 1,700 local governments in Minnesota, and affects a total of about 220,000 local government employees. These totals have increased as additional local governments began reporting.

Overall, local governments have achieved a high level of compliance, both in meeting reporting requirements and implementing pay equity under the LGPEA, for their employees. The success of this program is largely attributable to the commitment on the part of local governments and to the ongoing assistance and monitoring by the MMB Pay Equity Coordinator.

In January 2023, 543 local governments were required to submit reports to MMB. As of December 15, 2023, a total of 537 (98%) of the jurisdictions were in compliance.

About This Report

Minnesota Management and Budget staff prepared the 2023 Annual Minnesota Local Government Pay Equity Report as part of routine work assignments. This report is based on local jurisdiction pay equity reports provided to MMB in 2023.

Please contact us if you need this report in alternate formats such as large print, braille, or audio.

Questions? Contact Dori Leland at 651-335-4085

Section One

Background Information

Requirements of the Law

The Local Government Pay Equity Act (LGPEA) of 1984 ([M.S. 471.991 to 471.999](#)) required local governments to “establish equitable compensation relationships” by December 31, 1991. Other common terms for “equitable compensation relationships” are “comparable worth” or “pay equity.”

The purpose of the LGPEA is *“to eliminate sex-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.”*

The LGPEA requires jurisdictions to be periodically evaluated and be in compliance. The law requires Minnesota Management and Budget (MMB) to determine whether local governments have achieved pay equity, based on implementation reports submitted by local governments.

Jurisdictions report pay equity data on three-year reporting cycle, with approximately 550 jurisdictions reporting every year. It is important for local governments to continually review their pay structure and submit reports every three years to the state for review and analysis. This ongoing requirement to report prevents regression into inequitable compensation practices and reduces sex-based wage disparities in public employment throughout Minnesota.

Ensuring Compliance

A. Pay Equity Rule Adopted

In 1991, the Legislature authorized MMB to adopt rules under the Administrative Procedures Act to assure compliance with the LGPEA.

That same year, MMB asked employer organizations, unions, and women's groups to name representatives to serve on a rulemaking advisory committee. This 30-member group met to discuss and review compliance guidelines and advise the department on the pay equity rule. MMB adopted the rule MCAR 3920, October 1992.

B. Assistance to Local Governments

In 1989, MMB established a full-time Pay Equity Coordinator position. The Pay Equity Coordinator assists local governments through extensive training, consulting, and analyzing their pay equity reports.

MMB regularly communicates through various means with the approximately 1,700 local government jurisdictions required to comply with the law. The department has produced numerous technical assistance publications available at no cost to the jurisdictions.

MMB has periodically offered training sessions and delivered presentations at various conferences. MMB has also developed instructional material explaining reporting requirements, compliance requirements, and job evaluation methodology.

In 2010, MMB developed and launched a new, highly efficient web-based software program to help jurisdictions submit reports, determine the underpayment of female job classes, and calculate the results for several of the compliance tests. As part of our continuous improvement efforts, we have made several enhancements to the program since that time.

Section Two

Tests for Compliance

Pay Inequity

A complete description of the tests for compliance and the specific actions MMB recommends to each jurisdiction to achieve compliance can be found in the [Appendix](#) of this report.

Inequities exist when females are paid less than males even though their job evaluation ratings indicated that the females should be paid at least equal to the males, and when the jurisdiction cannot account for the disparities by length of service or performance differences.

Examples of Pay Inequity

For example, when a female in the position of city clerk-treasurer rating of 275 points, is paid less than a male in a public works/maintenance position with a rating of 213 points, there is an inequity between city clerks and maintenance workers.

Position	Job Points	Class Type	Hourly Wage "Out of Compliance"	Hourly Wage "In Compliance"	Difference
Clerk-Treasurer	275	Female	\$16.00	\$17.34	\$1.34
Public Works/ Maintenance	213	Male	\$17.34	----	

In schools, we tend to find the greatest potential for inequities when considering the number of years to achieve maximum salary for licensed staff (teachers) in comparison to the non-licensed or support staff.

Position	Job Points	Class Type	Min Monthly Salary	Max Monthly Salary	Years to Max Salary
Plant Maintenance	260	Male	\$3,007.00	\$4,750.00	11
Teacher	282	Female	\$3,270.83	\$5,468.75	30

Summary of Tests Failed After Initial Analysis

The following is a summary of 543 reports submitted by jurisdictions for the reporting year 2023. 290 or 53% of the reports were initially found out of compliance. Below is a breakdown of each test:

Test	Number of Jurisdictions Failing
Completeness and Accuracy Test	238
Statistical Analysis Test	14
Alternative Analysis Test	17
Salary Range Test	12
Exceptional Service Pay Test	9
Two or more tests	0
Total	290

Section Three

Summary of Compliance Status of Local Governments

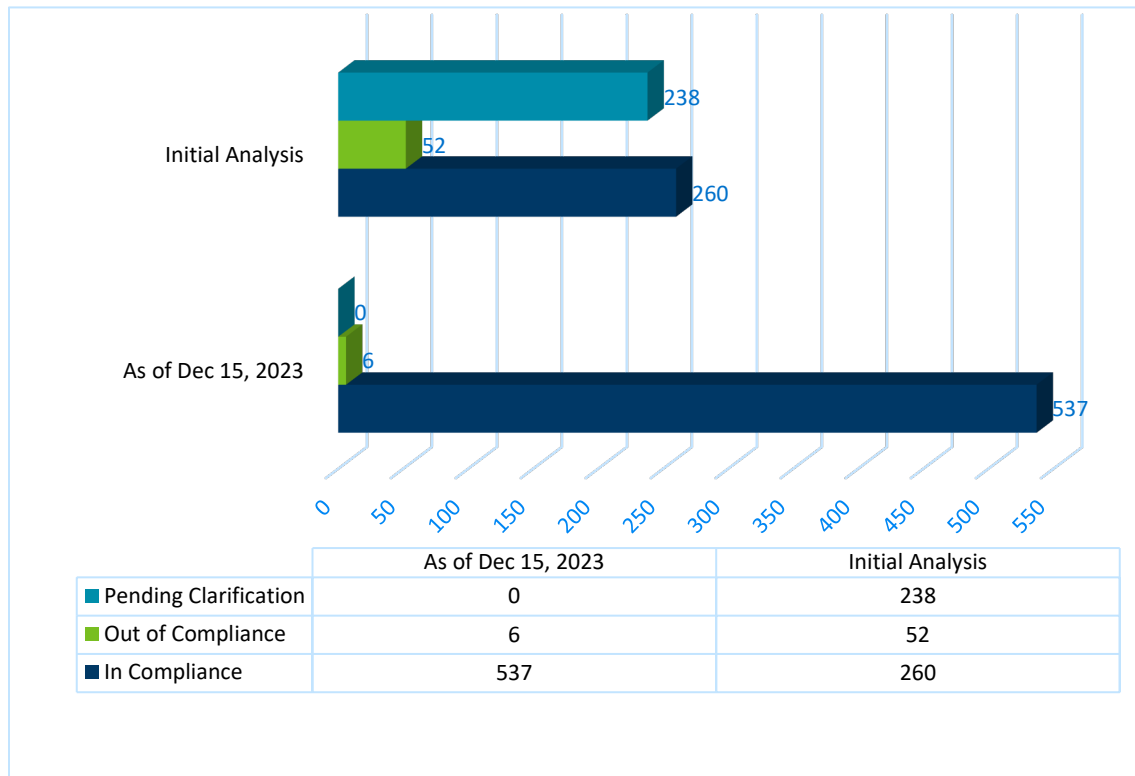
2023 Summary of Compliance Status by Jurisdictional Type as of December 15, 2023- Pay Equity Database for Local Governments

Jurisdiction Type	In Compliance	Out of Compliance	Total	% In Compliance
Cities	279	1	280	99%
Counties	34	0	34	100%
Schools	96	5	101	95%
Soil & Water Conservation Districts	29	0	29	100%
Other Districts	35	0	35	100%
Housing and Redevelopment Authorities	17	0	17	100%
Townships	27	0	27	100%
Utilities	9	0	9	100%
Health Care Facilities	11	0	11	100%
TOTAL	537	6	543	98%

Compliance Status of 2023 Reports

In January 2023, there were 543 local governments required to submit a report to MMB. The following chart depicts progress-to-date.

Status of Reports as of December 15, 2023



Section Four

Jurisdictions Not in Compliance

Jurisdictions Not in Compliance – First Notice of Non-Compliance

The jurisdictions listed below have all received a “first notice of non-compliance” but at this time no penalties have been assessed. Some of the jurisdictions on this list have recently submitted second reports yet to be reviewed. Any jurisdiction on this list could receive a penalty notice at a later date if they fail to submit a new report that passes all compliance tests.

Jurisdiction	Test Failed*	Est. Monthly Cost to Achieve Compliance	Cost as % of Payroll
Cities			
Brainerd	ST	\$391	<1%
School Districts			
ISD No. 499- Leroy-Ostrander	SR	*	*
ISD No.625 – St.Paul	SR	*	*
ISD No. 777- Benson	SR	*	*
ISD No.858 – St.Charles	SR	*	*
ISD. No.912 - Milaca	SR	*	*

*The abbreviations for the tests for compliance and the specific actions MMB recommended to each jurisdiction can be found in [Appendix – Compliance Tests](#), page 18.

Jurisdictions Not in Compliance – Second Notice of Non-Compliance

At this time there are no jurisdictions that have received a second notice of non-compliance with the Local Government Pay Equity Act.

Jurisdictions Not in Compliance – Penalties Resolved

MMB has resolved a total of 96 penalty cases over the past 20 years resulting in \$1,267,851 in total restitution paid to approximately 1,300 employees for past inequities. The state has collected a total of \$210, 233 in penalty fees. The penalty fees go to the general fund and not to MMB. There were no penalties assessed in 2023.

Section Five

Jurisdictions in Compliance

Cities

Adams	Buffalo Lake	Elba	Harmony
Alberta	Byron	Elizabeth	Hayfield
Albert Lea	Cambridge	Elkton	Henderson
Alden	Campbell	Elmore	Hendricks
Aldrich	Cannon Falls	Elrosa	Henning
Apple Valley	Carlton	Ely	Henriette
Arden Hills	Ceylon	Erskine	Hewitt
Arlington	Chisago City	Evansville	Hitterdal
Ashby	Clara City	Eveleth	Howard Lake
Avoca	Clarkfield	Excelsior	Hoyt Lakes
Avon	Clarks Grove	Falcon Heights	Hugo
Babbitt	Clements	Faribault	Hutchinson
Backus	Climax	Farmington	Iona
Barnesville	Clinton	Felton	International Falls
Barnum	Cohasset	Fertile	Ironton
Beaver Creek	Cokato	Flensburg	Ivanhoe
Bejou	Cook	Frazee	Kasson
Bellingham	Cottonwood	Freeborn	Keewatin
Beltrami	Courtland	Garfield	Kennedy
Bena	Cromwell	Garrison	Kettle River
Bigelow	Cuyuna	Garvin	Kiester
Bingham Lake	Cyrus	Gem Lake	Kilkenny
Blomkest	Dakota	Ghent	Kimball
Blooming Prairie	Dalton	Gibbon	Kinbrae
Bluffton	Dassel	Glencoe	Lake Bronson
Bowlus	Dayton	Glyndon	Lake Crystal
Braham	Deer River	Golden Valley	Lake Elmo
Breezy Point	Delano	Granada	Lake Shore
Brooklyn Center	Dent	Grand Marais	Lake St. Croix Beach
Brook Park	Dover	Grand Rapids	Lake Wilson
Brooklyn Park	Dovray	Grasston	Lakeville
Brooks	Duluth	Hackensack	Landfall Village
Brookston	Dumont	Hallock	Lauderdale
Brooten	Dundas	Ham Lake	Le Sueur
Browerville	Dundee	Hampton	Lexington
Browns Valley	Eagle Bend	Hanley Falls	Lilydale
Brownsville	Echo	Hanover	Lindstrom
Buffalo	Eitzen	Hardwick	Little Canada

Cities (continued)

Longville	New Prague	Rush City	Parkers Prairie
Loretto	New Richland	Sanborn	Vadnais Heights
Lucan	New York Mills	Sandstone	Vermillion
Lyle	Nielsville	Sargeant	Victoria
Magnolia	Nisswa	Sartell	Viking
Mahtomedi	North St. Paul	Sauk Rapids	Villard
Mapleton	Northrop	Seaforth	Virginia
Marble	Norwood Young America	Shafer	Wabasha
Marine on St. Croix	Oak Park Heights	Shakopee	Wabasso
Mayer	Oakdale	Sherburn	Wahkon
Mazeppa	Ogilvie	Shevlin	Walker
Medicine Lake	Onamia	Sobieski	Waltham
Meire Grove	Ormsby	Spring Park	Wanda
Mentor	Oronoco	Squaw Lake	Watkins
Milan	Orr	St. Joseph	Waubun
Millerville	Ortonville	Canby	Wells
Millville	Oslo	St. Louis Park	Wendell
Minneota	Parkers Prairie	St. Martin	West Union
Minnesota City	Paynesville	St. Mary's Point	Willernie
Minnetonka Beach	Pease	St. Michael	Willmar
Montevideo	Pennock	St. Stephen	Willow River
Monticello	Pine Island	Stacy	Wilton
Moorhead	Pine Springs	Staples	Winger
Mora	Porter	Steen	Woodbury
Morris	Prior Lake	Winona	Deephaven
Morristown	Racine	Sturgeon Lake	Wrenshall
Morton	Randall	Taconite	Wykoff
Mountain Iron	Redwood Falls	Tamarack	Zumbrota
Murdock	Revere	Tenstrike	
Nelson	Rockford	Thief River Falls	
Nerstrand	Rogers	Tower	
New Auburn	Rollingstone	Trimont	
New Germany	Roosevelt	Twin Lakes	

School Districts

ISD No. 1 – Aitkin
ISD No. 111 - Watertown-Mayer Public School
ISD No. 118 - Northland Community
ISD No. 146 - Barnesville
ISD No. 152 - Moorhead
ISD No. 166 - Cook County
ISD No. 177 - Windom
ISD No. 182 - Crosby-Ironton
ISD No. 191 - Burnsville- Eagan-Savage
ISD No. 192 - Farmington
ISD No. 194 - Lakeville
ISD No. 195 - Randolph
ISD No. 196 - Rosemount- Apple Valley-Eagan
ISD No. 199 - Inver Grove Hgts
ISD No. 2 - Hill City
ISD No. 213 - Osakis
ISD No. 2134 - United South Central
ISD No. 2143 - Waterville- Elysian-Morrison
ISD No. 2144 Chisago Lakes School District
ISD No. 2174 - Pine River- Backus Schools
ISD No. 2184 - Luverne
ISD No. 229 - Lanesboro
ISD No. 23 - Frazee-Vergas Public Schools
ISD No. 2311 - Clearbrook- Gonvick
ISD No. 2354 – Bold Public Schools
ISD No. 2364 - Belgrade- Brooten-Elrosa
ISD No. 239 - Rushford- Peterson
ISD No. 25 - Pine Point
ISD No. 2536 - Granada- Huntley-East Chain
ISD No. 255 - Pine Island
ISD No. 2609 - WIN-E-MAC
ISD No. 2683 - Greenbush- Middle River
ISD No. 2753 - Long Prairie- Grey Eagle
ISD No. 2754 - Cedar Mountain
ISD No. 278 - Orono
ISD No. 280 - Richfield
ISD No. 2805 - Zumbrota- Mazeppa
ISD No. 284 - Wayzata
ISD No. 2856 - Stephen- Argyle Central
ISD No. 2884 - Red Rock Central
ISD No. 2886 - Glenville-Emmons
ISD No. 2888 - Clinton- Graceville-Beardsley
ISD No. 2897 - Redwood Area School District
ISD No. 2907-Round Lake-Brewster
ISD No. 299 - Caledonia
ISD No. 333 - Ogilvie
ISD No. 362 – Littlefork Big Falls
ISD No. 378 - Dawson-Boyd Schools
ISD No. 319- Nashwauk Keewatin
ISD No. 38 - Red Lake
ISD No. 390 - Lake of the Woods
ISD No. 391 - Cleveland
ISD No. 424 - Lester Prairie
ISD No. 435 - Waubun-Ogema- White Earth
ISD No. 441 - Marshall Co. Central
ISD No. 458 - Truman
ISD No. 465 - Litchfield
ISD No. 47 - Sauk Rapids
ISD No. 477 - Princeton
ISD No. 495 - Grand Meadow
ISD No. 497 - Lyle
ISD No. 51 - Foley
ISD No. 514 - Ellsworth
ISD No. 518 - Worthington
ISD No. 542 - Battle Lake
ISD No. 544 - Fergus Falls
ISD No. 545 - Henning
ISD No. 547 - Parkers Prairie
ISD No. 548 - Pelican Rapids
ISD No. 621 - Mounds View
ISD No. 622 - North St. Paul- Maplewood

School Districts (continued)

ISD No. 624 - White Bear Lake
ISD No. 656 - Faribault
ISD No. 721 - New Prague
ISD No. 739 - Kimball
ISD No. 745 - Albany
ISD No. 748 - Sartell- St. Stephen
ISD No. 775 - Kerkhoven- Murdock-Sunburg
ISD No. 786 Bertha Hewitt
ISD No. 815 - Prinsburg
ISD No. 818 - Verndale
ISD No. 821 - Menahga
ISD No. 831 - Forest Lake
ISD No. 836 - Butterfield-Odin

ISD No. 690 - Warroad
ISD No. 701 - Hibbing
ISD No. 85 - Springfield
ISD No. 852 - Campbell-Tintah
ISD No. 861 - Winona
ISD No. 876 - Annandale
ISD No. 877 - Buffalo
ISD No. 882 - Monticello
ISD No. 883 - Rockford
ISD No. 94 - Cloquet
ISD No. 97 - Moose Lake
St. Croix River Education District

Soil Water and Conservation Districts

Aitkin County SWCD
Anoka Conservation District
Becker SWCD
Big Stone SWCD
Brown SWCD
Carlton County SWCD
Carver County SWCD
Cottonwood SWCD
Dodge County SWCD
Faribault County SWCD
Goodhue SWCD
Grant County SWCD
Itasca County SWCD
Kanabec SWCD
Kandiyohi SWCD

Kittson SWCD
Lac Qui Parle SWCD
Lake County SWCD
Lake Minnetonka SWCD
Lincoln County SWCD
Mower County SWCD
Pine County SWCD
Pope SWCD
Roseau County SWCD
Stearns County SWCD
Stevens SWCD
Washington Conservation District (WCD)
Wright SWCD
Yellow Medicine SWCD

Townships

Aitkin Township
Alexandria Township
Balsam Township
Big Lake Township
Cannon Falls Township
Cascade Township
Chisago Lake Township
Clark Township
Cornish Township
Embarrass Township
Fayal Township
Fish Lake Township
Fleming Township
Gilmanton
Greenway Township

Hill Lake Township
Hollywood Township
Irondale Township
Lake View Township
Langola Township
Mayhew Lake
Minden Township
Nashwauk Township
Township Maintenance Association
Vasa Township
Watab Township
Watertown Township

Utilities

Aitkin Public Utilities Commission
Dover-Eyota-St. Charles Area Sanitary District
Hutchinson Utilities
Kittson-Marshall Rural Water Users
Pope/Douglas Solid Waste Management
Shakopee Public Utilities Commission
Southern MN Municipal Power Agency
Spring Valley Public Utilities Commission
Springfield Public Utilities Commission

Counties

Aitkin County
Beltrami County
Brown County
Chippewa County
Cottonwood County
County of Sibley
Crow Wing County
Douglas County
Fillmore County
Isanti County
Itasca County
Kanabec County
Lake of the Woods County
Lincoln County
Lyon County
Mahnomen County
Marshall County

McLeod County
Meeker County
Morrison County
Mower County
Murray County
Nobles County
Otter Tail County
Pine County
Pipestone County
Pope County
Renville County
Sherburne County
St. Louis County
Stearns County
Steele County
Todd County
Wilkin County

Health Care Facilities

Cook County Hospital District
Countryside Public Health Services
Glacial Ridge Hospital District
Itasca Nursing Home d.b.a. Grand Village
Murray County Medical Center
Parkview Manor Nursing Home

Pelican Valley Health Center
Pennington & Red Lake Co Public Health &
Home Care
Perham Health
Quin Community Health Services
Sunnyside Care Center

Housing & Redevelopment Authorities

Aitkin County HRA
Bagley Housing Authority
Benson HRA
Cass Lake HRA
Chippewa County HRA
Clay County HRA
Clearwater County HRA
Ely HRA
Fairmont HRA
Little Falls HRA
New Richland HRA

Princeton HRA
Red Wing HRA
St. Cloud HRA
St. James HRA
Todd County HRA
Waseca HRA

Other

Comfort Lake-Forest Lake Watershed District
Lake Agassiz Education Cooperative #397
Lake Agassiz Regional Library
Lakes Country Service Cooperative
MAWSECO No. 0938-52
Metro-INET
Middle Snake Tamarac Rivers Watershed District
Minnesota Counties Information Systems
Minnesota Prairie County Alliance
Minnesota Valley Education District #6027
Minnesota Valley Transit Authority
Northeast Service Cooperative
Northwest Suburbs Cable Communications Commission
Plum Creek Library System

PrimeWest Rural Minnesota Health Care Access
Quad Cities Cable Communications Commission
Red Lake Watershed District
Rock-Nobles Community Corrections
Sourcewell
Southwest Regional Development Commission
Spirit Mountain Recreation Area
Stearns-Benton Employment and Training Commission
Todd-Wadena Community Corrections
Tri-County Community Corrections
Upper Minnesota River Watershed District
Upper Minnesota Valley Regional Development Commission
West Central Education District 6026-61
West Hennepin Public Safety Department

Appendix – Compliance Tests

Below is a summary of the tests that we conduct to determine compliance. The “recommended action” is a brief overview of the general advice MMB gives to jurisdictions that did not pass a particular test. MMB creates individualized reports for each jurisdiction which identifies specific problems and requirements to pass the compliance test(s). (See [Minnesota Rules Chapter 3920](#) for details on each test.)

Alternative Analysis T-Test (ALT) - compares salary data to determine if female classes are paid below male classes even though the female classes have similar or greater work value (job points). Also evaluates the compensation for female classes rated lower than all other classes to see if it is as reasonably proportionate to points as other classes.

Recommended action: *Eliminate the amount of the inequity identified between the salaries for female classes and male classes.*

Completeness and Accuracy Test (CA) - determines whether jurisdictions have filed reports on time, included correct data and supplied all required information.

Recommended action: *Supply any required information not included in the report, make certain all data is correct and submit report by the required date.*

Exceptional Service Pay Test (ESP) - 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. This test applies only to jurisdictions that provide exceptional service pay.

Recommended action: *Bring more consistency to the number of male and female classes receiving exceptional service pay to meet the minimum standard for passing the test.*

Salary Range Test (SR) - compares the average number of years it takes for male and female classes to reach the top of a salary range. This test only applies to jurisdictions that have classes where there are an established number of years to move through salary ranges.

Recommended action: *Bring more consistency to the average number of years it takes to move through a salary range for male and female classes to meet the minimum standard for passing the test.*

Statistical Analysis Test (ST) - 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. For smaller jurisdictions, the alternative analysis is used instead of the statistical analysis.

Recommended action: *Adjust salaries to reduce the number of female classes compensated below male classes of comparable value, or reduce the difference between the average compensation for male classes and female classes to the level where it is not statistically significant.*