

MEMORANDUM 10-47

TO: Walt Wrede, City Manager
FROM: Sheri Hobbs, Personnel Director *Sheri*
DATE: March 2, 2010
RE: Salary and Benefit Study

Section 4.2.2 of the City Personnel Regulations states:

"It is the policy of the City to pay salaries and wages competitive with salaries and wages for comparable work and responsibilities in and outside municipal government. External wage parity will only be used as an overall guide for pay purposes and will not be the basis for determining individual salaries or cost of living increases on a yearly basis. The Personnel Director shall review the Position Classification System no less than every five years. A report of findings shall be submitted to the City Manager for review. The City Manager shall provide a report and recommendations to the City Council."

This year we are due for a salary and benefit study. The last one was completed in 2005 with surveys sent to 29 cities and private companies requesting participation. After a second request fourteen cities had responded but no private sector employers. The process takes about 3-4 months depending on how quickly the cities and private employers return their responses. During the 2010 budget process comments were made about having an outside firm complete the study. I have contacted several cities to determine their process for reviewing salaries. Below is a list of cities contacted and their comments.

Cordova	They have not completed a full study of all salaries but the City Manager has done a market analysis of certain positions based on difficulty filling positions
Unalaska	They have not done a study but are considering
Wasilla	No
Palmer	Hired a consultant to do a study in 2009 at cost of \$7,500. They were not satisfied with the study as no backup material was provided and no recommendation.
Kenai	No
Soldotna	No, they did budget \$30,000 in 2007 but did not have a study done
Seward	No
Sitka	No, in 2005 they had an Electrical Utility survey completed at a cost of \$20,000

It does not appear the majority of other cities complete salary and benefit surveys. The average cost to complete a survey based on the costs listed above appears to be between \$10,000 and \$30,000. AML does complete an annual salary and benefit survey with members. I have found the benefit section very useful. The salary section is not as useful due to the fact that AML compiles average salaries in each position instead of starting and ending salaries. Homer and other cities have mentioned this to AML but completing surveys in this manner is their procedure. This can be misleading if you have a group of long term employees with higher salaries. AML also does not include all city positions in the survey.

Homer has completed salary and benefit studies in 1995, 2000 and 2005. The surveys are designed to make it easy to complete and to encourage a response from other cities and private companies. Participants are also given a copy of the completed survey to verify their response and for their use. The employer completing the survey matches our job to theirs, lists any differences and inserts starting and ending pay for the position. After the surveys are returned all the answers are listed on the final document which is presented to the City Manager and later to Council with recommendations. I have included some pages out of the 2005 survey for reference.

At this time I am seeking direction from the City Manager and the City Council. Do you wish me to begin a salary and benefit study or would the Council like to hire an outside consultant to complete the survey?

Lieutenant/Community Jail Administrator

Supervises and assists in directing activities of police department and jail. Acts as Chief of Police in his absence. Eight years police experience. Requires advanced certification from Alaska Police Standards.

Title	Starting Salary	Ending Salary	Exempt Y/N	Additional Benefits Car, clothing allowance, etc
Duties: More or Less				

Police Sergeant

Responsible for detailed daily assignments and direction of all patrol functions including patrol assignments and work schedules. Responsible for conducting investigations. Also performs general duty police work. Seven years police experience. Requires intermediate certification from Alaska Police Standards.

Title	Starting Salary	Ending Salary	Exempt Y/N	Additional Benefits Car, clothing allowance, etc
Duties: More or Less				

Police Officer III

General duty police work. Seven years experience as police officer. Requires advanced certification from Alaska Police Standards.

Title	Starting Salary	Ending Salary	Additional Benefits Car, clothing allowance, etc.
Duties: More or Less			

Police Officer II

General duty police work. Five years experience as police officer. Requires intermediate certification from Alaska Police Standards.

Title	Starting Salary	Ending Salary	Additional Benefits Car, clothing allowance, etc
Duties: More or Less			

Equipment Operator I

Operates heavy and light equipment for maintenance of water and wastewater utilities, city streets and parking lots. Three years experience operating heavy equipment. Entry level position.

Title	Starting Salary	Ending Salary
Duties: More or Less		

Head Mechanic

Maintenance and repair of the City's vehicles, heavy equipment and other rolling stock and small equipment. Supervises line mechanics. Five years experience in heavy equipment mechanical work. Extensive knowledge repairing engines, transmissions, and electrical systems. Two year technical school. Extensive knowledge of fire, medical and rescue vehicles and their on-board equipment.

Title	Starting Salary	Ending Salary
Duties: More or Less		

Mechanic II

Performs maintenance and repair of city vehicles, heavy equipment, other rolling stock and small equipment. Five years experience with extensive knowledge in repair of light and heavy engines, transmission, electrical and hydraulic systems. Working knowledge required for fire, medical and rescue vehicles and their on-board equipment. Technical training equivalent to two year degree required.

Title	Starting Salary	Ending Salary
Duties: More or Less		

Mechanic I

Performs maintenance and repair of city vehicles, heavy equipment, other rolling stock and small equipment. Five years experience working on light and heavy engines, transmissions, electrical and hydraulic systems. Entry level position.

Title	Starting Salary	Ending Salary
Duties: More or Less		

Health Insurance Survey

Major Medical Benefits

Deductible, per Calendar Year	Amount
Individual	\$
Family	\$
Out of Pocket Maximum Expense (excluding deductible) per Calendar Year	
Individual	\$
Family	\$

Prescription Drug Benefits

Pharmacy coverage with health insurance plan	Yes	or	No
Coverage Percentage	%		
Co-pay amount generic	\$		
Co-pay amount brand name	\$		
Mail Order Option	Yes	or	No
Co-pay amount generic	\$	Days:	
Co-pay amount brand	\$	Days:	
Card program with local pharmacies	Yes	or	No
Co-pay amount generic	\$	Days:	
Co-pay amount brand	\$	Days:	

Dental Benefits

Deductibles	
Individual	\$
Family	\$
Benefit Percentages	
Type I-Diagnostic & Preventative	%
Type II-Restorative	%
Type III-Reconstructive	%
Type IV-Orthodontia	%
Maximum Benefits	
Calendar Year Maximum – Types I, II & III combined	\$
Lifetime Maximum – Type IV-Orthodontia	\$

Vision Benefits

Exam	%
Single Lenses/Frames	\$
Bifocal Lenses/Frames	\$
Trifocal Lenses/Frames	\$
Lenticular Lenses/Frames	\$
Contact Lenses	\$

Monthly Insurance Rates-EMPLOYEE SHARE (health, vision and dental)

Name of Insurance	Employee	Employee/Spouse	Employee/Child	Employee/Family
	\$	\$	\$	\$
	%	%	%	%

Monthly Insurance Rates-EMPLOYER SHARE (health, vision and dental)

Name of Insurance	Employee	Employee/Spouse	Employee/Child	Employee/Family
	\$	\$	\$	\$
	%	%	%	%

Employer Provided Life Insurance

Amount of Coverage	Accidental Death and Dismemberment Coverage Y/N	Spouse Coverage Y/N-Amount	Dependent Coverage Y/N-Amount

Employer Provided Disability Coverage

Long Term Disability Y/N	Short Term Disability Y/N

Additional Programs

Deferred Compensation Plans Y/N	Flexible Spending Plan Y/N	Aflac Plans Y/N	Additional Programs

Leave Benefits

Amount of Annual Leave (Days)

1 Year	2 Year	3 Year	4 Year	5 Year	6 Year	7 Year	8 Year	9 Year	10 Yr	15 Yr	20 Yr	25 Yr

Sick Leave and Additional Leave Benefits

Leave	Annual Amount
Sick Leave	
Other, Bereavement, jury, etc.	

Leave Policies

Total Leave Hours Cap	Cashout or Lose over leave cap	Emergency Leave Cash outs Y/N # Hours	Number of Holidays annually	Comp time for non-exempt employees Y/N # hours

