
SALT LAKE CITY COUNCIL STAFF REPORT

DATE: February 26, 2002

SUBJECT: Proposal to Reclassify a Division Director Position at the Airport from the Professional Compensation Plan to the Executive Compensation Plan

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Document Type	Budget-Related Facts	Policy-Related Facts	Miscellaneous Facts
Ordinance	The reclassification is estimated to cost an additional \$8,000 annually.	The proposal is presented to revise the executive compensation plan to create one additional executive position. One 600-series position will be deleted from the staffing document.	Reclassifying this position to the executive plan will help the Airport retain skilled administrators and assist in recruiting efforts if the position becomes vacant.

There are eight directors within the Department of Airports that report directly to the Executive Director. Four of these directors are classified within the executive compensation plan and four director positions are classified within the professional employee compensation plan. The Department of Airports is requesting that the Director of Planning, Environmental and Capital Program position be reclassified from the professional compensation plan to the executive compensation plan.

MATTERS AT ISSUE:

- Budgetary Impact – The Department of Airports estimates that the reclassification will cost an additional \$8,000 annually in salary and benefit costs.
- Appointed At-Will Employee – The reclassification will move the position from merit status to “at-will” status. This change will allow the executive director more discretion in replacing incumbents that do not meet expectations.
- Recruitment – In the event this position becomes vacant, the executive compensation plan allows the Executive Director more flexibility in offering appropriate compensation following a national search to find qualified candidates who have relevant aviation industry experience.
- Retention – National airports and consulting firms are constantly seeking aviation administrators and can sometimes offer compensation packages in excess of what the existing classification for this position allows. The Executive Director of Airports would like greater flexibility in negotiating reasonable compensation for individuals in this position.
- Number of Executive Positions – Past Councils have generally preferred to limit the number of executive positions in City government.
- Consistency within the Department of Airports -- It appears to Council staff that there may also be an inconsistency with some other airport directors even if the Director of Planning, Environmental and Capital Program position is reclassified. For example, the Director of

Engineering would still be classified within the professional employees compensation plan (600 series) even though he supervises 47 employees and reports directly to the executive director.

OPTIONS:

The Council may wish to consider, among other options, the following:

1. Refer this ordinance to a future Council Meeting for consideration.
2. Defer consideration of this reclassification until the regular annual review of the compensation plans in May or June with a July 1st effective date.
3. Encourage the Administration to consider requesting a position audit by the Human Resource Division to determine whether the position can be upgraded within the 600-series. This may help set a more appropriate salary and assist with retention of the current employee. It would not provide as much compensation flexibility or allow the executive director as much latitude for hiring or firing.
4. Encourage the Executive Director of Airports to set an appropriate level of salary within the current salary grade. The salary of the Director of Planning, Environmental and Capital Program is currently below the midpoint and could be administratively increased. However, this would not remove the position from the merit system or provide the executive director with as much compensation flexibility for hiring.

ANALYSIS AND POLICY CONSIDERATIONS:

The Department of Airports is requesting that the Council add one executive position (grade 004) and delete one 600-series position from the staffing document. The salary level for the proposed 004 executive position is from \$67,102 to \$95,243. The current pay grades and salary levels of directors reporting to the Executive Director of Airports is as follows:

AIRPORT DIRECTORS REPORTING DIRECTLY TO THE EXECUTIVE DIRECTOR CURRENT PAY GRADE CLASSIFICATIONS			
Directors Reporting Directly to Executive Director	Number of Employees Supervised	Director's Pay Plan & Grade	Salary Range of Pay Grade
Director of Operations	195	Executive Pay Plan Grade 003	\$73,713 to \$104,623
Director of Finance & Accounting	19	Executive Pay Plan Grade 003	\$73,713 to \$104,623
Director of Administration & Commercial Services	35	Executive Pay Plan Grade 003	\$73,713 to \$104,623
Director of Maintenance	227	Executive Pay Plan Grade 005	\$63,431 to \$90,027
Director of Engineering	47	Professional Pay Plan Grade 615	\$67,338 to \$106,426
Director of Planning, Environmental and Capital Program	9	Professional Pay Plan Grade 613	\$57,957 to \$91,594
Director of Community and Public Relations	9 including some part-time positions	Professional Pay Plan Grade 612	\$53,793 to \$85,025

Director of Air Service and Marketing	0	Professional Pay Plan Grade 612	\$53,793 to \$85,025
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Job Requirements

The Airport's executive director indicates in the transmittal that there is disparity between the position classification and the job requirements. The position is responsible for directing: (1) the Airport's comprehensive planning programs, (2) the environmental affairs program, and (3) the federal compliance program.

At-Will Status

Professional employees classified within the 600-series plan are merit employees that have certain rights relating to separation including warnings and hearings. The executive director states that it is essential that he have the ability to replace incumbents that do not accept the overall philosophies of the Administration, are not willing to serve the interest of the City, or are not willing to follow the guidance provided by the department executive.

Market Consistency

The transmittal emphasizes that airport planning and environmental management is highly specialized. Unless one or more subordinates are being trained to eventually assume the director's position, the Airport would more than likely need to recruit from the national market. Department heads have more latitude with executive positions to offer competitive market salaries when recruiting. According to the executive director, national airports and private consulting firms are continually seeking competent aviation administrators. The executive director would like greater flexibility in negotiating reasonable compensation for the current individual in this position.

Budget Consideration

The Department of Airports is estimating that the cost of an appropriate salary adjustment will be about \$8,000. The Department is not requesting additional appropriations for this adjustment, but intends to absorb the expense within existing appropriations.

Number of Executive Positions

The Council and Administration have been successful in limiting the number of executive positions within the City over the past several years. The number of authorized executive positions has remained reasonably constant:

<u>Fiscal Year</u>	<u>Number of Executive Positions</u>
1992-93	47
1993-94	46
1994-95	48
1995-96	48
1996-97	48
1997-98	47
1998-99	46
1999-00	47
2001-2	48
2001-3	48

The Airport has 553 employees and 5 executive positions. The below chart summarizes the number of authorized executive positions and employees per City Department.

Number of Current Executive Positions by Department		
	Number of Employees	Executive Positions
Public Services	622	5
Police Department	587	5
Department of Airports	553	5
Public Utilities	400	5
Fire Department	365	3
Management Services	181	6
Community & Economic Development	129	6
City Attorney's Office	37	4

Note: Does not include executive positions within the Mayor's Office, Office of the City Council, RDA Director, Olympic Opportunity Director, or justice court judges.

cc: Rocky Fluhart, Jay Magure, Tim Campbell, Brenda Hancock, Vic Blanton, Jamey Knighton
