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# SALT LAKE CITY COUNCIL STAFF REPORT

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**DATE:** January 31, 2003

**SUBJECT:** **CITIZENS COMPENSATION ADVISORY COMMITTEE ANNUAL REPORT**

**STAFF REPORT BY:** Gary Mumford

**ADMINISTRATIVE DEPT. AND CONTACT PERSON:** Department of Management Services – Human Resource Division  
Vic Blanton, Classification & Compensation Program Manager

**CC:** Rocky Fluhart, David Nimkin, Brenda Hancock, Vic Blanton, Tom Bielen, John Campbell, Jill Carter, Ron Coleman, Lourdes Cooke, Cori Johnson, Diane Mansfield

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The Citizens Compensation Advisory Committee was established to evaluate and make recommendations to the Mayor and City Council regarding compensation levels. The attached recommendations of the Committee are advisory and subject to the City's fiscal ability. The City Council doesn't need to take any action at this time. In the past the Administration has taken these recommendations into consideration when proposing compensation plans for the Council's consideration. Some Committee members plan to be present at the briefing to respond to questions from the Council. Brenda Hancock and Vic Blanton serve as staff for the Committee.

## **MATTERS AT ISSUE:**

The major recommendations contained in the Committee's report are as follows:

- Professional and Executive Employees – The Committee recommends increasing the pay structure (minimum, midpoint, maximum) by 2% for professional employees to keep the structure in line with the local market. The Committee recommends increasing the pay structure for executive positions by 2.5%. Recruitment for executive positions is national as well as local. Increasing the pay structure increases pay potential but doesn't increase pay except for those at the minimum pay level. The Committee recommends a general pay increase that keeps costs within fiscal ability (not to exceed 3.5%). The report points out that the City's employee turnover rate is down to 6%. The customary concerns for attracting and retention have been nearly eliminated by the current economy, which has seen a dramatic drop in employment opportunities. Salt Lake County gave employees a 1% cost of living increase as of January 1, 2003.
- Reclassifications – City staff from Human Resource Management pointed out to the Committee that reclassifications contribute to an inflationary process referred to as "classification creep." Many job review requests are received each year by the Division of Human Resource Management. Employees often see the classification review as the route to higher salary. Abuse occurs when employees and supervisors "hype" position descriptions, then collaborate to thwart the reviewer's efforts. The Committee recommends that promotional increases be limited to competitive job bids, special appointments, career ladder step up, or when the incumbent's current salary is below the new range minimum.

- Information technology employees – In an attempt to attract and retain information technology employees, in 2001 the City changed the control point to 110% of market. At least for now, the need for such measure has passed. The Committee recommends returning information technology employee salary adjustments back to the midpoint control.
- Bilingual skills pay premium proposal – Customer service workers with bi-lingual or signing skills are better able to serve a diverse public. Supervisors able to converse in a second language facilitate the hiring of non-English speaking employees. The Committee suggests that the City consider rewarding employees that use a foreign language on a continuing and frequent basis in the dispatch of his or her duties with a one-time lump sum amount of \$500. To be eligible, the employee would also need to be certified as proficient in the language by an accredited testing facility selected by the City.

The Committee didn't analyze pay structure increases (or COLAs) for employees covered under union contracts. These increases have already been determined for the coming year and have been set by contract:

- 100 Series (operations and maintenance) – 2.75% plus merit increase averaging 0.16% on the employee's employment anniversary date.
- 200 Series (technical and clerical) – 2.75% plus merit increase averaging 0.77%
- Firefighters – 2.5% plus merit increase averaging 1.36%
- Police officers – 2.9% plus merit increase averaging 1.26%

In addition to making recommendations to the Mayor and City Council regarding compensation levels for the City's employees, the Committee also works on other compensation-related issues that come to the Committee's attention. The Citizens Compensation Advisory Committee welcomes the opportunity to address the Council's compensation or benefit issues during the coming year. The Council may wish to consider whether there are issues that would be appropriate to ask the Citizens Compensation Advisory Committee to explore.