

**Minutes Meeting
Citizens' Compensation Advisory Committee
February 15, 2017**

Members Present: Connie Spyropoulos-Linardakis
Dale Cox
Kerma Jones
Jeff Herring

Members Excused: Cori Petersen
Frances Hume

Staff Present: David Salazar, City Compensation Administrator
Rachel Lovato, Senior Human Resources Consultant
Julio Garcia, Human Resources Director
Jodi Langford, Human Resources Deputy Director

Guests: Steve Hartney (President, SLC Police Association)
Jennifer Overman (Treasurer, SLC Police Association)
Jennifer Yellot (Prudential)
Lance VanDongen (SLC Police Association)
Mike Boyd (SLC Police Association)
Adam Davies (SLC Fire Association Local 81)

A recording of these proceedings is on file and available by request from the SLC- HR Department.

Meeting Open & Welcome: Chair Connie Spyropoulos-Linardakis opened the meeting and established a quorum of committee members were present, with the exception of Cori Peterson and Frances Hume, whose absences were excused.

Review and adopt February 1, 2017 meeting minutes: A motion to approve the minutes of the committee meeting held on February 1, 2017 was made by Connie Spyropoulos-Lindardakis and seconded by Dale Cox with the correction to the Utah unemployment rate which is 3.1%, instead of 3.2%. The vote to approve the minutes was unanimous by all members present.

Public Comment: Steve Hartney from the SLC Police Association voiced his concerns about the median pay comparison under consideration by the Committee for police officers. He argued the Committee should base its recommendation instead on range data for police officers as opposed to median pay. He stated there are many cities that have a higher starting pay rate and several that have a higher max pay despite the median pay for SLC officers being 27% higher than police officers from other local cities.

David's response indicated historically the committee has not based its recommendations on salary range data. He added that more recently the committee has relied on actual average pay comparisons, but now recommends relying on median pay information. The committee chose to use median pay rate because it's not affected by outliers included in average pay calculations, including extreme highs and lows. David clarified for the committee that police officer pay rates, in particular, reflect day shift rates only and do not include overtime.

Connie suggested the city is still a market leader even when looking at average pay. In addition, Connie informed Steve that last year the committee considered data and results of a wage survey conducted by an outside firm, which included police salaries. Dale stated he would like to see both average and median pay comparisons included in the final report. In addition, Dale stated he feels the city needs to meet sooner with police and fire to receive their input and feedback about the survey process and results. David suggested the committee's input was relevant when determining whether to use average, median, or range data (including minimum and maximum) for pay comparisons.

Upon closing public comment, Connie stated the committee would take Steve's comment under advisement and table the conversation.

Staff Report: Follow-up on Committee discussion pertaining to Mayor's request to review city's living wage, including potential rate adjustments and Committee review and discussion of draft 2017 Annual Report, including recommendations:

Dale expressed interest in seeing both market average and median pay comparisons included in the report. David suggested an average pay comparison could be added as part of the report's appendix A. Connie commented that it may be confusing to the council if both average and median comparisons were included in the report. The committee concluded both average and median pay comparisons would be included in an appendix; and, ultimately, the committee would base its pay recommendations on median pay comparisons. Dale restated his interest in showing both average and median pay comparisons as part of appendix A.

Julio suggested the committee include language in the report explaining reasons basing pay decisions on median pay and not range minimums or maximums. Jeff suggested that basing pay decisions on range information doesn't tend to matter as much as actual pay.

David presented edits and changes for the new report, many of which were based on the committee's suggestions and requests made during the last meeting. He noted differences in specific sections of the report compared to the 2016 annual report, along with sections that remained the same including highlights of benchmarks significantly leading, slightly lagging, and significantly lagging market.

Connie recommended page 6 of the draft would be a good place to include a definition and explanation of median pay.

David suggested data and information pertaining to an analysis of the local living wage be incorporated into the report as Appendix D. He noted the data source cited comes from an evaluation tool developed by the Massachusetts Institute of Technology (MIT). This tool enables users to determine a living wage specific to a particular city and state, as well as different family statuses and size (e.g. single vs. married, one or more children). Relying on data obtained for local area living expenses, such as housing, grocery, and transportation costs, the tool estimated a single adult would be required to earn \$10.87 per hour to meet the demands for basic living expenses in Salt Lake City. In addition to citing the new living wage, Connie suggested the report also make reference to the city's current living wage rate, \$10.10 per hour, as a comparison.

The committee also addressed inclusion of turnover information in the report. A graph showing turnover includes the city's total and voluntary turnover as compared to the national average. Connie suggested separating out retirements from the voluntary rate shown in the report.

The committee also discussed the section of the report dealing with gender pay equity. A primary question raised focused on whether the city has a problem relative to gender pay equity or not. Following review and discussion of the analysis and data provided by the city's human resources staff, the consensus of the committee concluded the city's position on gender pay equity is favorable and should be noted as such in the report.

Appendices to the report were specified as follows:

- Appendix A will have median pay comparison as well as average pay comparisons.
- Appendix B will include the participant lists.
- Appendix C shows a benchmark trend analysis.
- Appendix D will include the living wage information.

Executive Summary recommendations: Dale raised a concern pertaining to recommendation #2, primarily because he believes the pay alternatives suggested might not result in the increase being considered in the calculation of an employee's retirement. Jodi responded, stating only the retirement board determines what is pensionable or not depending on the system. Dale further suggested he would rather see employees receive a

lesser percentage than a lump-sum bonus, as recommended in final recommendation #4(c). Dale indicated his support of the focus on pay adjustments for those in benchmarks identified as “significantly lagging” market.

Dale expressed disagreement with final recommendations 4(c) and (d) and his thought these recommendations should be removed, primarily because they suggest the city ought to freeze salaries for police officers and firefighters. Dale reaffirmed his belief that there is a good reason to support when certain employees should be compensated above market. David expressed concerns the city has when employee compensation levels are shown to significantly lead market, especially among employers in the private sector. Dale advocated for the removal of recommendation #4(d), while Jeff and Kerma countered that recommendations #4(c) and (d) should be left as they are. Connie concurred with Jeff and Kerma to leave recommendations #4(c) and (d) in the report. Dale stated his concern that there may be several years those employees may not see pay increases.

David informed the committee that small group meetings with council members were, again, suggested and would likely take place before formal presentation of the annual report to Council.

Kerma proposed the report be approved with the changes noted throughout the committee’s discussion; the motion was second by Jeff. The vote in support of the motion to approve the report was passed 3-1 (Yay - Jeff Herring, Kerma Jones, and Connie Linardakis; Nay - Dale Cox).

This meeting was adjourned at approximately 5:30 PM.

These minutes were approved in a Committee meeting held on August 29, 2017.