

**Minutes Meeting  
Citizens' Compensation Advisory Committee  
March 2, 2016**

**Members Present:** Connie Spyropoulos-Linardakis  
Kerma Jones  
John Mathews  
Cori Petersen  
Dale Cox  
Frances Hume (via telephone)

**Staff Present:** David Salazar, City Compensation Administrator  
Jodi Langford, City Benefits Administrator  
Nancy Torres, Committee Support/Coordinator  
Julio Garcia, Human Resources Director  
Paige Christensen, Human Resources Consultant

**Guests:** Lisa Demmons (SLC Association of Firefighters – Local 1645); Trevor Tallon (President, SLC Association of Firefighters – Local 1645)

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

**Meeting Open & Welcome:** Chair Connie Linardakis opened the meeting and established that all Committee members were present, including Frances Hume who participated in the meeting via telephone conference.

**Presentation & review of results of 2015 Elected Officials, Department Directors & Other Key City Leaders salary survey:** David introduced and explained the content included in a summary report of the most recent salary survey of other U.S. cities' elected officials, department directors & other key city leaders. He noted the report was the same which was previously provided to Committee members in a prior meeting. Among the data points included in the report are: city name, form of government, and salaries paid to incumbents by job. Comparative data for the Mayor was limited to other cities with a strong mayor form of government; matching salary data for City Council were considered for all cities with part-time City Councils.

New to this year's survey report, the actual salaries reported by each city are shown along with an adjusted local salary equivalent, in essence matching salaries to Salt Lake City's own cost of labor/living. David explained this analysis was completed using an online geographic assessor available by subscription to the Economic Research Institute (ERI). For example, comparing the Mayor's annual salary, the average actual salary of seven matching cities equals \$137,969; however, factoring each salary to an equivalent based upon Salt Lake City's own cost of labor/living, the average salary equals \$133,438 compared to SLC's Mayor who earns \$136,427 (which is 102% compared to the matching cities' average). Adjusted median pay comparisons for Mayor and City Council were calculated also highlighted.

John Mathews commented on the need for the Committee to determine whether to rely on median or actual average pay comparisons for all benchmarks going forward. Frances Hume remarked that median is considered the midpoint of the market. David explained the Committee's past reliance on median pay information has been limited due to the unavailability of data from the public sector Wasatch Compensation Group. The Committee discussed the variances between median *versus* actual average salary comparisons, including the impact of abnormally high or low outliers. John pointed to the general trend and practice among employers, including the State of Utah, is to rely on market pricing and, more specifically median pay rates, in job evaluation. David noted a deliberate shift and effort by the Human Resources department to focus more on median pay comparisons to guide pay decisions.

David explained the rationale associated with excluding data shown for the Mayor's Chief of Staff benchmark, which reflects salaries paid to city managers of cities without a full-time Mayor. With the change in administration and redefining of the City's Chief of Staff to a more traditional role, city managers are not considered matches and were excluded from the overall pay comparisons indicated on the spreadsheet.

David remarked on the usefulness of the data to aid the new Administration with executive pay decisions. Going forward, the determination has been made to only conduct this special survey every two years.

The Committee discussed the comparative pay results shown for all other benchmark positions, especially those for whom salaries are below market. David provided the Committee with details about various incumbents, including their respective experience and time in position. He noted that many of the incumbents with lower than average salaries are new to the City and/or their roles as directors. Frances Hume remarked on the common compensation practice is to pay less experienced incumbents below market rates, then gradually increasing pay to market as they attain more experience and higher competency. For benchmark comparisons showing incumbents in the 80% percent range, Cori Petersen asked how incumbent overall career experience compares to time in position. David highlighted the pay differences between incumbents who are lower in pay and first-time executives, as well as others with prior executive level experience. In response to questions about the various pay differences among executives and their relative pay position compared to their counterparts in other U.S. cities, Julio Garcia commented on the Administration's effort to consider the balance between internal equity and external pay competitiveness.

John Mathews suggested that deferring or acting on a recommendation for executives at the present time might be appropriate, allowing the new Administration time to settle including any potential changes in organizational structure. Based on the concurrence of other committee members on this point, Connie called for a motion to forego any recommendation relative to salary considerations for elected officials, department heads, and other key city leaders in the 2016 annual report; the motion was seconded by John Mathews and approved unanimously by all committee members.

Relative to the Airport Executive Director, David provided the Committee with results obtained from participation in the specific Top Aviation Directors salary survey conducted by the Metropolitan Washington (D.C.) Airports Authority. Salary comparisons included in this report include mean and median salaries from 29 airport authorities nationwide adjusted to the Salt Lake City area.

**Review & discussion of 2015 WorldatWork salary budget forecast, local economic conditions and local market survey data:** Spreadsheets including updates to market data for local area benchmarks were distributed to Committee members. David highlighted the specific data points included in the spreadsheet, included new median pay information. John Mathews asked for a point of clarification about which public sector employers are included in the Wasatch Compensation Group (WCG) comparison; David mentioned the University of Utah, State of Utah, Salt Lake County, other colleges & universities. David reminded Committee members that some participating agencies are represented in both survey groups (i.e. WCG & WMG).

David explained that *Firefighter – Paramedic* is reflected as a new benchmark this year. He added that a summary report with local area market data for this and other public safety benchmarks will be forwarded and shared with Fire and Police union representatives.

Highlights of the report include: actual average and median pay comparisons; significantly leading and lagging benchmarks (color-coded for easy identification). Significantly leading or lagging benchmarks are defined as those with more than a ten percent difference compared to market.

Responding to a question from Connie Linardakis about median pay data, David explained that the median pay comparison shown in the market comparison for the Wasatch Compensation Group (WCG) was derived from the median of the actual averages reported by participating public employers. John Mathews applauded the City's efforts to begin considering median pay information. Given the fact that median pay information was not available from WCG participants, Cori Petersen suggested that the Committee should continue to rely on actual average wage comparisons for the current year. John Mathews advised the annual report be written to alert city leaders about the Committee's intent to rely on actual average pay this year, but transition to median pay comparisons in the future. David added that he would push the Wasatch Compensation Group during the next survey cycle to facilitate the collection of median pay data on the City's behalf.

David suggested that weighing median pay vs. actual average pay information in FirstWest's special report should also be considered by the Committee.

Committee members were presented with the updated/corrected pay analysis provided by FirstWest Human Resource Solutions' special survey on Firefighters and Police Officers. The Committee discussed how to best consider FirstWest's analysis for Fire and Police in the annual report, including any potential recommendations. Cori Petersen expressed the need to better understand the data provided in FirstWest's report before making any final decision. In any case, David indicated that he believed the Mayor and City Council would likely look to the Committee for some type of guidance or recommendation relative to FirstWest's analysis and findings.

Dale Cox expressed concern about the timeline and delay associated with delivery of the survey results, even questioning the credibility and accuracy of the report. Connie noted the need to ensure that the salary data provided, principally from the City, is correct. David assured the Committee that he had conferred with Michelle Vargas to ensure the data reported as part of Salt Lake City's response was accurate and correct, including average pay rates and incumbent information. The corrected pay information was provided to union representatives for review and consideration. Julio Garcia requested that FirstWest specify the exact adjustments and changes made. Cori Petersen asked that FirstWest provide further explanation to help the Committee better understand how the adjusted salary rates were calculated. David indicated that he would invite Michelle Vargas to attend the next meeting.

Connie inquired about how the special report for Fire & Police would be presented—by FirstWest, by the Committee with the annual report or separately. David indicated the FirstWest will likely be presented as separate report.

John Mathews noted that local market comparisons for public safety benchmarks indicate the City is very competitive. Dale Cox reiterated the uniqueness of Salt Lake City among other Utah cities and the desire to compare instead to like U.S. cities. Cori Petersen noted preliminary results of the FirstWest survey appear to show Salt Lake City Fire and Police benchmarks are all within five to ten percent compared to other similar U.S. cities.

Committee members voiced concern about the need to ensure credibility of the special survey by making the data and methodology of the study clear for all to understand, including City Council members. David indicated that he would follow-up with Michelle Vargas to gather specific information requested.

Cori Petersen inquired about hiring challenges and specific turnover for lagging benchmarks jobs. Dale Cox asked for additional recruitment and retention statistics for Police Officers.

John Mathews made a motion that the Committee rely on actual average pay for comparative purposes, consistent with its past approach, and that the results of the FirstWest special analysis be conveyed separately to serve as a standard alone for the Mayor and City Council to consider when making pay decisions for incumbents in the Firefighter and Police Officer benchmarks. The motion was seconded by Dale Cox and approved unanimously by all Committee members.

This meeting was adjourned at approximately 5:50 PM.

**Next Meeting Date:** The next meeting date was set for March 14, 2016 from 4-6:00 pm.

**These minutes were approved in a Committee meeting held on 3/14/2016.**