

**Minutes Meeting
Citizens' Compensation Advisory Committee
October 26, 2015**

Members Present: Connie Spyropoulos-Linardakis
Kerma Jones
John Mathews
Cori Petersen
Dale Cox
Frances Hume
Jennifer Seelig

Staff Present: David Salazar, City Compensation Administrator
Jodi Langford, City Benefits Administrator
Nancy Torres, Committee Support/Coordinator
Jonathan Pappasideris, Senior City Attorney

Guests: Michelle Vargas, FirstWest HR Solutions; Michael Millard (SLC Police Association); Lisa Demmons (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: Committee Chair Connie Linardakis opened the meeting and established that all Committee members were present.

Adoption of February 25, 2015 Meeting Minutes: A motion to approve minutes presented from the 2/25/2015 meeting was made by Kerma Jones; the motion was seconded by John Mathews. The vote to approve the minutes was unanimous.

Employee Benefits Report & Update: Jodi Langford informed members that the City is awaiting proposed renewal rates, including a report on more extensive claims experience during the current year. Frances Hume asked for a report on progress of the City's Employee Wellness Program. Jodi described the City's success after sponsoring two recent wellness events, including a summer 5(k) walk/run and Monster Mile (a Halloween themed walk for employees and their families). She also reported on the continuing success of the employee health clinic, including anticipated improvements to make care more accessible to employees by providing care to employees in their respective City work locations.

Presentation of Special Report by FirstWest HR Solutions, 2015 Public Safety Compensation Study: David Salazar introduced Michelle Vargas, a consultant from FirstWest HR Solutions, to the Committee. He explained that a special study to review public safety wages compared to other U.S. cities had been commissioned by the Human Resources Department at the beginning of the calendar year. The study considered cost of living differences as a factor when added to the 2014 wage data collected from cities in the Mountain region for Fire & Police.

Copies of the Executive Summary from the report were distributed to the Committee, as well as to union representatives who were present. In addition to providing a brief company background, Michelle proceeded to outline FirstWest's approach to the study, including how they determined to best account for cost of living as a factor when considering the purchase power of wages paid to Fire & Police personnel from Salt Lake City and other U.S. cities. David mentioned the final report provided by FirstWest was issued to the Mayor's Office and, subsequently, transmitted to the City Council.

Michelle explained the methodology and process used to obtain the results of the study, which included use of the 2014 wage data collected from the U.S. Mountain region cities for Fire & Police. This data included comparative wage data obtained from 19 regional cities, five local (Utah) cities and three larger national cities. Although various levels of Fire positions were included in the study, along with Police Officers, FirstWest's presentation was limited to the wage comparisons for Fire EMT's and Police Officers only. For both benchmarks, graphic charts

were created to demonstrate relative pay comparisons with a cost of living factor for both *actual average* pay and *topped-out* wage rates.

Cost of living indices utilized in analysis were obtained from a national Chamber of Commerce association representing the cost of goods and services (not including local taxes) from over 400 U.S. cities. The measure of costs of goods and services derived from participating cities was the most recent available at the time of study, which was the third quarter of 2014. In addition to a miscellaneous category, Michelle explained that housing, groceries, and transportation costs were all among the weighted categories factored in the composite index used to define each city's respective cost of living factor.

Highlights of the presentation included:

- **National comparison** of SLC Police Officer topped out salaries with longevity pay were compared to their counterparts in: Portland (OR); Seattle (WA); and, San Francisco (CA). For example, results indicate a salary equivalent for Police Officers in Salt Lake City equal to \$84,348 compared to Seattle (WA) equal to \$81,413.
- **For the Mountain region**, despite a higher top out salary for a Scottsdale (AZ) Police Officer earning \$79,664, compared to a SLC Police Officer earning \$65,117, the salary equivalents with the cost of living factor matches pay more closely at \$71,873 and \$70,972, respectively.
- **Differences noted when comparing Fire EMT** top out salaries between SLC and Boulder (CO) at \$64,012 & \$57,830, respectively, are greater when factoring in cost of living differences. With a factor score of 680, SLC Fire EMT's were shown to earn \$69,116 with longevity pay compared to Boulder Fire EMT's who earn \$55,230 based on a factor score of 543.
- **For all comparisons**, Michelle explained that salary equivalents shown represent "purchase power" required to maintain the same standard of living based on the costs of local goods and services rather than actual dollars paid.

Questions were raised by Committee members about the potential differences in pay comparisons without the inclusion of longevity pay for SLC Fire EMT's and Police Officers; also, whether the wage data collected from the other Mountain region cities also includes longevity pay. Going forward, the need to assess potential *variable pay* offered by other jurisdictions, such as longevity pay, was noted by Jennifer Seelig in order to ensure more of an apples-to-apples comparison.

In addition to the executive summary, Michelle provided Committee members with copies of four charts to illustrate salary equivalents in dollars with the U.S. cost of living factors used among the cities compared to Salt Lake City. In response to members' questions about wage comparisons with & without longevity pay, David pointed to three data points shown in the chart for Salt Lake City Police Officer top out rates—one reflecting the top out day rate (without longevity pay); a second based on the day rate with longevity pay; and, finally, the graveyard pay rate (which includes a 5% shift differential, without longevity pay). Each is identified in comparison to the regional average salary, \$71,090, at 98%, 100%, and 103%, respectively, among all Mountain region cities.

Michelle summarized her presentation by stating that results of the study show that Salt Lake City maintains a competitive pay position when considering wage data based on cost of living *versus* looking only at Firefighter and Police Officer salaries alone. Furthermore, considering wages with the addition of a cost of living factor places public safety personnel "on average" among their counterparts from cities in the U.S. Mountain region. She also noted that high retention, evidenced by approximately three-quarters of SLC's Police Officers at topped-out rates of pay, appears to also be a positive indicator in Salt Lake City's favor. Finally, factoring cost of living with wage data is more of a standardized measure when attempting to understand how wages compare with other U.S. cities; she stated that FirstWest's conclusion was this method is preferred over comparisons based on general population, homeless population, community needs, or other assumptions.

Connie Linardakis remarked on the study's success in identifying cost of living differences. She also observed the need of the Committee to identify an appropriate sample of cities to be used for future comparisons. When asked

if the study was presented to the City Council, David Salazar reiterated to members that the full study had, in fact, been previously submitted to Council members *via* a transmittal by the Mayor's Office.

The Committee recognized a question from Police Association president, Michael Millard, who asked what differences the study might yield if the comparison was limited to cities with population sizes between 100,000 to 600,000. Michelle Vargas repeated what she stated earlier when she addressed the comparisons made with three larger national cities—Seattle (WA), Portland (OR), and San Francisco (CA); she noted that despite all three cities have significantly larger populations than Salt Lake City and higher cost of living indices, the report indicates that Salt Lake City's compensation approach is as equally strong as these cities.

Various Committee members inquired about the data points collected from the cities surveyed, including range data. David noted that, in addition to the actual average pay data and range information historically collected, the Committee may also elect to ask for variable pay information such as longevity pay. When noting no comparison for the City of Denver, David stated that no response from Denver was received. He added that the same cost of living factor for Denver was applied to other Colorado cities, including Aurora & Arvada.

Connie recalled the City Council's request to commission a special study, including cost of living and other factors such as other capital cities, daytime population, *etc.* Going forward, Dale Cox noted the importance of selecting "like" cities for future comparisons. As a point of reference for members' discussion, David circulated the full list of Mountain region cities included in last year's survey sample to members, including those cities that did not provide a response.

Committee members also reviewed and discussed an information sheet with a summary of remarks received from City Council members during presentation of the Committee's Annual Report on 3/24/2015. Connie suggested the Committee attempt to incorporate as much of the Council's input and criteria when deciding the survey sample for the next Fire & Police special survey. Dale Cox suggested that union representatives should meet together with Human Resources to provide input and propose a representative list of cities prior to initiating the next data collection process.

Committee members discussed and queried about the potential existence of alternatives that might facilitate identification other cities similar to Salt Lake City, including exploration and consideration of any pre-existing city samples identified by organizations such as ICMA and the National League of Cities & Towns.

Additional questions and potential study issues mentioned and discussed by the Committee included: review & analysis of management/employee pay differences; and, review & analysis of gender pay equity.

Moving forward, Connie proposed that from HR's meeting with union leaders the Committee should also be provided with a set of tangible, measurable criteria used for determining a proposed survey sample. Other members added that rationale as to why the proposed cities should be considered should also be provided. This rationale should in some way demonstrate how the specific characteristics of these cities relate to the criteria enumerated by the City Council. Cori Petersen also asked David to supply the Committee with information about the specific data points collected from past surveys, such as pay range, actual average pay, *etc.* in the next meeting.

This meeting was adjourned at 5:30 PM.

Next Meeting Date: The next meeting date was set for November 9, 2015 from 4-5:30 pm.