2016-2017 BUDGET QUESTION

Response to Request for Information

DEPARTMENT: Human Resources

REQUEST NO.: 100

REQUESTED BY: Zimmerman

DATE REQUESTED: 7/28/16

DATE POSTED: 8/30/16

REQUEST: How many employees are at least 5% above market pay? What is the current total pay for all of these employees? How much money would be removed to bring all of these employees to market pay?

RESPONSE: In evaluating market pay, the Human Resources Department's (HRD) practice has been to compare benchmark jobs to similar classifications (jobs) in other municipalities and salary surveys, and then to collect salary data. After determining the pay grade for the benchmark jobs, the remaining jobs are "slotted" to their proper pay grades based upon factors such as similarity of work, existing differentials, or differences in scope.

A position is considered to be above market when the midpoint of the salary for the job title is more than 105% of the market value. As of August 2016, there are 2,225 employees in 169 titles that are at least 5% above market. The current total pay including employer costs (FICA and retirement) for these employees is $152,789,368. Between $7.3 and $22.7 million would need to be removed to bring these employees to market pay.

Job titles identified as above market are usually a reflection of salary ranges that have been adjusted to improve the City's positon in competing for or retaining talent for positions requiring unique and highly sought after skill sets. Reducing employee salaries to bring them to market is not reflective of current industry practices.