

215 E. MCKINNEY, DENTON, TEXAS 76201 • (940) 349-8307 • FAX (940) 349-8595
City Manager's Office

MEMORANDUM

DATE: July 29, 2016
TO: Honorable Mayor and Members of the City Council
FROM: Howard Martin, Interim City Manager *h/m*
SUBJECT: **Civil Service Pay Increases**

Attached for your information are two reports; one relating to compensation for Police civil service employees and the other for Fire civil service employees. The reports are presented by the Pay Subcommittees established in the Police and Fire Meet and Confer agreements respectively and are forwarded to the City Council by the City Manager pursuant to terms of those agreements. The Pay Subcommittees consist of representatives from labor as well as representatives from management. These committees meet each year to conduct a salary survey from which pay increases may be recommended.

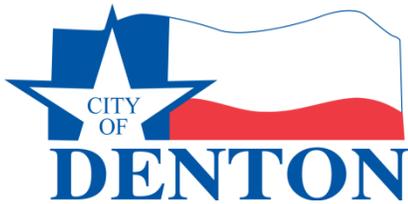
The current Meet and Confer agreements include language that supports a “market average plus 5%” pay philosophy for civil service employees. The current agreements also provide for the possible limitation of any pay increase for civil service employees to the average base pay percentage increase for non-civil service employees approved by the City Council in the annual budget. After reviewing market data and the availability of financial resources, and in consideration of the above mentioned policy, increases in compensation for civil service employees will be based on the percentage needed to keep each position at 5% of the survey market average in FY 2016-17. In some cases, this will result in various ranks receiving different increases. The Proposed Budget also includes normally scheduled step increases for civil service public safety personnel.

If you have any questions, please let me know.

FY 2016/17
Differential Cost to Fund "Market Average Plus 5%" Pay Philosophy for Civil Service Employees*
Source: City of Denton Finance Department

POLICE OPERATIONS (CIVIL SERVICE)	
Personal Services Cost Including Increases to Support Meet and Confer Pay Philosophy	20,298,286
Personal Services Cost Based on the Proposed Budget with average 3% Increases	20,296,849
DIFFERENTIAL COST TO FUND "MARKET AVERAGE PLUS 5%" PAY PHILOSOPHY FOR POLICE OPERATIONS	\$1,437
FIRE OPERATIONS (CIVIL SERVICE)	
Personal Services Cost Including Increases to Support Meet and Confer Pay Philosophy	21,997,691
Personal Services Cost Based on the Proposed Budget with average 3% Increases	21,993,755
DIFFERENTIAL COST TO FUND "MARKET AVERAGE PLUS 5%" PAY PHILOSOPHY FOR FIRE OPERATIONS	\$3,936
TOTAL DIFFERENTIAL COST (Salary + Benefits) TO FUND "MARKET AVERAGE PLUS 5%" PAY PHILOSOPHY VS BUDGETED 3% FOR CIVIL SERVICE EMPLOYEES FOR FY 2016/17	\$5,373

*Cost is based on personal services calculators for FY 2016/17 and assumes no change in staff.



Human Resources * 601 E. Hickory, Suite A * Denton, Texas 76205

Telephone (940) 349-8340 * Fax (940) 349-8348

MEMORANDUM

DATE: July 5, 2016

TO: Howard Martin, Interim City Manager

FROM: Pay Subcommittee –
Jason Ballard, Fire Association
Ward Morton, Fire Association
Laura Behrens, Fire Administration
Kenneth Hedges, Deputy Fire Chief
Carla Romine-Haggmark, HR
Anthony Kapp, HR

SUBJECT: Fire Civil Service Salary Survey and Cost Information

As part of the meet and confer agreement, the City and Fire Association established a Labor/Management Pay Subcommittee to perform a survey of our 12 comparator cities in May of each year of the agreement. The agreement states, “The recommendation [for pay] will propose that the minimum and maximum base pay for each rank will receive an increase (should an increase be required) to match the survey average plus five percent (5%).” However, the agreement also includes language stating, “Proposed increases may be limited to the average base pay percentage increase for non-civil service City employees approved by the City Council in the annual budget.”

The Firefighters agreement further states that the Pay Subcommittee shall prepare a report to the City Manager (to be forwarded to the City Council at the time the proposed budget is submitted to the City Council) that will show the cost of implementing the pay increase using the survey average plus five percent (5%) compared to the cost to pay civil service employees the same percentage increase as non-civil service employees. As such, attached you will find the results of the survey compiled in May 2016 and the cost estimate to implement any base pay increases, should the average plus 5% pay philosophy be funded compared to recommended increases for non-civil service employees.

In addition to any recommendation regarding compensation, it is our understanding that Civil Service step increases will continue to be funded. Additionally, it is our understanding that pursuant to Article 12 of the meet and confer agreement, contributions to the Fire Pension shall be made to match the City’s actual contribution rate to the Texas Municipal Retirement System.

Please let us know if you have any questions or need further information.

“Dedicated to Quality Service”

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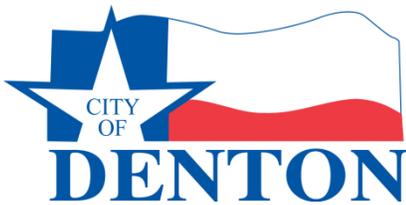
ADA/EOE/ADEA

**City of Denton
Fire Survey 2016**

City	Fire Fighter			Fire Driver			Fire Captain			Fire Battalion Chief		
	Min	Max	# of Steps	Min	Max	# of Steps	Min	Max	# of Steps	Min	Max	# of Steps
Arlington	\$18.383	\$24.660	8	\$24.760	\$25.998	2	\$31.452	\$33.025	2	\$35.997	\$37.797	2
Carrollton	\$19.509	\$23.487	5	\$25.050	\$27.501	4	\$31.089	\$33.971	4	\$35.814	\$39.135	4
Fort Worth	\$17.440	\$24.250	11	\$23.190	\$26.540	9	\$29.240	\$32.480	5	\$33.400	\$37.110	3
Frisco	\$19.667	\$25.871	6	N/A	N/A	N/A	\$32.652	\$34.640	3	\$35.714	\$38.629	3
Garland	\$19.495	\$24.476	6	\$25.694	\$26.876	2	\$31.629	\$33.056	2	\$36.113	\$38.092	2
Grand Prairie	\$18.430	\$25.322	8	\$27.527	\$27.527	1	\$32.546	\$34.173	2	\$37.204	\$39.063	2
Irving	\$17.777	\$25.014	8	\$26.192	\$27.503	2	\$32.073	\$33.680	2	\$35.444	\$39.074	3
Lewisville	\$18.810	\$23.770	7	\$26.340	\$26.340	1	\$30.800	\$32.340	2	\$36.090	\$37.010	2
McKinney	\$17.859	\$24.077	8	\$25.541	\$26.462	3	\$30.940	\$32.652	3	\$35.252	\$37.711	3
Mesquite	\$19.740	\$25.200	6	\$26.950	\$26.950	1	\$33.610	\$33.610	1	\$38.620	\$38.620	1
Plano	\$21.712	\$25.605	3	\$28.798	\$28.798	1	\$35.921	\$35.921	1	\$40.900	\$40.900	1
Richardson	\$18.000	\$24.874	7	\$26.118	\$27.441	3	\$31.788	\$33.416	3	\$35.934	\$40.850	5
Average	\$18.902	\$24.717	6.9	\$26.015	\$27.085	2.6	\$31.978	\$33.580	2.5	\$36.374	\$38.666	2.6
Denton	\$19.169	\$25.201	6	\$26.465	\$27.715	3	\$32.295	\$34.197	3	\$36.760	\$39.400	3
Difference	1.39%	1.92%		1.70%	2.27%		0.98%	1.80%		1.05%	1.86%	

**City of Denton
Fire Survey 2016
Minimum/Maximum
Goal - 5% Above Market**

City	Fire Fighter			Fire Driver			Fire Captain			Fire Battalion Chief		
	Min	Max	# of Steps	Min	Max	# of Steps	Min	Max	# of Steps	Min	Max	# of Steps
Average	\$18.902	\$24.717	6.9	\$26.015	\$27.085	2.6	\$31.978	\$33.580	2.5	\$36.374	\$38.666	2.6
Denton Minimum/Maximum	\$19.169	\$25.201	6	\$26.465	\$27.715	3	\$32.295	\$34.197	3	\$36.760	\$39.400	3
% from Market Avg	1.39%	1.92%		1.70%	2.27%		0.98%	1.80%		1.05%	1.86%	
Goal is 5% above mkt	5.00%	5.00%		5.00%	5.00%		5.00%	5.00%		5.00%	5.00%	
% Increase	3.61%	3.08%		3.30%	2.73%		4.02%	3.20%		3.95%	3.14%	
New Minimum/Maximum with % Increase (if applicable)	\$19.861	\$25.977		\$27.338	\$28.472		\$33.593	\$35.291		\$38.212	\$40.637	



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MEMORANDUM

DATE: July 5, 2016

TO: Howard Martin, Interim City Manager

FROM: Pay Subcommittee –
Lisa Martin, Police Association
Lori Morin, Police Association
Carla Romine-Haggmark, HR
Anthony Kapp, HR

SUBJECT: Police Civil Service Salary Survey and Cost Information

As part of the meet and confer agreement, the City and Police Association established a Labor/Management Pay Subcommittee to perform a survey of our 12 comparator cities in May of each year of the agreement. The agreement states, “The recommendation [for pay] will propose that the minimum and maximum base pay for each rank will receive an increase (should an increase be required) to match the survey average plus five percent (5%).” However, the agreement also includes language stating, “Proposed increases may be limited to the average base pay percentage increase for non-civil service City employees approved by the City Council in the annual budget.”

The “Compensation” Article in the Police agreement differs from the Fire agreement in that it does not include language stating that the Pay Subcommittee shall prepare a report to the City Manager. The report (which shall be forwarded to the City Council at the time the proposed budget is submitted to the City Council) will show the cost of implementing the pay increase using the survey average plus five percent (5%) compared to the cost to pay [Police Officers] the same percentage increase as non-civil service employees. However, even with the absence of this language, this information is being provided to the City Manager in the same format as that required in the Fire agreement. As such, attached you will find the results of the survey compiled in May 2016 and the cost estimate of implementing any base pay increases, should the average plus 5% pay philosophy be funded compared to recommended increases for non-civil service employees.

In addition to any recommendation regarding compensation, it is our understanding that Civil Service step increases will continue to be funded. Please let us know if you have any questions or need further information.

**City of Denton
Police Survey 2016**

City	Police Recruit			Police Officer			Police Sergeant			Police Lieutenant		
	Min	Max	# of Steps	Min	Max	# of Steps	Min	Max	# of Steps	Min	Max	# of Steps
Arlington	\$56,659	\$56,659	1	\$59,501	\$75,965	7	\$77,863	\$85,844	3	\$92,662	\$97,295	2
Carrollton	\$56,634	\$59,519	2	\$62,484	\$78,325	8	\$81,245	\$91,894	3	\$104,483	\$110,556	3
Fort Worth	\$40,040	\$40,040	1	\$55,390	\$82,035	11	\$83,970	\$99,778	6	\$97,198	\$110,011	4
Frisco	\$55,635	\$63,126	3	\$65,335	\$75,336	6	\$84,365	\$89,502	3	\$95,768	\$103,582	3
Garland	\$54,668	\$55,948	2	\$58,710	\$75,430	7	N/A	N/A	N/A	\$94,053	\$99,041	2
Grand Prairie	\$56,114	\$56,114	1	\$58,920	\$77,088	7	\$82,497	\$90,949	3	\$95,629	\$105,431	3
Irving	\$56,028	\$58,824	2	\$61,764	\$75,072	5	\$76,704	\$88,800	4	\$93,144	\$102,696	3
Lewisville	\$57,909	\$60,205	2	\$62,592	\$73,163	5	\$84,286	\$88,524	2	\$94,103	\$98,824	2
McKinney	\$53,916	\$53,916	1	\$56,754	\$75,016	9	\$81,858	\$89,051	4	\$95,296	\$102,261	3
Mesquite	\$57,490	\$57,490	1	\$60,361	\$73,374	5	\$89,009	\$89,009	1	\$100,722	\$100,722	1
Plano	\$59,077	\$59,077	1	\$63,757	\$83,727	11	\$90,572	\$94,053	2	\$101,111	\$107,172	2
Richardson	\$55,020	\$55,020	1	\$57,756	\$75,972	7	\$79,776	\$90,192	4	\$94,692	\$104,568	4
Average	\$54,933	\$56,328	2	\$60,277	\$76,709	7	\$82,922	\$90,691	3	\$96,572	\$103,513	3
Denton	\$55,690	\$56,720	3	\$60,297	\$78,048	8	\$84,092	\$92,579	3	\$98,166	\$105,743	3
Difference	1.36%	0.69%		0.03%	1.72%		1.39%	2.04%		1.62%	2.11%	

**City of Denton
Police Survey 2016
Minimum/Maximum
Goal - 5% Above Market**

City	Police Recruit			Police Officer			Police Sergeant			Police Lieutenant		
	Min	Max	# of Steps	Min	Max	# of Steps	Min	Max	# of Steps	Min	Max	# of Steps
Average	\$54,933	\$56,328	2	\$60,277	\$76,709	7	\$82,922	\$90,691	3	\$96,572	\$103,513	3
Denton Minimum/Maximum	\$55,690	\$56,720	3	\$60,297	\$78,048	8	\$84,092	\$92,579	3	\$98,166	\$105,743	3
% from Market Avg	1.36%	0.69%		0.03%	1.72%		1.39%	2.04%		1.62%	2.11%	
Goal is 5% above mkt	5.00%	5.00%		5.00%	5.00%		5.00%	5.00%				
% Increase	3.64%	4.31%		4.97%	3.28%		3.61%	2.96%		3.38%	2.89%	
New Annual Minimum/Maximum with % Increase	\$57,717	\$59,165		\$63,294	\$80,608		\$87,128	\$95,319		\$101,484	\$108,799	