

METROPOLITAN EXPOSITION-RECREATION COMMISSION

Resolution 03-22

For the purpose of maintaining the integrity of the Pay-For-Performance program.

Whereas, the Commission, in accordance with MERC Personnel Policies maintains a Pay-for-Performance program for its full-time, non-represented staff; and,

Whereas, the Commission performs a trend analysis each year to ensure that its non-represented salary ranges stay comparable with the market place; and

Whereas, the Commission finds that it is important to perform this trend analysis on an annual basis in order to assure that the Commission is able to recruit and retain highly qualified staff; and

Whereas, Commission staff requested Buck (newly named Milliman, USA) consultants to perform a trend analysis of the current market conditions with regard to salary ranges for those positions that are included in the Pay-for-Performance program; and


Whereas, Milliman, USA recommended trending the Executive Management pay scale 2.3%; Management pay scale 2.4% and, the Supervisory/Technical/Administrative pay scale 2.4% for FY2003-04; and

Whereas, the Commission finds that a comprehensive classification/compensation study in lieu of the trend analysis should be performed every 5 years to ensure the classification descriptions are accurate and up-to-date,

THEREFORE BE IT RESOLVED:

1. Effective July 1, 2003, Executive Management full-time, non-represented salary ranges are increased by 2.3%; Management and Supervisory/Technical/Administrative full-time, non-represented salary ranges are increased by 2.4%; except that salary ranges that were frozen in the 2002-2003 classification and compensation study shall not be increased.
2. The Commission authorizes the General Manager to implement the salary range changes effective July 1, 2003, and to increase the salaries of those employees who fall below the new minimum salary for their classification.
3. The Commission continues to direct the General Manager to perform a yearly trend analysis in those years in which a classification/compensation study is not been performed.

Passed by the Commission on May 28, 2003.




Chair



Secretary-Treasurer

Approved As To Form:
Daniel B. Cooper, Metro Attorney

By: 
Lisa Umschied, Senior Attorney

MERC STAFF REPORT

Agenda Item/Issue: Consideration of Resolution 03-22 for the purpose of maintaining the integrity of the Pay-for-Performance program

Resolution No.: 03-22

Date: May 28, 2003

BACKGROUND:

In 1998, the MERC Commission adopted a Pay-for-Performance Program that rewards the performance and contribution of full-time, non-represented employees. Pay increases are tied to the achievement of individual and group goals and to specific performance factors identified through a goal setting process. Each classification is assigned a pay range that is competitive in the labor market. The ranges are made up of a minimum and a market target. Employees are able to earn increases to base pay up to the market target of their range. Once an employee is at market target, future performance increases are delivered as a one time only lump sum not to exceed the maximum of their salary range.

Milliman U.S. A. Consultants were asked to trend salary ranges for the year 2003; this Resolution implements their recommendation. (See Exhibit A)

RESOLUTION 03-22:

Increases Executive Management salary ranges by 2.3%, Management salary ranges by 2.4% and Supervisory/Technical/Administrative salary ranges by 2.3%. 16 current employees will fall below the new minimum range and need to be raised prior to implementation of their potential pay-for-performance increases (see Exhibit B). Excepted from this range increase are those classification which were frozen at old, higher rates at the time of the 2002-03 classification/compensation study was implemented.

FISCAL IMPACT:

The salary ranges moving 2.3% or 2.4% means the market target in the salary range will also move by that percentage. Employees who are nearing or at the market target will be eligible for a pay-for-performance increase to their base salary as opposed to only a bonus if they were already at their market target.

Trending requires shifting a pay range by a predetermined factor. Following this shift, employees whose current wages or salaries are below the minimum of the range are adjusted to the new minimum. The fiscal impact of this adjustment for FY 2003-04 is less than \$15,000. This cost will be covered by existing appropriation.

RECOMMENDATION:

Staff recommends approval of Resolution 03-22.

May 9, 2003

Ms. Tanya Collier
Human Resources Manager
MERC
777 NE MLK JR Blvd
Portland, Oregon 97232

Re: Market trend analysis for salary structures

Dear Tanya:

Per your request, Milliman USA has completed a market trend analysis for MERC's 2003 salary structure. The process we followed for this analysis was identical to that when Buck Consultants provided MERC's market trend analysis two years ago. As an overview, we based our recommendations on information gathered from four different salary structure planning surveys representing both public and private sector organizations in the Pacific Northwest. The surveys utilized were Milliman USA 2003 Portland Area Cross-Industry Survey, WorldatWork 2003 Total Salary Increase Budget Survey, Buck Consultants 2003 Salary Planning Survey, and Mercer HR Consulting 2003 Compensation Planning Survey.

Below is an overview of our findings. These findings are split into MERC's new pay plan categories (Executive Management, Management, and Supervisory/Technical/Administrative). This format is different from previous recommendations due to the creation of new employee groups developed during your last classification/compensation study.

The table below displays the amount that organizations are increasing their salary structures in 2003, as opposed to average actual increases to employee pay (i.e. COLA, merit). Please note there is a slightly lower increase recommendation for the Executive Management employee group. Market data suggests that most employee groups are experiencing similar salary structure increase amounts; however, we found the executive group to be slightly lower.

<i>Employee Group</i>	<i>Recommended Increase Salary Structure</i>
Executive Management	2.3%
Management	2.4%
Supervisory/Technical/Administrative	2.4%

Tanya, please let me know if you have any questions. I can be reached at (206) 504-5965.

Sincerely,

Greg McNutt
Senior Compensation Consultant

EXHIBIT B							
Pay-for-Performance							
Summary of Minimum Range Analysis							
Name	Dept ID	Dept Name	Job Code	Job Title	Curent Annual Rate	Trended Min/ Annual	Minimum Rate Adjustment
McKinney,Eileen	55100	OCC Administration	8010	Secretary II	\$13,270.40	\$13,592.80	(\$322.40)
Waller,Stephanie	55100	OCC Administration	8010	Secretary II	13,270.40	13,592.80	(322.40)
Brooke,Laura B	55000	MERC Administration	8015	Administrative Tech - Acctng	27,518.40	28,184.00	(665.60)
Johnson,Juli A	55000	MERC Administration	8015	Administrative Tech - Acctng	27,518.40	28,184.00	(665.60)
Mitchell,Anthony E	55000	MERC Administration	8015	Administrative Tech - Acctng	27,518.40	28,184.00	(665.60)
Schoffstall,Deanna K	55500	OCC Event Coordination	8017	Administrative Tech - Events	27,518.40	28,184.00	(665.60)
West,Catherine	58500	PCPA Event Coordination	8022	Administrative Technician II	30,534.40	31,262.40	(728.00)
Krings,Amy T	58500	PCPA Event Coordination	8046	Administrative Assistant I	32,780.80	33,571.20	(790.40)
Gratreak,Andrea L	58200	PCPA Marketing & Sales	8051	Booking Coordinator	42,288.00	43,303.00	(1,015.00)
Jarvis,Sharron B	55200	OCC Marketing/Sales	8125	Volunteer Coordinator - F/T	32,663.00	33,447.00	(784.00)
Posey,Mark A	55300	OCC Operations	8185	Senior Setup Supervisor - OCC	46,517.00	47,633.00	(1,116.00)
Meyer,Scott K	55300	OCC Operations	8245	Set Up Supervisor- OCC	42,288.00	43,303.00	(1,015.00)
Pearson,Marie M	55300	OCC Operations	8245	Set Up Supervisor- OCC	42,288.00	43,303.00	(1,015.00)
Rogers,Mark A	58300	PCPA Operations	8280	Operations Coordinator	40,060.80	44,297.00	(4,236.20)
Bugas,Thomas D	58300	PCPA Operations	8410	Stage Supervisor	46,517.00	47,633.00	(1,116.00)
Stuart,Joshua	55300	OCC Operations	8510	Audio Visual Technician	33,342.40	34,132.80	(790.40)
							(\$15,913.20)