

**METROPOLITAN EXPOSITION RECREATION COMMISSION**

**Resolution 04-04**

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 (re-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 1.4% ; Management pay scale 1.7% and, the Supervisory/Technical/Administrative pay scale 1.9% for FY2004-05; 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:**

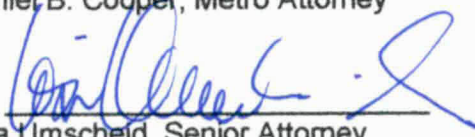
- 1. Effective July 1, 2004, Executive Management full-time, non-represented salary ranges are increased by 1.4%; Management salary ranges are increased by 1.7% and Supervisory/Technical/Administrative full-time, non-represented salary ranges are increased by 1.9%; except that salary ranges that were 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, 2004, 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 being performed.**

Passed by the Commission on May 26, 2004.

  
Chair

  
Secretary-Treasurer

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

By:   
Lisa Umscheid, Senior Attorney

## MERC STAFF REPORT

**Agenda Item/Issue:** Consideration of Resolution 04-04 for the purpose of maintaining the integrity of the pay-for-performance program

**Resolution no.:** 04-04

**Date:** May 26, 2004

**Presented By:** Tanya Collier

### **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 2004; this Resolution implements their recommendation. (Exhibit A)

### **RESOLUTION 04-04:**

Increases Executive Management salary ranges by 1.4%, Management salary ranges by 1.7% and Supervisory/Technical/Administrative salary ranges by 1.9%. Six current employees will fall below the new minimum range and need to be raised prior to implementation of their potential pay-for-performance increases. 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.

### **SHORT RANGE FISCAL IMPACT:**

\$3,848.00 (Exhibit B)

### **LONG RANGE FISCAL IMPACT:**

The salary ranges moving 1.4%, 1.7% or 1.9% 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.

### **RECOMMENDATION:**

Staff recommends approval of Resolution 04-04.

May 12, 2004

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

Re: 2004 Market trend analysis for salary structures

Dear Tanya:

Per your request, Milliman USA has completed a market trend analysis for MERC's 2004 salary structure. The process we followed for this analysis was identical to that when Milliman USA provided MERC's market trend analysis last year. As an overview, we based our recommendations on information gathered from three different salary structure planning surveys representing both public and private sector organizations in the Portland metropolitan market. The surveys utilized were Milliman USA 2004 Portland Area Cross-Industry Survey, Milliman USA 2004 Oregon Public Employers Salary Survey, and WorldatWork 2004 Total Salary Increase Budget Survey.

Below is an overview of our findings. These findings are split into MERC's pay plan categories (Executive Management, Management, and Supervisory/Technical/Administrative).

The table below displays the amount that organizations are increasing their salary structures in 2004, as opposed to average actual increases to employee pay (i.e. COLA, merit). Please note there is a slightly lower increase recommendation for each employee group as compared to last year's recommendation.

<i>Employee Group</i>	<i>Recommended Increase Salary Structure</i>
Executive Management	1.4%
Management	1.7%
Supervisory/Technical/Administrative	1.9%

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

Sincerely,

Greg McNutt  
Senior Compensation Consultant

Proposed 2004 MERC Trend Analysis Increases to New Minimum  
Supervisory/Technical/Support Employees as of 5/18/04

Sal Plan	Grade	Job Code	Emp #	Name	Hrly/ Annual	Current Hourly Rate	Min/ Hour	Min Hrly + 1.9%	Hourly Increase	Annual Fiscal Impact
MST	202	8015	006272	Green,Rebecca C	H	13.55	13.55	13.81	0.26	540.80
MST	203	8022	002095	Oster,David W	H	15.03	15.03	15.32	0.29	603.20
MST	205	8045	006128	Baker,Jean M	H	16.41	16.41	16.72	0.31	644.80
MST	205	8250	006195	Ebner,Stephen A	H	16.41	16.41	16.72	0.31	644.80
MST	205	8510	004690	Stuart,Joshua	H	16.41	16.41	16.72	0.31	644.80
MST	207	8280	005999	Rogers,Mark A	H	19.72	19.72	20.09	0.37	769.60
										3,848.00

Proposed 2004 MERC Trend Analysis Increases to New Minimum  
Management Position Employees as of 5/18/04

Sal Plan	Grade	Job Code	EmplID	Name	Hrly/ Annual	Current Annual Rate	Current Min/ Annual	Min Annual + 1.7%	Annual Fiscal Impact
MMG	301	8481	000686	Viegas Dias,Stephanie M	A	33,447.00	33,447.00	34,016.00	569.00
MMG	304	8051	002641	Gratreack,Andrea L	A	43,303.00	43,303.00	44,039.00	736.00
MMG	305	8185	006000	Posey,Mark A	A	47,633.00	47,633.00	48,443.00	810.00
MMG	307	8288	005932	Bernhard,Sarah J	A	57,637.00	57,637.00	58,617.00	980.00
									3,095.00