

Requested: Director of Finance and Administrative Services  
Amended: May 24, 2004  
Adopted: May 24, 2004  
Vote: Unanimous

**CITY OF WASILLA  
RESOLUTION SERIAL NO. 04-23(AM)**

**A RESOLUTION OF THE WASILLA CITY COUNCIL ADOPTING THE FY-05 SALARY  
STRUCTURE AND PAY RANGES IN ACCORDANCE WITH WMC 3.55.040 AND  
REPEALING RESOLUTION SERIAL NO. 03-24.**

WHEREAS, in 1999, the Wasilla City Council authorized administration to engage on-going professional human resources management consulting services for the City of Wasilla (the "City") and to make proposals for the same in the annual budget; and

WHEREAS, in 1999, the Wasilla City Council adopted as policy the use of annual movement in the cost of labor in Alaska to adjust the City's salary structure in future years; and

WHEREAS, the MBL Group recently conducted a market comparison of the City's positions to Alaska market data; and

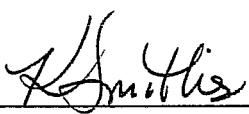
WHEREAS, the purpose of the market comparison was to determine where the City's positions stood relative to current market pay.

NOW THEREFORE BE IT RESOLVED, by the Wasilla City Council, that Resolution Serial No. 03-24 is hereby repealed and that the Wasilla City Council adopts the FY-05 Salary Structure and Pay Ranges, attached as Exhibit A, to be effective July 1, 2004.

ADOPTED by the Wasilla City Council on May 24, 2004.

  
DIANNE M. KELLER, Mayor

ATTEST:

  
KRISTIE L. SMITHERS, MMC  
City Clerk

[SEAL]

**City of Wasilla**  
 \* FY05 Salary Structure and Pay Ranges \*

Exhibit A

Grade	Salary Range	FLSA	Min	2nd Quartile	Midpoint	3rd Quartile	Max	Spread
1	Interns Temporary Employees	N-Ex N-Ex	\$15,112	\$16,057	<b>\$17,001</b>	\$17,946	\$18,890	25%
2	Library Intern MUSC Cashier (temp) MUSC Concession Attendant I (temp)	N-Ex N-Ex N-Ex	\$18,275	\$19,646	<b>\$21,017</b>	\$22,387	\$23,758	30%
3	Parks & Properties Tech I: Grounds Maint. (PT) WasteWater Laborer	N-Ex N-Ex	\$22,845	\$24,558	<b>\$26,271</b>	\$27,985	\$29,698	30%
4	Cashier - Finance Finance Clerk I Library Aide Museum Aide MUSC Concession Attendant II (temp) Public Works Clerical Asst.	N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex	\$25,178	\$27,381	<b>\$29,584</b>	\$31,787	\$33,990	35%
5	Secretary II MUSC Building Support Worker (temp)	N-Ex N-Ex	\$27,146	\$29,861	<b>\$32,575</b>	\$35,290	\$38,005	40%
6	Administrative Assistant-Police Finance Clerk II Parks & Properties Tech I: Beautification Public Works Accounting Clerk II	N-Ex N-Ex N-Ex N-Ex	\$28,608	\$31,826	<b>\$35,045</b>	\$38,263	\$41,482	45%
7	Children's Librarian Deputy City Clerk Finance Clerk III Interlibrary Loan Coordinator Museum Registrar Planning Clerk Public Works Clerk	N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex	\$30,893	\$34,755	<b>\$38,617</b>	\$42,478	\$46,340	50%
8	Adult & Electronic Services Librarian Exec Asst to the Mayor Parks & Properties Tech I: Facilities Maint Probation Officer Public Safety Dispatcher/Clerk Roads/Airports Tech I Wastewater Tech I Water Tech I	N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex	\$33,462	\$38,063	<b>\$42,665</b>	\$47,266	\$51,867	55%
9	Associate Librarian MUSC Building Supervisor MUSC Maintenance Specialist Parks & Prop Tech II Police Officer I Roads Tech II Wastewater Collection Tech II Wastewater Treatment Tech II Water Tech II HR Generalist	N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex N-Ex	\$36,052	\$41,460	<b>\$46,868</b>	\$52,275	\$57,683	60%

City of Wasilla

\* FY05 Salary Structure and Pay Ranges \*

Exhibit A

Grade	Salary Range	FLSA	Min	2nd Quartile	Midpoint	3rd Quartile	Max	Spread
10	City Clerk	Cont.	\$40,846	\$47,483	\$54,121	\$60,758	\$67,396	65%
	Library Director	Ex						
	Code Compliance Officer	N-Ex						
	Parks & Properties Tech III	N-Ex						
	Police Officer II	N-Ex						
	Roads Tech III	N-Ex						
	Water/Wastewater Tech III	N-Ex						
11	City Engineer	Ex	\$46,063	\$54,124	\$62,185	\$70,246	\$78,307	70%
	City Planner	Ex						
	Deputy Dir of Finance	Ex						
	Deputy Director of Public Works	Ex						
12	Cultural & Recreation Services Manager	Ex	\$50,987	\$59,910	\$68,832	\$77,755	\$86,678	70%
	Police Investigator	N-Ex						
	Police Officer Dispatch Coordinator	N-Ex						
	Police Sergeant	N-Ex						
	Police Lieutenant	N-Ex						
13	Chief of Police	Ex	\$55,070	\$64,707	\$74,345	\$83,982	\$93,619	70%
	Director of Economic Development	Ex						
	Director of Finance & Adm. Services	Ex						
	Director of Public Works	Ex						

**\* Proposed FY2005 Merit Increase Matrix \***

The merit increase for each employee is based on their Summary Performance Rating and Position in Salary Grade

Performance Distribution: the actual percent of employees receiving each of the defined summary performance ratings.

	56.9%	7.6%	26.6%	8.9%	0%
	Meets 3.0-3.99	Exceptional 4.8+	Exceeds 4.0-4.79	Needs Improvement 2.0-2.99	Does Not Meet 1.0-1.99
1st Quartile (minimum to Q2)	2.75% to 3.50%	4.25% to 5.50%	3.25% to 4.50%	1.50% to 2.50%	0.00%
2nd Quartile (Q2 to midpoint)	2.50% to 3.25%	3.75% to 4.50%	3.00% to 4.25%	0.75% to 1.50%	0.00%
3rd Quartile (midpoint to Q3)	2.25% to 3.00%	3.25% to 4.00%	2.50% to 4.00%	0.00%	0.00%
4th Quartile (Q3 to maximum)	2.00% to 2.75%	2.75% to 3.50%	2.00% to 3.75%	0.00%	0.00%

Actual Quartile Distribution

Cost as Percent of Current Annualized Payroll: 3.0%



April 30, 2004

Mayor Dianne Keller  
Mr. Ted Leonard  
Finance Director  
City of Wasilla  
290 East Herning Avenue  
Wasilla, Alaska 99654-7091

Greetings Mayor Keller & Ted:

It is hard to believe that we have just begun the fourth quarter of your Fiscal Year. This Fiscal Year seems to have flown by with much to be thankful for – a growing and vibrant economy for the City as well as the Borough, a new Sports Complex, progress towards a new health care facility, more snow than you know what to do with, and of course, our health!

As you begin to plan for FY05, I appreciate the opportunity to continue to support the City of Wasilla in achieving its objectives for its compensation system. Attached are the results of our research on projected salary budgets and salary range movement for your 2005 Fiscal Year. The data is presented for both all industry and government sectors at both the regional and national levels. In addition, I've included the Milliman Alaska Cross-Industry data projections, as they are the most relevant to the City.

You'll see from the data that merit budgets (actual salary increases excluding executives) are averaging 3.1% to 3.5% both regionally and nationally. For the same geographic regions, salary range movement is averaging between 2.1% to 2.6%. The most relevant data point however, the Alaska Cross-Industry survey produced by Milliman USA, indicates the "All Industry" sector in the State of Alaska is averaging 3% and 2% respectively. The Government / Education sector lags behind slightly at 2.3% and 1.5%.

As an additional data point for you to consider, Milliman also reports the average benefit costs as a percent of payroll. Those statistics are particularly important to note as it relates to the City's overall total compensation costs. The Milliman Alaska data is:

<b>Benefits as a Percentage of Pay</b>	<b>All Industry</b>	<b>Government / Education</b>	<b>City of Wasilla</b>
Total Benefit Costs	38.2%	35.4%	48.0%
Benefits excluding paid time off	29.6%	27.3%	33.7%
Health & Welfare only	<i>Not reported</i>	<i>Not reported</i>	16.1%

In summary, it is important for the City to make wise budget decisions concerning its total compensation costs. Given that:

- the City's benefit ratios are significantly above reported business sectors in Alaska;
- the fact that in FY03, many of the pay grades were already above market;
- and the projections of FY05 increased PERS costs;

I would recommend the City give serious consideration to following the Milliman Alaska Cross-Industry data projections for All Industry for their FY05 merit budget, and the Government / Education sector projections for salary range movement. This recommendation is consistent with Wasilla's compensation philosophy and is supportive of the above outlined bullet points.

It is my hope this analysis is beneficial to the City of Wasilla in maintaining its compensation system. Please feel free to contact me with any questions you may have. I look forward to being able to offer you compensation support in 2005!

Dianne Burt-Green, SPHR  
Principal

## 2004 Projected Salaries and Structure Adjustment Trends

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### Actual Salaries

	All	Executive	Exempt	Non-Exempt
All Industry / National	-	3.9%	3.5%	3.5%
All Industry Western Region	3.5%	4.6%	3.3%	3.2%
Government / National	3.4%	3.2%	3.2%	3.1%
Government / Western Region	2.7%	3.5%	3.5%	3.5%
Milliman Alaska Cross-Industry				
All Industry	-	-	2.8%	3.2%
Government / Education	-	-	2.3%	2.3%

### Salary Structure / Salary Ranges

	All	Executive	Exempt	Non-Exempt
All Industry / National	-	2.6%	2.6%	2.6%
All Industry Western Region	2.9%	2.4%	2.6%	2.5%
Government / National	2.5%	2.1%	2.2%	2.1%
Government / Western Region	2.4%	2.1%	2.5%	2.3%
Milliman Alaska Cross Industry				
All Industry	-	-	2.0%	2.1%
Government / Education	-	-	1.5%	1.5%

All data provided is a compilation from the following sources: Milliman USA; Mercer; WorldatWork (formerly ACA).



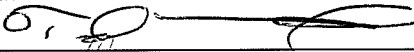
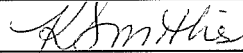
**CITY OF WASILLA  
LEGISLATION STAFF REPORT**

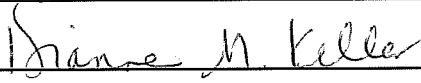
**RE: RESOLUTION SERIAL NO. 04-23: ADOPTING THE FY-05 SALARY STRUCTURE.**

Agenda of: May 24, 2004

Date: May 14, 2004

Originator: Ted Leonard, Director of Finance and Administrative Services

Route to:	Department	Signature/Date
	Police	
	Recreational and Cultural Services Library, Museum	
	Public Works Planning	
X	Finance *signature required	
X	Clerk	

**REVIEWED BY MAYOR DIANNE M. KELLER:** 

**FISCAL IMPACT:**  yes\$ or  no      Funds Available  yes  no

Account name/number:

Attachments:

**SUMMARY STATEMENT:** Pursuant to WMC 3.55.040 we are requesting the council approve the FY-05 salary structure. We have also attached for your review correspondence from the MBL Group regarding the city's compensation system in FY-05.