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## CRYSTAL CITY COUNCIL

### WORK SESSION AGENDA Thursday, December 12, 2013

7:00 p.m.

#### Conference Room A

Pursuant to due call and notice given in the manner prescribed by Section 3.01 of the City Charter, the work session of the Crystal City Council was held at \_\_\_\_\_ p.m. on Thursday, December 12, 2013 in Conference Room A located at 4141 Douglas Drive, Crystal, Minnesota.

#### **I. Attendance**

##### Council members

\_\_\_ Budziszewski

\_\_\_ Deshler

\_\_\_ Hoffmann

\_\_\_ Libby

\_\_\_ Peak

\_\_\_ Selton

\_\_\_ Adams

##### Staff

\_\_\_ Norris

\_\_\_ Therres

\_\_\_ Serres

#### **II. Agenda**

The purpose of the work session is to discuss the following agenda items:

- Labor Negotiations\*
- City Manager's annual performance evaluation\*

*\*Portions of this discussion may be closed pursuant to State law.*

#### **III. Adjournment**

The work session adjourned at \_\_\_\_\_ p.m.



# Memorandum

DATE: December 5, 2013

TO: Mayor and City Council

FROM: Anne Norris, City Manager

SUBJECT: Labor Relations Considerations 2014 and Beyond

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The Council will be discussing labor relations in general as well as future contracts at its December 12 work session. In accordance with state law, portions of the meeting will be closed. This memo provides some background for the discussion.

Table 1 shows the history of wage adjustments for all Crystal employees over the past 7 years. You will see we have a pattern of equity across all employee groups.

Table 1: Crystal Wage Adjustment History 2008 - 2013

Year	Non-Union	Local 49 (Public Works)	Local 44 (Police Officers)	Local 56 (Police Supervisors)
2008	3%	3%, .25 Mkt. adjustment	3%	3%
2009	3%	3%	3%	3%
2010	0%	0%	0%	0%
2011	1%	1%	1%	1%
2012	1%	1%	1%	1%
2013	1%	1%	1%	1%
2014		2%		
2015				
2016				

Table 2 shows the Midwest Urban Consumer Price Index (CPI) for the same past 5 years. This shows an average wage adjustment of 2.06%.

Table 2: Consumer Price Index History - Midwest Urban

Year	First Half	Second Half	Annual
2008	4.10	3.20	3.70
2009	-1.10	-0.20	-0.60
2010	2.40	1.50	2.00
2011	2.90	3.50	3.20
2012	2.30	1.80	2.00
2013	1.70		
<b>Average</b>	<b>2.05</b>	<b>1.96</b>	<b>2.06</b>

Table 3 shows other wage adjustments for other metro cities. In 2014, the adjustments range from 1.0 – 4.0% with an average of 2.07%. While there are fewer settlements for 2015, the adjustments range from 1.5– 3% and average just over 2%.

Table 3: Metro Cities Settlements

<b>City</b>	<b>2014</b>	<b>2015</b>
Andover	2.00%	2.00%
Apple Valley	2.00%	2.50%
Arden Hills	1.50%	1.50%
Bloomington	2.00%	
Burnsville	2.00%	
Cottage Grove	2.00%	
Columbia Heights	2.00%	
Dayton	2.00%	
Eagan	2.00%	
Forest lake	1.50%	2.50%
Fridley	1.50%	
Hopkins	3.00%	
Inver Grove Heights	2.00%	
Maple Grove	2.25%	2.25%
Maplewood	2.00%	
Minnetonka	1.00%	
New Brighton	2.00%	
Northfield	2.50%	
Plymouth	2.00%	2.00%
Prior Lake	2.50%	
Red Wing	2.00%	
Roseville	2.00%	2.00%
St. Cloud	4.00%	
St. Paul	2.00%	2.00%
West St. Paul	2.00%	
Woodbury	2.00%	3.00%
<b>Average</b>	<b>2.07%</b>	<b>2.09%</b>

Labor Relations Attorney, Frank Madden, Assistant City Manager Kim Therres and I will be at the work session to answer questions.



## Memorandum

DATE: November 25, 2013

TO: Mayor and Council

CC: Anne Norris, City Manager

FROM: Kimberly Therres, Assistant City Manager/Human Resources Manager

SUBJECT: City Manager Compensation

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The City Manager position is under contract. Although the position is not formally included in the Non-Represented Compensation Program there has been a practice of following the annual cost of living adjustment and the annual merit increase components of the program. Below is an explanation of the two components.

### **Annual Cost of Living Adjustment**

An annual cost of living adjustment, expressed as a percentage increase, is recommended by the City Manager and Human Resources Manager to the City Council for review and approval. The amount approved, if any, is applied to all non-union wages on the first payroll day of the year. All salary range minimums and maximums will be adjusted to reflect the cost of living adjustment.

### **Annual Merit Increase**

Non-Represented employees are eligible for merit increases at the employee's annual performance evaluation. Merit increases will be determined, based on the results of a performance evaluation, at an employee's first six month anniversary and thereafter on an annual basis, coinciding with the employee's anniversary in their current position. Increase levels (0%, 1.5%, 2.25% and 3%) are directly correlated to the final score on the employee's performance evaluation. All increases are calculated on base wages.

The 2013 cost of living increase for non-represented employees was 1% and the wage adjustment for Local 49 members in 2014 will be 2%. The current compensation range for the City Manager position is:

Minimum	Mid-Point	Maximum
\$106,869.80	\$122,136.92	\$137,404.03

The 2013 salary of the City Manager is \$127,139.00. In addition, I have attached a 2013 City Manger Compensation Comparison report for your review.

## 2013 City Manager Compensation Comparison

City	Population	Job Title	Pay Range		Actual	Car allowance per month	Max. Vacation Days Granted	Life Ins.
			Min.	Max.				
Robbinsdale	13,598	City Manager	\$99,611.00	\$126,692.00	\$121,561.00	\$500.00	25 days - 240 hrs. max accrual	\$10,000
Golden Valley	20,371	City Manager	N/A	N/A	\$143,567.00	\$512.00	15 days - 30 day max accrual	\$50,000
New Hope	20,300	City Manager	N/A	N/A	\$113,431.00	\$0.00	30 days - 300 hrs. max accrual (at year end)	\$30,000
New Brighton	21,500	City Manager	\$106,008.00	\$132,480.00	\$117,804.00	\$400.00	32.5 days - 260 hrs. max accrual	\$50,000
Champlin	24,900	City Administrator	\$106,885.00	\$133,569.00	\$133,569 (includes 1% resident pay)	\$450.00	35 days - 280 hrs max accrual	\$20,000
Brooklyn Center	30,104	City Manager	N/A	N/A	\$132,883.00	\$500.00	230 hrs max carry over. Limitless accrual	\$10,000
Columbia Heights	19,667	City Manager	N/A	N/A	\$136,381.00	\$350.00	20	\$5,000
Fridley	27,639	City Manager	N/A	N/A	\$125,403.20	\$350.00	18 days	\$50,000
Hopkins	17,982	City Manager	\$98,176.00	\$132,371.00	\$122,031.00	\$450.00	N/A - Flex Leave System	\$50,000
Oakdale	27,726	City Administrator	\$122,849.00	\$157,499.00	\$157,499.00	\$0.00	24	\$15,000
Richfield	36,087	City Manager	N/A	N/A	\$148,262.40	\$0.00	31	\$35,000
South St. Paul	20,404	City Administrator	N/A	N/A	\$130,312.00	\$550.00	200 hours annually	\$60,000
West St. Paul	19,708	City Manager	\$109,322.00	\$136,652.00	\$130,000.00	\$500.00	32 days	\$25,000
<b>AVERAGE</b>	<b>23,076</b>		<b>\$102,670.00</b>	<b>\$136,543.83</b>	<b>\$131,594.55</b>	<b>\$350.92</b>		<b>\$31,538</b>
Crystal	22,167	City Manager	\$106,869.80	\$137,404.03	\$127,139.00	\$500.00	24 days	\$125,000

Effective January 1, 2013, the salary cap for public employees is \$160,639.00 by state law.

Last update 11/14/13 jmw