

ITEM NO: 6b supp

DATE OF
MEETING: November 8, 2011



Salary and Benefits Resolution – First Reading

Agenda

- What is the Salary and Benefits Resolution?
- Considerations for 2012 changes
- Proposed changes for 2012
 - Minor wording changes
 - Adjustments to non-represented salary ranges
 - Minor updates to the Administration of Benefit Programs section

Salary and Benefits Resolution – What is it?

- Covers 56% of Port Employees
- Similar to collective bargaining agreements
 - Holidays, PTO, health coverage, pay
 - Some of the key components of the total rewards package
- Does NOT set actual pay rates
- Establishes Pay for Performance
 - Merit
 - Administered under HR-21
 - Funding in the budget

Salary and Benefits Resolution – What is it?

Changes informed by:

- New or changing laws
- Updates to POS pay or benefits policies
- Current market pay levels
- Known or estimated pay increases for the coming year
 - All industry survey information
 - Local public employers
 - Private sector employers
 - POS CBAs

Considerations for 2012

- Expected average market pay increases trending up
- CPI changes trending up
- Benefit plan changes will be implemented for the 4th consecutive year
 - 2009 – 10% coinsurance added
 - 2010 – premium sharing added
 - 2011 – premium sharing percentage increased
 - 2012 – deductibles and copays increasing

Proposed Changes for 2012

- Minor wording changes
- Adjustment to non-represented salary ranges
- Minor updates to Administration of Benefit Programs Section

2012 Wording Changes

- Updates throughout the document to clarify or simplify language
- Some definitions in section I updated for consistency throughout the resolution

Non-Represented Salary Ranges

- 2% Increase Recommended
 - Midpoint vs. market average
 - Very slightly below market
 - 3.1% market increase
 - 2% appropriate, conservative adjustment
 - ~ \$10K for below minimum adjustments
- Remove CEO job from ranges
 - Simplifies the resolution
 - Consistent with section VI.B which grants Commission discretion in setting CEO pay and/or salary range

Administration of Benefit Programs

- Port holidays updated to reflect the 2012 calendar
- PTO maximum balance reduced from 800 to 700 hours
 - Change is consistent with plan implemented in 1999 when PTO was introduced
- Reference to Long Term Sick Leave Account deleted
 - 1 employee had a very small balance which was rolled into their Extended Illness accounts

Conclusion

- Changes will be minimal and consistent with prior years
- Salary range change reflects a conservative approach