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Hot Topic: The 2002/2003 MTAS Salary and Fringe Benefit Survey

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#91

THE 2002/2003 MTAS SALARY AND FRINGE BENEFIT SURVEY

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The MTAS annual salary and fringe benefit survey for 2002/2003 is complete and shows salary increases for city employees rose significantly over 2001/2002 data. This report contains a summary of the findings as well as a means to request specific information. At the end of this document, you will find forms that you can return to MTAS to request the specific salary and benefit information you need.

Salary information for the 2002/2003 survey was gathered in five categories:

1. Number of employees,
2. Hours worked,
3. Minimum salary,
4. Maximum salary, and
5. Fair Labor Standards Act status. In some instances, an employee may hold more than one position, such as a clerk-typist who also serves as a secretary. In these cases, respondents were asked to report the salary for the position in which the employee spends more than 50 percent of his or her time.

Some positions don't apply to some cities. If the job description didn't closely fit the employee's actual job, respondents were asked to leave the category blank. A copy of the job descriptions used in the questionnaire accompanies this report and will be included with each request for salary and benefit information.

The Survey Results

Based on the data submitted, salary changes in the 2002/2003 fiscal year for employees of Tennessee cities and towns were significantly greater than the general rate of inflation. A number of factors, including adjustments in compensation plans, salary adjustments, eliminations and additions of positions, could have affected the integrity of the information.

Another factor affecting the data could be corrections made to previously reported misleading information or incorrect assumptions made during data entry. Additionally, Memphis, the largest city in the state, participated in this year's survey, and the City of Knoxville implemented a broadband plan that significantly increased the salary ranges for city positions.

Calculations in the survey are the result of comparing average minimum and maximum salaries from one year to the next. The extent of change from one year to another was then determined and reported by position, by class and by total salary ranges.

The U.S. Bureau of Labor Statistics' Consumer Price Index (CPI-U), a measure of the average change in prices over time in a fixed market basket of goods and services, covers about 80 percent of the total population. The CPI-U for all urban consumers grew by 2.6 percent for cities in the South, while salaries of Tennessee cities grew by 6.62 percent. On the national level, the CPI-U showed the average rate of inflation of 2.6 percent (*Summary Data for the Consumer Price Index News Release*, January 2003.) What this means to Tennessee cities is that during the past year, salaries increased at a rate that exceeded expenditures on the national level for goods and services.

The **average minimum salary** for all positions in 2001/2002 was \$27,397.85. Average minimum salaries changed in 2002/2003 by 6.63 percent (from \$27,397.85 to \$29,090.82). The **average maximum salary** for all positions in 2001/2002 was \$34,389.85. The change in average maximum salaries from 2001/2002 to 2002/2003 was 6.62 percent (from \$34,389.85 to \$36,507.32).

Changes in salary ranges by grand division showed West Tennessee cities outpacing those in East and Middle Tennessee. West Tennessee reported salary increases of 15 percent, compared to 3.02 percent in East Tennessee and 3.61 percent in Middle Tennessee. Among individual positions, elected officials had the highest average increase over 2001/2002 data.

Mayoral salaries reflected a 26.04 percent increase. Salaries for judges showed a 25.42 percent increase, and aldermen represented a 19.81 percent increase. This represents increases from an average minimum salary of \$9,863.33 to \$12,398.75 and an increase in maximum salary from \$10,089.83 to \$12,750.42 for mayor; from an average minimum salary of \$8,199.98 to \$10,345.40 and a maximum salary increase from \$8,588.27 to \$10,708.03 for judges; and from an average minimum salary of \$2,061.59 to \$2,499.80 and a maximum salary increase from \$2,152.04 to \$2,547.31 for aldermen.

Significant increases also were reported for:

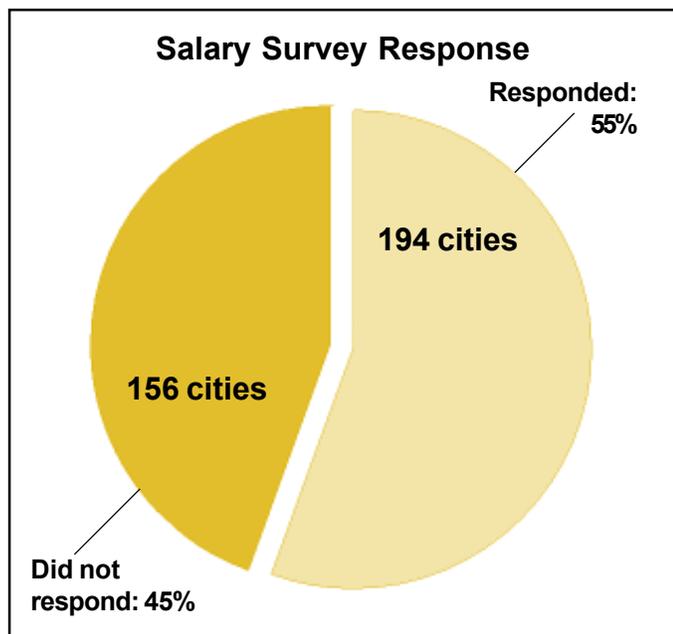
- Court clerk (19.69 percent),
- City attorney (15.82 percent),
- Head librarian (15.48 percent),
- Administrative assistant (13.76 percent),
- Chief mechanic (12.40 percent),
- Refuse foreman (12.18 percent),
- Risk manager (11.78 percent),
- Assistant police chief (11.71 percent),
- Public works director (10.87 percent),
- Assistant city manager (10.81 percent),
- Finance director (10.21 percent), and
- City recorder (10.01 percent).

The largest decrease in reported salaries was for director of public safety; cities reported a decrease of about 8.34 percent (statewide average minimum salary changed from \$35,714 to \$32,186; statewide average maximum salary changed from \$41,690 to \$38,851). Decreases in statewide average salaries also were reported for water and wastewater operator II (2.78 percent), assistant fire chief (2.32 percent), public information officer (2.09 percent), accountant (0.59 percent), and water operator IV (0.52 percent).

Salary Information

For regular users of MTAS survey information, this document will look familiar. It is our announcement of the availability of salary survey reports and our effort to get the most basic information into the hands of Tennessee city officials in a faster, more economical manner. Data from the survey are entered into a database (Microsoft® Access 2000), and reports can be generated in the same format as in previous years.

MTAS received responses this year from 194 of the 350 Tennessee cities. This represents 55 percent of the total number of Tennessee cities. Of the total number of cities, 156 or 45 percent did not respond to the survey.



Benefit Information

MTAS also gathers extensive data on benefits for Tennessee municipal workers. Available by request is information on work week hours, breaks, probationary periods, hours required for full benefits, longevity pay, cost-of-living increases, uniforms, moonlighting policies, health and dental insurance and deductibles, disability, holidays, vacations, sick leave, personal time, retirement, tuition reimbursement, drug testing, workers' compensation, credit unions, child-care assistance, deferred compensation, parking, and much more.

Summary benefit data suggest that the average total number of full-time employees is 127. The minimum number of full-time employees is zero, while the maximum total number of full-time employees is 6,646. The average number of total part-time employees is 18.5. The minimum number of part-time employees is 0, while the maximum number of part-time employees is 441. The average personnel cost is \$4,520,130.67. The minimum personnel cost is \$0, while the maximum personnel cost is \$508,362,800.00.

Two hundred forty-seven cities report that they have developed personnel policies (based on current and last year's data), while 98 either indicate that they do not have personnel policies or did not respond to the question.

With regard to holidays, 106 cities reported that they do not provide holiday pay. Two cities indicated that they provide one holiday, four cities provide five holidays, 14 cities provide six holidays, 10 cities provide seven holidays, 22 cities provide eight holidays, 44 cities provide nine holidays, 46 cities provide 10 holidays, and 89 cities provide more than 10 holidays per year. The average number of sick leave days provided is 11.6. The minimum number of sick days is zero, while the maximum number is 120.

How to Get More Information

To understand the process of requesting additional salary or benefit information, you may need to understand a little about how the survey database is constructed. This will help you understand the constraints imposed on MTAS by the software we use. We are capable of generating salary information based on population. Population statistics used in the survey were obtained from the *2002 Directory of Tennessee Municipal Officials*.

The population groupings are:

- Group 1: populations of more than 100,000;
- Group 2: populations between 15,000 and 99,999;
- Group 3: populations between 8,000 and 14,999;
- Group 4: populations between 4,000 and 7,999;
- Group 5: populations between 2,000 and 3,999;
- Group 6: populations of less than 2,000.

The database is divided into sections called tables. Each table is associated with a particular section (topic) of the questionnaire that cities completed. There is a general table that contains statistical information about every city in the state. Included in this table is information about population, grand division, county, contact person and telephone number, and the MTAS municipal management consultant serving the city. This table allows the computer to generate reports.

Two tables are associated with the salary questionnaire. A title table contains a list of the 73 benchmark positions. (The list appears on your request form.) The salary table includes salary information for all positions in each of the seven job categories:

1. Elective,
2. Administrative,
3. Professional,
4. Clerical,
5. Technical,
6. Public safety, and
7. Labor and trade.

The remaining tables are associated with the benefits portion of the questionnaire. The tables are:

1. Staffing information,
2. Hours,
3. Salary payment policies,
4. Employee insurance,
5. Holidays,
6. Leave,
7. Other leave,
8. Retirement benefits, and
9. Other benefits.

Some information on part-time employees also is available.

Individual reports can be tailored and generated exclusively for a requesting city. This gives you more control over the information you receive and how that information is presented to you. Examples of acceptable database requests are:

- City manager salary data for cities with populations between 15,000 and 25,000 in West Tennessee;
- All clerical salaries in population group four;
- Police chief salaries for Maryville, Hendersonville, Jackson, and Clarksville; or
- Cities that pay less than 75 percent of their employees' insurance premiums.

Salary data also are available by geographical and statewide averages, by counties, and by selected cities.

Use the forms that follow to prepare your information request(s). Feel free to duplicate the forms as often as necessary. You may request as many reports as you need, and all requests will be processed as they are received. Please send all data request forms to:

Salary Survey Request
The University of Tennessee
Municipal Technical Advisory Service
Conference Center Building, Suite 120
Knoxville, TN 37996-4105

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