

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 13, 2016
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
THROUGH: MARK B. JINKS, CITY MANAGER 
FROM: MORGAN ROUTT, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET 
SUBJECT: BUDGET MEMO #10: GENERAL SCHEDULE EMPLOYEE COMPENSATION

This memorandum responds to questions from Mayor Silberberg regarding General Schedule Employee Compensation.

QUESTION:

What would a 1% salary increase cost (with and without ACPS included)?

ANSWER: It would cost the City approximately \$1.5 million to fund a 1% salary increase for General Schedule employees, including the additional benefit costs resulting from the salary increase. It would cost the City approximately an additional \$1.9 million to fund a 1% salary increase for Alexandria City Public Schools (ACPS) Operating Fund employees, including resulting benefit increase costs, for a total of \$3.46 million.

Cost of 1% Salary Increase for General Schedule Employees & ACPS Employees			
	1% Increase	Benefit Increase	Salary 1% & Benefit
City of Alexandria (GS, GSNV, Phys)	\$1,240,961	\$299,946	\$1,540,907
ACPS (Operating Fund)	\$1,540,418	\$375,583	\$1,916,001
Grand Total	\$2,781,379	\$675,529	\$3,456,908

QUESTION:

What is the Market Rate Adjustment (MRA) history over the last 15 years?

ANSWER (excluding targeted pay adjustments for market reasons):

- FY 2001 – 2.5%
- FY 2002 – 3.0%
- FY 2003 – 2.5%
- FY 2004 – 2.0%
- FY 2005 – 2.0%
- FY 2006 – 2.0%
- FY 2007 – 3.0%
- FY 2008 – 0%
- FY 2009 – 0%
- FY 2010 – 0%
- FY 2011 – 0%
- FY 2012 – 0%
- FY 2013 – 0%
- FY 2014 – 0%
- FY 2015 – 0%
- FY 2016 – 0%

QUESTION:

What are our NoVa comparators (and Loudoun) doing for MRA's in FY 2017?

ANSWER:

- Arlington County – No MRA, but one step of 1.75% added to the end of their pay scale.
- Fairfax County – 1.33%
- Prince William County – No MRA
- Loudoun County – No MRA

QUESTION:

Explain the step system and percentage increases.

ANSWER:

Each eligible employee (those who have not reached the top of the pay range) who performs satisfactorily in their position receives a step increase in pay on the anniversary of their hire. Pay can increase from step-to-step by a percentage of 2.3%, 3.5% or 5.0%. Below are the percentages by step and pay scale (executive and physician are not included as they have pay bands rather than steps):

All Pay Scales with the Exception of Sworn Fire,

- Steps 0 through 2 increase by 5.0%
- Steps 3 through 7 increase by 3.5%
- Steps 7 through 16 increase by 2.3%

Sworn Fire Pay Scale

- Steps 0 through 4 increase by 5.0%
- Steps 5 through 9 increase by 3.5%
- Steps 10 through end of pay scale increase by 2.3%

QUESTION:

Explain how comparator measures are done and show GS employee results.

ANSWER:

Benchmark studies are conducted to determine the competitive posture of an organization. In order to conduct a benchmark study, we select benchmark classifications that meet the following criteria:

- Number of incumbents (the more incumbents, the larger the scope of the study)
- Scope of comparable jurisdictions
- Career ladder positions
- Key positions/functions of the organization
- Frequently questioned job classes

Benchmark standards require a sample size of 30%-50%.

In the fall of 2015, Classification & Compensation created a benchmark survey and distributed the survey to our five comparator jurisdictions. The information contained in the survey included a list of classifications and descriptions for each classification. Our comparators were asked to provide matches, including salary ranges and average salaries for all classifications where a match could be found. In all, a total of 30% of the City of Alexandria's classifications were matched during this benchmark study. The results are below. The City's pay philosophy states that pay is to be competitive at a minimum with the average pay of the market, which the Compensation profession defines as plus or minus 5% of the market average.

City of Alexandria Market Position

Alexandria compensation levels by salary schedule relative to average of comparator market

Salary Schedule	Jobs Matched	Deviation from Average Minimum Salary	Deviation from Average Midpoint Salary	Deviation from Average Maximum Salary	Deviation from Actual Average Salary
All General Schedule (excluding Exec & Management)	121	\$1,184	-\$499	-\$2,182	\$1,454
% Ahead or behind Market		2%	-1%	-3%	2%

Source: FY 2015 Alexandria Benchmarking Project