

City Of Sequim 2019 Budget

Personnel Summary

FTE Summary:

The planned full time employee (FTE) headcount for 2019 is 82.25, increased 4.77 FTE over 2018. Aside from staff reallocations from one department to another, this count includes several staffing additions and adjustments as follows:

- ❖ The City Manager's office has requested a part-time Arts Coordinator position (.4 FTE) funded by one-time sales tax receipts, to be revisited annually for funding availability.
 - The City Manager's office is eliminating a part-time intern position (.3 FTE) until the program can be further defined.
- ❖ The Police Department has requested an additional full-time Police Officer (1 FTE).
- ❖ Public Works and DCD have requested a shared full-time Administrative Assistant position to support both departments, reporting in the Administrative Pool (1 FTE) as well as additional time from an existing Finance Administrative Assistant (.19 FTE).
- ❖ Public Works has also requested a full-time Associate Engineer position to replace the existing part time Project Engineer (net .5 FTE) and a full-time Maintenance Project Worker (1 FTE).
- ❖ Finally, the Sewer Department will be bringing on the Carlsborg Maintenance worker full-time in 2019 (net .5 FTE) and a new WRF maintenance worker, swapping out a seasonal to add a full-time member to the team (net .5 FTE).

In 2019 employee salary costs are estimated at \$6.1ml and benefits at \$2.9ml. This represents an 8.5% increase in wages and a 12.3% increase in benefit costs. Human Resources will continue to work with departments to analyze and reduce benefit program costs and options, unemployment costs and workers compensation program fees.

Salary and Wages

Non-Uniformed Bargaining Unit

This unit currently represents 38.75 employees. Total compensation for this group, including the proposed Maintenance Project Worker and Administrative Assistant, is budgeted to be \$3.6ml for 2019. The bargaining unit contract for this group of employees expires on December 31, 2018. At the time of this budget's preparation the contract is under negotiation.

Police Sergeants Bargaining Unit

Five employees are represented by this unit. In 2019, total compensation for this group is budgeted at \$670k. The bargaining unit contract for this group expires December 31, 2018. At the time of this budget's preparation the contract is under negotiation.

Police Officer Bargaining Unit

Fourteen employees are represented by this unit. Total compensation in 2019 for the group is budgeted at \$1.6ml. The bargaining unit contract for this group also expires December 31, 2018. At the time of this budget's preparation the contract is under negotiation.

Non-Represented Staff

The full-time employee equivalent count for this non-union group of employees is 23. Total compensation in 2019 is budgeted at \$2.9ml. Their last pay increase was January 1, 2018 with the majority receiving a 1.5% COLA and a merit increase. The City's "Management Compensation Policy Objectives" (included in the Personnel Policy Manual, Chapter 6-D), establishes that a wage market survey be conducted every two to three years. In 2018, Human Resources staff worked with a third party consultant to complete a thorough wage survey of all non-union positions, plus a compensation analysis for new positions requested by departments in the budget process. This group's salary range chart has been updated for 2019, to reflect market increases. Note that a market update to the salary schedule does not necessarily mean a wage increase for employees, because an actual wage increase is based on achieving performance measures.

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The intent of reevaluating compensation regularly is to ensure City positions reflect the labor market and that there is parity between represented and non-represented employees.

Other wages, salaries, benefits

This category includes wages for Public Works seasonal/temporary positions and Police Reserve officers, representing a total of 1.5 FTE. Total compensation is budgeted at \$50k in 2019.

Benefits

Health Benefits

We provide two health benefit (medical, dental, vision, disability, life insurance) programs for our employees; one through Washington Welfare Teamsters Trust and one through the Association of Washington Cities. Health insurance comprises the largest component of these costs. We estimate the average budgeted health benefit will increase 7% for 2019.

- ❖ Teamsters: Total FTE count of 57.75 union employees in the Non-Commissioned, Police Patrol and Police Sergeant bargaining units. These union employees are covered by Washington Welfare Teamsters Trust insurance. The Welfare Trust charges one monthly health insurance rate, regardless of whether the employee is single or has a family. The Welfare Trust does not provide rate increase estimates; they publish rate increase information in late November.
- ❖ AWC: We have 23 non-union employees eligible for insurance benefits covered by the Association of Washington Cities Trust. The AWC benefits health plan provided for this group estimates increases effective 2019, based on claims experience. Final rates will be announced in late September. The City pays 87.5% of the cost for non-union employees.

As an additional way to save on health benefit costs, “voluntary opt-out of health insurance” for the non-union group was implemented in 2017. The union Teamster health insurance does not allow this; however, AWC health insurance plan rules allow up to 5 of the 23 non-union employees to voluntarily end their participation in the City-paid health insurance if they have alternate insurance available through another qualified employer-sponsored group health insurance. Other comparable cities offer this option by providing a monetary incentive to the employee opting out to cover the costs of signing up with the other qualified employer sponsored group health plan. We currently have three of the five possible employees taking advantage of this voluntary option in 2019.

Holidays

The number of approved annual City holidays is 11 with one additional floating holiday.

Retirement Benefits

All regular City positions participate in a defined benefit plan required by the State of Washington that includes an employer and employee contribution. Our uniformed Police employees participate in the LEOFF plan and all other regular employees are covered by the PERS plan. The State legislature sets the contribution rates for both the employer and the employee, which are subject to change based on plan provisions, economic assumptions and the actuarial experience of the system. PERS rates increased to 12.83% (from 12.70%) on September 1, 2018 and LEOFF rates remain at 5.43%. There are no additional increases scheduled by the State legislature in 2019. Both PERS and LEOFF contributions will also increase based upon planned increases in salaries/wages.

Payroll Taxes

Labor & Industries (L&I) rates reflect the City’s history of safety, injuries and worker’s compensation claims. Over the last several years, L&I rates have continued to increase statewide. The City has an all-City safety committee meeting monthly to “increase safety awareness and reduce safety incidents” by recommending improvements and training to department heads. L&I rates are based on a city’s rolling 3 year experience

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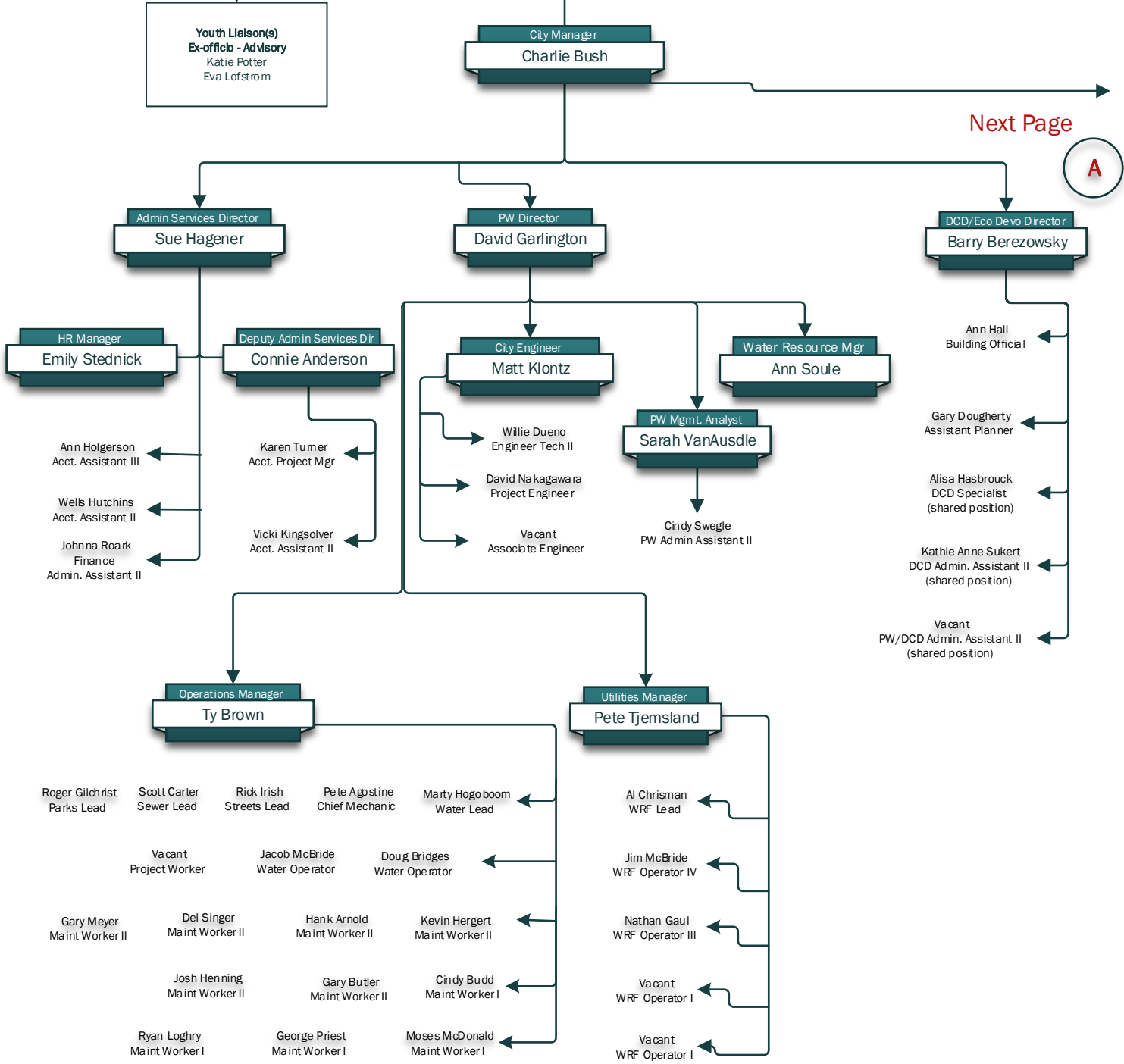
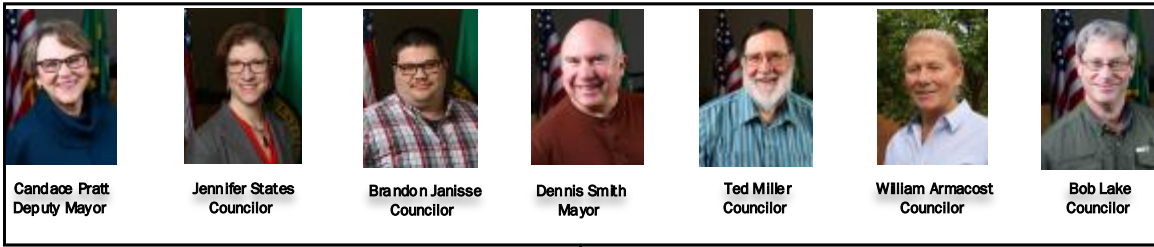
rating as well as the overall cost for Labor & Industries to manage the worker's compensation program. At this time we estimate a 10% increase for 2019 for L&I rates. L&I will publish final rate notices confirming this information in December.

For employers, social security tax continues to be 6.2% and Medicare tax 1.45%.

The State of Washington passed a new law in 2018 regarding paid family and medical leave. Both employers and employees pay into this insurance fund, with a 0.4% payroll tax. Payroll deductions will begin on January 1, 2019, and benefits will become available to employees on January 1, 2020.



Sequim City Council



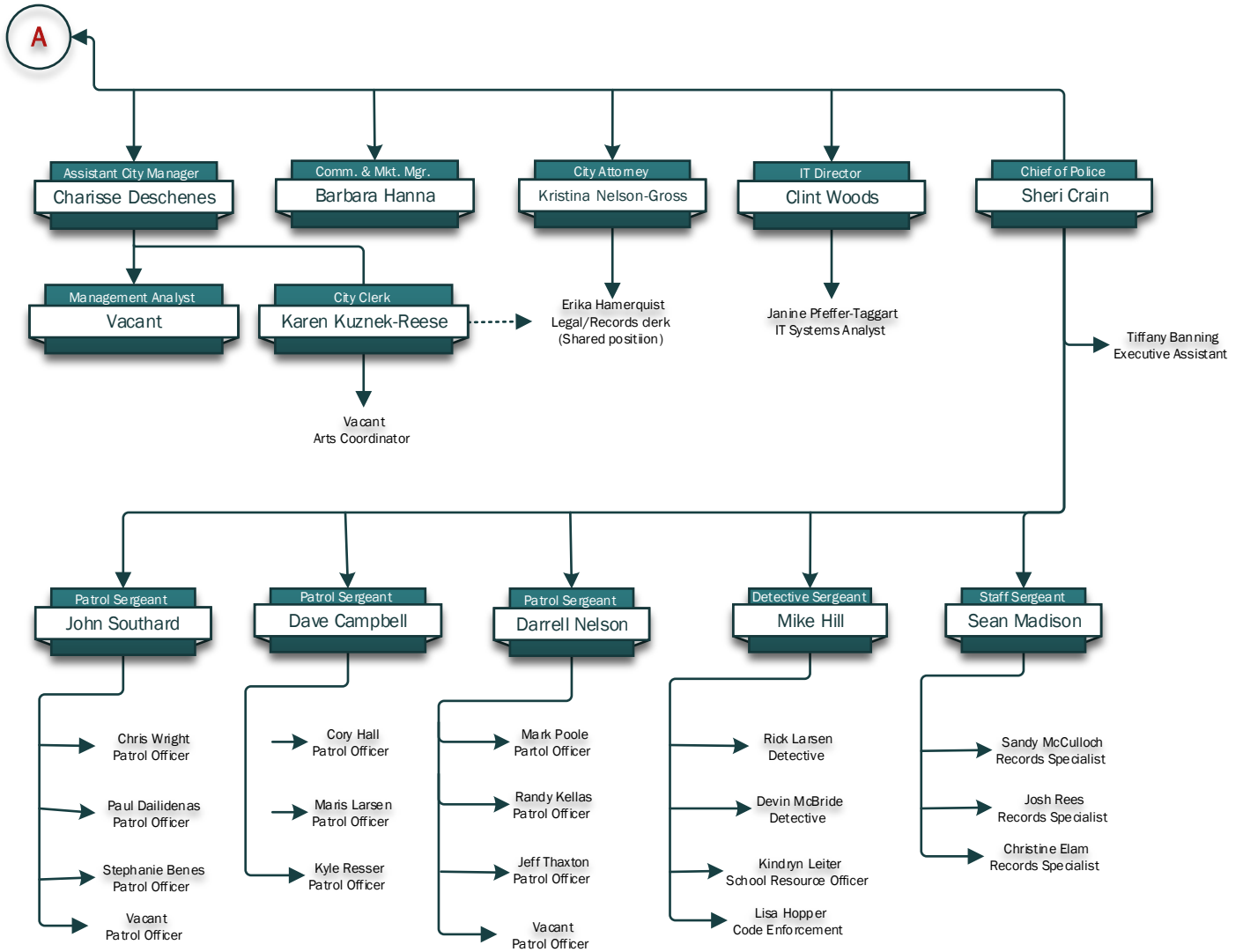
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Organization Chart Budget 2019

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**City of Sequim
2019 Budget**

Historical Staffing Summary

	Actual 2015	Actual 2016	Actual 2017	Forecast 2018	Budget 2018	Budget 2019	2019 - 2018 %
<i>Budgeted positions (FTE, not including Council)</i>	76.17	75.42	76.56	78.18	78.18	82.25	5.2%
OFM Census	6,915	7,075	7,280	7,460	7,460	7,684	3.0%
<i>Employees per 1000 OFM Population</i>	11.0	10.7	10.5	10.5	10.5	10.7	2.1%
					<i>staff estimate 3% inc.*</i>		
Salaries	\$ 5,090,953	\$ 5,316,955	\$ 5,338,866	\$ 5,653,366	\$ 5,636,005	\$ 6,117,111	8.5%
Benefits	\$ 2,020,530	\$ 2,194,671	\$ 2,303,631	\$ 2,483,349	\$ 2,589,018	\$ 2,907,295	12.3%
Total Comp	\$ 7,111,483	\$ 7,511,626	\$ 7,642,497	\$ 8,136,715	\$ 8,225,023	\$ 9,024,406	9.7%
<i>Year over Year % Increase</i>	0.8%	5.6%	1.7%	6.5%	7.6%	9.7%	
Benefits as % Salaries	40%	41%	43%	44%	46%	48%	3.5%
Benefits as % Total Comp	28%	29%	30%	31%	31%	32%	2.3%
<i>City Wide Operating Funds</i>	\$ 13,730,963	\$ 14,332,439	\$ 15,377,248	\$ 17,309,031	\$ 17,235,466	\$ 18,270,506	6.0%
Total Comp as % Op Budget	51.8%	52.4%	49.7%	47.0%	47.7%	49.4%	3.5%

Salary and Benefits by Employee Group

	Council	Non- Represented	Non- Uniformed	Sergeants	Uniformed	Reserves, Seasonal & Temporary	Total
Regular Salary	23,880	1,985,915	2,258,535	435,134	1,008,125	39,528	5,751,117
Overtime - Hourly		-	107,438	43,911	135,528		286,877
On Call Pay		-	64,152	14,965	-		79,117
Total Salary	\$ 23,880	\$ 1,985,915	\$ 2,430,125	\$ 494,010	\$ 1,143,653	\$ 39,528	\$ 6,117,111
Health Insurance	-	459,604	673,284	87,005	242,888	-	1,462,781
Retirement	-	244,822	298,880	26,012	62,100	4,227	636,042
Payroll Taxes	1,863	157,453	184,601	37,751	89,398	3,083	474,148
Other Benefits	-	17,153	-	4,680	3,120		24,953
Workers Comp	158	30,010	84,965	20,421	60,346	3,346	199,246
Total Benefits	\$ 2,021	\$ 909,042	\$ 1,241,730	\$ 175,869	\$ 457,852	\$ 10,656	\$ 2,797,170
Total Salary & Benefits	\$ 25,901	\$ 2,894,957	\$ 3,671,854	\$ 669,879	\$ 1,601,506	\$ 50,184	\$ 8,914,281
<i>Actual Budgeted Staff (FTE, not including Council)</i>		23.00	38.75	5.00	14.00	1.50	82.25
Salary per FTE		86,344	62,713	98,802	81,690	26,352	74,372
Benefits per FTE		39,524	32,045	35,174	32,704	7,104	34,008
Total per FTE		\$ 125,868	\$ 94,758	\$ 133,976	\$ 114,393	\$ 33,456	\$ 108,380

LEOFF I Retired Medical Benefits \$ 12,125
Unemployment Reserve \$ 98,000

Total Benefits including Retired Medical Benefits \$ 2,907,295

**CITY OF SEQUIM
2019
Salary & Wage Schedule**

Division Dept	Union Range	Compensation Schedule by Job Title	FTE budgeted	Salary & Wage Range		
				Minimum	< ---- >	Maximum
		Council	7	1,800	< ---- >	4,920
		Non-Represented				
		Exempt / Non-Exempt				
ADM		City Manager	1	127,336	< ---- >	144,845
ADM		Assistant City Manager	1	93,771	< ---- >	120,219
ADM		Admin Services Director/Treasurer	1	93,771	< ---- >	120,219
POL		Chief of Police	1	93,771	< ---- >	120,219
ADM		City Attorney	1	93,771	< ---- >	120,219
DCD		DCD Director	1	93,771	< ---- >	120,219
ADM		IT Director	1	93,771	< ---- >	120,219
PW		Public Works Director	1	93,771	< ---- >	120,219
PW		City Engineer	1	80,425	< ---- >	103,109
ADM		Comm. & Marketing Director	1	80,425	< ---- >	103,109
ADM		Deputy Admin Services Director	1	80,425	< ---- >	103,109
POL		Deputy Chief of Police	0	80,425	< ---- >	103,109
ADM		City Clerk	1	72,520	< ---- >	92,974
ADM		HR Manager	1	72,520	< ---- >	92,974
PW		PW Operations Manager	1	72,520	< ---- >	92,974
PW		PW Senior Finance Analyst	1	72,520	< ---- >	92,974
PW		Utilities Manager	1	72,520	< ---- >	92,974
ADM		Accounting Project Manager	1	64,852	< ---- >	83,144
PW		Engineering Project Manager	1	64,852	< ---- >	83,144
PW		Resources Manager	1	64,852	< ---- >	83,144
PW		Associate Engineer	1	52,418	< ---- >	67,203
ADM		CM Management Analyst	1	52,418	< ---- >	67,203
POL		Executive Admin Assistant	1	49,743	< ---- >	62,179
ADM		Legal/Records Clerk	1	49,743	< ---- >	62,179
		Seasonal & Temporary				
PW		Arts Coordinator	0.38	14.50/hr	< ---- >	\$20.00/hr
POL		Police Reserve	0.12			
PW		Seasonal Maint. Workers	1	\$14.50/hr	< ---- >	\$17.00/hr
		Union Represented				
		Non-Uniformed				
DCD	26	Building Official/Fire Marshall	1	62,733	..B..C..D..	74,838
PW	21	WRF Lead	1	54,122	..B..C..D..	64,501
PW	20	Chief Mechanic	1	52,541	..B..C..D..	62,629
ADM	20	IT Systems Analyst	1	52,541	..B..C..D..	62,629
DCD	19	Assistant Planner	1	51,002	..B..C..D..	60,861
PW	19	Engineering Tech II	1	51,002	..B..C..D..	60,861
PW	19	WRF Operator IV	1	51,002	..B..C..D..	60,861
PW	18	Lead Water	1	49,525	..B..C..D..	59,051
DCD	17	Code Enforcement Officer	1	48,090	..B..C..D..	57,346
PW	17	Maint Worker III (Leads)	3	48,090	..B..C..D..	57,346
PW	17	WRF Operator III	1	48,090	..B..C..D..	57,346
PW	16	Water Operator	2	46,696	..B..C..D..	55,702
PW	16	Maintenance Project Worker	1	46,696	..B..C..D..	55,702
PW	15	Maint Worker II	6	45,344	..B..C..D..	54,038
ADM	15	Accounting Assistant III	1	45,344	..B..C..D..	54,038
DCD	14	DCD Specialist	1	44,013	..B..C..D..	52,499
ADM	13	Accounting Assistant II	2	42,702	..B..C..D..	50,939
PW	12	WRF Operator I	2	41,496	..B..C..D..	49,462
POL	12	Police Specialist	3	41,496	..B..C..D..	49,462
PW	11	Maint Worker I	4	40,269	..B..C..D..	48,048
PW	10	Administrative Assistant II	1	39,125	..B..C..D..	46,634
ADM/PW/DCD	9	Administrative Assistant I	2.75	37,960	..B..C..D..	45,240
		Uniformed				
POL		Police Sergeant	5	73,584	..B..C..D..	78,234
POL		Police Officer	14	54,131	..B..C..D..	66,925
		Total Employees (excluding Council)	82.25			

* By approving the budget Council authorizes the City Manager to adjust duties & salaries within the number of FTEs & within the budgeted salaries & benefits amounts.

**CITY OF SEQUIM
2019 BUDGET
Personnel Summary by Department and Fund**

	Budget 2015	Budget 2016	Budget 2017	Budget 2018	Budget 2019	2019-2018 Change
General Fund						
City Manager	1.50	1.50	2.00	3.30	3.00	(0.30)
City Clerk	2.00	2.00	2.00	1.50	1.50	-
Communications	0.40	0.50	0.50	0.50	0.50	-
City Attorney	1.35	1.35	1.50	1.50	1.50	-
Crim Prosecution (Municipal Court)	0.65	0.65	-	-	-	-
Human Resources	1.50	1.50	1.00	1.00	1.00	-
Information Technology	3.00	3.00	3.00	2.00	2.00	-
Finance	6.25	6.50	6.56	6.56	6.56	-
Growth Planning	1.00	1.00	1.00	1.00	0.75	(0.25)
Administrative Pool	-	-	1.50	1.50	2.50	1.00
Dev Services	3.00	3.00	2.75	2.75	2.75	-
PW Administration	4.10	4.00	4.00	4.05	5.19	1.14
Facilities Maintenance	1.56	1.05	1.06	1.33	1.30	(0.03)
Engineering	2.90	3.00	2.00	2.00	4.50	2.50
Temporary Engineering Project Mgr			1.50	1.50	-	(1.50)
Parks	2.15	1.90	1.38	1.38	1.59	0.21
Temporary, Seasonal or Interns	0.50	0.50	-	-	0.25	0.25
Police	20.92	20.92	22.50	23.00	24.00	1.00
Code Enforcement	1.00	1.00	1.00	1.00	1.00	-
Police Reserve	0.12	0.12	0.12	0.12	0.12	-
Subtotal	53.78	53.37	55.37	55.99	60.01	4.02
Streets						
Temporary, Seasonal or Interns	4.04	4.20	3.59	3.64	3.20	(0.44)
Subtotal	4.04	4.20	4.09	4.14	3.45	(0.69)
Stormwater						
Stormwater Operations	0.75	0.70	1.58	0.84	0.50	(0.34)
Project Stormwater	-	0.25	-	-	-	-
Temporary Water Resource	1.00	-	-	-	-	-
Subtotal	1.75	0.95	1.58	0.84	0.50	(0.34)
Restricted Funds						
Hotel/Motel Fund	0.60	0.50	0.50	0.50	0.50	-
Arts & Culture				-	0.38	0.38
Police Restricted	1.00	1.00	-	-	-	-
Subtotal	1.60	1.50	0.50	0.50	0.88	0.38
Enterprise Funds						
Water	4.00	4.25	4.93	5.43	5.19	(0.24)
Temporary, Seasonal or Interns	0.50	0.50	0.50	0.50	0.50	-
Sewer	8.00	9.15	8.21	9.58	11.72	2.14
Temporary, Seasonal or Interns	2.50	1.50	1.50	0.50	-	(0.50)
Subtotal	15.00	15.40	15.14	16.01	17.41	1.40
Total Full Time Equivalents	76.17	75.42	76.68	77.48	82.25	4.77
Tax Supported (includes Streets)	57.82	57.57	59.46	60.13	63.46	3.33
Other Funding	1.60	1.50	0.50	0.50	0.88	0.38
Enterprise Fund Supported	16.75	16.35	16.72	16.85	17.91	1.06
Total Full Time Equivalents	76.17	75.42	76.68	77.48	82.25	4.77

CITY OF SEQUIM

2019 BUDGET

Benefits Schedule

Preliminary as of 8/14/18 - Subject to Change

City Paid Benefits 87.5% Health Insurance; 100% Remaining Insurance (Non-Represented Employees)	Total Monthly Cost
Medical - Regence Blue Shield / AWC Health First 250 Plan	\$ 669.64 < -----> \$ 2,004.22
Dental - WDS / Plan F, plus Orthodontia	\$ 56.02 < -----> \$ 183.99
Vision - VSP	\$ 7.96 < -----> \$ 23.88
Employee Assistance Program - ComPsych	\$ 1.49
Basic Life Insurance - The Standard	0.19/per \$1000 of coverage
AD&D Insurance - The Standard	0.05/per \$1000 of coverage
Long Term Disability - The Standard	0.341% of compensation
City Paid Benefits 85% Insurance (Non- Uniformed Union Employees)	Total Monthly Cost
Medical - WA Teamsters Welfare Trust / Plan A	\$ 1,243.65
Dental - NW Teamsters Dental Trust / Plan A	\$ 118.69
Vision - WA Teamsters Vision Trust	\$ 13.55
Time Loss Insurance / Plan C	\$ 7.28
Life and AD&D Insurance / Non-Unif Plan B	\$ 4.00
Waiver of Contributions 9-Month Disability Extension	\$ 10.37
City Paid Benefits 87.5% Insurance (Uniformed Union Employees)	Total Monthly Cost
Medical - WA Teamsters Welfare Trust / Plan A	\$ 1,280.23
Dental - NW Teamsters Dental Trust / Plan A	\$ 122.18
Vision - WA Teamsters Vision Trust	\$ 13.95
Time Loss Insurance / Plan A	\$ 14.98
Life and AD&D Insurance / Uniformed Plan A	\$ 8.05
Waiver of Contributions 9-Month Disability Extension	\$ 10.67
Other City Paid Benefits - Employer Contribution	Total Monthly Cost
Retirement: PERS Plans	12.83% < -----> 12.83%
LEOFF2	5.43%

* Management reserves the right to make changes in these benefits when not limited by existing contracts.

