



Request for City Council Committee Action from the Department of Human Resources

Date: January 9, 2009

To: Ways and Means Committee and Mayor R.T. Rybak

Referral to: City Council

Subject: Approval for Submission of Pay Equity Implementation Report

Recommendation: Direct staff to submit the Pay Equity Implementation Report to the Minnesota Department of Employee Relations.

Previous Directives: None.

Prepared or Submitted by: Timothy Giles, Director of Employee Services; 673-3341

Approved by: _____

Pam French
Director of Human Resources

Steven Bosacker
City Coordinator

Permanent Review Committee (PRC) Approval _____ Not Applicable X

Policy Review Group (PRG) Approval _____ Date of Approval _____ Not Applicable X

Presenters in Committee: Tim Giles, Director of Employee Services

Financial Impact (Check those that apply)

No financial impact (If checked, go directly to Background/Supporting Information).

Action requires an appropriation increase to the _____ Capital Budget or _____ Operating Budget.

Action provides increased revenue for appropriation increase.

Action requires use of contingency or reserves.

Business Plan: _____ Action is within the plan. _____ Action requires a change to plan.

Other financial impact (Explain):

Request provided to department's finance contact when provided to the Committee Coordinator.

Community Impact (use any categories that apply)

Neighborhood Notification

City Goals

Comprehensive Plan

Zoning Code

Other

Background/Supporting Information Attached

In 1984, the Minnesota legislature enacted the Local Government Pay Equity Act, Minnesota Statutes 471.991 to 471.999, requiring the state's political subdivisions to establish "equitable compensation relationships" between male and female-dominated job classifications of similar value (i.e. classification points). The law requires each jurisdiction to submit a Pay Equity Implementation Report to the Minnesota Department of Employee Relations every three years. The City of Minneapolis is required to submit the report by January 31, 2009, using compensation data effective December 31, 2008.

The Pay Equity law establishes three tests for compliance:

1. The Underpayment Ratio Test determines if males and females are paid comparably for work of similar "value". The test requires that a job analysis system that fairly assigns value (i.e. points) be used and that all employee-gender counts are conducted of every classification to determine its gender predominance. A ratio of at least "80" is required to pass this test.
2. The Salary Range Test compares the number of years it takes females and males to reach the maximum salary for the position. A percentage of at least 80% is required to pass this test.
3. The Exceptional Service Pay Test compares the number of female classifications receiving Exceptional Service Pay (longevity, merit pay) to the number of male classes receiving the pay. A percentage of at least 80% is required to pass this test.

A review of the 2009 data to be submitted to the State indicates that we comply with the pay equity law.

The pay equity rules require the governing body of each jurisdiction to review and approve submission of the pay equity report. Therefore, I am requesting your approval for the submission.

Attached: Pay Equity Implementation Report