

# Memorandum

## City of Lawrence

### Human Resources Division/City Manager's Office

**TO:** David L. Corliss, City Manager

**FROM:** Lori Carnahan, Human Resources Manager

**CC:** Diane Stoddard, Assistant City Manager  
Cynthia Wagner, Assistant City Manager  
Casey Toomey, Budget Manager

**DATE:** February 8, 2012

**RE:** Payroll History 2001-2011

In 2001 wages made up 83.54% of total payroll costs<sup>1</sup>, in 2011 wages were 75.33% of total costs, a decrease of 6.81%. Retirement and healthcare have taken up the majority of that shift from 16.46% to 24.67% of total payroll costs (7.79% to 11.45% and 7.99% to 11.99% respectively).

With a 10% increase in full time staff the City has seen a 70% increase in overall payroll expenditures with 53% increase in Wages, 150% increase in Retirement contributions and 155% increase in Healthcare contributions. On a per FTE (Full Time Equivalent) basis there has been a 39% increase in Wages, 127% increase in Retirement contributions and 131% increase in Healthcare contributions.

In 2005 the City made a significant change to its pay plans which would account for the majority of the almost 13% increase in Regular Salaries between 2004 and 2005.

The years of 2005 and 2006 were years of FTE (Full Time Equivalent) growth with 3.95% and 3.69% respectively only exceeded by a 4.12% growth in FTE for 2002. The years of 2002-2007 the City experienced growth in FTEs with 713.05 in 2002 and peaking at 827.67 in 2007, since then decreases in FTEs occurred each year through 2011 with an increase of 0.51% projected in 2012. Current FTE are 790.67. The years of the greatest FTE increases saw increases in Regular Salaries of 8.9% (2002), 9.6% (2006) and 7.6% (2007) along with the 13% increase previously mentioned in 2005.

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<sup>1</sup> The data used for this comparison includes: wages paid (full time, part time and temporary staff), employee benefit contributions (health, retirement, life insurance), taxes paid (FICA, unemployment) and work comp (transfers and temporary total disability payments). The data does not include: employee programming (wellness activities, service awards), some benefit consultant and administration fees and any portions of the employee benefit programs paid by the employee.

Retirement contributions (FICA, KPERS, KP&F) experienced double digit increase in 2004-2007 with increases of 16%, 19%, 15% and 12% respectively. Healthcare contributions showed double digit increases in three separate years; 33% in 2003, 21% in 2004 and 17% in 2010. While Regular Salaries, KPERS, KP&F and Healthcare changes have made big impact on total payroll; Overtime, Longevity, Temporary Staff, FICA, Unemployment, Life insurance and Workers Comp have very little fluctuation over time and create little impact on changes in total payroll.

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As a percent of total wages in a given year:

- Regular Salaries averages 73% of payroll with a high of 77% in 2002 and low of 69% in 2011.
- Overtime has remained steady with an average of 2.65%, low of 2.46% in 2005 and high of 3.03% in 2001.
- Longevity ranges between 0.64% and 0.70% of payroll.
- Parttime salaries (temporary staff) ranges 2.48%-3.65%
- FICA has remained unchanged in its percentage of wages and ranges between 3.6%-4.0% of total payroll.
- KPERS contributions have grown steadily from 1.19% of payroll in 2001 to 3.04% in 2011.
- KP&F contributions have also grown steadily from a low of 2.57% in 2003 to 4.81% of payroll in 2011.
- Healthcare contributions have grown steadily from 7.54% in 2002 to 11.99% in 2011.
- Other insurances are steady at an average of 0.20% of payroll
- Work Comp has grown from 0.40% to 1.01% of total payroll between 2001 and 2011.

In general combined categories, over ten years (2001-20011) there has been an increase of:

- 10% in full time staff (FTE)
- 70% in overall payroll expenditures
- 53% in wages (salaries, overtime, longevity)
- 150% in retirement contributions (FICA, KPERS, KP&F)
- 155% in healthcare contributions
- 204% in other coverage contributions (life insurance, work comp)

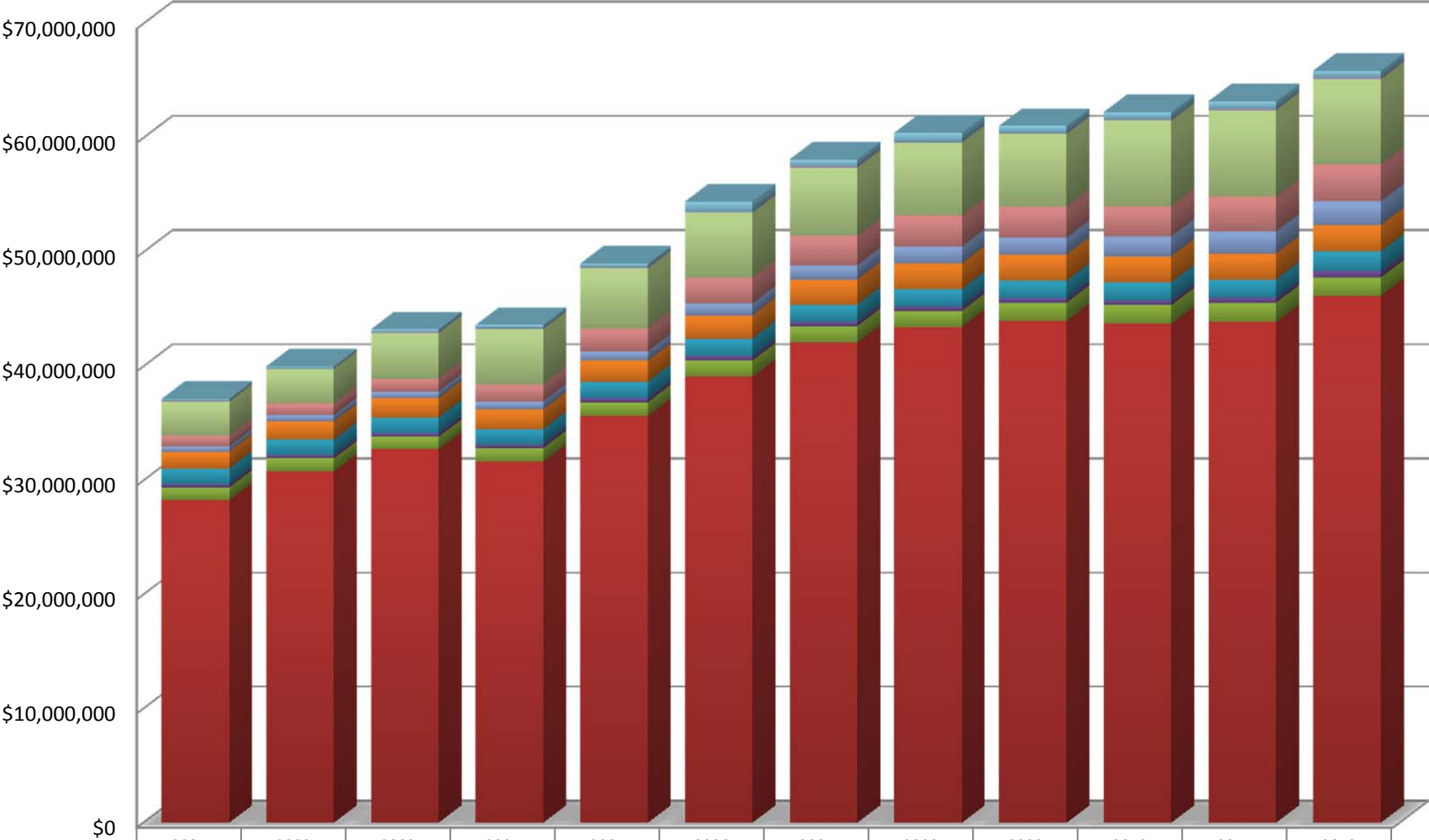
In ten years (2001-20011) there has been an increase of:

- 55% in full time staff Regular Salaries
- 51% in Overtime
- 40% in Longevity Pay
- 20% in Temporary staff salaries
- 53% in FICA
- 335% in KPERS contributions
- 216% in KP&F contributions
- 155% in Healthcare contributions
- 29% in other insurance (life insurance, unemployment)
- 327% in Work Comp TTD & Reserve Transfers

In ten years (2001-20011) there has been a per FTE (Full Time Equivalent) increase of:

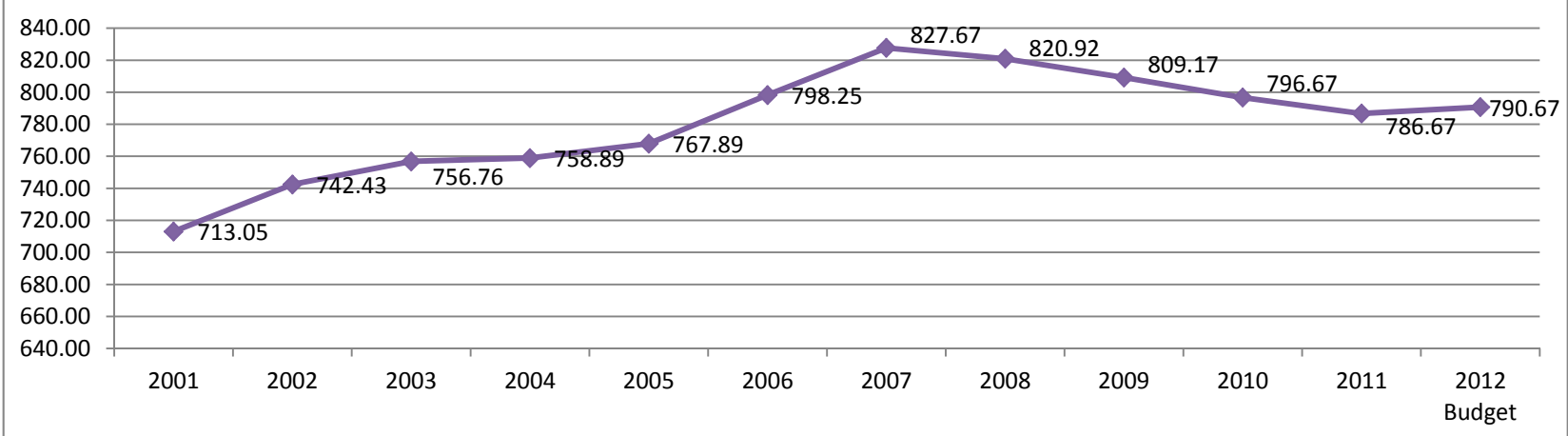
- 54% in overall payroll expenditures
- 41% in full time staff Regular Salaries
- 37% in Overtime
- 27% in Longevity Pay
- 8% in Temporary staff salaries
- 39% in FICA
- 294% in KPERS contributions
- 186% in KP&F contributions
- 131% in Healthcare contributions
- 17% in other insurance (life insurance, unemployment)
- 287% in Work Comp TTD & Reserve Transfers

# City of Lawrence Payroll History-All Funds

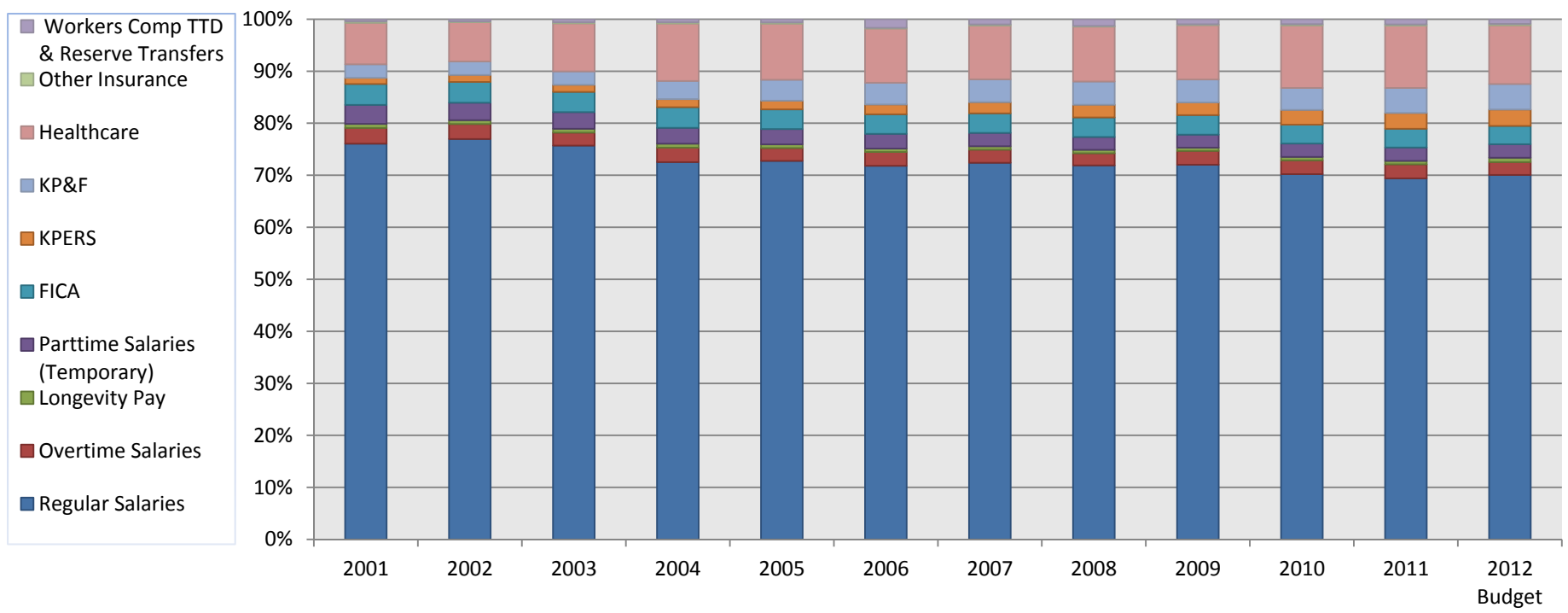


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 Budget
Workers Comp TTD & Reserve Transfers	\$150,000	\$170,000	\$250,000	\$250,000	\$300,000	\$910,000	\$585,000	\$785,000	\$590,000	\$600,000	\$640,184	\$596,780
Other Insurance	\$106,168	\$63,396	\$91,107	\$110,092	\$114,239	\$68,195	\$128,445	\$73,464	\$103,241	\$139,591	\$137,466	\$164,859
Healthcare	\$2,970,044	\$3,020,163	\$4,004,355	\$4,829,019	\$5,287,932	\$5,678,536	\$6,005,611	\$6,390,718	\$6,380,871	\$7,487,799	\$7,579,365	\$7,448,894
KP&F	\$964,226	\$1,032,780	\$1,111,560	\$1,515,955	\$1,970,161	\$2,270,785	\$2,549,938	\$2,701,803	\$2,698,256	\$2,642,800	\$3,042,726	\$3,228,846
KPERS	\$442,652	\$545,010	\$585,964	\$677,282	\$828,720	\$1,025,496	\$1,253,787	\$1,468,327	\$1,481,026	\$1,751,872	\$1,924,015	\$2,084,988
FICA	\$1,488,291	\$1,596,490	\$1,688,276	\$1,731,439	\$1,852,492	\$2,041,699	\$2,190,272	\$2,271,544	\$2,299,930	\$2,270,278	\$2,276,213	\$2,306,657
Parttime Salaries (Temporary)	\$1,356,907	\$1,340,924	\$1,387,470	\$1,335,129	\$1,443,773	\$1,542,888	\$1,494,970	\$1,500,742	\$1,522,857	\$1,602,968	\$1,622,566	\$1,718,129
Longevity Pay	\$294,296	\$300,860	\$319,108	\$333,280	\$346,580	\$363,348	\$380,616	\$389,816	\$392,764	\$396,744	\$411,904	\$561,122
Overtime Salaries	\$1,127,642	\$1,156,819	\$1,081,933	\$1,206,926	\$1,208,261	\$1,448,043	\$1,468,017	\$1,416,821	\$1,609,953	\$1,658,369	\$1,706,280	\$1,626,565
Regular Salaries	\$28,288,434	\$30,806,070	\$32,759,416	\$31,661,944	\$35,677,706	\$39,103,765	\$42,087,664	\$43,472,526	\$43,989,371	\$43,727,060	\$43,892,889	\$46,171,325

### City of Lawrence Full Time Equivalents-All Funds



### City of Lawrence Percent of Total Payroll-All Funds



Percent increase (decrease) categories combined

Year	Wages: Regular Salaries, Overtime, Longevity, Temp Salaries	Retirement Contributions: FICA, KPERS, KP&F	Healthcare Contributions	Other Insurance, Work Comp	Grand Total
2002	8.17%	9.64%	1.69%	-8.89%	7.65%
2003	5.78%	6.66%	32.59%	46.15%	8.11%
2004	-2.84%	15.92%	20.59%	5.57%	0.86%
2005	11.98%	18.52%	9.50%	15.04%	12.32%
2006	9.78%	14.76%	7.39%	136.14%	11.06%
2007	7.00%	12.29%	5.76%	-27.07%	6.78%
2008	2.97%	7.47%	6.41%	20.33%	4.00%
2009	1.57%	0.58%	-0.15%	-19.25%	0.99%
2010	-0.27%	2.87%	17.35%	6.69%	1.98%
2011	0.52%	8.67%	1.22%	5.15%	1.54%
2012 Budget	5.13%	5.21%	-1.72%	-2.06%	4.23%
2001-2011	53.32%	150.17%	155.19%	203.57%	70.03%

Year	FTE	Percent Change
2001	713.05	
2002	742.43	4.12%
2003	756.76	1.93%
2004	758.89	0.28%
2005	767.89	1.19%
2006	798.25	3.95%
2007	827.67	3.69%
2008	820.92	-0.82%
2009	809.17	-1.43%
2010	796.67	-1.54%
2011	786.67	-1.26%
2012 Budget	790.67	0.51%
2001-2011		10.32%

Per FTE categories combined

Year	Wages: Regular Salaries, Overtime, Longevity, Temp Salaries	Retirement Contributions: FICA, KPERS, KP&F	Healthcare Contributions	Other Insurance, Work Comp	Grand Total
2001	\$43,570	\$4,060	\$4,165	\$359	\$52,154
2002	\$45,263	\$4,276	\$4,068	\$314	\$53,921
2003	\$46,974	\$4,474	\$5,291	\$451	\$57,190
2004	\$45,510	\$5,172	\$6,363	\$474	\$57,520
2005	\$50,367	\$6,057	\$6,886	\$539	\$63,850
2006	\$53,189	\$6,687	\$7,114	\$1,225	\$68,215
2007	\$54,891	\$7,242	\$7,256	\$862	\$70,251
2008	\$56,985	\$7,847	\$7,785	\$1,046	\$73,662
2009	\$58,721	\$8,007	\$7,886	\$857	\$75,470
2010	\$59,479	\$8,366	\$9,399	\$928	\$78,172
2011	\$60,551	\$9,207	\$9,635	\$989	\$80,381
2012 Budget	\$63,335	\$9,638	\$9,421	\$963	\$83,357

Percent increase (decrease) per FTE categories combined

Year	Wages: Regular Salaries, Overtime, Longevity, Temp Salaries	Retirement Contributions: FICA, KPERS, KP&F	Healthcare Contributions	Other Insurance, Work Comp	Grand Total
2001					
2002	3.89%	5.30%	-2.34%	-12.50%	3.39%
2003	3.78%	4.64%	30.08%	43.38%	6.06%
2004	-3.12%	15.59%	20.26%	5.27%	0.58%
2005	10.67%	17.13%	8.22%	13.69%	11.01%
2006	5.60%	10.40%	3.30%	127.16%	6.84%
2007	3.20%	8.30%	2.00%	-29.66%	2.98%
2008	3.82%	8.35%	7.29%	21.32%	4.86%
2009	3.05%	2.04%	1.30%	-18.07%	2.45%
2010	1.29%	4.48%	19.19%	8.36%	3.58%
2011	1.80%	10.05%	2.51%	6.48%	2.83%
2012 Budget	4.60%	4.68%	-2.22%	-2.55%	3.70%
2001-2011	38.98%	126.76%	131.31%	175.16%	54.12%