

Response to Recent Mailer Regarding City Personnel Costs



Kettering Personnel Costs: Out of Line & Rising Fast

Voters recently amended the charter to require council to mail a **taxpayer cost report** for a sample of the 355 full-time City employees. Council's recent post card mailing was incomplete & confusing. Long-time Kettering residents Sterling Abernathy and Ron Alban are providing this clarifying info for 2016.

Out of Line

Source notes are on the reverse side.

- Median **taxpayer cost** per employee is **\$116,149** vs. Kettering median household income of **\$50,608**¹.
- **122** employees receive wages of over **\$100,000**², far more than any other area government³.

Rising Fast⁴

- City personnel **costs are up 14.5%**⁵ since 2014 vs. inflation of **5.1%**⁶ over the same period.
- The State **Auditor** recently issued Kettering a **red alert** for spending in excess of revenue⁷.

	Full-Time, Full-Year Positions	2016 Wages	Cost of Benefits	TOTAL TAXPAYER COST		
15 highest cost positions	City Manager	\$191,342	+	\$49,647	= \$240,989	13% more than Dayton city manager ⁸ ; 50% more than Beavercreek city manager ⁹ well above other area fire departments ¹⁰ 21% more than the Montgomery Cty. Prosecutor, who has a staff of 134 ¹¹
	Fire Captain	181,783		68,305	228,888	
	Fire Captain	151,018		88,534	209,550	
	Firefighter/Para. III	143,344		60,125	203,469	
	Fire Captain	143,259		60,125	199,690	
	Fire Captain	137,238		54,910	192,148	
	Fire Captain	138,281		53,177	191,428	
	Fire Battalion Chief	135,880		54,407	190,287	
	Fire Captain	133,583		54,029	187,982	
	Fire Battalion Chief	133,500		54,271	187,771	
	Law Director	143,127		42,188	185,315	
	Asst. City Manager	143,005		41,718	184,723	
	Fire Captain	129,665		53,510	183,175	
	Police Lieutenant	133,128		48,187	181,295	
	Firefighter/Para. III	126,625		52,599	179,224	
15 median cost positions	Firefighter/Para. III	\$85,961	+	\$31,987	= \$117,928	half of all full-time City employees cost taxpayers more than \$116,149 per year.
	Public Safety Dispatcher	84,686		32,834	117,520	
	Div. Mgr. of Cultural Arts	94,146		23,226	117,372	
	Public Safety Dispatcher	84,453		32,821	117,274	
	Patrol Officer	96,708		20,564	117,262	
	Equip. Maint. Supervisor	84,974		32,029	117,003	
	Patrol Officer	89,551		27,142	116,693	
	Eng. Tech. III-Const. Ins.	83,833		32,516	116,149	
	Patrol Officer	88,760		26,731	115,491	
	Jailer	82,864		32,491	115,155	
	Court Admin/Deputy Bailiff	98,969		15,649	114,618	
	CDBG Housing Spec.	81,435		32,243	113,678	
	Street Maint. Supervisor	81,021		32,177	113,198	
	Public Safety Dispatcher	80,885		32,224	112,909	
	Inspector	80,673		32,229	112,902	
15 lowest cost positions	Deputy Clerk I	\$54,315	+	\$9,343	= \$63,658	Kettering median household income
	Probation Officer	38,924		24,441	63,365	
	Buildings Attendant	53,534		8,751	62,285	
	Police Records Spec.	47,600		14,650	62,250	
	Clerk or Aide II	53,003		9,128	62,131	
	Buildings Attendant	46,281		15,188	61,469	
	Street Service II	46,942		14,488	61,430	
	Buildings Attendant	44,276		14,841	59,119	
	Clerk or Aide II	42,243		14,556	56,799	
	Fitness Coordinator	39,554		14,109	53,663	
	Street Service II	45,637		7,396	53,593	
	Facility Coordinator FT	36,673		13,844	50,517	
	Street Service I	40,758		7,478	48,236	
	Facility Coordinator	40,553		6,211	46,764	
	Probation Officer	40,803		6,108	46,711	

In late April, many Kettering residents received this yellow mailer.

It was not produced or mailed by the City of Kettering. The information contained in the mailer was not verified by the City of Kettering.

It was produced by Kettering citizens Ron Alban and Sterling Abernathy.

The mailer directs residents to contact the Mayor and members of City Council to request that they conduct an independent study of Kettering personnel costs.

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To date, fewer than 30 residents have emailed the City, the Mayor and members of City Council to make such a request.

To date, fewer than 25 residents have called the City Council number listed on the mailer to request the study.

All combined, 55 requests for the study have been made by any method to date. This represents less than .001% of Kettering residents.

Relevant Facts About Kettering

- The population of Kettering is approximately 56,000 residents.
- Kettering is the 13th largest city in the state of Ohio.
- In 2016 the City of Kettering had 1,306 employees with nearly 400 of those employees serving our residents in full-time positions.
- For 2016 the City of Kettering's:
 - Total Assets were \$307 Million
 - Total Ending General Fund balance was approx. \$46 Million
 - General Fund revenues were approx. \$59 Million
 - Government Fund revenues were approx. \$80 Million

Relevant Facts About Kettering

- A recent survey of the Kettering community showed that 97% of our residents are satisfied or very satisfied with the level of service provided by the City of Kettering and our dedicated employees.
- As City Manager, I wholeheartedly stand behind the fact that service to our Kettering residents is our “product”.
- Hiring the best and the brightest, and then providing them with the appropriate resources is key to our exceptional service level.
- The mailer contends that our total personnel budget has reached \$50 Million. This is true. We are able to recruit outstanding talent because our salaries are extremely competitive. This is intentional, strategic and something we are proud of, not trying to hide.

Relevant Facts About Kettering

- The City of Kettering is committed to full transparency for all of our operating and personnel expenditures.
- We provide easily searchable, accurate databases for all city employee salaries and all city expenditures on our website.
- I will continue to personally meet with any resident or group of residents who have questions or concerns about city expenditures.

Relevant Facts Regarding Information in the Recent Yellow Mailer to Kettering Residents

- In November 2016, Kettering voters approved amendments to the City Charter initiated by petitions.
- The charter amendments require the City of Kettering to create a document that provides salary and benefit information for the top, middle and lower 15 full time city employees by earnings.
- The City of Kettering mailed this required postcard to all registered voter households in late March 2017. The cost of the mailer was approximately \$6,300.

Relevant Facts Regarding Information in the Recent Yellow Mailer to Kettering Residents

- The recent yellow mailer contends that this postcard is incomplete and confusing.
- The information provided in the City mailing is what is required by the Charter amendment. The language for this amendment was not authored by the City, but rather by the petition requesting the Charter amendment.

Relevant Facts Regarding Information in the Recent Yellow Mailer to Kettering Residents

- The recent yellow mailer claims that the State Auditor recently issued Kettering a “red alert” for spending in excess of revenue.
- This is false. In fact, the State Auditor has no such “red alert” notification. This is a term used to alarm and mislead Kettering residents.
- The most important thing I want City Council and our Kettering residents to know is that our General Fund balance remains healthy and we continue to fund all operating expenses, including salaries, with current year revenues.
- Furthermore, the City of Kettering receives coveted awards regularly from the State Auditor. We have a reputation of excellence statewide, and nationwide, for our preparation and execution of the annual City budget.

Relevant Facts Regarding Information in the Recent Yellow Mailer to Kettering Residents

- The yellow mailer refers to the 2015 State Auditor Financial Health Indicators report. This report ranked communities on 17 standards. Kettering received a “Positive Outlook” on 13 of these standards and a “Cautionary Outlook” on 3 of these standards.
- We did receive a “Critical Outlook” on one standard because we spent more money, entity wide, than we reported in revenues. In essence this is the difference in reporting methods, not a breach of fiscal accountability.
- It is very important to note that expenses exceeded revenues, per the State Auditor report, by less than 1%.

Relevant Facts Regarding Information in the Recent Yellow Mailer to Kettering Residents

- The recent yellow mailer suggests to Kettering residents that they contact Mayor and City Council to request an independent study of city personnel costs.
- The City of Kettering does conduct salary surveys as part of our regular collective bargaining negotiations process. The bargaining units also conduct their own, independent, surveys.
- City Manager position salary surveys are conducted during the contract negotiation process for the City Manager position.

Relevant Facts Regarding Information in the Recent Yellow Mailer to Kettering Residents

- The recent yellow mailer claims that my salary is 13% more than the Dayton City Manager and 50% more than the Beavercreek City Manager.
- This claim is a clever attempt to mislead our residents. What was excluded from the yellow mailer is that my colleagues in Dayton and Beavercreek began their positions as City Manager in their respective municipalities in 2016, while I am serving my 11th year as Kettering's City Manager.
- The facts are that my compensation is only 7% more than the City Manager of Beavercreek (population 20% smaller than Kettering) who retired last year. And my compensation is only 4.6% more than the brand new Dayton City Manager.

Relevant Facts Regarding Information in the Recent Yellow Mailer to Kettering Residents

- The recent yellow mailer claims Kettering has “far more” employees earning more than \$100,000/year than any other area government.
- Their mailer also contends that members of our Fire Department are compensated “well above” other area fire departments.
- As I have reported to City Council and we have shared many times here at these public meetings, we are concerned about our overtime expenditures. So much so that we recently asked City Council to authorize adding 13 additional full time firefighters to our force in order to reduce overtime spending. These new positions assist us in our transition from over reliance on part-time firefighters due to the dwindling supply of such fire fighters.

Relevant Facts Regarding Information in the Recent Yellow Mailer to Kettering Residents

- The recent yellow mailer attributes much of the salary information that was presented to local media outlets.
- As evidenced by our own commitment to providing accurate and searchable financial databases on our own website, we believe in the value of public access to city salary information such as the databases published by these local media outlets.
- However, our residents should be aware that the method for providing information for the media is not always standardized and thus does not compare apples to apples. For example, we report the value of all earnings while some entities do not.
- As a result, misrepresentation of this data without clarifying that it is not apples to apples can then be used to further confuse the public.

Relevant Facts Regarding Information in the Recent Yellow Mailer to Kettering Residents

- The recent yellow mailer claims that our Law Director earns 21% more than the Montgomery County Prosecutor.
- The authors of the yellow mailer did not include in their mailer the fact that the Montgomery County Prosecutor is an *elected* official whose compensation is set by Ohio Revised Code and is not a market rate compensation. In fact, employees that report to Montgomery County Prosecutor earn compensation in excess of the Prosecutor and an employee of the Prosecutor's office earns more than our Law Director.

Response to Recent Mailer Regarding City Salaries

- There are several next steps in response to the recent yellow mailer:
 - We will place a copy of this presentation on the homepage of the city website.
 - We will use social media and other communication methods to share the link to the presentation in order to provide fair and accurate information to our residents.
 - We will continue to keep track of calls and emails received related to the mailer.
 - City Council could direct Administration to proceed with an independent survey and analysis of city personnel costs.