

CAN ANN ARBOR FRINGES BE BENCHMARKED AGAINST BLS?

	Bureau of Labor Statistics *	City of Ann Arbor Budget All Funds
	(Avg. Hrly Rate)	(Avg. Hrly Rate)
<u>FY 2009 - Raw Data</u>		
Wages and Salaries	\$ 25.97	\$ 29.29
Paid Leave: (leave accruals incl. with wages but considered a benefit for analysis purposes)		
Vacation	1.14	2.34
Holiday	1.06	1.27
Sick	0.81	1.47
Personal	0.23	0.43
Supplemental Pay:		
Overtime and Premium	0.17	1.63
Shift Differential	0.04	-
Nonproduction Bonuses/Fire Holiday Pay	0.13	0.17
Insurance:		
Life	0.09	0.13
Active Health Insurance	4.31	4.59
Disability	0.08	0.03
Retirements Savings:		
Defined Benefit	2.83	4.31
Defined Contribution/Deferred Comp	0.32	0.22
Legally Required Benefits:		
Social Security and Medicare	1.83	1.70
Unemployment Insurance	0.06	0.09
Workers' Compensation	0.44	0.43
Total Benefits	\$ 13.54	\$ 18.82
Benefits Ratio - Based on Raw Data	52%	64%
<p>* State & Local Gov. by Major Occupational Industry Group. This report is only partially comparable to our labor force since it includes a large number of teachers and a mix of occupations from State governments which is different than a local municipality. Including teachers affects the hourly wage, overtime, and benefit comparability.</p>		

<u>Comparability Issues</u>		
<u>Adjustments</u>		
Overtime and Premium	(0.17) **	(1.63) **
Funding of Retiree Benefits	??? ***	??? ***
Benefits as % of Salary (adj. for OT)	51%	59%
<p>Conclusion: Even after adjusting for OT, an accurate comparison with BLS cannot be made given the different funding policies of different governmental entities, the different paid leave policies (due to the schools operating a 9 month year), and a very different mix of occupations covered by each group.</p>		
<p>** BLS data includes very little overtime since the mix of employees includes a large number of teachers.</p>		
<p>*** The City fully funds its actuarial contribution to the pension system. The BLS data represents actual costs for the covered group but many other organizations do not fully fund their actuarial costs. In this case, following prudent fiscal policies may lead to inaccurate conclusions about the comparability of benefits.</p>		