



MEMO

HUMAN RESOURCES

To: Finance and Personnel Committee
From: Shanon Swaney, Human Resources Director
Date: April 3, 2024
Re: Compensation Plan Discussion

Background:

On March 18, 2024, the first draft of the proposed compensation plan was presented and discussed. This compensation system uses the data from our 2022 compensation and classification study as a framework and combines elements of performance to enhance the compensation program.

Some key highlights of this proposed system include:

- The system incorporates all regular full-time and part-time non-represented employees, including the street department.
 - Street department employees in grade 10 would be eligible for a \$.50 step up when working in a grade 11 position.
- Step A represents a 6-month step increase interval. Steps B-I represent 12-month step increase intervals. Employees who start on step A and meet all system requirements would progress to the max in 7 years.
- The system includes both performance and longevity components. Employees must meet required performance scores on their annual review and complete a successful step check-in to receive their step increase. They must also meet a minimum amount of time on each applicable step.
- The system includes merit incentives for employees who make outstanding contributions to their department and to the city.
- As part of the overall compensation system proposal, staff are recommending removing the longevity pay policy from employee handbook effective 1/1/2025 and reallocating those funds to support the proposed merit incentives.

- The proposed pay scale attached in the packets is based on current 2024 numbers. The overall system would still be eligible for a cost-of-living adjustment pending the budget process.
- The annual review process would be moved earlier in the year and would be completed June 1 – August 31st.

In your packets you will find:

- Compensation guide draft
- Non-represented pay scale draft
- Merit Incentive Recommendation Form draft
- Step check-in form
- Annual performance review template
 - The position specific competencies vary by position, but a copy of the street department crew annual performance review is attached for reference. Annual reviews are completed online within Paycor.

Should this body want to move forward with the proposed compensation plan, the following tentative timeline is being proposed for implementation.

- Final review and potential approval on 4/16/24.
- Education to staff and supervisors beginning in May.
- Review process to be initiated June 1 with a due date of August 31st.
- Merit Incentive Recommendation Forms due by August 31st.
- Merit Incentive Award Team to meet in September to review all recommendations.

