



MEMO

HUMAN RESOURCES

To: Finance and Personnel Committee
From: Shanon Swaney, Human Resources Director
Date: March 18, 2024
Re: Compensation Plan Discussion

Background:

When the City moved forward with hiring its own full-time HR Director in 2022, there were some important initiatives identified. Two of those were to complete a compensation and classification study and implement performance management. There was also direction to have performance better aligned with compensation. At the time, the City did not have a standardized performance management system in place for non-represented employees.

In 2022, Human Resources completed a compensation and classification study in partnership with a third-party consultant. However, because there was no performance management in place yet, it was not yet possible to fully integrate the two.

In 2022, annual performance reviews and step-check-ins were implemented. This meant that all non-represented staff began receiving an annual review. All staff who were eligible to receive a step on the compensation system also had to complete a step check-in with their supervisor. Steps were no longer automatic, and employees needed to have a successful step check-in to receive the step.

At the end of 2023, employees received their second annual review.

Now that we have a performance management system in place, we are at the point where we can take the final step of aligning performance management and compensation.

Attached you will find a compensation system proposal draft. 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.

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.

Staff Recommendation:

No recommended action today; recommend that staff bring back to a future meeting for approval consideration.

