

ORDINANCE NO. 2024-241

**AN ORDINANCE TO AMEND SECTION 12, "COMPENSATION AND BENEFITS,"
OF THE CITY OF MADISON PERSONNEL POLICIES AND PROCEDURES**

WHEREAS, the City Council has previously adopted the *City of Madison Personnel Policies and Procedures*, and it last amended Section 12, "Compensation and Benefits," in November of 2022; and

WHEREAS, the City engaged Evergreen Solutions, LLC, ("Evergreen") to conduct a comprehensive compensation and classification study, and Evergreen has recommended changes to the City's compensation policies in order to align the City with the current employment market and to promote public service recruitment and retention; and

WHEREAS, Evergreen has recommended the following policy changes (the "Evergreen Policy Recommendations") to the City Council in order to provide for market-competitive compensation and to reduce pay compression within the City service:

- Modify pay ranges from an average of slightly over 100 percent to 65 percent to better align with the job market.
- Provide for progression between each pay grade from 10 percent to 7 percent to allow for more precise placement of classifications within the pay plan to align with the job market.
- Change the number of total steps in the pay plan from 25 to 21 to progress employees to the maximum of their ranges faster.
- Provide for step progression at an annual rate of 2.5 percent to accommodate the modification of pay ranges.
- Implement a methodology to place employees into their new, market competitive pay ranges and to reduce wage compression based on years of service in their current roles and prior City roles.
- Provide that employees will receive step increases each year, as long as their performance is satisfactory.
- Provide for annual cost of living adjustments to the City pay scales based on rates of inflation in a given year.

WHEREAS, the City Council desires to adopt the Evergreen Policy Recommendations;

NOW, THEREFORE, BE IT HEREBY ORDAINED by the City Council of Madison, Alabama, as follows:

SECTION 1. That the City Council adopts the Evergreen Policy Recommendations by amending Section 12.1 of the *City of Madison Personnel Policies and Procedures*, as provided in Attachment A to this Ordinance.

SECTION 2. That the City hereby adopts revised pay scales and ranges that will provide for market-competitive rates and career progression as articulated in the Evergreen Policy Recommendations for all City employees.

SECTION 3. That the new pay scales and amended policies described in Sections 1-2 of this Ordinance shall take effect with the commencement of the first full pay period of the new Fiscal Year, which begins on October 14, 2024.

SECTION 4. That following the adoption of the budget for Fiscal Year 2025, the Human Resources Department is authorized to update employees' salaries for the new fiscal year according to the classifications, pay ranges, and amounts that Evergreen has recommended for each employee's position.

SECTION 5. That in the event that Evergreen's methodology has determined that an employee's salary is already situated at market or less than 2.5% above market, then if that employee has achieved satisfactory performance in the preceding fiscal year, the Human Resources Department is authorized to enter a minimum one step's worth (2.5%) increase in pay for Fiscal Year 2025 for such employees.

SECTION 6. That the City Council hereby authorizes an appeal process for employees and City management to address any perceived or actual inaccuracies in compensation study results in accordance with the procedures outlined in Attachment B to this Ordinance.

SECTION 7. That the Human Resources Department and Mayor are authorized to manage the appeals process described in Section 6 above.

SECTION 8. That the pay increases authorized pursuant to this Ordinance for each City employee for Fiscal Year 2025 shall be the salaries in effect for employees for the entire fiscal year, unless approved otherwise. Anniversary date step increases as described in Section 12, as amended, shall resume in Fiscal Year 2026.

SECTION 9. That if any clause, phrase, sentence, paragraph, or provision of the hereby-amended Section 12 shall be invalidated by a court of competent jurisdiction, it is the intent of the City Council that such invalidation shall not affect the validity of any other clause, phrase, sentence, paragraph, or provision thereof.

SECTION 10. That contingent on the adoption of the new budget for Fiscal Year 2025, this Ordinance shall become effective on October 1, 2024.

READ, PASSED, and ADOPTED this _____ day of September, 2024.

Ranae Bartlett, Council President
City of Madison, Alabama

ATTEST:

Lisa D. Thomas, City Clerk-Treasurer
City of Madison, Alabama

APPROVED this _____ day of September, 2024.

Paul Finley, Mayor
City of Madison, Alabama