



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, February 22, 2022
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Consider acceptance of the Classification and Compensation Study Report by Gallagher Human Resources and Compensation Consulting practice and approve implementation for non-union employees
Background Information:	<p>In February 2021, the City Council authorized staff to enter into an agreement with Gallagher Benefit Services, Inc. (Gallagher) to conduct a comprehensive Classification and Compensation Study. The Marshall-Lyon County Library and Public Housing were included in the study. The project studied data from Marshall's 12 comparator cities across 33 benchmark positions. The objectives accomplished through the study are:</p> <ul style="list-style-type: none"> • Development of a classification structure • Evaluation of each job description utilizing the Decision Band Method® (DBM) to ensure proper internal equity and compliance with the MN Pay Equity Act • Collection and review of market salary information to ensure external competitiveness • Development of a pay structure that balances internal equity and external competitiveness, ensuring employees are compensated fairly and equitably <p>Gallagher will present a report of their findings and recommendations in employee meetings on February 24, 2022. All employee presentations will be held virtually, via Zoom. A reconsideration (appeal) process will be afforded to employees for a period of 2-weeks following the all-employee meetings. Any appeals received will be forwarded to Gallagher for reconsideration and final decision. Appeals are limited to reconsideration of proper classification. DBM Ratings and compensation are not appealable.</p> <p>Staff recommend Council accept the Classification and Compensation Study report as presented.</p> <p>Staff recommend the Council approve implementation of the salary structure schedule for non-union employees, using the employee's base pay rate on 12/31/2021, in accordance with the following:</p> <ul style="list-style-type: none"> • effective 01/01/2022 • Placement of employees being compensated below the minimum pay range to Step A. • Placement of employees onto the step closest to the base pay rate. • Maintenance (no change) of wage rates of employees currently being compensated above step J, until such time as the maximum step is above the actual rate of pay. Employees compensated above step J are eligible for wage increases, up to the maximum of the range, at the same time and under the same conditions as granted to other non-union employees.
Fiscal Impact:	Estimated fiscal impact is \$92,968.

Alternative/ Variations:	None recommended.
Recommendations:	Motion to accept the Classification and Compensation Study Report by Gallagher and approve implementation for non-union employees, as presented.