

MEMO

TO: Finance Committee

FROM: Atty. Steven T. Chesebro

DATE: February 20, 2023

RE: Employee Handbook - Placement of Reclassified Positions

INTRODUCTION

The City has a policy for placement of reclassified positions onto the pay schedule. The policy states:

“Positions approved for reclassification due to changes in job duties should be moved to the recommended pay grade. A five percent (5%) pay adjustment should be made to the employee’s current wage and then the position should be placed in the new grade at the next highest step.”

The policy is used when the City determines that a positions job duties have changed since it was last classified at a pay grade and that a position may not be within the correct pay grade. In 2022 the several of the City positions that were reclassified resulted in an increase of at least two grade positions. For budgetary purposes the Department heads following other examples of grade reclassification, estimated the salary budget for these positions using the new grade and the same step employees would have received in 2023 if there had not been a grade change. When it came time to adjust the pay and the policy was considered the determination was that under the policy their Step should also be adjusted. In looking at the prior grade reclassifications there was only one grade change for those prior examples. This meant under the policy the employees step remained the same while increasing one grade.

For some individuals this adjustment would have resulted in their step being readjusted to Step 1, despite them having two or more years working for the City and additional experience beyond that. As this creates a potential situation where any new hires would be at the same step or higher than employees with substantially more experience in their rolls with the City, the employees were instead adjusted to Step 2. This was in line with the City’s adjustment to salaries in 2021 when the grade and step system was re-adopted, which provided any employee with at least 2 years of experience in their position with the City could not be adjusted to a Step 1. If the employees in question would have been kept at the same step instead of reducing their step they likely would have been at Step 4, 5, or 11.

REQUEST

Leadership has been questioned on the application of this policy as it applies to substantial changes in grades, especially where the City previously budgeted for and was approved for the higher salary designations. Leadership agreed to bring it to Finance Committee for review and direction on the intended implementation of this policy with specific examples. We are asking you to clarify the policy you want followed.

Option 1. Policy as stated and implemented by Leadership

Option 2. Policy consistent with other City Policy's regarding Grade Changes 5% for 1 grade 8% for 2+ grades

Option 3. Policy following what was budgeted for by the Departments and initially reported to employees?

Option 4. Policy following another procedure. (i.e. 4% per grade increase)

EXAMPLES

2022 Grade & Step	2022 Hourly Wage	2023 Hourly Wage No Reclass	New Grade	Step 1	Percent Increase	Step 2	Percent Increase	2022 Step + 1	Percent Increase
C4	\$ 17.25	\$ 17.97	F	\$ 19.55	13.33%	\$ 20.11	16.58%	\$ 21.78	26.26%
K3	\$ 30.55	\$ 31.85	M	\$ 33.24	8.81%	\$ 34.19	11.91%	\$ 36.09	18.13%
2022 Grade & Step	2022 Hourly Wage	2023 Hourly Wage No Reclass	New Grade	Step 5	Percent Increase	Step 6	Percent Increase	2022 Step + 1	Percent Increase
C10	\$ 19.98	\$ 20.73	F	\$ 21.78	9.01%	\$ 22.34	11.81%	\$ 25.13	25.78%
2022 Grade & Step	2022 Hourly Wage	2023 Hourly Wage No Reclass	New Grade	Step 4	Percent Increase				
P3	\$ 40.74	\$ 41.35	Q	\$ 44.58	9.43%				