



To: Members of Dublin City Council
From: Marsha I. Grigsby, City Manager */mjc*
Date: December 31, 2014
Initiated By: Tim D. Wagner, Director of Human Resources
Re: Ordinance 02-15 – Amending the “Compensation Plan”

Background

As Council will recall, the City implemented a market-based pay system beginning in 2007, with systematic review of market pay data at regular intervals to keep the City pay range structure competitive with the market. The overarching goal of this systematic review is to continue our ability to attract and retain a talented, high-quality workforce, thus sustaining the City as a “Preferred Employer” in the central Ohio region.

Provisions within the City’s Classification and Compensation system, as established by Ordinance No. 73-06, require the City’s pay range structure to be reviewed biennially, based on market factors. The last scheduled review took place in late 2012. The City’s compensation consultant, with the assistance of HR staff, recently completed the 2014 market-based analysis and has projected a revised pay range structure for a two-year policy period extending from January 2015 through December 2016. The consultant’s market analysis and pay range recommendations have been reviewed by senior management. Herein, with slight modification is the recommendation to adopt the proposed pay range structure for 2015 – 2016.

Summary

Attached for your consideration is Ordinance No. 02-15, amending Ordinance No. 73-06 (“Compensation Plan” for non-union personnel). Adoption of this ordinance will accomplish four objectives:

- Implement the scheduled 2015 - 2016 biennial adjustment to the City pay range structure;
- Incorporate three (3) new job classifications as identified in the 2015 Operating Budget adopted by City Council on December 8, 2014; and
- Modify the pay range of two particular job classifications as discussed in the 2015 Operating Budget.
- Eliminate the “Grandfathered” Pay Range Structure because it is no longer applicable.

The amendments contained within this legislation regarding the creation of new job classifications and the upgrading of two other classifications are consistent with those identified in the recently approved 2015 Operating Budget. Funding to support these actions has been programmed into the 2015 Operating Budget. Any budget impact associated with the proposed pay range structure

adjustments will be absorbed within the 2.5% allocation for wage/salary increases programmed into the 2015 Operating Budget.

Section 1: 2015-2016 Biennial Adjustment to Pay Range Structure

Consistent with the methodology used every two years in establishing the pay range structures since 2006 when the market-based pay system was established, the proposed 2015-2016 pay range structure in the attached legislation is supported by extensive market pay data. Market pay data was gathered and analyzed for 280 different jobs in the combined Columbus market, which represented over 10,000 incumbents. The composition of this market data was one third private sector and two thirds public sector. The private sector market data was obtained from the Mercer Survey for the Columbus region, while the public sector data was obtained from the Mid-Ohio Regional Planning Commission's Salary Survey and the State of Ohio compensation structure. (These are the same sources from which market data was gathered in our previous reviews.)

Also, consistent with the methodology used in the past Classification and Compensation study and subsequent market reviews, the proposed pay range structure is designed to remain competitive for a two-year period (2015-2016). The proposed adjustments to the pay ranges in the attached legislation involve an increase to the currently established minimum and maximum of the "market," "target," and "premium" range segments (last adjusted in 2012) for certain pay grades.

For reference purposes, attached is Exhibit A which is a redline version of the proposed 2015-2016 pay range structure, showing the adjustments to each individual pay range. One important note on the pay ranges in Exhibit A is that there is no uniform "across-the-board" percentage by which all ranges were adjusted. This is due to the fact that the market does not move in a linear fashion for all classes of jobs; it moves in differing amounts for differing job classes. Pay systems based on an "across-the-board" adjustment philosophy, unlike those supported by a market-based philosophy, are more likely to become skewed over time, given that some classes of jobs end up being overcompensated while others end up being undercompensated. A market-based pay system, like the City of Dublin's, more accurately compensates jobs based on the movement in the market for their respective job classes.

In summary, the proposed pay range adjustments on average are recommended as follows:

- Pay Range 1 Guidance-2%
- Pay Range 2 Leadership-2%
- Pay Range 3 Operations-1.3%
- Pay Range 4 Implementation-5%
- Pay Range 5 Implementation Services-5%
- Pay Range 6 Specialized Services 4%

The attached Exhibit B is a description of the "*City of Dublin Career Bands*," which provides a definition of the six (6) Career Bands associated with the pay grades in the City's pay range structure. These definitions explain the scope and nature of responsibility and level of contribution inherent in each career band. (This information is provided for background and review purposes.)

Also for background purposes, Exhibit B includes the "*City of Dublin Pay Adjustment Policy*," which explains the provisions governing pay adjustments within the "market," "target," and "premium" range segments of the City pay range structure.

Section 2: New Classifications

Three new job classifications were approved as part of the 2015 Operating Budget. The new classifications relate to the need for new roles in the organization in order to accomplish important goals, administer new programs and/or operations, and/or enhance the effectiveness of existing organizational functions. Those new classifications are:

Tax Manager	Pay Grade 3.3
Contract and Procurement Coordinator	Pay Grade 5.1
Communications Manager	Pay Grade 4.1

Section 3: Adjusted Classifications

Discussions at budget hearings involved the upgrading of two classifications due to difficulty in recruitment. Those classifications are:

Land Acquisition and Utilities Manager

After reviewing the duties, responsibilities and experience necessary to be successful and also reviewing other organizations from which the City must compete to attract employees to fill this position, there is a need to upgrade this position from the current pay grade 4.3 to a 4.2.

Communications Supervisor

As a result of limited or no interest from our Communications Technicians during recent hiring processes for the Communications Supervisor position, we completed a formal review of the position and its classification. The review identified significant wage compression between bargaining unit Communications Technician position and the Communications Supervisor position. Based on the review we are requesting the Communications Supervisor position to be adjusted from a pay range 4.3-4.2.

Section 4: Grandfathered Pay Range Structure

This Pay Range structure was developed in 2006-07 when the new compensation system was established. In order to prevent adverse impact of the new system to long-term employees, this "Grandfathered" Pay Structure was temporarily maintained. Staff who remained in the "Grandfathered" structure were to remain in their current pay ranges until such time as they left the City or until the Target Section of the new Pay Ranges surpassed that of the "Grandfathered" pay range. At this point, all of the criteria have been met to abolish the "Grandfathered" Pay Structure.

Recommendation

Staff recommends adoption of Ordinance 02-15 at the second reading/public hearing on January 26, 2015.

Attachments: Exhibit A- Redline of Pay Ranges
Exhibit B- Definitions of Market-Target-Premium Ranges and Career Bands

RECORD OF ORDINANCES

Ordinance No. **02-15**

Passed _____, 20____

AN ORDINANCE AMENDING SECTION 2 (WAGE & SALARY STRUCTURE/ADMINISTRATION) OF ORDINANCE NO. 73-06 ("COMPENSATION PLAN FOR NON-UNION PERSONNEL")

WHEREAS, Council has determined, upon the recommendation of the City Manager, that certain sections of the Compensation Plan for non-union personnel should be amended; and

WHEREAS, Council has determined, that these amendments are necessary for the administrative and operational effectiveness of the City of Dublin and will enhance the City of Dublin's competitive position in the labor market, thus aiding in the recruitment and retention of a talented, high quality workforce; and

WHEREAS, Council desires that the City of Dublin remain an "Employer of Choice" in the Central Ohio region.

NOW, THEREFORE, BE IT ORDAINED By the Council of the City of Dublin, State of Ohio, _____ of the elected members concurring that:

Section 1. Section 1 (Wage & Salary Structure/ Administration), paragraph B of Ordinance No. 73-06 be amended by deleting the wage/salary structure contained therein and replacing it with the following:

Pay Grade	Market	Target	Premium
1	\$129,300 - \$155,200	\$155,200 - \$189,600	\$189,600 - \$224,100
2	\$103,000 - \$123,600	\$123,600 - \$151,000	\$151,000 - \$178,500
3.1	\$83,000 - \$99,500	\$99,500 - \$121,700	\$121,700 - \$143,800
3.2	\$77,000 - \$92,300	\$92,300 - \$112,900	\$112,900 - \$133,400
3.3	\$72,200 - \$86,700	\$86,700 - \$105,900	\$105,900 - \$125,200
4.1	\$65,600 - \$78,800	\$78,800 - \$96,300	\$96,300 - \$109,400
4.2	\$58,000 - \$69,600	\$69,600 - \$85,000	\$85,000 - \$96,600
4.3	\$51,200 - \$61,500	\$61,500 - \$75,100	\$75,100 - \$85,400
5.1	\$45,800 - \$55,000	\$55,000 - \$67,200	\$67,200 - \$76,400
5.2	\$40,400 - \$48,500	\$48,500 - \$59,300	\$59,300 - \$67,400
5.3	\$36,700 - \$44,000	\$44,000 - \$53,800	\$53,800 - \$61,100
6.1	\$33,500 - \$40,100	\$40,100 - \$49,100	\$49,100 - \$53,500
6.2	\$30,500 - \$36,600	\$36,600 - \$44,800	\$44,800 - \$48,800
6.3	\$28,100 - \$33,800	\$33,800 - \$41,300	\$41,300 - \$45,000

RECORD OF ORDINANCES

Ordinance No. 02-15

Page 2 of 3
Passed _____, 20____

Section 2. Section 2 (Wage & Salary Structure/Administration), paragraph A of Ordinance No. 73-06 be amended by incorporating the following new classification titles and corresponding pay grades under the following functional categorical headings:

Finance/Accounting/Procurement	
Classification Title	Pay Grade
Tax Manager	3.3

Law Enforcement/Emergency Management	
Classification Title	Pay Grade
Communications Manager	4.1

Public Service	
Classification Title	Pay Grade
Contract and Procurement Coordinator	5.1

Section 3. Section 3 (Wage & Salary Structure/Administration), paragraph A of Ordinance No. 73-06 be amended by changing the pay grades of the following job classification titles:

Public Service	
Classification Title	Pay Grade
Land Acquisition and Utilities Mgr.	4.2

Law Enforcement/Emergency Management	
Classification Title	Pay Grade
Communications Supervisor	4.2

Section 4: That Section 4 (Wage & Salary Structure/Administration), paragraph A of Ordinance No. 73-06 be amended by eliminating the "Grandfathered" Pay Range Structure:

"Grandfathered" Pay Range Structure

The following pay range structure shall be applicable in cases where the employee's 2006 pay range maximum is higher than the "Target" maximum of the 2007 pay range structure. All employees in this situation will have their previous 2006 pay range maximum "grandfathered" (preserved) until which time market pay catches up to this "grandfathered" range maximum and shall be eligible for normal pay adjustments up to this "grandfathered" range maximum, provided their performance continues to meet the City's standards and they consistently demonstrate the Core Values of the City.

RECORD OF ORDINANCES

Ordinance No. 02-15

Page 3 of 3
Passed _____, 20____

SCHEDULE OF PAY GRADES & WAGES	
PAY GRADE	PAY RANGE
1	\$24,672 - \$37,009
2	\$26,916 - \$39,366
3	\$29,365 - \$42,947
4	\$32,038 - \$46,856
5	\$35,185 - \$51,119
6	\$37,054 - \$55,586
7	\$40,428 - \$60,641
8	\$45,391 - \$66,383
9	\$49,520 - \$72,424
10	\$54,026 - \$79,016
11	\$58,945 - \$86,205
12	\$64,309 - \$94,051
13	\$70,161 - \$102,609

Section 5. This Ordinance shall take effect and be in force upon the earliest date permitted by law.

Passed this _____ day of _____, 2015.

Mayor – Presiding Officer

ATTEST:

Clerk of Council

Exhibit A

Pay Grade	Market		Target		Premium	
1	\$126,700 \$129,300	\$152,000 - \$155,200	\$152,000 \$155,200	\$185,800 - \$189,600	\$185,800 \$189,600	\$219,600 - \$224,100
2	\$100,700 \$103,000	\$120,900 - \$123,600	\$120,900 \$123,600	\$147,700 - \$151,000	\$147,700 \$151,000	\$174,600 - \$178,500
3.1	\$80,600 \$83,000	\$96,700 - \$99,500	\$96,700 \$99,500	\$118,100 - \$121,700	\$118,100 \$121,700	\$139,600 - \$143,800
3.2	\$76,100 \$77,000	\$91,300 - \$92,300	\$91,300 \$92,300	\$111,500 - \$112,900	\$111,500 \$112,900	\$131,800 - \$133,400
3.3	\$72,200	- \$86,700	\$86,700	- \$105,900	\$105,900	- \$125,200
4.1	\$62,500 \$65,600	\$75,000 - \$78,800	\$75,000 \$78,800	\$91,600 - \$96,300	\$91,600 \$96,300	\$104,100 - \$109,400
4.2	\$55,200 \$58,000	\$66,200 - \$69,600	\$66,200 \$69,600	\$81,000 - \$85,000	\$81,000 \$85,000	\$92,000 - \$96,600
4.3	\$48,800 \$51,200	\$58,600 - \$61,500	\$58,600 \$61,500	\$71,600 - \$75,100	\$71,600 \$75,100	\$81,400 - \$85,400
5.1	\$43,700 \$45,800	\$52,400 - \$55,000	\$52,400 \$55,000	\$64,000 - \$67,200	\$64,000 \$67,200	\$72,800 - \$76,400
5.2	\$38,600 \$40,400	\$46,300 - \$48,500	\$46,300 \$48,500	\$56,500 - \$59,300	\$56,500 \$59,300	\$64,300 - \$67,400
5.3	\$35,000 \$36,700	\$41,900 - \$44,000	\$41,900 \$44,000	\$51,300 - \$53,800	\$51,300 \$53,800	\$58,300 - \$61,100
6.1	\$32,000 \$33,500	\$38,300 - \$40,100	\$38,300 \$40,100	\$46,900 - \$49,100	\$46,900 \$49,100	\$51,100 - \$53,500
6.2	\$29,400 \$30,500	\$35,300 - \$36,600	\$35,300 \$36,600	\$43,100 - \$44,800	\$43,100 \$44,800	\$47,100 - \$48,800
6.3	\$27,400 \$28,100	\$32,900 - \$33,800	\$32,900 \$33,800	\$40,200 - \$41,300	\$40,200 \$41,300	\$43,800 - \$45,000

Finance/Accounting/Procurement

Classification	Pay Grade
Procurement Assistant	6.1
Accounting Assistant	5.3
Accounting Specialist	5.2
Accountant	4.3
Payroll Specialist	4.3
Financial Analyst	4.2
Budget Manager	3.3
Chief Accountant	3.3
<u>Tax Manager</u>	<u>3.3</u>
Deputy Director of Finance	3.2
Director of Taxation	3.2
Director of Finance	2

Law Enforcement/Emergency Management

Classification	Pay Grade
Court Liaison	5.2
Police Property Technician	5.2
Communications Supervisor	4.3 4.2
Emergency Mgmt. Coord. /Law Enforcement Planner	4.2
Accreditation Manager	4.1
<u>Communications Manager</u>	<u>4.1</u>
Police Lieutenant	3.2
Technical Services Bureau Commander	3.2
Chief of Police	3.1

Public Service

Classification	Pay Grade
<u>Contract and Procurement Coordinator</u>	<u>5.1</u>
Land Acquisition and Utility Manager	4.3 <u>4.2</u>
Infrastructure Asset Management Engineer	3.3
Director of Public Service	2

~~“Grandfathered” Pay Range Structure~~

~~The following pay range structure shall be applicable in cases where the employee's 2006 pay range maximum is higher than the “Target” maximum of the 2007 pay range structure. All employees in this situation will have their previous 2006 pay range maximum “grandfathered” (preserved) until which time market pay catches up to this “grandfathered” range maximum and shall be eligible for normal pay adjustments up to this “grandfathered” range maximum, provided their performance continues to meet the City's standards and they consistently demonstrate the Core Values of the City.~~

SCHEDULE OF PAY GRADES & WAGES	
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Exhibit B

Range Segments

Each pay range in the wage & salary structure is sub-divided into three range segments, "Market", "Target", and "Premium". Each of these range segments is defined as follows:

"Market" – a range of compensation associated with the ordinary knowledge, skills, and capabilities commonly found in the labor market or the performance of all job responsibilities consistent with general market expectations.

"Target" – a range of compensation associated with extensive knowledge, expertise, skills, or capabilities or the performance of all job responsibilities that fully and consistently meets the high performance standards and core values of the City of Dublin.

"Premium" – a range of compensation associated with unique or special knowledge, skills, or expertise, which may be in short supply due to unusual market forces, or performance that meets defined criteria of exceptional and premium value and which is widely recognized throughout the organization because of the value-added contribution it represents.

Adjustments to Wage & Salary Structure

The pay ranges in the City's wage and salary structure will be reviewed on a biennial basis by the staff classification & compensation committee and any adjustment deemed necessary shall be proposed to Council in the form of an Ordinance. If adopted by Council, these pay ranges shall become effective January 1 of the following year.

Career Bands

Level 1 - Guidance: The top position in the City responsible for the long-term guidance, direction, and success of City operations and services. The incumbent is responsible for defining the mission, vision, values, and priorities for the City consistent with the needs and goals of various constituencies, officials, and citizens in the development of a strategic plan for the City and is accountable for achieving the established goals within the financial resources available. The focus of this position is on the long term viability and success of city operations and services.

Level 2 - Leadership: Heads of major City service areas (e.g. Public Safety, Public Services, Community Services, City Development, Administration) which have a

substantial impact on the total City operations. Incumbents may have line responsibilities for an area offering complex services with direct and primary responsibility for substantial financial resources; or they may be responsible for an area that has significant and strategic impact on the entire City's current and future success. Reporting directly to the City Manager, individuals at this level are members of his/her executive management team and collaborate on developing tactics for implementing the city's strategic plan within their service area. In that capacity, they must maintain an appropriate balance between vision for the future of the City and the successful implementation of strategic and tactical plans within their assigned function or discipline.

Level 3 - Operations: Heads of important City functions that focus on translating the strategic and tactical plans for the City to operational plans for their specific function. Incumbents may report either to the City Manager or to another member of the executive team. In their leadership role, they may be responsible for a function that provides important City services (e.g. Engineering, Parks, Recreation, and the like) including the direct management of human and capital resources; or they may lead critical support functions (e.g. Human Resources, Information Technology, Planning, and the like) that impact the entire City. They maintain an appropriate balance between vision for the future of their function and the successful implementation of strategic and tactical plans for their assigned function or discipline.

Level 4 - Implementation: Core professional, technical, or service roles that provide ongoing services and support for other City functions, residents, and/or other constituents with a focus on the implementation of specific plans, programs, and objectives. Incumbents may be individual contributors with a solid foundation in a specific function or discipline; or supervisors of staff in support or service functions. They apply their understanding of policies, theories, and complex procedures to make judgments regarding the most appropriate method or process to use in a variety of situations and work with a high degree of independence in accomplishing their assignments. Their focus is on the successful implementation of defined strategies, tactics, and programs consistent with City standards of performance, quality, and service.

Level 5 - Implementation Services: Critical roles in office, clerical, technical, skilled craft, or administrative functions that enable others in the organization to focus on their specific goals and objectives. Incumbents may be individual contributors or team members with in-depth and highly specialized knowledge of the practices and procedures in their area or craft; or supervisors/work leaders with responsibility for providing work direction to others in support or service roles. Their focus is on the completion of multiple assigned activities, balancing time and priorities appropriately and maintaining consistency with their work group's or team's objectives.

Level 6 - Specialized Services: Important support roles in clerical, technical or service functions that provide routine and standardized services in their assigned work group or service area. Incumbents are typically members of a work group or team with responsibilities for performing well-defined and specific work assignments. Alternatively, incumbents at this level may be involved in a formal apprenticeship or training program in a skilled craft or technical job family. Their focus is on the immediate achievement of defined activities consistent with City standards and procedures.