



It's real.

INTEROFFICE MEMORANDUM

Date: 10/21/2019
To: Mayor Keil and City Council Members
Thru: Douglas Faseler, City Manager
From: Kristy Lehnert, Director of Human Resources
Subj: Compensation and Benefits Study Implementation

The presentation presented by Ray Associates Inc., provides the City with information on where the pay amount for different positions rank in today's job market. Today's job market is very competitive, therefore in order to keep current talent as well as recruit new talent the City has worked with Ray Associates Inc. on a compensation and benefits study.

The results of this study include an implementation plan that combines the City's current internal equity and market competitiveness data to create and recommend a new compensation plan. This new pay structure will include all four revised pay schedules (General, Government, Utilities, Police and Fire) to bring the City's salary into line with the median of the market, 3% COLA for all employees, and a merit program that will result in either no increase or a 2.5% merit increase based upon the employee's annual evaluation. The funding for this implementation is available due to the initial budget for salaries and benefits, plus utilizing funds from the contingency account for the General and Utility fund.

Staff recommends the adoption of this pay structure for the employees in order to stay competitive with today's job market. This pay structure not only benefits existing personnel but will attract new personnel. Staff is requesting approval from City Council to adopt the pay plan described, effective January 12, 2019.