

**RESOLUTION NO. R-15-03**

**A RESOLUTION ADOPTING A "POSITION CLASSIFICATION SCHEDULE AND COMPENSATION PLAN" FOR THE CITY OF GLADSTONE, MISSOURI.**

**WHEREAS**, the City of Gladstone is committed to the hiring and retention of excellent employees for the delivery of quality service to Gladstone residents; and

**WHEREAS**, it is the City Council's desire to maintain a pay and overall compensation program for employees of the City that is fair and competitive with the pay and compensation package provided by area municipalities; and

**WHEREAS**, the City of Gladstone determined the need to review its current employee position classification and pay plan and in May 2014 awarded a contract to Higbee Associates, LLC for a comprehensive Compensation and Benefit Study; and

**WHEREAS**, the City of Gladstone participated in the Compensation and Benefit Study contributing to the design and formation of the Position Classification Schedule and Compensation Plan; and

**WHEREAS**, it is the intent of the City to establish a pay plan which allows the flexibility to consider each year, during the budget process, significant factors relating to internal occupational group relationships, supply and demand in the marketplace for specific job classes, and the City's financial constraints; and


**WHEREAS**, each position will be placed in an established salary grade and pay range wherein each employee's compensation will be directly tied to his/her job performance.

**NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI AS FOLLOWS:**


**THAT**, the Position Classification and Compensation Plan attached hereto as Exhibit "A" and as amended from time to time during the City's annual budget process is hereby adopted for the City of Gladstone, Missouri; and

**THAT**, the City Manager is directed to implement the "Position Classification and Compensation Plan" and the 2.5% salary compression model (cost of implementation is attached hereto as Exhibit "B") for the City of Gladstone, Missouri, within a reasonable time, consistent with budgetary constraints.

**INTRODUCED, READ, PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 12<sup>th</sup> DAY OF JANUARY, 2015.**

  
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J. Brian Hill, Mayor

ATTEST:

  
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Ruth E. Bocchino, City Clerk

**OFFICE OF THE CITY MANAGER**  
**MEMORANDUM KLD #15-05**

DATE: JANUARY 8, 2015

TO: BRIAN HILL, MAYOR  
BILL GARNOS, MAYOR PRO TEM  
CAROL SUTER, COUNCILMEMBER  
JEAN MOORE, COUNCILMEMBER  
R. D. MALLAMS, COUNCILMEMBER

FROM: KIRK L. DAVIS, CITY MANAGER



RE: RESOLUTION R-15-03

With Resolution R-15-03, Leadership is recommending to City Council the acceptance of the Position Classification Schedule (Exhibit A). Leadership is also recommending that all incumbents be moved to the minimum of the pay grade with the implementation of the 2.5% salary compression model (2.5% step differential up to five years "time in position" maximum). Benefit strategies will be developed as part of the FY 2016 Budget strategies.



**GENERAL ADMINISTRATION  
Human Resources Division**

DATE: JANUARY 7, 2015  
TO: KIRK DAVIS, CITY MANAGER  
FROM: CHARLENE LESLIE, HR ADMINISTRATOR *Charlene Leslie*  
RE: POSITION CLASSIFICATION SCHEDULE & COMPENSATION PLAN

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The City of Gladstone has completed the Compensation and Classification survey through Higbee and Associates. The main scope of the study is to provide a comprehensive review and analysis of the City's existing salary progression system, compare benefit packages with the marketplace and make recommendations to enhance the implementation of any proposed modifications or changes.

On December 8, 2014, Lynda Higbee of Higbee Associates presented her initial findings and recommendations to the Council. On December 10, Ms. Higbee made the same presentation to the Employee Task Force. This group is an interdepartmental and multi-functional diverse group of employees who has been deeply involved in the Compensation and Classification Survey process beginning with the selection of the chosen consultant.

As you may recall, the Employee Task Force was asked to make a recommendation to leadership of the municipalities to be included in the comparator group. Eleven municipalities were unanimously recommended and approved by leadership. They were Blue Springs, MO; Grandview, MO; Independence, MO; Kansas City, MO; Lee's Summit, MO; Lenexa, KS; Liberty, MO; North Kansas City, MO; Olathe, MO; Raytown, MO; Riverside, MO. These cities were chosen based on similar services, size and potential recruitment. The Employee Task Force was also asked to assist in the design of the compensation and benefit surveys. Questions were specifically designed to address pay practices, employer benefit contribution strategies and offerings. Leadership approved the Employee Task Force recommendations.

Upon receipt, the initial benefit survey results were made available to the Employee Task Force for review. Higbee Associates reported that we were at market or above-market specific to our overall benefit package. Higbee Associates recommended benefit consideration for further review and evaluation.

Under the current classification structure, the City has approximately 84 distinct full-time titles and roughly 200 full time employees embracing 28 pay grades. Higbee Associates recommends that we continue to maintain pay grades with revised minimums and maximums utilizing the attached position classification schedule. Jobs within this schedule were placed in ranges based on average market minimums.

The challenge to implement the consultant's recommendation is keeping pace with the market and differentiating pay based on experience and performance. Higbee Associates recommends a two-step approach for implementation. First, we move our minimums in line with the marketplace. And, second, we address the salary compression issues within positions based on a 2.5% step differential

up to five years "time in position" maximum. See attached Implementation Option summary schedule. Based on the model reviewed, we have approximately 68 positions whose minimum or starting salary is below the minimums in the marketplace. The cost to implement the first action of making adjustments to the minimums is estimated at \$187,000. The cost to implement the second action of addressing salary compression for all positions is estimated at \$199,931. This is a total of \$386,931. However, to include the cost of benefits (Social Security, Medicare, workers compensation, etc.) increases the total by another estimated \$80,000 or a grand annualized estimate total of \$466,931.

The cost to implement the recommendations effective January 21, 2015 is estimated at \$235,000 (about half of \$466,931). Leadership plans to fund this half-year portion with the \$200,000 reserve that was set aside and ear-marked in the FY2015 budget and additional anticipated budget savings of \$35,000. Should Council accept and approve the consultant's recommendations, we plan to provide employees with an appeal process with a turnaround commitment that begins immediately after the employee receives formal notice of how the new salary classification schedule and any accompanying salary compression adjustment may or may not affect their pay. These appeals would be addressed by Higbee Associates.

For the FY2016 budget and beyond, we anticipate policy discussion centered on the consultant's recommendations. This new salary classification schedule is based on recommended changes to the City's salary administration practices and analysis of benefit provisions. For example, Ms. Higbee recommended the introductory merit increase (typically post a 6 or 12-month training period) be discontinued, non-base building merit increases be continued as a discretionary option for those at pay range maximums, the promotion and demotion formula be simplified, and that consideration be given to utilize the established employee task force for further evaluation of the mix of pay and benefit provisions. The recommendations such as requiring employees to contribute to Long Term Disability Insurance premiums, raising the maximum benefit for tuition reimbursement, consider adding a city-recognized holiday, reviewing the employer/employee health care contribution strategy and reviewing the cost of the LAGERS (Missouri Local Government Employee Retirement System) "Rule of 80" and "3-year Final Average Salary" provisions to evaluate if these features are sustainable long term. The Employee Task Force has begun this process of analysis starting with the review of the LAGERS provisions. An actuarial valuation report has been prepared to consider potential contribution savings for all three employee populations (police, fire, and general employees). This report, in accordance with Missouri Law, will be available to the public and the Joint Committee on Public Employee Retirement. We anticipate the task force recommendations will also be analyzed and evaluated as part of the FY2016 budget process for Council's final review.

I want to take this opportunity to once again recognize the following individuals for their assistance with this important task: Bill Brier, Law Enforcement/Public Safety; Debra Daily, Finance; Chris Helmer, Community Development; Matthew Hoops, Parks & Recreation; Kevin Kinney, Public Works; Matthew Kosmatka, Community Development; Sheila Lillis, Parks & Recreation; Tim Nebergall, Public Works; Tyler Rawley, Fire/EMS/Public Safety; Beth Saluzzi, Finance; Cheena Simpson West, Law Enforcement/Public Safety; David Jason Snarr, Fire/EMS/Public Safety; Nick Schulz, Public Works; and Madison Webb, Parks and Recreation. It has been a pleasure to work with such a fine task force.

C: Leadership Team  
Compensation and Classification Study Employee Task Force

EXHIBIT A  
POSITION CLASSIFICATION SCHEDULE

2014-2015

GRADE	MINIMUM	MIDPOINT	MAXIMUM	JOB CLASS TITLE
A	\$ 25,320	\$ 31,651	\$ 38,102	Kennel Attendant
B	\$ 26,587	\$ 33,297	\$ 40,007	Assistant Court Clerk Customer Service Clerk PS Administrative Clerk
C	\$ 27,916	\$ 34,962	\$ 42,007	Finance Clerk MTCE Worker Parks and Facilities MTCE Worker Records Clerk
D	\$ 29,312	\$ 36,710	\$ 44,108	Accounts Payable Clerk Animal Control Officer Assistant Aquatics Specialists Billing Clerk PW Secretary Professional Standards Coordinator-Records Clerk Recreation Secretary Secretary/Permit Tech
E	\$ 30,777	\$ 38,545	\$ 46,313	Administrative Assistant Communications Officer Community Center Office Manager Locate Specialist Maintenance Specialist Property and Evidence Officer Water Services Specialist
F	\$ 32,316	\$ 40,473	\$ 48,629	Assistant Crew Leader Gardener HR Assistant Sewer/Utilities Technician; Water Plant Operator
G	\$ 33,932	\$ 42,496	\$ 51,060	Billing Coordinator Executive Assistant Mechanic Neighborhood Coordinator (Code Enforcement) Water Plant Mechanic
H	\$ 35,629	\$ 44,621	\$ 53,613	Aquatics Specialist Community Center Building Operator Community Center Specialist Fitness Specialist FF/EMT Fleet Maintenance Coordinator Neighborhood Specialist Parks and Facilities Crew Leader PW Crew Leader Recreation Specialist

GRADE	MINIMUM	MIDPOINT	MAXIMUM	JOB CLASS TITLE
I	\$ 37,410	\$ 46,852	\$ 56,294	Accreditation/Records Unit Supervisor Animal Control Supervisor Building Inspector Construction Coordinator Court Administrator Crime Analyst
J	\$ 39,281	\$ 49,195	\$ 59,109	IT Analyst Lead Communications Officer Planning Specialist Police Officer
K	\$ 41,245	\$ 51,655	\$ 62,064	Recreation Supervisor
L	\$ 43,307	\$ 54,237	\$ 65,168	Building Inspections Coordinator City Clerk Contracts Administrator Engineer in Training FF/Paramedic Museum Manager Police Corporal Water Plant Supv
M	\$ 45,472	\$ 56,949	\$ 68,426	Finance Supervisor-City Collector Water Plant Superintendent
N	\$ 47,746	\$ 59,797	\$ 71,847	Accountant Financial Analyst Public Information Officer
O	\$ 50,133	\$ 62,787	\$ 75,440	Building Official Fire Captain Fire Inspector/Fire Marshall Public Works Superintendent
P	\$ 52,640	\$ 65,926	\$ 79,212	Community Center Administrator Parks and Facilities Supervisor Police Sergeant
Q	\$ 55,272	\$ 69,222	\$ 83,172	Battalion Chief Economic Development Administrator Fire EMS & Quality Control Manager
R	\$ 58,036	\$ 72,683	\$ 87,331	IT Manager
S	\$ 60,937	\$ 76,317	\$ 91,697	HR Administrator
T	\$ 63,984	\$ 80,133	\$ 96,282	
U	\$ 67,183	\$ 84,140	\$ 101,096	
V	\$ 70,543	\$ 88,347	\$ 106,151	Police Captain
W	\$ 74,070	\$ 92,764	\$ 111,459	Fire Division Chief/Deputy PS Director
X	\$ 77,774	\$ 103,401	\$ 129,028	Assistant City Administrator-Community Development Director City Counselor Finance Director Parks and Recreation Director Public Safety Director Public Works Director
Y	\$ 109,435	\$ 137,055	\$ 135,479	City Manager



# Higbee Associates<sub>LLC</sub>

## Implementation Options

### Option 1—Adjustments to reach minimum only

Description	Cost	% Of Total Payroll
Below Minimum	\$187,000.93	2.2%

### Option 2-Minimums plus Multiple Incumbents Compression adjustments up to 5 years TIP

Description	Cost	% Of Multiple Incumbent Payroll
Below Minimum	\$187,000.93	2.2%
2.5%	\$161,362.67	3.2%
2%	\$123,699.65	2.4%
1%	\$57,869.78	1.1%

### Option 3-Minimums plus All Receive Compression adjustments up to 5 years TIP if needed

Description	Cost	% Of Total Payroll
Below Minimum	\$187,000.93	2.2%
2.5%	\$199,930.98	2.3%
2%	\$152,325.20	1.8%
1%	\$53,385.91	.6%

Higbee Associates recommends the City of Gladstone make all adjustments to minimum, then use the 2.5% compression model for all employees.