



Lexington-Fayette Urban County Government

Compensation and Classification Study Summary

August 19, 2014

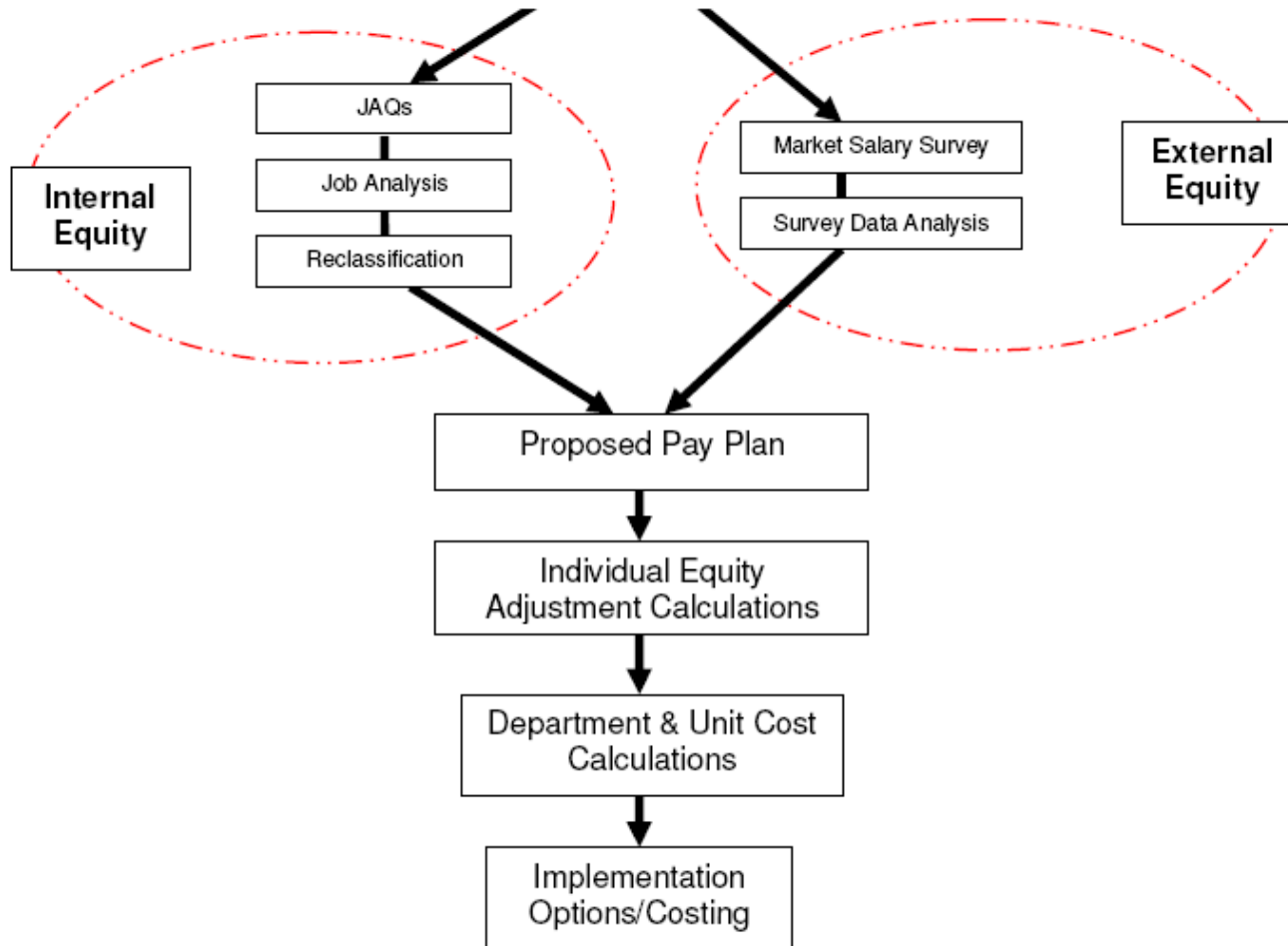
Communication Timeline

Date	Audience & Subject
09/30/13	Announce government-wide study to Commissioners & Directors.
10/15/13- 10/16/13	All employee kick-off meeting to include timeline of study and what information will be required from employees by 11/15/13.
10/16/13 11/30/13	Follow up with Commissioners & Directors on Admin. Issues/Phase I. JAQs completed/Follow up communications on JAQ process.
12/12/13	All employee communication.
02/10/14- 02/14/14	Review draft report containing preliminary recommendations with Commissioners & Directors; obtain feedback.
05/22/14	Council Workshop.

Communication Timeline

Date	Audience & Subject
05/29/14-06/06/14	Review draft report containing preliminary recommendations with Commissioners & Directors; obtain feedback.
06/13/14	Update Directors on comp study.
07/18/14	Meet with Directors on comp study.
07/24/14	Letters mailed to each employee re: proposed changes as it relates to each individual.
07/28/14 - 07/29/14	Group Meeting at Divisions. Presentation on outcome of study and salary calculation methodology used for implementation.
07/30/14	Published classification and compensation recommendations on the intranet and internet.

Classification & Compensation Study Process



Peers and Competitors included in the Market Survey

- City of Chattanooga
- City of Cincinnati
- City of Columbus
- City of Greensboro
- City of Knoxville
- City of Raleigh
- City of St. Louis
- Metro Nashville/Davidson County
- Public/Private published data
- State of Kentucky
- University of Kentucky

Implementation Summary Information

- Salary structure and pay grades adjusted.
- Two types of adjustments:
 - a. To grade minimum.
 - b. Length of service (equity adjustment) in current position as of July 1, 2014. Thirty (30) year career plan for purposes of calculating equity adjustments.
- LFUCG salary ranges are 60.62%. Market survey average was 49.58%. Proposed new pay grade range is 50% resulting in narrower salary pay grade ranges and less overlapping.
- Results:
 - Establishes a competitive position at the market midpoint.
 - Makes the entry level competitive.
 - Brings the ranges in line with the market.
 - Overall averages: Pay Grade Minimums up 14.6%
Pay Grade Maximums up 7.1%

Summary

Sample Minimum and Maximum Range Increases

Classification	Range Change Grade Min.	Range Change Grade Max.
Public Service Worker	\$22,214 - \$24,936 (12%)	\$34,068 - \$37,045 (9%)
Public Service Worker Sr.	\$23,597 - \$27,492 (16%)	\$36,379 - \$41,239 (13%)
Trades Worker Sr.	\$26,703 - \$30,311 (13%)	\$41,610 - \$45,466 (9%)
Equipment Operator Sr. & Laboratory Technician	\$26,703 - \$31,826 (19%)	\$41,610 - \$47,739 (14%)
Resource Recovery Operator	\$26,703 - \$33,417 (25%)	\$41,610 - \$50,126 (20%)
Administrative Specialist & Enforcement Officer	\$28,456 - \$33,417 (17%)	\$44,574 - \$50,126 (12%)
Recreation Supervisor	\$28,456 - \$35,088 (23%)	\$44,574 - \$52,633 (18%)
Public Service Supervisor	\$30,359 - \$35,088 (15%)	\$47,806 - \$52,633 (10%)
Skilled Trades Worker Sr.	\$32,448 - \$40,619 (25%)	\$51,346 - \$60,929 (18%)
Public Service Supervisor Sr.	\$37,140 - \$40,619 (9%)	\$59,406 - \$60,929 (2%)

Sample Letter

Division of Parks & Recreation	CURRENT	PROPOSED
JOB CLASSIFICATION TITLE	Public Service Worker	Public Service Worker
PAY GRADE	106	507
MINIMUM/MAXIMUM ANNUALIZED PAY RATE	Minimum - Maximum \$22,214 - \$34,068	Minimum - Maximum \$24,936 - \$37,405
EMPLOYEE'S ANNUALIZED PAY RATE	\$26,000	\$27,823

Everyone will see a change.

Sample Letter

Division of Parks & Recreation	CURRENT	PROPOSED
JOB CLASSIFICATION TITLE	Public Service Worker	Public Service Worker
PAY GRADE	106	507
MINIMUM/MAXIMUM ANNUALIZED PAY RATE	Minimum - Maximum \$22,214 - \$34,068	Minimum - Maximum \$24,936 - \$37,405
EMPLOYEE'S ANNUALIZED PAY RATE	\$26,000	\$27,823

Some, but not all, employees will see a change.

Note: If an employee accepts a different position, including a promotion, during the period July 1 – September 21, this table will not be applicable.

Internal Equity Formula - Determining Target Salaries

Step 1 “Equity Adjustment per Day”

- Example: Public Service Worker
- Proposed Min - Max = \$24,936 - \$37,405
- Dollars in Proposed Range = (Subtract \$24,936 from \$37,405) = \$12,469
- 30 years x 365 day/year = 10,950 days
- \$12,469 divided by 10,950 = **\$1.13 average per day**
- This would be the expected daily increase based on a normal progression through the range over 30 years.

Internal Equity Formula - Determining Target Salaries

Step 2 – Target Salary

- Length of Service *in current job* of “Sample” employee = 7 years
(from *promotion date* - to **July 1, 2014**)
- 7 years (Time in current job) x 365 days/year = 2,555 days x
\$1.13/day = \$2,887.15
- Target salary = (Grade Min) \$24,936 + \$2,887.15 = **\$27,823.15**
- Current Salary = \$26,000
- **Equity Adjustment = \$ 1,823.15**
- If the current salary exceeds the target salary no equity adjustment is needed.

Example of Employee Receiving Adjustment To Minimum and Equity Adjustment

Original	Class		Grade				Step	FTE	Experience		Salary	Adjustments			
	Title	Code	Min	Mkt	Max	#			Hire Date	Promotion		Flat %	Mkt	Step	% Chg
Proposed												Min	Max	OrgExp	Asgn
Administrative Specialist Sr		000110	32,448	41,897	51,347	112	0	1.000	06/03/2013	06/03/2013	36,367	0	0	0	8.28%
Administrative Specialist Sr		000110	38,685	46,422	58,028	516	0	260	06/03/2013	393	39,380	2,319	694	0	0

Example of Employee in a Position that is Proposed to be Reclassified

Original	Class		Grade				Step	FTE	Experience		Salary	Adjustments			
	Title	Code	Min	Mkt	Max	#			Hire Date	Promotion		Flat %	Mkt	Step	% Chg
Proposed												Min	Max	OrgExp	Asgn
Staff Assistant Sr		000104	25,085	32,003	38,919	108	0	1.000	07/16/1990	04/20/2005	38,919	0	0	0	0.00%
Administrative Specialist		000105	33,418	40,101	50,127	513	0	260	04/20/2005	3359	38,919	0	0	0	0

Example of Employee Receiving No Additional Adjustment

Original	Class		Grade				Step	FTE	Experience		Salary	Adjustments			
	Title	Code	Min	Mkt	Max	#			Hire Date	Promotion		Flat %	Mkt	Step	% Chg
Proposed												Min	Max	OrgExp	Asgn
Staff Assistant Sr		000104	25,085	32,003	38,919	108	0	1.000	09/05/2005	09/05/2005	36,712	0	0	0	0.00%
Staff Assistant Sr		000104	28,868	34,641	43,301	510	0	260	09/05/2005	3221	36,712	0	0	0	0

Lexington-Fayette Urban County Gov't Implementation Report

Proposed Pay Plan Unified

Dep't Name: ██████████ Dep't Code: ██████████

LFUCG Hire Date

Start date in current job

Original Class Title & Code

Original Pay Range & Grade

Original Salary

Employee Name

Original Proposed	Class Title	Code	Grade			Step	FTE	Experience		Salary	Adjustments				Compa Ratio	Position #	
			Min	Mkt	Max			Hire Date	Promotion Date		Flat %	Mkt	Step	% Chg			
	Equipment Operator Sr	000814	26,703	34,156	41,810	109	0	1.000	07/02/2012	07/02/2012	40,577	0	0	0	0.00%	118.80%	0000379
	Resource Recovery Operator	000819	33,418	40,101	50,127	513	0	260	07/02/2012		729	0	0	0	0		
	Equipment Operator Sr	000814	26,703	34,156	41,810	109	0	1.000	12/12/2014	03/10/2015	32,118	0	0	0	0.00%	97.84%	00004258
	Resource Recovery Operator	000819	33,418	40,101	50,127	513	0	260	03/10/2015		0	0	0	0	0	0	VACANT_VACANT
	Equipment Operator Sr	000814	26,703	34,156	41,810	109	0	1.000	12/12/2014	03/10/2015	33,418	0	0	0	0.00%	97.84%	00003343
	Resource Recovery Operator	000819	33,418	40,101	50,127	513	0	260	03/10/2015		0	0	0	0	0	0	VACANT_VACANT
	Equipment Operator Sr	000814	26,703	34,156	41,810	109	0	1.000	12/12/2014	03/10/2015	33,418	0	0	0	0.00%	97.84%	00004252
	Resource Recovery Operator	000819	33,418	40,101	50,127	513	0	260	03/10/2015		0	0	0	0	0	0	VACANT_VACANT
	Equipment Operator Sr	000814	26,703	34,156	41,810	109	0	1.000	12/12/2014	03/10/2015	33,418	0	0	0	0.00%		
	Resource Recovery Operator	000819	33,418	40,101	50,127	513	0	260	03/10/2015		0	0	0	0	0	0	VACANT_VACANT
	Equipment Operator Sr	000814	26,703	34,156	41,810	109	0	1.000	12/12/2014	03/10/2015	33,418	0	0	0	0.00%	97.84%	00004245
	Resource Recovery Operator	000819	33,418	40,101	50,127	513	0	260	03/10/2015		0	0	0	0	0	0	VACANT_VACANT
	Equipment Operator Sr	000814	26,703	34,156	41,810	109	0	1.000	10/03/1994	10/03/1994	41,810	0	0	0	6.76%	121.83%	00004253
	Resource Recovery Operator	000819	33,418	40,101	50,127	513	0	260	10/03/1994		7211	44,421	0	2,811	0	0	
	Equipment Operator Sr	000814	26,703	34,156	41,810	109	0	1.000	01/12/2004	01/12/2004	33,469	0	0	0	17.28%	97.99%	00004265
	Resource Recovery Operator	000819	33,418	40,101	50,127	513	0	260	01/12/2004		3823	39,252	0	5,782	0	0	
	Equipment Operator Sr	000814	26,703	34,156	41,810	109	0	1.000	02/10/2003	02/10/2003	30,859	0	0	0	28.86%	90.35%	00004262
	Resource Recovery Operator	000819	33,418	40,101	50,127	513	0	260	02/10/2003		4159	39,764	2,559	6,346	0	0	
	Equipment Operator Sr	000814	26,703	34,156	41,810	109	0	1.000	07/25/2011	07/25/2011	37,296	0	0	0	0.00%	109.20%	00004233
	Resource Recovery Operator	000819	33,418	40,101	50,127	513	0	260	07/25/2011		1072	37,296	0	0	0	0	
	Equipment Operator Sr	000814	26,703	34,156	41,810	109	0	1.000	08/01/1993	12/23/1996	38,503	0	0	0	12.15%	112.73%	00004202
	Resource Recovery Operator	000819	33,418	40,101	50,127	513	0	260	12/23/1996		6399	43,182	0	4,679	0	0	
	Equipment Operator Sr	000814	26,703	34,156	41,810	109	0	1.000	08/29/1992	08/22/1994	39,601	0	0	0	12.33%	115.94%	00004251
	Resource Recovery Operator	000819	33,418	40,101	50,127	513	0	260	08/22/1994		7253	44,485	0	4,884	0	0	
	Equipment Operator Sr	000814	26,703	34,156	41,810	109	0	1.000	08/28/2010	08/28/2010	27,961	0	0	0	37.50%	81.86%	00004227
	Resource Recovery Operator	000819	33,418	40,101	50,127	513	0	260	08/28/2010		1464	35,652	5,456	2,234	0	0	

Start date in current job

Number of days between 'Exper.Date' and July 1, 2014

Adjustment to Original Salary toward Proposed Grade Min

Adjustment to Proposed Salary toward Proposed Grade Max

How to calculate Proposed Salary using Position #00004227 as an example:

1. Dollars in Proposed Pay Grade 513 = 16,709 (50,127 - 33,418)
2. Dollars per year in range = 556 (16,709/30 years)
3. Dollars per day = \$1.52 (556/365 days per year)
4. Adjustment to Max = \$2,234 (\$1.52 X 1,464 'Days All'd')
5. Proposed Salary = \$35,652 (\$2,234 + \$33,418 'Grade Min')

HR COMPENSATION POLICIES

Compensation policies are being developed and near completion regarding:

- Reclassification
- Promotion
- Lateral Transfer
- Demotion
- Temporary Assignment
- New Hire Salary Calculation Methodology
- Addressing Employees That “Max Out”

Subject to Council Approval

September Implementation Detail

- Actual study takes effect on September 22, 2014.
- All adjustments adopted by the study including pay grades, job titles, classifications, and pay rates take effect on September 22, 2014.
- Not everyone will receive an adjustment but for those that do, they will see it on their paycheck issued on October 10, 2014. (No one will receive a decrease in pay as a result of the study.)
- There are two types of adjustments:
 - Adjustment to minimum in the new pay grade (effective 9-22-14)
 - Equity Adjustment based on time in job (effective 9-22-14)

Questions?