



Takoma Park City Council Meeting – June 22, 2022 Agenda Item 4

Work Session

Presentation of the Compensation Study

Recommended Council Action

Receive presentation and consider Resolution on recommendations for the Compensation Study

Context with Key Issues

In an effort to maintain a competitive and sustainable compensation and benefits package for the staff and in compliance with the bargaining agreement between the City and the American Federation of State, County, and Municipal Employees, the City conducts compensation studies every three years. The last compensation study was conducted in 2017. A Request for Proposals (RFP) from consulting firms with experience conducting compensation studies was posted on September 29, 2021 with an October 27, 2021 deadline for submission. The City Manager confirms that Bolton USA's proposal addressed all the requirements.

Bolton completed analysis of the City's pay structure and surveyed other government organizations for governmental structure, departments, number of full-time and part-time employees, compensation, position descriptions, percent spreads between grades and steps, and compression analysis.

Bolton recommends an overall adjustment of 6.4% to the City's pay structure to remain aligned with the current competitive job market.

Secondary recommendations contain a review of the current classifications for Police Leadership, which includes the role of Sergeant and above. Data supports observations that the entire Police Leadership is behind the external market by approximately 10% (2 grades). Additionally, a comprehensive reclassification project should be conducted to systematically evaluate all jobs to determine if job descriptions, grade assignment, and pay structure are appropriately aligned. According to the report, the third secondary recommendation is to separate the current pay structure into three categories to allow for more flexibility in the base pay structure.

Bolton's final recommendation relates to section 4.04.240 (C) of the City Code regarding market adjustments. As described in the City Code, market adjustments may be based on an actual market survey or the Bureau of Labor Statistics "Employment Cost Index for State and Local Government Wages and Salaries." Bolton recommends that additional inputs, such as from compensation planning surveys, are needed in order for the City to have a full-bodied understanding of anticipated market movement.

Council Priority

Engaged, Responsive & Service-oriented Government; A Livable Community for All

Environmental Considerations

There are no environmental impacts which would occur.

Fiscal Considerations

With a 5% increase being placed into the budget for FY2023, the 6.4% recommendation would require an estimated additional \$151,000 to implement.

Racial Equity Considerations

The compensation study will recommend fair and equitable pay for the various positions in City government. 57% of the City's full-time, part-time, seasonal, and temporary staff are people of color.