

# **MUNICIPALITY OF GROVEPORT**

## **COMPENSATION PLAN**

**Effective May 9, 2012  
Amended January 23, 2017**

## INTRODUCTION

The Municipality of Groveport, in an effort to provide fair and equitable compensation for employees, hereby establishes a compensation system.

This plan was developed in part by:

1. analyzing the current compensation plan;
2. revising and updating job descriptions to match actual duties;
3. evaluating each different position through point factor analysis;
4. analyzing the current wage rates of similar municipalities;
5. constructing a Municipality-wide classification plan; and
6. developing a job-related performance evaluation tool.

The compensation philosophy and goals of City Council and Administration were also taken into account.

## TERMINOLOGY

A “classification plan” means a system of classifications which may include pay range assignment for each classification.

A “classification” means a group of positions sufficiently similar in respect to duties, responsibilities, authority, and qualifications so that the same descriptive title may be used for each, the same pay range assigned, and the same examinations conducted.

A “class series” is identified by the first four digits of a classification number and tends to show a natural progression in responsibility, authority, and qualifications that an individual may proceed through during one’s career.

## PLAN STRUCTURE

Each Municipality classification has been assigned to a pay grade based on point factoring and through an analysis of the goals of Administration (a total of 25 pay grades). The pay grades were developed using the current wage scale as well as the market value of the position as determined by an external salary survey. Within each pay grade, seven (7) steps have been identified and are used as background benchmarks for hiring, promotion, and demotion. The first three (3) steps are used as a step-based progression plan during the first three (3) years of employment to move employees closer to midpoint (market) and to help alleviate wage compression issues. After an employee reaches

midpoint, the steps do not act as ~~This is not~~ a traditional step plan, meaning that the steps only serve as guidance and an employee's pay does not have to be "on a step."

Employees who are in steps 1 (minimum) through steps 3 shall normally be eligible to progress to the next tenure-based step upon satisfactory completion of the essential functions of the position. After an employee reaches midpoint, the employee ~~Employees~~ shall normally progress through the pay grade (once again, not necessarily on the steps) through general increases and/or upon satisfactory completion of the essential functions of the position. Such satisfactory completion shall be established by a job-related performance evaluation tool. Other facets of the performance evaluation tool may be used for correcting inappropriate behavior as well as a developmental tool.

Other increases, including increases for when an employee completes his/her probationary period may be warranted as determined by City Council and outlined in this manual.

The new compensation plan is designed to provide pay equity (both internal and external) for the Municipality.

## **GENERAL INCREASES**

A general increase is an automatic, across the board increase to all employees. It will generally be awarded in a percentage, but it does not shift the current pay scale/grades. The amount and frequency of general pay increases will be determined by City Council and by no means does this manual obligate City Council to authorize such increase.

Employees who are at rates of pay that exceed the ending rate for their pay grade shall receive no general increase to their "base wage rate" until their rates of pay no longer exceed the top rate for the pay grade. Instead, those employees may receive the general increase in the form of a lump-sum payment as described below.

## **MERIT INCREASES**

Merit increases shall be awarded to employees based upon satisfactory completion of the essential functions of the position as identified through a job-related evaluation tool. City Council has the right to restrict or reinstate merit increases as it deems necessary. Employees who are at rates of pay that exceed the top rate for their pay grade may also receive merit increases in the form of a lump-sum payment as described below.

## **LUMP-SUM PAYMENTS**

Employees who are at rates of pay that exceed the top rate for their pay grade shall receive no increase in the "base wage rate" until their rates of pay no longer exceed the top rate. In other words, they will receive no general increases or merit increases to their current base wage rate of pay until City Council adjusts the pay grades higher as a result of a "cost of living adjustment" or

periodic wage surveys. However, an employee who is at the top rate of pay or a rate of pay that exceeds the top rate for his/her pay grade may receive an increase in a lump-sum amount that is not intended to increase his/her base wage rate. This may include a lump-sum in the equivalent to a general increase or in the form of a merit increase.

## **COST OF LIVING ADJUSTMENTS**

Every year, City Council shall consider whether the pay schedule remains competitive within comparable jurisdictions and determine if there is a need for a “cost of living adjustment.” This may be determined by analyzing one or more of the following databases: SERB Wage Survey, CPI – U, CPI – W, Social Security Increases, and Bureau of Labor Statistics regional survey.

If an increase is warranted, the entire pay schedule (both minimum and maximum) shall be shifted. This is to avoid the range (difference between the minimum and maximum) from becoming too large. Every three years, the Municipality shall also conduct a wage survey of benchmark positions for comparable jurisdictions.

The cost of living adjustments are designed to allow the Municipality to continue to recruit and retain quality employees as it desires. Nothing in this compensation plan forces City Council to issue a wage increase.

## **LONGEVITY**

Employees shall continue to receive longevity payments in accordance with any ordinance or the Code of Personnel Practices and Procedures.

## **IMPLEMENTATION**

Each position has been assigned pay grades.<sup>1</sup> An employee’s pay will not change as a result of implementation.<sup>2</sup> Employees will continue to progress through their pay grade by merit and general increases if authorized as outlined in this manual.

## **MOVEMENT BETWEEN PAY GRADES**

New Hire: New employees shall normally be hired in at the minimum rate of pay for their classification. However, exceptions may be made for new employees who possess outstanding

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<sup>1</sup>See attached pay scale.

<sup>2</sup>Council may decide to allow incumbent employees to remain in their current pay grade number (before implementation) and reassign the position to the new pay grade following the incumbent’s separation from the Municipality.

qualifications and experience, but in no case shall an employee be hired beyond the mid-point (Step 4). The steps outlined in the pay scale have been designed to assist with this purpose.

Promotions: A promotion is the act of placing an employee in a position which requires greater skills, knowledge, and abilities to perform more complex and responsible work and which is assigned to a higher pay grade. Any employee promoted to a higher classification shall advance to the step in the new pay grade which provides for a wage increase over the employee's current rate.

Demotion: A demotion is a transfer of an employee to a position which has a lower level of responsibility, classification, and compensation. Demotions generally result from an employee's failure to perform the duties of their position at an acceptable level, as a result of discipline, or result from an accommodation of a qualified employee with a disability.

Regardless of the reason, the employee shall always be assigned to the appropriate pay grade assigned to the new classification. The demoted employee shall be reduced in pay to the maximum corresponding step of the classification to which still results in a wage decrease. It should be noted the employee may have civil service appeal rights.

Transfer: A transfer is defined as the movement of an employee from one position to another where there is no change in classification or change in pay grade. Employees who are transferred shall receive no pay adjustment as a direct result of such transfer unless otherwise approved by City Council.

Reclassification: Whenever the duties being performed by an employee change significantly over a period of time, the position shall be examined to determine if a reclassification is justified.

Whenever an employee's position is reclassified, the employee shall be assigned to the pay grade designated for the employee's new classification. If the pay grade designated for the employee's new classification is the same pay grade the employee is currently assigned to, the employee remains at the employee's current rate of pay. If the pay grade designated for the employee's new classification is a higher pay grade, the employee ~~shall advance to the step of the new pay grade which results in a raise~~ shall advance to the step in the new pay grade which provides for a wage increase over the employee's current rate. If the employee's position is reclassified to a lower pay grade, the employee shall move to the step in the pay grade as close as possible to the employee's current rate of pay without penalizing the employee.

Lateral Movement: A lateral movement is when employees are assigned to a position which is in a different classification than their former position, but the classifications are assigned to the same pay grade. An employee's rate of pay will not be affected by such change unless otherwise approved by Council.

Temporary Assignments: A temporary assignment is defined as the assignment of an individual employee to a classification different from the employee's current classification, which has substantially different duties than the employee would normally perform. City Council may establish temporary assignment pay as it deems necessary.

## **PLAN MAINTENANCE**

Maintenance of the compensation system is an important task which cannot be neglected. Failure to properly maintain the plan may eventually result in recruitment problems, pay inequities between classes, lowered employee morale, higher employee turnover, and other related organizational problems.

There are numerous factors and influences which may contribute to the erosion of a compensation plan's validity. Common factors and influences generating change include:

1. additions of new functions or responsibilities to a classification;
2. abolishment or elimination of a classification's functions or responsibilities;
3. reorganization of an organizational function, resulting in the consolidation of work activities;
4. job reclassification;
4. gradual change of a position by addition, deletion, or modification of duties and responsibilities; or
5. new or revised licensure or certification requirements dictated by law.

In addition to the above factors, ever-changing market conditions may dictate that the compensation plan be upgraded in order for the Municipality of Groveport to remain in a competitive posture with comparable jurisdictions. This process shall be executed in accordance with the *Cost of Living Adjustments* section.

On each occasion when a position is classified or reclassified, it will be necessary to review that position's pay grade assignment in order to ensure that equity between classifications is maintained. If the position is assigned to a currently existing classification, it will only be necessary to reassign the position's pay grade to the level paid for that classification. If, on the other hand, the position is classified or reclassified to a new classification, i.e., a classification which does not currently exist, it will be necessary to review the new classification in order to determine the proper pay grade assignment. Point factoring analysis using the same or similar factors should be conducted.

## **PERFORMANCE EVALUATIONS**

Before implementing the performance evaluation process, supervisors shall be trained. Performance evaluations must be maintained as jobs change.