



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of July 23, 2013
Second Reading Ordinance for the City Council Meeting of July 30, 2013

DATE: July 18, 2013
TO: Ronald L. Olson, City Manager
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UPDATE TO CITY COUNCIL

An ordinance amending Code of Ordinances, Chapter 39, Personnel, Article III Employee Classification and Compensation System of the Corpus Christi Code of Ordinances to adopt new compensation rates.

CAPTION:

Ordinance amending Code of Ordinances, Chapter 39, Personnel, Article III Employee Classification and Compensation System of the Corpus Christi Code of Ordinances to revise Section 39-303 to reduce the number of pay plans and establish new pay plans which will be: Pay Plan M-100 (FLSA Overtime Eligible), M-200 Exempt (FLSA Overtime Ineligible), M-300 Executive (FLSA Overtime Ineligible), and H-100 Health District (FLSA Overtime Eligible/FLSA Overtime Ineligible) and to establish new pay grades and ranges, to revise Sections 39-304, 39-310, 39-321, 39-327, 39-336, and 39-344 to reflect the new pay plans, repealing all other ordinances, and rules, or parts of ordinances and rules, in conflict with this ordinance; providing for effective date and providing for severance.

PURPOSE:

To create three new market-based pay plans replacing a system with multiple pay plans which has caused considerable pay inequities over the last ten years. Establishes consistent grades and ranges that can be easily and equitably administered. The market based pay plans will enable us to attract and retain a talented workforce.

BACKGROUND & FINDINGS:

Excluding uniform Fire and Police, the City of Corpus Christi currently has over 500 job classifications covering over 2120 employees, in twelve unique pay plans. Over the years, to assist with recruitment and retention, the City has created seventeen "add pays" seven "certification pays" and three "exceptions" to pay. Skilled-based pay allowed employees to obtain incremental increases while other employees have had pay frozen for several years. Pay plans have not been reviewed or adjusted in years, and in order to hire highly qualified candidates, new employees have been offered compensation far exceeding the rate of long tenured employees. There also appeared to be pay discrepancies as a result of the department's ability to pay. The multiplicity of pay plans, complexity of rules, inconsistency in rules application, as well as the need to hire new employees in a competitive market has resulted in multiple pay inequities.

Last fall, we began the process of reviewing and revising our pay plans to be externally competitive and internally equitable. We benchmarked positions and compared these to similar positions in the labor market using a variety of survey tools. The resulting product is the recommendation for three market-based pay plans; 1) Pay plan 100, which includes all FLSA non-exempt, overtime eligible positions; 2) Pay plan 200, which includes all FLSA exempt, overtime ineligible positions; and 3) Pay plan 300, Executives – FLSA overtime ineligible. The Health Department has employee in both pay plan 100 and 200. Application of the new pay plans will allow for equitable pay for comparable work across the City regardless of the department in which the employee works.

ALTERNATIVES:

We considered modifying the current pay plans, however, the years of manipulation has created significant pay discrepancies and inconsistency across pay plans that creating an entirely new pay plan was the best alternative for resolving the city-wide compensation concerns.

OTHER CONSIDERATIONS:

Not applicable

CONFORMITY TO CITY POLICY:

This item conforms to all city policies.

EMERGENCY / NON-EMERGENCY:

Not Applicable

DEPARTMENTAL CLEARANCES:

Legal

FINANCIAL IMPACT:

- Operating Revenue Capital Not applicable

Fiscal Year: 2011-2012	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

Comments: Some funds have previously been appropriated and approved in the current budget.

RECOMMENDATION:

Staff recommends approval of the ordinance amendment.

LIST OF SUPPORTING DOCUMENTS:

Ordinance