



HISTORIC
FRANKLIN
TENNESSEE

2017 COMPENSATION PLAN REVIEW

BACKGROUND

- CURRENT COMPENSATION AND CLASSIFICATION IMPLEMENTED OVER TWO YEARS (2013 AND 2014). THE “NEW PLAN” REDUCED THE NUMBER OF PAY GRADES AND IS BASED ON BOTH PUBLIC AND PRIVATE SECTOR MARKET DATA.
- TARGETED ADJUSTMENTS HAVE BEEN MADE BASED ON MARKET CHANGES DURING THE PAST TWO YEARS BUT A FULL REVIEW HAS NOT BEEN CONDUCTED UNTIL 2017.
- COMPENSATION CONSULTANT BURRIS & THOMPSON MET WITH EACH DEPARTMENT DIRECTOR, HUMAN RESOURCES, CITY ADMINISTRATION, AND OUR BUDGET TEAM.
- A WORK GROUP COMPRISED OF MEMBERS OF THE FRANKLIN FIRE DEPARTMENT, HUMAN RESOURCES, AND ADMINISTRATION HAS BEEN MEETING TO LOOK AT SPECIFIC PAY CONCERNS.

OUR TARGET IS TO BE IN THE
TOP 25% OR BETTER
COMPARED TO THE MARKET

BENCHMARK CITIES

- NASHVILLE, TN
- LEXINGTON, KY
- COLUMBUS, GA
- CARY, NC
- CLARKSVILLE, TN
- MURFREESBORO, TN
- ATHENS, GA
- JACKSON, TN
- JOHNSON CITY, TN
- BOWLING GREEN, KY
- BARTLETT, TN
- HENDERSONVILLE, TN
- COLLIERVILLE, TN
- SMYRNA, TN
- BRENTWOOD, TN
- HOOVER, AL
- GERMANTOWN, TN
- WILLIAMSON COUNTY

* - PRIVATE SECTOR PAY IS USED WHERE APPLICABLE



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FINDINGS

COMPENSATION STUDY SHOWED THAT OVERALL OUR PAY RANGES ARE 10% BELOW THE TARGET POSITION OF TOP 25% OR BETTER COMPARED TO THE MARKET.



PROPOSED ADJUSTMENTS:

1) PAY GRADE ADJUSTMENTS

2) PAY ADJUSTMENTS BASED ON TIME IN JOB

- PUBLIC SAFETY (POLICE/FIRE)
 - 10% PAY SCALE ADJUSTMENTS FIRST PAY PERIOD IN JANUARY 2018.
- ALL OTHER DEPARTMENTS
 - 5% PAY SCALE ADJUSTMENT ON FIRST PAY PERIOD IN JANUARY 2018.
 - 5% PAY SCALE ADJUSTMENT ON FIRST PAY PERIOD IN JULY 2018.



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WHAT DOES THIS MEAN?

- NOT ALL EMPLOYEES WILL RECEIVE A PAY INCREASE.
- ONLY THOSE EMPLOYEES THAT FALL BELOW MINIMUM IN THEIR PAY GRADE WILL RECEIVE AN ADJUSTMENT TO GET THEM TO THE NEW MINIMUM.

2ND PART OF THE COMPENSATION PLAN

- ADDRESS THE COMPRESSION ISSUE WITHIN DEPARTMENTS BY A TENURE-BASED SALARY ADJUSTMENT SCHEDULE.
- THIS WILL BE BASED ON THE TEAM MEMBER'S TIME WITHIN THE EXISTING POSITION.

PROPOSED TENURE BASED SALARY ADJUSTMENT SCHEDULE



Job Tenure as of effective date	Salary Range Target as Percent Minimum
20 or more years	122%
15 years but less than 20	120%
12 years but less than 15	117%
9 years but less than 12	114%
6 years but less than 9	111%
4 years but less than 6	108%
2 years but less than 4	104%
Less than 2 years	100%

PROPOSED TENURE SALARY ADJUSTMENT

COMPLETED OVER THREE BUDGETS BUT
WITHIN AN 18-MONTH PERIOD

- YEAR 1: PUBLIC SAFETY – POLICE AND FIRE – 1ST PAY PERIOD JANUARY 2018.
- YEAR 2: PUBLIC WORKS – 1ST PAY PERIOD JULY 2018.
- YEAR 3: ALL OTHER DEPARTMENTS – 1ST PAY PERIOD JULY 2019.

FINANCIAL IMPACT

- **FY 2018:**

- PUBLIC SAFETY RANGE ADJUSTMENT (10%) : \$163,689 (FULL-YEAR) / \$81,845 (FY 2018).
- NON-PUBLIC SAFETY RANGE ADJUSTMENT (5%): \$134,974 (FULL-YEAR) / \$67,487 (FY 2018).
- PUBLIC SAFETY TENURE ADJUSTMENT: \$312,648 (FULL-YEAR) / \$156,324 (FY 2018).
- **TOTAL IMPACT IN FY 2018 - EFFECTIVE JANUARY 1, 2018 - \$305,656 (REMAINING BUDGET: \$394,569)**

- **FY 2019:**

- NON-PUBLIC SAFETY RANGE ADJUSTMENT (5%): \$269.194 (FULL-YEAR).
- PUBLIC WORKS TENURE ADJUSTMENT: TBD.
- ONGOING COSTS TO BE REVIEWED VIA LONG-RANGE FINANCIAL MODEL & ECONOMIC CONDITIONS.

GOING FORWARD

- TARGET MINIMUM PROGRESS IN THE PAY GRADE FOR A POSITION – BASELINE TARGET TO REACH MID-POINT TO MID-POINT +10% BY YEAR 8 IN POSITION.
- CONTINUE TO STRUCTURE PAY INCREASES BASED ON A COMBINATION THAT INCLUDES GENERAL PAY INCREASE AND PERFORMANCE-BASED INCREASE COMPONENTS.
- ONGOING, REGULAR ADJUSTMENT OF THE COMPENSATION PLAN TO RESPOND TO THE MARKET, MAINTAINING THE CITY'S HIGHLY COMPETITIVE POSITION.



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QUESTIONS & ANSWERS