



Agenda

**COMMITTEE OF THE WHOLE
GOVERNING BODY
CITY OF LENEXA, KANSAS
17101 W. 87TH STREET PARKWAY**

**JANUARY 25, 2022
7:00 PM
COMMUNITY FORUM**

CALL TO ORDER

ROLL CALL

APPROVE MINUTES

January 11, 2022 Committee of the Whole meeting draft minutes

DISCUSSION

1. Compensation Study presentation and discussion

ADJOURN

Dist. Governing Body; Management Team; Agenda & Minutes Distribution List

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**MINUTES OF THE
JANUARY 11, 2022
LENEXA COMMITTEE OF THE WHOLE MEETING
COMMUNITY FORUM, 17101 W 87th STREET PARKWAY
LENEXA, KS 66219**

CALL TO ORDER

Mayor Boehm called the meeting to order at 7 PM.

ROLL CALL

Councilmembers Karlin, Eiterich, Nicks, Roh, Arroyo, and Sayers were present with Mayor Boehm presiding. Councilmembers Nolte and Denny were absent.

City staff present included Beccy Yocham, City Manager; Todd Pelham, Deputy City Manager; Mike Nolan, Assistant City Manager; Sean McLaughlin, Jennifer Martin, City Clerk, and other City staff.

APPROVE MINUTES

December 14, 2021 Committee of the Whole Meeting draft minutes

Councilmember Eiterich made a motion to approve the December 14, 2021 Committee of the Whole meeting draft minutes and Councilmember Roh seconded the motion. Motion passed unanimously.

DISCUSSION

1. Johnson County Housing Study and Housing for All Tool Kit

Beccy Yocham, City Manager, introduced the Johnson County Housing Study for All Tool Kit and its development and said that Councilmember Karlin and Scott McCullough, Community Development Director, were involved in the process.

Kristy Baughman, Director of Education and Planning for United Community Services of Johnson County, talked about the grant from Kansas Health Foundation in 2017 and how it led them to identify an issue around health equity in the community and how the Johnson County Health Equity Leadership Team determined that a housing study should be done since the last one was done in 2004.

Ms. Baughman presented the Healthy Communities Initiative timeline of activities from 2017 through 2021 and explained how a lot of work was accomplished during the pandemic. She discussed some of the housing study results, key points in the tool kit, and training for planning commissioners.

Ms. Baughman said that County-level data for home sale price, not appraisal, increased almost 20% between 2017-2020. She also explained housing cost burden, which is when people spend more than 30% of their income on housing.

Ms. Baughman reviewed Lenexa data and responses from community housing survey and talked about housing availability and demand.

Ms. Baughman then talked about Housing for All and the task force members, as well as its focus on the housing study and priorities. She said the Tool Kit is not prescriptive but intended to be a tool for all communities that should be treated as a living document. She said the five goals of the task force are to: preserve and rehabilitate existing housing stock; reduce overall household expenses so housing is more affordable; increase the variety of housing product types, especially middle density; incentivize production of affordable and attainable housing stock by sharing risk, reducing gaps in the private market, and funding housing; and build affordable and attainable housing advocacy.

Ms. Baughman reflected on Vision 2040 and how these goals relate to Lenexa's priorities. She talked about the "missing middle" housing and incentivizing production of and building acceptance of affordable housing in the community. She added that the Housing fact book contains facts about how different housing impacts the community.

Mayor Boehm asked how these results compare to those on the state level and Ms. Baughman said they are quite similar and parallel in many ways.

Councilmember Karlin said this is good information that provides a lot to think about how to move forward.

Councilmember Roh asked what those who participated in the process were expecting for outcomes. Ms. Baughman said that many people who participated have shared their interest in continuing to work on it.

Councilmember Eiterich said she was surprised to see such a high percentage of Lenexa renters with housing burden.

2. 2022 Pavement Management Program

Staff will present the proposed 2022 Pavement Management Program that would provide surface treatment for approximately 51 lane-miles throughout the city and 9,000 square yards of parking lots.

Charlie Love, Assistant Municipal Services Director, presented a map reflecting where Pavement Management Program work has been performed since 2016. He said that to date, 68% of residential streets have had some work since 2016. He added that pavement condition assessments have been done every three years by Stantec since 2015, which are used to determine the overall condition of the city's roads.

Mr. Love presented maps from 2015, 2018, and 2021 reflecting work that has been completed and road conditions.

Mr. Love said that staff proposes in 2022 to do a two-inch mill and overlay on Clare

Road, 83rd Street/87th Street Parkway from K-7 Highway to Renner Boulevard, Lone Elm Road, and 83rd Street, and a UBAS treatment in the Falcon Valley and Parkhurst subdivisions. He presented a map showing these locations in the city. He added that 103rd Street from Pflumm Road to Quivira Road will be treated with UBAS in partnership with Overland Park.

Mr. Love said the bid process will take place over the next couple months and staff anticipates repairs starting in April or May.

Mr. Love said that costs are tough to estimate, but staff has reviewed last year's bids and added contingencies and is working with other municipalities to garner best costs.

Discussion followed regarding the different methods used for repairs, selection of streets for repair, contractors on past projects, concern about work proposed in the area of City Center where there will be other work occurring, and implementation of Complete Streets.

Beccy Yocham, City Manager, said that road maintenance and repairs do not trigger Complete Streets, so that would not be included in this work.

ADJOURN

Councilmember Roh made a motion to adjourn and Councilmember Eiterich seconded the motion. Motion passed unanimously.

The meeting adjourned at 8:09 PM.



COMMITTEE OF THE WHOLE
MEMORANDUM

ITEM 1

SUBJECT: Compensation Study presentation and discussion

CONTACT: James Bowers, Human Resources Director
Kristin Crow, Human Resources Manager

DATE: January 25, 2022

PROJECT BACKGROUND/DESCRIPTION:

The Human Resources Department, working with Lockton Companies, conducted a comprehensive pay and benefits study in the fall of 2021 (delayed from the spring of 2020 due to the COVID-19 pandemic). The study identified local comparable entities and benchmark jobs, conducted market pricing using published pay data, completed a custom survey of the identified peer group, and compared market results against incumbent data. The compensation study indicates that local and national employers are increasing employee pay and that, as a result, the City's pay amounts have fallen behind comparable jurisdictions. Staff will present recommendations to address this issue and discuss the financial implications of the recommendations.

VISION / GUIDING PRINCIPLES ALIGNMENT:

Vision 2040

Thriving Economy

Guiding Principles

Values-based Organizational Culture
Prudent Financial Management

ATTACHMENTS

1. Presentation

Employee Compensation Discussion

Lenexa Governing Body
Committee of the Whole
January 25, 2022

Governing Body Guiding Principle

Values-based Organizational Culture

Create an organization that reflects the community's diversity and fosters a superior culture by employing, supporting, and rewarding professionals who make decisions with integrity, deliver results through teamwork, provide exceptional service, lead into the future with vision, are dedicated to excellence and who truly care about Lenexa.

Employee Compensation Discussion

Agenda

- 2018 Pay Plan Changes and Results
- 2019 – 2021
- Present Situation and 2021 Pay Study
- 2022 Pay Plan Recommendations and Costing
- Next Steps

Employee Compensation Discussion

Situation in **January 2018**

- Unemployment
 - Johnson County – **2.8%**
 - Kansas City Metro – **3.2%**
- Struggling to hire entry-level employees
 - Number and quality of applicants down significantly
- Turnover in 2017
 - **16%** (previous 5 years – well under 10%)
 - Significant turnover in Public Safety, including several who moved laterally for \$10–\$12k pay increases (previously no lateral transfer locally)

Employee Compensation Discussion

Situation in **January 2018**

- How local competitors pay plans worked – Public Safety
 - Moved employees to maximum pay faster than we did
 - Top-out in the entry-level classifications between 11 and 13 years
 - Top-out for Captains/Sergeants between 7 and 10 years
 - Granted partial or full credit for prior service to lateral transfers
- How Lenexa pay plan worked – All employees (inc. Public Safety)
 - We gave credit only for time in *current* job
 - On promotion, credit started over
 - Took 5-7 years to reach Lenexa Skillful and 20 years to reach max pay

Employee Compensation Discussion

January 30, 2018 – Governing Body Presentation

- Recommendations

1. Adjust pay rates as appropriate (some increased, some decreased)
2. Shorten amount of time to reach actual mid-point (5-6 years) and maximum pay (10-12 years)
3. Give existing employees service credit as follows:
 - 100% for time in job (current practice)
 - 20% of all time with city
 - 20% of directly-related prior (external) service
4. Place employees at correct pay rates based on revised service credit formula
5. Apply recommendations to *all city staff, not just Public Safety*

- **Recommendations** were **approved** effective February 6, 2018

Employee Compensation Discussion

Results of Approved Changes?

- Overall turnover dropped immediately
 - **6.8%** in 2018, **11%** in 2019 and **8.4%** in 2020
- Resignations (Public Safety) to join other agencies stopped
- We hired a few experienced police officers from other agencies

Employee Compensation Discussion

2019-2021

- We “aged” our pay amounts in 2019 by **1%**
- We **did not** age our pay amounts in 2020 and 2021 due to pandemic/economic uncertainty
- 2021 pay amounts are the same as 2019 pay amounts

Employee Compensation Discussion

Present

- Turnover is nearly **15%** for 2021
- We currently have **49 FT vacancies**, most since started tracking
- Entry-level non-public safety (NPS) positions even more difficult to fill than 2017
- Comparators have significantly increased **entry-level** pay
 - Both for safety and NPS positions

Employee Compensation Discussion

Present

- Entry-level custodial positions
 - Comparators at \$15 and above. Lenexa at **\$13.22**
- Entry-level maintenance/parks/streets/stormwater positions
 - Comparators at \$16 and above. Lenexa at **\$14.62**
- Entry-level private sector employers
 - JC Penney, Amazon, Waste Mgt - \$18.50 to \$22.00/hr. (**\$14.62**)
- Entry-level Police and Fire
 - Lenexa last or next to last in starting pay
 - Many local police agencies at \$50,000 and above (**\$44,118**)

Employee Compensation Discussion

2021 Pay Study

- Completed in Fall 2021 (Delayed from Spring, 2020)
- Identified comparison market/peer groups*
 - City of Lawrence, KS
 - City of Leawood, KS
 - City of Olathe, KS
 - City of Overland Park, KS
 - City of Shawnee, KS
 - Central Jackson County FPD, MO
 - Consolidated Fire District #2, KS
 - Johnson County, KS
- Identified benchmark jobs
- Conducted market pricing using published pay data
- Conducted custom survey of peer group
- Compared market results against incumbent data

*City of Lee's Summit, MO was invited but did not respond

2021 Pay Study

- Conclusions
 1. Current **economy** and **inflation** are leading many employers to perform pay studies and revise their pay plans - **up**
 2. NPS and public safety pay amounts have **fallen behind** our comparators
 3. As a result, our employees have **fallen behind** their peers

2021 Pay Study

- Recommendations
 1. **Age** NPS pay amounts across the board **5.5%**
 2. **Eliminate** NPS pay amounts **below \$15** per hour
 3. **Increase** Public Safety pay amounts as shown
 4. Do range **adjustments** for existing employees in March 2022
 5. Do annual pay **increase** of 3% in August 2022
 6. **Age** pay amounts annually hereafter if budgets allow

2022 Employee Compensation Recommendations

Current Fire Pay Plan			
Classification	Minimum	Mid-point	Maximum
Firefighter	\$40,653	\$51,636	\$62,620
MFF/Fire Medic	\$52,015	\$62,873	\$73,730
FF/Paramedic	\$54,540	\$67,165	\$79,790
Fire Lieutenant	\$61,610	\$74,993	\$88,375
Fire Captain	\$67,670	\$82,315	\$96,960
Battalion Chief	\$80,800	\$98,475	\$116,150
Division Chief	\$90,900	\$109,838	\$128,775
Deputy Chief	\$95,950	\$116,150	\$136,350

Proposed Fire Pay Plan			
Classification	Minimum	Mid-point	Maximum
Firefighter	\$46,751	\$57,817	\$68,882
MFF/Fire Medic	\$59,817	\$68,784	\$77,750
FF/Paramedic	\$62,721	\$73,849	\$84,976
Fire Lieutenant	\$66,231	\$79,365	\$92,500
Fire Captain	\$75,790	\$87,895	\$100,000
Battalion Chief	\$92,920	\$110,210	\$127,500
Division Chief	\$101,808	\$119,654	\$137,500
Deputy Chief	\$107,464	\$127,482	\$147,500

2022 Employee Compensation Recommendations

Current Police Pay Plan			
Classification	Minimum	Mid-point	Maximum
Police Officer	\$44,188	\$54,666	\$65,145
MPO	\$52,015	\$64,388	\$76,760
Corporal	\$61,610	\$74,993	\$88,375
Sergeant	\$67,670	\$82,366	\$96,960
Captain	\$80,800	\$98,475	\$116,150
Major	\$90,900	\$109,838	\$128,775
Dep. Chief	\$95,950	\$116,150	\$136,350

Proposed Police Pay Plan			
Classification	Minimum	Mid-point	Maximum
Police Officer	\$51,116	\$61,388	\$71,660
MPO	\$59,817	\$72,127	\$84,436
Corporal	\$66,231	\$79,365	\$92,500
Sergeant	\$75,790	\$87,895	\$100,000
Captain	\$92,920	\$110,210	\$127,500
Major	\$101,808	\$119,654	\$137,500
Dep. Chief	\$107,464	\$127,482	\$147,500

2022 Employee Compensation Recommendations

Current Non-Public Safety Pay Grades			
Grade	Minimum	Mid-point	Maximum
B	\$27,502	\$33,623	\$39,742
C	\$28,949	\$35,390	\$41,832
D	\$30,392	\$37,155	\$43,918
E	\$32,545	\$39,787	\$47,030
F	\$35,050	\$42,849	\$50,648
G	\$37,432	\$45,761	\$54,091
H	\$40,640	\$49,684	\$58,727
I	\$44,032	\$53,582	\$63,131
J	\$47,822	\$58,110	\$69,105
K	\$51,986	\$63,553	\$75,122
L	\$56,556	\$69,141	\$81,726
M	\$61,607	\$75,316	\$89,024
N	\$67,472	\$82,486	\$97,500
O	\$76,737	\$93,813	\$110,888
P	\$84,195	\$102,930	\$121,665
Q	\$92,910	\$113,585	\$134,259
R	\$99,675	\$121,854	\$144,035
S	\$109,144	\$133,430	\$157,718
T	\$122,724	\$150,032	\$177,342
U	\$136,039	\$166,644	\$196,976

Proposed Non-Public Safety Pay Grades			
Grade	Minimum	Mid-point	Maximum
B	\$27,502	\$33,623	\$39,742
C	\$28,949	\$35,390	\$41,832
D	\$32,064	\$39,199	\$46,333
E	\$34,335	\$41,975	\$49,617
F	\$36,978	\$45,206	\$53,434
G	\$39,491	\$48,278	\$57,066
H	\$42,875	\$52,417	\$61,957
I	\$46,454	\$56,529	\$66,603
J	\$50,452	\$61,306	\$72,906
K	\$54,845	\$67,048	\$79,253
L	\$59,667	\$72,944	\$86,221
M	\$64,995	\$79,458	\$93,920
N	\$71,183	\$87,023	\$102,863
O	\$80,958	\$98,973	\$116,987
P	\$88,826	\$108,591	\$128,357
Q	\$98,020	\$119,832	\$141,643
R	\$105,157	\$128,556	\$151,957
S	\$115,147	\$140,769	\$166,392
T	\$129,474	\$158,284	\$187,096
U	\$143,521	\$175,809	\$207,810

Employee Compensation Discussion

2021 Pay Study Recommendations

- Cost to Implement
 - **7%** of Payroll (**\$1.62m**) included in 2022 budget to fund costs of Pay Study recommendations and 2022 pay increases
 - Estimated cost of recommendations approximately **\$1.75m**

2022 Benefit Recommendations

- Will next be studying **benefits** and **retention** tools
- Comparing to peer information in 2021 Pay Study

Employee Compensation Discussion

Next Steps

- 2022 Pay Plan on agenda for GB approval Feb 1 or Feb 15
- Will report back on benefit/retention information

Questions?