

**To the Mayor and Members of the City Council****January 14, 2025**

Page 1 of 2

SUBJECT: UPDATE ON CITYWIDE CLASSIFICATION AND COMPENSATION STUDY

The purpose of this report is to share an update on Citywide Classification & Compensation Study.

Background:

During the FY2025 budget work sessions, discussions of the proposed increase of employee entry wage rates lead to awareness on the need for the City's pay structure and pay compression issues to be further evaluated. On September 15, 2024, Mayor and Council approved funds for the City to conduct a classification and compensation study. On December 10, 2024, Mayor and Council authorized a contract with Segal to complete this compensation study. Segal has provided the City Manager's Office with a brief presentation of the project deliverables, milestones and timelines, which are provided below.

Project Deliverables and Milestones

Segal will conduct the following:

- **Project Initiation:** interviews with key stakeholders; create communication plan
- **Classification Analysis:** evaluate and redesign job architecture; develop custom job evaluation system; identify appropriate career ladders; determine/clarify distinguishing characteristics among levels in a job family; recommend standardized and consistent titling protocols
- **Market Review:** conduct a market study on 140-160 benchmark jobs using public and private sector pay data; conduct comparisons by peers, job family, etc.
- **Recommendations:** present new salary structure(s) reflecting the revised alignment of positions and the market data collected; recommend placement of employees within their job pay range based on determined criteria; calculate costs and fiscal impact
- **Final Results:** present recommendations for compensation changes and philosophy on pay administration to the City Manager's Office

Project Timeline

This comprehensive study of employees' jobs and pay will be conducted over an estimated 16-18 months. In addition to the citywide review, Segal will be conducting a narrowly focused entry level market study for the City to assess the entry wage rate considerations for the FY2026 budget process. See chart below for additional details about the proposed project timeline:



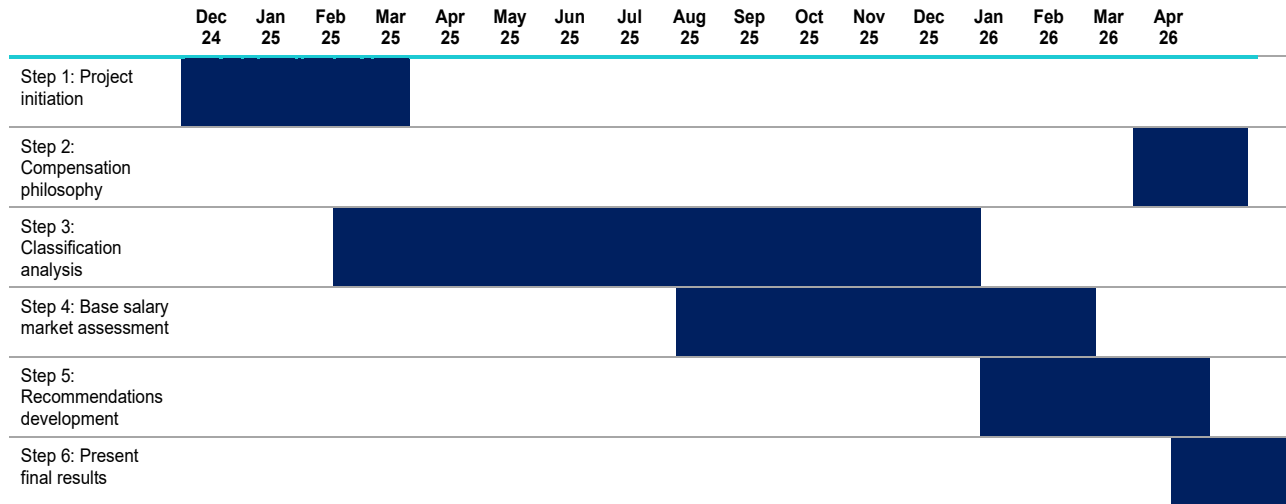
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Page 2 of 2

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Anticipated Timeline in Months



Please contact Dianna Giordano, Director of Human Resources and Civil Service, by e-mail to dianna.giordano@fortworthtexas.gov if you have any questions.

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City Manager