



Mid-Ohio Regional
Planning Commission

111 Liberty Street, Suite 100
Columbus, Ohio 43215

T 614.228.2663
TTY 1.800.750.0750

www.morpc.org

Memorandum

TO: Mid-Ohio Regional Planning Commission
Executive Committee

FROM: Shawn Hufstedler
Chief of Staff & Director of Operations

DATE: October 6, 2016

SUBJECT: Proposed Resolution EC-08-16: **“Setting compensation guidelines and limits for the 2017 compensation year”**

New compensation guidelines are recommended for the period beginning January 1, 2017 and ending December 31, 2017.

After careful review by the Benefits & Compensation Committee, the committee members are recommending a zero to three percent merit bonus and/or merit wage increase for 2017 with an overall aggregate increase of two and one half percent for the total agency.

Consistent with prior years and to meet the needs of changing positions and team members progressing in their careers while performing new duties, the resolution also authorizes promotions, wage scale adjustments and “saves” of up to two and one half percent of total payroll allocations.

In 2016 health care premium costs increased significantly and were modified in 2016 to redistribute the costs between MORPC and employees as well as trifurcate costs based on employee annual salary to place less burden on those that earn less annually. As a result of the large impact on employees due to this change and as a result of MORPC’s financial ability to accommodate the following change in 2017, this resolution includes a healthcare offset for employees. Depending on current healthcare selections and annual salaries, employees will be awarded a wage adjustment to offset the increase of healthcare of approximately 7.2 percent of the total premium cost effective January 1, 2017. As a result, the wage adjustment shall be an increase of seven to 25 cents per hour.

A regulation change also effects MORPC employees. The new Fair Labor Standards Act (FLSA) will become effective on December 1, 2016. As a result a notable portion of MORPC team members may change employment status from Exempt to Nonexempt, requiring any overtime be paid out at time and a half and limiting the ability of those employees to use flex time. The Benefits & Compensation Committee is therefore recommending an award up to 40 hours of one-time transitional leave to be used in December 2016 to accommodate lost flex time accrued by employees whose employment status changes under the new law. Employees will be expected to use up their flex time as much as reasonably possible, with the one-time transitional leave only expected to be awarded in cases where there is a business case for the

William Murdock, AICP
Executive Director

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Vice Chair

Karen J. Angelou
Secretary

employee to not have used up his or her flex time. There is no anticipated financial impact of this award.

MORPC will continue to use the performance evaluation program that is currently in place and award merit increases based on the employee's performance. The employee's performance is rated, including how they perform their job in regards to reaching the agency's mission and goals. This requires a merit schedule that is based on the rating of their actual performance and that performance will determine the amount of merit increase the employee will receive.

The Benefits & Compensation Committee is comprised of representatives from Franklin County, the City of New Albany, the City of Columbus, the City of Grove City, COTA, ODOT and MORPC.

Attachment: Resolution EC-08-16

RESOLUTION EC-08-16

“Setting compensation guidelines and limits for the 2017 compensation year”

WHEREAS, the new guidelines are established for calendar year 2017; and

WHEREAS, the Benefits & Compensation Committee met and discussed merit increases, health care and other benefits, and changing legislation; and

WHEREAS, in addition to consideration of merit and benefit changes, the Benefits & Compensation Committee considered the new Fair Labor Standards Act (FLSA) and its impact on MORPC employees, recommending a one-time adjustment, if needed, with no anticipated financial impact; and

WHEREAS, the Benefits & Compensation Committee deliberated and provides the following recommendations; now therefore

BE IT RESOLVED BY THE EXECUTIVE COMMITTEE OF THE MID-OHIO REGIONAL PLANNING COMMISSION:

- Section 1. That as a result of the new Fair Labor Standards Act (FLSA) will become effective on December 1, 2016, the agency’s compensation guidelines and limits for 2016 shall be adjusted as follows:
- a) Award up to 40 hours of one-time transitional leave to be used in December 2016 to accommodate lost flex time accrued by employees whose employment status changes as of December 1, 2016 due to the new Fair Labor Standards Act (FLSA) effective on the same date.
- Section 2. That the agency’s compensation guidelines and limits for the 2017 compensation year shall be as follows:
- a) Award zero to three percent merit bonus, in consideration of legal advice, and/or merit wage increases based on employee performance with an aggregate staff merit increase of up to approximately two and one half percent.
 - b) Any employee in a performance probationary status will be deemed ineligible for the merit increase.
 - c) The executive director is authorized an amount of two and one half percent of total payroll allocation for granting: wage scale adjustments, “saves”, and promotions without prior approval of the Executive Committee as long as it is prescribed by the compensation guidelines.
 - d) The executive director is authorized to provide a one-time merit bonus to staff that exceed their salary grade, if warranted, remaining within the above aggregate increase threshold.
 - e) Award a wage adjustment to all permanent employees eligible for MORPC health insurance to offset the increase of healthcare of approximately 7.2 percent of the total premium cost effective January 1, 2017. The wage adjustment shall be an

increase of seven to 25 cents per hour depending on current health insurance selection as of October 6, 2016 to accommodate the 7.2% increase.

- Section 3. That the finance director is authorized to use approximately two and one half percent of total payroll allocation for salary merit increases plus two and one percent of total payroll allocations for wage scale adjustments, “saves”, and promotions.
- Section 4. That the executive director is authorized to take such other action and execute and deliver such other documents as, acting with the advice of legal counsel, he shall deem necessary and appropriate to carry out the intent of this resolution.
- Section 5. That this committee finds and determines that all formal deliberations and actions of this committee concerning and relating to the adoption of this resolution were taken in open meetings of this committee.

Rory McGuinness, Chair
EXECUTIVE COMMITTEE

Effective date: January 1, 2017
Submitted by: Shawn Hufstedler, Chief of Staff & Director of Operations
Prepared by: Shawn Hufstedler, Chief of Staff & Director of Operations
Authority: Ohio Revised Code Section 713.21
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