CITY OF DAPHNE
1705 MAIN STREET, DAPHNE, AL
CITY COUNCIL WORK SESSION AGENDA
September 13, 2021
6:00pm

1. **DISCUSS:**

   a. Human Resources – Salary/Compensation Study
   b. FY2022 Budget

2. **ANYTHING ELSE THAT IS DEEMED NECESSARY**

3. **ADJOURN**

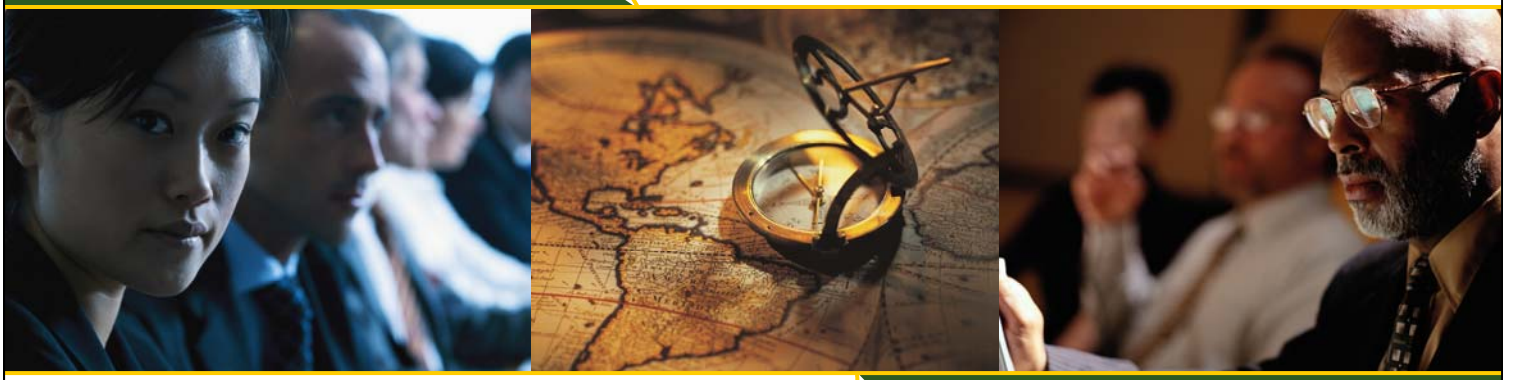
Option	Description	Total Implementation Cost	# Employees Receiving Adjustments	Avg Salary Adjustment for Employees who receive an Adjustment	Avg Percent Salary Adjustment
Bring Employees' Salaries to New Minimums	A calculation is performed so that each employee's salary is adjusted to the minimum of their classification's proposed pay grade. If his/her salary is already within the proposed pay range, no adjustment is made.	$ 141,082.31	81	$ 1,741.76	3.9%
Move Toward Market 3 Tier Total Tenure	Employees with at least 1 year and less than 3 years with the organization are moved closer toward the midpoint of the proposed pay grade range, employees with between 3 and 7 years tenure are moved even closer toward the midpoint, and employees with more than 7 years are moved yet even closer toward the midpoint of the pay grade range. For example, an employee's salary at 75% of the midpoint (Compa-Ratio) would be brought to 79% of the midpoint if tenure was less than 3 years, but would be brought to 80% if tenure was 3 to 7 years, and to 81% if tenure was greater than 7 years. These increments are designed to give larger adjustments (in percentage terms) to those with salaries furthest from the midpoint and to provide greater adjustments to those employees with more tenure. Employees at or above the market point are unaffected. **This option includes the Bring to Minimum Option.**	$ 637,544.32	248	$ 2,570.74	5.5%

Considerations for Selecting Options	Pros/Cons for Each Option
If it is determined that a new structure is needed, this option must be selected to implement the new structure as it is necessary to "turn the new pay structure on." This is necessary to bring all salaries, at a minimum, within the new ranges.	PRO: This option would adjust salaries that are currently below the proposed minimums in the new salary structure. In this case, there are current employees with salaries below the new proposed minimums in some classifications. HR best practice is to have all employees' salaries fall within the pay range of the their classification. CON: This option does not "adjust" current employees' salaries that are above the proposed minimums. However, any adjustment of individual salaries during a Comp & Class study should be aligned with the organization's compensation philosophy and its fiscal constraints.
This option would best align with a compensation philosophy in which it is expected that employees' salaries will be progressed to the market point as the employee performs the duties of the position proficiently and satisfactorily. It does attempt to improve the market position of employees' salaries that are currently below the market point and utilizes an employee's tenure to vary the adjustments to this position.	PRO: This option simply places salaries into the new structure based on a calculation of the employee's salary relative to the market point (Compa-Ratio) and attempts to adjust salaries (or move them closer to the market point). The market point is the point (in terms of salary) that an employee is considered to be performing work at a fully proficient, satisfactory level. CON: This option may not change any perceived salary inequities by employees if they consider/compare their individual salary to another employee within the same classification.

Date of Implementation
11/1/2021

A Compensation and Classification Study for the City of Daphne, AL

DRAFT REPORT



Evergreen Solutions, LLC

September 9, 2021

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Chapter 1 - Introduction

Evergreen Solutions, LLC (Evergreen) conducted a Classification and Compensation study beginning in May 2021. The purpose of the study was to analyze its classification and compensation (pay and benefits) system, and make recommendations to improve the City's competitive position in the labor market. Study activities involved analyzing the internal and external equity of the City's system and making recommendations in response to those findings.

Study tasks involved:

- holding a study kick-off meeting;
- analyzing the City's current salary structure (pay plans) to determine its strengths and weaknesses;
- conducting employee outreach by conducting virtual focus group meetings with employees and interviews with senior leaders;
- facilitating discussions with the City's project team to develop an understanding of its compensation philosophy;
- collecting classification information through the Job Assessment Tool (JAT) process to analyze the internal equity of the City's classification system;
- developing recommendations for improvements to classification titles as appropriate;
- conducting a market survey to assess the external equity (market competitiveness) of the City's current pay system and employee benefits;
- developing a new competitive pay structure (pay plan) and slotting classifications into each while ensuring internal and external equity;
- developing the most appropriate method for transitioning employees' salaries into the new pay structure (plan);
- providing the City with information and strategies regarding compensation and classification administration;
- preparing and submitting draft and final reports that summarize the study findings and recommendations; and

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- updating job descriptions to reflect recommended classification changes and employee responses to the JAT, and Fair Labor Standards Act (FLSA) status recommendations.

1.1 STUDY METHODOLOGY

Evergreen used a combination of quantitative and qualitative methods to develop recommendations to improve the City's competitive position for its compensation system. Study activities included:

Kick-off Meeting

The kick-off meeting allowed members of the study team from the City and Evergreen to discuss different aspects of the study. During the meeting, information about the City's compensation (pay plans), classification structure and current pay philosophy was shared and the work plan for the study was finalized. The meeting also provided an opportunity for Evergreen to explain the types of data needed to begin the study.

Assessment of Current Conditions

This analysis provided an overall assessment of the City's current pay structure (plans) and related employee data at the time of the study. The current pay plans and the progression of employees' salaries through the pay ranges were examined during this process. The findings of this analysis are summarized in **Chapter 2** of this report.

Employee Outreach

Employee outreach was conducted virtually. The orientation sessions were facilitated through voiceover PowerPoint slides to help employees learn about the purpose of the study and receive specific information related to their participation in the study process. Evergreen consultants also conducted virtual focus group meetings with employees and interviews with senior leaders to identify practices that were working well and to suggest areas of opportunities regarding the compensation system and classification system. The feedback received is summarized in **Chapter 3** of this report.

Compensation Philosophy

Evergreen reviewed with the City's project team, its position with regard to employee compensation. Several key factors (e.g., desired market position, design of the pay structure, etc.,) were examined and provided the framework for the recommended compensation system and related pay practices.

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Classification Review - Internal Equity Analysis

To assess the internal equity of the City's classification system, all employees were asked during employee outreach to complete a JAT to describe the work they performed in their own words. Supervisors were then asked to review their employees' JATs and provide additional information as needed about the position. The information provided in the completed JAT's was utilized in the classification analysis in two ways. First, the work described was reviewed to ensure that classification titles were appropriate. Second, the JAT's were evaluated to quantify, by a scoring method, each classification's relative value within the organization. Each classification's score was based on employee and supervisor responses to the JAT, and the scores allowed for a comparison of classifications across the City.

Salary and Benefits Survey – External Equity Analysis

For the market survey, peers were identified that compete with the City for human resources and provide similar services. Classifications representing a cross-section of the departments and levels of work were selected as benchmarks for the salary survey. After the selection of peers and benchmarks, a survey tool was developed for the collection of salary range data for each benchmark. Included was a survey to collect data about the core and fringe benefits offered by peer organizations. The salary and benefits data collected during this survey were analyzed, and a summary provided which can be found in **Chapter 4** of this report.

Recommendations

During the review of the compensation philosophy, the City identified its desire to be competitive with the labor market. Understanding this, and utilizing the findings of the analysis of both internal and external equity, a revised classification and compensation system were developed. Recommendations were also provided on how to maintain the compensation system going forward. A summary of all study findings and recommendations can be found in **Chapter 5** of this report.

1.2 REPORT ORGANIZATION

This report includes the following additional chapters:

- Chapter 2 – Assessment of Current Conditions
- Chapter 3 – Summary of Employee Outreach
- Chapter 4 – Market Summary
- Chapter 5 – Recommendations

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Chapter 2 – Assessment of Current Conditions

The purpose of this evaluation was to provide an overall assessment of the City's compensation structure, employee salary progression, classification titles, and employee counts in each department. Data included here reflect the conditions when the study began, and should be considered, as such, a snapshot in time. The insights gained from this evaluation provided the basis for further analysis through the course of this study and were not considered sufficient cause for recommendations independently. Instead, the results of this evaluation were considered during the analysis of internal equity and peer market data. Subsequently, appropriate compensation related recommendations were developed for the City and are described later in this report.

2.1 PAY PLAN ANALYSIS

The City administered a step pay plan (with an established minimum and maximum) for 177 General employees. As illustrated in **Exhibit 2A,** the plan had 40 pay grades and 25 steps. The range spreads (difference between the minimum and maximum) for these pay grades ranged from 56.1 to 65.0 percent.

The City also administered a step pay plan for Sworn Police, as illustrated in **Exhibit 2B.** The plan for Sworn Police supported 60 employees, with five pay grades, each with 25 steps. The range spreads for these pay grades ranged from 60.3 to 62.6 percent.

Lastly, the City administered a step pay plan for Uniformed Fire, as illustrated in **Exhibit 2C.** The step pay plan for Uniformed Fire supported 56 employees, with four pay grades, each with 25 steps. The range spreads for these pay grades ranged from 60.9 to 64.1 percent.

EXHIBIT 2A
GENERAL STEP PLAN

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	Range Spread	Employees
1	$10.27	$10.51	$10.74	$10.98	$11.23	$11.46	$11.70	$11.95	$12.18	$12.42	$12.66	$12.91	$13.14	56.1%	0
2	$10.82	$11.06	$11.32	$11.58	$11.83	$12.08	$12.34	$12.60	$12.85	$13.10	$13.36	$13.62	$13.87	56.6%	2
3	$11.36	$11.63	$11.90	$12.16	$12.44	$12.71	$12.98	$13.25	$13.52	$13.79	$14.06	$14.33	$14.61	57.0%	0
4	$11.91	$12.18	$12.47	$12.76	$13.05	$13.33	$13.62	$13.91	$14.19	$14.47	$14.76	$15.05	$15.33	57.4%	2
5	$12.45	$12.75	$13.05	$13.35	$13.66	$13.96	$14.26	$14.55	$14.85	$15.16	$15.46	$15.76	$16.06	58.0%	4
6	$13.00	$13.31	$13.63	$13.95	$14.26	$14.57	$14.89	$15.21	$15.52	$15.84	$16.16	$16.47	$16.79	58.5%	23
7	$13.54	$13.87	$14.20	$14.53	$14.86	$15.20	$15.53	$15.86	$16.19	$16.52	$16.86	$17.19	$17.52	58.8%	0
8	$14.09	$14.43	$14.78	$15.13	$15.47	$15.82	$16.17	$16.51	$16.86	$17.21	$17.56	$17.90	$18.25	59.2%	6
9	$14.64	$15.00	$15.36	$15.72	$16.08	$16.45	$16.81	$17.17	$17.53	$17.89	$18.25	$18.62	$18.98	59.5%	8
10	$15.18	$15.55	$15.93	$16.32	$16.69	$17.07	$17.45	$17.82	$18.20	$18.58	$18.95	$19.33	$19.71	59.8%	7
11	$15.73	$16.12	$16.51	$16.90	$17.29	$17.69	$18.09	$18.48	$18.87	$19.26	$19.65	$20.04	$20.45	60.0%	18
12	$16.27	$16.68	$17.09	$17.50	$17.90	$18.31	$18.73	$19.13	$19.54	$19.94	$20.35	$20.76	$21.17	60.3%	14
13	$16.82	$17.24	$17.66	$18.09	$18.51	$18.93	$19.35	$19.79	$20.21	$20.63	$21.05	$21.48	$21.90	60.5%	30
14	$17.37	$17.80	$18.24	$18.67	$19.12	$19.56	$19.99	$20.44	$20.88	$21.31	$21.75	$22.20	$22.63	60.7%	12
15	$17.91	$18.36	$18.82	$19.27	$19.72	$20.18	$20.63	$21.08	$21.55	$22.00	$22.45	$22.91	$23.36	61.0%	2
16	$18.46	$18.92	$19.39	$19.86	$20.33	$20.81	$21.27	$21.74	$22.21	$22.68	$23.15	$23.62	$24.09	61.2%	2
17	$19.00	$19.49	$19.97	$20.46	$20.94	$21.42	$21.91	$22.39	$22.88	$23.37	$23.85	$24.34	$24.82	61.3%	2
18	$19.55	$20.04	$20.55	$21.04	$21.55	$22.05	$22.55	$23.05	$23.55	$24.05	$24.56	$25.05	$25.55	61.4%	12
19	$20.10	$20.61	$21.13	$21.64	$22.16	$22.67	$23.19	$23.70	$24.22	$24.73	$25.25	$25.77	$26.29	61.7%	4
20	$20.63	$21.17	$21.70	$22.23	$22.76	$23.29	$23.82	$24.36	$24.88	$25.42	$25.95	$26.48	$27.01	61.9%	3
21	$21.18	$21.73	$22.28	$22.82	$23.37	$23.92	$24.46	$25.01	$25.55	$26.10	$26.65	$27.19	$27.74	62.0%	0
22	$21.72	$22.29	$22.86	$23.41	$23.98	$24.53	$25.10	$25.66	$26.22	$26.79	$27.35	$27.91	$28.47	62.1%	1
23	$22.27	$22.86	$23.43	$24.01	$24.59	$25.16	$25.74	$26.32	$26.89	$27.47	$28.05	$28.62	$29.20	62.3%	2
24	$22.81	$23.41	$24.01	$24.60	$25.19	$25.78	$26.38	$26.97	$27.56	$28.15	$28.75	$29.33	$29.93	62.4%	0
25	$23.64	$24.26	$24.87	$25.48	$26.10	$26.72	$27.34	$27.94	$28.56	$29.18	$29.80	$30.42	$31.02	62.6%	0
26	$24.73	$25.38	$26.02	$26.67	$27.32	$27.96	$28.60	$29.25	$29.90	$30.55	$31.20	$31.84	$32.49	62.7%	1
27	$25.82	$26.50	$27.17	$27.85	$28.53	$29.21	$29.88	$30.56	$31.24	$31.92	$32.59	$33.27	$33.95	63.0%	1
28	$26.91	$27.62	$28.33	$29.04	$29.75	$30.46	$31.16	$31.87	$32.58	$33.28	$33.99	$34.70	$35.41	63.2%	0
29	$27.75	$28.49	$29.22	$29.96	$30.70	$31.44	$32.18	$32.92	$33.66	$34.39	$35.13	$35.87	$36.61	63.9%	6
30	$28.84	$29.61	$30.37	$31.15	$31.92	$32.68	$33.45	$34.23	$34.99	$35.76	$36.53	$37.30	$38.07	64.1%	1
31	$29.93	$30.72	$31.53	$32.33	$33.12	$33.93	$34.73	$35.52	$36.33	$37.13	$37.93	$38.73	$39.53	64.1%	1
32	$31.02	$31.85	$32.68	$33.52	$34.34	$35.17	$36.01	$36.83	$37.67	$38.50	$39.33	$40.16	$40.99	64.3%	2
33	$32.12	$32.97	$33.84	$34.70	$35.56	$36.42	$37.29	$38.14	$39.01	$39.86	$40.73	$41.59	$42.45	64.4%	0
34	$33.21	$34.09	$34.99	$35.89	$36.77	$37.67	$38.55	$39.45	$40.35	$41.23	$42.13	$43.02	$43.91	64.5%	2
35	$34.30	$35.22	$36.14	$37.07	$37.99	$38.91	$39.83	$40.76	$41.67	$42.60	$43.53	$44.44	$45.37	64.6%	0
36	$35.39	$36.34	$37.30	$38.24	$39.20	$40.16	$41.11	$42.07	$43.01	$43.97	$44.92	$45.88	$46.83	64.7%	6
37	$36.48	$37.46	$38.45	$39.43	$40.42	$41.40	$42.38	$43.37	$44.35	$45.34	$46.32	$47.31	$48.29	64.8%	2
38	$37.57	$38.58	$39.60	$40.61	$41.63	$42.64	$43.66	$44.67	$45.69	$46.71	$47.72	$48.74	$49.75	64.9%	1
39	$38.67	$39.71	$40.76	$41.80	$42.85	$43.89	$44.94	$45.98	$47.03	$48.07	$49.12	$50.16	$51.21	65.0%	0
40	$39.76	$40.83	$41.91	$42.98	$44.06	$45.13	$46.22	$47.29	$48.37	$49.44	$50.52	$51.59	$52.67	65.0%	0

Source: Created by Evergreen Solutions from data provided by the City as of May 2021.

EXHIBIT 2A
GENERAL STEP PLAN (CONTINUED)

Grade	Step 14	Step 15	Step 16	Step 17	Step 18	Step 19	Step 20	Step 21	Step 22	Step 23	Step 24	Step 25	Range Spread	Employees
1	$13.38	$13.62	$13.86	$14.10	$14.34	$14.57	$14.82	$15.06	$15.30	$15.53	$15.78	$16.03	56.1%	0
2	$14.12	$14.38	$14.64	$14.89	$15.14	$15.40	$15.66	$15.91	$16.16	$16.42	$16.68	$16.93	56.6%	2
3	$14.87	$15.14	$15.41	$15.69	$15.95	$16.22	$16.49	$16.76	$17.04	$17.30	$17.57	$17.84	57.0%	0
4	$15.61	$15.90	$16.19	$16.47	$16.76	$17.05	$17.33	$17.61	$17.90	$18.19	$18.47	$18.75	57.4%	2
5	$16.37	$16.67	$16.96	$17.26	$17.56	$17.87	$18.17	$18.47	$18.77	$19.08	$19.37	$19.67	58.0%	4
6	$17.11	$17.43	$17.74	$18.06	$18.38	$18.68	$19.00	$19.32	$19.64	$19.95	$20.27	$20.60	58.5%	23
7	$17.85	$18.18	$18.52	$18.85	$19.18	$19.51	$19.84	$20.18	$20.51	$20.84	$21.17	$21.51	58.8%	0
8	$18.60	$18.94	$19.29	$19.64	$19.98	$20.33	$20.68	$21.02	$21.37	$21.72	$22.07	$22.43	59.2%	6
9	$19.34	$19.70	$20.06	$20.44	$20.80	$21.16	$21.52	$21.88	$22.24	$22.61	$22.97	$23.34	59.5%	8
10	$20.09	$20.47	$20.85	$21.22	$21.60	$21.98	$22.35	$22.73	$23.11	$23.48	$23.87	$24.26	59.8%	7
11	$20.84	$21.23	$21.62	$22.01	$22.40	$22.80	$23.20	$23.59	$23.98	$24.37	$24.76	$25.16	60.0%	18
12	$21.58	$21.99	$22.39	$22.80	$23.22	$23.62	$24.03	$24.44	$24.84	$25.26	$25.67	$26.09	60.3%	14
13	$22.32	$22.75	$23.18	$23.60	$24.02	$24.44	$24.86	$25.30	$25.72	$26.14	$26.56	$27.00	60.5%	30
14	$23.07	$23.50	$23.95	$24.39	$24.82	$25.27	$25.71	$26.14	$26.58	$27.03	$27.46	$27.90	60.7%	12
15	$23.81	$24.27	$24.72	$25.18	$25.64	$26.09	$26.54	$27.00	$27.45	$27.90	$28.37	$28.84	61.0%	2
16	$24.57	$25.03	$25.50	$25.97	$26.44	$26.91	$27.38	$27.85	$28.33	$28.79	$29.26	$29.75	61.2%	2
17	$25.31	$25.79	$26.28	$26.76	$27.24	$27.74	$28.22	$28.71	$29.19	$29.67	$30.16	$30.65	61.3%	2
18	$26.05	$26.55	$27.06	$27.55	$28.06	$28.55	$29.06	$29.56	$30.06	$30.56	$31.05	$31.56	61.4%	12
19	$26.80	$27.32	$27.83	$28.35	$28.86	$29.38	$29.89	$30.41	$30.92	$31.45	$31.96	$32.49	61.7%	4
20	$27.54	$28.08	$28.60	$29.14	$29.66	$30.20	$30.74	$31.26	$31.80	$32.32	$32.86	$33.40	61.9%	3
21	$28.28	$28.84	$29.39	$29.93	$30.48	$31.02	$31.57	$32.12	$32.66	$33.21	$33.75	$34.31	62.0%	0
22	$29.04	$29.59	$30.16	$30.71	$31.28	$31.85	$32.40	$32.97	$33.53	$34.09	$34.65	$35.22	62.1%	1
23	$29.78	$30.35	$30.93	$31.51	$32.08	$32.66	$33.24	$33.83	$34.40	$34.98	$35.56	$36.14	62.3%	2
24	$30.53	$31.12	$31.71	$32.30	$32.90	$33.49	$34.08	$34.67	$35.27	$35.85	$36.45	$37.06	62.4%	0
25	$31.64	$32.26	$32.88	$33.49	$34.10	$34.72	$35.34	$35.96	$36.57	$37.18	$37.80	$38.43	62.6%	0
26	$33.14	$33.78	$34.42	$35.07	$35.72	$36.37	$37.01	$37.66	$38.31	$38.95	$39.59	$40.24	62.7%	1
27	$34.63	$35.30	$35.98	$36.66	$37.34	$38.01	$38.69	$39.37	$40.05	$40.72	$41.40	$42.09	63.0%	1
28	$36.11	$36.82	$37.53	$38.23	$38.94	$39.66	$40.37	$41.07	$41.78	$42.49	$43.20	$43.92	63.2%	0
29	$37.35	$38.09	$38.82	$39.56	$40.30	$41.05	$41.78	$42.52	$43.26	$43.99	$44.73	$45.48	63.9%	6
30	$38.84	$39.60	$40.38	$41.15	$41.92	$42.68	$43.46	$44.23	$44.99	$45.76	$46.54	$47.32	64.1%	1
31	$40.33	$41.13	$41.93	$42.73	$43.53	$44.33	$45.13	$45.93	$46.73	$47.53	$48.33	$49.13	64.1%	1
32	$41.82	$42.65	$43.49	$44.31	$45.14	$45.98	$46.80	$47.64	$48.46	$49.30	$50.13	$50.97	64.3%	2
33	$43.31	$44.18	$45.03	$45.90	$46.76	$47.62	$48.48	$49.34	$50.20	$51.07	$51.92	$52.79	64.4%	0
34	$44.81	$45.69	$46.59	$47.48	$48.37	$49.26	$50.15	$51.05	$51.94	$52.83	$53.72	$54.64	64.5%	2
35	$46.29	$47.22	$48.14	$49.06	$49.99	$50.90	$51.83	$52.76	$53.67	$54.60	$55.52	$56.45	64.6%	0
36	$47.78	$48.74	$49.69	$50.65	$51.60	$52.55	$53.51	$54.46	$55.41	$56.36	$57.32	$58.30	64.7%	6
37	$49.28	$50.26	$51.24	$52.23	$53.21	$54.20	$55.18	$56.17	$57.14	$58.13	$59.12	$60.13	64.8%	2
38	$50.77	$51.78	$52.80	$53.81	$54.83	$55.84	$56.86	$57.87	$58.89	$59.90	$60.91	$61.94	64.9%	1
39	$52.25	$53.30	$54.34	$54.88	$56.44	$57.48	$58.53	$59.58	$60.63	$61.67	$62.72	$63.79	65.0%	0
40	$53.75	$54.83	$55.90	$56.46	$58.05	$59.13	$60.20	$61.29	$62.36	$63.44	$64.51	$65.60	65.0%	0

Source: Created by Evergreen Solutions from data provided by the City as of May 2021.

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EXHIBIT 2B
STEP PAY PLAN FOR POLICE

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	Range Spread	Employees
12P	$16.27	$16.68	$17.09	$17.50	$17.90	$18.31	$18.73	$19.13	$19.54	$19.94	$20.35	$20.76	$21.17	60.3%	9
17P	$19.00	$19.49	$19.97	$20.46	$20.94	$21.42	$21.91	$22.39	$22.88	$23.37	$23.85	$24.34	$24.82	61.3%	1
20P	$20.63	$21.17	$21.70	$22.23	$22.76	$23.29	$23.82	$24.36	$24.88	$25.42	$25.95	$26.48	$27.01	61.9%	38
22P	$21.72	$22.29	$22.86	$23.41	$23.98	$24.53	$25.10	$25.66	$26.22	$26.79	$27.35	$27.91	$28.47	62.1%	6
25P	$23.64	$24.26	$24.87	$25.48	$26.10	$26.72	$27.34	$27.94	$28.56	$29.18	$29.80	$30.42	$31.02	62.6%	6

Source: Created by Evergreen from data provided by the City as of May 2021.

EXHIBIT 2B
STEP PAY PLAN FOR POLICE (CONTINUED)

Grade	Step 14	Step 15	Step 16	Step 17	Step 18	Step 19	Step 20	Step 21	Step 22	Step 23	Step 24	Step 25	Range Spread	Employees
12P	$21.58	$21.99	$22.39	$22.80	$23.22	$23.62	$24.03	$24.44	$24.84	$25.26	$25.67	$26.09	60.3%	9
17P	$25.31	$25.79	$26.28	$26.76	$27.24	$27.74	$28.22	$28.71	$29.19	$29.67	$30.16	$30.65	61.3%	1
20P	$27.54	$28.08	$28.60	$29.14	$29.66	$30.20	$30.74	$31.26	$31.80	$32.32	$32.86	$33.40	61.9%	38
22P	$29.04	$29.59	$30.16	$30.71	$31.28	$31.85	$32.40	$32.97	$33.53	$34.09	$34.65	$35.22	62.1%	6
25P	$31.64	$32.26	$32.88	$33.49	$34.10	$34.72	$35.34	$35.96	$36.57	$37.18	$37.80	$38.43	62.6%	6

Source: Created by Evergreen from data provided by the City as of May 2021

EXHIBIT 2C
STEP PAY PLAN FOR UNIFORMED FIRE

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	Range Spread	Employees
PF20	$15.53	$15.93	$16.33	$16.72	$17.12	$17.50	$17.90	$18.29	$18.68	$19.09	$19.48	$19.87	$20.26	60.9%	31
PF21	$15.94	$16.36	$16.76	$17.16	$17.56	$17.97	$18.38	$18.78	$19.18	$19.59	$19.99	$20.39	$20.80	61.0%	12
PF22	$16.35	$16.77	$17.18	$17.59	$18.01	$18.43	$18.85	$19.26	$19.68	$20.10	$20.51	$20.93	$21.34	61.1%	10
PF31	$22.17	$22.76	$23.35	$23.95	$24.54	$25.13	$25.73	$26.31	$26.91	$27.50	$28.10	$28.69	$29.28	64.1%	3

Source: Created by Evergreen from data provided by the City as of May 2021.

EXHIBIT 2C
STEP PAY PLAN FOR UNIFORMED FIRE (CONTINUED)

Grade	Step 14	Step 15	Step 16	Step 17	Step 18	Step 19	Step 20	Step 21	Step 22	Step 23	Step 24	Step 25	Range Spread	Employees
PF20	$20.65	$21.05	$21.44	$21.84	$22.23	$22.62	$23.02	$23.41	$23.80	$24.19	$24.60	$25.00	60.9%	31
PF21	$21.21	$21.62	$22.02	$22.42	$22.82	$23.24	$23.64	$24.04	$24.45	$24.85	$25.26	$25.67	61.0%	12
PF22	$21.76	$22.18	$22.60	$23.01	$23.42	$23.84	$24.26	$24.68	$25.09	$25.50	$25.91	$26.34	61.1%	10
PF31	$29.88	$30.46	$31.06	$31.65	$32.24	$32.84	$33.43	$34.02	$34.62	$35.21	$35.80	$36.39	64.1%	3

Source: Created by Evergreen from data provided by the City as of May 2021.

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Exhibit 2D shows all the classification titles in the City, at the time of the study. The City utilized 95 classification titles, at the time of this analysis.

EXHIBIT 2D
CLASSIFICATION TITLES

Classification Title			
ADMINISTRATIVE SECRETARY	CORRECTIONS OFFICER	FIRE MEDIC NO CERT	PATROL OFFICER
ACCOUNTANT I	CREW LEADER	FIREFIGHTER NO CERT	PERMIT TECH
ACCOUNTANT II	CUSTODIAN	FIREFIGHTERS	POLICE CAPTAIN
ACCOUNTING TECH	DEPUTY DIRECTOR	GREENHOUSE COORDINATOR	POLICE CHIEF
ADMIN. COURT MAGISTRATE	DETECTIVE	GROUNDS SUPERVISOR	POLICE CORPORAL
ADMINISTRATIVE ASSISTANT	DIRECTOR, CITY DEVELOPMENT	HERB SPRAY TECHNICIAN	PSW SENIOR
ADMINISTRATIVE SECRETARY	DIRECTOR, EVENTS & MARKETING	HR SPECIALIST	PT FIRE FIGHTER DUAL ENRL
ADMINISTRATIVE TECHNICIAN	DIRECTOR, FINANCE	HUMAN RESOURCES DEPUTY DIR	PT FIRE FIGHTER LOCAL EE
ANIMAL CONTROL	DIRECTOR, HUMAN RESOURCE	IT DIRECTOR	PT FIRE MEDIC DUAL ENRL
ANIMAL SHELTER TECH	DIRECTOR, LIBRARY	IT TECH	PUBLIC SERVICE WORKER
ASSISTANT CITY CLERK	DIRECTOR, PLANNING	LIB SUPV TECHNICAL, SVCS	PW ACCT/EMA ASST
ATHLETIC COORDINATOR	DIRECTOR, PUBLIC WORKS	LIBRARIAN-YOUNG ADULT	PW SUPERVISOR
ATHLETIC PRGM ASSOC	DIRECTOR, RECREATION	LIBRARY SERVICES TECH	REC PROGRAM COORDINATOR
AV TECH LIBRARY	ENVIRONMENTAL PROGRAM MGR	LIEUTENANT	REFERENCE LIBRARIAN
BLDG INSPECTIONS OFFICIAL	EQUIPMENT MAINT SUPERVISOR	MARKETING COORD EXEMPT	REVENUE OFFICER
BLDG INSPECTOR I	EQUIPMENT OPERATOR	MECHANIC SENIOR	SAIL SITE ASST
BLDG MAINT TECH	EVENT ASSISTANT	MECHANIC TECH	SALES MGR - COMM. FACILITIES
BLDG MAINTENANCE SUPERVISOR	EVENT SERVICES SUPERVISOR	MUNICIPAL COURT MAGISTRATE	SCHOOL RESOURCE OFFICER
CHIEF CORRECTIONS OFFICER	EXECUTIVE ASSISTANT	OFFICE ASST	SERGEANT
CHILDREN'S LIBRARIAN	FIRE BATTALION CHIEF	OPERATIONS MGR	SITE CONTAINMENT INSP
CITY CLERK	FIRE CHIEF	FITNESS ASSOCIATE	SOLID WASTE OPERATOR
CODE ENFORCEMENT	FIRE LIEUTENANT	LIBRARY AIDE	SOLID WASTE SUPERVISOR
COMMUNICATION OFFICER	FIRE MARSHALL	SAIL SITE DRIVER	SR. ACCOUNTANT
COMMUNICATION SUPERVISOR	FIRE MEDIC	PARKS SUPERVISOR	

Source: Created by Evergreen from data provided by the City as of May 2021.

2.2 EMPLOYEE SALARY PLACEMENT BY GRADE

When assessing the effectiveness of the City's pay plan and practices, it is important to analyze where employees' salaries fell within each pay range. Identifying those areas where there may have been clusters of employees' salaries could illuminate potential pay progression concerns within the current pay plan. It should be noted that employees' salaries, and the progression of the same, is associated with an organization's compensation philosophy—specifically, the method of salary progression and the availability of resources. Therefore, the placement of employees' salaries should be viewed with this context in mind.

Exhibits 2E, 2F, and 2G illustrate the placement of employees' salaries in the pay plans relative to pay grade minimums and maximums. Only pay grades with current employee salaries are included in this analysis. The exhibit contains the following:

- the pay grades,
- the number of employees in classifications assigned to the pay grade,

- the number and percentage of employees with salaries at the minimum, and
- the number and percentage of employees with salaries at the maximum

EXHIBIT 2E
SALARY PLACEMENT FOR GENERAL EMPLOYEES AT MINIMUM AND AT MAXIMUM BY GRADE

Grade	Employees	# at Min	% at Min	# at Max	% at Max
2	2	1	50.0%	0	0.0%
4	2	0	0.0%	0	0.0%
5	4	0	0.0%	0	0.0%
6	23	2	8.7%	0	0.0%
8	6	0	0.0%	0	0.0%
9	8	3	37.5%	1	12.5%
10	7	2	28.6%	1	14.3%
11	18	7	38.9%	0	0.0%
12	14	1	7.1%	1	7.1%
13	30	7	23.3%	0	0.0%
14	12	1	8.3%	0	0.0%
15	2	0	0.0%	0	0.0%
16	2	0	0.0%	0	0.0%
17	2	0	0.0%	0	0.0%
18	12	1	8.3%	0	0.0%
19	4	0	0.0%	0	0.0%
20	3	0	0.0%	0	0.0%
22	1	0	0.0%	0	0.0%
23	2	0	0.0%	1	50.0%
26	1	0	0.0%	0	0.0%
27	1	0	0.0%	0	0.0%
29	6	0	0.0%	0	0.0%
30	1	0	0.0%	0	0.0%
31	1	0	0.0%	0	0.0%
32	2	0	0.0%	0	0.0%
34	2	0	0.0%	0	0.0%
36	6	0	0.0%	0	0.0%
37	2	0	0.0%	0	0.0%
38	1	0	0.0%	0	0.0%
Total	**177**	**25**	**14.1%**	**4**	**2.3%**

Source: Created by Evergreen from data provided by the City as of May 2021.

EXHIBIT 2F
SALARY PLACEMENT FOR SWORN POLICE
AT MINIMUM AND AT MAXIMUM BY GRADE

Grade	Employees	# at Min	% at Min	# at Max	% at Max
12P	9	1	11.1%	0	0.0%
17P	1	0	0.0%	0	0.0%
20P	38	6	15.8%	0	0.0%
22P	6	0	0.0%	0	0.0%
25P	6	0	0.0%	0	0.0%
Total	**60**	**7**	**11.7%**	**0**	**0.0%**

Source: Created by Evergreen from data provided by the City as of May 2021.

EXHIBIT 2G
SALARY PLACEMENT FOR UNIFORMED FIRE
AT MINIMUM AND AT MAXIMUM BY GRADE

Grade	Employees	# at Min	% at Min	# at Max	% at Max
PF20	31	5	16.1%	0	0.0%
PF21	12	1	8.3%	0	0.0%
PF22	10	0	0.0%	0	0.0%
PF31	3	1	33.3%	0	0.0%
Total	**56**	**7**	**12.5%**	**0**	**0.0%**

Source: Created by Evergreen from data provided by the City as of May 2021.

Employees with salaries at the grade minimum are typically new hires or are new to their classification following a recent promotion; on the other hand, employees with salaries at the grade maximum are typically highly experienced and proficient in their classification. As **Exhibit 2E** illustrates, there were 25 General employees at their pay grade minimum, and four General employees at their pay grade maximum. As **Exhibit 2F** illustrates, for Sworn Police at the time of this study, seven employee salaries were at their pay grade minimum and no employee salaries were at their pay grade maximum. As **Exhibit 2G** illustrates, for Uniformed Fire at the time of this study, seven employee salaries were at their pay grade minimum and no employee salaries were at their pay grade maximum.

Exhibits 2H, 2I, and 2J illustrate the placement of employees' salaries relative to the pay grade midpoints. The exhibit contains the following:

- the pay grades,
- the number of employees in classifications assigned to the pay grade,
- the number and percentage of employees with salaries below the calculated midpoint, and
- the number and percentage of employees with salaries above the calculated midpoint of each pay grade

EXHIBIT 2H
SALARY PLACEMENT BELOW, AT, AND ABOVE THE MIDPOINT BY GRADE FOR GENERAL EMPLOYEES

Grade	Employees	# < Mid	% < Mid	# at Mid	% at Mid	# > Mid	% > Mid
2	2	2	100.0%	0	0.0%	0	0.0%
4	2	2	100.0%	0	0.0%	0	0.0%
5	4	4	100.0%	0	0.0%	0	0.0%
6	23	23	100.0%	0	0.0%	0	0.0%
8	6	6	100.0%	0	0.0%	0	0.0%
9	8	5	62.5%	1	12.5%	2	25.0%
10	7	3	42.9%	0	0.0%	4	57.1%
11	18	16	88.9%	0	0.0%	2	11.1%
12	14	13	92.9%	0	0.0%	1	7.1%
13	30	29	96.7%	0	0.0%	1	3.3%
14	12	10	83.3%	0	0.0%	2	16.7%
15	2	1	50.0%	0	0.0%	1	50.0%
16	2	2	100.0%	0	0.0%	0	0.0%
17	2	2	100.0%	0	0.0%	0	0.0%
18	12	9	75.0%	0	0.0%	3	25.0%
19	4	3	75.0%	0	0.0%	1	25.0%
20	3	3	100.0%	0	0.0%	0	0.0%
22	1	1	100.0%	0	0.0%	0	0.0%
23	2	1	50.0%	0	0.0%	1	50.0%
26	1	0	0.0%	0	0.0%	1	100.0%
27	1	1	100.0%	0	0.0%	0	0.0%
29	6	6	100.0%	0	0.0%	0	0.0%
30	1	1	100.0%	0	0.0%	0	0.0%
31	1	1	100.0%	0	0.0%	0	0.0%
32	2	2	100.0%	0	0.0%	0	0.0%
34	2	2	100.0%	0	0.0%	0	0.0%
36	6	5	83.3%	0	0.0%	1	16.7%
37	2	2	100.0%	0	0.0%	0	0.0%
38	1	0	0.0%	0	0.0%	1	100.0%
Total	**177**	**155**	**87.6%**	**1**	**0.6%**	**21**	**11.9%**

Source: Created by Evergreen from data provided by the City as of May 2021.

EXHIBIT 2I
SALARY PLACEMENT BELOW, AT, AND ABOVE THE MIDPOINT BY GRADE
FOR SWORN POLICE

Grade	Employees	# < Mid	% < Mid	# at Mid	% at Mid	# > Mid	% > Mid
P12	9	9	100.0%	0	0.0%	0	0.0%
P17	1	1	100.0%	0	0.0%	0	0.0%
P20	38	33	86.8%	0	0.0%	5	13.2%
P22	6	3	50.0%	1	16.7%	2	33.3%
P25	6	2	33.3%	0	0.0%	4	66.7%
Total	**60**	**48**	**80.0%**	**1**	**1.7%**	**11**	**18.3%**

Source: Created by Evergreen from data provided by the City as of May 2021.

EXHIBIT 2J
SALARY PLACEMENT BELOW, AT, AND ABOVE THE MIDPOINT BY GRADE
FOR UNIFORMED FIRE

Grade	Employees	# < Mid	% < Mid	# at Mid	% at Mid	# > Mid	% > Mid
PF20	31	29	93.5%	0	0.0%	2	6.5%
PF21	12	12	100.0%	0	0.0%	0	0.0%
PF22	10	9	90.0%	0	0.0%	1	10.0%
PF31	3	3	100.0%	0	0.0%	0	0.0%
Total	**56**	**53**	**94.6%**	**0**	**0.0%**	**3**	**5.4%**

Source: Created by Evergreen from data provided by the City as of May 2021.

Employees with salaries close to the midpoint of a competitive pay range should be fully proficient in their classification and require minimal supervision to complete their job duties while performing satisfactorily. Within this framework, the pay grade midpoint is commonly considered to be the salary an individual could reasonably expect for similar work in the market. Therefore, it is important to examine the percentage and number of employees with salaries above and below the calculated midpoint.

Exhibit 2H illustrates, in the General employee pay plan, there were 155 employees (87.6 percent) that had salaries below the midpoint of their respective range, one (0.6 percent) employee had their salary at the midpoint, and 21 employees (11.9 percent) had salaries above the midpoint. As **Exhibit 2I** illustrates, of the 60 employees in the City's Sworn Police step plan, 48 (80.0 percent) of employee salaries fell below the midpoint, one (1.7 percent) employee salary was at the midpoint, and 11 (18.3 percent) employee salaries fell above the designated midpoint. **Exhibit 2J** illustrates that of the 56 employees in the City's Uniformed Fire step plan, 53 (94.6 percent) employee salaries fell below the designated midpoint, no

employee salaries were at the midpoint, and 3 (5.4 percent) employee salaries fell above the midpoint.

2.3 SUMMARY

Overall, the City's compensation structure offered a firm foundation on which to improve. The key points of the current structure were:

- The City administered a step pay plan to 177 General employees, with 87.6 percent of salaries falling below the midpoint.
- The City administered a step pay plan to 60 Sworn Police employees, with 80.0 percent of salaries falling below the midpoint.
- The City administered a step pay plan to 56 Uniformed Fire employees, with 94.6 percent of salaries falling below the midpoint.

The City's pay structure provided employees with a clear pay plan designed with steps for salary progression. However, salary compression is a potential for concern with a heavy concentration of employee salaries in all three play plans falling below the midpoints. The method by which salaries have progressed and should continue to progress was examined in more detail during the review of the City's compensation philosophy.

The information gained from this review of current conditions was used in conjunction with the market analysis data to develop recommendations for a more competitive pay plan that would align with the City's compensation philosophy moving forward. These recommendations can be found in Chapter 5 of this report.

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Chapter 3 – Summary of Employee Outreach

Evergreen consultants facilitated a process in May 2021 to obtain input from the City's senior leaders, supervisors and employees regarding several topic areas related to the study. Solicited feedback included areas for improvement with regard to compensation (e.g., compression and competitiveness of salaries) and classification (e.g., title revision).

Senior leaders participated in one-on-one phone interviews with an Evergreen consultant who asked a set of questions to obtain their input on compensation and classification issues for their particular area of supervision. Supervisors and employees had the opportunity to respond to the same questions via virtual focus groups. Feedback from both sources provided the Evergreen team with valuable information regarding perceptions of the current compensation and classification system. Summarized below are their comments and perceptions.

3.1 GENERAL FEEDBACK

Although the purpose of outreach was to solicit feedback regarding the compensation and classification systems, the first two questions pertained to reasons employees came to work for and remain employed with the City. While this section provides feedback that is not directly related to compensation and classification, it is nonetheless important in framing the context of the study.

Important factors frequently shared by employees as reasons for coming to work for and/or remaining with the City included:

- **Employee Benefits Package** – Praise was given regarding the employee benefits package and was consistently cited as one of the most significant reasons why employees want to work for the City. Particular appreciation was expressed for the health care coverage and retirement package.

- **Coworkers**– A large number of participants continue to work with the City because of their positive relationships with their co-workers.

- **Proximity** – Many respondents stated proximity to their homes as a leading reason for their decision to work with the City. Many stated they appreciate the short commute.

- **Stability** – Many employees appreciated the job security that comes with working in the public sector. Many respondents pointed to the potentially volatile nature of private sector employment, and took comfort in knowing that their careers in local government were considerably more stable.

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3.2 COMPENSATION

As already discussed, respondents pointed to several aspects of their employment which they appreciate. There were, however some critiques that were expressed about compensation practices (both pay and benefits), polices, and procedures, including the following:

- **Salary Progression and Compression** – Several participants expressed a desire to progress through their pay range. Furthermore, there was concern that employees with more seniority were compensated at similar levels as new hires.

- **Benefits –** Many of the employees were satisfied with the health and retirement benefits. They expressed interest in having educational incentives as a reward for pursuing higher degrees.

- **Competitive Compensation –** Some employees cited dissatisfaction with their pay compared to that at surrounding entities. Many employees also cited that employees' salaries were not keeping up with the cost of living in the area.

- **On Call and Shift Differential Pay** – A few respondents voiced their desire for the City to provide additional compensation for those positions which are required to be on call, work night and weekend shifts, or work on special assignments for their current department.

- **Insurance Premiums** – Some expressed concern that insurance premiums were continuously increasing, and that salaries were not keeping up with the cost of those premiums.

3.3 CLASSIFICATION

General comments provided by employees related to classification included the following:

- **Career Path** – Many respondents stated that they do not believe there are opportunities for career advancement. Promotions can often be difficult to obtain—as the senior level positions are occupied. Therefore, more tiers or levels within a job family would provide more opportunities to grow in responsibility and receive appropriate pay increases.

- **Job Descriptions** – Several employees expressed concerns that additional duties have been added to classifications over the years that are not represented in the job title or job descriptions. Furthermore, the job descriptions do not adequately explain the differences between positions.

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3.4 RECRUITMENT AND RETENTION

Employees stated that the City has noticeable recruitment and retention issues in the following areas/positions (in alphabetical order):

- Building Inspectors;
- Building/Street Maintenance Workers;
- Dispatchers;
- Mechanics; and
- Police Officers.

Employees believed some of the largest competitors for quality candidates are (in alphabetical order):

- Baldwin County;
- City of Fairhope;
- City of Foley;
- City of Gulf Shores;
- City of Orange Beach; and
- Private Sector.

3.5 PERFORMANCE EVALUATION

While not a focus of this study, a few questions regarding employee performance evaluation were included in the focus group sessions. Employees expressed that the new performance evaluation form was an improvement. However, they also stated the overall process holds little weight since there was little merit increase available to incentivize employees who are performing well. It was mentioned in several sessions that there is no incentive to exceed expectations as high and low performance are treated the same.

3.6 SUMMARY

Many of the concerns that are reported above are common issues that exist in many organizations today, with some being unique to the City. As with any organization, employees' perceptions of weaknesses in certain areas related to the current compensation and classification system could provide insight for areas of improvement, but are by no means the

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only source of assessing the City's system. Certainly, with the City's engagement of Evergreen to conduct this study, and this employee outreach, its commitment to understanding and seeking improvement in these areas is commendable.

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Chapter 4 – Market Summary

This chapter provides a market analysis comparing the City's pay plan (salary ranges) and benefits to those at peer organizations. The data from targeted market peers were used to evaluate the overall compensation and benefits at the City at the time of this study. It is important to note that the market comparisons contained herein do not translate at the individual level and are instead used to provide an overall analysis. The utilized methodology is not intended to evaluate salaries paid to individuals. An employee's total compensation (salary and benefits) is determined through a combination of factors, which could include: the market conditions for a job, geographic location of the organization, the candidate's prior education and experience, and/or an individual's negotiation skills during the hiring process.

4.1 SALARY SURVEY RESULTS

Evergreen collected pay range information from target organizations utilizing a salary survey tool. The development of this tool included 70 classifications in the City. The job title, a description of assigned duties, and the education and experience requirements for each classification were provided in the survey tool so that peers could determine if the position existed within their organization.

Evergreen received concurrence from the City's project team regarding the targets to which the survey was provided. Several factors were utilized when developing this peer list, including geographic proximity to the City, similar service offerings, organization size, and relative population being served by the City. Data were analyzed with adjustments for cost of living. All data collected were adjusted for cost of living using a national cost of living index factor, which allowed salary dollars from entities outside of the immediate area to be compared in spending power relative to the City. **Exhibit 4A** provides the list of ten peer organizations from which data were collected for 56 classifications from which salary range data were collected.

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EXHIBIT 4A
MARKET PEERS

Market Peers
City of Alabaster, AL
City of Dothan, AL
City of Enterprise, AL
City of Fairhope, AL
City of Foley, AL
City of Gulf Shores, AL
City of Homewood, AL
City of Millbrook, AL
City of Mobile, AL
City of Mountain Brook, AL
City of Northport, AL
City of Opelika, AL
City of Orange Beach, AL
City of Robertsdale, AL
City of Saraland, AL
City of Spanish Fort, AL
City of Huntsville, AL
City of Montgomery, AL
Baldwin County, AL
Mobile County, AL
City of Gulf Breeze, FL
City of Pensacola, FL

*Bold indicates data obtained from peer

The City expressed a desire to examine its pay plan overall as compared to a competitive position (at the average) with the market. To determine the position of the existing structure, Evergreen compared the City's 2021 salary ranges for the classifications to this market position. It is important to note that the averages in the subsequent exhibit reflects an average of the salary ranges reported by each peer for a given classification. The market range data presented in this chapter were not the sole criteria for the proposed pay ranges identified later in this report. Some classifications' grade assignments varied from their associated market range due to the other factors, such as internal hierarchy. This analysis is explained in further detail in the recommendations (**Chapter 5**) of the report.

Exhibits 4B contain the following information:

- The market salary range information for each classification. This indicates the percent differentials (to the City's existing salary ranges).
  - A positive differential indicates the City's pay range for these positions was above the targets' average for that classification at the minimum, midpoint, or maximum.
  - A negative differential indicates the City's pay range was below the average for that classification.
  - The final row provides the average percent differentials for the ranges' minimum, midpoint, and maximum for all benchmarked classifications. This represents an average of all classifications' differentials.
- The survey average range width. This provides the average range width for each classification surveyed determined by the average minimum and average maximum salaries of the respondents, relative to the minimum. The average range width for all the classifications is provided in the final row. The number of responses collected for each classification is provided in the final column, and the average number of responses for all the classifications is provided in the final row. The number of survey responses for each classification is provided in the final column. The average number of responses for all the classifications is provided in the final row of the exhibit.

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EXHIBIT 4B
SALARY SURVEY SUMMARY—AVERAGE

Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg	# of Data
	Average	% Diff	Average	% Diff	Average	% Diff	Range Width	Points
ACCOUNTANT I	$43,257.92	-6.2%	$53,977.91	-1.5%	$64,697.89	1.5%	49.6%	7
ACCOUNTANT II	$47,444.91	-10.0%	$61,958.64	-9.8%	$76,472.37	-9.6%	61.3%	6
ACCOUNTING TECHNICIAN	$35,303.99	-7.6%	$44,812.03	-5.2%	$54,320.07	-3.7%	53.8%	7
ADMINISTRATIVE ASSISTANT	$30,240.56	14.5%	$38,978.56	15.6%	$47,716.56	16.3%	57.7%	9
ADMINISTRATIVE COURT MAGISTRATE	$42,076.51	-	$53,910.88	-	$65,745.26	-	56.2%	5
ATHLETIC COORDINATOR	$40,990.60	4.6%	$52,471.17	6.8%	$63,951.75	8.3%	56.1%	5
BUILDING INSPECTIONS OFFICIAL	$66,944.57	9.5%	$85,135.67	13.5%	$103,326.78	16.0%	54.3%	6
BUILDING INSPECTOR I	$46,457.18	-10.5%	$58,391.11	-6.5%	$70,325.04	-4.0%	51.4%	9
BUILDING MAINTENANCE SUPERVISOR	$42,811.55	0.2%	$54,926.87	2.3%	$67,042.18	3.6%	56.5%	5
BUILIDING MAINTENANCE TECHNICIAN	$32,139.53	8.5%	$41,170.83	10.1%	$50,202.12	11.2%	56.2%	6
CHILDREN'S LIBRARIAN	$48,899.98	-18.4%	$60,876.75	-13.5%	$72,853.51	-10.4%	49.0%	3
CITY CLERK	$74,927.44	-33.0%	$93,927.48	-28.3%	$112,927.52	-25.3%	50.8%	8
CODE ENFORCEMENT	$45,039.60	-28.4%	$56,725.28	-25.1%	$68,410.95	-23.1%	51.9%	8
COMMUNICATION OFFICER	$34,577.31	-2.2%	$43,216.19	1.9%	$51,855.06	4.5%	50.1%	7
COMMUNICATION SUPERVISOR	$45,482.40	-14.0%	$58,720.77	-12.8%	$71,959.15	-12.1%	58.3%	4
CORRECTIONS OFFICER	$33,723.77	5.2%	$40,370.07	13.6%	$47,016.37	19.2%	39.4%	4
CREW LEADER	$36,291.80	-0.4%	$45,960.47	2.4%	$55,629.13	4.2%	53.4%	6
DEPUTY PUBLIC WORKS DIRECTOR	$69,786.15	-18.9%	$91,625.87	-18.4%	$113,465.60	-18.1%	62.6%	4
DIRECTOR, CITY DEVELOPMENT	$86,760.39	-13.4%	$109,460.16	-8.6%	$132,159.94	-5.5%	52.5%	6
DIRECTOR, FINANCE	$93,337.03	-23.6%	$118,247.47	-19.3%	$143,157.90	-16.6%	53.4%	8
DIRECTOR, HUMAN RESOURCES	$73,320.55	0.4%	$92,274.66	5.4%	$111,228.77	8.6%	51.7%	7
DIRECTOR, LIBRARY	$70,913.43	-20.5%	$88,307.76	-14.8%	$105,702.08	-11.1%	49.0%	4
DIRECTOR, PLANNING	$93,314.77	-23.6%	$120,269.37	-21.0%	$147,223.98	-19.3%	57.9%	4
DIRECTOR, PUBLIC WORKS	$91,637.27	-18.8%	$114,168.88	-12.8%	$136,700.49	-8.9%	49.2%	7
DIRECTOR, RECREATION	$87,702.80	-23.8%	$110,132.31	-18.6%	$132,561.81	-15.4%	51.2%	6
ENVIRONMENTAL PROGRAM MANAGER	$45,326.74	-0.3%	$59,235.18	0.0%	$73,143.63	0.2%	61.5%	3
EQUIPMENT MAINTENANCE SUPERVISOR	$44,049.23	-8.0%	$57,500.12	-7.9%	$70,951.01	-7.8%	61.1%	4
EQUIPMENT OPERATOR	$31,456.12	10.6%	$39,685.30	13.8%	$47,914.49	15.8%	52.3%	9
EVENT SERVICES SUPERVISOR	$43,814.26	-32.5%	$55,350.34	-29.7%	$66,886.43	-28.0%	52.9%	3
FIRE BATTALION CHIEF	$64,710.53	-3.9%	$77,347.05	6.1%	$89,983.56	12.7%	39.2%	5
FIRE CHIEF	$91,751.34	-21.9%	$114,463.88	-16.1%	$137,176.43	-12.3%	49.6%	8
FIRE LIEUTENANT	$59,747.03	-26.2%	$71,089.95	-17.0%	$82,432.86	-10.8%	37.9%	5
FIRE MARSHALL	$61,941.64	-18.5%	$75,294.99	-10.8%	-	-	41.8%	4
FIREFIGHTER	$42,638.43	2.2%	$52,776.83	7.5%	$62,915.22	10.9%	47.6%	7
GIS ANALYST	$44,502.93	-6.2%	$56,002.37	-2.4%	$67,501.80	0.1%	51.8%	5
HR SPECIALIST	$37,416.36	-0.4%	$46,774.23	3.9%	$56,132.10	6.6%	49.8%	3
HUMAN RESOURCES DEPUTY DIRECTOR	$69,235.84	-18.1%	$89,985.92	-16.6%	$110,736.01	-15.7%	60.0%	4
IT DIRECTOR	$80,940.58	-9.5%	$102,736.39	-5.3%	$124,532.21	-2.7%	53.8%	8
IT TECHNICIAN	$38,238.38	-	$48,209.82	-	$58,181.25	-	52.1%	7
LIEUTENANT	$62,442.78	-7.9%	$76,233.11	-0.1%	$90,023.44	5.0%	44.3%	6
MARKETING COORDINATOR	$50,484.67	-	$63,533.94	-	$76,583.21	-	51.9%	3
MECHANIC SENIOR	$39,281.92	-8.4%	$50,349.38	-6.7%	$61,416.83	-5.7%	56.5%	4
MECHANIC TECHNICIAN	$32,704.50	-	$41,636.82	-	$50,569.13	-	54.7%	5
MUNICIPAL COURT MAGISTRATE	$37,458.88	-10.1%	$46,836.70	-6.1%	$56,214.52	-3.5%	50.2%	8
PATROL OFFICER	$41,768.86	7.6%	$51,927.75	7.5%	$62,086.64	7.5%	48.7%	7
PERMIT TECHNICIAN	$37,149.22	-	$46,392.98	-	$55,636.74	-	49.8%	7
PLANNING COORDINATOR	$35,152.97	-7.2%	$54,105.36	-24.0%	$73,057.75	-33.1%	107.1%	3
POLICE CAPTAIN	$67,607.98	-4.7%	$83,640.21	1.9%	$99,672.43	6.2%	47.5%	6
POLICE CHIEF	$94,280.42	-18.7%	$117,375.19	-12.6%	$140,469.96	-8.6%	49.1%	8
POLICE CORPORAL	$49,020.48	-3.3%	$59,181.83	4.9%	$69,343.18	10.4%	41.5%	5
PUBLIC SERVICE WORKER	$28,293.13	-4.5%	$35,737.83	-2.2%	$43,182.53	-0.8%	52.6%	6
PUBLIC SERVICE WORKER SENIOR	$31,632.50	-	$39,697.45	-	$47,762.40	-	50.9%	5
PUBLIC WORKS SUPERVISOR	$50,130.91	-	$63,724.87	-	$77,318.83	-	54.2%	6
RECREATION PROGRAM COORDINATOR	$44,582.29	-	$56,531.15	-	$68,480.01	-	53.7%	5
REVENUE OFFICER	$43,969.82	5.2%	$55,483.82	9.1%	$66,997.81	11.5%	52.4%	6
SERGEANT	$53,670.12	-3.9%	$65,948.87	2.7%	$78,227.61	7.0%	45.9%	8
Overall Average		**-8.7%**		**-5.1%**		**-2.7%**	**52.8%**	**5.8**

Market Minimums

A starting point of the analysis was to compare the peer's market minimum for each classification to the City's range minimums. Market minimums are generally considered an entry level salary for employees who meet the minimum qualifications of a classification. Employees with salaries at or near the range minimums typically have not mastered the job and probably have not acquired the skills and experience necessary to be fully proficient in their classification.

As **Exhibit 4B** illustrates for surveyed classifications, the City was, on average, approximately 8.7 percent below the average market position at the minimum of the respective salary ranges.

Market Midpoints

Market midpoints are important to consider because they are commonly recognized as the salary point at which employees are fully proficient in satisfactorily performing their work. As such, midpoint is often considered as the salary point at which a fully proficient employee could expect his or her salary to be placed.

As **Exhibit 4B** illustrates for the surveyed classifications, the City was, on average, approximately 5.1 percent below the average market position at the midpoint of the respective salary ranges.

Market Maximums

In this section, salary range maximums are compared to the peers' average of maximums for each benchmarked classification. The market maximum is significant as it represents the upper limit salary that an organization might provide to retain and/or reward experienced and high performing employees. Additionally, being competitive at the maximum allows organizations to attract highly qualified individuals for in-demand classifications.

As **Exhibit 4B** illustrates for the surveyed classifications, the City was, on average, approximately 2.7 percent below the average market position at the maximum of the respective salary ranges.

4.2 SALARY SURVEY SUMMARY

It should again be noted that the standing of a classification's pay range compared to the market is not a definitive assessment of an individual employee's salary being equally above or below market. A salary range does, however, speak to the City's general ability to recruit and retain talent over time. If a range minimum is significantly lower than the market would offer, the City could find itself losing out to its market peers when it seeks to fill a position. It is equally true that range maximums lower than the market maximums may serve as a disincentive for experienced employees to remain at the City. From the analysis of the data gathered and discussed above, the surveyed classifications' ranges were generally found to be below the City's desired market position.

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4.3 BENEFITS SURVEY RESULTS

In addition to the salary survey, Evergreen conducted a benefit survey to compare the City's current employee benefits to those of its peers. The information provided in this section is a result of the analysis of the current benefits at the City and at each peer organization, which are subject to change. Benefit plans have intricacies that are not represented in this chapter; therefore, the data provided should not be used independently as a line-by-line comparison of benefits. It should also be noted that benefits are usually negotiated and acquired through third parties, so one-to-one comparisons can be difficult. The analysis below highlights the results of the benefits survey. Data were requested from the same peers contacted for the salary survey and subsequently collected from the six peer organizations identified in **Exhibit 4C.**

EXHIBIT 4C
MARKET PEERS

Market Peers
City of Alabaster, AL
City of Dothan, AL
City of Enterprise, AL
City of Fairhope, AL
City of Foley, AL
City of Gulf Shores, AL
City of Homewood, AL
City of Millbrook, AL
City of Mobile, AL
City of Mountain Brook, AL
City of Northport, AL
City of Opelika, AL
City of Orange Beach, AL
City of Robertsdale, AL
City of Saraland, AL
City of Spanish Fort, AL
City of Huntsville, AL
City of Montgomery, AL
Baldwin County, AL
Mobile County, AL
City of Gulf Breeze, FL
City of Pensacola, FL

*Bold indicates data obtained from peer

Employee Health Plans

Exhibit 4D shows the number of health plans provided to current employees by the responding peers and the City. The average number of health plans provided (any combination of PPO, HMO, POS, or HDHP) was 1.2 based on the market data. The City offered one PPO (Preferred Provider Organization) plan. Subsequent comparisons will be based on peers' PPO plans.

EXHIBIT 4D
NUMBER OF HEALTH PLANS

Number of Plans	Peer Average	City of Daphne, AL
Number of health plans offered	1.2	1

Premiums and Deductibles

Exhibit 4E displays information regarding the PPO health plans of peers compared to the City's plan. The City had two levels of premiums: employee only and employee plus family (covering at least one dependent). Comparisons will be limited to employee only and employee plus family coverage. Compared to their peers, the City's employees pay less for employee and pay more for Family level coverages. Subsequently, the City had higher employer premiums for medical insurance compared to its peers for Family coverage. The in network and out of network deductibles for the City's medical plan were also lower compared to peers.

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EXHIBIT 4E
PPO HEALTH PLAN
PREMIUMS AND DEDUCTIBLES

Premium Paid by Employee for:	Peer PPO Average	City of Daphne, AL
Percentage of peers offering each plan	66.7%	Yes
Employee coverage	$66.65	$40.43
Employee + Child	$269.71	N/A
Employee + Spouse	$269.71	N/A
Employee + Family	$338.05	$282.11

*N/A indicates the City does not offer this level of coverage

Premium Paid by Employer for:	Peer PPO Average	City of Daphne, AL
Employee coverage	$440.00	$633.35
Employee + Child	$897.00	N/A
Employee + Spouse	$897.00	N/A
Employee + Family	$1,164.00	$1,377.34

Deductibles	Peer PPO Average	City of Daphne, AL
Individual Maximum In Network	$350.00	$250.00
Individual Maximum Out of Network	$200.00	N/A
Employee + Child Maximum In Network	$200.00	N/A
Employee + Child Maximum Out of Network	$200.00	N/A
Employee + Spouse Maximum In Network	$200.00	N/A
Employee + Spouse Maximum Out of Network	$200.00	N/A
Employee + Family Maximum In Network	$850.00	$750.00
Employee + Family Maximum Out of Network Network	$200.00	N/A

Other Insurance Plans

Exhibit 4F displays information from the responding peers regarding the cost to the employee for dental plans. Again, the City had only two levels of premiums: employee only and employee plus family (covering at least one dependent). Comparisons will be limited to employee only and employee plus family coverage. When compared to the peers, the City paid more for employee and family coverage.

EXHIBIT 4F
DENTAL PLANS

Dental Premiums	Peer Average	City of Daphne, AL
Offered?	83.3%	Yes
Average number of plans offered	1.4	1
Employer cost employee only	$1.44	$30.00
Employee cost employee only	$26.47	$0.00
Employer cost employee plus child	$5.84	N/A
Employee cost employee plus child	$40.10	N/A
Employer cost employee plus spouse	$5.08	N/A
Employee cost employee plus spouse	$38.92	N/A
Employer cost employee plus family	$5.71	$50.00
Employee cost employee plus family	$60.69	$25.00

Exhibit 4G displays information from the responding peers regarding the cost to the employee for vision plans. The premiums for the City's vision plan were, on average, comparable to the vision premiums at peer organizations.

EXHIBIT 4G
VISION PLANS

Vision Premiums	Peer Average	City of Daphne, AL
Offered?	83.3%	Yes
Average number of plans offered	1.2	1
Employer cost employee only	$0.00	$0.00
Employee cost employee only	$8.32	$8.29
Employer cost employee plus child	$0.00	$0.00
Employee cost employee plus child	$14.78	$16.68
Employer cost employee plus spouse	$0.00	$0.00
Employee cost employee plus spouse	$14.45	$16.68
Employer cost employee plus family	$0.00	$0.00
Employee cost employee plus family	$21.65	$22.61

Exhibit 4H displays the percentage of responding peers who provided short- and long-term disability insurance. Like the City, no other peers offered employer paid short-term disability to its employees. For long-term disability, 50 percent of peers offered an employer paid option with a slightly reduced payout compared to the City. Two peers also offered an employee paid option with varying payouts.

EXHIBIT 4H
DISABILITY INSURANCE

Disability Insurance		Peer Percentage Offered	Percent of salary employee receives
Short-Term Disability	Employer Paid	0.0%	-
	City of Daphne, AL	No	n/a
	Employee Paid	50.0%	60.0%
	City of Daphne, AL	Yes	varies
Long-Term Disability	Employer Paid	50.0%	50.0%
	City of Daphne, AL	Yes	60.0%
	Employee Paid	33.3%	varies
	City of Daphne, AL	No	n/a

Life Insurance

Employer-paid life insurance was provided by most peers, as well as the City. Similarly, these peers and the City also offered optional dependent coverage, additional employee paid life insurance, and accidental death insurance. The death benefit offered by peers varied based on salary, while the City's death benefit varied based on salary. Comparisons are displayed below in **Exhibit 4I**.

EXHIBIT 4I
LIFE INSURANCE

Life Insurance	Peer Average	City of Daphne, AL
Employer-paid life insurance offered?	66.7%	Yes
Dollar amount of death benefit	varies	varies
Optional dependent coverage offered?	66.7%	Yes
Can the employee purchase (additional) life insurance if desired?	66.7%	Yes
Accidental death insurance provided?	66.7%	Yes

Tuition Reimbursement

Tuition reimbursement for employees is provided by 16.7 percent of peers, with the amount of reimbursement varying depending on grade achieved and level of courses pursued. The City, at the time of this study, did not offer tuition reimbursement.

Employee Leave and Holidays

Exhibit 4J provides the average accrual rates for sick, annual/vacation, personal leave, and paid time off (PTO/single leave pool for sick and annual/vacation leave) for employees for peers and the City. Like the City, 83 percent of peers provided sick leave. Also, like the City, 83 percent of peer respondents provided annual leave/vacation time. Peers provided a minimum monthly accrual rate of 7.0 hours and a maximum monthly accrual rate of 13.7 hours, compared to the City's 6.7 hours minimum and 16.7 hours maximum monthly accrual rates. It should also be noted that City employees needed to accrue 24 years of services before reaching the maximum accrual rate compared to employees at peer organizations, who had to wait, on average, only about 16.8 years of service before reaching the maximum accrual rate. 16.7 percent of peers provided PTO in lieu of separate sick leave and annual/vacation leave. The City did not offer personal leave to its employees at the time of the study and neither did other peers. **Exhibit 4K** displays the average number of holidays. The City currently observes 10 holidays and one floating holiday. The average number of holidays observed for the peers is 12.8.

EXHIBIT 4J
LEAVE TIME ACCRUAL

Leave Accrual	Organization	Offered?	Minimum Accrual Rate in Hours (Monthly)	Years of service to accrue the minimum rate	Maximum Accrual Rate in Hours (Monthly)	Years of service to accrue the maximum rate	Absolute Maximum Accrual in Hours for a Year
Sick Leave	Peer Average Offered	83.3%	7.9	0.0	7.9	0.1	880.0
	City of Daphne, AL	Yes	6.2	0.0	6.2	0.0	
Annual/Vacation Leave	Peer Average Offered	83.3%	7.0	0.1	13.7	16.8	202.0
	City of Daphne, AL	Yes	6.7	0.0	16.7	24.0	
Paid Time Off	Peer Average Offered	16.7%	16.0	0.0	0.0	16.0	N/A
	City of Daphne, AL	No	-	-	-	-	-
Personal Leave	Peer Average Offered	0.0%					
	City of Daphne, AL	No					

EXHIBIT 4K
LEAVE TIME ACCRUAL

Holiday Policies	Peer Average	City of Daphne, AL
Total number of holidays observed	12.8	10

Retirement Plan Benefits

Exhibit 4L displays the number of retirement plans provided and offered to employees, including the Retirement System of Alabama (RSA) plan and Deferred Compensation plans. All peers participate in the RSA plan. In addition to the RSA option, one peer offered an addition 457B plan for their employees.

EXHIBIT 4L
RETIREMENT

Number of Plans	Peer Average	City of Daphne, AL
Number of retirement plans offered	1.2	2

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4.4 BENEFITS SURVEY SUMMARY

The peer benefit data summarized in this chapter indicate that the City's benefit offerings for current employees were, overall, competitive with its peers. For instance, the medical premiums and dental coverages were competitive with peers. Annual/vacation accrual rates may be a potential opportunity for improvement in addition to observed holidays.

4.5 MARKET SUMMARY

It should again be noted that the standing of a benchmark's pay range compared to either of the City's desired market positions is not a definitive assessment of an individual employee's salary being equally above or below market. The pay range does, however, speak to the City's general ability to recruit and retain talent over time. If a range minimum is significantly lower than the market would offer, the City could find itself losing out to its market peers when it seeks to fill a position. It is equally true that range maximums lower than the market maximums may serve as a disincentive for experienced employees to remain at the City.

From the analysis of the data gathered in the external assessment discussed above, the City's pay plan was found to be below its desired market position. As will be discussed in **Chapter 5**, Evergreen designed a pay plan to be competitive at the market average, which will align the City at market and remain market competitive. All study findings and subsequent recommendations can be found in the next chapter of this report.

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Chapter 5 - Recommendations

The analysis of the City's classification and compensation system revealed some areas of opportunity for improvement. Evergreen focused primarily on developing a more competitive pay plan, as well as reviewing and making recommendations to the classification structure. Study recommendations, as well as the findings that led to each, are discussed in this chapter.

5.1 CLASSIFICATION SYSTEM

An organization's classification system establishes how its human resources are employed to perform its core services. The classification system consists of the titles and descriptions of the different classifications, or positions, which define how work is organized and assigned. It is essential that the titles and descriptions of an organization's classifications accurately depict the work being performed by employees in the classifications to ensure equity within the organization and to enable comparisons with positions at peer organizations. The purpose of a classification analysis is to identify such issues as incorrect titles and inconsistent titles across departments.

In the analysis of the City's classification system, Evergreen collected classification data through the Job Assessment Tool (JAT) and Management Issues Tool (MIT) processes. The JATs, which were completed by employees and reviewed by their supervisors, provided information about the type and level of work being performed for each of the City's classifications. In addition, the MIT process provided supervisors an opportunity to provide specific recommendations regarding the pay or classification of positions in their areas. Evergreen reviewed and utilized the data provided in the JATs and MITs as a basis for the classification recommendations below.

FINDING

Overall, the classification system utilized by the City was sound. However, there were a few instances of titles for positions that could be modified.

RECOMMENDATION 1: Revise the titles of some classifications to better reflect job duties.

Exhibit 5A provides a list of the recommended changes to the classification system. The foundation for these recommendations was the work performed by employees as described in their JATs, best practice in the Human Resources field, or unique needs which required a specific titling method.

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EXHIBIT 5A
PROPOSED CLASSIFICATION CHANGES

Current Classification Title	Proposed Classification Title
Administrative Court Magistrate	Municipal Court Administrator
Administrative Secretary	Administrative Support Specialist II
Administrative Technician	Administrative Support Specialist I
Crew Leader	Crew Leader, Mowing Maintenance
Crew Leader	Crew Leader, Landscape
Crew Leader	Crew Leader, Field Maintenance
Crew Leader	Crew Leader, Solid Waste
Crew Leader	Crew Leader, Street Maintenance
Director, Recreation	Director, Sports & Recreation
Grounds Supervisor	Landscape Maintenance Supervisor
Library Supervisor Technical Services	Catalog System Supervisor
Public Service Worker, Senior	Field Maintenance Worker II
Public Service Worker, Senior	Mowing Maintenance Worker II
Public Service Worker, Senior	Landscape Maintenance Worker II
Public Service Worker, Senior	Street Maintenance Worker II
Public Service Worker	Landscape Maintenance Worker I
Public Service Worker	Mowing Maintenance Worker I
Public Service Worker	Field Maintenance Worker I
Public Service Worker	Street Maintenance Worker I
Public Works Supervisor	Mowing Maintenance Supervisor
Public Works Supervisor	Street Maintenance Supervisor
Recreation Program Coordinator	Recreation Program Manager
Sales Manager - Comm. Facilities	Sales & Services Coordinator
Senior Accountant	Accountant III

FINDING

When comparing the City's current job descriptions to the work described by employees in the JATs, Evergreen noted some tasks that were missing from the current job descriptions. This can happen over a period of time if the descriptions are not reviewed and updated on a regular basis. Some tasks in one classification are often reassigned to another classification. As such, these changes make it necessary that the City continues to update its job descriptions periodically to ensure each job description accurately reflects the work performed.

RECOMMENDATION 2: Revise all job descriptions to include updated classification information provided in the JAT, and review job descriptions annually for accuracy.

The process of reviewing and updating the City's job descriptions, as well as comments received from employees and supervisors during outreach, revealed that the descriptions may not, in some cases, accurately reflect current work performed. To minimize this becoming a concern again in the future, Evergreen recommends a regular review of these descriptions, including FLSA status determinations.

A review of the employee's assigned job classification (description) should occur at least annually. Review of the FLSA determination for exempt or non-exempt status as well as other aspects of the job, (such as physical requirements required to perform essential functions) will also ensure consistent, continuous compliance with the Americans with Disabilities Act (ADA) protection. At the time of this report, Evergreen was in the process of revising the job descriptions for all classifications. The descriptions will be provided to the City under separate cover.

5.2 COMPENSATION SYSTEM

The compensation system analysis consisted of two parts: an external market assessment and an internal equity assessment. During the external market assessment, the City's pay ranges for its classifications were compared to the average of the identified market. Details regarding the external market assessment were provided in **Chapter 4** of this report.

During the internal equity assessment, consideration of the relationships between positions and the type of work being performed by the City employees were reviewed and analyzed. Specifically, a composite score was assigned to each of the classifications that quantified the classification's level of five separate compensatory factors (leadership, working conditions, complexity, decision-making, and relationships). The level for each factor was determined based on responses to the JAT. The results of both analyses were utilized when developing the recommendations below.

FINDING

The City's salary ranges were overall found to be behind the market at the minimum, midpoint, and maximum. Implementing a new competitive pay structure (pay plan) would provide the City with an improved ability to attract, hire and retain employees.

RECOMMENDATION 3: Implement new open-range plan; slot all classifications into the plan based on external and internal equity; and transition employees' salaries into the new plan.

Exhibit 5B shows the new open-range pay plan. This plan has 40 pay grades and constant range spreads between 56 and 65 percent.

EXHIBIT 5B
PROPOSED PAY PLAN

Grade	Minimum	Midpoint	Maximum	Range Spread
1	$22,427.71	$28,703.88	$35,002.53	56%
2	$23,619.96	$30,301.03	$36,982.11	57%
3	$24,812.21	$31,898.19	$38,961.69	57%
4	$26,004.45	$33,472.86	$40,941.26	57%
5	$27,196.70	$35,070.02	$42,965.83	58%
6	$28,388.94	$36,667.18	$44,990.40	58%
7	$29,581.19	$38,264.34	$46,969.98	59%
8	$30,773.43	$39,861.49	$48,994.55	59%
9	$31,965.68	$41,458.65	$50,974.12	59%
10	$33,157.92	$43,055.81	$52,976.20	60%
11	$34,350.17	$44,652.97	$54,955.77	60%
12	$35,542.42	$46,227.64	$56,980.34	60%
13	$36,734.66	$47,824.80	$58,959.92	61%
14	$37,926.91	$49,421.95	$60,939.50	61%
15	$39,119.15	$51,019.11	$62,986.56	61%
16	$40,311.40	$52,616.27	$64,966.14	61%
17	$41,503.64	$54,213.43	$66,945.72	61%
18	$42,695.89	$55,810.59	$68,925.29	61%
19	$43,888.14	$57,407.75	$70,949.86	62%
20	$45,057.89	$58,982.41	$72,951.93	62%
21	$46,250.13	$60,579.57	$74,931.51	62%
22	$47,442.38	$62,176.73	$76,911.09	62%
23	$48,634.62	$63,773.89	$78,935.66	62%
24	$49,826.87	$65,371.05	$80,937.73	62%
25	$51,626.48	$67,755.54	$83,929.59	63%
26	$54,010.98	$70,949.86	$87,888.75	63%
27	$56,395.47	$74,144.18	$91,915.39	63%
28	$58,779.96	$77,338.50	$95,919.53	63%
29	$60,602.07	$79,947.94	$99,338.80	64%
30	$62,986.56	$83,142.26	$103,342.95	64%
31	$65,371.05	$86,336.58	$107,302.10	64%
32	$67,755.54	$89,530.90	$111,328.74	64%
33	$70,140.03	$92,702.72	$115,287.90	64%
34	$72,524.52	$95,897.04	$119,337.04	65%
35	$74,909.02	$99,091.36	$123,296.19	65%
36	$77,293.51	$102,285.67	$127,322.83	65%
37	$79,678.00	$105,457.50	$131,326.98	65%
38	$82,062.49	$108,651.82	$135,286.13	65%
39	$84,446.98	$111,846.13	$139,312.77	65%
40	$86,831.47	$115,040.45	$143,271.93	65%

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Evergreen then slotted each proposed classification into the appropriate pay range in the pay plan. Both internal and external equity were analyzed when slotting the classifications. Assigning pay grades to classifications requires a balance of internal equity, desired market position, and recruitment and retention concerns. Thus, market range data shown in **Chapter 4** were not the sole criteria for the proposed pay ranges. Some classifications' grade assignments varied from their associated market range due to the other factors mentioned above. **Exhibit 5C** shows the proposed pay ranges for all classifications.

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EXHIBIT 5C
PROPOSED PAY GRADES

Classification Title	Proposed Pay Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
Sail Site Asst	2	$23,619.96	$30,301.03	$36,982.11
Sail Site Driver	2	$23,619.96	$30,301.03	$36,982.11
School Crossing Guard	2	$23,619.96	$30,301.03	$36,982.11
Custodian	4	$26,004.45	$33,472.86	$40,941.26
Event Assistant	5	$27,196.70	$35,070.02	$42,965.83
Fitness Associate	5	$27,196.70	$35,070.02	$42,965.83
Athletic Program Assoc	6	$28,388.94	$36,667.18	$44,990.40
Field Maintenance Worker I	6	$28,388.94	$36,667.18	$44,990.40
Landscape Maintenance Worker I	6	$28,388.94	$36,667.18	$44,990.40
Library Aide	6	$28,388.94	$36,667.18	$44,990.40
Mowing Maintenance Worker I	6	$28,388.94	$36,667.18	$44,990.40
Office Assistant	6	$28,388.94	$36,667.18	$44,990.40
Administrative Support Specialist I	9	$31,965.68	$41,458.65	$50,974.12
Animal Shelter Technician	9	$31,965.68	$41,458.65	$50,974.12
Library Services Technician	9	$31,965.68	$41,458.65	$50,974.12
Street Maintenance Worker I	9	$31,965.68	$41,458.65	$50,974.12
Administrative Support Specialist II	10	$33,157.92	$43,055.81	$52,976.20
Event Services Supervisor	10	$33,157.92	$43,055.81	$52,976.20
Accounting Technician	11	$34,350.17	$44,652.97	$54,955.77
Animal Control Officer	11	$34,350.17	$44,652.97	$54,955.77
Field Maintenance Worker II	11	$34,350.17	$44,652.97	$54,955.77
Landscape Maintenance Worker II	11	$34,350.17	$44,652.97	$54,955.77
Mowing Maintenance Worker II	11	$34,350.17	$44,652.97	$54,955.77
Fire Fighter Dual Enroll	12	$47,982.26	$62,407.31	$76,923.46
Fire Fighter Local EE	12	$47,982.26	$62,407.31	$76,923.46
Firefighter	12	$47,982.26	$62,407.31	$76,923.46
Firefighter No Cert	12	$47,982.26	$62,407.31	$76,923.46
Planning Coordinator	12	$47,982.26	$62,407.31	$76,923.46
Administrative Assistant	13	$49,591.79	$64,563.47	$79,595.89
Communications Officer	13	$49,591.79	$64,563.47	$79,595.89
Corrections Officer	13	$49,591.79	$64,563.47	$79,595.89
Equipment Operator	13	$49,591.79	$64,563.47	$79,595.89
Facility Maintenance Technician I	13	$49,591.79	$64,563.47	$79,595.89
Fire Medic	13	$49,591.79	$64,563.47	$79,595.89

EXHIBIT 5C (CONTINUED)
PROPOSED PAY GRADES

Classification Title	Proposed Pay Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
Fire Medic Dual Enrollment	13	$49,591.79	$64,563.47	$79,595.89
Fire Medic No Cert	13	$49,591.79	$64,563.47	$79,595.89
Greenhouse Coordinator	13	$49,591.79	$64,563.47	$79,595.89
Landscape Coordinator	13	$49,591.79	$64,563.47	$79,595.89
Mechanic Technician	13	$49,591.79	$64,563.47	$79,595.89
Permit Tech	13	$49,591.79	$64,563.47	$79,595.89
Street Maintenance Worker II	13	$49,591.79	$64,563.47	$79,595.89
AV Tech Library	14	$37,926.91	$49,421.95	$60,939.50
Code Enforcement	14	$37,926.91	$49,421.95	$60,939.50
Crew Leader, Field Maintenance	14	$37,926.91	$49,421.95	$60,939.50
Crew Leader, Landscape	14	$37,926.91	$49,421.95	$60,939.50
Crew Leader, Mowing Maintenance	14	$37,926.91	$49,421.95	$60,939.50
Executive Assistant	14	$37,926.91	$49,421.95	$60,939.50
IT Technician	14	$37,926.91	$49,421.95	$60,939.50
Municipal Court Magistrate	14	$37,926.91	$49,421.95	$60,939.50
PW ACCT/EMA ASST	14	$37,926.91	$49,421.95	$60,939.50
Herb Spray Technician	15	$39,119.15	$51,019.11	$62,986.56
Mechanic, II	15	$39,119.15	$51,019.11	$62,986.56
Medium Equipment Operator	15	$39,119.15	$51,019.11	$62,986.56
Solid Waste Route Operator	15	$39,119.15	$51,019.11	$62,986.56
Assistant City Clerk	16	$40,311.40	$52,616.27	$64,966.14
Human Resource Specialist	16	$40,311.40	$52,616.27	$64,966.14
Catalog System Supervisor	17	$41,503.64	$54,213.43	$66,945.72
Sales & Services Coordinator	17	$41,503.64	$54,213.43	$66,945.72
Crew Leader, Solid Waste	18	$42,695.89	$55,810.59	$68,925.29
Crew Leader, Street Maintenance	18	$42,695.89	$55,810.59	$68,925.29
Accountant I	19	$59,248.98	$77,500.46	$95,782.31
Children's Librarian	19	$59,248.98	$77,500.46	$95,782.31
Detective	19	$59,248.98	$77,500.46	$95,782.31
Fire Lieutenant	19	$59,248.98	$77,500.46	$95,782.31
GIS Analyst	19	$59,248.98	$77,500.46	$95,782.31
Marketing Coordinator	19	$59,248.98	$77,500.46	$95,782.31
Patrol Officer	19	$59,248.98	$77,500.46	$95,782.31
Reference Librarian	19	$59,248.98	$77,500.46	$95,782.31
School Resource Officer	19	$59,248.98	$77,500.46	$95,782.31
Tennis Facility Coordinator	19	$59,248.98	$77,500.46	$95,782.31
Young Adult Librarian	19	$59,248.98	$77,500.46	$95,782.31
Athletic Program Manager	20	$45,057.89	$58,982.41	$72,951.93

EXHIBIT 5C (CONTINUED)
PROPOSED PAY GRADES

Classification Title	Proposed Pay Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
Building Inspector I	20	$45,057.89	$58,982.41	$72,951.93
Chief Corrections Officer	20	$45,057.89	$58,982.41	$72,951.93
Communication Supervisor	20	$45,057.89	$58,982.41	$72,951.93
Event Operations Manager	20	$45,057.89	$58,982.41	$72,951.93
Field Maintenance Supervisor	20	$45,057.89	$58,982.41	$72,951.93
Landscape Maintenance Supervisor	20	$45,057.89	$58,982.41	$72,951.93
Mechanical Maintenance Supervisor	20	$45,057.89	$58,982.41	$72,951.93
Mowing Maintenance Supervisor	20	$45,057.89	$58,982.41	$72,951.93
Recreation Program Manager	20	$45,057.89	$58,982.41	$72,951.93
Senior Human Resources Specialist	20	$45,057.89	$58,982.41	$72,951.93
Site Containment Inspector	20	$45,057.89	$58,982.41	$72,951.93
Accountant II	21	$46,250.13	$60,579.57	$74,931.51
Municipal Court Administrator	21	$46,250.13	$60,579.57	$74,931.51
Building Inspector II	22	$47,442.38	$62,176.73	$76,911.09
Environmental Program Manager	22	$47,442.38	$62,176.73	$76,911.09
Facility Maintenance Supervisor	22	$47,442.38	$62,176.73	$76,911.09
Site Containment Inspector II	22	$47,442.38	$62,176.73	$76,911.09
Solid Waste Supervisor	22	$47,442.38	$62,176.73	$76,911.09
Street Maintenance Supervisor	22	$47,442.38	$62,176.73	$76,911.09
Systems Administrator	22	$47,442.38	$62,176.73	$76,911.09
Revenue Officer	23	$48,634.62	$63,773.89	$78,935.66
Battalion Chief	24	$67,266.27	$88,250.92	$109,265.93
Accountant III	25	$54,207.81	$71,143.32	$88,126.07
Police Corporal	25	$54,207.81	$71,143.32	$88,126.07
Fire Marshall	28	$61,718.96	$81,205.42	$100,715.51
Sergeant	28	$61,718.96	$81,205.42	$100,715.51
City Clerk	30	$62,986.56	$83,142.26	$103,342.95
Operations Manager	30	$62,986.56	$83,142.26	$103,342.95
Lieutenant	31	$65,371.05	$86,336.58	$107,302.10
Deputy Director, Finance	32	$67,755.54	$89,530.90	$111,328.74
Deputy Director, Human Resources	32	$67,755.54	$89,530.90	$111,328.74
Deputy Director, Public Works	32	$67,755.54	$89,530.90	$111,328.74
Director, Library	33	$70,140.03	$92,702.72	$115,287.90
Police Captain	33	$70,140.03	$92,702.72	$115,287.90
Director, Events & Marketing	34	$72,524.52	$95,897.04	$119,337.04
Director, Sports & Recreation	35	$74,909.02	$99,091.36	$123,296.19
Building Inspections Official	36	$77,293.51	$102,285.67	$127,322.83
City Engineer	38	$82,062.49	$108,651.82	$135,286.13
Director, Community Development	38	$82,062.49	$108,651.82	$135,286.13
Director, Finance	38	$82,062.49	$108,651.82	$135,286.13
Director, Human Resources	38	$82,062.49	$108,651.82	$135,286.13
Director, IT	38	$82,062.49	$108,651.82	$135,286.13
Director, Public Works	39	$84,446.98	$111,846.13	$139,312.77
Executive Director, Community Development	39	$84,446.98	$111,846.13	$139,312.77
Fire Chief	39	$84,446.98	$111,846.13	$139,312.77
Police Chief	39	$84,446.98	$111,846.13	$139,312.77

After assigning pay grades to classifications, the next step was to develop appropriate methods (options) for transitioning employees' salaries into the proposed plans. This was done utilizing equitable methods (options) for calculating salaries in the plans and determining whether adjustments were necessary to individual salaries to bring them to their calculated salary. Evergreen calculated and provided optional transition methods for implementing the new plan, described below.

Bring to New Minimums

First, employees' salaries were compared to the minimums of their classification's proposed pay ranges for all plans. If an employee's salary was below his or her classification's pay range minimum, an adjustment was proposed to raise the individual's salary to the minimum. A benefit to this preliminary adjustment is that it provides a basis for all other adjustment calculations. Additionally, best practice within Human Resources is to have all employees' salaries fall within the pay range of their classification.

Utilizing this approach, adjustments were then recommended for 81 employees with a total approximate annualized (salary only) cost of **$141,082.**

Move Toward Midpoint (3-Tier): Compa-Ratio Years of Tenure with the City

After employees' salaries were moved to the proposed pay grade minimum, employees' salaries were moved closer toward the midpoint of the proposed pay grade range based on a combination of time in classification, or years of tenure with the City, and an employee's salary Compa-ratio. The Compa-ratio for each employee was calculated by taking the salary (after bringing to the proposed minimum if needed) and dividing by the proposed midpoint.

Employees with at least one year and less than three years of tenure were moved closer toward the midpoint (market point) of the proposed pay grade range. Employees with between three and seven years of tenure were moved even closer toward the midpoint, and employees with more than seven years of tenure were moved yet even closer toward the midpoint of the pay range. Adjustment percentage increments were designed to give larger adjustments (in percentage terms) to those with salaries furthest from the midpoint (using Compa-ratio) and to provide greater adjustments to those employees with more years of tenure with the City.

Utilizing this approach, and years in classification, adjustments were then recommended for 248 employees with an approximate total annualized cost of **$637,544.** This amount includes the **Bring to New Minimums** cost.

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5.3 SYSTEM ADMINISTRATION

The City's compensation system will continue to require periodic maintenance. The recommendations provided to improve the competitiveness of the plan were developed based on conditions at the time the data were collected. Without proper upkeep, the potential for recruitment and retention issues may increase as the compensation system becomes dated and less competitive.

RECOMMENDATION 4: Conduct small-scale salary surveys as needed to assess the market competitiveness of hard-to-fill classifications and/or classifications with retention issues, and make changes to pay grade assignments if necessary.

While it is unlikely that the pay structure (plans) in total will need to be adjusted for several years, a small number of classifications' pay grades may need to be reassigned more frequently. If the City is experiencing difficulty high turnover or challenges with recruiting one or more classifications, the City should collect salary range data from peer organizations to determine whether an adjustment is needed for the pay grade of the classification(s).

RECOMMENDATION 5: Conduct a comprehensive classification and compensation study every three to five years, subject to budget constraints and as market conditions are warranted.

Small-scale salary surveys can improve the market position of specific classifications, but it is recommended that a full classification and compensation study be conducted every three to five years to preserve both internal and external equity. Changes to classification and compensation do occur, and while the increments of change may seem minor, they can compound over time. A failure to react to these changes quickly has the potential to place the City in less than desirable position for recruiting and retaining quality employees.

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RECOMMENDATION 6: Review and revise, as appropriate, existing pay practice guidelines including those for determining salaries of newly hired employees, progressing employee salaries through the pay plans and determining pay increases for employees who have been promoted to a different classification.

The method of moving salaries through the pay plan and setting new salaries for new hires, promotions, and transfers depends largely on an organization's compensation philosophy. It is important for the City to have established guidelines for each of these situations, and to ensure that they are followed consistently for all employees. Common practices for progressing and establishing employee salaries are outlined below.

New Hire Salaries

Typically, an employee holding the minimum education and experience requirements for an existing classification is hired at or near the classification's pay grade minimum. Sometimes, for recruiting purposes an organization might need to consider the ability to offer salaries to new employees that consider prior related experience. It is recommended that the City continue its current practices of establishing new hire salaries while preserving the internal equity of employees' salaries within each classification to the extent possible. Current employees' salaries should be improved, to some degree with implementation of the new plans and the proposed potential adjustments to employees' salaries.

Salary Progression

There are several common methods for salary progression including cost of living adjustments (COLA)/across the board and performance-based. The City utilized a performance-based method, as the budget permitted. It is recommended that the City evaluates, annually, whether a COLA needs to be applied (to both the pay plan and employees' salaries) to keep up with cost of living. Additionally, the City should provide merit increases, as warranted on employees' performance evaluations and as budget permits. It is recommended that the City continuously evaluate its practices to progress employees' salaries and if necessary, make improvements to preserve equitable pay practices, particularly in the administration of the employee performance evaluation process.

5.4 SUMMARY

The recommendations in this chapter provide an update to the compensation and classification system for the City employees. Upon implementation, the City's competitiveness in the labor market will be improved and have a responsive compensation system for several years to come. While the upkeep of this will require work, the City will find that having a highly competitive compensation system that enhances strong recruitment and employee retention is well worth this commitment.