

# Pay and Compensation Study for the Town of Belleair, FL

## FINAL REPORT



Evergreen Solutions, LLC

September 3, 2021

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# Chapter 1 - Introduction

Evergreen Solutions, LLC (Evergreen) conducted a Pay and Compensation Study for the Town of Belleair (Town) beginning in September 2020. The purpose of the study was to analyze its compensation (pay) system for its positions and make recommendations to improve the Town's competitive position in the labor market. The study activities involved analyzing the external equity of the Town's compensation system, and making recommendations in response to those findings.

Study tasks involved:

- holding a study kick-off meeting;
- analyzing the Town's current salary structure to determine its strengths and weaknesses;
- facilitating discussions with the Town's project team to develop an understanding of its compensation philosophy;
- conducting a market salary and benefits survey to assess the external equity (market competitiveness) of the Town's current pay system and benefits offerings;
- developing a competitive compensation structure and slotting classifications into that structure;
- developing optional methods for transitioning employees' salaries into the new structure and calculating cost estimates for implementation;
- providing the Town with information and strategies regarding compensation administration; and
- preparing and submitting draft and final reports that summarize the study findings and recommendations.

## **1.1 STUDY METHODOLOGY**

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



## Kick-off Meeting

The kick-off meeting allowed members of the study team from the Town and Evergreen to discuss different aspects of the study. During the meeting, information about the Town’s compensation structure and 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 Town’s current pay structure (plans) and related employee data at the time of the study. The current pay plan 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.

## Compensation Philosophy

Evergreen conducted meetings with the Town’s project team to develop an understanding of its position with regard to employee compensation. Several key factors were examined and provided the framework for the recommended compensation system and related pay practices.

## Market Survey

For the salary survey, peers were identified that compete with the Town for quality applicants and provide similar services. All classifications were included in the survey. After the selection of peers, a survey tool was developed for the collection of salary range data for each classification. The salary data collected through the survey were analyzed, and a summary of the data can be found in **Chapter 3** and **4** of this report.

## Recommendations

During the review of the compensation philosophy, the Town identified its desire to be, at a minimum, competitive with the market. Understanding this, and utilizing the findings of external equity analysis, a revised pay plan was created. Next, implementation methods were developed to transition employees’ salaries into the revised pay plan, and the associated costs (at two alternative competitive market positions) of adjusting employees’ salaries were estimated. Information was also provided on how to maintain the pay plan 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 – Salary Survey Summary
- Chapter 4 – Benefits Survey Summary
- Chapter 5 – Recommendations



# Chapter 2 – Assessment of Current Conditions

This chapter provides an overall assessment of the compensation system in place for the Town’s employees. Data included here reflect the demographics in place at the time of the study and should be considered a snapshot in time. These data provided the baseline for analysis throughout the course of this study, but were not sufficient cause for recommendations in isolation. By reviewing employee data, Evergreen gained a better understanding of the structures and methods in place and identified issues for both further review and potential revision.

## 2.1 ANALYSIS OF PAY SCALES

The Town administered two open range pay scales, plus a separate pay range for Police Officers. These plans and pay range are summarized in **Exhibits 2A** through **2C** to provide details related to the value of each pay range at the minimum, the calculated midpoint, and the maximum; the range spread for each (the distance between the pay range minimum and maximum); the midpoint progression (the distance between the midpoints of adjacent pay ranges) between pay ranges; the number of unique classification titles with incumbents by pay grade; and the number of employees in each pay grade.

The pay scale for non-exempt classifications is displayed in **Exhibit 2A**. It featured seven pay grades, range spreads that varied between 45.0 and 71.3 percent, and midpoint progressions that varied between -1.8 and 10.3 percent. Of note is Pay Grade 0, which is reserved for three part-time Parks and Recreation classifications which are paid on an hourly basis.

**EXHIBIT 2A  
NON-EXEMPT PAY SCALE**

Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression	# of Filled Position Titles	Employees
0	\$9.85	\$13.15	\$16.88	71.3%	N/A	1	2
1	\$25,240.90	\$33,052.61	\$40,864.31	61.9%	N/A	1	8
2	\$26,505.46	\$32,468.34	\$38,431.23	45.0%	-1.8%	2	3
3	\$27,827.98	\$35,368.29	\$42,908.60	54.2%	8.9%	4	10
4	\$30,683.30	\$38,993.81	\$47,304.31	54.2%	10.3%	5	8
5	\$30,683.30	\$40,176.93	\$49,670.56	61.9%	3.0%	2	3
6	\$32,215.88	\$42,185.88	\$52,155.89	61.9%	5.0%	3	3
<b>Overall</b>				<b>58.6%</b>	<b>5.1%</b>	<b>18</b>	<b>37</b>

**Exhibit 2B** displays the pay scale administered for 19 exempt employees. It featured three pay grades, with range spreads that varied between 92.1 and 190.1 percent.

**EXHIBIT 2B  
EXEMPT PAY SCALE**

Grade	Minimum	Midpoint	Maximum	Range Spread	# of Filled Position Titles	Employees
E	\$45,331.95	\$88,411.68	\$131,491.41	190.1%	8	8
S	\$39,157.64	\$58,018.93	\$76,880.22	96.3%	5	5
A	\$37,293.16	\$54,469.04	\$71,644.92	92.1%	5	6
<b>Overall</b>				<b>126.2%</b>	<b>18</b>	<b>19</b>

The pay plan for Police Officers featured a single pay range, which is displayed in **Exhibit 2C**.

**EXHIBIT 2C  
POLICE OFFICER PAY RANGE**

Minimum	Midpoint	Maximum	Range Spread	Employees
\$48,947.00	\$61,140.00	\$73,333.00	49.8%	16

As displayed in **Exhibit 2D**, the Town utilized 51 classification titles, 14 of which were vacant at the time the study was conducted.

**EXHIBIT 2D  
CLASSIFICATION TITLES**

Classification Title	Classification Title
Accounting Clerk I	Director of Support Services
Accounting Clerk II	Director of Water Utilities
Administrative Assistant	Executive Secretary
Assistant Finance Director*	Facilities and Safety Supervisor
Assistant Recreation Leader	Foreman - Parks and Streets
Assistant Town Manager*	HR and Risk Management Coordinator
Building and Zoning Technician	IT Technician*
Building Maintenance	Management Analyst I
Construction Project Supervisor	Management Analyst II*
Customer Service Clerk	Meter Reader
Director of Public Works and Parks & Recreation	Parks Maintenance Worker I*
Director of Solid Waste	Parks Maintenance Worker II

\* Vacant classification



**EXHIBIT 2D (Continued)**  
**CLASSIFICATION TITLES**

Classification Title	Classification Title
Part-time Parks Laborer*	Special Events Coordinator
Part-time Seasonal Camp Counselor*	Stormwater Maintenance Foreman*
Police Chief	Stormwater Maintenance I*
Police Lieutenant	Stormwater Maintenance II
Police Officer	Stormwater Maintenance Lead Worker*
Public Services Manager	Town Clerk
Public Works Operational Supervisor	Town Manager
Recreation Leader I	Utility Maintenance I
Recreation Leader II*	Utility Maintenance II*
Recreation Programmer I*	Water Treatment Plant Operator I
Recreation Programmer II	Water Treatment Plant Operator II
Recreation Supervisor	Water Treatment Plant Operator Trainee
Refuse Collector	Water Utilities Foreman
Solid Waste Foreman*	-

\* Vacant classification

## 2.2 GRADE PLACEMENT ANALYSIS

When assessing the effectiveness of a pay scale and associated policies, it is helpful to analyze where employee salaries stand in comparison to their classification's pay range. Identifying areas where there are clusters of employee salaries can illuminate potential pay progression concerns within a pay scale. It should be noted that employee 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 employee salaries should be viewed with this context in mind.

### **Below or at Minimum and at or Above Maximum**

In general, placement of an employee at a classification's grade minimum would generally indicate a newer employee or an employee that was recently promoted into a classification who has not had the opportunity or experience needed to progress through the range. In contrast, an employee at or near the maximum of their grade is generally an employee with longer tenure who has had the opportunity or experience necessary to progress towards the top of the pay range.

**Exhibits 2E through 2G** display the percentage of employees compensated at or below the pay range minimum and at or above the pay range maximum of their respective pay grade for non-exempt employees, exempt employees, and police officers, respectively. Employees not included in these charts are compensated somewhere between the upper and lower thresholds. The percentages presented are based on the total number of employees in that grade.

As can be seen in **Exhibit 2E**, two (5.4 percent)-exempt employees were below their pay range minimum, four (10.8 percent) were at the minimum, three (8.1 percent) were at the maximum, and three (8.1 percent) were above their maximum.

**EXHIBIT 2E  
BELOW OR AT MINIMUM AND AT OR ABOVE MAXIMUM BY PAY GRADE  
NON-EXEMPT EMPLOYEES**

Grade	Employees	Below Min		At Min		At Max		Above Max	
		#	%	#	%	#	%	#	%
0	2	0	0.0%	2	100.0%	0	0.0%	0	0.0%
1	8	1	12.5%	1	12.5%	0	0.0%	0	0.0%
2	3	0	0.0%	0	0.0%	1	33.3%	1	33.3%
3	10	0	0.0%	0	0.0%	0	0.0%	0	0.0%
4	8	1	12.5%	1	12.5%	1	12.5%	1	12.5%
5	3	0	0.0%	0	0.0%	0	0.0%	0	0.0%
6	3	0	0.0%	0	0.0%	1	33.3%	1	33.3%
<b>Overall</b>	<b>37</b>	<b>2</b>	<b>5.4%</b>	<b>4</b>	<b>10.8%</b>	<b>3</b>	<b>8.1%</b>	<b>3</b>	<b>8.1%</b>

**Exhibit 2F** shows that no exempt employees were below or at their pay range minimum or at or above their maximum.

**EXHIBIT 2F  
BELOW OR AT MINIMUM AND AT OR ABOVE MAXIMUM BY PAY GRADE  
EXEMPT EMPLOYEES**

Grade	Employees	Below Min		At Min		At Max		Above Max	
		#	%	#	%	#	%	#	%
E	8	0	0.0%	0	0.0%	0	0.0%	0	0.0%
S	5	0	0.0%	0	0.0%	0	0.0%	0	0.0%
A	6	0	0.0%	0	0.0%	0	0.0%	0	0.0%
<b>Overall</b>	<b>19</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>

As shown in **Exhibit 2G**, three Police Officers (18.8 percent) were below their pay range minimum and none were at their pay range minimum or at or above their maximum.

**EXHIBIT 2G  
BELOW OR AT MINIMUM AND AT OR ABOVE MAXIMUM  
POLICE OFFICERS**

Employees	Below Min		At Min		At Max		Above Max	
	#	%	#	%	#	%	#	%
16	3	18.8%	3	18.8%	0	0.0%	0	0.0%



## Above or Below Midpoint

In addition to assessing the number of employees at minimum and maximum, an analysis was conducted to determine the number of employees below and above pay range midpoint. Employees with salaries close to the midpoint of a pay range should be fully proficient in their classification and require minimal supervision to complete their job duties while performing satisfactorily. Within this framework, 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.

**Exhibits 2H through 2J** display the percentage of employees compensated below and above the pay range midpoint of their respective pay grade for non-exempt employees, exempt employees, and Police Officers, respectively.

As can be seen in **Exhibit 2H**, 25 (67.6 percent) non-exempt employees were compensated below their pay range midpoint and 12 (32.4 percent) were compensated above.

**EXHIBIT 2H  
BELOW AND ABOVE MIDPOINT BY PAY GRADE  
NON-EXEMPT EMPLOYEES**

Grade	Employees	Below Mid		Above Mid	
		#	%	#	%
0	2	2	100.0%	0	0.0%
1	8	8	100.0%	0	0.0%
2	3	1	33.3%	2	66.7%
3	10	6	60.0%	4	40.0%
4	8	5	62.5%	3	37.5%
5	3	2	66.7%	1	33.3%
6	3	1	33.3%	2	66.7%
<b>Overall</b>	<b>37</b>	<b>25</b>	<b>67.6%</b>	<b>12</b>	<b>32.4%</b>

**Exhibit 2I** shows that ten (52.6 percent) exempt employees were compensated below their pay range midpoint and eight (42.1 percent) were compensated above.

**EXHIBIT 2I  
BELOW AND ABOVE MIDPOINT BY PAY GRADE  
EXEMPT EMPLOYEES**

Grade	Employees	Below Mid		Above Mid	
		#	%	#	%
E	8	3	37.5%	4	50.0%
S	5	3	60.0%	2	40.0%
A	6	4	66.7%	2	33.3%
<b>Overall</b>	<b>19</b>	<b>10</b>	<b>52.6%</b>	<b>8</b>	<b>42.1%</b>



As displayed in **Exhibit 2J**, 14 (87.5 percent) Police Officers were compensated below their pay range midpoint and two (14.3 percent) were compensated above.

**EXHIBIT 2J  
BELOW AND ABOVE MIDPOINT BY PAY GRADE  
POLICE OFFICERS**

Employees	Below Mid		Above Mid	
	#	%	#	%
16	14	87.5%	2	12.5%

### 2.3 QUARTILE ANALYSIS

In a quartile analysis, each pay range is divided into four equal segments (quartiles) and employees are assigned a quartile based on where their current salary falls. While there is no best practice for what average tenure should be for each quartile, and other factors outside of the breadth of this analysis can impact placement (e.g. promotional and hiring practices), this analysis can be useful in revealing compression within a compensation system. Tenure data may provide some insight where salaries fall; however, salaries, or pay progression should align with the Town's pay philosophy. **Exhibits 2K through 2M** shows the number of employees that are in each quartile of each range, along with the average overall tenure (i.e. how long an employee has been at the Town) by quartile for non-exempt, exempt, and Police Officers, respectively.

As shown in **Exhibit 2K**, 37.8 percent of non-exempt employees fell into Quartile 1 of their respective range, 29.7 percent fell into Quartile 2, 18.9 percent fell into Quartile 3, and 13.5 percent fell into Quartile 4. Also, average tenure steadily increased through the quartiles: the average tenure in Quartile 1 was 5.0 years; decreased to 6.7 years in Quartile 2; increased to 7.4 years in Quartile 3; and decreased to 28.0 years in Quartile 4.

**Exhibit 2L** shows that 15.8 percent of exempt employees fell into Quartile 1 of their respective range, 36.8 percent fell into Quartile 2, 36.8 percent fell into Quartile 3, and 5.3 percent fell into Quartile 4. Also, average tenure was inconsistent through the quartiles: the average tenure in Quartile 1 was 7.2 years; increased to 13.5 years in Quartile 2; decreased to 9.4 years in Quartile 3; and decreased to 7.4 years in Quartile 4.

As displayed **Exhibit 2M**, 31.3 percent of police officers fell into Quartile 1 of their respective range, 56.3 percent fell into Quartile 2, 6.3 percent fell into Quartile 3, and 6.3 percent fell into Quartile 4. Also, average tenure was inconsistent through the quartiles: the average tenure in Quartile 1 was 2.0 years, increased to 7.4 years in Quartile 2; increased to 19.4 years in Quartile 3; and decreased to 13.7 years in Quartile 4.



**EXHIBIT 2K  
QUARTILE ANALYSIS  
NON-EXEMPT EMPLOYEES**

Grade	Employees	Avg. Tenure	1st Quartile			2nd Quartile			3rd Quartile			4th Quartile		
			#	%	Avg. Tenure	#	%	Avg. Tenure	#	%	Avg. Tenure	#	%	Avg. Tenure
0	2	0.3	2	100.0%	0.3	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
1	8	7.5	8	100.0%	7.5	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
2	3	20.9	0	0.0%	N/A	1	33.3%	8.7	1	33.3%	21.7	1	33.3%	32.4
3	10	5.2	2	20.0%	2.8	4	40.0%	3.1	3	30.0%	6.2	1	10.0%	14.8
4	8	10.4	2	25.0%	1.8	3	37.5%	7.1	1	12.5%	1.6	2	25.0%	28.4
5	3	6.7	0	0.0%	N/A	2	66.7%	6.6	1	33.3%	6.8	0	0.0%	N/A
6	3	18.6	0	0.0%	N/A	1	33.3%	16.9	1	33.3%	3.0	1	33.3%	36.0
<b>Overall</b>	<b>37</b>	<b>8.9</b>	<b>14</b>	<b>37.8%</b>	<b>5.0</b>	<b>11</b>	<b>29.7%</b>	<b>6.7</b>	<b>7</b>	<b>18.9%</b>	<b>7.4</b>	<b>5</b>	<b>13.5%</b>	<b>28.0</b>

**EXHIBIT 2L  
QUARTILE ANALYSIS  
EXEMPT EMPLOYEES**

Grade	Employees	Avg. Tenure	1st Quartile			2nd Quartile			3rd Quartile			4th Quartile		
			#	%	Avg. Tenure	#	%	Avg. Tenure	#	%	Avg. Tenure	#	%	Avg. Tenure
E	8	12.8	0	0.0%	N/A	3	37.5%	19.2	4	50.0%	7.3	0	0.0%	N/A
S	5	6.2	3	60.0%	7.2	0	0.0%	N/A	1	20.0%	2.0	1	20.0%	7.4
A	6	11.9	0	0.0%	N/A	4	66.7%	9.3	2	33.3%	17.2	0	0.0%	N/A
<b>Overall</b>	<b>19</b>	<b>10.8</b>	<b>3</b>	<b>15.8%</b>	<b>7.2</b>	<b>7</b>	<b>36.8%</b>	<b>13.5</b>	<b>7</b>	<b>36.8%</b>	<b>9.4</b>	<b>1</b>	<b>5.3%</b>	<b>7.4</b>

**EXHIBIT 2M  
QUARTILE ANALYSIS  
POLICE OFFICERS**

Employees	Avg. Tenure	1st Quartile			2nd Quartile			3rd Quartile			4th Quartile		
		#	%	Avg. Tenure	#	%	Avg. Tenure	#	%	Avg. Tenure	#	%	Avg. Tenure
16	6.9	5	31.3%	2.0	9	56.3%	7.4	1	6.3%	19.4	1	6.3%	13.7

## 2.4 DEPARTMENT DISTRIBUTION

As of September 2020, the Town employed 74 employees across eight different departments. The following analysis was intended to provide basic information regarding how employees were distributed among departments.

Exhibit 2N depicts the number of classifications that were present in each department, along with the number and overall percentage of total employees by department. As illustrated, the largest department (in terms of employees) was Police, with 22 employees representing 30.6 percent of the Town's workforce.

**EXHIBIT 2N  
EMPLOYEES AND CLASSIFICATIONS BY DEPARTMENT**

Department	Employees	Classifications	% of Total
Administration	5	4	6.9%
Building	1	1	1.4%
Parks and Recreation	16*	7*	20.8%
Police	22	6	30.6%
Public Works	8*	6*	9.7%
Solid Waste	6*	3*	6.9%
Support Services	8	6	11.1%
Water	10*	8*	12.5%
<b>Overall</b>	<b>74</b>	<b>41†</b>	<b>100.0%</b>

\* Two employees work in multiple departments.

† There are a total of 51 classification titles in the Town. The total displayed here differs due to vacant and duplicate classifications across departments.

## 2.5 SUMMARY

The information contained in this chapter identifies a number of strengths and weaknesses related to the overall structure of the compensation system for all Town employees, as well as the administration of it at the individual employee level. Notably, the following was found:

- **Pay Scales** – The pay scales utilized by the Town had inconsistent range spreads (the distance between the pay range minimum and maximum) and midpoint progressions (the distance between the midpoints of adjacent pay ranges). Best practice would indicate a more uniform or structured design of range spreads and midpoint progressions.
- **Salary Distribution** – The vast majority of non-exempt employee and Police Officer salaries were clustered below their respective pay range midpoints; exempt employee salaries were distributed above and below their respective pay range midpoints.

This analysis acted as a starting point for the development of recommendations in this report. Paired with market data, Evergreen was able to make recommendations that will ensure that the compensation system for the Town is structurally sound, competitive with the market, and equitable.



## Chapter 3 – Salary Survey Summary

This chapter focuses on the external salary survey conducted by Evergreen. Conducting a salary comparison analysis such as this determines the relative competitive market position of the Town's compensation system. This was accomplished by examining the pay ranges of peers in the respective labor market. Data collected were used to analyze overall market competitiveness, as well as to develop compensation recommendations that will assist in recruiting and retaining talented employees. This was not used for evaluating salaries at the individual level—as individual pay is determined through a combination of factors, which can include demand for the type of job, prior related experience, a candidate's negotiation skills, and budgetary concerns.

Salary comparisons should be considered a snapshot of current market conditions, as the data collected are reflective of market information at the time of the study. Market conditions can change quickly and surveys should be completed at regular intervals to ensure the Town's compensation structure remains up-to-date with the current market.

### **3.1 SURVEY DATA SOURCES**

Evergreen collected pay range information from target organizations in the Town's competitive market using a customized market survey tool. The development of this tool included identifying that all Town classifications would be surveyed. Each classification title, a description of assigned duties, and the education and experience requirements were provided to the peers in the survey tool.

Peers were asked to provide the classification title in their organization that best matched the given essential job functions and education/experience requirements of each title in the Town; Evergreen's goal was to ensure at least a 70 percent match of responsibilities. Data were collected from organizations that were selected based on several factors, including: similar service offerings, proximity to the Town, organizations the Town has lost employees to or has the potential to lose employees to, and organizations the Town competes with for job applicants. Salary data were obtained from 15 peers, as shown in **Exhibit 3A**.



**EXHIBIT 3A**  
**DATA COLLECTED**

Market Peers
City of Clearwater
City of Dunedin
City of Gulfport
City of Indian Rocks Beach
City of Largo
City of Madeira Beach
City of Oldsmar
City of Pinellas Park
City of Safety Harbor
City of Seminole
City of South Pasadena
City of St. Pete Beach
City of St. Petersburg
City of Treasure Island
Pinellas County

### 3.2 PAY RANGE DATA

Evergreen was able to compare the ranges of the Town’s classifications to the pay ranges collected from the target organizations identified in **Exhibit 3A**. The market differentials and the percentage difference between the Town and the market are shown in **Exhibit 3B** for survey market range minimum, midpoint, and maximum. A positive differential indicates the Town was above market for that classification at the range minimum, midpoint, or maximum; a negative differential indicates that it is below market for that classification at that range position. The differentials do not necessarily mean incumbents are overpaid or underpaid in their classifications, but simply display the difference between the pay range and the average of the pay range data collected from the market peers.

**Exhibit 3B** provides a summary of the results at the market average for each comparison point. The exhibit contains the following information:

- each of the classifications (49) that received four or more peer pay range responses;

- the resulting market pay range information for each, including the average of the peer responses for the pay range minimum, midpoint, and maximum;
- a percentage differential between the Town’s current pay ranges and average market ranges for each classification;
- the survey average range spread (the difference between the pay range minimum and maximum);
- the overall average percent differential for pay range minimum, midpoint, and maximum; and
- the total number of survey responses for each classification and the average number of responses for all classifications.



**EXHIBIT 3B  
AVERAGE MARKET PAY RANGES**

Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Avg. Range Spread	Number of Responses
	Average	% Diff	Average	% Diff	Average	% Diff		
Accounting Clerk I - Payables	\$33,636.75	-9.2%	\$42,435.57	-8.5%	\$51,234.40	-8.0%	52.3%	9
Accounting Clerk I - Utility Billing	\$31,754.38	-3.4%	\$40,222.93	-3.1%	\$48,691.48	-2.9%	53.3%	11
Accounting Clerk II	\$35,506.14	4.9%	\$45,657.01	17.6%	\$55,807.89	24.9%	57.2%	7
Administrative Assistant	\$34,964.00	-13.0%	\$45,478.26	-15.4%	\$55,992.51	-16.8%	60.1%	10
Assistant Finance Director	\$71,011.05	-57.8%	\$90,455.09	-43.7%	\$109,899.13	-35.4%	54.8%	9
Assistant Town Manager	\$110,458.96	-83.6%	\$140,642.20	-45.6%	\$170,825.43	-26.0%	54.7%	7
Building and Zoning Technician	\$32,906.51	12.5%	\$41,543.82	26.9%	\$50,181.14	35.2%	52.5%	9
Building Maintenance	\$28,919.85	-8.7%	\$36,508.31	-11.7%	\$44,096.77	-13.7%	52.5%	10
Construction Project Supervisor	\$52,635.93	-29.4%	\$67,507.66	-15.1%	\$82,379.39	-6.9%	56.5%	7
Customer Service Clerk	\$30,771.48	-10.0%	\$39,415.30	-10.8%	\$48,059.12	-11.3%	56.2%	7
Director of Public Works and Parks and Recreation	\$84,634.39	-60.5%	\$107,691.13	-19.7%	\$130,747.88	0.6%	54.5%	12
Director of Solid Waste	\$67,697.08	-39.6%	\$88,004.13	0.5%	\$108,311.17	19.3%	60.0%	4
Director of Water Utilities	\$77,925.66	-52.9%	\$99,709.12	-12.0%	\$121,492.58	7.9%	55.9%	7
Executive Secretary	\$34,264.32	-11.0%	\$43,939.30	-11.9%	\$53,614.28	-12.5%	56.5%	10
Facilities and Safety Supervisor	\$45,350.59	-14.7%	\$59,017.21	-1.7%	\$72,683.83	5.6%	60.3%	6
Foreman - Parks and Streets	\$41,792.75	-25.9%	\$53,646.09	-23.9%	\$65,499.43	-22.7%	56.7%	8
Human Resources and Risk Management Coordinator	\$51,942.96	-32.8%	\$67,761.06	-21.7%	\$83,579.17	-15.4%	60.9%	8
IT Technician	\$41,789.51	-30.6%	\$53,386.69	-28.2%	\$64,983.88	-26.7%	55.5%	8
Management Analyst I	\$49,894.59	-28.9%	\$63,345.90	-15.1%	\$76,797.20	-6.9%	53.9%	6
Meter Reader	\$29,839.58	-11.8%	\$37,966.17	-15.6%	\$46,092.75	-18.1%	54.5%	8
Parks Maintenance Worker I	\$27,306.06	-3.0%	\$34,435.87	-5.9%	\$41,565.69	-7.8%	52.2%	13
Parks Maintenance Worker II	\$30,830.52	-10.2%	\$38,691.26	-9.0%	\$46,552.00	-8.1%	51.0%	14
Part-time Parks Laborer	\$12.24	-21.6%	\$15.49	-16.3%	\$18.74	-10.4%	53.1%	6
Part-time Seasonal Camp Counselor	\$11.00	-11.0%	\$13.45	-2.3%	\$15.91	6.0%	44.6%	5
Police Chief	\$109,747.63	-83.1%	\$137,343.93	-43.3%	\$164,940.24	-22.6%	50.3%	6
Police Lieutenant	\$93,105.20	-69.0%	\$105,600.10	-17.7%	\$118,094.99	10.7%	26.8%	5
Police Officer	\$52,256.59	-8.5%	\$65,340.58	-8.6%	\$78,424.57	-8.7%	50.1%	6
Public Services Manager	\$57,347.00	-37.7%	\$73,851.18	-24.0%	\$90,355.36	-16.1%	57.6%	4



**EXHIBIT 3B (Continued)  
AVERAGE MARKET PAY RANGES**

Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Avg. Range Spread	Number of Responses
	Average	% Diff	Average	% Diff	Average	% Diff		
Public Works Operational Supervisor	\$49,777.46	-23.9%	\$63,152.84	-8.5%	\$76,528.22	0.5%	53.7%	5
Recreation Leader I	\$26,940.24	-6.5%	\$34,147.85	-3.3%	\$41,355.46	-1.2%	53.5%	8
Recreation Leader II	\$30,733.38	-14.8%	\$39,165.26	-18.7%	\$47,597.14	-21.3%	54.9%	9
Recreation Programmer I	\$36,285.87	-16.7%	\$46,155.13	-16.8%	\$56,024.40	-16.9%	54.4%	9
Recreation Programmer II (Rentals and Sports Leagues)	\$38,937.01	-23.7%	\$49,383.64	-20.6%	\$59,830.27	-18.6%	53.7%	4
Recreation Programmer II (Youth and Adult Programs)	\$38,937.01	-23.7%	\$49,383.64	-20.6%	\$59,830.27	-18.6%	53.7%	4
Recreation Supervisor	\$46,931.59	-18.1%	\$60,201.85	-3.7%	\$73,472.12	4.5%	56.6%	10
Refuse Collector	\$29,515.29	-5.9%	\$37,690.27	-6.4%	\$45,865.24	-6.7%	55.4%	7
Solid Waste Foreman	\$37,148.30	-14.2%	\$47,660.13	-12.2%	\$58,171.97	-10.9%	56.6%	7
Special Events Coordinator	\$43,016.07	-14.3%	\$56,056.53	-2.9%	\$69,096.99	3.6%	60.6%	5
Stormwater Maintenance Foreman	\$41,244.21	-24.6%	\$52,422.44	-21.6%	\$63,600.67	-19.8%	54.2%	11
Stormwater Maintenance I	\$30,227.68	-8.3%	\$38,392.25	-8.2%	\$46,556.81	-8.2%	54.0%	9
Stormwater Maintenance II	\$33,128.68	-7.7%	\$42,378.10	-8.3%	\$51,627.52	-8.7%	55.8%	11
Stormwater Maintenance Lead Worker	\$35,920.67	-15.7%	\$45,218.18	-11.8%	\$54,515.68	-9.3%	51.8%	8
Town Clerk	\$71,051.15	-44.2%	\$90,961.85	-2.8%	\$110,872.56	17.0%	56.0%	10
Utility Maintenance I	\$31,016.92	-10.8%	\$39,436.88	-10.9%	\$47,856.83	-10.9%	54.3%	10
Utility Maintenance II	\$35,196.64	-13.7%	\$45,052.62	-14.4%	\$54,908.60	-14.9%	56.0%	8
Water Treatment Plant Operator I	\$39,062.99	-24.0%	\$48,801.69	-19.4%	\$58,540.39	-16.4%	49.9%	6
Water Treatment Plant Operator II	\$40,977.95	-23.9%	\$51,920.86	-20.7%	\$62,863.77	-18.6%	53.4%	7
Water Treatment Plant Operator Trainee	\$32,485.82	-5.7%	\$40,793.26	-4.5%	\$49,100.69	-3.7%	51.1%	6
Water Utilities Foreman	\$41,670.73	-25.6%	\$53,661.76	-23.9%	\$65,652.80	-22.9%	57.6%	10
<b>Overall Average</b>		<b>-23.1%</b>		<b>-13.1%</b>		<b>-7.7%</b>	<b>54.1%</b>	<b>7.9</b>

### Market Minimums

A starting point of the analysis is to compare the average market minimum for each classification to the Town's pay range minimums. Market minimums are generally considered as an entry-level salary for employees who meet the minimum qualifications of a classification. Employees with salaries at or near the range minimums are less likely to have mastered the job and would have not acquired the skills and experience necessary to be fully proficient in their classification.

**Exhibit 3B** illustrates that the Town was, overall, approximately 23.1 percent below market at the minimum of their respective pay ranges for all surveyed classifications. Several conclusions can be drawn based on the collected data:

- The surveyed position differentials range from 83.6 percent below market minimum for the Assistant Town Manager classification to 12.5 percent above market for the Building and Zoning Technician classification.
- Of the 49 classifications with market minimum percentage differentials, 47 (95.9 percent) are below market at the minimum, while the remaining two (4.1 percent) were above market at the minimum of surveyed pay ranges.

### Market Midpoints

This subsection explores the comparison between average peer midpoints and the midpoints for classifications in the Town. Market midpoints are important to consider as they are commonly recognized as the salary point at which employees have achieved full proficiency, and are performing satisfactorily in their classification.

**Exhibit 3B** illustrates that the Town was, overall, approximately 13.1 percent below market at the midpoint of the respective pay ranges for all surveyed classifications. Based on the collected data, the following observations can be made:

- The surveyed position differentials range from 45.6 percent below market midpoint for the Assistant Town Manager classification to 26.9 percent above market for the Building and Zoning Technician classification.
- Of the 49 classifications with market midpoint percentage differentials, 46 (93.9 percent) were below market at the midpoint, while the remaining three (6.1 percent) were above market at the midpoint of surveyed pay ranges.

### Market Maximums

The peer pay range maximums are compared to the Town's range maximums for each surveyed 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 incumbents. Additionally, being competitive at the maximum allows organizations to retain highly qualified employees in classifications that are difficult to fill.

**Exhibit 3B** illustrates that the Town was, overall, approximately 7.7 percent below market at the maximum of the respective pay ranges for all surveyed classifications. Based on the collected data, the following observations can be made:

- The surveyed position differentials range from 35.4 percent below market maximum for the Assistant Finance Director classification to 35.2 percent above market for the Building and Zoning Technician classification.
- Of the 49 classifications with market maximum percentage differentials, 37 (75.5 percent) were below market at the maximum and 12 (24.5 percent) were above market at the maximum of surveyed pay ranges.

### **Range Spreads**

Range spreads (the width of pay ranges) allow for flexibility when determining hiring salaries, indicate the room for growth within a classification, and provide a metric for which the Town can compare its current compensation structure to the rest of the market.

**Exhibit 3B** shows the average market range spreads (the difference between the pay range minimum and maximum) for each of the surveyed positions. The average market range spread across the pay ranges of all surveyed positions was 54.1 percent. The market range spreads varied between 26.8 percent for the Police Lieutenant classification and 60.9 percent for the Human Resources and Risk Management Coordinator classification. Overall, the Town has much broader range spreads—overall average of 86.2 percent—compared to the market. This difference in range spreads explains how the organization’s gap with the market decreases from 23.1 percent below at the minimum to 7.7 percent below at the maximum.

## **3.3 SUMMARY**

From the analysis of the data gathered in the external labor market assessment, it can be concluded that the Town’s salary scale, was, at the time of the study:

- Approximately 23.1 percent below the overall market minimum, 13.1 percent below the overall market midpoint, and 7.7 percent below the overall market maximum of pay ranges of surveyed positions.
- Above the market average range spread—with an average across all surveyed positions of 54.1 percent, compared with the 86.2 percent spread found among the Town’s pay ranges. Best practice suggests that pay ranges are typically between 50 and 70 percent.

Information gained from the salary survey was used, along with current environmental factors (such as budget and discretionary benefit contributions), to develop a recommended compensation system that places the Town in a strong position to stay competitive in today’s market. It is important to note that the market data presented here were not the only criteria for recommendations. Other factors, including internal hierarchy (e.g. the hierarchy of classifications within the Town) were also carefully considered in producing recommendations. A discussion of a proposed pay system and recommendations can be found in **Chapter 5** of this report.

## Chapter 4 – Benefits Survey Summary

Evergreen conducted a benefits survey concurrent with the market salary survey. A benefits survey, much like a salary evaluation, represents a snapshot in time of what is available in peer organizations and provides an organization with a complete understanding of the total compensation package (salary and benefits) offered by its peers.

This information should be used as a cursory overview and not a line-by-line comparison, since benefits can be weighted differently depending on the importance to the organization. Also, benefits are usually negotiated and acquired through third-parties, so one-to-one comparisons can be difficult. The analysis in this chapter highlights aspects of the benefits survey that provide pertinent information that can be considered reliably representative of market conditions.

As shown in **Exhibit 4A**, benefits data were obtained from 13 organizations.

### EXHIBIT 4A BENEFITS DATA COLLECTED

Market Peers
City of Clearwater
City of Dunedin
City of Gulfport
City of Indian Rocks Beach
City of Madeira Beach
City of Oldsmar
City of Pinellas Park
City of Safety Harbor
City of Seminole
City of South Pasadena
City of St. Pete Beach
City of St. Petersburg
Pinellas County

## 4.1 INSURANCE COVERAGES

### Health

Responding peers provided an average of 2.2 health plan options (any combination of HMO, PPO, or other type of health plan) to their employees. Among responding peers, 46.2 provided their employees with a HMO (Health Maintenance Organization) plan, 46.2 offered a PPO (Preferred Provider Organization) plan, and 38.5 percent offered a different type of plan, such as a Point-of-Service (POS) plan or an Open Access Plan (OAP).

As shown in **Exhibit 4B**, 46.2 percent of responding peers provided their employees with an HMO plan, which is compared with the plan offered by the Town. Employer contributions to monthly premiums ranged from \$840.07 (95.8 percent of total costs) for employee-only coverage to \$1,542.77 (69.3 percent of total costs) for employee-plus-family coverage. Average maximum in-network deductibles ranged from \$1,666.67 for employee-only coverage to \$4,000.00 for employee-plus-family coverage.

By comparison, the Town offered a single HMO plan. The Town contributed \$864.78 for all types of coverage, which ranged from 100 percent of total costs for employee-only coverage to 34.1 percent of total costs for employee-plus-family coverage.

**Exhibit 4C** displays data on the PPO plans offered by 46.2 percent of responding peers, compared with the plan offered by the Town. As shown in the exhibit, employer contributions to monthly premiums ranged from \$696.84 (98.6 percent of total costs) for employee-only coverage to \$868.52 (49.4 percent of total costs) for employee-plus-family coverage. Average maximum in-network deductibles ranged from \$1,535.71 for employee-only coverage to \$3,107.14 for employee-plus-family coverage; average maximum out-of-network deductibles ranged from \$3,208.33 for employee-only coverage to \$5,791.67 for employee-plus-family coverage.

The Town, by comparison, offered two PPO plans to its employees. For both plans, the Town contributed the full cost of coverage for employee-only coverage and \$864.78 for additional coverage (i.e., dependents, spouse, and family). While one plan featured lower employee premiums compared to peers, its deductibles were higher; the opposite applied to the other plan.

As shown in **Exhibit 4D**, 38.5 percent of responding peers provided their employees with some other type of health plan, compared with the plan offered by the Town. The most common types of plans offered by peers included POS, OAP, and high deductible health plans (HDHP). Employer contributions to monthly premiums ranged from \$586.78 (83.6 percent of total costs) for employee-only coverage to \$1,519.60 (74.0 percent of total costs) for employee-plus-family coverage. Average maximum in-network deductibles ranged from \$2,871.43 for employee-only coverage to \$5,742.86 for employee-plus-family coverage; average maximum out-of-network deductibles ranged from \$4,250.00 for employee-only coverage to \$8,500.00 for employee-plus-family coverage.

By comparison, the Town offered a single HDHP plan, which featured a Health Savings Account (HSA). The Town contributed \$864.09 for all levels of coverage, which ranged from 100 percent of total costs for employee-only coverage to 42.7 percent of total costs for employee-plus-family coverage. Maximum in-network deductibles ranged from \$2,500 for employee-only coverage to \$5,000 for employee-plus-family coverage; average maximum out-of-network deductibles ranged from \$5,000 for employee-only coverage to \$10,000 for employee-plus-family coverage.

**EXHIBIT 4B  
COMPARISON OF HMO PLANS**

Health Plan Premiums & Deductibles	Peer Average	Belleair
Percentage of peers offering each plan	46.2%	HMO 55
Dollar amount (monthly) of employee premium paid by employer	\$840.07	\$864.78
Percentage (monthly) of employee premium paid by employer	95.8%	100.0%
Dollar amount (monthly) of employee premium paid by employee	\$37.17	\$0.00
Percentage (monthly) of employee premium paid by employee	4.2%	0.0%
Individual maximum deductible in-network	\$1,666.67	\$0.00
Individual maximum deductible out-of-network	N/A	N/A
Dollar amount (monthly) of employee plus dependent premium paid by employer	\$1,179.27	\$864.78
Percentage (monthly) of employee plus dependent premium paid by employer	78.1%	53.9%
Dollar amount (monthly) of employee plus dependent premium paid by employee	\$330.40	\$739.07
Percentage (monthly) of employee plus dependent premium paid by employee	21.9%	46.1%
Employee plus dependent maximum deductible in-network	\$1,750.00	\$0.00
Employee plus dependent maximum deductible out-of-network	N/A	N/A
Dollar amount (monthly) of employee plus spouse premium paid by employer	\$1,230.15	\$864.78
Percentage (monthly) of employee plus spouse premium paid by employer	74.9%	42.4%
Dollar amount (monthly) of employee plus spouse premium paid by employee	\$412.72	\$1,176.51
Percentage (monthly) of employee plus spouse premium paid by employee	25.1%	57.6%
Employee plus spouse maximum deductible in-network	\$1,750.00	\$0.00
Employee plus spouse maximum deductible out-of-network	N/A	N/A
Dollar amount (monthly) of employee plus family premium paid by employer	\$1,542.77	\$864.78
Percentage (monthly) of employee plus family premium paid by employer	69.3%	34.1%
Dollar amount (monthly) of employee plus family premium paid by employee	\$682.57	\$1,668.76
Percentage (monthly) of employee plus family premium paid by employee	30.7%	65.9%
Employee plus family maximum deductible in-network	\$4,000.00	\$0.00
Employee plus family maximum deductible out-of-network	N/A	N/A

**EXHIBIT 4C  
COMPARISON OF PPO PLANS**

Health Plan Premiums & Deductibles	Peer Average	Belleair	
Percentage of peers offering each plan	46.2%	PP0727	PPO Obamacare
Dollar amount (monthly) of employee premium paid by employer	\$696.84	\$790.63	\$639.71
Percentage (monthly) of employee premium paid by employer	98.6%	100.0%	100.0%
Dollar amount (monthly) of employee premium paid by employee	\$10.02	\$0.00	\$0.00
Percentage (monthly) of employee premium paid by employee	1.4%	0.0%	0.0%
Individual maximum deductible in-network	\$1,535.71	\$500.00	\$2,000.00
Individual maximum deductible out-of-network	\$3,208.33	Combined with in-network	\$6,000.00
Dollar amount (monthly) of employee plus dependent premium paid by employer	\$809.34	\$864.78	\$864.78
Percentage (monthly) of employee plus dependent premium paid by employer	66.1%	58.6%	72.9%
Dollar amount (monthly) of employee plus dependent premium paid by employee	\$414.83	\$612.05	\$321.64
Percentage (monthly) of employee plus dependent premium paid by employee	33.9%	41.4%	27.1%
Employee plus dependent maximum deductible in-network	\$3,125.00	\$1,000.00	\$4,000.00
Employee plus dependent maximum deductible out-of-network	\$5,791.67	Combined with in-network	\$12,000.00
Dollar amount (monthly) of employee plus spouse premium paid by employer	\$809.34	\$864.78	\$864.78
Percentage (monthly) of employee plus spouse premium paid by employer	59.2%	45.9%	57.3%
Dollar amount (monthly) of employee plus spouse premium paid by employee	\$557.82	\$1,018.39	\$645.24
Percentage (monthly) of employee plus spouse premium paid by employee	40.8%	54.1%	42.7%
Employee plus spouse maximum deductible in-network	\$3,125.00	\$1,000.00	\$4,000.00
Employee plus spouse maximum deductible out-of-network	\$5,791.67	Combined with in-network	\$12,000.00
Dollar amount (monthly) of employee plus family premium paid by employer	\$868.52	\$864.78	\$864.78
Percentage (monthly) of employee plus family premium paid by employer	49.4%	37.0%	46.1%
Dollar amount (monthly) of employee plus family premium paid by employee	\$888.65	\$1,475.23	\$1,009.40
Percentage (monthly) of employee plus family premium paid by employee	50.6%	63.0%	53.9%
Employee plus family maximum deductible in-network	\$3,107.14	\$1,500.00	\$6,000.00
Employee plus family maximum deductible out-of-network	\$5,791.67	Combined with in-network	\$18,000.00

**EXHIBIT 4D  
COMPARISON OF OTHER HEALTH PLANS**

Health Plan Premiums & Deductibles	Peer Average	Belleair
Percentage of peers offering each plan	38.5%	H.S.A/HDHP
Dollar amount (monthly) of employee premium paid by employer	\$586.78	\$684.09
Percentage (monthly) of employee premium paid by employer	83.6%	100.0%
Dollar amount (monthly) of employee premium paid by employee	\$115.02	\$0.00
Percentage (monthly) of employee premium paid by employee	16.4%	0.0%
Individual maximum deductible in-network	\$2,871.43	\$2,500.00
Individual maximum deductible out-of-network	\$4,250.00	\$5,000.00
Dollar amount (monthly) of employee plus dependent premium paid by employer	\$332.34	\$864.78
Percentage (monthly) of employee plus dependent premium paid by employer	23.1%	67.7%
Dollar amount (monthly) of employee plus dependent premium paid by employee	\$1,105.78	\$412.99
Percentage (monthly) of employee plus dependent premium paid by employee	76.9%	32.3%
Employee plus dependent maximum deductible in-network	*	\$5,000.00
Employee plus dependent maximum deductible out-of-network	*	\$10,000.00
Dollar amount (monthly) of employee plus spouse premium paid by employer	\$1,105.78	\$864.78
Percentage (monthly) of employee plus spouse premium paid by employer	76.2%	53.1%
Dollar amount (monthly) of employee plus spouse premium paid by employee	\$345.18	\$764.60
Percentage (monthly) of employee plus spouse premium paid by employee	23.8%	46.9%
Employee plus spouse maximum deductible in-network	*	\$5,000.00
Employee plus spouse maximum deductible out-of-network	*	\$10,000.00
Dollar amount (monthly) of employee plus family premium paid by employer	\$1,519.60	\$864.78
Percentage (monthly) of employee plus family premium paid by employer	74.0%	42.7%
Dollar amount (monthly) of employee plus family premium paid by employee	\$534.46	\$1,159.91
Percentage (monthly) of employee plus family premium paid by employee	26.0%	57.3%
Employee plus family maximum deductible in-network	\$5,742.86	\$5,000.00
Employee plus family maximum deductible out-of-network	\$8,500.00	\$10,000.00

\* Insufficient data were obtained to calculate an average that is reliably indicative of the market



## Dental

Peers were also surveyed regarding other forms of insurance coverage, such as dental. **Exhibit 4E** shows that 60.0 percent of responding peers provided an average of one employer-paid plan. Average monthly employer premiums ranged from \$30.18 for employee-only coverage to \$38.13 for employee-plus-family coverage. The exhibit also shows that all peers provided an average of 1.8 employee-paid plans, with employee premiums ranging from \$3.11 for employee-only coverage to \$54.34 for employee-plus-family coverage.

By comparison, the Town provided a single employee-paid dental plan. Premiums paid by employees ranged from \$33.76 for employee-only coverage to \$108.04 for employee-plus-family coverage.

**EXHIBIT 4E  
COMPARISON OF DENTAL PLANS**

Dental Insurance	Offered?	Average Number of Plans Offered	Average Maximum Monthly Amount for Employee-Only Coverage	Average Maximum Monthly Amount for Employee-plus-Family Coverage
Employer Paid	60.0%	1.0	\$30.18	\$38.13
Belleair	No	N/A	N/A	N/A
Employee Paid	76.9%	1.8	\$3.11	\$54.34
Belleair	Yes	2.0	\$33.76	\$108.04

## Vision

**Exhibit 4F** shows that 30.0 percent of responding peers provided an average of one employer-paid vision insurance plan. Insufficient data were gathered sufficient to calculate valid market averages for premiums. The exhibit also shows that 83.3 percent of peers provided an average of 1.1 employee-paid plans, with employee premiums ranging from \$4.41 for employee-only coverage to \$13.47 for employee-plus-family coverage.

By comparison, the Town offered a single employee-paid plan. Premiums paid by employees ranged from \$5.24 for employee-only coverage to \$16.20 for employee-plus-family coverage.

**EXHIBIT 4F  
COMPARISON OF VISION PLANS**

Vision Insurance	Offered?	Average Number of Plans Offered	Average Maximum Monthly Amount for Employee-Only Coverage	Average Maximum Monthly Amount for Employee-plus-Family Coverage
Employer Paid	30.0%	1.0	*	*
Belleair	No	N/A	N/A	N/A
Employee Paid	83.3%	1.1	\$4.41	\$13.47
Belleair	Yes	1.0	\$5.24	\$16.20

\* Insufficient data obtained necessary to calculated a valid market average

**Disability**

**Exhibit 4G** displays information comparing peer disability insurance offerings to the Town’s disability insurance offerings. For short-term disability insurance, 44.4 percent of peers provide employer-paid coverage, while 37.5 percent provide employee-paid coverage. For long-term disability insurance, 55.6 percent of responding peers provide employer-paid coverage and 62.5 percent provide employee-paid coverage. The benefit amount averaged 60 percent, except for employer-paid long-term coverage which averaged 62 percent.

By comparison, the Town offered both employee-paid short-term and long-term coverage; the benefits amount was 60 percent of the employee’ salary.

**EXHIBIT 4G  
COMPARISON OF DISABILITY INSURANCE**

Disability Coverage		Offered?	Percentage of Salary the Employee Receives
Short-Term Disability	Employer Paid	44.4%	60%
	Belleair	No	N/A
	Employee Paid	37.5%	60%
	Belleair	Yes	60%
Long-Term Disability	Employer Paid	55.6%	62%
	Belleair	No	N/A
	Employee Paid	62.5%	60%
	Belleair	Yes	60%

**Life**

**Exhibit 4H** displays the comparisons of life insurance offerings between the Town and peer organizations. Employer-paid life insurance was provided by all peers, as well as the Town. The cost to the employer for life insurance often varied for each peer. The dollar amount of death benefit among peers averaged \$32,500, compared with \$50,000 for the Town; for many peers, the death benefit amount was a function of the employee’s salary. Among responding peers, 92.3 offered optional dependent coverage, as well as additional insurance coverage; all peers provided accidental death insurance. By comparison, the Town offered all three.

**EXHIBIT 4H  
COMPARISON OF LIFE INSURANCE**

Life Insurance	Peer Average	Belleair
Is employer-paid life insurance offered?	100.0%	Yes
Cost (monthly) to employer for individual coverage	*	\$17.00
Dollar amount of death benefit	\$32,500	\$50,000
Is optional dependent coverage offered?	92.3%	Yes
Can the employee purchase additional life insurance if desired?	92.3%	Yes
Is accidental death insurance provided?	100.0%	Yes

\* Varied for most peers and made the calculation of a valid and reliable market average impossible

## 4.2 RETIREMENT

Market peers were also surveyed regarding their retirement options. Among responding peers, 44.4 participated in the Florida Retirement System (FRS) and 75.0 offered a retirement option other than FRS to their general employees. **Exhibit 4I** displays the retirement offerings provided by the Town and its peers for general employees. As shown, responding peers provided an average of 1.3 plans to their general employees; the Town provided a single option—a 401k—which featured higher contributions by both the Town and employees when compared with peers. Unlike 60.0 percent of peer offerings, however, the 401k did not feature a disability provision.

**EXHIBIT 4I  
COMPARISON OF GENERAL RETIREMENT PLANS**

Retirement Details	Peer Average	Belleair
Number of retirement plans offered	1.3	<b>401k</b>
Number of years required to fully vest	5.2	3.0
Is a COLA offered to retiree pensions?	0.0%	No
If offered, does COLA vary?	0.0%	N/A
Does the retirement plan offer a disability provision?	60.0%	No
Percent of salary the organization contributes to retirement option	7.9%	9.0%
Percent of salary the employee contributes to retirement option	1.8%	3.0%

**Exhibit 4J** displays the retirement offerings provided by the Town and its peers for public safety employees. As shown, responding peers provided an average of 1.2 plans to their public safety employees. The Town, by comparison, offered a pension to its sworn police employees (two plans based on year of hire) which was fairly comparable with peer plans, although employer contributions were lower.

**EXHIBIT 4J  
COMPARISON OF PUBLIC SAFETY RETIREMENT PLANS**

Retirement Details	Peer Average	Belleair	
		Police Pension (2020 and after)	Police Pension (before 2020)
Number of retirement plans offered	1.2		
Number of years required to fully vest	10.0	10.0	5.0
Is a COLA offered to retiree pensions?	33.3%	No	No
If offered, does COLA vary?	33.3%	N/A	N/A
Does the retirement plan offer a disability provision?	100.0%	Yes	Yes
Percent of salary the organization contributes to retirement option	15.1%	N/A*	N/A†
Percent of salary the employee contributes to retirement option	7.2%	8.0%	6.0%

\* Benefit is 3.0% of average final earnings per year of credited service

† Benefit is 3.5% of average final earnings per year of credited service

**Exhibit 4K** also shows other retirement options provided by the Town and its peers—66.7 percent of responding peers provide a Deferred Retirement Option Plan (DROP); 83.3 percent offer either a 401k, 401a, 403(b), or 457 plan, and half offer some other type of plan. In addition to the plan shown in **Exhibit 4I**, the Town also offered a 457, Roth IRA, and a Retirement Health Savings account.

**EXHIBIT 4K  
COMPARISON OF OTHER RETIREMENT PLANS**

Other Retirement Options		Offered?
Deferred Retirement Option Plan (DROP)	Peer Average	66.7%
	Belleair	No
401k, 401a, 403(b), or 457	Peer Average	83.3%
	Belleair	Yes*
Other	Peer Average	50.0%
	Belleair	Yes†

\* 401k and 457

† Roth IRA and Retirement Health Savings account

**Exhibit 4L** shows a comparison of the benefits provided to retirees between the Town and its peers. As shown, 83.3 percent of responding peers provided their retirees with health insurance, 85.7 percent provided dental insurance, 66.7 percent provided vision insurance, and 66.7 percent provided life insurance. By comparison, the Town offered retiree health, dental, vision, and life insurance at the cost of the retiree.

**EXHIBIT 4L  
RETIREE BENEFITS**

Insurance for Retirees	Peer Average	Belleair
Is health insurance offered?	83.3%	Yes*
Is dental insurance offered?	85.7%	Yes*
Is vision insurance offered?	66.7%	Yes*
Is life insurance offered?	66.7%	Yes*

\* Coverage is at the cost of the retiree

**4.3 LEAVE**

**Sick Leave**

As displayed in **Exhibit 4M**, all responding peers provided sick leave. The average monthly accrual rate was 7.6 hours which began immediately after employment and peers capped sick leave at 93 hours per year, on average. By comparison, the Town offered their employees more sick leave—the monthly accrual rate was 8.0 hours and was capped at 96 hours per year.

## Vacation Leave

**Exhibit 4M** shows that all responding peers also provided vacation leave. The average minimum monthly accrual rate was 7.1 hours, which began immediately after employment, and the average maximum monthly accrual rate was 15.0 hours which began on average after 14.4 years of employment; on average, peers capped vacation leave at 206.5 hours per year.

By comparison, the Town provided less vacation leave. The minimum monthly accrual rate was 6.7 hours, which began immediately after employment, and the maximum monthly accrual rate was 13.3 hours which began on average after 16 years of employment; vacation leave was capped at 160 hours per year.

## Personal Leave

Among responding peers, 62.5 percent provided an average of 2.6 days of personal leave per year. By comparison, the Town offered five days of personal leave per year.

## Leave Payout Upon Separation

**Exhibit 4N** summarizes policies regarding sick and vacation leave payout among peers and in the Town. Sick leave was paid out by 85.7 percent of responding peers upon voluntary separation and 83.3 percent capped payout at an average of 492 hours; 57.1 percent paid out upon involuntary separation and 75.0 percent of those responding positively capped payout. Also, no responding peers allowed unused sick leave to count towards retirement. By comparison, the Town paid out up to 480 hours of unused sick leave upon voluntary separation, but not involuntary separation; up to 480 hours of unused sick leave could be used towards the Town's 401k.

**Exhibit 4M** also shows that vacation leave was paid out by all responding peers upon voluntary separation and 42.9 percent responding positively capped payout; 71.4 percent paid out upon involuntary separation and 40.0 percent of those responding positively capped payout. By comparison, the Town paid up to 240 hours of unused vacation leave upon voluntary and involuntary separation.

**EXHIBIT 4M  
COMPARISON OF LEAVE ACCRUAL**

Leave Accrual		Offered?	Monthly Minimum Accrual Rate (Hours)	Years of Service Required to Begin Accruing at Minimum Rate	Monthly Maximum Accrual Rate (Hours)	Years of Service Required to Begin Accruing at Maximum Rate	Absolute Maximum Total Accrual for a Year (Hours)
Sick Leave	Peer Average	100.0%	7.6	0.0	N/A	N/A	93.0
	Belleair	Yes	8.0	0.0	N/A	N/A	96.0
Vacation Leave	Peer Average	100.0%	7.1	0.0	15.0	14.4	206.5
	Belleair	Yes	6.7	0.0	13.3	16	160.0

**EXHIBIT 4N  
COMPARISON OF PAID LEAVE UPON SEPARATION POLICIES**

Paid Leave Upon Separation		Paid out upon voluntary separation?	If so, are hours capped?	If so, what are the maximum hours?	Paid out upon involuntary separation?	If so, are hours capped?	If so, what are the maximum hours?	Can unused leave count towards retirement?
Sick Leave	Peer Average	85.7%	83.3%	492.0	57.1%	75.0%	*	0.0%
	Belleair	Yes	Yes	480.0	No	N/A	N/A	Yes†
Vacation Leave	Peer Average	100.0%	42.9%	*	71.4%	40.0%	*	
	Belleair	Yes	Yes	240.0	Yes	Yes	240.0	

\* Insufficient data were obtained to calculate an average than is reliably indicative of the market

† Up to 480 hours

**4.4 FRINGE BENEFITS**

As shown in **Exhibit 40**, all responding peers provided their employees with access to an average of 5.2 employee assistance program (EAP) visits; among those responding positively, 83.3 percent extended visits to family members. The Town, by comparison, offered five visits to employees and their family members.

**EXHIBIT 40  
EMPLOYEE ASSISTANCE PROGRAM**

Employee Assistance Program	Peer Average	Belleair
Is an employer-paid Employee Assistance Program offered?	100.0%	Yes
If so, are benefits available to family members, as well as the employee?	83.3%	Yes
Number of annual visits provided?	5.2	5.0

**Exhibit 4P** displays a comparison of tuition reimbursement benefits offered by the town and its peers. Like 88.9 percent of responding peers, the Town offered its employees tuition reimbursement. The benefit amount offered by the Town was \$2,500, whereas the amount among peers often varied based on several factors (e.g., budget, number of credit hours enrolled, etc.).

**EXHIBIT 4P  
TUITION REIMBURSEMENT**

Tuition Reimbursement	Peer Average	Belleair
Is tuition reimbursement offered?	88.9%	Yes
If so, what is the limit?	Varies	\$2,500

As displayed in **Exhibit 4Q**, 20.0 percent of responding peers provided their employees with longevity pay, 80.0 percent provided merit raises, 40.0 percent provided some additional form of compensation (e.g., certification pay), and none provided bonuses. By comparison, the Town provided merit raises and additional incentives on a case-by-case basis to staff receiving certifications.

**EXHIBIT 4Q  
ADDITIONAL FORMS OF PAY**

Additional Pay	Peer Average	Belleair
Longevity Pay	20.0%	No
Merit Raises	80.0%	Yes
Bonuses	0.0%	No
Other	40.0%	Yes

**4.5 PAID HOLIDAYS**

The percentage of peers that offered various paid holidays is shown in **Exhibit 4R**. On average, responding peers offered 11 holidays to employees, compared with the ten offered by the Town.

**EXHIBIT 4R  
COMPARISON OF PAID HOLIDAYS**

Paid Holiday	Peer Average	Belleair
New Year's Day	100.0%	Yes
New Year's Eve	33.3%	No
Martin Luther King, Jr. Day	100.0%	Yes
Lincoln's Birthday	0.0%	No
Washington's Birthday	0.0%	No
Presidents Day	66.7%	No
Good Friday	22.2%	No
Memorial Day	100.0%	Yes
Independence Day	100.0%	Yes
Labor Day	100.0%	Yes
Veteran's Day	88.9%	Yes
Thanksgiving Day	100.0%	Yes
Day after Thanksgiving	100.0%	Yes
Christmas Eve	55.6%	No
Christmas Day	100.0%	Yes
Personal Holiday	28.6%	Yes
Employee Birthday	0.0%	No
<b>Total paid holidays observed</b>	<b>11.0</b>	<b>10.0</b>

**Exhibit 4S** shows that 55.6 percent of responding peers provided straight time holiday pay to their employees, 44.4 percent paid time and a half if the hours worked exceed the maximum for straight time, and none paid time and a half regardless of the hours worked during the pay period. By comparison, the Town paid time and a half regardless of the hours worked during the pay period.

**EXHIBIT 4S  
COMPARISON OF HOLIDAY PAY POLICIES**

Holiday Policies	Peer Average	Belleair
How are employees paid for holidays?		
Straight time	55.6%	No
Time and a half if hours worked exceed maximum for straight time	44.4%	No
Time and a half regardless of hours worked during the pay period	0.0%	Yes



## 4.6 SUMMARY

Thus far, this report has analyzed salaries and benefits in isolation. While these components of compensation may impact employee recruitment and retention, employees often do not consider them in isolation, but rather as components of total compensation.

Based on the comparison of benefits, the Town was found to fall behind the market in several areas. Specifically, the Town was less competitive with employee premiums for health, dental, and vision insurance; retiree benefits; and vacation leave accrual.

The Town should continue to maintain any competitive advantages, while seeking to bolster areas of weakness. By so doing, it will ensure that it is able to recruit and retain quality employees.

## Chapter 5 – Recommendations

The analysis of the Town's compensation system revealed that the benefits offerings were competitive and its pay ranges had some opportunities for improvement. Evergreen worked to build on the strength of the existing pay structure while placing focus on developing a more competitive pay plan that could be implemented as budget conditions permit. Study recommendations, as well as the findings that led to each, are discussed in this chapter.

### 5.1 COMPENSATION SYSTEM

The compensation system analysis consisted primarily of an external market assessment during which the Town's pay ranges for the classifications were compared to the market average. Details regarding the external market assessment were provided in **Chapter 3** and **Chapter 4** of this report. Additionally, internal equity (i.e., the hierarchy of classifications), was considered. Both factors were utilized when developing the recommendations below.

#### FINDING

The Town's salary ranges were behind the average of the current labor market for many of the classifications at the minimum, midpoint, and maximums, thus indicating the current pay plan needed revision to be more competitive. Additionally, all classifications required review for possible re-slotting within the new pay plan to achieve a competitive average market position.

**RECOMMENDATION 1: Implement the revised pay plan with recommended re-slotting of some classifications within the plan based on external analysis and internal hierarchy review; and transitioning employees' salaries into the plan.**

Consistent with the Town's compensation philosophy, new open-range pay plans for non-exempt and exempt employees were created. Based on the market data from **Chapter 3**, new salary ranges were developed for each of the Town's current pay grades. **Exhibit 5A** shows the proposed revised open-range pay plan for non-exempt employees, with 13 pay grades and constant range spreads of 55 percent. It should be noted that the Police Officer classification was assigned a pay grade (range) within this plan. **Exhibit 5B** shows the proposed revised open-range pay plan for exempt employees, with 22 pay grades and constant range spreads of 55 percent.



**EXHIBIT 5A  
PROPOSED PAY PLAN  
NON-EXEMPT EMPLOYEES**

Grade	Minimum	Midpoint	Maximum	Range Spread
101	\$ 24,960.00	\$ 31,824.00	\$ 38,688.00	55%
102	\$ 26,707.20	\$ 34,049.60	\$ 41,392.00	55%
103	\$ 31,200.00	\$ 39,790.40	\$ 48,360.00	55%
104	\$ 31,720.00	\$ 40,456.00	\$ 49,171.20	55%
105	\$ 32,718.40	\$ 41,724.80	\$ 50,710.40	55%
106	\$ 35,006.40	\$ 44,636.80	\$ 54,267.20	55%
107	\$ 37,460.80	\$ 47,777.60	\$ 58,073.60	55%
108	\$ 40,081.60	\$ 51,105.60	\$ 62,129.60	55%
109	\$ 42,889.60	\$ 54,683.20	\$ 66,476.80	55%
110	\$ 45,884.80	\$ 58,510.40	\$ 71,115.20	55%
111	\$ 49,088.00	\$ 62,587.20	\$ 76,086.40	55%
112	\$ 52,520.00	\$ 66,976.00	\$ 81,411.20	55%
113	\$ 56,201.60	\$ 71,656.00	\$ 87,110.40	55%

**EXHIBIT 5B  
PROPOSED PAY PLAN  
EXEMPT EMPLOYEES**

Grade	Minimum	Midpoint	Maximum	Range Spread
201	\$ 32,000.00	\$ 40,800.00	\$ 49,600.00	55%
202	\$ 34,240.00	\$ 43,656.00	\$ 53,072.00	55%
203	\$ 36,636.80	\$ 46,711.92	\$ 56,787.04	55%
204	\$ 39,201.38	\$ 49,981.76	\$ 60,762.14	55%
205	\$ 41,945.48	\$ 53,480.49	\$ 65,015.49	55%
206	\$ 44,881.66	\$ 57,224.12	\$ 69,566.57	55%
207	\$ 48,023.38	\$ 61,229.81	\$ 74,436.24	55%
208	\$ 51,385.02	\$ 65,515.90	\$ 79,646.78	55%
209	\$ 54,981.97	\$ 70,102.01	\$ 85,222.05	55%
210	\$ 58,830.71	\$ 75,009.16	\$ 91,187.60	55%
211	\$ 62,948.86	\$ 80,259.80	\$ 97,570.73	55%
212	\$ 67,355.28	\$ 85,877.98	\$ 104,400.68	55%
213	\$ 72,070.15	\$ 91,889.44	\$ 111,708.73	55%
214	\$ 77,115.06	\$ 98,321.70	\$ 119,528.34	55%
215	\$ 82,513.11	\$ 105,204.22	\$ 127,895.32	55%
216	\$ 88,289.03	\$ 112,568.52	\$ 136,848.00	55%
217	\$ 94,469.26	\$ 120,448.31	\$ 146,427.35	55%
218	\$ 101,082.11	\$ 128,879.69	\$ 156,677.27	55%
219	\$ 108,157.86	\$ 137,901.27	\$ 167,644.68	55%
220	\$ 115,728.91	\$ 147,554.36	\$ 179,379.81	55%
221	\$ 123,829.93	\$ 157,883.16	\$ 191,936.39	55%
222	\$ 132,498.03	\$ 168,934.99	\$ 205,371.95	55%

Next, both hierarchy of classifications and market data were analyzed when slotting the Town's employee classifications. The resulting recommended pay grades for the average market position are shown in **Exhibits 5C** and **5D**. Additionally, Evergreen provided pay grades at a 65<sup>th</sup> market competitive percentile as well; which are shown in **Exhibits 5E** and **5F**. At the time of this report, the Town was considering each of these competitive positions.

**EXHIBIT 5C  
PROPOSED PAY GRADES  
NON-EXEMPT-AVERAGE**

Classification Title	Proposed Pay Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
Assistant Recreation Leader Part-Time Parks Laborer Part-Time Seasonal Camp Counselor	101	\$24,960.00	\$31,824.00	\$38,688.00
Recreation Leader I Building Maintenance Meter Reader Parks Maintenance Worker I Recreation Leader II	102	\$26,707.20	\$34,049.60	\$41,392.00
Customer Service Clerk Executive Secretary Maintenance Worker II Parks Maintenance Worker II Refuse Collector Streets and Stormwater Maintenance I Utility Maintenance I	103	\$31,200.00	\$39,790.40	\$48,360.00
Accounting Clerk I Administrative Assistant Programmer I Streets and Stormwater Maintenance II Utility Maintenance II Water Treatment Plant Operator Trainee	104	\$31,720.00	\$40,456.00	\$49,171.20
Programmer II Streets and Stormwater Maintenance Lead Worker Parks Foreman Water Treatment Plant Operator I IT Technician Solid Waste Foreman Streets and Stormwater Maintenance Foreman Water Treatment Plant Operator II Water Utilities Foreman	105	\$32,718.40	\$41,724.80	\$50,710.40
Police Officer	106	\$35,006.40	\$44,636.80	\$54,267.20
	107	\$37,460.80	\$47,777.60	\$58,073.60
	108	\$40,081.60	\$51,105.60	\$62,129.60
	112	\$52,520.00	\$66,976.00	\$81,411.20

**EXHIBIT 5D  
PROPOSED PAY GRADES  
EXEMPT–AVERAGE**

Classification Title	Proposed Pay Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
Accounting Clerk II Building and Zoning Technician	203	\$36,636.80	\$46,711.92	\$56,787.04
Special Events Coordinator Facilities & Safety Supervisor	205	\$41,945.48	\$53,480.49	\$65,015.49
Public Works Operational Supervisor Recreation Supervisor	206	\$44,881.66	\$57,224.12	\$69,566.57
Construction Project Supervisor Human Resources and Risk Management Coordinator	207	\$48,023.38	\$61,229.81	\$74,436.24
Management Analyst I Management Analyst II	209	\$54,981.97	\$70,102.01	\$85,222.05
Public Services Manager Assistant Finance Director	212	\$67,355.28	\$85,877.98	\$104,400.68
Director of Solid Waste Town Clerk	214	\$77,115.06	\$98,321.70	\$119,528.34
Director of Water Utilities Director of Public Works and Parks and Recreation	215	\$82,513.11	\$105,204.22	\$127,895.32
Director of Support Services Lieutenant	216	\$88,289.03	\$112,568.52	\$136,848.00
Assistant Town Manager Police Chief	218	\$101,082.11	\$128,879.69	\$156,677.27
Town Manager	219	\$108,157.86	\$137,901.27	\$167,644.68
	222	\$132,498.03	\$168,934.99	\$205,371.95

**EXHIBIT 5E  
PROPOSED PAY GRADES  
NON-EXEMPT—65<sup>TH</sup> PERCENTILE**

Classification Title	Proposed Pay Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
Assistant Recreation Leader Part-Time Parks Laborer Part-Time Seasonal Camp Counselor	101	\$24,960.00	\$31,824.00	\$38,688.00
Recreation Leader I Building Maintenance Parks Maintenance Worker I Recreation Leader II	102	\$26,707.20	\$34,049.60	\$41,392.00
Maintenance Worker II Meter Reader Parks Maintenance Worker II Refuse Collector	103	\$31,200.00	\$39,790.40	\$48,360.00
Administrative Assistant Customer Service Clerk Programmer I Streets and Stormwater Maintenance I Utility Maintenance I	104	\$31,720.00	\$40,456.00	\$49,171.20
Accounting Clerk I Executive Secretary Programmer II Streets and Stormwater Maintenance II Utility Maintenance II Water Treatment Plant Operator Trainee	105	\$32,718.40	\$41,724.80	\$50,710.40
Parks Foreman Streets and Stormwater Maintenance Lead Worker Water Treatment Plant Operator I IT Technician Solid Waste Foreman	106	\$35,006.40	\$44,636.80	\$54,267.20
Streets and Stormwater Maintenance Foreman Water Treatment Plant Operator II Water Utilities Foreman	107	\$37,460.80	\$47,777.60	\$58,073.60
Police Officer	108	\$40,081.60	\$51,105.60	\$62,129.60
	109	\$42,889.60	\$54,683.20	\$66,476.80
	113	\$56,201.60	\$71,656.00	\$87,110.40

**EXHIBIT 5F  
PROPOSED PAY GRADES  
EXEMPT—65<sup>TH</sup> PERCENTILE**

Classification Title	Proposed Pay Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
Accounting Clerk II	203	\$36,636.80	\$46,711.92	\$56,787.04
Building and Zoning Technician				
Special Events Coordinator	206	\$44,881.66	\$57,224.12	\$69,566.57
Facilities & Safety Supervisor				
Public Works Operational Supervisor	207	\$48,023.38	\$61,229.81	\$74,436.24
Recreation Supervisor				
Construction Project Supervisor	208	\$51,385.02	\$65,515.90	\$79,646.78
Human Resources and Risk Management Coordinator				
Management Analyst I	210	\$58,830.71	\$75,009.16	\$91,187.60
Management Analyst II				
Public Services Manager	212	\$67,355.28	\$85,877.98	\$104,400.68
Director of Solid Waste				
Assistant Finance Director	213	\$72,070.15	\$91,889.44	\$111,708.73
Town Clerk				
Assistant to the Town Manager	214	\$77,115.06	\$98,321.70	\$119,528.34
Director of Parks and Recreation				
Director of Public Works				
Director of Water Utilities				
Lieutenant	215	\$82,513.11	\$105,204.22	\$127,895.32
Director of Finance	216	\$88,289.03	\$112,568.52	\$136,848.00
Director of Support Services				
Assistant Town Manager	218	\$101,082.11	\$128,879.69	\$156,677.27
Police Chief	219	\$108,157.86	\$137,901.27	\$167,644.68
Town Manager	222	\$132,498.03	\$168,934.99	\$205,371.95

## IMPLEMENTATION OPTIONS

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 plans, which the City was considering at the time of the study.

### Range Penetration

After employees' salaries were moved to the proposed pay grade minimum, calculations were performed to determine the percentage through which the current range an employee's salary falls. Then, the employee's recommended salary calculation placed him/her at the same



percentage through the proposed range of the new pay grade. For example, if an employee's salary is at 60% of the current pay range, his/her salary is brought to 60% of the recommended range.

Utilizing this approach, adjustments were then recommended for non-exempt and unionized police employees. To keep up with the increases in cost of living, salaries were adjusted by at least seven percent, if they were not already proposed to be increased by that amount under this adjustment option.

### **Range Penetration – Capped at Midpoint**

This option applies a similar methodology to the Range Penetration option in that it places an employee's salary in the new pay range based on relative position in the employee's current pay range; however, no salaries would be placed beyond the proposed midpoint, unless the employee's current salary is already past the proposed midpoint. For example, if an employee's salary is 60% into the current pay range, and their salary is not beyond the proposed midpoint, the proposed salary is placed at the midpoint of the recommended pay range.

Utilizing this approach, adjustments were then recommended for exempt employees. To keep up with the increases in cost of living, salaries were adjusted by at least seven percent, if they were not already proposed to be increased by that amount under this adjustment option.

## **5.2 SYSTEM ADMINISTRATION**

The Town'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. While it is likely under current market conditions that there will be fewer changes in salary, it is important to monitor for any recruitment and retention issues that may arise among critical/highly skilled positions.

**RECOMMENDATION 2: 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 plan 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 one or more classifications are exhibiting high turnover or are having difficulty with recruitment, the Town should collect salary range data from peer organizations to determine whether an adjustment is needed for the pay grade of the classification(s). If increasing a classification's pay grade based on market data does not help with the recruitment and/or retention issues, it may be necessary for the Town to offer incentives to attract employees to the position and/or to encourage employees to remain in the position.

**RECOMMENDATION 3: Conduct a comprehensive classification and compensation study every three to five years.**

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 Town in less than desirable position for recruiting and retaining quality employees.

**RECOMMENDATION 4: Review and revise, as appropriate, guidelines for progressing employee salaries through the pay plan, including those for determining salaries of newly hired employees and employees who have been promoted or transferred to a different classification or department.**

The method of moving salaries through the pay plan and setting new salaries for new hires and promotions, depends largely on an organization's compensation philosophy. It is important for the Town to maintain 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.

#### Salary Progression

The Town currently uses cost of living adjustments (COLA) across the board and performance-based increases to progress salaries. It is recommended that the Town continuously evaluate, as it has with this study, its salary progression methods for employees' salaries and make changes to align with its compensation philosophy as appropriate.

#### New Hires

Typically, an employee holding the minimum education and experience requirements for a classification is hired at or near the classification's pay grade minimum. However, for recruiting purposes the Town needs the ability to offer salaries to new employees that consider prior related experience. It is recommended that the Town continue to allow flexibility when establishing new employee salaries. It is also important, however, when determining new hire salaries to, when possible, preserve the internal equity of employees' salaries within the classification.

#### Promotions

When an employee is promoted to a new classification, it is important to have guidelines for calculating the employee's new salary that rewards the employee for his or her new responsibilities, moving the salary into the new pay grade, and ensuring internal equity in the new classification. For example, a range of five to seven percent increase is common today, with consideration given to preserving the internal equity of employees' salaries within the classification. The Town has established promotion guidelines which will continue to require review going forward to remain current with best practice.

### 5.3 SUMMARY

The recommendations in this chapter provide an update to the compensation system for the Town's employees. If implemented, the recommendations will enhance the Town's competitiveness in the labor market. By implementing the revised market pay plan, it will have a responsive compensation system for several years to come. While the upkeep of this will require work, the Town will find that having a more competitive system that enhances strong recruitment and employee retention is well worth this commitment.