



MINUTES OF THE REGULAR SESSION OF THE CITY COMMISSION HELD FRIDAY, JULY 26, 2019, AT 8:30 AM AT THE CITY OF KISSIMMEE, CITY HALL COMMISSION CHAMBERS LOCATED AT 101 CHURCH STREET, KISSIMMEE, FLORIDA

1. MEETING CALLED TO ORDER

Members Present: Mayor Jose Alvarez, Commissioners Olga Gonzalez, Felix Ortiz, Angela Eady

Staff Present: City Manager Mike Steigerwald, City Attorney Don Smallwood, Deputy City Attorney Olga Sanchez de Fuentes, Deputy City Manager Desiree Matthews, Assistant City Manager Austin Blake, City Clerk Linda Hansell, Department Heads, and Finance Staff

Members Absent: Commissioner Jim Fisher

Mayor Alvarez called the meeting to order at 8:38 a.m.

2. WORKSHOP DISCUSSION

2.A. BUDGET WORKSHOP DISCUSSION - FY 2019/2020 CITY BUDGET

I. INTRODUCTION & HIGHLIGHTS

City Manager Steigerwald provided an introduction and pertinent highlights within the budget document. He explained we will be following the agendas placed on the dais (Exhibit "A").

II. BUDGET OVERVIEW

Finance Director Amy Ady provided an overview of the recommended millage of 4.6253 mills and stated the rollback rate is 4.3619. Director Ady reviewed facts and figures relating to property values and stated we still need to be cautious because we are aware that in future years the assessed values may not be as aggressive as this year. We have recovered from the 2008 drop in assessments and according to the figures provided by the Property Appraiser earlier this summer; final figures are due in the fall. Should those figures show an unexpected decrease of 1% or more, the Commission will have the opportunity to revisit the millage rate listed on the TRIM Notices.

Director Ady continued by stating our Reserves are healthy and discussed the history of how reserves are used to balance the budget.

City Manager Steigerwald stated reasons for using Reserves and the impact of how unspent payroll balances out at the end of the year. We are aware we will be expecting another recession in the coming years, so we are prepared.

Director Ady stated we are projecting to use less of the Reserves and she feels very comfortable we are on track with our budget. The Reserves are currently at 40% of our operating budget. It was recommended by our auditors that we do not go below 20%.

Director Ady continued with a review of the Stormwater and Sanitation Funds and stated we are adding one (1) Solid Waste Driver this year and we will be using Sanitation Reserves but will continue to recapture the Capital expenses.

City Manager Steigerwald discussed the cost of dumping and stated we are working on a study now and should have the results in the next couple of weeks.

Director Ady communicated that the Airport Revenue and Reserves are healthy because we have been very conservative over the years.

City Manager Steigerwald stated we have been using Airport Reserves for matching grants but if a larger project was necessary, we would have to consider using General Funds.

Mayor Alvarez explained that we will have a workshop in the future to discuss the Airport and the golf course.

City Manager Steigerwald stated we are going to schedule a workshop in August to discuss the uses for the golf course and the expiration of its FAA approved use in 2033.

Director Ady continued by providing information on the Enterprise Funds.

Director Ady thanked all the departments that worked on the budget and she recognized Alex Santos who worked on putting together the budget this year.

III. PERSONNEL OVERVIEW

Human Resources Director Roxane Walton discussed the memorandum distributed to the Commission (Exhibit "B") and explained position by position additions and revisions to staffing.

City Manager Steigerwald highlighted the position of Economic Development Business Coordinator who would be assisting new businesses with getting through the process of opening a new business. This position will also be dedicated to the downtown area and helping with business retention.

Director Ady stated there will be a transfer from the CRA fund to the General Fund to cover the cost of these positions, designed to benefit the CRA.

Mayor Alvarez stated he and the Commission understand that we need these positions to provide services to our citizens and we want to be competitive in the local market.

Director Walton explained the proposed 5% increase that is recommended for employees who are not part of a Collective Bargaining Unit; this will be effective on October 1, 2019. The cost breaks out at 3% COLA and 2% Merit for any employee with at least of one-year of service and meets the requirements of their position. Staff is also recommending an increase of \$100 per month for car allowances; this amount has not been increased in the last 15 years. Collective Bargaining units will be determined during negotiations.

Director Walton reviewed the Salary Study Worksheet and explained to the Commission that the philosophy is to ensure the pay plans remain externally competitive and in line with the goal of the Commission to be in the top 70th percentile of governments so that we are not continuing to train and lose employees to higher paying entities.

Director Walton referred to a hand-out (Exhibit "C") for the Market Study and the salary categories referred to in the green areas and the Proposed Grades considered in the 70th percentile. This study should assist us with remaining competitive for several years to come. She explained the reclassification policy that allows a 5% increase; this would be in addition to the 5% being budgeted for all employees as COLA and Merit.

City Manager Steigerwald stated the Commission discussed a few years ago getting to the 75th percentile and that is where you see more green [referencing column on spreadsheet]. We based it on a smaller group of entities that were taking our employees but using the 75% would be double the cost of the 70%.

Director Ady stated that now we know what the cost is going to be with the 75%, we can budget each year to stay competitive and still provide increases to get to that level.

City Manager Steigerwald stated last year we did a 2% COLA and 3% Merit so the range stays even but this year we are budgeting for 3% COLA and 2% Merit. We will now be in the top 30% in Central Florida.

Commissioner Gonzalez stated she likes what staff is doing with the pay range and she feels staff is being safe but still providing decent pay.

Director Walton stated the second recommendation of Evergreen was to regularly review the salary surveys using our peers throughout Central Florida. The last recommendation was to continue to do the Salary Survey every 3-5 years.

Director Walton stated at 70% we have 118 reclassifications. If we used 75%, we would have 340 positions slated for reclassification.

City Manager Steigerwald stated these figures do not include Collective Bargaining Units.

Director Ady stated this is for 118 positions but some of these positions have more than one person in the same position.

Mayor Alvarez stated we are following our Mission Statement by providing quality service to our citizens while continuing to move forward.

IV. REVIEW OF DEPARTMENTS

City Manager Steigerwald deferred to the Commission in reviewing each departments budget. There was no comments or questions from the Commission.

V. EXPIRATION OF LOCAL OPTION SALES TAX IN 2025

Moved discussion to end of meeting.

VI. CONCLUSION

Commissioner Gonzalez made a motion to approve the Proposed Budget for FY2019/2020. Commissioner Eady seconded the motion.

Motion carried 4 – 0.

City Manager Steigerwald stated the Tentative Proposed Budget for FY2019/2020 is approved and now staff will make any adjustments and bring the Budget back to the Commission for the Public Hearings.

Commissioner Eady made a motion to set the Tentative Millage at 4.6253 for FY 2019/2020. Commissioner Ortiz seconded the motion.

Motion carried 4 – 0.

City Manager Steigerwald stated we are waiting for the Public Hearing Schedule since we must allow Osceola County and the School District to select their Hearing dates first. We have tentatively scheduled them for September 3, 2019 and September 17, 2019.

Director Ady stated we are confident that we are good for September 3, 2019 date but we are waiting for decision from the other governments on the second date. There are time limits on how many days between hearings.

V. EXPIRATION OF LOCAL OPTION SALES TAX IN 2025

City Manager Steigerwald discussed the Local Option Sales Tax that has been in effect since 1990. The fund pays for replacement of vehicles, construction of facilities, and a variety of capital needs. Earlier this year, the Commission discussed using funds for the Civic Center and due to the age of the facility at almost 30-years, we will need to start putting a plan in place for renovations whether it stays a Civic Center or an Arts Venue. We would normally borrow money for these renovations but because the Sales Tax is set to expire in 2025, we are reluctant to bond money since we don't know if our citizens will be willing to renew the tax in a General Election on the ballot.

Director Ady stated we cannot use tax money as collateral for a loan because no bank will let us pledge that money if it's going to expire prior to it being repaid. We would have to do Covenant to Budget and Appropriate which is a promise to repay this from some source of revenue.

City Manager Steigerwald stated the Commission gives us priorities so we are hesitant to attempt to make these commitments after the failure of the transportation surtax. As a result, we are going to look at grants and state funding. Staff would like to approach the County for consideration to use of the Tourist Development Tax. We did make a request for funds about 10-years ago, but they did not feel that Lakefront Park met the requirements to receive funding of our project. Staff feels the Civic Center may be more in line with the requirements to put "heads in beds" and therefore we would like the Commission's blessing to approach the County.

Mayor Alvarez believes the Commission is in agreement with our staff approaching the County to request the funds from the County.

Commissioner Gonzalez questioned whether we are borrowing money or going into partnership with the County and control issues.

City Manager Steigerwald stated we are asking for appropriations, but we will not allow the County to take over the Civic Center; it will remain the City's. It is like bringing in a promoter to organize events at the Civic Center, but we would like to get additional usage. We could potentially allow Osceola Arts to do some programming with theater style events. The City has already spent \$100,000 to get a study on the uses of the Civic Center and that cost came back at between \$15-\$19 million. We need to make sure we have a funding source before we move forward.

Commissioner Ortiz also express concern over control issues. He would rather see the City spend money to renovate and bring in more sporting events.

City Manager Steigerwald stated Baker Barrios' recommendation was to take the gym floor and make it more of a stage so that there could be floor events. The County gave Gaylord Palms funds to make improvements to their convention space. They have done the same with Reunion. City Manager Steigerwald does not feel the County would want to take over the Civic Center.

Consensus from the Commission is for the City Manager to start talks with the County. The County is having a retreat that he could attend.

City Manager Steigerwald stated the extension of the Sales Tax should be a discussion at an Intergovernmental Meeting. Commission consensus was for staff to move forward.

3. ADJOURNMENT

There being no further business to come before the Commission, Mayor Alvarez adjourned the meeting at 9:47 a.m..



ATTEST:

Rinda Shansell

CITY CLERK

MAYOR-COMMISSIONER



Exhibit "A"
Budget Workshop Agenda
Item "I. Introduction"

BUDGET WORKSHOP AGENDA
July 26, 2019 - 8:30 A.M.

- | | |
|---|------------------|
| I. INTRODUCTION & HIGHLIGHTS | Mike Steigerwald |
| II. BUDGET OVERVIEW | Amy Ady |
| III. PERSONNEL OVERVIEW | Roxane Walton |
| IV. REVIEW OF DEPARTMENTS | |

Department (page numbers)

City Commission (62-67)
City Manager (68-79; 187; 267-277)
City Attorney (80-85)
Finance (86-93)
Development Services (94-101; 215-254)
Police (102-115; 257-266)
Fire (116-121)
Public Works (122-131; 151-157; 159-165;
173; 178-185; 188-213)
Parks and Recreation (132-145; 255-256)
Personnel (146-150; 278-279)
Airport (167-171)
Information Technology (173-177)

Department Head

Desiree Matthews
Desiree Matthews
Don Smallwood
Amy Ady
Craig Holland
Jeff O'Dell
Jim Walls
Natrevia Gradney-Mitchell/
Ashley Willis
Elizabeth Harris
Roxane Walton
Ramon Senorans
Peggy Sousa

- V. EXPIRATION OF LOCAL OPTION SALES TAX IN 2025**
- VI. CONCLUSION**

1. Set the proposed millage
2. Public Hearing Schedule (September 3rd and September 17th)
3. Final Questions

Exhibit "B"
Memorandum – Human Resources & Risk Management
2019/2020 Budget Requests
Item "III. Personnel Overview"

MEMORANDUM

TO: Mike Steigerwald, City Manager
FROM: Roxane Walton, Human Resources & Risk Management Director
RE: 2019/20 Budget Requests
DATE: July 18, 2019

The following information is submitted to summarize the personnel and benefit changes submitted in the 2019/20 budget draft. I have included the information by topic with a statement of budget impact for each.

PERSONNEL REQUESTS

Listed below are reclassifications, personnel additions, and personnel deletions recommended for FY 19/20 and included in the budget document. The budget impact listed includes budgeted expenses with salary and benefits.

Reclassifications

General Fund

<u>Dept</u>	<u>Position</u>	<u>Budget Impact</u>	<u>Comments</u>
Parks	Recreation Specialist	\$8,345	Reclass a head lifeguard to handle recreational duties
Dev Services	Planning Technician	\$2,588	Reclass a secretary to provide improved service to the City's customers
Human Resources	Clerk/Technician	\$17,744	Reclass from PT to FT due to increasing amount of records management within the Human Resources Dept.

Police Support	Captain	\$49,276	Reclass due to position changing from a civilian back to a Captain
Police Special Ops	Parking Enforce Spec.	\$30,781	Reclass from PT to FT
<u>Total Cost Per Fund:</u>		General Fund	\$108,734

Department Additions

<u>Dept</u>	<u>Position</u>	<u>Budget Impact</u>	<u>Comments</u>
<u>General Fund</u>			
Economic Development	Business Development Coordinator	\$ 61,800	Position requested to assist with business development
Parks & Recreation	Herbicide Technician	\$ 39,881	Position requested to assist with herbicide operations including maintaining Lakefront Park
Fire Administration	Logistics Tech PT	\$ 21,194	Assist with inventory control, maintenance of records, work order submissions & purchasing of equipment.
	Training Coordinator	\$ 58,938	Coordinates all aspects of training including in-service training for employees as well as recruitment
Police	Police Officer (2)	\$127,836	Additional road coverage due to increased population
	Quality Assurance Telecommunicator	\$ 50,904	Position will ensure the City is providing its employees with proper training to handle all types of situations

Public Works	Secretary	\$ 43,962	Clerical support for Asst. Director of PW&E
	Equipment Operator 1	\$ 43,964	Dedicated cleaning and maintenance for the downtown area
	Utility Worker (2)	\$ 43,965	Dedicated cleaning and maintenance for the downtown area
<u>Other Funds</u>			
Building	Clerk Technician	\$ 41,873	Additional support for Building 75%/Planning 25%
Sanitation	Solid Waste Driver	\$ 48,461	Additional position for new garbage route due to service area growth
Information Technology	Network Engineer	\$ 86,855	Position will assist with security related software systems
			<u>Total Cost Per Fund:</u>
General Fund			\$ 492,443
Building			\$ 41,873
Sanitation			\$ 48,461
Information Technology			\$ 86,855

SALARY INCREASES

The following recommendations seek to assist the City with attracting and retaining high quality talent and to establish strategies to avoid problems with pay equity in the future. The proposed budget includes funds to provide increases to City employees effective October 1, 2019. Staff is recommending a 3% cost of living adjustment (COLA) and 2% merit increase for all full-time employees who have worked for the City for one year and have met the expectations of their job as determined by their evaluation scores.

Employees with less than one year of service as of October 1, 2019 will be considered for the 2% merit increase effective on their one-year anniversary if they have met the expectations of their job.

For the first time since its inception over 15 years ago, employees who receive a car allowance will be increased by \$100 per month to reflect the average rate for peer cities.

Salary increases for all members of a collective bargaining unit will be determined through negotiations.

Market Adjustments and Reclassifications as a Result of Evergreen Analysis

The City Commission supports efforts for the review and development of a City-wide compensation philosophy that ensures pay plans remain externally competitive with the City's peers and internally equitable for City employees.

During FY18\19, a salary analysis conducted by Evergreen Consultants included a combination of quantitative and qualitative methods to analyze and subsequently develop recommendations for the City's competitive position in the labor market at the 70th percentile. Evergreen benchmarked City positions against the average pay of positions among those municipalities that are most closely representative and close in proximity to the City. The study included 20 local City and County entities that when compared with the City of Kissimmee indicated the City is within the 70th percentile of the market for most positions, however the higher-level pay-grades needed to be adjusted to be competitive in the market. As per City policy, when a position is reclassified upward on the pay scale based on market, the employees holding those jobs are granted a 5% adjustment or brought to the minimum of the new pay grade whichever is greater. The budget impact of the recommended changes is \$404,764 including salary and FICA.

EMPLOYEE BENEFITS

No benefit changes are included in the budget.

Exhibit "C"
Proposed Classification Salary Adjustment Spreadsheet
Compensation Plan Update for City of Kissimmee (Final Report)
Evergreen Solutions, LLC
Item "III. Personnel Overview"

DEPARTMENT	Evergreen Proposed CLASS TITLE (yellow highlight if different than current)	Proposed Grade (Market Average)	Proposed Grade (66th percentile)	Proposed Grade (70th percentile)	Proposed Grade (75th percentile)	Proposed Min	Proposed Mid	Proposed Max
Airport	AIRFIELD MANAGER	024	024	024	024	59,152	77,148	95,144
Airport	AIRPORT ADMINISTRATION SPECIALIST	012	012	012	012	32,307	41,134	49,961
Airport	AIRPORT OPERATIONS COORD	019	019	019	019	45,483	57,888	70,292
Airport	AIRPORT TECHNICIAN II	011	011	011	011	30,786	39,184	47,590
Airport	AVIATION DIRECTOR	030	030	030	030	83,888	115,347	146,805
Airport	SECRETARY- AIRPORT	010	010	010	010	29,308	37,321	45,312
City Attorney	ASSISTANT CITY ATTORNEY	028	028	029	029	79,143	108,822	138,500
City Attorney	DEPUTY CITY ATTORNEY	030	030	031	031	88,919	122,263	155,607
City Attorney	LEGAL ASSISTANT	014	014	014	014	35,842	45,633	55,402
City Attorney	MUNICIPAL COURT CLERK	012	012	013	013	33,936	43,191	52,467
City Manager	ASSISTANT CITY MANAGER	023	023	031	031	88,919	122,263	155,607
City Manager	CITY CLERK	022	022	023	023	55,810	72,777	89,745
City Manager	DEPUTY CITY MANAGER	032	032	032	032	94,250	129,594	164,938
City Manager	ECONOMIC DEVELOPMENT DIRECTOR	027	027	028	028	74,666	97,386	120,106
City Manager	ADMINISTRATIVE ASSISTANT	014	014	014	014	35,842	45,633	55,402
City Manager	LEAD PRODUCER	018	018	018	018	43,298	55,124	66,950
City Manager	MARKETING COORDINATOR	019	019	019	019	45,483	57,888	70,292
City Manager	PRODUCER	016	016	017	017	41,241	52,510	63,758
City Manager	PUBLIC INFORMATION & COMMUNICATION OFFICER	022	022	023	023	55,810	72,777	89,745
City Manager	RECORDS SPECIALIST	010	010	010	010	29,308	37,321	45,312
City Manager	SECRETARY- CITY MANAGER	010	010	010	010	29,308	37,321	45,312
Development Services	ADMINISTRATIVE ASSISTANT (CRA)	014	014	014	014	35,842	45,633	55,402
Development Services	ADMINISTRATIVE SECRETARY/DS	011	011	011	011	30,786	39,184	47,590
Development Services	ASSISTANT DIRECTOR OF DEVELOPMENT SERVICES	027	027	028	028	74,666	97,386	120,106
Development Services	BUILDING INSPECTOR III	019	019	020	020	47,754	60,780	73,806
Development Services	BUILDING MANAGER	024	024	025	025	62,687	81,775	100,843
Development Services	BUILDING OFFICIAL	026	026	027	027	70,442	91,866	113,312
Development Services	CHIEF CODE ENFORCEMENT OFFICER	018	019	019	019	45,483	57,888	70,292
Development Services	CHIEF PLAN REVIEWER	022	022	023	023	55,810	72,777	89,745
Development Services	CODE ENFORCEMENT OFFICER	015	016	016	016	39,292	50,004	60,737
Development Services	DEVELOPMENT SERVICES DIRECTOR	030	030	030	030	83,888	115,347	146,805
Development Services	HOUSING AND COMMUNITY PROGRAMS DEVELOPMENT COORD	023	023	023	023	55,810	72,777	89,745
Development Services	PERMIT COORDINATOR	013	014	014	014	35,842	45,633	55,402
Development Services	PERMIT SUPERVISOR	018	019	019	019	45,483	57,888	70,292
Development Services	PERMITTING TECHNICIAN (CD)	010	011	011	011	30,786	39,184	47,590
Development Services	PLAN REVIEWER II	018	019	019	019	45,483	57,888	70,292
Development Services	PLANNER I	017	018	018	018	43,298	55,124	66,950
Development Services	PLANNER II	020	020	020	020	47,754	60,780	73,806
Development Services	PLANNING MANAGER	024	024	025	025	62,687	81,775	100,843
Development Services	PLANNING TECHNICIAN	014	014	014	014	35,842	45,633	55,402

Development Services	SECRETARY/DS	010	010	010	010	29,308	37,321	45,312
Development Services	SENIOR PLANNER	022	022	023	023	55,810	72,777	89,745
Finance	ACCOUNTANT I	016	017	017	017	41,241	52,510	63,758
Finance	ACCOUNTING MANAGER	022	023	023	023	55,810	72,777	89,745
Finance	ACCOUNTING SPECIALIST	012	012	013	013	33,936	43,191	52,467
Finance	ACCOUNTING TECHNICIAN	011	011	012	012	32,307	41,134	49,961
Finance	ASSISTANT DIRECTOR/FINANCE	025	026	027	027	70,442	91,866	113,312
Finance	BUDGET ANALYST	019	019	020	020	47,754	60,780	73,806
Finance	BUSINESS SYSTEMS ADMINISTRATOR	023	023	023	023	55,810	72,777	89,745
Finance	FINANCE DIRECTOR	030	030	030	030	83,888	115,347	146,805
Finance	GRANT WRITER	019	019	020	020	47,754	60,780	73,806
Finance	PAYROLL ANALYST	019	019	020	020	47,754	60,780	73,806
Finance	PROCUREMENT COORDINATOR	014	014	015	015	37,406	47,626	57,845
Finance	PROCUREMENT MANAGER	021	022	022	022	52,639	67,014	81,390
Finance	SENIOR ACCOUNTANT	019	020	020	020	47,754	60,780	73,806
Fire	OFFICE MANAGER	015	015	015	015	37,406	47,626	57,845
Fire	BATTALION CHIEF	025	025	026	026	66,457	86,682	106,884
Fire	DEPUTY FIRE CHIEF	027	027	028	028	74,666	97,386	120,106
Fire	EMS CHIEF	025	025	026	026	66,457	86,682	106,884
Fire	FIRE ADMINISTRATIVE TECHNICIAN	009	009	010	010	29,308	37,321	45,312
Fire	FIRE CHIEF- NON CERTIFIED	030	030	030	030	83,888	115,347	146,805
Fire	FIRE INSPECTOR	016	016	016	017	39,292	50,004	60,737
Fire	FIRE PREVENTION SUPERVISOR	020	020	020	021	47,754	60,780	73,806
Fire	LOGISTICS COORDINATOR	011	011	011	012	30,786	39,184	47,590
Fire	LOGISTICS MANAGER	020	020	020	021	47,754	60,780	73,806
Fire	SECRETARY(FIRE DEPARTMENT)	010	010	010	010	29,308	37,321	45,312
Information Technology	ASST. I.T. DIRECTOR/GIS MGR	025	025	027	027	70,442	91,866	113,312
Information Technology	COMPUTER SPECIALIST	017	017	017	018	41,241	52,510	63,758
Information Technology	COMPUTER SPECIALIST - LEAD	018	018	018	019	43,298	55,124	66,950
Information Technology	ENTERPRISE APPLICATION ADMINISTRATOR	023	023	024	024	59,152	77,148	95,144
Information Technology	GIS ANALYST	019	019	019	020	45,483	57,888	70,292
Information Technology	INFORMATION TECHNOLOGY DIR.	030	030	030	030	83,888	115,347	146,805
Information Technology	NETWORK ENGINEER	022	022	023	023	55,810	72,777	89,745
Information Technology	NETWORK MANAGER	024	024	025	025	62,687	81,775	100,843
Information Technology	PROGRAMMER ANALYST	023	023	024	024	59,152	77,148	95,144
Parks & Recreation	OFFICE MANAGER	015	015	015	015	37,406	47,626	57,845
Parks & Recreation	ADMINISTRATIVE SECRETARY/P&R	011	011	011	011	30,786	39,184	47,590
Parks & Recreation	AQUATIC CENTER TECH	008	008	008	009	26,587	33,850	41,113
Parks & Recreation	ARBORIST	011	011	011	012	30,786	39,184	47,590
Parks & Recreation	ASST. PARKS & REC DIRECTOR	025	025	027	027	70,442	91,866	113,312
Parks & Recreation	CEMETARY TECHNICIAN	008	008	008	009	26,587	33,850	41,113
Parks & Recreation	CEMETERY & CONTRACT COOR	014	014	014	015	35,842	45,633	55,402
Parks & Recreation	CLERK TECHNICIAN	008	008	008	009	26,587	33,850	41,113
Parks & Recreation	EQUIPMENT OPERATOR I/P&R	009	009	009	010	27,915	35,542	43,169
Parks & Recreation	EQUIPMENT OPERATOR II/P&R	011	011	011	012	30,786	39,184	47,590
Parks & Recreation	EVENT COORDINATOR	014	014	014	015	35,842	45,633	55,402
Parks & Recreation	EVENTS AND PUBLIC VENUES MANAGER	022	022	022	023	52,639	67,014	81,390

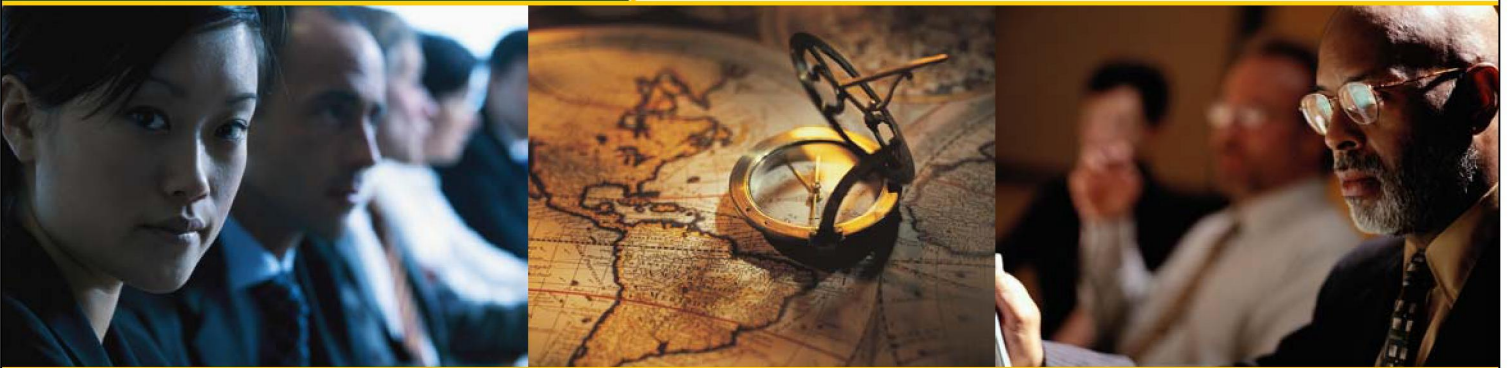
Parks & Recreation	EVENTS SPECIALIST	012	012	012	013	32,307	41,134	49,961
Parks & Recreation	FACILITY TECHNICIAN	008	008	008	009	26,587	33,850	41,113
Parks & Recreation	FACILITY ATTENDANT (FULL-TIME)	007	007	007	008	25,323	31,857	38,370
Parks & Recreation	FOREMAN/P&R	017	017	017	018	41,241	52,510	63,758
Parks & Recreation	GENERAL TRADESWORKER	008	008	008	009	26,587	33,850	41,113
Parks & Recreation	GROUNDSKEEPER	007	007	007	008	25,323	31,857	38,370
Parks & Recreation	HERBICIDE SPECIALIST (P&R)	012	012	012	013	32,307	41,134	49,961
Parks & Recreation	LEAD FOREMAN/ P&R	018	018	018	019	43,298	55,124	66,950
Parks & Recreation	PARKS & RECREATION DIRECTOR	030	030	030	030	83,888	115,347	146,805
Parks & Recreation	PARKS AND RECREATION SUPERINTENDENT	018	022	022	023	52,639	67,014	81,390
Parks & Recreation	RECREATION & LEISURE SERVICES MANAGER	022	022	022	023	52,639	67,014	81,390
Parks & Recreation	RECREATION SPECIALIST	012	012	012	013	32,307	41,134	49,961
Parks & Recreation	RECREATION& LEISURE SERVICE COORDINATOR	016	016	016	017	39,292	50,004	60,737
Parks & Recreation	SECRETARY (PR)	010	010	010	010	29,308	37,321	45,312
Parks & Recreation	SUPERVISOR OF PUBLIC EVENTS & VENUES	017	017	017	018	41,241	52,510	63,758
Parks & Recreation	SUPERVISOR RECREATION & LEISURE SVCS	017	017	017	018	41,241	52,510	63,758
Human Resources	ASSISTANT HUMAN RESOURCES & RISK MGT DIRECTOR	025	025	027	027	70,442	91,866	113,312
Human Resources	BENEFIT COORDINATOR	015	015	016	016	39,292	50,004	60,737
Human Resources	PAYROLL COORDINATOR	015	015	016	016	39,292	50,004	60,737
Human Resources	PENSION COORDINATOR	015	015	016	016	39,292	50,004	60,737
Human Resources	HUMAN RESOURCES & RISK MGMT DIRECTOR	030	030	030	030	83,888	115,347	146,805
Human Resources	HUMAN RESOURCES ADMINISTRATIVE TECHNICIAN	009	009	010	010	29,308	37,321	45,312
Human Resources	RISK MANAGEMENT COORDINATOR	015	015	016	016	39,292	50,004	60,737
Human Resources	RISK MANAGER	023	024	024	024	59,152	77,148	95,144
Police	ADMINISTRATIVE SECRETARY/POL	011	011	011	011	30,786	39,184	47,590
Police	ADMINISTRATIVE SERVICES SUPVR	016	016	016	017	39,292	50,004	60,737
Police	BACKGROUND INVESTIGATOR	015	015	015	016	37,406	47,626	57,845
Police	CLERK TECHNICIAN I (KPD)	008	008	008	009	26,587	33,850	41,113
Police	CLERK/TECHNICIAN (KPD)	008	008	008	009	26,587	33,850	41,113
Police	COMMUNICATIONS MANAGER	021	022	022	022	52,639	67,014	81,390
Police	COMMUNITY SERVICE OFFICER	013	013	013	014	33,936	43,191	52,467
Police	CRIME ANALYST	016	016	016	017	39,292	50,004	60,737
Police	CRIME SCENE TECHNICIAN	014	014	014	015	35,842	45,633	55,402
Police	DEPUTY CHIEF OF POLICE	027	027	028	028	74,666	97,386	120,106
Police	EVIDENCE TECHNICIAN	010	010	010	011	29,308	37,321	45,312
Police	FISCAL SPECIALIST	019	019	019	020	45,483	57,888	70,292
Police	FORENSIC LAB SUPERVISOR	019	019	019	020	45,483	57,888	70,292
Police	PARK RANGER	010	010	010	011	29,308	37,321	45,312
Police	PARKING ENFORCEMENT SPECIALIST	010	010	010	011	29,308	37,321	45,312
Police	PATROL SUPPORT SPECIALIST	011	011	011	012	30,786	39,184	47,590
Police	POLICE CAPTAIN	026	026	027	027	70,442	91,866	113,312
Police	POLICE CHIEF	030	030	030	030	83,888	115,347	146,805
Police	POLICE LIEUTENANT	025	025	026	026	66,457	86,682	106,884
Police	PUBLIC INFORMATION OFFICER	019	019	019	020	45,483	57,888	70,292
Police	PURCHASING TECHNICIAN	011	011	011	012	30,786	39,184	47,590
Police	SECRETARY/KPD	010	010	010	010	29,308	37,321	45,312
Police	SHIFT SUPERVISOR/COMM.CENTER	016	016	016	017	39,292	50,004	60,737

Police	TELECOMMUNICATOR	013	013	013	014	33,936	43,191	52,467
Police	TRAINING COORDINATOR	016	016	016	017	39,292	50,004	60,737
Public Works	ADMINISTRATIVE SECRETARY- CS	011	011	011	011	30,786	39,184	47,590
Public Works	ADMINISTRATIVE SECRETARY/PW&E	011	011	011	011	30,786	39,184	47,590
Public Works	APPRENTICE MECHANIC	008	008	008	009	26,587	33,850	41,113
Public Works	ASSISTANT DIRECTOR/CITY ENGINEER	028	028	028	028	74,666	97,386	120,106
Public Works	ASSISTANT DIRECTOR-PUBLIC WORKS & ENG	027	027	028	028	74,666	97,386	120,106
Public Works	ASSISTANT SUPERINTENDENT	021	021	021	021	50,132	63,822	77,512
Public Works	CLERK TECHNICIAN I (CS)	008	008	008	009	26,587	33,850	41,113
Public Works	CLERK TECHNICIAN I (PW)	008	008	008	009	26,587	33,850	41,113
Public Works	CONSTRUCTION COORDINATOR	019	019	019	020	45,483	57,888	70,292
Public Works	CONSTRUCTION INSPECTOR/PW&E	016	016	016	017	39,292	50,004	60,737
Public Works	CUSTODIAN	007	007	007	008	25,323	31,857	38,370
Public Works	EMERGENCY VEHICLE SPECIALIST TECHNICIAN	015	015	015	016	37,406	47,626	57,845
Public Works	ENGINEER I	023	023	023	024	55,810	72,777	89,745
Public Works	ENGINEER II - PW	024	024	024	025	59,152	77,148	95,144
Public Works	ENGINEER III	025	025	025	026	62,687	81,775	100,843
Public Works	ENGINEERING TECHNICIAN II	018	018	018	019	43,298	55,124	66,950
Public Works	EQUIPMENT OPERATOR I/PW	009	009	009	010	27,915	35,542	43,169
Public Works	EQUIPMENT OPERATOR II/PW	011	011	011	012	30,786	39,184	47,590
Public Works	FACILITY MAINTENANCE- SUPERINTENDENT	022	022	022	023	52,639	67,014	81,390
Public Works	FINANCIAL ANALYST	019	019	019	020	45,483	57,888	70,292
Public Works	FLEET MAINTENANCE FOREMAN	017	017	017	018	41,241	52,510	63,758
Public Works	FLEET MANAGER	022	022	023	023	55,810	72,777	89,745
Public Works	FLEET MECHANIC	014	014	014	015	35,842	45,633	55,402
Public Works	FOREMAN/PW	017	017	017	018	41,241	52,510	63,758
Public Works	FRANCHISE COORDINATOR	018	018	018	019	43,298	55,124	66,950
Public Works	GENERAL TRADESWORKER	008	008	008	009	26,587	33,850	41,113
Public Works	HEAVY EQUIPMENT MECHANIC	015	015	015	016	37,406	47,626	57,845
Public Works	HEAVY EQUIPMENT OPERATOR/PW	012	012	012	013	32,307	41,134	49,961
Public Works	HERBICIDE SPECIALIST (PW)	012	012	012	013	32,307	41,134	49,961
Public Works	LEAD ENGINEERING TECH	019	019	019	020	45,483	57,888	70,292
Public Works	LEAD FOREMAN - PW	018	018	018	019	43,298	55,124	66,950
Public Works	MACHINIST	018	018	018	019	43,298	55,124	66,950
Public Works	PROJECT MANAGER	026	026	026	026	66,457	86,682	106,884
Public Works	PUBLIC EDUCATION COORDINATOR	015	015	015	016	37,406	47,626	57,845
Public Works	PUBLIC WORKS & ENG DIRECTOR	030	030	030	030	83,888	115,347	146,805
Public Works	SANITATION SERVICE TECHNICIAN	014	014	014	015	35,842	45,633	55,402
Public Works	SANITATION SUPERINTENDENT	022	022	022	023	52,639	67,014	81,390
Public Works	SECRETARY (PR)	010	010	010	010	29,308	37,321	45,312
Public Works	SECRETARY/PW&E	010	010	010	010	29,308	37,321	45,312
Public Works	SECRETARY/SANITATION	010	010	010	010	29,308	37,321	45,312
Public Works	SENIOR PROJECT MANAGER	027	027	027	027	70,442	91,866	113,312
Public Works	SENIOR SIGN & STRIPING TECH	011	011	011	012	30,786	39,184	47,590
Public Works	SOLID WASTE DRIVER	012	012	012	013	32,307	41,134	49,961
Public Works	STORMWATER ENGINEERING COORDINATOR	019	019	019	020	45,483	57,888	70,292
Public Works	STORMWATER INSPECTOR	013	013	013	014	33,936	43,191	52,467

Public Works	STORMWATER TECHNICIAN	012	012	012	013	32,307	41,134	49,961
Public Works	SUPERINTENDENT/PUBLIC WORKS	022	022	022	023	52,639	67,014	81,390
Public Works	TRAFFIC DIVISION SUPERVISOR	019	019	020	020	47,754	60,780	73,806
Public Works	TRAFFIC OPERA SUPERINTENDENT	023	023	023	023	55,810	72,777	89,745
Public Works	TRAFFIC TECH. (CERT I)	012	012	012	013	32,307	41,134	49,961
Public Works	TRAFFIC TECH. (CERT II)	014	014	014	015	35,842	45,633	55,402
Public Works	TRAFFIC TECH. (CERT III)	017	017	017	018	41,241	52,510	63,758
Public Works	UTILITY WORKER/PW	008	008	008	009	26,587	33,850	41,113
Public Works	WELD SHOP SUPERVISOR	020	020	020	021	47,754	60,780	73,806
Public Works	WELDER	014	014	014	015	35,842	45,633	55,402

Compensation Plan Update for the City of Kissimmee, FL

FINAL REPORT



Evergreen Solutions, LLC

July 15, 2019

Chapter 1 - Introduction

Evergreen Solutions was hired in October 2018 by the City of Kissimmee, FL (City) to conduct a compensation plan update. The City's current plan was implemented in July 2014 following a compensation and classification study which was also conducted by Evergreen Solutions. The recommendation was made then that the City should conduct a review of its compensation system periodically to maintain its competitiveness. The City's leadership has followed this guidance and requested an update to ensure its pay plan remains externally competitive with its peers and internally equitable for its employees.

1.1 STUDY METHODOLOGY

Evergreen Solutions used a combination of quantitative and qualitative methods to analyze and subsequently develop recommendations to maintain the City's competitive position in the labor market. Specific study tasks included:

- conducting salary survey to assess the market competitiveness of the City's current pay plan and to determine common offerings by peer organizations;
- developing recommendations for updates to the current pay plan;
- developing a plan for implementing the proposed updates; and
- creating a report summarizing the review findings and recommendations.

Market Analysis

For the market analysis, Altamonte Spring, Apopka, Clermont, Daytona Beach, Lakeland, Melbourne, Ocala, Ocoee, Orlando, Oviedo, Sandford, St. Cloud, Titusville were surveyed again for this study. Peers included in the previous study and removed were: Casselberry, Cocoa, Haines City, Lake Wells, Leesburg, and Maitland. New peers consisted of Deland, Fort Pierce, Palm Bay, Plant City, Winter Garden, Winter Park, Winter Springs, Kissimmee Utility Authority, Orange County, Osceola County, Toho Water Authority, and Deltona. Economic Research Institute data (ERI) will be added to capture private sector salary data.

Administrative Assistant, Administrative Secretary/DS, Airport Operations Coordinator, Assistant Personnel Director, City Engineer, Chief Plan Reviewer, Construction Coordinator, Deputy City Clerk, Engineer II-PW, Equipment Operator I/PW, Executive Secretary, Facility Technician, Forearm, General Trades Worker, Grounds Worker, Parks and Recreation Public Facilities Director, Parking Enforcement Specialist, Permitting Technician, Personnel & Risk Director, Payroll Specialist, Parks Supervisor, PW Foreman, PW Utility Worker, Recreation &



Leisure Services Coordinator, Stormwater Technician, Utility Worker/Cent. Services, and Welder benchmark positions included in the original study and removed from the current study update.

As noted, several of the classifications that were previously utilized as benchmarks were selected again for the salary survey. The peers identified were those that compete with the City for employees and the benchmark classifications represented a cross-section of the departments and levels of work performed by City employees. Following the identification of the peers and benchmarks, a salary survey tool was developed for the collection of salary range data. The salary data were then collected and analyzed and a summary of which can be found in **Chapter 3** of this report.

Recommendations

The City's compensation philosophy was reviewed to understand its desired market position and methods of salary progression. Using this information and the analysis of the market data, recommendations for updates to the pay system were developed. Next, an implementation plan was prepared to transition employees' salaries into the updated pay plan, and the associated cost of adjusting employees' salaries was estimated. A summary of the analyses findings and recommendations are provided in **Chapter 4** of this report.

1.2 REPORT ORGANIZATION

This report includes the following additional chapters:

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



Chapter 2 – Assessment of Current Conditions

The assessment of current conditions provides an overall evaluation based on Evergreen's review and analysis of the City of Kissimmee's compensation structure, employee salary progression, and employee counts in each department. The assessment is divided into the following sections:

- 2.1 Pay Plan Analysis
- 2.2 Employee Salary Placement by Grade
- 2.3 Quartile Tenure Analysis
- 2.4 Compression Analysis
- 2.5 Employee Counts by Department
- 2.6 Summary

Information contained in this chapter reflects the conditions when the study began and should be considered a snapshot in time. Conducting an overall review of the City's current compensation structure, philosophies, and employee demographics, was instrumental in providing Evergreen with a better understanding of the structures and methods in place. Additionally, this review helped identify any issues that may require further review and potential revision. 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 one pay plan for its employees. **Exhibit 2A** illustrates the pay plan revealing the minimum, midpoint, and maximum salaries of each grade. The pay plan consisted of 24 grades for 380 employees. There were 2 employees (City Manager and City Attorney) that did not have salary ranges and were not part of the pay plan or included in the following exhibits. The pay grades within the plan had a range spread (the percentage difference between the minimum and maximum of the pay grades relative to the grade's minimum) ranging from 52 percent to 75 percent, averaging 58 percent.



EXHIBIT 2A PAY PLAN

Pay Plan	Grade	Minimum	Midpoint	Maximum	Range Spread	Employees
General	007	\$25,323.17	\$ 31,857.49	\$ 38,370.38	52%	18
General	008	\$26,587.18	\$ 33,849.92	\$ 41,112.66	55%	41
General	009	\$27,915.47	\$ 35,542.42	\$ 43,169.36	55%	14
General	010	\$29,308.03	\$ 37,320.61	\$ 45,311.76	55%	28
General	011	\$30,786.29	\$ 39,184.50	\$ 47,582.70	55%	34
General	012	\$32,307.39	\$ 41,134.08	\$ 49,960.77	55%	41
General	013	\$33,935.62	\$ 43,190.78	\$ 52,467.38	55%	38
General	014	\$35,842.35	\$ 45,633.12	\$ 55,402.46	55%	18
General	015	\$37,406.30	\$ 47,625.55	\$ 57,844.80	55%	10
General	016	\$39,291.62	\$ 50,003.62	\$ 60,737.04	55%	17
General	017	\$41,241.20	\$ 52,510.22	\$ 63,757.82	55%	15
General	018	\$43,297.90	\$ 55,123.95	\$ 66,950.00	55%	12
General	019	\$45,483.15	\$ 57,887.65	\$ 70,292.14	55%	19
General	020	\$47,754.10	\$ 60,779.89	\$ 73,805.68	55%	3
General	021	\$50,132.16	\$ 63,822.10	\$ 77,512.03	55%	4
General	022	\$52,638.77	\$ 67,014.27	\$ 81,389.78	55%	14
General	023	\$55,809.52	\$ 72,777.33	\$ 89,745.14	61%	9
General	024	\$59,151.66	\$ 77,147.82	\$ 95,143.98	61%	5
General	025	\$62,686.62	\$ 81,775.41	\$100,842.77	61%	17
General	026	\$66,457.25	\$ 86,681.50	\$106,884.34	61%	7
General	027	\$70,442.11	\$ 91,866.11	\$113,311.54	61%	5
General	ACM	\$81,389.78	\$111,918.98	\$142,426.75	75%	1
General	DCM	\$91,866.11	\$126,315.90	\$160,765.70	75%	1
General	EBB	\$77,512.03	\$106,584.40	\$135,656.77	75%	9
Average/Total					58%	380

Source: Created by Evergreen Solutions from data provided by the City as of December 2018.

2.2 EMPLOYEE SALARY PLACEMENT BY GRADE

It is important to analyze where employees' salaries fell within each pay range when assessing the effectiveness of the City's pay plan and practices. It is equally important to determine where there may have been clusters of employees' salaries within the current pay plan, illuminating potential pay progression concerns. It should be noted that employees' salaries, and the progression of the salaries, are 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 in this context.



Exhibit 2B illustrates the placement of employees' salaries relative to pay grade minimums and maximums. 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 minimum,
- the number and percentage of employees with salaries at the minimum,
- the number and percentage of employees with salaries at the maximum, and
- the number and percentage of employees with salaries above the maximum.

**EXHIBIT 2B
SALARY PLACEMENT
BELOW MINIMUM AND ABOVE MAXIMUM BY GRADE**

Grade	Employees	# < Min	% < Min	# = Min	% = Min	# = Max	% = Max	# > Max	% > Max
007	18	1	5.6%	0	0.0%	0	0.0%	0	0.0%
008	41	1	2.4%	0	0.0%	0	0.0%	1	2.4%
009	14	0	0.0%	0	0.0%	0	0.0%	0	0.0%
010	28	0	0.0%	0	0.0%	0	0.0%	0	0.0%
011	34	0	0.0%	0	0.0%	0	0.0%	4	11.8%
012	41	0	0.0%	1	2.4%	0	0.0%	5	12.2%
013	38	0	0.0%	0	0.0%	0	0.0%	3	7.9%
014	18	0	0.0%	0	0.0%	0	0.0%	2	11.1%
015	10	0	0.0%	0	0.0%	2	20.0%	0	0.0%
016	17	0	0.0%	0	0.0%	0	0.0%	0	0.0%
017	15	0	0.0%	0	0.0%	0	0.0%	0	0.0%
018	12	0	0.0%	0	0.0%	0	0.0%	3	25.0%
019	19	0	0.0%	0	0.0%	0	0.0%	0	0.0%
020	3	0	0.0%	0	0.0%	0	0.0%	0	0.0%
021	4	0	0.0%	0	0.0%	0	0.0%	0	0.0%
022	14	0	0.0%	0	0.0%	0	0.0%	2	14.3%
023	9	0	0.0%	0	0.0%	0	0.0%	1	11.1%
024	5	0	0.0%	0	0.0%	0	0.0%	0	0.0%
025	17	0	0.0%	0	0.0%	0	0.0%	2	11.8%
026	7	0	0.0%	0	0.0%	0	0.0%	1	14.3%
027	5	0	0.0%	0	0.0%	0	0.0%	0	0.0%
ACM	1	0	0.0%	0	0.0%	0	0.0%	0	0.0%
DCM	1	0	0.0%	0	0.0%	0	0.0%	0	0.0%
EBB	9	0	0.0%	0	0.0%	0	0.0%	2	22.2%
Total	380	2	0.5%	1	0.3%	2	0.5%	26	6.8%

Source: Created by Evergreen Solutions from data provided by the City as of December 2018.

Employees with salaries at the grade minimum are typically new hires or new to the classification following a recent promotion; also, employees with salaries at the grade maximum are typically highly experienced and proficient in the classification. As Exhibit 2B illustrates, at the time of this study, there were two (2) employees with a salary below their position's grade minimum and one employee with a salary at the minimum. There were 28 employees with a salary at or above their position's grade maximum.



Exhibit 2C illustrates the placement of employees' salaries relative to 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 midpoint,
- the number and percentage of employees with salaries near the midpoint (within five percent), and
- the number and percentage of employees with salaries above the midpoint of each pay grade.

**EXHIBIT 2C
SALARY PLACEMENT AROUND MIDPOINT
BY GRADE**

Grade	Employees	# < Mid	% < Mid	# Near Mid	% Near Mid	# > Mid	% > Mid
007	18	18	100.0%	0	0.0%	0	0.0%
008	41	33	80.5%	4	9.8%	4	9.8%
009	14	8	57.1%	3	21.4%	3	21.4%
010	28	20	71.4%	3	10.7%	5	17.9%
011	34	22	64.7%	4	11.8%	8	23.5%
012	41	26	63.4%	6	14.6%	9	22.0%
013	38	27	71.1%	2	5.3%	9	23.7%
014	18	12	66.7%	1	5.6%	5	27.8%
015	10	5	50.0%	3	30.0%	2	20.0%
016	17	8	47.1%	3	17.6%	6	35.3%
017	15	8	53.3%	3	20.0%	4	26.7%
018	12	2	16.7%	5	41.7%	5	41.7%
019	19	8	42.1%	5	26.3%	6	31.6%
020	3	0	0.0%	1	33.3%	2	66.7%
021	4	3	75.0%	0	0.0%	1	25.0%
022	14	7	50.0%	2	14.3%	5	35.7%
023	9	6	66.7%	0	0.0%	3	33.3%
024	5	1	20.0%	1	20.0%	3	60.0%
025	17	2	11.8%	1	5.9%	14	82.4%
026	7	2	28.6%	0	0.0%	5	71.4%
027	5	0	0.0%	0	0.0%	5	100.0%
ACM	1	0	0.0%	0	0.0%	1	100.0%
DCM	1	0	0.0%	0	0.0%	1	100.0%
EBB	9	0	0.0%	1	11.1%	8	88.9%
Total	380	218	57.4%	48	12.6%	114	30.0%

Source: Created by Evergreen Solutions from data provided by the City as of December 2018.

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. Of the 380 employees within classifications the City's pay plans, 218



employees (57.4 percent) had salaries below the midpoint of their respective range, 48 employees (12.6 percent) had salaries near the midpoint (defined as within five percent of either side of the midpoint), while 114 employees (30.0 percent) had salaries above the midpoint range.

2.3 SALARY QUARTILE ANALYSIS

This section provides an additional analysis of the distribution of employees' salaries across the pay grades at the time of this study. Examining employee salary placement by grade quartile provided insight into whether clustering of employees' salaries existed within each pay grade. For this analysis, employees' salaries were slotted within one of four equal distributions. The first quartile (0-25) represents the lowest 25 percent of the pay range. The second quartile (26-50) represents the segment of the pay range above the first quartile up to the pay range's midpoint. The third quartile (51-75) represents the part of the pay range above the midpoint up to the 75th percentile of the pay range. The fourth quartile (76-100) is the highest 25 percent of the pay range. This analytical method provided an opportunity to assess how employees' salaries are disbursed throughout each grade (pay range).

The quartile analysis is used to determine the location of employee salary clusters. Quartile analysis helps identify whether clusters exist in specific quartiles of pay grades. Additionally, the amount of time the employee has spent at the organization is also analyzed, in order to observe any relationship between organizational tenure and salary progression. This information, while not definitive alone, can shed light on any root issues within the current compensation and classification plan when combined with market data and employee feedback.

Exhibit 2D provides a breakdown of placement of employees' salaries relative to salary quartile and provides the following:

- the pay grades,
- the number of employees per pay grade,
- the counts of the employees by quartile within each grade, and
- the average total tenure by quartile within each grade.

Exhibit 2E shows the same information graphically.

The City's employees' salaries were fairly well distributed throughout their pay range. In order of employee concentration, 179 employees (47.1 percent) had salaries in the first quartile of their respective pay ranges, 91 (24.0 percent) in the fourth quartile, 37 employees (9.7 percent) in the third quartile and 73 employees (19.2 percent) in the second quartile. While this distribution does not lead to a conclusion, data for average tenure do lead to determinations on the relationship between tenure and salary.

Typically, overall average tenure increases as quartile increases and this is the case for most City employees; the average tenure in Quartile 1 is 2.3 years; in Quartile 2 is 7.3 years; in Quartile 3 is 8.4 years; and in Quartile 4 is 16.0 years. As expected, there is a positive linear relationship between tenure and pay.

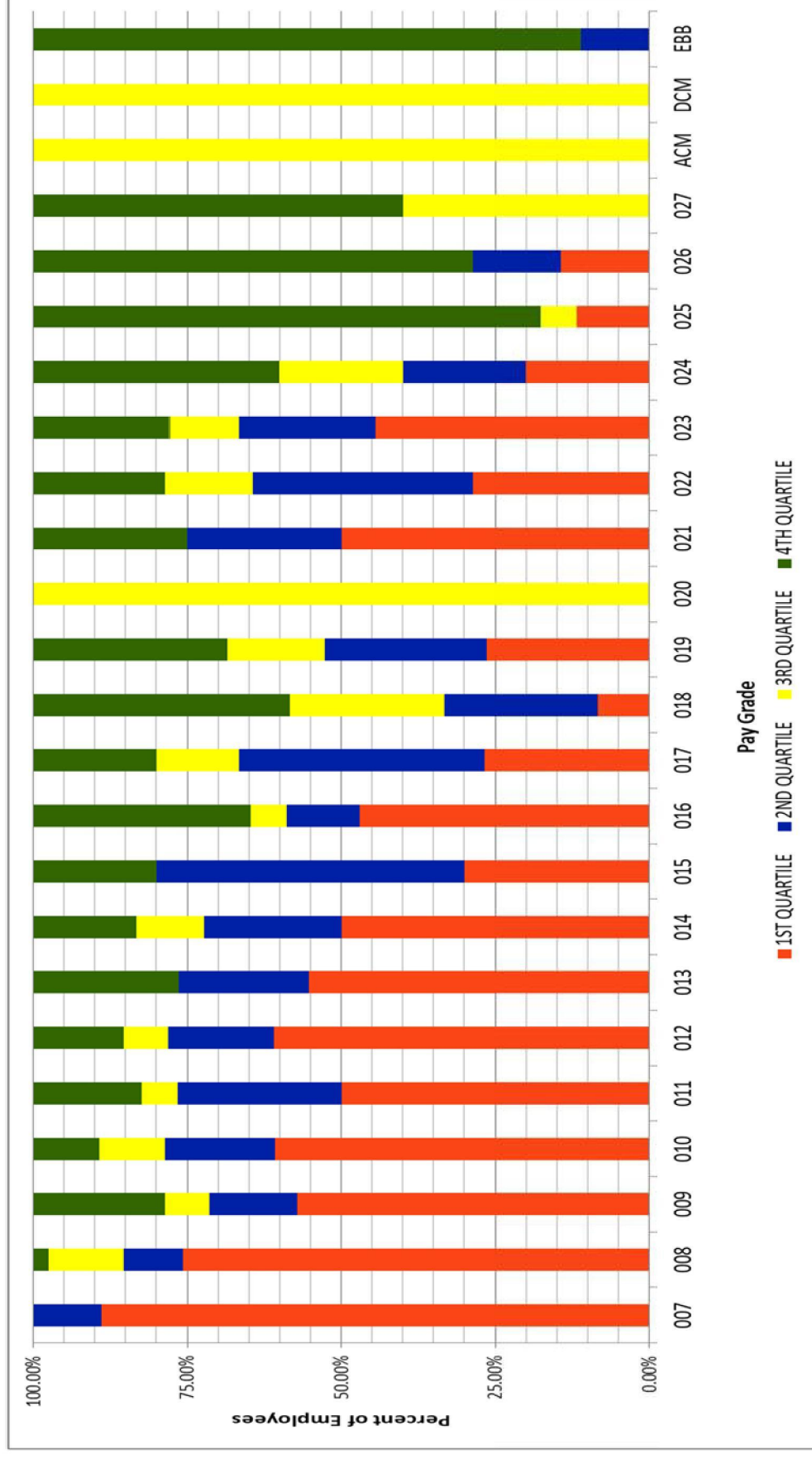


EXHIBIT 2D QUARTILE ANALYSIS - TENURE BY GRADE

GRADE	Total Employees	Average Tenure	1st Quartile		2nd Quartile		3rd Quartile		4th Quartile	
			# Employees	Avg Tenure	# Employees	Avg Tenure	# Employees	Avg Tenure	# Employees	Avg Tenure
007	18	2.4	16	1.6	2	9.2	0	-	0	-
008	41	3.7	31	1.8	4	6.0	5	14.0	1	2.6
009	14	5.9	8	1.8	2	6.8	1	3.5	3	16.7
010	28	4.6	17	1.8	5	9.7	3	10.5	3	6.5
011	34	7.8	17	3.8	9	8.8	2	20.0	6	13.7
012	41	5.0	25	2.1	7	9.6	3	3.2	6	12.4
013	38	7.6	21	1.5	8	8.3	0	-	9	21.1
014	18	6.7	9	2.8	4	1.3	2	17.0	3	18.9
015	10	8.7	3	1.1	5	8.2	0	-	2	21.5
016	17	8.8	8	4.8	2	14.7	1	3.4	6	13.0
017	15	8.8	4	3.1	6	3.5	2	13.8	3	23.9
018	12	11.5	1	2.6	3	8.2	3	2.5	5	20.7
019	19	7.9	5	3.9	5	0.4	3	2.2	6	20.4
020	3	5.0	0	-	0	-	3	5.0	0	-
021	4	7.6	2	0.6	1	1.4	0	-	1	27.8
022	14	11.1	4	3.0	5	9.3	2	2.1	3	30.9
023	9	8.2	4	1.2	2	11.4	1	12.2	2	16.8
024	5	16.1	1	1.2	1	5.1	1	14.8	2	29.8
025	17	10.6	2	3.0	0	-	1	0.2	14	12.5
026	7	6.4	1	3.0	1	0.0	0	-	5	8.4
027	5	7.0	0	-	0	-	2	5.5	3	8.0
ACM	1	4.0	0	-	0	-	1	4.0	0	-
DCM	1	17.3	0	-	0	-	1	17.3	0	-
EBB	9	14.4	0	-	1	18.1	0	-	8	13.9
Overall	380	7.1	179	2.3	73	7.3	37	8.4	91	16.0

Source: Created by Evergreen Solutions from data provided by the City as of December 2018.

EXHIBIT 2E QUARTILE PLACEMENT BY PAY GRADE



2.4 COMPRESSION ANALYSIS

Pay compression can be defined as the lack of variation in salaries between employees with significantly different levels of experience and responsibility. Compression can be seen as a threat to internal equity and morale. Two common types of pay compression can be observed when the pay of supervisors and their subordinates are too close, or when the pay of highly tenured staff and newly hired employees in the same job are too similar.

According to the Society for Human Resources Management (SHRM), specific examples of actions that may cause pay compression include the following:

- Reorganizations change peer relationships and can create compression if jobs are not reevaluated.
- In some organizations, certain departments or divisions may be relatively liberal with salary increases, market adjustments, and promotions—while others are not.
- Some employers have overlooked their Human Resources policies designed to regulate pay, paying new hires more than incumbents for similar jobs under the mantra of “paying what it takes to get the best talent.”
- Many organizations have found it easy to hire people who had already performed the same work for another organization, eliminating the need for training. Rather than hiring individuals with high potential and developing them for the long term, the organization opted for employees who they believed could “hit the ground running”—regardless of their potential.

Exhibit 2F indicates the ratio of subordinate to supervisor salaries by grade graphically and **Exhibit 2G** displays these results numerically. Employees were grouped into categories reflecting whether their actual salary was less than 80 percent, between 80 and 90 percent, between 90 and 95 percent, between 95 and 100 percent, and greater than 100 percent of their supervisor’s salary. For example, an employee with a salary of \$79,000.00 and a supervisor with a salary of \$100,000.00 would yield a ratio of 0.79, and be placed into the “Less than 80 percent” category.

An analysis of the data reveals that while most positions in the City have employee/supervisor salary ratios less than 95 percent, there are some areas of concern. Orange and blue areas on **Exhibit 2F** indicate the need for examination of supervisor vs. employee salary.

EXHIBIT 2F POTENTIAL COMPRESSION BY PAY GRADE

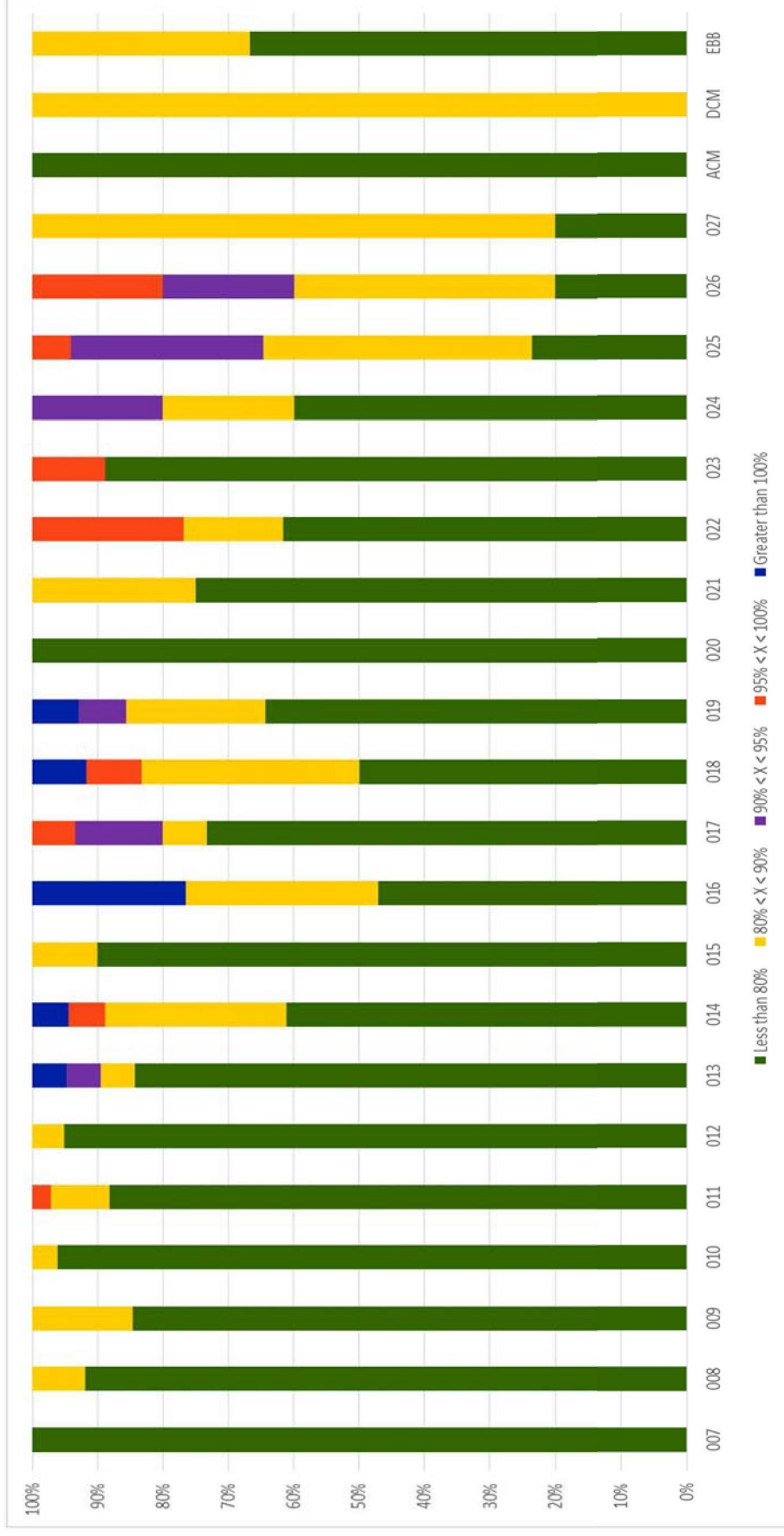


EXHIBIT 2G
EMPLOYEE TO SUPERVISOR SALARY RATIO BY PAY GRADE

Grade	Less than 80%	80% < X < 90%	90% < X < 95%	95% < X < 100%	Greater than 100%
007	18	0	0	0	0
008	34	3	0	0	0
009	11	2	0	0	0
010	25	1	0	0	0
011	30	3	0	1	0
012	39	2	0	0	0
013	32	2	2	0	2
014	11	5	0	1	1
015	9	1	0	0	0
016	8	5	0	0	4
017	11	1	2	1	0
018	6	4	0	1	1
019	9	3	1	0	1
020	3	0	0	0	0
021	3	1	0	0	0
022	8	2	0	3	0
023	8	0	0	1	0
024	3	1	1	0	0
025	4	7	5	1	0
026	1	2	1	1	0
027	1	4	0	0	0
ACM	1	0	0	0	0
DCM	0	1	0	0	0
EBB	6	3	0	0	0
Totals	281	53	12	10	9

Source: Created by Evergreen Solutions from data provided by the City as of December 2018.

2.5 EMPLOYEES BY DEPARTMENT

At the time the study commenced, the City employed 380 individuals across 11 departments. Exhibit 2H depicts the number of employees and the number of classifications in each department and is intended only to provide basic information regarding how employees are distributed among departments. Also provided is the percentage breakdown of employees by department. As the exhibit illustrates, the largest department is Public Works, with 137 employees representing 36.1 percent of the City's workforce.

EXHIBIT 2H EMPLOYEES BY DEPARTMENT

Department	Employees	Classes	% of Total
Airport	7	6	1.8%
City Attorney	4	5	1.1%
City Manager	11	11	2.9%
Development Services	28	20	7.4%
Finance	13	12	3.4%
Fire	14	11	3.7%
Information Technology	12	9	3.2%
Parks & Recreation	61	27	16.1%
Personnel	9	8	2.4%
Police	84	24	22.1%
Public Works	137	52	36.1%
Total	380	185	100.0%

Source: Created by Evergreen Solutions from data provided by the City as of December 2018.

2.6 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 one (1) open range pay plan for its 380 employees.
- Range spread, generally recommended to be between 50-70 percent, averages 58 percent.
- The majority (>66 percent) of employees' salaries were clustered below the midpoint, but there was some movement into the fourth quartile (24.0 percent);
- Pay Compression may be an issue in a few grades based on the indicators described above.

The compensation plans provided employees with a pay structure, and it seems that some progression of employees' salaries has occurred over time.

The information gained from the review of current conditions was used in conjunction with the market analysis data and internal equity review to develop recommendations for a competitive compensation plan that would best align with and provide a foundation for the City's compensation philosophy moving forward. These recommendations can be found in **Chapter 4** of this report.



Chapter 3 – Market Summary

This chapter provides a market analysis in which the City's salary ranges were compared to the salary ranges at the selected peer organizations. Data from targeted market peers were used to evaluate the overall compensation at the City of Kissimmee that were being offered at the time of this study. Market comparisons contained herein do not translate well at the individual level and should be used to provide an overall analysis and not for a specific job classification. The methodology utilized was not intended to evaluate salaries paid to individuals as compensation for each employee is determined through a combination of factors that can include: the demand for a job, a candidate's prior experience, and negotiating abilities at the time of hire.

It should also be noted that market comparisons are best reviewed as a snapshot of current market conditions. Market conditions change, and in some cases, they change quickly. While market surveys are useful for making updates to salary structures offered to employees, new surveys must be completed at regular intervals if the City wishes to remain competitive with its market peers and market salary trends.

3.1 PUBLIC SECTOR SALARY SURVEY RESULTS – General Employees

Evergreen Solutions collected pay range information from targeted public sector organizations in the City's competitive market utilizing a customized salary survey tool. Development of this tool included benchmark classifications within the City to be included in the survey. The desired outcome was to select a cross-section of the City's classifications, to ensure that positions surveyed made up a subset of all work areas and levels of classifications. For each benchmarked position, the classification title, which is a description of the assigned duties, and the education and experience requirements were provided to each peer.

The target peers used in the study contained many of the same peers from the previous study completed by Evergreen Solutions and also added additional peers that were viewed as being top competitors of the City. Several factors were utilized when developing this peer list, including geographic proximity to the City, size of the organization, and the relative population being served by the organization. All data collected were adjusted for cost of living using a national cost of living index factor; which allowed salary dollars from organizations outside of the immediate area to be adjusted for the cost of living relative to the City. **Exhibit 3A** provides the list of 20 market peers from which data were collected for 56 benchmark classifications.



EXHIBIT 3A MARKET PEERS

2014 Market Peers	2018 Market Peers
City of Altamonte Springs, FL	City of Altamonte Springs, FL
City of Apopka, FL	City of Apopka, FL
City of Casselberry, FL	City of Clermont, FL
City of Clermont, FL	City of Daytona Beach, FL
City of Cocoa, FL	City of Deland, FL
City of Daytona Beach, FL	City of Deltona, FL
City of Haines City, FL	City of Fort Pierce, FL
City of Lake Wales, FL	City of Lakeland, FL
City of Lakeland, FL	City of Melbourne, FL
City of Leesburg, FL	City of Ocala, FL
City of Maitland, FL	City of Ocoee, FL
City of Melbourne, FL	City of Orlando, FL
City of Ocala, FL	City of Oviedo, FL
City of Ocoee, FL	City of Palm Bay, FL
City of Orlando, FL	City of Plant City, FL
City of Oviedo, FL	City of Sanford, FL
City of Sanford, FL	City of St. Cloud, FL
City of St. Cloud, FL	City of Titusville, FL
City of Tampa, FL	City of Winter Garden, FL
City of Titusville, FL	City of Winter Park, FL
	City of Winter Springs, FL
	Economic Research Institute (ERI)
	Kissimmee Utility Authority, FL
	Orange County, FL
	Osceola County, FL
	Toho Water Authority, FL

The City of Kissimmee's desire was to review its compensation plan to ensure the City remains competitive at the market average. Based on this desired market position, Evergreen Solutions utilized a comparison of City's pay plan, or salary ranges, for the benchmark classifications to the average of the collected peer data. **Exhibit 3B** provides a summary of the results of the salary data and contains the following information:

- The market salary range information for each classification which indicates the average of the peer responses for the salary range minimum, midpoint, and maximum for each benchmarked classification.
- The percent differentials (to the City's existing salary ranges). A positive differential indicates the City was above the market average for that classification at the minimum, midpoint, or maximum. A negative differential indicates the City was below



market average for that classification. The final row of the exhibit provides the average percent differentials for the minimum, midpoint, and maximum for all benchmarked classifications. This represents an average of all classifications' differentials.

- The survey average range provides the average range width for each classification surveyed, which is determined by the average minimum and average maximum salaries of the respondents, relative to the minimum. The average range spread for all the classifications is provided in the final row of the exhibit.
- 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.

Overall, the City's benchmark classifications were 1.4 percent above the market average at the minimum, 1.8 percent above at the midpoint, and 2.0 percent above at the maximum. The average market range spread, the percentage difference between the range maximum and minimum, was 59.1 percent compared to an average range spread for the City's compensation structure of 59.6 percent. The last column provides the number of comparative data points (responses) collected for each classification.



EXHIBIT 3B PUBLIC SECTOR MARKET DATA

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range	# Resp.
		Average	% Diff	Average	% Diff	Average	% Diff		
1	ACCOUNTANT I	\$38,413.53	2.3%	\$49,576.52	0.9%	\$60,739.51	0.0%	58.2%	22.0
2	ACCOUNTING MANAGER	\$52,121.46	1.0%	\$67,983.14	-1.4%	\$83,844.82	-3.0%	60.9%	21.0
3	ACCOUNTING TECHNICIAN	\$29,735.85	3.5%	\$38,069.67	2.9%	\$46,403.49	2.5%	56.4%	23.0
4	ASSISTANT CITY ATTORNEY	\$76,796.35	-14.4%	\$101,858.53	-16.1%	\$126,920.72	-17.1%	65.2%	8.0
5	ASSISTANT FINANCE DIRECTOR	\$63,615.24	4.4%	\$83,152.72	4.1%	\$102,690.20	4.0%	61.5%	22.0
6	ASSISTANT PARKS AND RECREATION DIRECTOR	\$57,841.50	13.9%	\$77,066.11	11.7%	\$96,290.71	10.4%	66.3%	16.0
7	AVIATION DIRECTOR	\$72,142.46	7.2%	\$97,565.74	8.8%	\$122,989.03	9.8%	70.4%	4.0
8	BATTALION CHIEF (2912 hours)	\$57,411.67	8.8%	\$73,373.06	10.8%	\$89,334.45	12.1%	55.4%	17.0
9	BUDGET ANALYST	\$45,948.38	-1.0%	\$58,941.14	-1.8%	\$71,933.90	-2.3%	56.7%	16.0
10	BUILDING INSPECTOR II	\$40,373.05	7.0%	\$52,050.73	5.7%	\$63,728.40	4.9%	57.9%	23.0
11	BUILDING OFFICIAL	\$65,999.23	0.7%	\$87,599.67	-1.1%	\$109,200.11	-2.1%	65.5%	21.0
12	CITY ENGINEER/ASSISTANT PUBLIC WORKS DIRECTOR	\$73,955.21	-4.9%	\$96,223.13	-4.6%	\$118,491.05	-4.5%	60.3%	22.0
13	CLERK TECHNICIAN	\$24,850.59	11.6%	\$31,941.55	10.7%	\$39,032.51	10.1%	57.1%	23.0
14	CODE ENFORCEMENT OFFICER	\$37,374.36	-9.6%	\$48,359.63	-11.3%	\$59,344.90	-12.3%	58.9%	22.0
15	COMMUNITY SERVICE OFFICER	\$30,883.95	9.4%	\$40,222.48	7.1%	\$49,561.02	5.7%	60.7%	12.0
16	COMPUTER SPECIALIST (IT HELPDESK)	\$38,286.47	7.4%	\$48,433.48	8.1%	\$58,580.49	8.5%	53.4%	24.0
17	DEPUTY CITY ATTORNEY	\$85,080.08	-4.4%	\$113,082.83	-1.0%	\$141,085.58	0.9%	65.9%	8.0
18	DEPUTY CITY MANAGER	\$94,314.61	-2.6%	\$123,018.95	2.6%	\$151,723.28	5.8%	60.9%	18.0
19	DEPUTY FIRE CHIEF	\$69,455.91	-4.4%	\$90,870.84	-4.7%	\$112,285.77	-4.9%	61.7%	18.0
20	DEPUTY POLICE CHIEF	\$70,550.41	-0.2%	\$93,548.18	-1.8%	\$116,545.94	-2.8%	65.1%	14.0
21	DEVELOPMENT SERVICES DIRECTOR	\$78,469.91	-1.2%	\$102,709.59	3.7%	\$126,949.27	6.6%	61.8%	22.0
22	ENGINEER I	\$50,077.02	10.8%	\$64,724.84	11.7%	\$79,372.65	12.3%	58.7%	20.0
23	ENGINEER III	\$59,296.97	5.6%	\$76,817.71	6.2%	\$94,338.44	6.7%	59.3%	15.0
24	ENGINEERING TECHNICIAN	\$39,633.60	8.8%	\$50,962.45	7.8%	\$62,291.29	7.2%	57.4%	18.0
25	EQUIPMENT OPERATOR II	\$28,640.92	7.2%	\$36,864.72	6.1%	\$45,088.53	5.4%	57.5%	24.0
26	FINANCE DIRECTOR	\$85,890.29	-10.3%	\$111,932.57	-4.9%	\$137,974.85	-1.7%	60.7%	24.0
27	FIRE CHIEF	\$85,665.65	-10.0%	\$111,979.48	-4.9%	\$138,293.31	-1.9%	61.5%	20.0
28	FIRE INSPECTOR	\$38,281.86	2.6%	\$49,190.08	1.7%	\$60,098.29	1.1%	57.1%	20.0
29	FLEET MANAGER	\$50,471.17	4.2%	\$65,015.70	3.0%	\$79,560.23	2.3%	57.8%	23.0
30	FLEET MECHANIC	\$33,123.47	7.9%	\$42,141.54	7.9%	\$51,159.60	8.0%	54.8%	23.0
31	GIS ANALYST	\$44,578.20	2.0%	\$55,974.27	3.4%	\$67,370.34	4.2%	51.2%	24.0
32	HEAVY EQUIPMENT MECHANIC	\$33,662.95	10.5%	\$43,499.49	9.1%	\$53,336.03	8.1%	58.6%	23.0
33	HEAVY EQUIPMENT OPERATOR	\$30,793.90	4.8%	\$39,631.22	3.7%	\$48,468.54	3.0%	57.5%	23.0
34	INFORMATION TECHNOLOGY DIRECTOR	\$85,169.20	-9.4%	\$110,780.38	-3.9%	\$136,391.55	-0.5%	60.3%	22.0
35	LEGAL (EXECUTIVE) SECRETARY	\$36,792.17	-13.0%	\$47,154.91	-13.6%	\$57,517.66	-14.1%	56.5%	11.0
36	MANAGER OF PUBLIC INFORMATION & COMMUNICATIONS	\$54,846.05	-9.0%	\$70,997.31	-10.6%	\$87,148.57	-11.7%	59.1%	19.0
37	NETWORK MANAGER	\$57,413.20	3.0%	\$74,496.52	3.5%	\$91,579.84	3.8%	59.6%	23.0
38	PARKS AND RECREATION SUPERVISOR	\$42,937.98	5.8%	\$56,459.75	2.5%	\$69,981.51	0.4%	63.0%	19.0
39	PARKS GROUNDSKEEPER	\$23,414.30	7.8%	\$29,812.32	6.6%	\$36,210.33	5.8%	54.7%	21.0
40	PARKS, RECREATION & PUBLIC FACILITIES DIRECTOR	\$78,541.63	-1.3%	\$102,884.14	3.5%	\$127,226.65	6.4%	61.9%	19.0
41	PERMITTING TECHNICIAN	\$28,273.52	3.6%	\$36,450.45	2.3%	\$44,627.39	1.5%	57.9%	20.0
42	PERSONNEL & RISK MANAGEMENT DIRECTOR	\$81,475.45	-5.0%	\$105,976.01	0.6%	\$130,476.56	3.9%	60.3%	25.0
43	PLANNER II	\$44,939.78	1.2%	\$58,075.13	-0.3%	\$71,210.49	-1.3%	58.6%	21.0
44	PLANNING TECHNICIAN	\$33,355.11	1.7%	\$43,425.24	-0.5%	\$53,495.38	-1.9%	60.5%	18.0
45	POLICE CAPTAIN	\$63,598.45	4.4%	\$81,680.16	5.9%	\$99,761.88	6.9%	56.8%	14.0
46	POLICE CHIEF	\$82,304.74	-6.0%	\$108,295.01	-1.6%	\$134,285.28	1.0%	63.1%	20.0
47	POLICE LIEUTENANT	\$59,977.11	4.4%	\$73,320.13	10.9%	\$86,663.15	15.1%	44.7%	16.0
48	PROGRAMMER ANALYST	\$51,808.10	7.4%	\$65,953.62	9.8%	\$80,099.13	11.4%	55.0%	14.0
49	PUBLIC WORKS & ENGINEERING DIRECTOR	\$85,220.57	-9.5%	\$110,788.77	-3.9%	\$136,356.98	-0.5%	60.1%	23.0
50	PUBLIC WORKS FOREMAN	\$36,488.48	12.2%	\$47,062.07	10.9%	\$57,635.66	10.1%	58.1%	22.0
51	PUBLIC WORKS UTILITY WORKER	\$25,439.10	4.4%	\$32,293.16	4.7%	\$39,147.22	4.9%	54.2%	21.0
52	RISK MANAGER	\$56,424.96	-21.5%	\$73,204.90	-23.4%	\$89,984.84	-24.6%	59.6%	22.0
53	SECRETARY	\$27,519.51	6.3%	\$35,335.57	5.4%	\$43,151.63	4.9%	57.0%	23.0
54	SENIOR ACCOUNTANT	\$45,628.88	-0.3%	\$58,988.06	-1.9%	\$72,347.23	-2.9%	58.7%	23.0
55	STREETS SUPERINTENDENT	\$52,240.04	0.8%	\$67,889.73	-1.3%	\$83,539.43	-2.6%	60.0%	22.0
56	TRAFFIC TECHNICIAN II	\$31,609.09	12.6%	\$40,886.26	10.9%	\$50,163.44	9.9%	58.8%	18.0
Overall Average			1.4%		1.8%		2.0%	59.1%	19.4



Pay Range Minimum Comparisons

Market minimums are generally considered as an entry level salary for employees that meet the minimum qualifications of a classification. Employees with salaries at or near the range minimums are unlikely to have mastered the job and most likely have not acquired the skills and experience necessary to be fully proficient in their classification.

As **Exhibit 3B** illustrates, the City was on average, approximately 1.4 percent above the desired market position at the minimum of the respective salary ranges. Several conclusions can be drawn based on the collected data:

- The surveyed classifications' differentials ranged from a low of 21.5 percent below the desired market position minimum in the case of the Risk Manager classification to a high of 13.9 percent above for the Assistant Parks and Recreation Department Director classification.
- Of the 56 benchmarked classifications, 20 (35.7 percent) reported to be below the market average at the minimum and 36 (64.3 percent) above.

Pay Range Midpoint Comparisons

Market midpoints are important to consider as the midpoint is commonly recognized as the salary point at which employees are typically fully proficient and satisfactorily performing the duties of their job. As such, midpoint is often considered as the salary point at which employees could expect their salary to be placed.

As **Exhibit 3B** illustrates, for the benchmarked classifications, the City was, on average, 1.8 percent above the market average at the midpoint of the respective salary ranges. Based on the collected data, the following observations can be made:

- The surveyed classifications' differentials ranged from a low of 23.4 percent below the desired market midpoint in the case of the Risk Manager to a high of 11.7 percent above this position for the Assistant Parks and Recreation Director classification.
- Of the 56 classifications, 21 (37.5 percent) reported to be below the desired market position at the midpoint and 35 (62.5 percent) above.

Pay Range Maximum Comparisons

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

As **Exhibit 3B** illustrates, the City's benchmarked positions were on average, 2.0 percent above the market average maximum of the respective salary ranges. Based on the collected data, the following observations can be made:



- The surveyed position differentials ranged from a low of 24.6 percent below the desired market position maximum in the case of the Risk Manager classification to a high of 15.1 percent above for the Police Lieutenant classification.
- Of the 56 classifications, 20 (35.7 percent) reported to be below the desired market position at the maximum.

EXHIBIT 3C PUBLIC SECTOR MARKET DATA – REPRESENTED EMPLOYEES

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range	# Resp.
		Average	% Diff	Average	% Diff	Average	% Diff		
1	FIRE ENGINEER	\$42,949.79	10.5%	\$53,107.68	13.9%	\$63,265.57	16.1%	47.1%	16.0
2	FIRE LIEUTENANT	\$48,972.89	7.4%	\$61,094.29	9.9%	\$73,215.68	11.5%	49.5%	16.0
3	FIREFIGHTER	\$36,063.38	10.5%	\$46,411.83	9.9%	\$56,610.11	9.7%	56.8%	19.0
4	POLICE CORPORAL	\$45,900.59	-0.7%	\$55,987.20	4.1%	\$66,073.82	7.2%	43.6%	6.0
5	POLICE OFFICER	\$38,996.97	8.9%	\$49,477.73	7.9%	\$59,958.49	7.2%	53.8%	20.0
6	POLICE SERGEANT	\$52,112.05	0.2%	\$62,694.48	6.3%	\$73,276.91	10.5%	40.6%	20.0
Overall Average			6.1%		8.7%		10.4%	48.6%	16.2

3.2 PUBLIC SECTOR SALARY SURVEY RESULTS – REPRESENTED EMPLOYEES

Pay Range Minimum Comparisons

Demonstrated in Exhibit 3C, the City's represented employees were on average, approximately 6.1 percent above the desired market position at the minimum of the respective salary ranges. Several conclusions can be drawn based on the collected data:

- The surveyed classifications' differentials ranged from a low of -0.7 percent below the desired market position minimum in the case of the Police Corporal classification to a high of 10.5 percent above for both the Fire Engineer and Firefighter classifications.
- Of the 6 benchmarked classifications, one (16.7 percent) reported to be below the market average at the minimum and 5 (83.3 percent) above.

Pay Range Midpoint Comparisons

Provided in Exhibit 3B, for the benchmarked classifications, the City's represented employees were on average, 8.7 percent above the market average at the midpoint of the respective salary ranges. Based on the collected data, the following observations can be made:

- The surveyed classifications' differentials ranged from a low of 4.1 percent above the desired market midpoint in the case of the Police Corporal classification to a high of 13.9 percent above for the Fire Engineer classification.



- Of the 6 classifications, 6 (100.0 percent) reported to be above the desired market position at the midpoint.

Pay Range Maximum Comparisons

Reflected in **Exhibit 3B**, the City's represented benchmarked positions were on average, 10.4 percent above the market average maximum of the respective salary ranges. Based on the collected data, the following observations can be made:

- The surveyed position differentials ranged from a low of 7.2 percent above the desired market position maximum in the case of the Police Corporal and Police Officer classifications to a high of 16.1 percent above for the Fire Engineer classification.
- Of the 6 classifications, 6 (100.0 percent) reported to be above the desired market position at the midpoint.

3.3 PRIVATE SECTOR MARKET DATA- GENERAL EMPLOYEES

Some classifications at the City can be found in the private sector. To supplement the public-sector data, private sector salary data for April 2017 from Economic Research Institute (ERI) were analyzed. **Exhibit 3D** summarizes the ERI private sector salary data for the City of Kissimmee, Florida, which was the nearest ERI city. While salary data from the private sector were useful in determining characteristics of that market as a whole, inherent differences between private and public-sector classifications make it difficult to draw conclusions about public sector salary ranges entirely from private sector data. Only those classifications with skills that are more easily transferable to the private sector are included in **Exhibit 3D**. Private sector market data were considered when making pay grade recommendations which are discussed in **Chapter 4** of this report.



EXHIBIT 3D PRIVATE SECTOR MARKET DATA

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range	# Resp.
		Average	% Diff	Average	% Diff	Average	% Diff		
1	ACCOUNTANT I	\$45,471.00	-14.6%	\$60,733.00	-19.4%	\$75,995.00	-22.3%	67.1%	1.0
2	ACCOUNTING MANAGER	\$73,871.00	-33.6%	\$96,484.00	-36.0%	\$119,097.00	-37.6%	61.2%	1.0
3	ACCOUNTING TECHNICIAN	\$38,268.00	-21.7%	\$52,780.00	-29.6%	\$67,292.00	-34.3%	75.8%	1.0
5	ASSISTANT FINANCE DIRECTOR	\$61,196.00	8.2%	\$91,460.50	-5.4%	\$121,725.00	-13.0%	98.9%	1.0
9	BUDGET ANALYST	\$43,277.00	5.0%	\$62,883.00	-8.3%	\$82,489.00	-16.0%	90.6%	1.0
10	BUILDING INSPECTOR II	\$38,994.00	10.5%	\$55,510.50	-0.7%	\$72,027.00	-7.3%	84.7%	1.0
13	CLERK TECHNICIAN	\$26,656.00	4.6%	\$37,156.50	-4.4%	\$47,657.00	-9.9%	78.8%	1.0
16	COMPUTER SPECIALIST (IT HELPDESK)	\$36,156.00	13.1%	\$51,618.00	1.7%	\$67,080.00	-5.1%	85.5%	1.0
21	DEVELOPMENT SERVICES DIRECTOR	\$101,929.00	-27.2%	\$124,674.00	-15.6%	\$147,419.00	-8.3%	44.6%	1.0
22	ENGINEER I	\$47,252.00	16.6%	\$70,474.50	3.2%	\$93,697.00	-4.3%	98.3%	1.0
24	ENGINEERING TECHNICIAN	\$39,281.00	9.7%	\$56,104.00	-1.8%	\$72,927.00	-8.5%	85.7%	1.0
25	EQUIPMENT OPERATOR II	\$32,727.00	-6.1%	\$45,200.00	-14.3%	\$57,673.00	-19.2%	76.2%	1.0
26	FINANCE DIRECTOR	\$104,134.00	-29.3%	\$129,251.50	-19.2%	\$154,369.00	-12.9%	48.2%	1.0
29	FLEET MANAGER	\$54,619.00	-3.7%	\$80,877.50	-18.7%	\$107,136.00	-27.3%	96.2%	1.0
30	FLEET MECHANIC	\$33,267.00	7.5%	\$45,885.50	-0.6%	\$58,504.00	-5.4%	75.9%	1.0
31	GIS ANALYST	\$37,286.00	19.8%	\$53,496.50	7.9%	\$69,707.00	0.8%	87.0%	1.0
32	HEAVY EQUIPMENT MECHANIC	\$39,345.00	-5.1%	\$55,855.50	-15.9%	\$72,366.00	-22.3%	83.9%	1.0
33	HEAVY EQUIPMENT OPERATOR	\$33,812.00	-4.6%	\$48,798.50	-17.0%	\$63,785.00	-24.3%	88.6%	1.0
34	INFORMATION TECHNOLOGY DIRECTOR	\$98,498.00	-23.8%	\$122,624.00	-14.0%	\$146,750.00	-7.9%	49.0%	1.0
35	LEGAL (EXECUTIVE) SECRETARY	\$36,351.00	-11.8%	\$51,172.00	-21.7%	\$65,993.00	-27.7%	81.5%	1.0
36	MANAGER OF PUBLIC INFORMATION & COMMUNICATIONS	\$47,535.00	5.3%	\$71,661.00	-11.6%	\$95,787.00	-21.1%	101.5%	1.0
37	NETWORK MANAGER	\$54,827.00	7.6%	\$84,713.00	-9.3%	\$114,599.00	-18.6%	109.0%	1.0
39	PARKS GROUNDSKEEPER	\$21,021.00	18.6%	\$29,139.50	8.9%	\$37,258.00	2.9%	77.2%	1.0
42	PERSONNEL & RISK MANAGEMENT DIRECTOR	\$89,029.00	-13.8%	\$113,472.50	-6.3%	\$137,916.00	-1.7%	54.9%	1.0
43	PLANNER II	\$40,508.00	11.6%	\$59,586.50	-2.9%	\$78,665.00	-11.2%	94.2%	1.0
44	PLANNING TECHNICIAN	\$32,345.00	4.8%	\$45,804.00	-5.8%	\$59,263.00	-12.2%	83.2%	1.0
48	PROGRAMMER ANALYST	\$52,048.00	7.0%	\$77,733.50	-6.6%	\$103,419.00	-14.2%	98.7%	1.0
49	PUBLIC WORKS & ENGINEERING DIRECTOR	\$100,331.00	-25.7%	\$133,814.50	-22.7%	\$167,298.00	-20.9%	66.7%	1.0
50	PUBLIC WORKS FOREMAN	\$42,000.00	-1.8%	\$60,228.50	-13.7%	\$78,457.00	-20.7%	86.8%	1.0
51	PUBLIC WORKS UTILITY WORKER	\$33,788.00	-23.9%	\$44,715.00	-27.7%	\$55,642.00	-30.0%	64.7%	1.0
52	RISK MANAGER	\$52,269.00	-13.9%	\$76,591.00	-27.8%	\$100,913.00	-35.8%	93.1%	1.0
53	SECRETARY	\$24,575.00	17.6%	\$36,487.50	2.2%	\$48,400.00	-6.6%	96.9%	1.0
Overall Average			-2.9%		-11.0%		-15.7%	80.8%	1.0

3.4 SALARY SURVEY SUMMARY

It should be emphasized that the standing of a classification's pay range compared to the City's desired market position is not a definitive assessment of an individual employee's salary being equally above or below market. A salary range does, however, address 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 has the potential to lose out to its market peers when recruiting to fill a position. It is equally important to note, that range maximums lower than the market maximums may serve as a disincentive for experienced employees to remain with the City. From the analysis of the data gathered and provided above, the City's salary structure was generally found to be above its desired market position when compared to both public and private sectors.

3.5 MARKET SUMMARY

From the analysis of the data gathered in the external assessment discussed above, the City's pay plan was just slightly above the public-sector market at the minimum, midpoint and the maximum.



Chapter 4 - Recommendations

The analysis of the City of Kissimmee's pay plan revealed some areas of opportunities for improvement. Evergreen Solutions worked to build on the strength of the existing pay structure. Focus was placed on improving the overall competitiveness of the plan, and making additional adjustments to individual pay grades as appropriate. Study recommendations, as well as the findings that led to each, are discussed in this chapter.

4.1 COMPENSATION

The compensation analysis included conducting an external market salary survey to assess the competitiveness of the plan. During this assessment, the City's pay ranges for selected benchmark classifications were compared to various levels of the identified market. Details regarding the external market assessment were provided in **Chapter 3** of this report.

FINDING:

Based on the results of the salary survey, the City's pay plan was found to have salary ranges below the market for several benchmark classifications, but overall was slightly ahead of the public sector market at the minimum, midpoint and maximum of the salary ranges. This indicated little need for significant changes to the pay plan. Some adjustments were necessary to the highest pay grades as shown below. Moreover, survey data showed that range spreads of the peers were, on average, 59.1 percent compared to the City's pay plan of 58.0 percent. This difference was not enough to indicate a need for change in the range spreads (design) of the pay plan.

RECOMMENDATION 1: Keep the current open-range pay plan to remain competitive with the market. Adjustments to the highest grades would place the plan at a competitive position within the studied market. The adjustments would also ensure the plan remains competitive for several years and allows for ample employee salary growth opportunity. Additionally, make changes to some classifications' pay grades based on internal and external equity. Then, implement the proposed plan (and pay grade changes) by transitioning employees' salaries into the adjusted plan.

Exhibit 4A shows the proposed adjusted open-range pay plan with 26 open range pay grades, which keeps the current numbering system. Grades 007 through 027 are identical to the current plan grades. Grades 028 through 032 are new to the plan and replace ACM, DCM, and EBB grades. The range spreads are 52.0 percent in grade 007, 55.0 percent in grades 008 - 022, 61.0 percent in grades 023 - 027 similar to the plan adopted in 2015. The range spreads for new grades 028 - 032 are 75.0 percent.



EXHIBIT 4A
PROPOSED (UPDATED) PAY PLAN

Grade	Minimum	Midpoint	Maximum	Range Spread
007	\$ 25,323	\$ 31,857	\$ 38,370	52%
008	\$ 26,587	\$ 33,850	\$ 41,113	55%
009	\$ 27,915	\$ 35,542	\$ 43,169	55%
010	\$ 29,308	\$ 37,321	\$ 45,312	55%
011	\$ 30,786	\$ 39,184	\$ 47,590	55%
012	\$ 32,307	\$ 41,134	\$ 49,961	55%
013	\$ 33,936	\$ 43,191	\$ 52,467	55%
014	\$ 35,842	\$ 45,633	\$ 55,402	55%
015	\$ 37,406	\$ 47,626	\$ 57,845	55%
016	\$ 39,292	\$ 50,004	\$ 60,737	55%
017	\$ 41,241	\$ 52,510	\$ 63,758	55%
018	\$ 43,298	\$ 55,124	\$ 66,950	55%
019	\$ 45,483	\$ 57,888	\$ 70,292	55%
020	\$ 47,754	\$ 60,780	\$ 73,806	55%
021	\$ 50,132	\$ 63,822	\$ 77,512	55%
022	\$ 52,639	\$ 67,014	\$ 81,390	55%
023	\$ 55,810	\$ 72,777	\$ 89,745	61%
024	\$ 59,152	\$ 77,148	\$ 95,144	61%
025	\$ 62,687	\$ 81,775	\$ 100,843	61%
026	\$ 66,457	\$ 86,682	\$ 106,884	61%
027	\$ 70,442	\$ 91,866	\$ 113,312	61%
028	\$ 74,666	\$ 97,386	\$ 120,106	61%
029	\$ 79,143	\$ 108,822	\$ 138,500	75%
030	\$ 83,888	\$ 115,347	\$ 146,805	75%
031	\$ 88,919	\$ 122,263	\$ 155,607	75%
032	\$ 94,250	\$ 129,594	\$ 164,938	75%

After making the minor adjustments to the pay plan, Evergreen Solutions slotted each classification into the appropriate pay range within the 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 3** were not the sole criteria for the proposed slotting of each classification. Some classifications' grade assignments varied from their associated market range due to the other factors mentioned above. The resulting recommended pay grades (ranges) for each of the City's classifications are shown in **Exhibit 4B**.



EXHIBIT 4B PROPOSED (UPDATED) PAY GRADES

Class Title	Proposed Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
CUSTODIAN				
FACILITY ATTENDANT (FULL-TIME)	007	\$ 25,323	\$ 31,857	\$ 38,370
GROUNDSKEEPER				
APPRENTICE MECHANIC				
AQUATIC CENTER TECH				
CEMETERY TECHNICIAN				
CLERK TECHNICIAN				
CLERK TECHNICIAN I (CS)				
CLERK TECHNICIAN I (KPD)	008	\$ 26,587	\$ 33,850	\$ 41,113
CLERK TECHNICIAN I (PW)				
CLERK/TECHNICIAN (KPD)				
FACILITY TECHNICIAN				
GENERAL TRADESWORKER				
UTILITY WORKER/PW				
EQUIPMENT OPERATOR I/P&R	009	\$ 27,915	\$ 35,542	\$ 43,169
EQUIPMENT OPERATOR I/PW				
EVIDENCE TECHNICIAN				
FIRE ADMINISTRATIVE TECHNICIAN				
PARK RANGER				
PARKING ENFORCEMENT SPECIALIST				
PERSONNEL ADMINISTRATIVE TECHNICIAN				
RECORDS SPECIALIST				
SECRETARY (PR)				
SECRETARY- AIRPORT	010	\$ 29,308	\$ 37,321	\$ 45,312
SECRETARY- CITY MANAGER				
SECRETARY(FIRE DEPARTMENT)				
SECRETARY/DS				
SECRETARY/KPD				
SECRETARY/PW&E				
SECRETARY/SANITATION				
ADMINISTRATIVE SECRETARY- CS				
ADMINISTRATIVE SECRETARY/DS				
ADMINISTRATIVE SECRETARY/P&R				
ADMINISTRATIVE SECRETARY/POL				
ADMINISTRATIVE SECRETARY/PW&E				
AIRPORT TECHNICIAN II				
ARBORIST				
EQUIPMENT OPERATOR II/P&R	011	\$ 30,786	\$ 39,184	\$ 47,590
EQUIPMENT OPERATOR II/PW				
LOGISTICS COORDINATOR				
PATROL SUPPORT SPECIALIST				
PERMITTING TECHNICIAN (CD)				
PURCHASING TECHNICIAN				
SENIOR SIGN & STRIPING TECH				



EXHIBIT 4B (CONTINUED) PROPOSED PAY GRADES

Class Title	Proposed Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
ACCOUNTING TECHNICIAN	012	\$ 32,307	\$ 41,134	\$ 49,961
AIRPORT ADMINISTRATION SPECIALIST				
EVENTS SPECIALIST				
HEAVY EQUIPMENT OPERATOR/PW				
HERBICIDE SPECIALIST (P&R)				
HERBICIDE SPECIALIST (PW)				
RECREATION SPECIALIST				
SOLID WASTE DRIVER				
STORMWATER TECHNICIAN				
TRAFFIC TECH. (CERT I)				
ACCOUNTING SPECIALIST	013	\$ 33,936	\$ 43,191	\$ 52,467
COMMUNITY SERVICE OFFICER				
MUNICIPAL COURT CLERK				
STORMWATER INSPECTOR				
TELECOMMUNICATOR				
ADMINISTRATIVE ASSISTANT	014	\$ 35,842	\$ 45,633	\$ 55,402
ADMINISTRATIVE ASSISTANT (CRA)				
CEMETERY & CONTRACT COOR				
CRIME SCENE TECHNICIAN				
EVENT COORDINATOR				
FLEET MECHANIC				
LEGAL ASSISTANT				
PERMIT COORDINATOR				
PLANNING TECHNICIAN				
SANITATION SERVICE TECHNICIAN				
TRAFFIC TECH. (CERT II)				
WELDER				
BACKGROUND INVESTIGATOR	015	\$ 37,406	\$ 47,626	\$ 57,845
EMERGENCY VEHICLE SPECIALIST TECHNICIAN				
HEAVY EQUIPMENT MECHANIC				
OFFICE MANAGER				
PROCUREMENT COORDINATOR				
PUBLIC EDUCATION COORDINATOR	016	\$ 39,292	\$ 50,004	\$ 60,737
ADMINISTRATIVE SERVICES SUPVR				
BENEFIT COORDINATOR				
CODE ENFORCEMENT OFFICER				
CONSTRUCTION INSPECTOR/PW&E				
CRIME ANALYST				
FIRE INSPECTOR				
PAYROLL COORDINATOR				
PENSION COORDINATOR				
RECREATION& LEISURE SERVICE COORDINATOR				
RISK MANAGEMENT COORDINATOR				
SHIFT SUPERVISOR/COMM.CENTER				
TRAINING COORDINATOR				



EXHIBIT 4B (CONTINUED) PROPOSED PAY GRADES

Class Title	Proposed Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
ACCOUNTANT I COMPUTER SPECIALIST FLEET MAINTENANCE FOREMAN FOREMAN/P&R FOREMAN/PW PRODUCER SUPERVISOR OF PUBLIC EVENTS & VENUES SUPERVISOR RECREATION & LEISURE SVCS TRAFFIC TECH. (CERT III)	017	\$ 41,241	\$ 52,510	\$ 63,758
COMPUTER SPECIALIST - LEAD ENGINEERING TECHNICIAN II FRANCHISE COORDINATOR LEAD FOREMAN - PW LEAD FOREMAN/ P&R LEAD PRODUCER MACHINIST PLANNER I	018	\$ 43,298	\$ 55,124	\$ 66,950
AIRPORT OPERATIONS COORD CHIEF CODE ENFORCEMENT OFFICER CONSTRUCTION COORDINATOR FINANCIAL ANALYST FISCAL SPECIALIST FORENSIC LAB SUPERVISOR GIS ANALYST LEAD ENGINEERING TECH MARKETING COORDINATOR PERMIT SUPERVISOR PLAN REVIEWER II PUBLIC INFORMATION OFFICER STORMWATER ENGINEERING COORDINATOR	019	\$ 45,483	\$ 57,888	\$ 70,292
BUDGET ANALYST BUILDING INSPECTOR III FIRE PREVENTION SUPERVISOR GRANT WRITER LOGISTICS MANAGER PAYROLL ANALYST PLANNER II SENIOR ACCOUNTANT TRAFFIC DIVISION SUPERVISOR WELD SHOP SUPERVISOR	020	\$ 47,754	\$ 60,780	\$ 73,806
ASSISTANT SUPERINTENDENT	021	\$ 50,132	\$ 63,822	\$ 77,512
COMMUNICATIONS MANAGER EVENTS AND PUBLIC VENUES MANAGER FACILITY MAINTENANCE- SUPERINTENDENT PARKS AND RECREATION SUPERINTENDENT PROCUREMENT MANAGER RECREATION & LEISURE SERVICES MANAGER SANITATION SUPERINTENDENT SUPERINTENDENT/PUBLIC WORKS	022	\$ 52,639	\$ 67,014	\$ 81,390



EXHIBIT 4B (CONTINUED) PROPOSED PAY GRADES

Class Title	Proposed Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
ACCOUNTING MANAGER BUSINESS SYSTEMS ADMINISTRATOR CHIEF PLAN REVIEWER CITY CLERK ENGINEER I FLEET MANAGER HOUSING AND COMMUNITY PROGRAMS DEVELOPMENT C NETWORK ENGINEER PUBLIC INFORMATION & COMMUNICATION OFFICER SENIOR PLANNER TRAFFIC OPERA SUPERINTENDENT	023	\$ 55,810	\$ 72,777	\$ 89,745
AIRFIELD MANAGER ENGINEER II - PW ENTERPRISE APPLICATION ADMINISTRATOR PROGRAMMER ANALYST RISK MANAGER	024	\$ 59,152	\$ 77,148	\$ 95,144
BUILDING MANAGER ENGINEER III NETWORK MANAGER PLANNING MANAGER POLICE LIEUTENANT	025	\$ 62,687	\$ 81,775	\$ 100,843
BATTALION CHIEF EMS CHIEF POLICE CAPTAIN PROJECT MANAGER	026	\$ 66,457.25	\$ 86,681.50	\$ 106,884.34
ASSISTANT DIRECTOR/FINANCE ASSISTANT PERSONNEL DIRECTOR ASST. I.T. DIRECTOR/GIS MGR ASST. PARKS & REC DIRECTOR BUILDING OFFICIAL SENIOR PROJECT MANAGER	027	\$ 70,442	\$ 91,866	\$ 113,312
ASSISTANT DIRECTOR OF DEVELOPMENT SERVICES ASSISTANT DIRECTOR/CITY ENGINEER ASSISTANT DIRECTOR-PUBLIC WORKS & ENG DEPUTY CHIEF OF POLICE DEPUTY FIRE CHIEF ECONOMIC DEVELOPMENT DIRECTOR	028	\$ 74,665.91	\$ 97,385.88	\$ 120,105.84
ASSISTANT CITY ATTORNEY	029	\$ 79,143	\$ 108,822	\$ 138,500
ASSISTANT CITY MANAGER AVIATION DIRECTOR DEPUTY CITY ATTORNEY DEVELOPMENT SERVICES DIRECTOR FINANCE DIRECTOR FIRE CHIEF- NON CERTIFIED INFORMATION TECHNOLOGY DIR. PARKS & RECREATION DIRECTOR PERSONNEL & RISK MGMT DIRECTOR POLICE CHIEF PUBLIC WORKS & ENG DIRECTOR DEPUTY CITY MANAGER	030 032	\$ 83,888 \$ 94,250	\$ 115,347 \$ 129,594	\$ 146,805 \$ 164,938



After assigning pay grades to classifications, the next step was to develop appropriate alternative methods (options) for transitioning employees' salaries into the new pay plan. This was done utilizing equitable methods of calculating salaries in the new pay plan/grades and determining whether adjustments were necessary to individual salaries to bring them to their calculated salary. Evergreen Solutions recommends the following approach in implementing the new plan.

Bring Employees' Salaries to Minimums:

In this method, it is assumed that the pay plan is adjusted as proposed (**Exhibit 4A**), and the recommended adjustments to specific classifications' assigned pay grades are made (**Exhibit 4B**). The current salary is compared to the minimum of their assigned classification's proposed pay grades. If an employee's new salary is below his or her grade minimum, an adjustment is proposed to raise the individual's salary to the minimum. If the employee's new salary is already above his or her grade minimum, no adjustment is recommended. Utilizing this approach, salary adjustments would be required for 32 City employees, with an approximate annualized cost of **\$78,663**, effective October 1, 2019. The approximate cost is for salary adjustments only and does not include the associated cost for employee benefits.

5% Reclassification Adjustment:

Assuming the pay plan adjustments are made (as outlined above), with this option, employees with a grade change due to the Compensation Study would have their salaries increased by 5% (unless additional increases are needed for the Bring to Minimum option discussed above). Employees already at or above the grade minimum or without a grade change due to the study are unaffected.

Utilizing this approach, adjustments are recommended for 109 employees, effective October 1, 2019, with an approximate annualized cost of **\$376,008**. This is the approximate cost for salary adjustments (only) and does not include the associated costs for employee benefits.

4.2 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 and classification system becomes dated and less competitive.

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 as a whole 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 City 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 City 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 for the City. 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.

4.3 SUMMARY

The recommendations in this chapter provide an update to the compensation system for City employees. If implemented, the recommendations will enhance the City's competitiveness in the labor market. By implementing the revised (updated) pay plan and pay grade changes, the City will 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 more competitive compensation system that enhances strong recruitment and employee retention is well worth this commitment.

