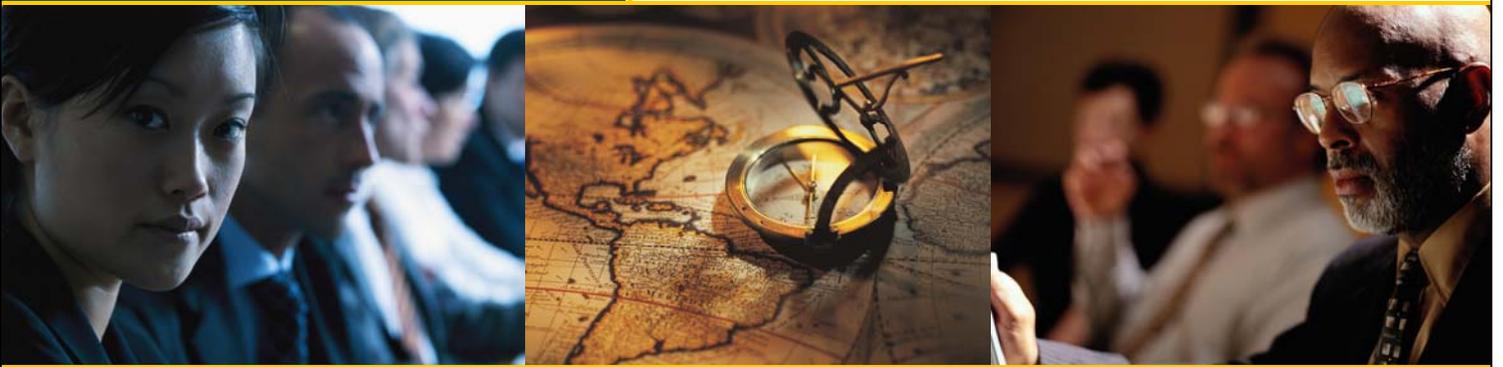


# Pay and Classification Study for the Town of Lake Park

## FINAL REPORT



Evergreen Solutions, LLC

December 5, 2019

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## Chapter 1 – Introduction

In December 2018, Evergreen Solutions was retained by Town of Lake Park to conduct a Pay and Classification Study. This study is primarily designed to focus on internal and external equity of both the structure by which employees are compensated, as well as the way positions relate and compare to one another across the Town.

Internal equity relates to the fairness of an organization's compensation practices among its current employees. Specifically, by reviewing the skills, capabilities, and duties of each position, it can be determined whether similar positions are being compensated in a similar manner within the organization. The classification component of this study is aimed at resolving any inconsistencies related to job requirements and providing some clarity to the plan in place.

External equity deals with the differences between how an organization's classifications are valued and what compensation is available in the market place for the same skills, capabilities, and duties.

As part of the study, Evergreen Solutions was tasked with:

- collecting and reviewing current environmental data present in the Town;
- reviewing job descriptions and obtaining job analysis questionnaires from employees;
- conducting a classification analysis to assess internal equity and the efficiency of the current classification plan;
- conducting a market salary survey and providing feedback to the regarding current market competitiveness;
- developing strategic positioning recommendations using market data and best practices;
- developing a compensation structure and implementation cost recommendations for the Town; and
- developing and submitting draft and final reports summarizing findings and recommendations.



## 1.1 STUDY METHODOLOGY

Evergreen combines qualitative as well as quantitative data analysis to produce an equitable solution in order to maximize the equity and competitiveness of an organization's compensation structure and practices. Project activities include:

- conducting a project kick-off meeting;
- conducting an orientation session with employees;
- facilitating employee focus group sessions with employees;
- administering an internal job survey;
- conducting a salary survey;
- developing recommendations for compensation management;
- revising job descriptions and FLSA;
- developing detailed implementation recommendations; and
- crafting the draft and final reports.

### **Kickoff Meeting**

The kickoff meeting provides an opportunity to discuss the history of the organization, finalize the work plan, and begin the data collection process. Data collection of relevant background material—existing pay plans, organization charts, policies, procedures, training materials, job descriptions, and other pertinent material—is part of this process.

### **Employee Outreach**

The orientation session is designed to brief employees and supervisors on the purpose and major processes of the study, as well as address any questions and resolve any misconceptions about the study and relevant tasks. During focus groups, employees are asked about their experience with the Town and to identify any concerns they have about compensation or classification.

Feedback received from employees helped to highlight areas where the employees feel attention and consideration are needed. This information provided some basic perceptual background, as well as a starting point for the research process. The collective feedback received during these sessions is summarized in **Chapter 2** of this report.

### **Assessment of Current Conditions**

This analysis provided an overall assessment of the existing pay plans and related data for Town employees at the time the study began. The pay plans for 2018-19, the progression of employee salaries through pay grades, employee tenure, and the distribution of employees in the Town were all examined during this process. The findings of this analysis are summarized in **Chapter 3** of this report.

### **Salary Survey**

The external market is defined as identified peers with whom the Town competes for quality candidates. Benchmark positions are identified from each area and level of the organization and include a large cross-section of positions in the Town. Once the market peer and



benchmark information is finalized, a market survey tool is created to solicit salary information from each of the peer organizations. When the results are received, the data are analyzed, cleaned, and entered to provide aggregate findings. The results of the salary survey are provided in **Chapter 4**.

### **Job Questionnaire**

Although market data are imperative for determining pay grade value for job titles, it is not the only factor that contributes to recommended placement. In addition to collecting market data, job questionnaire data were also used to slot positions. Evergreen's Job Assessment Tool (JAT) is administered to all employees during the study and is available to all employees for a two-week period to allow for sufficient participation. The JAT provides a score for each Town job title which is used to determine hierarchy and value of all job titles based on each one's complexities. Paired with market data through regression analysis, JAT scores help guide Evergreen's recommendations regarding the placement of classifications within the proposed new pay structure.

### **Recommendations**

The development of recommendations follows agreement on the structure of the compensation and classification system. During this phase, desired range spreads (distance from minimum to maximum) and midpoint progressions (distance from the midpoint of one pay grade to the next) are established. In addition, the Town identifies its desired market position and compensation philosophy. Subsequently, the pay plan and job slotting within the system can be adjusted to account for this desired position in the market.

As part of the study, job titles are determined that best reflect the roles and responsibilities of each position. With the pay tables and job titles established, jobs can be slotted into the proposed pay grade structure using market data and feedback from Human Resources staff.

The final step in the development of recommendations is to identify the costs associated with each step of the analysis. The data from the job slotting are applied to the individual incumbents in the organization, which allows the Town to view the total costs associated with the structural changes. Information is then provided to the Town on various ways to implement the proposed structure and possible adjustments that can be made to address any remaining issues. A summary of the findings and the associated recommendations in the study can be found in **Chapter 5**.

## **1.2 REPORT ORGANIZATION**

This report includes the following five chapters:

- Chapter 1 – Introduction
- Chapter 2 – Summary of Employee Outreach
- Chapter 3 - Assessment of Current Conditions
- Chapter 4 – Salary Survey Summary
- Chapter 5 – Recommendations



## Chapter 2 – Summary of Employee Outreach

On January 8, 2019, an Evergreen Solutions consultant conducted an orientation session, along with a series of focus group sessions with the Town of Lake Park employees, including department directors. Approximately 52 individuals attended the eight scheduled focus group sessions. The objective of the focus groups was to collect feedback on strengths and weaknesses of the current compensation and classification plans directly from the employees. Focus groups lasted for approximately 30-45 minutes. The remainder of this chapter summarizes the comments made by focus group participants.

**Note:** the views shared in this summary are not necessarily supported by Evergreen, nor the Town, and may not be an accurate depiction of actual Town policies and procedures. Evergreen, however, used this information as a basis for further investigation throughout the course of the study. In all instances, Evergreen has removed any information that may identify the commenter.

Comments and feedback have been organized into the following six sections:

- 2.1 General Feedback
- 2.2 Compensation
- 2.3 Classification
- 2.4 Benefits
- 2.5 Recruitment and Retention
- 2.6 Summary

### 2.1 GENERAL FEEDBACK

Although the purpose of the focus group sessions was to discuss the compensation and classification systems, the first two questions asked by the Evergreen consultant generally received feedback related to issues beyond these two topics. In some cases, even questions related specifically to compensation and classification yielded feedback outside of these domains. This section provides feedback received unrelated to compensation and classification, per se, but important to framing the context in which this study is occurring.

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

- **Lake Park is a Great Town** – Employees in almost every focus group attributed their desire to work for the Town to the friendly, small-town feel that exists not just within the community, but also the Town government; several used the words “family” and



“fun” to describe the atmosphere. Many employees also live in the community and view working for the Town as a way to “give back.”

- **Management** – A large number of employees expressed appreciation for the style of management that is present throughout the Town government, with particular praise given to the high level of communication, accessibility, and support that employees enjoy. Specific praise was also paid to the current Town Manager—who many feel inspires this kind of management style.
- **Co-workers** – The vast majority of focus group participants cited the relationships they have built with co-workers as a leading reason for continuing to work for the Town. In particular, many employees expressed appreciation for the communication that exists within and between departments, which helps to build such relationships.
- **Benefits Package** – Employees in many focus groups stated the benefits package (including health, retirement, and fringe benefits) is a reason they wanted to work for the Town and why they have stayed.
- **Security and Stability** – Many employees indicated that they sought employment with the Town because it is relatively stable and secure when compared to the private market. This was also cited as a reason for continued employment.
- **Nature of the Work** – Several employees stated that they wanted to work for the Town because of the opportunity to apply their skills and abilities in performing work that they enjoy. Many stated they gain real satisfaction from the work they perform and this motivates them to continue working for the Town.

## 2.2 COMPENSATION

Overall, focus group participants expressed general satisfaction with the current compensation system, with many saying it is accessible and easy to understand. There were, however, some critiques provided on the Town’s compensation practices, policies, and procedures, including the following:

- **Salary Progression** – Many employees expressed frustration with the lack of apparent progression through their salary range. Currently, the only way to progress through the salary range is an annual two percent cost-of-living adjustment (COLA) and the potential for up to a two percent merit raise based upon an annual performance evaluation. Many felt this is not adequate to get to the higher end of their salary range.
- **Starting Pay** – Most focus group participants cited low starting pay as a serious barrier to recruiting and retaining quality employees, particularly among entry-level positions. One reason for this, according to participants, is that other municipalities and private sector organizations offer more competitive starting pay. As a result, some examples were given of certain positions remaining vacant for a considerable length of time.



- **Merit Raises** – Most focus group participants expressed dissatisfaction with the way that merit raises are handled. They explained that such a small increase is simply not enough to progress appropriately through the pay range. This has made it difficult to recruit and retain employees, especially in the lower-paying positions.
- **Compression** – Several employees in different departments mentioned that frequently new or less-experienced employees are making the same or similar amount as more seasoned employees.
- **Rewarding Experience and Education** – Many focus group participants stated that prior experience and/or education are not properly rewarded.
- **Compensation for Additional Responsibilities** – While there is a policy in place that allows an employee to receive additional pay when they are filling in for another position, many focus group participants still feel like they do not receive adequate compensation when they take on additional work, which often results from being understaffed. Since the time of this feedback, the Town has updated its policy to ensure that employees accepting additional job duties are appropriately compensated.
- **COLA** – While employees appreciate the annual two percent COLA increase, many feel they have not been compensated for previous years when COLA increases were frozen.

## 2.3 CLASSIFICATION

Specific comments shared by employees related to the Town's classification practices and policies included the following:

- **Classification Titles** – Employees stated that the Town's use of generic classification titles has led to inconsistencies within classifications. For example, the title of *Maintenance Worker* is used widely in the Public Works Department, but the actual work being performed varies considerably between sanitation and grounds. Also, examples were provided of administrative/clerical positions that were classified differently, but performed the same core functions.
- **Job Descriptions** – Many employees commented that they have reviewed the current job description for their position and that they often do not match the current nature of the duties performed. There have been recent attempts to update them, but they are all in serious need of being revised.
- **Overlap in Duties** – Many focus group participants stated that their departments are somewhat understaffed and, as a result, other department members have had to cover the duties of the vacant position(s). This has led to an overlap in duties between some positions.
- **Special Events Department** – The Special Events Department is equivalent to a Parks and Recreation Department and this has led to several instances of confusion on the part of citizens in the community.



## 2.4 BENEFITS

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

- In general, employees are happy with their health and retirement benefits. Benefits were cited by many as the primary reason they came to the Town and retirement was one of the top reasons many employees gave for staying with the Town.
- A number of employees expressed concern, however, that the Town leaders continually tout the benefits package as the reason that they are paying lower than market salaries. Employees hoped the Town could achieve some level of balance so that Town employees made a living wage.
- Most employees said they felt their health insurance was much better than the plans offered by other area employers, while others gave examples of plans provided by area employers that exceeded the Town's plans.
- Employees repeatedly stated that they appreciated the fact that they had retirement benefits and many indicated that they were staying with the Town because of the retirement.

## 2.5 RECRUITMENT AND RETENTION

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

- Children's Library Assistant
- Code Enforcement Officer
- Community Development Department
- Dock Attendants
- Drivers
- Information Technology Department
- Marina Director
- Planner
- Public Works entry-level positions

The following organizations were identified by employees as the Town's biggest competitors for quality candidates are (in alphabetical order):

- City of Delray Beach
- City of Lake Worth
- City of Palm Beach Gardens
- City of Riviera Beach
- City of West Palm Beach
- Florida Atlantic University
- Florida Department of Transportation



- Palm Beach County
- Palm Beach School Board
- Palm Beach State College
- Seacoast Utilities
- Town of Juno Beach
- Town of Jupiter
- Town of Palm Beach
- Village of North Palm Beach
- Village of Royal Palm Beach
- Village of Tequesta
- Village of Wellington
- Warner Trucking Company
- Waste Management

## 2.6 SUMMARY

Employee feedback reported above represents both common issues that exist in many organizations, as well as issues that are unique to the Town of Lake Park. However, the feedback received by the Evergreen consultant during outreach at the Town was mostly positive. Overall employees feel that the Town is a very good place to work and enjoy the work they do. As with any organization, employees perceive weaknesses in certain areas related to the current compensation and benefit system and the need to address these concerns so that the Town is able to continually attract and retain a highly qualified workforce.



## Chapter 3 – Analysis of Current Conditions

**Chapter 3** provides an overall assessment of the classification and compensation system in place at the Town of Lake Park for all 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 provide the baseline for analysis throughout the course of this study, but are not sufficient cause for recommendations in isolation. By reviewing employee data, Evergreen Solutions gained a better understanding of the structures and methods in place and identified issues for both further review and potential revision.

### 3.1 ANALYSIS OF PAY PLANS

The study was conducted for all 54 Town employees and they are included in one pay plan comprised of 53 separate salary ranges—20 of which are currently vacant. Of the 54 employees, 52 are full-time and two are part-time; the Town Manager is included in this total, but will not be included in this assessment due to the nature of the position.

**Exhibit 3A** displays the Town’s pay plan, summarized for comparison purposes. The exhibit provides the value of each pay range at minimum, midpoint, and maximum, as well as the range spread for each pay range, the midpoint progression between pay ranges, the number of unique classification titles with incumbents by pay range, and the number of employees per pay range.

Comparing the summary data in **Exhibit 3A** to best practices, several observations can be made about the Town’s pay plan:

- **Range Spreads** - generally set between 50 to 70 percent for best practice—are inconsistent across the pay plan, ranging from 23.3 to 72.8 percent, with an average range of 49.5 percent.
- **Midpoint Progression** - generally set between 3 to 5 percent for best practice—is also inconsistent between pay ranges, ranging from -21.7 to 24.3 percent, with an average of 3.2 percent.



**EXHIBIT 3A  
CURRENT PAY PLAN  
FOR THE TOWN OF LAKE PARK**

Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression	# of Filled Position Titles	Employees
\$18,118.46	\$22,298.02	\$26,477.57	46.1%	-	0	0
\$19,879.39	\$23,178.48	\$26,477.57	33.2%	3.9%	0	0
\$22,722.34	\$28,811.33	\$34,900.32	53.6%	24.3%	0	0
\$24,589.34	\$30,169.15	\$35,748.96	45.4%	4.7%	0	0
\$25,077.31	\$31,314.82	\$37,552.32	49.7%	3.8%	1	2
\$25,098.53	\$31,336.04	\$37,573.54	49.7%	0.1%	0	0
\$25,522.85	\$32,216.50	\$38,910.14	52.5%	2.8%	1	3
\$26,647.30	\$32,566.56	\$38,485.82	44.4%	1.1%	0	0
\$28,026.34	\$35,483.76	\$42,941.18	53.2%	9.0%	0	0
\$29,893.34	\$38,422.18	\$46,951.01	57.1%	8.3%	1	1
\$30,211.58	\$35,112.48	\$40,013.38	32.4%	-8.6%	0	0
\$30,211.58	\$37,849.34	\$45,487.10	50.6%	7.8%	0	0
\$31,081.44	\$42,389.57	\$53,697.70	72.8%	12.0%	1	2
\$31,548.19	\$37,043.14	\$42,538.08	34.8%	-12.6%	0	0
\$32,269.54	\$42,962.40	\$53,655.26	66.3%	16.0%	1	1
\$32,524.13	\$41,869.78	\$51,215.42	57.5%	-2.5%	1	1
\$32,736.29	\$40,246.76	\$47,757.22	45.9%	-3.9%	0	0
\$32,948.45	\$42,304.71	\$51,660.96	56.8%	5.1%	2	2
\$33,118.18	\$33,118.18	\$33,118.18	0.0%	-21.7%	1	3
\$33,118.18	\$39,079.88	\$45,041.57	36.0%	18.0%	1	1
\$33,224.26	\$39,589.06	\$45,953.86	38.3%	1.3%	0	0
\$33,457.63	\$44,882.45	\$56,307.26	68.3%	13.4%	1	2
\$33,457.63	\$44,956.71	\$56,455.78	68.7%	0.2%	1	1
\$33,691.01	\$38,995.01	\$44,299.01	31.5%	-13.3%	0	0
\$35,239.78	\$42,081.94	\$48,924.10	38.8%	7.9%	1	1
\$36,067.20	\$43,100.31	\$50,133.41	39.0%	2.4%	0	0
\$37,043.14	\$46,675.20	\$56,307.26	52.0%	8.3%	1	1
\$37,043.14	\$48,701.33	\$60,359.52	62.9%	4.3%	2	4
\$38,231.23	\$42,675.99	\$47,120.74	23.3%	-12.4%	3	3
\$38,231.23	\$49,295.38	\$60,359.52	57.9%	15.5%	0	0
\$38,549.47	\$50,281.92	\$62,014.37	60.9%	2.0%	1	1
\$40,161.89	\$50,631.99	\$61,102.08	52.1%	0.7%	1	1
\$40,310.40	\$52,392.91	\$64,475.42	59.9%	3.5%	1	2
\$40,649.86	\$52,594.47	\$64,539.07	58.8%	0.4%	1	1
\$40,989.31	\$52,424.74	\$63,860.16	55.8%	-0.3%	1	1
\$41,116.61	\$48,223.97	\$55,331.33	34.6%	-8.0%	3	3
\$41,816.74	\$51,756.44	\$61,696.13	47.5%	7.3%	1	1
\$41,944.03	\$49,189.30	\$56,434.56	34.5%	-5.0%	0	0
\$43,620.10	\$57,092.26	\$70,564.42	61.8%	16.1%	1	1
\$46,314.53	\$60,168.58	\$74,022.62	59.8%	5.4%	1	1
\$47,757.22	\$60,762.63	\$73,768.03	54.5%	1.0%	0	0
\$48,160.32	\$62,512.95	\$76,865.57	59.6%	2.9%	1	1
\$52,658.11	\$67,901.81	\$83,145.50	57.9%	8.6%	1	1
\$56,158.75	\$71,657.04	\$87,155.33	55.2%	5.5%	4	4
\$56,221.55	\$71,635.40	\$87,049.25	54.8%	0.0%	0	0
\$57,281.93	\$72,218.63	\$87,155.33	52.2%	0.8%	1	1
\$67,080.00	\$82,753.00	\$98,426.00	46.7%	14.6%	1	1
\$72,325.34	\$90,602.93	\$108,880.51	50.5%	9.5%	0	0
\$73,598.30	\$85,362.58	\$97,126.85	32.0%	-5.8%	1	1
\$74,065.06	\$94,008.10	\$113,951.14	53.9%	10.1%	2	2
\$78,499.20	\$102,717.27	\$126,935.33	61.7%	9.3%	1	1
\$79,411.49	\$104,043.27	\$128,675.04	62.0%	1.3%	1	1
\$79,453.92	\$95,376.53	\$111,299.14	40.1%	-8.3%	0	0
<b>Overall</b>			<b>49.5%</b>	<b>3.2%</b>	<b>43</b>	<b>53</b>

Exhibit 3B displays all classification titles in the Town’s pay plan. As can be seen, there are a total of 71 unique classification titles in the pay plan, including 26 vacant classifications.

**EXHIBIT 3B  
MASTER CLASSIFICATION LIST**

Classification Title	Classification Title
Accountant I	Irrigation Technician I*
Accountant II	Irrigation Technician II
Accountant III	Librarian I*
Administrative Assistant	Librarian II
Administrative Secretary*	Library Accounting Clerk
Assistant Dockmaster*	Library Assistant I
Assistant Finance Director*	Library Assistant II*
Assistant to Community Development Director	Library Director
Assistant to the Human Resources Director	Library Technical Assistant I*
Assistant to the Town Manager	Maintenance Worker I*
Assistant Town Manager	Maintenance Worker II
Camp Counselor (Seasonal)*	Maintenance Worker III
Chief Accountant	Marina Director*
Chief Information Technology Officer	Marina Maintenance Worker II*
Children's Services Assistant	Mechanic I*
Code Compliance Officer	Mechanic II
Community Development Director	Office Assistant
Community Development Technician*	Operations Manager*
Custodian*	Operations Technician I*
Deputy Town Clerk	Planner
Dock Attendant	Project Manager
Dockmaster	Public Works Director
Equipment Operator I*	Recreation Bus Driver
Equipment Operator II	Recreation Supervisor
Equipment Operator III	Sanitation Foreman
Facilities Maintenance Worker I*	Ship's Store Clerk*
Facilities Maintenance Worker II*	Special Events Coordinator
Facilities Maintenance Worker III	Special Events Director
Facilities Mechanic I*	Storm Water Technician I
Facilities Mechanic II*	Storm Water Technician II
Finance Director	Town Clerk
Foreman General Infrastructure	Town Manager
Grants Writer	Traffic Maintenance Technician I*
Grounds Maintenance Crew Leader	Traffic Maintenance Technician II*
Grounds Maintenance Foreman	Vehicle Maintenance Foreman
Human Resources Director	-

\* Denotes a vacant classification

**3.2 GRADE PLACEMENT ANALYSIS**

When assessing the effectiveness of a Town’s pay plans and associated policies, it is helpful to analyze where employee salaries stand in comparison to their classification’s pay range. 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 grade. 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. **Note:** All analyses from this point forward omit pay ranges with no incumbents for ease of comparison.

**Exhibit 3C** displays the percentage of employees compensated at the pay range minimum and pay range maximum thresholds. Employees not included on this chart are compensated somewhere between the upper and lower thresholds. The percentages presented are based on the total number of employees in that range. As can be seen in **Exhibit 3C**, four (7.5 percent) employees are compensated at their pay range's minimum and two (3.8 percent) of employees are compensated at their pay range's maximum. Overall, these numbers do not indicate compression or range issues as it is fairly common to have some number of employees compensated at the upper or lower limits of their grade.

**EXHIBIT 3C  
EMPLOYEES AT MINIMUM AND MAXIMUM BY PAY RANGE**

Range	Employees	# at Min	% at Min	# at Max	% at Max
\$25,077.31 - \$37,552.32	2	0	0.0%	0	0.0%
\$25,522.85 - \$38,910.14	3	0	0.0%	1	33.3%
\$29,893.34 - \$46,951.01	1	0	0.0%	0	0.0%
\$31,081.44 - \$53,697.70	2	1	50.0%	0	0.0%
\$32,269.54 - \$53,655.26	1	0	0.0%	0	0.0%
\$32,524.13 - \$51,215.42	1	0	0.0%	0	0.0%
\$32,948.45 - \$51,660.96	2	0	0.0%	0	0.0%
\$33,118.18 - \$33,118.18	3	1	33.3%	0	0.0%
\$33,118.18 - \$45,041.57	1	1	100.0%	0	0.0%
\$33,457.63 - \$56,307.26	2	0	0.0%	1	50.0%
\$33,457.63 - \$56,455.78	1	0	0.0%	0	0.0%
\$35,239.78 - \$48,924.10	1	0	0.0%	0	0.0%
\$37,043.14 - \$56,307.26	1	0	0.0%	0	0.0%
\$37,043.14 - \$60,359.52	4	0	0.0%	0	0.0%
\$38,231.23 - \$47,120.74	3	0	0.0%	0	0.0%
\$38,549.47 - \$62,014.37	1	0	0.0%	0	0.0%
\$40,161.89 - \$61,102.08	1	0	0.0%	0	0.0%
\$40,310.40 - \$64,475.42	2	0	0.0%	0	0.0%
\$40,649.86 - \$64,539.07	1	0	0.0%	0	0.0%
\$40,989.31 - \$63,860.16	1	0	0.0%	0	0.0%
\$41,116.61 - \$55,331.33	3	0	0.0%	0	0.0%
\$41,816.74 - \$61,696.13	1	0	0.0%	0	0.0%
\$43,620.10 - \$70,564.42	1	0	0.0%	0	0.0%
\$46,314.53 - \$74,022.62	1	0	0.0%	0	0.0%
\$48,160.32 - \$76,865.57	1	0	0.0%	0	0.0%
\$52,658.11 - \$83,145.50	1	0	0.0%	0	0.0%
\$56,158.75 - \$87,155.33	4	0	0.0%	0	0.0%
\$57,281.93 - \$87,155.33	1	0	0.0%	0	0.0%
\$67,080.00 - \$98,426.00	1	0	0.0%	0	0.0%
\$73,598.30 - \$97,126.85	1	0	0.0%	0	0.0%
\$74,065.06 - \$113,951.14	2	0	0.0%	0	0.0%
\$78,499.20 - \$126,935.33	1	1	100.0%	0	0.0%
\$79,411.49 - \$128,675.04	1	0	0.0%	0	0.0%
<b>Overall</b>	<b>53</b>	<b>4</b>	<b>7.5%</b>	<b>2</b>	<b>3.8%</b>



An analysis was also conducted to determine the number of employees below and above pay range midpoint; **Exhibit 3D** displays the results of this analysis. As can be seen, a total of 42 (79.2 percent) employees are compensated below their pay range midpoint and 11 (20.8 percent) employees are compensated above midpoint of their pay range.

**EXHIBIT 3D  
EMPLOYEES BELOW MIDPOINT AND ABOVE MIDPOINT BY PAY RANGE**

Range	Employees	# < Mid	% < Mid	# > Mid	% > Mid
\$25,077.31 - \$37,552.32	2	2	100.0%	0	0.0%
\$25,522.85 - \$38,910.14	3	2	66.7%	1	33.3%
\$29,893.34 - \$46,951.01	1	1	100.0%	0	0.0%
\$31,081.44 - \$53,697.70	2	2	100.0%	0	0.0%
\$32,269.54 - \$53,655.26	1	1	100.0%	0	0.0%
\$32,524.13 - \$51,215.42	1	1	100.0%	0	0.0%
\$32,948.45 - \$51,660.96	2	2	100.0%	0	0.0%
\$33,118.18 - \$33,118.18	3	3	100.0%	0	0.0%
\$33,118.18 - \$45,041.57	1	1	100.0%	0	0.0%
\$33,457.63 - \$56,307.26	2	0	0.0%	2	100.0%
\$33,457.63 - \$56,455.78	1	0	0.0%	1	100.0%
\$35,239.78 - \$48,924.10	1	1	100.0%	0	0.0%
\$37,043.14 - \$56,307.26	1	0	0.0%	1	100.0%
\$37,043.14 - \$60,359.52	4	4	100.0%	0	0.0%
\$38,231.23 - \$47,120.74	3	3	100.0%	0	0.0%
\$38,549.47 - \$62,014.37	1	0	0.0%	1	100.0%
\$40,161.89 - \$61,102.08	1	0	0.0%	1	100.0%
\$40,310.40 - \$64,475.42	2	2	100.0%	0	0.0%
\$40,649.86 - \$64,539.07	1	0	0.0%	1	100.0%
\$40,989.31 - \$63,860.16	1	1	100.0%	0	0.0%
\$41,116.61 - \$55,331.33	3	3	100.0%	0	0.0%
\$41,816.74 - \$61,696.13	1	1	100.0%	0	0.0%
\$43,620.10 - \$70,564.42	1	1	100.0%	0	0.0%
\$46,314.53 - \$74,022.62	1	0	0.0%	1	100.0%
\$48,160.32 - \$76,865.57	1	1	100.0%	0	0.0%
\$52,658.11 - \$83,145.50	1	1	100.0%	0	0.0%
\$56,158.75 - \$87,155.33	4	3	75.0%	1	25.0%
\$57,281.93 - \$87,155.33	1	0	0.0%	1	100.0%
\$67,080.00 - \$98,426.00	1	1	100.0%	0	0.0%
\$73,598.30 - \$97,126.85	1	1	100.0%	0	0.0%
\$74,065.06 - \$113,951.14	2	2	100.0%	0	0.0%
\$78,499.20 - \$126,935.33	1	1	100.0%	0	0.0%
\$79,411.49 - \$128,675.04	1	1	100.0%	0	0.0%
<b>Overall</b>	<b>53</b>	<b>42</b>	<b>79.2%</b>	<b>11</b>	<b>20.8%</b>

### 3.3 QUARTILE ANALYSIS

In a quartile analysis, each pay range possessing at least one full-time employee is divided into four equal segments or quartiles and employees are assigned a quartile based on which step they fall on. This analysis is used to reveal areas of compression within a compensation system when paired with tenure data. Generally, the ideal outcome is for the analysis to show a strong correlation between tenure and quartile—where higher tenure would be experienced in higher quartiles.

**Exhibit 3E** shows the number of employees that are in each quartile of each range, as well as the average overall Town tenure (i.e. how long an employee has been at the Town) by quartile. Overall, data show that 49.1 percent of employees fall into Quartile 1, 30.2 percent fall into Quartile 2, 15.1 percent fall into Quartile 3, and 5.7 percent fall into Quartile 4. While this distribution does not lead to a conclusion, data for average tenure do lead to determinations on the relationship between tenure and salary.

Overall average tenure increases through the quartiles: the average tenure in Quartile 1 is 6.3 years, is 9.7 years in Quartile 2, is 17.2 years in Quartile 3, and is 22.8 years in Quartile 4. This would seem to indicate that employees are moved through their pay ranges equitably, with a positive linear relationship between tenure and pay.

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), the resulting analysis does indicate that inequities may not exist across pay ranges. Ideally, average tenure increases from one quartile to the next, and average tenure is relatively equal for the same quartile across various pay grades. That is, employees progress from one quartile to the next with similar tenure regardless of pay grade.



**EXHIBIT 3E  
QUARTILE ANALYSIS – TENURE BY PAY RANGE**

Range	Employees	Avg. Tenure	1st Quartile			2nd Quartile			3rd Quartile			4th Quartile		
			#	%	Avg. Tenure	#	%	Avg. Tenure	#	%	Avg. Tenure	#	%	Avg. Tenure
\$25,077.31 - \$37,552.32	2	2.8	2	100.0%	2.8	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
\$25,522.85 - \$38,910.14	3	10.2	0	0.0%	N/A	2	66.7%	0.3	0	0.0%	N/A	1	33.3%	30.1
\$29,893.34 - \$46,951.01	1	6.2	1	100.0%	6.2	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
\$31,081.44 - \$53,697.70	2	2.0	2	100.0%	2.0	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
\$32,269.54 - \$53,655.26	1	0.5	0	0.0%	N/A	1	100.0%	0.5	0	0.0%	N/A	0	0.0%	N/A
\$32,524.13 - \$51,215.42	1	11.0	1	100.0%	11.0	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
\$32,948.45 - \$51,660.96	2	3.2	2	100.0%	3.2	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
\$33,118.18 - \$33,118.18	3	6.9	3	100.0%	6.9	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
\$33,118.18 - \$45,041.57	1	0.8	1	100.0%	0.8	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
\$33,457.63 - \$56,307.26	2	10.0	0	0.0%	N/A	0	0.0%	N/A	1	50.0%	2.8	1	50.0%	17.2
\$33,457.63 - \$56,455.78	1	13.1	0	0.0%	N/A	0	0.0%	N/A	1	100.0%	13.1	0	0.0%	N/A
\$35,239.78 - \$48,924.10	1	2.5	0	0.0%	N/A	1	100.0%	2.5	0	0.0%	N/A	0	0.0%	N/A
\$37,043.14 - \$56,307.26	1	0.3	0	0.0%	N/A	0	0.0%	N/A	1	100.0%	0.3	0	0.0%	N/A
\$37,043.14 - \$60,359.52	4	6.6	3	75.0%	5.6	1	25.0%	9.7	0	0.0%	N/A	0	0.0%	N/A
\$38,231.23 - \$47,120.74	3	2.3	1	33.3%	1.7	2	66.7%	2.6	0	0.0%	N/A	0	0.0%	N/A
\$38,549.47 - \$62,014.37	1	37.1	0	0.0%	N/A	0	0.0%	N/A	1	100.0%	37.1	0	0.0%	N/A
\$40,161.89 - \$61,102.08	1	32.7	0	0.0%	N/A	0	0.0%	N/A	1	100.0%	32.7	0	0.0%	N/A
\$40,310.40 - \$64,475.42	2	22.3	1	50.0%	12.2	1	50.0%	32.4	0	0.0%	N/A	0	0.0%	N/A
\$40,649.86 - \$64,539.07	1	23.8	0	0.0%	N/A	0	0.0%	N/A	1	100.0%	23.8	0	0.0%	N/A
\$40,989.31 - \$63,860.16	1	0.3	0	0.0%	N/A	1	100.0%	0.3	0	0.0%	N/A	0	0.0%	N/A
\$41,116.61 - \$55,331.33	3	11.9	1	33.3%	9.7	2	66.7%	13.0	0	0.0%	N/A	0	0.0%	N/A
\$41,816.74 - \$61,696.13	1	1.9	0	0.0%	N/A	1	100.0%	1.9	0	0.0%	N/A	0	0.0%	N/A
\$43,620.10 - \$70,564.42	1	37.1	0	0.0%	N/A	1	100.0%	37.1	0	0.0%	N/A	0	0.0%	N/A
\$46,314.53 - \$74,022.62	1	27.9	0	0.0%	N/A	0	0.0%	N/A	1	100.0%	27.9	0	0.0%	N/A
\$48,160.32 - \$76,865.57	1	0.4	1	100.0%	0.4	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
\$52,658.11 - \$83,145.50	1	5.3	1	100.0%	5.3	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
\$56,158.75 - \$87,155.33	4	13.8	1	25.0%	2.5	2	50.0%	15.8	0	0.0%	N/A	1	25.0%	21.0
\$57,281.93 - \$87,155.33	1	0.2	0	0.0%	N/A	0	0.0%	N/A	1	100.0%	0.2	0	0.0%	N/A
\$67,080.00 - \$98,426.00	1	10.8	1	100.0%	10.8	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
\$73,598.30 - \$97,126.85	1	0.2	0	0.0%	N/A	1	100.0%	0.2	0	0.0%	N/A	0	0.0%	N/A
\$74,065.06 - \$113,951.14	2	8.6	2	100.0%	8.6	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
\$78,499.20 - \$126,935.33	1	17.7	1	100.0%	17.7	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
\$79,411.49 - \$128,675.04	1	5.6	1	100.0%	5.6	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A
<b>Overall</b>	<b>53</b>	<b>10.2</b>	<b>26</b>	<b>49.1%</b>	<b>6.3</b>	<b>16</b>	<b>30.2%</b>	<b>9.7</b>	<b>8</b>	<b>15.1%</b>	<b>17.2</b>	<b>3</b>	<b>5.7%</b>	<b>22.8</b>



### 3.4 COMPRESSION ANALYSIS

Compression can be seen as a threat to internal equity and morale. 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 human resources policies designed to regulate pay, paying new hires more than existing employees 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 done 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. They have opted for employees who could “hit the ground running”—regardless of their potential.

A common form of pay compression can be defined as the lack of variation in salaries between employees with significantly different levels of experience and responsibility. An example of this can be observed when the pay of highly tenured staff and newly hired employees in the same job are too similar. The following analysis attempts to determine if such compression can be observed in the Town.

**Exhibit 3F** shows the ratio of subordinate salaries to supervisor salaries by pay range for employees. Employees were grouped into their respective ranges and actual salary data were utilized to determine if an employee’s salary was either less than 80 percent, less than 95 percent, or more than 95 percent of their supervisor’s salary. As shown, 97.0 percent (52) incumbent salaries fall below 80 percent of their supervisor’s salary, 3.0 percent (1) are above 95 percent, while none fall below 95 percent of their supervisor’s salary. While compression may present itself in other ways, the review of salaries of employees relative to the salaries of their supervisors yields no immediate concerns.



**EXHIBIT 3F**  
**EMPLOYEE TO SUPERVISOR SALARY RATIO BY PAY RANGE**

Range	< 80%	< 95%	> 95%	Employees
\$25,022.40 - \$38,147.20	100.0%	0.0%	0.0%	3
\$25,077.31 - \$37,552.32	100.0%	0.0%	0.0%	2
\$29,893.34 - \$46,951.01	100.0%	0.0%	0.0%	1
\$30,472.00 - \$52,644.80	100.0%	0.0%	0.0%	2
\$31,886.40 - \$50,211.20	100.0%	0.0%	0.0%	1
\$32,269.54 - \$53,655.26	100.0%	0.0%	0.0%	1
\$32,302.40 - \$50,648.00	100.0%	0.0%	0.0%	2
\$32,468.80 - \$44,158.40	100.0%	0.0%	0.0%	3
\$32,801.60 - \$55,348.80	100.0%	0.0%	0.0%	1
\$33,118.18 - \$53,892.80	100.0%	0.0%	0.0%	1
\$33,457.63 - \$56,307.26	100.0%	0.0%	0.0%	2
\$34,548.80 - \$47,964.80	100.0%	0.0%	0.0%	1
\$36,316.80 - \$55,203.20	100.0%	0.0%	0.0%	4
\$37,043.14 - \$60,359.52	100.0%	0.0%	0.0%	1
\$37,793.60 - \$60,798.40	100.0%	0.0%	0.0%	1
\$38,231.23 - \$60,359.52	100.0%	0.0%	0.0%	3
\$39,374.40 - \$59,904.00	100.0%	0.0%	0.0%	1
\$39,520.00 - \$63,211.20	100.0%	0.0%	0.0%	2
\$39,852.80 - \$63,273.60	100.0%	0.0%	0.0%	1
\$40,989.31 - \$63,860.16	100.0%	0.0%	0.0%	1
\$41,116.61 - \$55,331.33	100.0%	0.0%	0.0%	3
\$41,816.74 - \$61,696.13	100.0%	0.0%	0.0%	1
\$43,620.10 - \$70,564.42	100.0%	0.0%	0.0%	1
\$45,406.40 - \$72,571.20	100.0%	0.0%	0.0%	1
\$48,160.32 - \$76,865.57	100.0%	0.0%	0.0%	1
\$52,658.11 - \$83,145.50	100.0%	0.0%	0.0%	1
\$56,158.75 - \$87,155.33	100.0%	0.0%	0.0%	4
\$57,281.93 - \$87,155.33	100.0%	0.0%	0.0%	1
\$67,080.00 - \$98,426.00	100.0%	0.0%	0.0%	1
\$73,598.30 - \$97,126.85	0.0%	0.0%	100.0%	1
\$74,065.06 - \$113,951.14	100.0%	0.0%	0.0%	2
\$78,499.20 - \$126,935.33	100.0%	0.0%	0.0%	1
\$79,411.49 - \$128,675.04	100.0%	0.0%	0.0%	1
<b>Overall</b>	<b>97.0%</b>	<b>0.0%</b>	<b>3.0%</b>	<b>53</b>

*Note: The Town Manager classification is not included in this analysis since it does not have a supervisor.*



**Exhibit 3G** displays the average tenure of employees whose actual placement varies from their expected placement by pay range, including those whose actual placement is **below** expected placement, those whose actual placement is **at** expected placement, and those whose actual placement is **above** expected placement. Expected salary placement was determined by dividing each employee's positions respective pay range spread by 30 years (a nominal value intended to represent the length of a full career with an organization), then multiplying that value by their years of tenure with the Town. The resulting dollar amount represents an idealized compensation level given their years of service. While tenure is not the only means by which an employee's compensation is adjusted, "change-over-time" is the one common factor among almost all types of raise or incentive structures.

Employees who are at or above expected placement are employees with salaries that are between 0 and 10 percent ahead of their expected salary and employees with salaries that are more than 10 percent ahead of their expected salary. Employees who are at or below expected placement are employees with salaries that are between 0 and 10 percent behind their expected salary and employees with salaries that are lower than 10 percent behind their expected salary. Generally, the only source of concern would be employees who are more than 10 percent behind expected placement. However, simply having employees in this group does not necessarily mean there are corresponding compression issues, assuming there is a reason for these placements.

As **Exhibit 3G** shows, 35 employees (66.0 percent) are at or above expected placement and 18 (34.0 percent) are at or below expected placement. These results could indicate that the Town progresses most employee salaries at a rate that will roughly get employees "to max" in 30 years.



**EXHIBIT 3G  
ACTUAL VERSUS EXPECTED PLACEMENT BY PAY RANGE**

Range	< -10%		0 to -10%		0 to 10%		> 10%		Employees
	#	%	#	%	#	%	#	%	
\$25,077.31 - \$37,552.32	0	0.0%	2	100.0%	0	0.0%	0	0.0%	2
\$25,522.85 - \$38,910.14	0	0.0%	0	0.0%	0	0.0%	3	100.0%	3
\$29,893.34 - \$46,951.01	0	0.0%	1	100.0%	0	0.0%	0	0.0%	1
\$31,081.44 - \$53,697.70	0	0.0%	2	100.0%	0	0.0%	0	0.0%	2
\$32,269.54 - \$53,655.26	0	0.0%	0	0.0%	0	0.0%	1	100.0%	1
\$32,524.13 - \$51,215.42	1	100.0%	0	0.0%	0	0.0%	0	0.0%	1
\$32,948.45 - \$51,660.96	0	0.0%	1	50.0%	1	50.0%	0	0.0%	2
\$33,118.18 - \$33,118.18	0	0.0%	3	100.0%	0	0.0%	0	0.0%	3
\$33,118.18 - \$45,041.57	0	0.0%	1	100.0%	0	0.0%	0	0.0%	1
\$33,457.63 - \$56,307.26	0	0.0%	0	0.0%	0	0.0%	2	100.0%	2
\$33,457.63 - \$56,455.78	0	0.0%	0	0.0%	0	0.0%	1	100.0%	1
\$35,239.78 - \$48,924.10	0	0.0%	0	0.0%	1	100.0%	0	0.0%	1
\$37,043.14 - \$56,307.26	0	0.0%	0	0.0%	0	0.0%	1	100.0%	1
\$37,043.14 - \$60,359.52	0	0.0%	1	25.0%	3	75.0%	0	0.0%	4
\$38,231.23 - \$47,120.74	0	0.0%	1	33.3%	0	0.0%	2	66.7%	3
\$38,549.47 - \$62,014.37	0	0.0%	0	0.0%	1	100.0%	0	0.0%	1
\$40,161.89 - \$61,102.08	0	0.0%	0	0.0%	1	100.0%	0	0.0%	1
\$40,310.40 - \$64,475.42	0	0.0%	1	50.0%	1	50.0%	0	0.0%	2
\$40,649.86 - \$64,539.07	0	0.0%	0	0.0%	0	0.0%	1	100.0%	1
\$40,989.31 - \$63,860.16	0	0.0%	0	0.0%	0	0.0%	1	100.0%	1
\$41,116.61 - \$55,331.33	0	0.0%	2	66.7%	1	33.3%	0	0.0%	3
\$41,816.74 - \$61,696.13	0	0.0%	0	0.0%	0	0.0%	1	100.0%	1
\$43,620.10 - \$70,564.42	0	0.0%	0	0.0%	1	100.0%	0	0.0%	1
\$46,314.53 - \$74,022.62	0	0.0%	0	0.0%	1	100.0%	0	0.0%	1
\$48,160.32 - \$76,865.57	0	0.0%	0	0.0%	0	0.0%	1	100.0%	1
\$52,658.11 - \$83,145.50	0	0.0%	0	0.0%	1	100.0%	0	0.0%	1
\$56,158.75 - \$87,155.33	0	0.0%	0	0.0%	3	75.0%	1	25.0%	4
\$57,281.93 - \$87,155.33	0	0.0%	0	0.0%	0	0.0%	1	100.0%	1
\$67,080.00 - \$98,426.00	0	0.0%	0	0.0%	1	100.0%	0	0.0%	1
\$73,598.30 - \$97,126.85	0	0.0%	0	0.0%	1	100.0%	0	0.0%	1
\$74,065.06 - \$113,951.14	0	0.0%	1	50.0%	1	50.0%	0	0.0%	2
\$78,499.20 - \$126,935.33	1	100.0%	0	0.0%	0	0.0%	0	0.0%	1
\$79,411.49 - \$128,675.04	0	0.0%	0	0.0%	1	100.0%	0	0.0%	1
<b>Total</b>	<b>2</b>	<b>3.8%</b>	<b>16</b>	<b>30.2%</b>	<b>19</b>	<b>35.8%</b>	<b>16</b>	<b>30.2%</b>	<b>53</b>



### 3.5 DEPARTMENT DISTRIBUTION

As of January 2019, the Town employed 53 employees across 10 different departments. The following analysis is intended to provide basic information regarding how employees are distributed among departments.

**Exhibit 3H** depicts the number of classifications that are present in each department, along with the number and overall percentage of total employees by department. As the exhibit illustrates, the largest department is Public Works, with 23 employees representing 42.6 percent of the Town's workforce.

**EXHIBIT 3H  
EMPLOYEES AND CLASSES BY DEPARTMENT**

Department	Employees	Classifications*	% of Total
Community Development	5	4	9.3%
Finance	6	6	11.1%
Human Resources	2	2	3.7%
Information Technology	1	1	1.9%
Library	5	4	9.3%
Marina	4	2	7.4%
Public Works	23	17	42.6%
Special Events	3	3	5.6%
Town Clerk	2	2	3.7%
Town Manager	3	3	5.6%
<b>Total</b>	<b>54</b>	<b>44</b>	<b>100%</b>

\* There are a total of 71 unique classification titles, including 26 vacant classifications. The total of 44 includes duplicate classifications across departments and does not include vacant classifications.

### 3.6 SUMMARY

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

- **Range Spread** - Spreads are not in keeping with best practices due to being inconsistent across the pay plan, ranging from 23.3 to 72.8 percent, with an average range of 49.5 percent.
- **Midpoint Progression** - Progression is not in keeping with best practices due to being inconsistent between pay ranges, ranging from -21.7 to 24.3 percent, with an average of 3.2 percent.



- **Salary Placement** - The vast majority of employees are compensated below their pay grade's midpoint, with almost half falling in the first quartile of their respective salary range.
- **Grade Penetration** - The Town generally maintains a positive linear relationship between experience and grade penetration throughout each pay range.

This analysis acts as a starting point for development of recommendations in subsequent chapters of this report. Paired with market data, Evergreen Solutions is able to make recommendations that will ensure that the Town of Lake Park's compensation system is structurally sound in terms of best practice, competitive with the market, and treats all employees equitably moving forward.



## Chapter 4 – Salary Survey Summary

**Chapter 4** focuses on the external salary survey conducted by Evergreen Solutions. Conducting a salary comparison analysis determines, among other things, the relative competitive market position of the compensation system in the Town of Lake Park. This is accomplished by examining salary ranges and the various components within the Town's respective labor market. Data collected are used to analyze the overall market competitiveness of the Town, as well as to develop compensation recommendations that will assist the Town in recruiting and retaining talented employees. This salary analysis is used to examine the overall competitiveness of the Town and not 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, performance, experience, negotiation, 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 and market surveys should be completed at regular intervals to ensure the Town's salary structure remains up to date with the current market.

### 4.1 SURVEY DATA SOURCES

Evergreen collected pay range information from target organizations in the Town's competitive market using a customized survey tool. The development of this tool included selecting benchmark classifications to be surveyed. The desired outcome of benchmarking is to select a cross section of the Town's classifications, so that the surveyed positions include a subset of all work areas and levels of classifications. The classification title, a description of assigned duties, and the education and experience requirements were provided to each peer in the survey tool for each benchmarked classification.

Data were collected from peer organizations in the immediate region. **Note:** while some peers were selected based on shared characteristics (i.e. demographics, service offerings, etc.), many were selected based on the competition for quality candidates and employees they present to the Town.

Nineteen (19) market peers were asked to participate and salary data were obtained from 15, as shown in **Exhibit 4A**. Some classifications in the Town can be found in the private sector; private sector salary data provided by the Economic Research Institute (ERI) were also gathered to supplement the public sector data.

Typically, peer data are adjusted to account for differences in cost-of-living using index data provided by the Council for Community and Economic Research (C2ER). However, because C2ER determines cost-of-living at the county level and all 19 identified market peers are located in the same county, no adjustment to peer data are needed.



**EXHIBIT 4A  
TARGETED MARKET PEERS**

<b>Market Peers</b>
<b>Municipalities</b>
City of Delray Beach
City of Lake Worth
City of Palm Beach Gardens
City of Riviera Beach
City of West Palm Beach
Town of Juno Beach
Town of Jupiter
Town of Palm Beach
Village of North Palm Beach
Village of Royal Palm Beach
Village of Tequesta
Village of Wellington
<b>Counties</b>
Palm Beach County
<b>Colleges/Universities</b>
Florida Atlantic University*
Palm Beach School Board
Palm Beach State College*
<b>Other Government</b>
Florida Department of Transportation*
Seacoast Utility Authority
<b>Private Companies</b>
Waste Management*

\* No salary data was obtained

**4.2 SALARY DATA**

Making use of the Town’s assigned pay ranges, Evergreen was able to make direct market evaluations across classifications and benchmark groupings, as well as compare the ranges of benchmarked positions to the salary ranges collected from the target organizations identified in **Exhibit 4A**.

The market differentials and the percentage difference between the Town and the market are shown in **Exhibit 4B** for survey market range minimum, midpoint, and maximum. A positive differential indicates the Town is above market for that classification at the range minimum, midpoint, or maximum; a negative differential indicates that the Town 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 salary range and the average salary range in the Town’s market.

**Exhibit 4B** provides a summary of the results at the market average for each comparison point. The exhibit contains the following information:

- each of the 36 benchmarked classifications;
- the market salary range information for each benchmarked classification, including the average of the peer responses for the salary range minimum, midpoint, and maximum (**Note:** Data are not included for classifications that received less than five responses as they could not reliably be considered representative of the market);
- a percentage differential between current salary ranges and average market ranges;
- the survey average pay range; and
- the total number of survey responses for each classification and the average number.



**EXHIBIT 4B**  
**SALARY SURVEY MARKET SUMMARY**

Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg. Range	Number of Responses
	Average	% Diff	Average	% Diff	Average	% Diff		
Accountant I	\$33,973.65	24.9%	\$43,650.22	26.7%	\$53,326.80	27.8%	57.0%	9
Accountant III	\$50,810.22	3.6%	\$64,932.47	4.5%	\$79,054.72	5.0%	55.6%	14
Administrative Assistant	\$36,288.22	-11.7%	\$46,371.08	-7.6%	\$56,453.95	-5.1%	55.6%	14
Assistant Finance Director	\$81,128.65	-11.5%	\$104,778.80	-14.5%	\$128,428.95	-16.5%	58.3%	12
Assistant to the Community Development Director	\$38,575.81	6.4%	\$49,467.90	-2.5%	\$60,359.99	-8.7%	56.5%	11
Assistant to the Human Resources Director	\$43,749.38	-6.2%	\$56,658.52	-16.1%	\$69,567.66	-22.8%	59.0%	10
Assistant to the Town Manager	\$44,512.30	-7.9%	\$57,213.64	-17.1%	\$69,914.97	-23.3%	57.1%	8
Assistant Town Manager	\$116,467.58	-69.8%	\$150,411.12	-71.0%	\$184,354.66	-71.7%	58.3%	8
Chief Information Technology Officer	\$72,469.12	-25.4%	\$92,935.70	-25.9%	\$113,402.28	-26.2%	56.5%	12
Children's Library Assistant	-	-	-	-	-	-	-	4
Code Compliance Officer	\$40,212.68	-18.3%	\$51,091.84	-12.9%	\$61,970.99	-9.6%	54.1%	10
Community Development Director	\$97,698.13	-27.5%	\$126,397.84	-29.4%	\$155,097.54	-30.6%	58.8%	12
Custodian	\$26,845.74	-16.6%	\$34,256.73	-17.3%	\$41,667.71	-17.7%	55.2%	10
Dock Attendant	-	-	-	-	-	-	-	1
Dockmaster	-	-	-	-	-	-	-	2
Equipment Operator I	\$33,484.15	-28.6%	\$42,599.99	-30.5%	\$51,715.83	-31.7%	54.4%	8
Grants Writer	\$53,441.68	6.9%	\$67,762.68	6.4%	\$82,083.68	6.0%	53.6%	5
Grounds Maintenance Foreman	\$40,960.19	-6.1%	\$52,660.31	-4.6%	\$64,360.44	-3.7%	57.1%	13
Human Resources Director	\$89,985.43	-13.6%	\$116,877.89	-12.9%	\$143,770.35	-12.4%	59.8%	14
Irrigation Technician I	\$33,106.04	-9.1%	\$42,500.80	-11.6%	\$51,895.56	-13.2%	56.8%	14
Librarian I	\$44,944.17	-16.1%	\$56,782.43	-28.4%	\$68,620.69	-37.2%	52.7%	6
Library Assistant I	\$27,767.39	-10.2%	\$35,545.00	-12.7%	\$43,322.61	-14.3%	56.0%	7
Library Director	\$91,474.94	-47.8%	\$117,421.77	-48.4%	\$143,368.60	-48.8%	56.7%	5
Maintenance Worker I	\$29,974.68	-27.5%	\$38,957.05	-29.9%	\$47,939.41	-31.5%	59.9%	13
Maintenance Worker III	\$35,713.80	-8.1%	\$45,738.68	-7.8%	\$55,763.57	-7.6%	56.1%	12
Marina Director	-	-	-	-	-	-	-	0
Marina Maintenance Worker II	\$31,389.37	-20.6%	\$41,330.31	-24.8%	\$51,271.25	-27.4%	63.3%	8
Mechanic I	\$37,547.51	-29.0%	\$48,034.64	-30.1%	\$58,521.77	-30.7%	55.9%	11
Planner	\$49,485.98	-18.8%	\$63,593.30	-19.3%	\$77,700.63	-19.6%	57.0%	12
Project Manager	\$70,761.04	3.9%	\$90,636.74	-6.0%	\$110,512.43	-12.9%	56.2%	12
Public Works Director	\$95,581.68	-25.4%	\$123,571.33	-27.2%	\$151,560.98	-28.3%	58.6%	13
Sanitation Foreman	\$40,318.45	0.0%	\$52,599.58	-0.4%	\$64,880.71	-0.6%	60.9%	11
Special Events Coordinator	\$35,595.15	-7.2%	\$45,721.29	-32.0%	\$55,847.43	-51.1%	56.9%	10
Special Events Director	\$61,074.06	-8.4%	\$77,203.83	-7.5%	\$93,333.59	-6.8%	52.8%	9
Stormwater Technician I	\$32,468.25	1.5%	\$41,950.13	0.8%	\$51,432.00	0.4%	58.4%	8
Town Clerk	\$79,307.61	-34.2%	\$101,967.63	-34.9%	\$124,627.66	-35.4%	57.1%	12
<b>Overall Average</b>		<b>-14.3%</b>		<b>-17.0%</b>		<b>-18.9%</b>	<b>56.9%</b>	<b>9.4</b>
<b>Total</b>								<b>340</b>

## Market Minimums

A starting point of the analysis is to compare the average market minimum for each classification to the Town's 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.

As **Exhibit 4B** illustrates, the Town was, on average, approximately 14.3 percent below market at the minimum of their respective salary ranges for all surveyed classifications.

Several conclusions can be drawn based on the collected data:

- The surveyed position differentials range from 69.8 percent below market minimum for the Assistant Town Manager classification to 24.9 percent above market for the Accountant classification.
- Of the 32 classifications with market minimum percentage differentials, 26 (81.3 percent) were below market at the minimum, while the remaining six (18.8 percent) were above market at the minimum of surveyed salary ranges.
- Ten (10) surveyed positions in the Town were 20 percent or more below their respective market minimums:
  - Assistant Town Manager - 69.8 percent below market;
  - Chief Information Technology Officer – 25.4 percent below market;
  - Community Development Director - 27.5 percent below market;
  - Equipment Operator I – 28.6 percent below market;
  - Library Director - 47.8 percent below market;
  - Maintenance Worker I - 27.5 percent below market;
  - Marina Maintenance Worker II – 20.6 percent below market;
  - Mechanic I – 29.0 percent below market;
  - Public Works Director - 25.4 percent below market; and
  - Town Clerk - 34.2 percent below market.
- One (1) position in the Town was 20 percent or more above its respective market minimum: Accountant I which was 24.9 percent above market.

## Market Midpoints

This section 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.

As **Exhibit 4B** illustrates, the Town was, on average, approximately 17.0 percent below market at the midpoint of the respective salary ranges for all surveyed classifications



Based on the collected data, the following observations can be made:

- The surveyed position differentials range from 71.0 percent below market midpoint for the Assistant Town Manager classification to 26.7 percent above market for the Accountant classification.
- Of the 32 classifications with market midpoint percentage differentials, 28 (87.5 percent) are below market at the midpoint, while the remaining four (12.5 percent) were above market at the midpoint of surveyed salary ranges.
- Twelve (12) surveyed positions in the Town were 20 percent or more below their respective market midpoints:
  - Assistant Town Manager - 71.0 percent below market;
  - Chief Information Technology Officer - 25.9 percent below market;
  - Community Development Director - 29.4 percent below market;
  - Equipment Operator I – 30.5 percent below market;
  - Librarian I - 28.4 percent below market;
  - Library Director – 48.4 percent below market;
  - Maintenance Worker I – 29.9 percent below market;
  - Marina Maintenance Worker II – 24.8 percent below market;
  - Mechanic I – 30.1 percent below market;
  - Public Works Director - 27.2 percent below market;
  - Special Events Coordinator – 32.0 percent below market; and
  - Town Clerk - 34.9 percent below market.
- One (1) position in the Town was 20 percent or more above its respective market midpoint: Accountant I which was 26.7 percent above market.

### **Market Maximums**

In this section, the peer salary range maximums are compared to the Town's range maximums for each benchmarked classification. The market maximum is significant as it represents the upper limit salary that an organization might provide to retain and/or reward experienced and high performing incumbents. Additionally, being competitive at the maximum allows organizations to retain highly qualified employees in classifications that are difficult to fill.

As **Exhibit 4B** illustrates, the Town was, on average, approximately 18.9 percent below market at the maximum of the respective salary ranges for all surveyed classifications.

Based on the collected data, the following observations can be made:

- The surveyed position differentials range from 71.7 percent below market maximum for the Assistant Town Manager classification to 27.8 percent above market for the Accountant classification.
- Of the 32 classifications with market maximum percentage differentials, 28 (87.5 percent) were below market at the maximum, while the remaining four (12.5 percent) were above market at the midpoint of surveyed salary ranges.

- Fourteen (14) surveyed positions in the Town were 20 percent or more below their respective market maximums:
  - Assistant to the Human Resources Director – 22.8 percent below market;
  - Assistant to the Town Manager – 23.3 percent below market;
  - Assistant Town Manager – 71.7 percent below market;
  - Chief Information Technology Officer – 26.2 percent below market;
  - Community Development Director – 30.6 percent below market;
  - Equipment Operator I – 31.7 percent below market;
  - Librarian I – 37.2 percent below market;
  - Library Director – 48.8 percent below market;
  - Maintenance Worker I – 31.5 percent below market;
  - Marina Maintenance Worker II – 27.4 percent below market;
  - Mechanic I – 30.7 percent below market;
  - Public Works Director – 28.3 percent below market;
  - Special Events Coordinator – 51.1 percent below market; and
  - Town Clerk – 35.4 percent below market.
- One (1) position in the Town was 20 percent or more above its respective market maximum: Accountant I which was 27.8 percent above market.

### **Range Spreads**

Range spreads (the width of salary 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. Range spread is generally set between 50 to 70 percent for best practice.

**Exhibit 4B** shows the average market range spreads for each of the surveyed positions. The average market range spread across the salary ranges of all surveyed positions is 56.9 percent. The market range spreads vary between 52.7 percent for the Librarian I classification and 63.3 percent for the Marina Maintenance Worker II classification. Overall, the Town has narrower range spreads compared to the market, with an overall average range spread of approximately 49.5 percent across all pay ranges.

## **4.3 MARKET SURVEY SUMMARY**

From the analysis of the data gathered in the external labor market assessment, the following conclusions can be made:

- The Town is approximately 14.3 percent below the market minimum, 17.0 percent below the market midpoint, and 18.9 percent below the market maximum of salary ranges of benchmark positions.
- The average market range spread across the salary ranges of all surveyed positions is 56.9 percent, which is broader than the 49.5 percent found across all of the Town's pay ranges.



Information gained from the market survey is used in conjunction with current environmental factors (such as budget), to develop a recommended compensation system that places the Town of Lake Park in a strong position to stay competitive in today's market.

A discussion of a potential pay plan and study recommendations can be found in **Chapter 5** of this report.



## Chapter 5 - Recommendations

### 5.1 INTRODUCTION

The recommendations in this chapter seek to build on the strengths of the classification and compensation plan in the Town of Lake Park and also to address the challenges observed by Evergreen consultants over the course of the study. Evergreen is proposing changes to the Town's structure that use the existing plan as a foundation while improving market competitiveness. Internal factors such as the future direction of the Town, the organizational culture, and availability of resources influenced these recommendations. Each recommendation has also been developed to address a specific need based on the collected information while taking into account the external environment. Arriving at the overall solution for the Town was a detailed process involving all components of the research conducted which were reviewed and discussed in previous chapters of this report.

### 5.2 CLASSIFICATION FINDINGS AND RECOMMENDATIONS

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

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

Two secondary processes were performed prior to the completion of the JAT and MIT submission period. Evergreen conducted a series of job series-specific focus groups and individual interviews in order to further clarify and explore issues related to the Town's compensation and classification systems. Evergreen reviewed and utilized the data provided in the JATs and MITs, as well as through the secondary discussions, as a basis for the classification recommendations below.

## FINDING

The classification system being used by the Town was generally accurate and titles described the work being performed by employees. However, it was found that some areas of the classification system possessed more general job titles than needed to represent the various types and levels of work performed. In addition, some classification titles did not accurately reflect the pay grade or tasks completed by the employee. Evergreen has proposed 30 classification changes within the current classification system. A comprehensive listing of the classification changes can be found in **Exhibit 5A**.

**RECOMMENDATION 1: Adopt the 30 classification title changes proposed in Exhibit 5A.**

## FINDING

Evergreen will be providing the Town with updated job descriptions, which encompass any edits or changes necessary to reflect the most current work being performed in the role. Also, included with the updated descriptions, Evergreen provided a recommendation on the FLSA status of each classification as it relates to the updated tasks and responsibilities listed in the new description. The basis for these recommendations comes from the input from employees and supervisors provided during the JAT collection process.

The updated classification specifications are separate from this report and are being provided to the Town's human resources staff under separate cover.

**RECOMMENDATION 2: Update current classification specifications and corresponding FLSA status to align with the selected classification structure and be reflective of the employee-provided JAT information.**

## 5.3 COMPENSATION FINDINGS AND RECOMMENDATIONS

The compensation system analysis consisted of three parts:

- an assessment of the current compensation system;
- an external salary survey; and
- an internal equity assessment (JAT).

Upon receiving data related to the Town's pay plan and employees, an assessment was performed to examine the nature of the existing pay plan, the progression of employee salaries through pay grades, employee tenure, and the distribution of employees in the Town. The findings of this analysis are summarized in **Chapter 3** of this report.

During the external salary, the Town's pay ranges for selected benchmark classifications were compared to the average of the identified market. Details regarding the external market assessment were provided in **Chapter 4** of this report.



**EXHIBIT 5A**  
**PROPOSED CLASSIFICATION TITLE CHANGES**

Current Classification Title	Recommended Classification Title
Accountant I	Accounting Technician
Accountant II	Accountant, Senior
Accountant III	Accountant
Assistant Dockmaster	Dockmaster
Assistant to the Community Development Director	Executive Assistant
Assistant to the Human Resources Director	Executive Assistant
Assistant to the Town Manager	Executive Assistant
Chief Accountant	Assistant Director - Finance
Chief Information Technology Officer	Director - Information Technology
Children's Services Assistant	Library Assistant, Children's
Dockmaster	Director - Marina
Equipment Operator II	Sanitation Truck Operator I
Equipment Operator III	Sanitation Truck Operator II
Facilities Maintenance Worker II	Facilities Maintenance Worker I
Facilities Maintenance Worker III	Facilities Maintenance Worker II
Grounds Maintenance Crew Leader	Groundskeeper, Lead
Irrigation Technician II	Irrigation Technician
Librarian I	Librarian
Librarian II	Assistant Director - Library
Library Accounting Clerk	Accounting Technician
Library Assistant I	Library Assistant
Library Assistant II	Library Assistant
Maintenance Worker II	Groundskeeper
Maintenance Worker III	Maintenance Worker
Marina Maintenance Worker II	Marina Maintenance Worker
Mechanic II	Mechanic
Project Manager (Part-time)	Manager - Capital Projects
Ship's Store Clerk	Marina Clerk
Stormwater Technician I	Stormwater Technician
Stormwater Technician II	Stormwater Infrastructure Manager

The internal equity assessment (JAT) reviewed and analyzed the relationships between and the type of work being performed by the Town's employees. Specifically, a composite score was assigned to each of the Town's classifications that quantified the classification's level on five separate compensatory factors. The level for each factor was determined based on responses to the JAT.

These compensatory (job) factors are:

- **Leadership** - degree to which a position receives direction or provides direction to others.
- **Working Conditions** - degree to which a position operates in an environment of change or risk to oneself or others
- **Complexity** - degree to which higher level educational, knowledge, or analytical abilities must be utilized



- **Decision Making** - degree to which a position acts autonomously and oversees the actions of others.
- **Relationships** – degree to which the position interacts with others.

## FINDING

Ensuring that the structural elements of a pay plan are competitive with the market is just as important as ensuring actual salaries are competitive with other organizations. As such, a component of this study included assessing the structure (pay plans) used in administering compensation in the Town.

The current system has a number of inconsistencies as discussed in **Chapter 3**:

- **Range Spread** – Range spreads are generally set between 50 to 70 percent for best practice. The Town’s range spreads are inconsistent across the pay plan, ranging from 23.3 to 72.8 percent, with an average range of 49.5 percent.
- **Midpoint Progression** – Midpoint progression generally set between 3 to 5 percent for best practice. The Town’s midpoint regression is also inconsistent between pay ranges, ranging from -21.7 to 24.3 percent, with an average of 3.2 percent.
- **Salary Placement** – The vast majority of employees are compensated below their pay grade’s midpoint, with over half falling in the first quartile of their respective salary range.
- **Grade Penetration** – The Town generally maintains a healthy positive linear relationship between experience and grade penetration throughout each salary range.

In order to address these concerns, Evergreen is proposing changes to the Town’s existing pay plan. The recommended pay plan is displayed in **Exhibit 5B** and features:

- twenty (20) separate pay grades;
- a constant range spread of 55.0 percent in each pay grade; and
- grade progressions of 7.0 percent between the first ten pay grades and 10.0 percent between the last ten pay grades.

The proposed pay plan conforms to best practice, while using the existing Town pay plans as a framework. The proposed pay plan will allow the Town to slot classifications at or near market value now and moving forward as positions are created or revised, as well as ensure external equity across all positions.

**RECOMMENDATION 3: Adopt the proposed pay plan displayed in Exhibit 5B to simplify and bring consistency to the compensation system.**



**EXHIBIT 5B  
PROPOSED PAY PLAN**

Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum	Range Spread	Midpoint Progression
10	\$27,000.00	\$34,425.00	\$41,850.00	55.0%	-
20	\$28,890.00	\$36,834.75	\$44,779.50	55.0%	7.0%
30	\$30,912.30	\$39,413.18	\$47,914.07	55.0%	7.0%
40	\$33,076.16	\$42,172.11	\$51,268.05	55.0%	7.0%
50	\$35,391.49	\$45,124.15	\$54,856.81	55.0%	7.0%
60	\$37,868.90	\$48,282.84	\$58,696.79	55.0%	7.0%
70	\$40,519.72	\$51,662.64	\$62,805.57	55.0%	7.0%
80	\$43,356.10	\$55,279.03	\$67,201.95	55.0%	7.0%
90	\$46,391.03	\$59,148.56	\$71,906.09	55.0%	7.0%
100	\$49,638.40	\$63,288.96	\$76,939.52	55.0%	7.0%
110	\$54,602.24	\$69,617.85	\$84,633.47	55.0%	10.0%
120	\$60,062.46	\$76,579.64	\$93,096.82	55.0%	10.0%
130	\$66,068.71	\$84,237.60	\$102,406.50	55.0%	10.0%
140	\$72,675.58	\$92,661.36	\$112,647.15	55.0%	10.0%
150	\$79,943.14	\$101,927.50	\$123,911.86	55.0%	10.0%
160	\$87,937.45	\$112,120.25	\$136,303.05	55.0%	10.0%
170	\$96,731.20	\$123,332.28	\$149,933.35	55.0%	10.0%
180	\$106,404.32	\$135,665.50	\$164,926.69	55.0%	10.0%
190	\$117,044.75	\$149,232.05	\$181,419.36	55.0%	10.0%
200	\$128,749.22	\$164,155.26	\$199,561.29	55.0%	10.0%

## FINDING

The external market compensation analysis evaluated the relative competitive market position of the compensation system in Town of Lake Park. A regression analysis was then conducted to determine the relationship between the internal data gathered by the Job Assessment Tool (JAT) and the external data gathered by the market surveys. The analysis essentially determines the market dollar value associated with every JAT point. Completing this analysis allows Evergreen to predict a recommended minimum, midpoint, and maximum value for each classification which is used as a preliminary guide to the slotting of positions into the proposed pay grades, even those positions which were not included in the market survey.

This process can result in both positive and negative gaps between the raw market value of a position and its recommended placement; in some cases, the variance is significant. This analysis provides direction for the preliminarily slotting of positions only. Additional adjustments are generally made to account for positions with high turnover, to maintain existing hierarchy as appropriate, and to account for the Town's understanding and knowledge of each position which cannot be captured through market data.

Based on these analyses, Evergreen identified proposed placement for each classification into the proposed pay plan. **Exhibit 5C** displays the proposed grade order list for some individual classification changes and several proposed new classifications that could benefit the Town. Proposed placement ensures that classifications are being compensated competitively in comparison to the market.

**RECOMMENDATION 4:** Adopt the proposed grade order list in Exhibit 5C, which ensures appropriate grading within the proposed classification structure.



**EXHIBIT 5C  
PROPOSED GRADE ORDER LIST**

Recommended Classification Title	Proposed Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
Camp Counselor	10	\$27,000.00	\$34,425.00	\$41,850.00
Library Assistant	10	\$27,000.00	\$34,425.00	\$41,850.00
Library Assistant, Children's	10	\$27,000.00	\$34,425.00	\$41,850.00
Groundskeeper	20	\$28,890.00	\$36,834.75	\$44,779.50
Marina Clerk	30	\$30,912.30	\$39,413.18	\$47,914.07
Community Development Technician	40	\$33,076.16	\$42,172.11	\$51,268.05
Dock Attendant	40	\$33,076.16	\$42,172.11	\$51,268.05
Groundskeeper, Lead	40	\$33,076.16	\$42,172.11	\$51,268.05
Maintenance Worker	40	\$33,076.16	\$42,172.11	\$51,268.05
Marina Maintenance Worker	40	\$33,076.16	\$42,172.11	\$51,268.05
Sanitation Truck Operator I	40	\$33,076.16	\$42,172.11	\$51,268.05
Stormwater Technician	40	\$33,076.16	\$42,172.11	\$51,268.05
Accounting Technician	50	\$35,391.49	\$45,124.15	\$54,856.81
Administrative Assistant	50	\$35,391.49	\$45,124.15	\$54,856.81
Events Coordinator	50	\$35,391.49	\$45,124.15	\$54,856.81
Facilities Maintenance Worker I	50	\$35,391.49	\$45,124.15	\$54,856.81
Irrigation Technician	50	\$35,391.49	\$45,124.15	\$54,856.81
Mechanic	60	\$37,868.90	\$48,282.84	\$58,696.79
Sanitation Truck Operator II	60	\$37,868.90	\$48,282.84	\$58,696.79
Stormwater Infrastructure Manager	60	\$37,868.90	\$48,282.84	\$58,696.79
Code Compliance Officer	70	\$40,519.72	\$51,662.64	\$62,805.57
Executive Assistant	70	\$40,519.72	\$51,662.64	\$62,805.57
Facilities Maintenance Worker II	70	\$40,519.72	\$51,662.64	\$62,805.57
Accountant	80	\$43,356.10	\$55,279.03	\$67,201.95
Librarian	80	\$43,356.10	\$55,279.03	\$67,201.95
Recreation Supervisor	80	\$43,356.10	\$55,279.03	\$67,201.95
Deputy Town Clerk	90	\$46,391.03	\$59,148.56	\$71,906.09
Foreman - General Infrastructure	90	\$46,391.03	\$59,148.56	\$71,906.09
Foreman - Grounds Maintenance	90	\$46,391.03	\$59,148.56	\$71,906.09
Foreman - Sanitation	90	\$46,391.03	\$59,148.56	\$71,906.09
Foreman - Vehicle Maintenance	90	\$46,391.03	\$59,148.56	\$71,906.09
Accountant, Senior	100	\$49,638.40	\$63,288.96	\$76,939.52
Operations Manager	100	\$49,638.40	\$63,288.96	\$76,939.52
Planner	100	\$49,638.40	\$63,288.96	\$76,939.52
Dockmaster	110	\$54,602.24	\$69,617.85	\$84,633.47
Grant Writer	120	\$60,062.46	\$76,579.64	\$93,096.82
Town Clerk	120	\$60,062.46	\$76,579.64	\$93,096.82
Assistant Director - Library	130	\$66,068.71	\$84,237.60	\$102,406.50
Assistant Director - Finance	140	\$72,675.58	\$92,661.36	\$112,647.15
Director - Special Events	140	\$72,675.58	\$92,661.36	\$112,647.15
Manager - Capital Projects	140	\$72,675.58	\$92,661.36	\$112,647.15
Director - Community Development	150	\$79,943.14	\$101,927.50	\$123,911.86
Director - Information Technology	150	\$79,943.14	\$101,927.50	\$123,911.86
Director - Library	150	\$79,943.14	\$101,927.50	\$123,911.86
Director - Marina	150	\$79,943.14	\$101,927.50	\$123,911.86
Director - Finance	170	\$96,731.20	\$123,332.28	\$149,933.35
Director - Public Works	170	\$96,731.20	\$123,332.28	\$149,933.35
Assistant Town Manager/Director - Human Resources	180	\$106,404.32	\$135,665.50	\$164,926.69
Town Manager	200	\$128,749.22	\$164,155.26	\$199,561.29



## FINDING

As part of this study, Evergreen presented various implementation options for transitioning the Town from the old pay structure to the new pay structure. Evergreen is providing five options to slot employees into the new proposed grade order list, each of which carries different annual fiscal impacts.

The five options include:

- **Bring to New Minimum** – This approach maintains current employee salaries unless their existing salary falls below their newly assigned pay grade’s minimum. When this occurs, the employee’s salary is raised to the new minimum.
- **Classification Date Parity** – Each employee's salary is placed within their recommended range based on how long they have worked for the Town in their current position. This is done on the basis of 30 year career trajectory, where an employee with 15 years of experience would be placed at the midpoint, whereas an employee with 30 or more years would be at maximum. If an employee's salary exceeds where they would be projected in the recommended range, no adjustment is made.
- **Compa-Ratio** – A compa ratio (current midpoint divided by current pay) is a calculated to determine how close an employee's current pay is to their current midpoint. This ratio is then used to place the employees pay at the same point in relation to their proposed midpoint. For example, an employee's pay that is currently at 75 percent of the current midpoint (compa ratio) would be brought to the step closest to 75 percent of the proposed midpoint.
- **Hire Date Parity** – This option is similar to the Classification Date Parity option, but instead focuses on overall employee tenure with the Town.
- **Range Penetration** - A calculation is performed to determine the percentage through the current range an employee's salary falls. The employee's recommended salary calculation will place him/her at the same percentage through the proposed range. For example, if an individual is at the midpoint (50 percent) of the current range, they are brought to the midpoint (50 percent) of the recommended range.

**Exhibit 5D** shows the implementation cost for each option (not including the cost of benefits), the number of employees impacted by the change, the average adjustment for those receiving adjustments, and the average magnitude of the change on the impacted employees, with possible two- and three-year phase in options provides in **Exhibits 5E** and **5F**, respectively.

**Note:** It is not best practice to phase-in implementation beyond three years and so such recommendations have not been made.

There is not a “correct” approach for transitioning employees into the proposed system and each has its own unique strengths. For example, a strength of the Bring to Minimum approach is that it minimizes transition costs, whereas a strength of the Hire Date Parity model is that it addresses compression to the extent possible.



**EXHIBIT 5D  
IMPLEMENTATION OPTION COSTS**

Option	Total Implementation Cost	# Employees Receiving Adjustments	Average Salary Adjustment for Employees who Receive an Adjustment	Average Percentage Adjustment
Bring to New Minimum	\$150,389	22	\$6,836	12.4%
Class Date Parity	\$273,645	39	\$7,017	13.1%
Compa-Ratio	\$430,036	47	\$9,150	17.5%
Hire Date Parity	\$448,371	42	\$10,676	18.9%
Range Penetration	\$506,237	53	\$9,552	17.0%

**EXHIBIT 5E  
TWO-YEAR IMPLEMENTATION PHASE-IN OPTIONS**

Option	Total Implementation Cost	Year 1 Cost	Year 2 Cost
Bring to New Minimum	\$150,389	\$150,389	
Class Date Parity	\$273,645	\$212,017	\$61,628
Compa-Ratio	\$430,036	\$290,213	\$139,824
Hire Date Parity	\$448,371	\$299,380	\$148,991
Range Penetration	\$506,237	\$328,313	\$177,924

**EXHIBIT 5F  
THREE-YEAR IMPLEMENTATION PHASE-IN OPTIONS**

Option	Total Implementation Cost	Year 1 Cost	Year 2 Cost	Year 3 Cost
Bring to New Minimum	\$150,389	\$150,389		
Class Date Parity	\$273,645	\$191,475	\$41,085	\$41,085
Compa-Ratio	\$430,036	\$243,605	\$93,216	\$93,216
Hire Date Parity	\$448,371	\$249,717	\$99,327	\$99,327
Range Penetration	\$506,237	\$269,005	\$118,616	\$118,616

**RECOMMENDATION 5:** Adopt the best implementation option and determine whether a one-, two-, or three- year phase-in is most appropriate for the Town.



## 5.4 SYSTEM MAINTENANCE AND ADMINISTRATION POLICIES

Any organization’s compensation and classification system will need periodic maintenance. The recommendations provided in this chapter were developed based on conditions at the time the study was conducted. Without proper upkeep of the system, the potential for recruitment and retention issues may increase as the compensation and classification system becomes dated and less competitive.

### FINDING

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

#### Salary Progression

As outlined above, Evergreen recommends that the Town implement the new pay plan which would involve an adjustment of employee salaries to ensure they are properly placed in the proposed pay plan. While this major adjustment should be performed when financial feasible, the Town should also adjust salaries annually. Evergreen recommends that the basis of salary adjustment in the future be done at three distinct levels:

1. **Structural:** Adjustment to the pay ranges should be done regularly, with the aim of adjusting for the changes in cost-of-living. Evergreen recommends the Town tie the annual compensation structure movement to the local change in the Consumer-Price-Index (CPI). This annual adjustment will ensure pay ranges do not rapidly fall out of line with that of market peers. However, when conducting small-scale surveys, the Town should also collect pay plan movement and anticipated movement from its peers to gauge if market movement is keeping pace with CPI movement.
2. **Classification:** As a result of the salary surveys, the Town may identify classifications or job families that are experiencing considerable market movement and, as a result, reassignment of the pay grades should be considered when this occurs. Alternatively, for any classifications that have become hard to recruit and retain, pay grade reassignment should also be considered to ensure the Town is competitive for both recruiting new talent and retaining existing employees.
3. **Individual:** Related to adjustments of the pay structure, Evergreen recommends that the Town provide annual cost-of-living adjustments (COLA) to individual employee salaries. This adjustment would be done for all employees and the percentage adjustment would need to be roughly 1.0 percent more than the movement of the compensation structure in any given years, in order to allow for employee progression into the range.



## New Hires

A new employee's starting salary largely depends on the amount of education and experience the employee possesses beyond the minimum requirements for the job. 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. The Town currently endeavors to follow this practice, but is sometimes constrained by restrictions in the collective bargaining agreement.

## 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 three to seven percent increase is common today, with consideration given to preserving the internal equity of employee salaries within the classification. In keeping with this best practice, the current policy in the Town is that an employee receiving a promotion is either given a five percent increase in pay or is brought to the pay minimum of their new classification title—whichever is higher. The Town should continue with this established policy going forward.

## Transfers

An employee transfer occurs when an employee is reassigned to a classification at the same pay grade as his or her current classification or when an employee's classification stays the same, but his or her department changes. In either of these cases, it is likely that no adjustment is necessary to the employee's salary. The only situation in which a salary adjustment would be needed for a transferred employee would be if his or her current salary is not aligned with the salaries of employees in the new classification or department. If that occurs, it may be necessary to adjust the salary of the employee or the incumbents of the classification to ensure salary equity within the new classification.

**RECOMMENDATION 6: Develop/maintain guidelines for progressing classified employee salaries through the pay plans, including those for determining salaries of newly hired employees and employees who have been promoted or transferred to a different classification or department or who have been reclassified.**

## FINDING

While it is unlikely that all classifications will need to be analyzed and adjusted for several years, a small number of classification 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 7: Conduct small-scale salary surveys as needed to assess the market competitiveness of selected classified classifications with recruitment and/or retention issues and make changes to pay grade assignments as necessary.**

#### **FINDING**

In order to maintain competitiveness between compensation and classification studies, the Town should continue adjusting its pay plan on an annual basis, as required. In addition to using the consumer price index (CPI) values for cost of living adjustments, the Town would benefit from also contacting the local peer group and determining the approach to pay plan adjustments made by peers.

The Town may find it struggles to navigate through changing economic conditions and with organizations competing for the same human resources. For this reason, the Town should conduct a comprehensive classification and compensation study every five to seven years.

**RECOMMENDATION 8: Conduct a comprehensive classification and compensation study every five to seven years.**

#### **FINDING**

As part of this study, Evergreen was tasked with developing a recommended schedule for future evaluations of all job classifications. An established process allows for assessment of a classification to determine if, internally, it is compensated equitably in comparison to other like classifications and assists with collecting the data necessary to determine if the classification is titled correctly. A well-established schedule allows for evaluation of positions—as requested by employees or supervisors—when there is evidence that a position's primary duties have changed, when a classification is newly created, and/or at regular intervals to ensure that slotting relationships are maintained across the organization.

The tool used by Evergreen to assess internal job worth as part of this study was the Job Assessment Tool (JAT). The results of this tool, paired with market data, provided a final, data-driven value that was used to match the classification under review up to an appropriate midpoint on the Town's proposed pay plan. With all Town classifications now assessed and slotted using this methodology, the Town has an excellent foundation on which to base compensation and classification decisions surrounding any position. Moving forward, the Town should employ the same methodology to continually assess positions.

The Town should adopt the JAT and market-driven approach to be used for all future job evaluations for all employees. This process serves as an unbiased means to capture a snapshot of a position's current duties and requirements, as well as identify a reasonable level of compensation that aligns with the slotting established during the course of this study. Every two years, on a rotating basis, the Town should internally use the JAT to reassess all job classifications. Supervisors can assist in the process by providing information on changes to



job duties or responsibilities thereby allowing updates to JAT scores where appropriate. Calculations can then be run to ensure that all positions are slotted appropriately.

The Town should also establish a mechanism or process to evaluate new and/or updated position titles as needed between review cycles. Evergreen recommends the following process:

1. A department head/supervisor submits completed Job Review Form to Human Resources to request a job evaluation for either a new or existing position. The proposed form is displayed in **Exhibit 5G**. Note that one form per job should be submitted.
2. Human Resources staff receive the completed Job Review Form and determine what action is needed. If action requires the completion of a JAT, a blank JAT is emailed by HR to the department head/supervisor for completion. If the position is new, the JAT should be filled out by the person with the most knowledge of the position. If no JAT is needed, HR staff proceeds to Step 5.
3. The department head/supervisor completes the JAT and submits to HR within five business days.
4. HR staff receive and review the JAT for accuracy. A score is entered into the existing regression database (provided by Evergreen).
5. If market data on file are greater than one year old or not available for the position in question, fresh market data is collected from market peers.
6. An average market midpoint is entered into the existing regression database by HR staff.
7. With JAT and market data collected, the regression database provides HR staff with an projected midpoint. This midpoint is used to preliminarily guide the placement of the position in the Town's pay plan.
8. HR staff record the final recommended pay grade and job title in the second section of the Job Review Form (see **Exhibit 5G**).
9. A copy is emailed to the department head/supervisor, as well as to the Town Manager for final approval.

With this process in place, and continued use of the JAT and market data in making classification and compensation decisions, the Town will ensure an equitable system is maintained. As part of this project, Evergreen will also be providing HR staff with JAT training and access to all the tools necessary to continue this process.

**RECOMMENDATION 9: Adopt the Job Assessment Tool (JAT) and market data-based methodology from Evergreen to evaluate new and updated position titles in the future.**

## 5.5 SUMMARY

The objective of this Pay and Classification Study was to improve the internal and external equity of both the structure by which employees are compensated, as well as the way positions relate and compare to one another across the organization. This was accomplished by analyzing data gathered internally and externally which informed the recommendations made in this chapter.

The external salary survey identified certain classifications compensated below market average. Overall, it was determined that the Town is approximately 14.3 percent below the market minimum, 17.0 percent below the market midpoint, and 18.9 percent below the market maximum of salary ranges of benchmark positions.

Combining the market data with the internal data gathered through the JAT process, Evergreen was able to make recommendations which improve the equity and competitiveness of the Town's pay structure and the placement of classifications within that structure. Using the same market data that was obtained for the 2018-19 fiscal year, by adopting the proposed pay plan and grade order list for the 2019-20 fiscal year, the Town's pay plan will move to approximately 1.1 percent below the market at the minimum, 1.8 percent below at the midpoint, and 2.3 percent below at the maximum.

The recommendations in this chapter provide a competitive pay plan—internally aligned with the classification structure—and system administration practices that will provide the Town of Lake Park with a responsive compensation and classification system for years to come. While the upkeep of this recommended system and associated pay and classification guidelines will require work, the Town will find that having a competitive compensation and classification system that encourages strong recruitment and employee retention is well worth the effort.



EXHIBIT 5G  
PROPOSED JOB REVIEW FORM

# Job Review Form

Please complete all fields, scan, and electronically submit to the Human Resources Department.

**DEPARTMENT HEAD COMPLETES**

Requester Name and Title:	
Phone:	
E-mail Address:	
Department:	
Today's Date:	
Job Title for Review:	
Position Type (New or Existing):	
Reason for Review:	
Desired Outcome:	



**EXHIBIT 5G (Continued)  
PROPOSED JOB REVIEW FORM**

<b>HR USE ONLY</b>	
Form Received by:	
Form Reviewed by:	
Today's Date:	
<b>Action:</b>	
JAT Sent (Y/N):	<input type="checkbox"/> Yes <input type="checkbox"/> No   Once Returned, record date received ____
Market Data Needed (Y/N):	<input type="checkbox"/> Yes <input type="checkbox"/> No
Final JAT Score	
Market Midpoint Value	
Regression Midpoint	
Title Recommendation:	
Grade Recommendation:	
Explanation of Findings:	
Reviewer Notes:	

Signature: _____ <p align="center">Director of Human Resources</p>	Signature: _____ <p align="center">Supervisor</p>
Date: _____	Date: _____