

Recommendation: Slot all positions into the pay plan based on internal and external equity.

All City positions should be assigned to the appropriate pay grades based on the results of the internal classification analysis and the market study. Slotting positions appropriately ensures the City's pay structure reflects both internal and external equity.

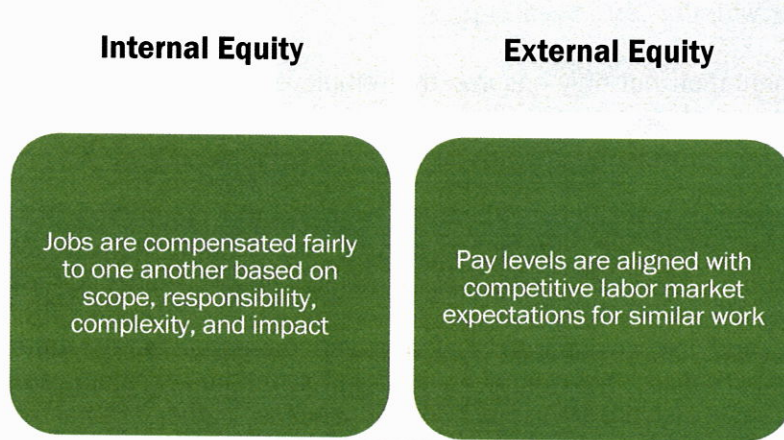


Exhibit 5C provides a list of the City's classifications by proposed pay grade assignment. As shown, 13 positions are slotted across nine of the 17 pay grades. Six grades are intentionally left empty, as the plan was designed to accommodate future organizational growth.

Exhibit 5C | Classifications by Proposed Pay Grade

Proposed Grade	Classification
101	
102	
103	Public Works Technician
104	Administrative Assistant
105	Code Enforcement Officer/CSO
106	Deputy City Clerk (NEW) Finance & Administrative Services Specialist
107	Police Officer Public Works Supervisor
108	Police Corporal
109	
110	Police Sergeant
111	City Clerk
112	
113	Deputy Police Chief
114	Finance and Administrative Services Director Public Works Director
115	Chief of Police
116	
117	

Note: The City Manager position is currently administered as a contract position. Regardless of contract status, the compensation for the City Manager position should align with a salary range set two (2) pay grades above the highest classified position. This level of separation should be maintained to preserve organizational hierarchy, ensure appropriate executive-level differentiation, and avoid compression at the top of the structure.

Recommendation: Transition employee salaries into the new pay plan using a method that alleviates compression and aligns with the City's fiscal capacity.

A well-planned implementation not only ensures that employee pay aligns with the City's updated compensation philosophy, but it also promotes internal equity and strengthens the organization's ability to retain talent.

Evergreen developed multiple transition methods to estimate the potential costs and impacts of implementation. These methods are intended to provide the City with flexible options to support implementation in a manner that is fiscally responsible and aligned with City priorities.

Based on study findings and discussions with City leadership, the Hybrid Parity Method was identified as the most appropriate approach for plan implementation. This method considers an employee's time in their current position while also providing credit for prior service in other internal roles and up to five years of relevant external experience, all while maintaining internal equity across the organization. As shown in **Exhibit 5D**, utilizing this method would cost an approximate \$348,514.00

Exhibit 5D | Implementation Options with Associated Costs



Hybrid Year Parity

Estimated Cost: \$337,404
Average Adjustment: 14.0%

- Time-based approach to help alleviate compression
- Places employees within the pay plan by recognizing total relevant experience while maintaining internal equity
- Placement is based on years of service in the employee's current position, credited service in other internal City positions, and up to five (5) years of credited relevant external experience.

COMPENSATION AND CLASSIFICATION ADMINISTRATION

Any organization's compensation and classification system requires periodic maintenance to remain effective. The recommendations in this chapter were developed based on the conditions present at the time of the study. Without regular updates, the system may become outdated and less competitive, increasing the risk of recruitment and retention challenges over time.

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

While the overall pay plan is unlikely to require adjustment for several years, certain classifications may need more frequent review. If the City experiences high turnover or recruitment challenges for specific roles, it should proactively collect salary range data from peer organizations to assess whether