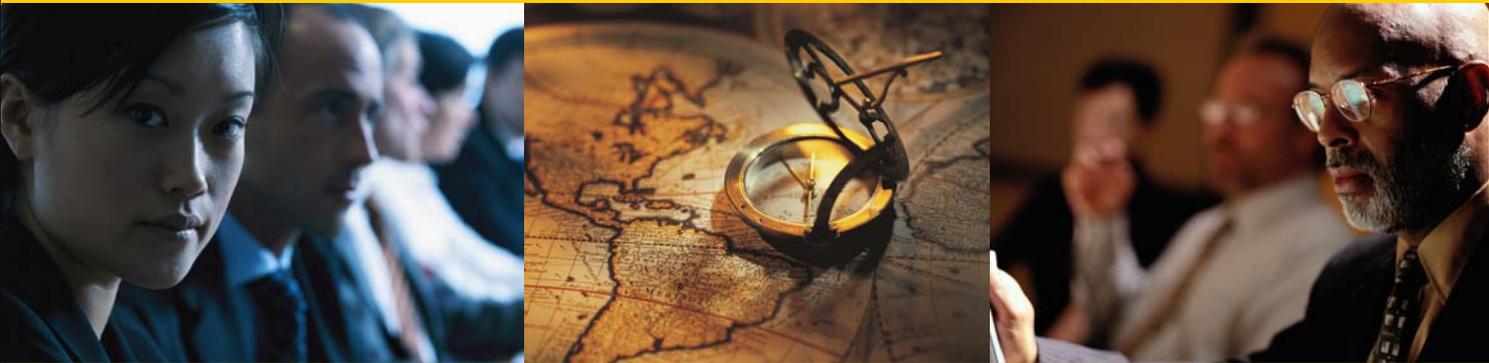


Classification and Compensation Study for the Town of Lake Park

FINAL REPORT



Evergreen Solutions, LLC

May 15, 2023

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Chapter 1 - Introduction

In February 2022, Evergreen Solutions (“Evergreen”) was retained by the Town of Lake Park (“the Town”) to conduct a Classification and Compensation Study for all employees. Evergreen previously conducted a Pay and Compensation Study for the Town in 2019. The purpose of the 2022 study was to update the existing pay plan as well as ensure internal and external equity within the plan. The recommendations offered in this study are intended to meet the Town’s desire to attract and retain qualified employees.

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 Town. 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 what the Town is paying for each classification of employees 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:

- holding a study kick-off meeting;
- analyzing the Town’s current salary structure to determine its strengths and weaknesses;
- conducting employee outreach by interviewing Town leaders and holding focus groups with a representative sample of employees;
- facilitating discussions to develop an understanding of its compensation philosophy;
- collecting classification information through the Job Assessment Tool (JAT) process to analyze the internal equity of the Town’s classification system;
- conducting a market compensation survey to assess external equity (market competitiveness) of the Town’s current pay plan;
- developing recommendations for improvements to classification titles and the creation of new titles, as appropriate;
- developing a competitive compensation structure and slotting classifications into that structure while ensuring internal and external equity;



- developing optional methods for transitioning salaries into the new structure and calculating cost estimates for implementation;
- providing the Town with information and strategies regarding compensation and classification administration;
- preparing and submitting draft and final reports that summarize the study findings and recommendations.

1.1 **STUDY METHODOLOGY**

To provide relevant information to the Town, Evergreen combined qualitative with quantitative data analysis to produce recommendations that maximize the fairness and competitiveness of the Town’s classification structure and practices.

Project activities included:

- conducting a project kick-off meeting;
- providing an orientation session for employees;
- facilitating employee interviews;
- conducting a market compensation survey;
- developing recommendations for compensation management;
- developing detailed implementation recommendations; and
- crafting the draft and final reports including all compensation analysis.

Kickoff Meeting

The kickoff meeting provided 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 (including existing pay plans, organization charts, policies, procedures, training materials, job descriptions, and other pertinent material) is part of this process.

Assessment of Current Conditions

This analysis provides an overall assessment of the existing pay plans and related data for the Town’s employees at the time the study began. The pay plans, the progression of employee salaries through pay grades, employee tenure, and the distribution of employees in the Town are all examined during this process. The findings of this analysis are summarized in **Chapter 2** of this report.

Employee Outreach

During the focus groups, employees were 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, found in **Chapter 3**, provided some basic perceptual background, as well as a starting point for the research process.



Salary Survey

The external market is defined as identified peers with which the Town competes for qualified employees, including those that have similar characteristics, demographics, and service offerings as the target organization. Benchmark positions were identified from each area and level of the organization and include a large cross-section of positions in the Town. Once the target and benchmark information were finalized, a market survey tool was created to solicit salary information from each of the peer organizations.

When the results were received, the data were analyzed, cleaned, and entered to provide aggregate findings. The results of the salary survey are provided in **Chapter 4**.

Job Assessment Tool (JAT) Classification Analysis

Although market data are imperative for determining pay grade value for job titles, they are not the only factor that contributes to recommended placement. In addition to collecting market data, job questionnaire data were used to slot positions. Evergreen's Job Assessment Tool (JAT) was administered to all employees during the study and was available to all employees for a three-week period to allow for sufficient participation. Upon completion of the JAT, supervisors were provided the opportunity to review employee submittals and provide feedback on responses. The JAT provided a score for each Town job title which was used to determine the hierarchy and value of all job titles based on each one's complexities. Each classification's score was based on the employee and supervisor responses to the JAT. The scores allowed for a comparison of classifications in the Town.

Recommendations

The development of recommendations followed 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) were established. In addition, the Town identified its desired market position and compensation philosophy. Subsequently, the pay plan and job slotting within the system were adjusted to account for this desired position in the market.

As part of the study, job titles for employees were determined to best reflect the roles and responsibilities of each position. With the salary schedules and job titles established, jobs can be slotted into the proposed pay grade structure using market data and feedback from Human Resources staff in the Town.

The final step in the development of recommendations was to identify the costs associated with each step of the analysis. The data from the job slotting were applied to the individual incumbents in the organization. This gave the Town the opportunity to view the total costs associated with the structural changes. Information was 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 – Assessment of Current Conditions
- Chapter 3 – Summary of Employee Outreach
- Chapter 4 – Salary Survey Summary
- Chapter 5 – Recommendations



Chapter 2 – Assessment of Current Conditions

Chapter 2 provides an overall assessment of the compensation system in place for employees of the Town of Lake Park. Data included here reflect the demographics in place at the time of the study and should be considered a snapshot in time. The data provide the baseline for analysis throughout the course of this study, but are not sufficient cause for recommendations in isolation. By conducting this review, Evergreen gained a better understanding of the structure and associated salary practices in place, and identified issues for both further review and potential revision.

2.1 ANALYSIS OF THE PAY PLAN

The Town administers two open range pay plans for its employees. **Exhibit 2A and 2B** provides details related to the value of each pay range at the minimum, the calculated midpoint, and the maximum; the range spread for each (the distance between the pay range minimum and maximum); the midpoint progression (the distance between the midpoint of adjacent pay grades); and the number of employees in each pay grade.

As shown, the pay plan for non-union workers supports 32 employees and features 14 pay grades, whereas the plan for union members include six pay grades for 23 employees. The range spread across all pay grades averages 55 percent. The midpoint progression between the pay grades is variable with calculated values from seven percent to 23 percent.



**EXHIBIT 2A
SUMMARIZED PAY PLAN FOR NON-UNION EMPLOYEES**

Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression	Employees
10N	\$27,000.00	\$34,425.00	\$41,850.00	55%	-	2
40N	\$33,076.16	\$42,172.11	\$51,268.05	55%	23%	3
50N	\$35,391.49	\$45,124.15	\$54,856.81	55%	7%	3
60N	\$37,868.90	\$48,282.85	\$58,696.79	55%	7%	0
70N	\$40,519.72	\$51,662.64	\$62,805.57	55%	7%	6
80N	\$43,356.10	\$55,279.03	\$67,201.95	55%	7%	1
90N	\$46,391.03	\$59,148.56	\$71,906.09	55%	7%	1
100N	\$49,638.40	\$63,288.96	\$76,939.52	55%	7%	4
130N	\$66,068.71	\$84,237.61	\$102,406.50	55%	33%	0
140N	\$72,675.58	\$92,661.36	\$112,647.15	55%	10%	3
150N	\$79,943.14	\$101,927.50	\$123,911.86	55%	10%	3
160N	\$87,937.45	\$112,120.25	\$136,303.05	55%	10%	1
170N	\$96,731.20	\$123,332.28	\$149,933.35	55%	10%	4
180N	\$106,404.32	\$135,665.50	\$164,926.69	55%	10%	1
				55%	11%	32

**EXHIBIT 2B
SUMMARIZED PAY PLAN FOR UNION EMPLOYEES**

Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression	Employees
20U	\$28,890.00	\$36,834.75	\$44,779.50	55%	-	3
40U	\$33,076.16	\$42,172.11	\$51,268.05	55%	14%	9
50U	\$35,391.49	\$45,124.15	\$54,856.81	55%	7%	2
60U	\$37,868.90	\$48,282.84	\$58,696.79	55%	7%	2
70U	\$40,519.72	\$51,662.64	\$62,805.57	55%	7%	1
90U	\$46,391.03	\$59,148.56	\$71,906.09	55%	14%	6
				55%	10%	23



All classifications (job titles) are displayed in **Exhibit 2C**. The total number of unique classifications utilized by the Town is 49 for its 55 employees.

**EXHIBIT 2C
LIST OF CLASSIFICATIONS**

Classification Title	Classification Title
Accountant	Foreman - Sanitation
Accountant, Senior	Foreman - Vehicle Maintenance
Accounting Technician	Grant Writer/Public Information Officer
Assistant Director - Finance	Groundskeeper
Assistant Director - Library	Groundskeeper, Lead
Assistant Town Manager/Director - Human Resources	Irrigation Technician
Camp Counselor	Lead Groundskeeper
Code Compliance Officer	Library Assistant
Community Development Technician	Library Assistant - Children's
Deputy Town Clerk	Maintenance Worker
Director - Community Development	Manager - Capital Projects
Director - Finance	Marina Maintenance Worker II
Director - Information Technology	Marketing Specialist
Director - Library	Mechanic
Director - Marina	Planner
Director - Public Works	Planner - Pt
Director - Special Events	Public Works Operations Manager
Dock Attendant	Recreation Supervisor
Dockmaster	Sanitation Truck Operator I
Events Coordinator	Sanitation Truck Operator II
Executive Assistant	Stormwater Infrastructure Foreman
Facilities Maintenance Worker I	Stormwater Technician I
Facilities Maintenance Worker II	Stormwater Technician II
Foreman - General Infrastructure	Town Clerk
Foreman - Grounds Maintenance	

2.2 SALARY PLACEMENT ANALYSIS

When assessing the effectiveness of a pay plan and associated policies, it is helpful to analyze where employee salaries stand in comparison to their classification's pay range. Identifying areas where there are clusters of employee salaries can illuminate potential pay progression concerns within a pay plan. It should be noted that employees' salaries, and the progression of the same, is associated with an organization's compensation philosophy—specifically, the method of salary progression and the availability of resources. Therefore, the placement of employee salaries should be viewed with this context in mind.

Below and At Minimum and At or Above Maximum

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

Exhibit 2D displays the percentage of employees whose salaries are at or below their respective pay range minimum and at or above the pay range maximum of their respective pay range maximum. Employees not included in these charts are compensated somewhere between the upper and lower thresholds. The percentages presented are based on the total number of employees in that grade. As shown, zero employees (0.0 percent) have a salary below or at their respective pay range minimum or at the maximum; however, five employees (9.1 percent) have a salary above the maximum.

Below and Above Midpoint

In addition to assessing the number of employee salaries at minimum and maximum, an analysis was conducted to determine the number of employees with salaries below and above pay range midpoint. Employees with salaries close to the midpoint of a pay range typically would be fully proficient in their classification and require minimal supervision to complete their job duties while performing satisfactorily. Within this framework, pay range midpoint is commonly considered to be the salary an individual could reasonably expect for similar work in the market. Therefore, it is important to examine the percentage and number of employees with salaries above and below the calculated midpoint.

Exhibit 2E displays the percentage of employee whose salaries are below or above their respective pay range midpoint. The percentages presented are based on the total number of employees in that grade. As can be seen, 37 employees (67.3 percent) are compensated below their pay range midpoint, and 18 (32.7 percent) are compensated above.



EXHIBIT 2D
BELOW AND AT MINIMUM AND AT OR ABOVE MAXIMUM BY GRADE

Grade	Employees	Below Min		At Min		At Max		Above Max	
		#	%	#	%	#	%	#	%
10N	2	0	0.0%	0	0.0%	0	0.0%	0	0.0%
40N	3	0	0.0%	0	0.0%	0	0.0%	1	33.3%
50N	3	0	0.0%	0	0.0%	0	0.0%	1	33.3%
70N	6	0	0.0%	0	0.0%	0	0.0%	0	0.0%
80N	1	0	0.0%	0	0.0%	0	0.0%	0	0.0%
90N	1	0	0.0%	0	0.0%	0	0.0%	0	0.0%
100N	4	0	0.0%	0	0.0%	0	0.0%	0	0.0%
140N	3	0	0.0%	0	0.0%	0	0.0%	0	0.0%
150N	3	0	0.0%	0	0.0%	0	0.0%	0	0.0%
160N	1	0	0.0%	0	0.0%	0	0.0%	0	0.0%
170N	4	0	0.0%	0	0.0%	0	0.0%	0	0.0%
180N	1	0	0.0%	0	0.0%	0	0.0%	0	0.0%
20U	3	0	0.0%	0	0.0%	0	0.0%	0	0.0%
40U	9	0	0.0%	1	11.1%	0	0.0%	0	0.0%
50U	2	0	0.0%	0	0.0%	0	0.0%	0	0.0%
60U	2	0	0.0%	0	0.0%	0	0.0%	0	0.0%
70U	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
90U	6	0	0.0%	0	0.0%	0	0.0%	2	33.3%
Total	55	0	0.00%	1	1.8%	0	0.0%	5	9.1%



**EXHIBIT 2E
BELOW AND ABOVE MIDPOINT BY GRADE**

Grade	Employees	<Mid		Mid>	
		#	%	#	%
10N	2	2	100.0%	0	0.0%
40N	3	1	33.3%	2	66.7%
50N	3	2	66.7%	1	33.3%
70N	6	1	16.7%	5	83.3%
80N	1	0	0.0%	1	100.0%
90N	1	1	100.0%	0	0.0%
100N	4	3	75.0%	1	25.0%
140N	3	2	66.7%	1	33.3%
150N	3	2	66.7%	1	33.3%
160N	1	1	100.0%	0	0.0%
170N	4	4	100.0%	0	0.0%
180N	1	1	100.0%	0	0.0%
20U	3	3	100.0%	0	0.0%
40U	9	9	100.0%	0	0.0%
50U	2	2	100.0%	0	0.0%
60U	2	1	50.0%	1	50.0%
70U	1	0	0.0%	1	100.0%
90U	6	2	33.3%	4	66.7%
Total	55	37	67.3%	18	32.7%



2.3 QUARTILE ANALYSIS

In a quartile analysis, each salary range is divided into four equal segments (quartiles) and employees are assigned a quartile based on where their current salary falls. While there is no best practice for what average tenure should be for each quartile, and other factors outside of the breadth of this analysis can impact placement (e.g. promotional and hiring practices), this analysis is useful in revealing 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 2F shows the number of employee salaries that are in each quartile of each pay range. Also, the average overall tenure (i.e. how long an employee has been employed by the Town) by quartile is shown. As displayed, 21 (38.2 percent) employees have salaries in the first quartile of their respective range, 16 (28.1 percent) employees have salaries in the second quartile, nine (16.4 percent) employees have salaries in the third quartile, and nine (16.4 percent) employees have salaries in the fourth quartile. Additionally, tenure for each quartile is as follows: average tenure in the first quartile is 7.8 years, is 4.2 years in the second quartile, is 8.5 years in the third quartile, and is 20.6 years in the fourth quartile. Increases in compensation are to be expected when pay progression is closely tied to years of service.



**EXHIBIT 2F
QUARTILE ANALYSIS**

Grade	Total Employees	Avg. Tenure	1st Quartile			2nd Quartile			3rd Quartile			4th Quartile		
			#	%	Avg. Tenure									
10N	2	3.9	2	100.0%	3.9	0	0.0%	-	0	0.0%	-	0	0.0%	-
40N	3	3.0	1	33.3%	3.1	0	0.0%	-	1	33.3%	0.5	1	33.3%	5.4
50N	3	16.7	1	33.3%	9.3	1	33.3%	0.5	0	0.0%	-	1	33.3%	40.2
70N	6	8.5	0	0.0%	-	1	16.7%	0.2	5	83.3%	10.1	0	0.0%	-
80N	1	8.4	0	0.0%	-	0	0.0%	-	0	0.0%	-	1	100.0%	8.4
90N	1	6.0	0	0.0%	-	1	100.0%	6.0	0	0.0%	-	0	0.0%	-
100N	4	6.3	0	0.0%	-	3	75.0%	3.3	1	25.0%	15.3	0	0.0%	-
140N	3	2.3	1	33.3%	5.6	1	33.3%	0.5	0	0.0%	-	1	33.3%	0.6
150N	3	8.1	2	66.7%	11.9	0	0.0%	-	1	33.3%	0.3	0	0.0%	-
160N	1	15.2	1	100.0%	15.2	0	0.0%	-	0	0.0%	-	0	0.0%	-
170N	4	3.4	2	50.0%	6.0	2	50.0%	0.9	0	0.0%	-	0	0.0%	-
180N	1	20.7	1	100.0%	20.7	0	0.0%	-	0	0.0%	-	0	0.0%	-
20U	3	1.1	3	100.0%	1.1	0	0.0%	-	0	0.0%	-	0	0.0%	-
40U	9	5.0	5	55.6%	2.4	4	44.4%	8.4	0	0.0%	-	0	0.0%	-
50U	2	4.0	0	0.0%	-	2	100.0%	4.0	0	0.0%	-	0	0.0%	-
60U	2	8.8	1	50.0%	1.5	0	0.0%	-	1	50.0%	16.1	0	0.0%	-
70U	1	35.8	0	0.0%	-	0	0.0%	-	0	0.0%	-	1	100.0%	35.8
90U	6	26.8	1	16.7%	12.8	1	16.7%	14.3	0	0.0%	-	4	66.7%	33.4
Overall	55	10.2	21	38.2%	7.8	16	29.1%	4.2	9	16.4%	8.5	9	16.4%	20.6

2.4 COMPRESSION ANALYSIS

Comparison with Supervisor Salaries

Compression (when pay differentials are too small to be considered equitable) can be seen as a threat to internal equity and morale. One 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 supervisors and their subordinates are too similar. The following analysis attempts to determine if such compression can be observed in the Town.

Employee salary data were utilized to determine if the employee's salary was either less than 80 percent, less than 95 percent, or more than 95 percent of their supervisor's salary; **Exhibit 2G** shows that 41 (74.5 percent) employee salaries fall below 80 percent of their supervisor's salary, two (3.6 percent) fall below 95 percent, and one (1.8 percent) is greater than 100 percent. This would seem to indicate that no serious compression of salaries is taking place as it relates to supervisor salaries.

EXHIBIT 2G
EMPLOYEE TO SUPERVISOR SALARY RATIO BY GRADE

Grade	Less than 80%	80% < X < 95%	95% < X < 100%	Greater than 100%
10N	2	0	0	0
40N	3	0	0	0
50N	3	0	0	0
60N	0	0	0	0
70N	4	0	0	0
80N	1	0	0	0
90N	1	0	0	0
100N	4	0	0	0
130N	0	0	0	0
140N	0	2	0	0
150N	0	0	0	0
160N	0	0	0	0
170N	0	0	0	0
180N	0	0	0	1
20U	3	0	0	0
40U	9	0	0	0
50U	2	0	0	0
60U	2	0	0	0
70U	1	0	0	0
90U	6	0	0	0
Totals	41	2	0	1



Actual Versus Expected Salary Placement

Another form of pay compression can occur when employees have not progressed through their pay range as their years of experience increase. The following analysis examines how far each employee has penetrated into their current pay range and compares it with their expected placement—assuming a 30-year period between minimum and maximum. Generally, the only source of concern would be employees that are more than ten percent below expected placement. Simply having employees in this group does not necessarily mean there are corresponding compression issues, assuming there is a reason for these placements. It is also acknowledged that the Town’s compensation practices may differ from progressing employees’ salaries based upon tenure.

Exhibit 2H displays the number and percentage of employees whose actual salary placement varies from their expected placement. **Note:** This analysis considers an employee’s years of service in their current classification, unlike the quartile analysis, which considers overall years of experience. As can be seen, 28 (50.9 percent) employees have salaries that are within ten percent of their expected salary placement, whereas two (3.6 percent) employees have salaries that are more than ten percent below expected placement and 25 (45.5 percent) employees have salaries that are more than ten percent above.

EXHIBIT 2H
ACTUAL VERSUS EXPECTED PLACEMENT BY GRADE

Grade	Less than -10%	-10 < X < -5%	-5% < X < 5%	5% < X < 10%	Greater than 10%
10N	0	0	2	0	0
40N	0	0	1	0	2
50N	0	1	0	0	2
60N	0	0	0	0	0
70N	0	0	0	2	4
80N	0	0	0	0	1
90N	0	0	1	0	0
100N	0	0	0	1	3
130N	0	0	0	0	0
140N	0	0	1	0	2
150N	1	0	1	0	1
160N	1	0	0	0	0
170N	0	0	2	0	2
180N	0	1	0	0	0
20U	0	0	2	1	0
40U	0	0	6	3	0
50U	0	0	0	1	1
60U	0	0	0	1	1
70U	0	0	0	0	1
90U	0	0	1	0	5
Totals	2	2	17	9	25



2.5 DEPARTMENT/LOCATION DISTRIBUTION

As of February 2022, the Town employed 55 employees across 11 different departments. **Exhibit 2I** depicts the number of classifications that are present in each department, along with the number and overall percentage of total employees by department. As illustrated, the largest department (in terms of employees) is Public Works, with 23 employees representing 41.8 percent of the Town's workforce.

**EXHIBIT 2I
EMPLOYEES AND CLASSIFICATIONS BY DEPARTMENT/LOCATION**

Department	Employees	Classes	% of Total
Library	4	4	7.3%
Community Development	8	6	14.5%
Marina	6	3	10.9%
Finance	5	5	9.1%
Special Events	2	2	3.6%
Town Manager	1	1	1.8%
Human Resources	2	2	3.6%
Public Works	23	19	41.8%
Town Clerk	2	2	3.6%
Information Technology	1	1	1.8%
Communication & Grants	1	1	1.8%
Total	55	46	100.0%

2.6 SUMMARY

The information contained in this chapter identifies features of the overall structure of the compensation system, as well as the administration of it at the individual employee level. Notably, the following was found:

- **Pay Plan** – The Town administers two open-range pay plans, both with consistent range spreads. The midpoint progression does vary fairly significantly between certain pay grades.
- **Salary Distribution** – It was noted that 67.3 percent of the 55 employees have starting salaries that fall below the midpoint. Additionally, the average tenure between the first and second quartiles decreases from 7.8 years in the first quartile to 4.2 years in the second. This may be indicative of a potential area of salary compression between newly hired and tenured employees.

This analysis serves as a starting point for the development of recommendations in this report. These observations were reviewed and considered in more detail throughout the course of the study. Paired with market data, Evergreen was able to make recommendations that will ensure that the compensation system at the Town is structurally sound, competitive with the market, and equitable.



Chapter 3 - Summary of Employee Outreach

On March 28, 2022, the Evergreen Solutions Team released an employee survey on behalf of the Town of Lake Park. The objective of this survey, which was open for 12 days, was to collect feedback on the strengths and weaknesses of the current compensation and classification plans. As a result, Evergreen received 35 survey responses from employees representing a cross section of departments and classifications as well as management levels.

Additionally, senior manager interviews were held March 9, 2022. The Evergreen team met with 11 department heads and executive-level staff members. These employees were asked to share their concerns with the current compensation and classification structure.

The remainder of this chapter summarizes the comments made by survey and interview participants. It is important to note that the views shared in this summary are not necessarily supported by Evergreen Solutions nor the Town. 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.

3.1 GENERAL FEEDBACK

Although the major purpose of the survey and interviews was to discuss compensation and classification, the first three questions asked in the survey received feedback related as to why employees initially came to work for the Town, why they remain employed, and what they feel the Town does well for the employees. The most common replies were as follows.

- **Location** – Location was one of the most common survey responses as to why employees started working as well as remaining with the Town.
- **Job Security/Stability** – Job security and stability were another common survey response as to why employees started working and remain employed with the Town. Survey participants commented that the set schedule was also a huge benefit.
- **Work Enjoyment** – Work enjoyment rank as one of the most common responses to why employees remain with the Town. Staff members mentioned that they like the type of work that they perform and often feel like they are making a difference in their community.
- **Benefits** – The benefits offered by the Town was another top response. Employees commented in the survey that they are very appreciative of the generous package offered by the Town.



- **Coworkers** – Another contributing factor to employee retention are the people who work for the Town. Employees stated that they enjoy working with their colleagues and often described the Town as a “family atmosphere.”

Exhibit 3A shows the aggregate results factors that helped bring current employees to the County.

**EXHIBIT 3A
REASONS FOR APPLYING WITH THE ORGANIZATION**

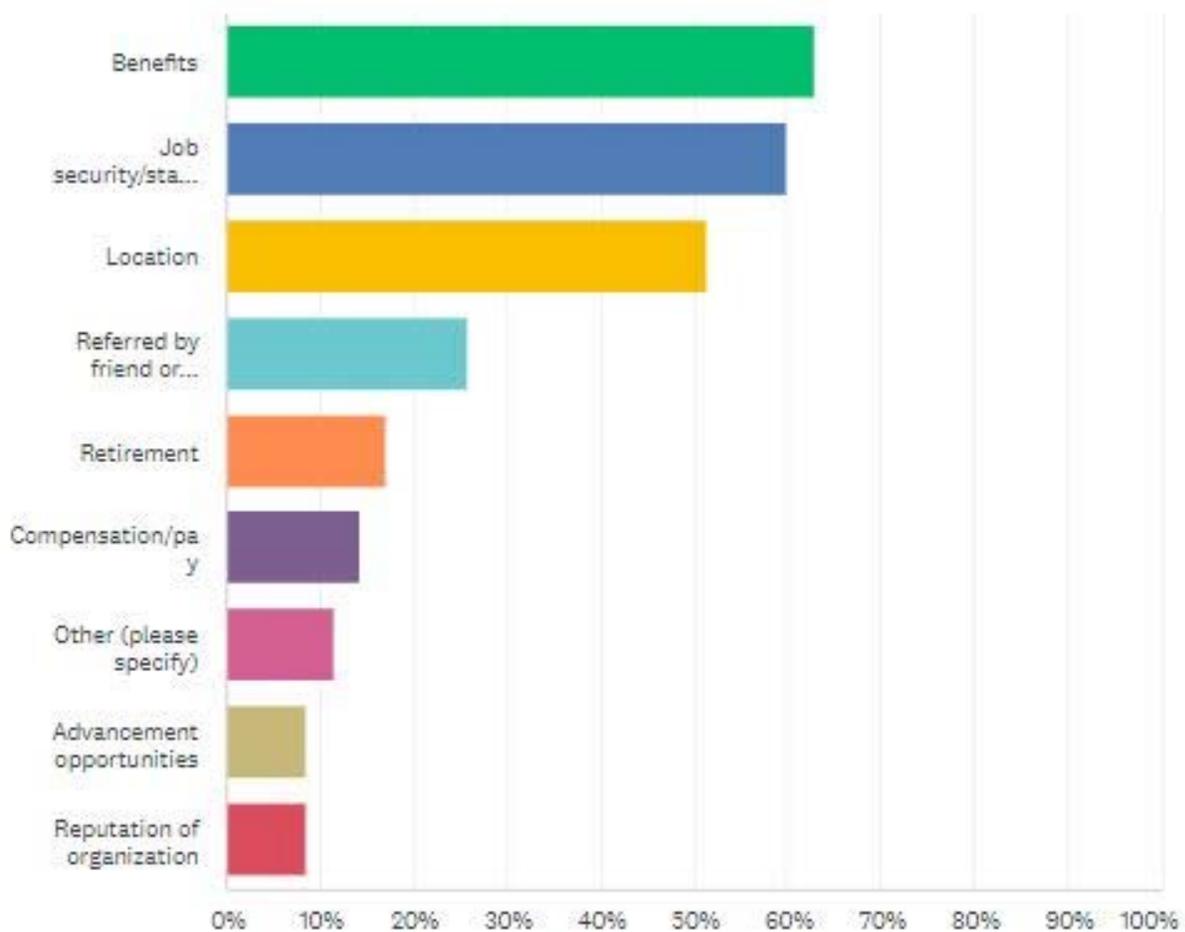
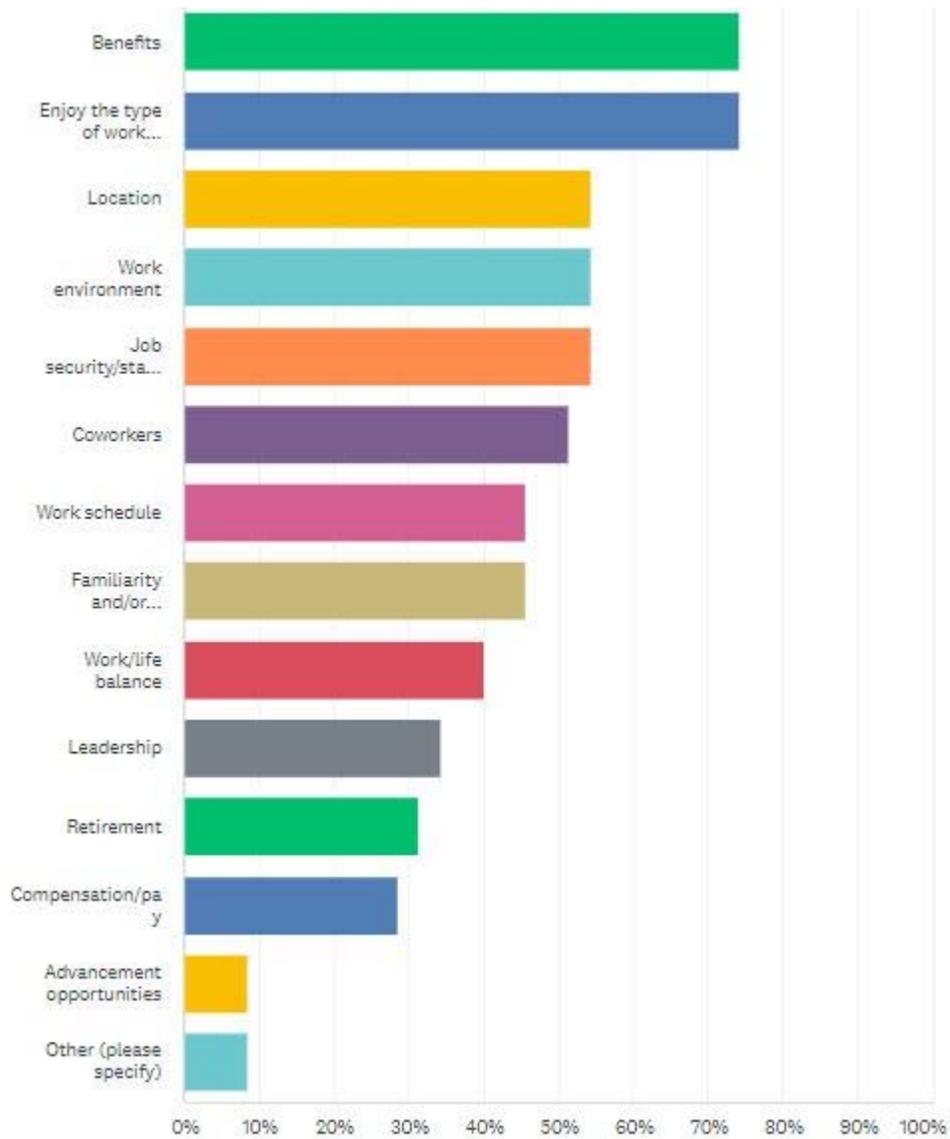


Exhibit 3B shows the aggregate results of factor that have encouraged employees to remain with the County.

**EXHIBIT 3B
REASONS FOR REMAINING WITH THE ORGANIZATION**



3.2 COMPENSATION

Employees were asked about the County’s compensation practices, policies, and procedures. The most frequent comments included the following:

- **Familiarity with Compensation System** – Most (37.14 percent) of the survey participants said they were very familiar with the Town’s current compensation system.
- **Competitive Salaries** – The majority of survey participants (67.65 percent) felt the Town’s salaries are not competitive with other public sector organizations.

- **Raises/Incentive/Paygrade Assignments** – More than half (54.55 percent) of the survey participants stated they feel raises, incentives, and paygrade assignments are not fair/equitable between employees.

3.3 CLASSIFICATION

Participants were asked about any classification concerns. Comments shared by employees related to the County's classification structure include:

- **Job Descriptions** – Many survey respondents participants felt like the job descriptions should be updated to better reflect the duties and responsibilities of the various roles.
- **Job Titles** – A few instances were cited where lower-level classifications were performing the same job as higher-levels of the same position. It was also mentioned that some job titles do not fit the actual work performed by the job.

3.4 SUMMARY

The employee feedback reported above represents common issues that typically exist in many organizations and not just the Town of Lake Park. Although the feedback reflected above generally highlights concerns and issues, it should be noted that the overall feedback was positive. As with any organization, however, employees perceive weaknesses in certain areas related to the current compensation and classification system. In today's working environment with multiple years of reduced funding and in many cases significantly increased expectations and requirements, employee job descriptions and classifications require consistent timely review and revision to allow the organizations to remain competitive and foster its compensation philosophy.



Chapter 4 – Salary Survey Summary

This chapter contains a market analysis in which the Town of Lake Park salary ranges are compared to select peer organizations. Market comparisons provide key information regarding an organization's competitive position. It is important to note that the comparison of the Town's salary ranges does not translate well at the individual employee level. This is because a market range simply provides the thresholds within which an employee's salary should be placed, versus providing any information on where specifically in the range an employee's salary should lay. Employee salary placement in the range is typically determined based on a multitude of variables, such as the incumbent's education level, and prior experience.

The salary survey focused on the average salary ranges offered by the market for 45 classifications. This external equity analysis allowed for a comprehensive examination of the Town's compensation structure. Market comparison analysis is best thought of as a snapshot of current conditions and provides the most up-to-date market information available at the time. In other words, market conditions will generally change over time and in some cases will change very quickly. Therefore, a market survey and analysis should be performed at regular intervals to help maintain market competitiveness.

The Town considered several factors when selecting peers for comparison, including the location, size, and socio-economic factors that impact the Town's ability to recruit and retain highly qualified employees. **Exhibit 4A** shows the 16 unique peers from which Evergreen solicited and obtained full or partial general market salary data for their matching classifications.

The Consumer Price Index (CPI), also referred to as the Cost of Living (COL) Index, shown in the chart is a measure reported by the U.S. Bureau of Labor Statistics, which examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food, and medical care. It is calculated by taking price changes for each item in the predetermined basket of goods and averaging them. Changes in the CPI are used to assess price changes associated with the cost of living. Evergreen used the COL Factor (COL Index for the Town divided by the COL Index for the location) to adjust the salaries to be comparable to the salaries paid by the Town.



EXHIBIT 4A
TARGET MARKET PEERS AND COST OF LIVING FACTORS

Market Peers	Cost of Living Index
Town of Lake Park	115.4
City of Lake Worth	115.4
City of Delray Beach	115.4
Palm Beach Gardens	115.4
City of Rivera Beach	115.4
City of West Palm Beach	115.4
Palm Beach County	115.4
Palm Beach School Board	115.4
Seacoast Utility Authority	115.4
Town of Juno Beach	115.4
Town of Jupiter	115.4
Village of Royal Palm Beach	115.4
Village of Tequesta	115.4
Village of Wellington	115.4
Village of North Palm Beach	115.4
Solid Waste Authority	115.4

From the participating peers, 375 data points were collected for comparative purposes. All salary range data collected were adjusted for cost of living using a national cost of living index factor, which allowed salary dollars from entities outside of the immediate area to more accurately be compared in terms of spending power relative to the Lake Park area.

Exhibit 4B provides a summary of the results of the salary survey of all peer organizations.

These data represent base salary only and are composed of the following information:

- **Market Range Minimum, Midpoint, and Maximum.** The survey range minimum indicates the average minimum salary for each classification provided by peer organizations. Survey range midpoint provides the average midpoint of the peer respondents for each classification surveyed. Survey range maximum provides the average maximum of the survey participants for each classification surveyed.
- **Percent Differentials.** The percent differentials are shown for survey market range minimum, midpoint, and maximum. The differentials specify the variance between the Town's current published salary ranges and the market average shown in the exhibit. A positive differential indicates the Town is above market for that classification at the range minimum, midpoint, or maximum. Information is presented on positions that are above average to provide valuable information regarding the Town's competitive edge in the marketplace for those positions. A negative differential indicates the Town is



below market for that classification, indicating that these salaries are not as competitive.

In the final row of the exhibit, the average percent differentials for the range minimum, midpoint and maximum are provided. This is derived by averaging each classification's percent differential.

- **Survey Average Range Spread.** The range spread which provides the average range width for each classification surveyed is the percentage difference between the average minimum and average maximum salaries of the respondents, relative to the minimum. The average range spread for all the surveyed classifications is provided in the final row of the exhibit.
- **Survey Responses.** The number of survey responses for each classification is provided in the final column, and the average number of responses for the classification category is shown at the bottom along with an overall average for all classification categories.
- **Comparability.** Peers are provided a summary of the job duties and responsibilities for each classification as well as the experience, education and certification requirements required for a match. Based on information provided by the peers, Evergreen uses a general 70 percent match criteria for accepting a peer's proposed classification, based on the similarity of duties and responsibilities as well as the educational, experience and credentialing requirements for the classification. When in doubt, peers are contacted for additional information to ensure comparability.



EXHIBIT 4B
MARKET RESULTS FOR BENCHMARKED POSITIONS

Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range	# Resp.
	Average	% Diff	Average	% Diff	Average	% Diff		
Accountant	\$50,512.49	-15.2%	\$66,010.88	-17.7%	\$81,509.27	-19.2%	61.4%	13.0
Accountant Senior	\$58,006.58	-15.5%	\$75,458.22	-17.5%	\$92,909.87	-18.8%	60.2%	10.0
Accounting Technician	\$37,632.59	-6.1%	\$48,793.14	-7.8%	\$59,953.69	-8.9%	59.3%	13.0
Assistant Director – Finance	\$82,846.65	-13.1%	\$105,830.72	-13.3%	\$128,814.79	-13.4%	55.5%	10.0
Assistant Director – Library*	\$98,978.62	-	\$123,723.28	-	\$148,467.94	-	50.0%	1.0
Assistant Town Manger/ Director of Human Resources	\$109,066.71	-2.5%	\$140,709.36	-3.7%	\$172,352.01	-4.4%	58.0%	13.0
Camp Counselor	\$29,399.48	-	\$36,226.28	-	\$43,053.07	-	46.4%	5.0
Code Compliance Officer	\$43,554.33	-7.2%	\$55,853.43	-7.8%	\$68,152.53	-8.2%	56.5%	13.0
Community Development Technician	\$41,586.85	-22.8%	\$53,222.84	-23.2%	\$64,858.82	-23.4%	56.0%	14.0
Deputy Town Clerk	\$55,068.88	-17.1%	\$71,207.44	-18.5%	\$87,346.01	-19.4%	58.6%	9.0
Director - Community Development	\$104,687.18	-7.9%	\$130,244.53	-5.5%	\$155,801.88	-3.8%	48.8%	12.0
Director – Finance	\$106,794.45	-9.9%	\$135,146.51	-9.1%	\$163,498.57	-8.7%	53.1%	15.0
Director - Information Technology	\$106,512.39	-9.6%	\$135,352.26	-9.3%	\$164,192.12	-9.1%	54.2%	13.0
Director – Library*	\$86,384.29	11.3%	\$105,709.90	15.4%	\$125,035.50	18.1%	44.7%	3.0
Director – Marina*	-	-	-	-	-	-	-	0.0
Director - Public Works	\$103,276.20	-6.5%	\$131,998.62	-6.8%	\$160,721.05	-6.9%	55.6%	13.0
Director - Special Events	\$70,648.70	31.2%	\$87,540.11	33.9%	\$104,431.53	35.8%	47.8%	4.0
Dock Attendant*	\$40,632.22	-20.5%	\$51,806.15	-20.5%	\$62,980.08	-20.5%	55.0%	1.0
Dockmaster*	\$45,413.00	-	\$56,770.00	-	\$68,127.00	-	50.0%	1.0
Events Coordinator*	\$54,865.07	-43.2%	\$68,572.42	-41.2%	\$82,279.77	-40.0%	50.0%	7.0
Executive Assistant	\$46,492.99	-13.7%	\$57,902.51	-11.4%	\$69,312.04	-9.8%	49.1%	14.0
Facilities Maintenance Worker I	\$32,814.41	7.6%	\$42,523.43	5.9%	\$52,232.44	4.9%	59.2%	7.0
Facilities Maintenance Worker II	\$41,574.01	-2.6%	\$52,339.76	-1.3%	\$63,105.52	-0.5%	51.8%	4.0
Foreman - General Infrastructure	\$48,865.56	-5.2%	\$64,030.38	-7.9%	\$79,195.21	-9.6%	62.1%	9.0
Foreman - Grounds Maintenance	\$47,913.07	-3.2%	\$62,105.64	-4.9%	\$76,298.21	-5.9%	59.2%	7.0

EXHIBIT 4B (CONTINUED)
MARKET RESULTS FOR BENCHMARKED POSITIONS

Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range	# Resp.
	Value	% Diff	Value	% Diff	Value	% Diff		
Foreman – Sanitation	\$48,111.10	-3.6%	\$59,162.54	0.0%	\$70,213.99	2.4%	45.9%	5.0
Foreman - Vehicle Maintenance	\$58,903.47	-23.8%	\$74,103.39	-22.4%	\$89,303.32	-21.6%	51.6%	8.0
Grants Writer/Public Information Officer	\$65,054.83	39.2%	\$85,290.99	36.5%	\$105,527.15	34.8%	62.2%	7.0
Groundskeeper, Lead	\$43,801.20	-27.9%	\$54,984.01	-26.4%	\$66,166.83	-25.4%	51.1%	5.0
Groundskeeper	\$30,886.63	-6.7%	\$39,785.79	-7.7%	\$48,684.94	-8.4%	57.6%	11.0
Irrigation Technician	\$37,863.56	-6.7%	\$49,057.41	-8.4%	\$60,251.25	-9.4%	59.1%	11.0
Library Assistant	\$33,296.04	-20.9%	\$42,721.11	-21.5%	\$52,146.18	-21.9%	56.6%	6.0
Maintenance Worker	\$35,424.29	-6.9%	\$45,399.79	-7.4%	\$55,375.30	-7.7%	56.3%	12.0
Manager - Capital Projects	\$71,693.11	1.4%	\$92,474.84	0.2%	\$113,256.57	-0.5%	58.0%	10.0
Marina Maintenance Worker*	-	-	-	-	-	-	-	0.0
Marketing Specialist*	\$49,754.48	-	\$64,923.32	-	\$80,092.15	-	61.0%	3.0
Mechanic	\$44,681.96	-16.5%	\$54,976.49	-13.0%	\$65,271.03	-10.6%	46.1%	13.0
Planner	\$53,345.85	-7.2%	\$70,457.45	-10.7%	\$87,569.05	-12.9%	64.2%	13.0
Public Works Operations Manager	\$65,727.77	-27.9%	\$84,140.70	-28.3%	\$102,553.63	-28.5%	56.0%	10.0
Recreation Supervisor	\$57,452.65	-	\$72,475.15	-	\$87,497.66	-	52.3%	10.0
Sanitation Truck Operator I	\$31,215.90	5.8%	\$41,074.28	2.6%	\$50,932.66	0.7%	63.2%	4.0
Sanitation Truck Operator II	\$41,697.93	-9.6%	\$53,842.41	-10.9%	\$65,986.88	-11.7%	58.2%	3.0
Stormwater Infrastructure Foreman	\$62,170.63	-29.1%	\$77,873.63	-27.3%	\$93,576.63	-26.2%	50.5%	11.0
Stormwater Technician I	\$43,636.58	-27.5%	\$55,460.42	-27.2%	\$67,284.26	-27.0%	54.2%	9.0
Town Clerk	\$78,761.80	20.5%	\$99,788.60	21.1%	\$120,815.39	21.5%	53.4%	13.0
Overall Average		-8.4%		-8.5%		-8.5%	54.9%	8.3
Outliers Removed*		-9.4%		-9.7%		-9.9%		

*Outliers are defined as benchmarks that possess midpoint differentials of 40% or greater from the Town of Lake Park or received less than four (4) responses. Outliers are removed so that extreme differentials do not skew the average results. Classifications identified as outliers are as follows: Assistant Director – Library, Director – Library, Director – Marina, Dock Attendant, Dockmaster, Events Coordinator, Marina Maintenance Worker, Marketing Specialist, and Sanitation Truck Operator II.

The following subsections discuss the results of the salary survey, based on data provided in Exhibit 4B.

4.1 MARKET MINIMUM

A starting point of the analysis is to compare the peer average market minimum for each classification to range minimums in the Town. Market minimums are generally considered as a starting wage for employees who meet the minimum qualifications for the classification. Those employees with salaries at or near the range minimums are generally new to the role and have not acquired the skills and experience necessary to be fully proficient in their classification.

Utilizing the data gathered in the salary survey for the benchmarked positions with stated salary ranges, the following conclusions can be reached:

- The Town is on average 9.4 percent below market minimum across all job titles surveyed.
- The surveyed Town position differentials ranged from 39.2 percent ahead of the market minimum in the case of the Grants Writer/Public Information Officer position to 29.1 percent below market minimums for the Stormwater Infrastructure Foreman classification.
- Three (3) positions in the Town were found to be greater than 10.0 percent ahead of market minimum.
 - Director, Special Events – 31.2 percent above;
 - Grants Writer/Public Information Officer – 39.2 percent above; and
 - Town Clerk – 20.5 percent above.
- Thirteen (13) Town positions were 10.0 percent or greater below market minimums:
 - Accountant – 15.2 percent below;
 - Accountant Senior – 15.5 percent below;
 - Assistant Director, Finance – 13.1 percent below;
 - Community Development Technician – 22.8 percent below;
 - Deputy Town Clerk – 17.1 percent below;
 - Executive Assistant – 13.7 percent below;
 - Foreman, Vehicle Maintenance – 23.8 percent below;
 - Lead Groundskeeper – 27.9 percent below;
 - Library Assistant – 20.9 percent below;
 - Mechanic – 16.5 percent below;
 - Public Works Operations Manager – 27.9 percent below;
 - Stormwater Infrastructure Foreman – 29.1 percent below; and
 - Stormwater Technician I – 27.5 percent below.



4.2 MARKET MIDPOINTS

This section explores the comparison between the average peer midpoints and Town classification midpoints. Midpoint is frequently considered the point where employees who have achieved full proficiency in their job duties could expect their salaries to be placed. It is considered the best point of comparison for analyzing variance between an organization and their market peers.

Based on the data gathered at the market midpoint of the positions with stated salary ranges, the following can be determined:

- The Town is on average 9.7 percent below market midpoints across all job titles surveyed.
- The surveyed Town position differentials ranged from 36.5 percent ahead of the market midpoint in the case of the Grants Writer/Public Information Officer position to 28.3 percent below market midpoint for the Public Works Operations Manager classification.
- Three (3) positions in the Town were greater than 10.0 percent ahead of market midpoint:
 - Director, Specialist Events – 33.9 percent above;
 - Grants Writer/Public Information Officer – 36.5 percent above; and
 - Town Clerk – 21.1 percent above.
- Fourteen (14) Town positions were 10.0 percent or greater below market midpoints:
 - Accountant – 17.7 percent below;
 - Accountant Senior – 17.5 percent below;
 - Assistant Director, Finance – 13.3 percent below;
 - Community Development Technician – 23.2 percent below;
 - Deputy Town Clerk – 18.5 percent below;
 - Executive Assistant – 11.4 percent below;
 - Foreman, Vehicle Maintenance – 22.4 percent below;
 - Lead Groundskeeper – 26.4 percent below;
 - Library Assistant – 21.5 percent below;
 - Mechanic – 13.0 percent below;
 - Planner – 10.7 percent below;
 - Public Works Operations Manager – 28.3 percent below;
 - Stormwater Infrastructure Foreman – 27.3 percent below; and
 - Stormwater Technician I – 27.2 percent below.



4.3 MARKET MAXIMUMS

In this section, Town salary range maximum values are compared to the survey respondents' average maximums. Market maximums are often utilized to attract highly qualified employees or retain experienced individuals in a classification.

When comparing peer market pay grade maximums and maximums for the Town classifications, the following can be determined:

- The Town is on average 9.9 percent below market maximums across all job titles surveyed.
- The surveyed Town position differentials ranged from 35.8 percent ahead of the market maximum in the case of the Director, Special Events position to 28.5 percent below market maximums for the Public Works Operations Manager classification.
- Three (3) Town positions were greater than 10.0 percent ahead of market maximums.
 - Director, Specialist Events – 35.8 percent above;
 - Grants Writer/Public Information Officer – 34.8 percent above; and
 - Town Clerk – 21.5 percent above.
- Thirteen (13) Town positions were 10.0 percent or greater below market maximums:
 - Accountant – 19.2 percent below;
 - Accountant Senior – 18.8 percent below;
 - Assistant Director, Finance – 13.4 percent below;
 - Community Development Technician – 23.4 percent below;
 - Deputy Town Clerk – 19.4 percent below;
 - Foreman, Vehicle Maintenance – 21.6 percent below;
 - Lead Groundskeeper – 25.4 percent below;
 - Library Assistant – 21.9 percent below;
 - Mechanic – 10.6 percent below;
 - Planner – 12.9 percent below;
 - Public Works Operations Manager – 28.5 percent below;
 - Stormwater Infrastructure Foreman – 26.2 percent below; and
 - Stormwater Technician I – 27.0 percent below.

4.4 MARKET SURVEY CONCLUSION

The standing of individual classifications pay range relative to the market should not be considered a definitive assessment of actual employee salaries being similarly above or below the market; however, such differentials can, in part, explain symptomatic issues with recruitment and retention of employees.



The main summary points of the market study are as follows:

- The Town is approximately 9.4 percent below the public-sector market minimum.
- The Town is approximately 9.7 percent below the public-sector market midpoint.
- The Town is approximately 9.9 percent below the public-sector market maximum.

The results of the market summary chapter are pivotal in the formulation of recommendations by Evergreen Solutions. By establishing the Town's market position relative to its peers, Evergreen is better able to propose recommendations that enable the Town to occupy its desired competitive position. Discussion on the recommended changes to the Town's pay plan can be found in **Chapter 5** of this report.



Chapter 5 - Recommendations

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

5.1 CLASSIFICATION SYSTEM

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

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

FINDING

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

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

Exhibit 5A provides a list of the recommended changes to the classification system. The foundation for these recommendations was the work performed by employees as described in their JATs, best practice in the Human Resources field, or based on conversations with the Town's leadership.



**EXHIBIT 5A
PROPOSED CLASSIFICATION CHANGES**

Department	Current Classification Title	Proposed Classification Title
Library	Accounting Technician*	Senior Library Assistant

FINDING

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

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

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

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

5.2 COMPENSATION SYSTEM

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

During the internal equity assessment, consideration of the relationships between positions and the type of work being performed by the Town employees were reviewed and analyzed. Specifically, a composite score was assigned to each of the classifications that quantified the classification’s level of five separate compensatory factors (leadership, working conditions, complexity, decision-making, and relationships). The level for each factor was determined

based on responses to the JAT. The results of both analyses were utilized when developing the recommendations below.

FINDING

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

RECOMMENDATION 3: Update the current open range plan; slot all classifications into the plan based on external and internal equity; and transition employees’ salaries into the revised plan.

Exhibit 5B shows an overview of the updated pay plan. As can be seen, the plan includes 18 pay grades with consistent range spreads of 60 percent for each grade.

EXHIBIT 5B PROPOSED PAY PLAN

Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum	Range Spread	Grade Progression
10	\$32,100.00	\$41,730.00	\$51,360.00	60%	-
20	\$34,347.00	\$44,651.10	\$54,955.20	60%	7.0%
30	\$36,751.29	\$47,776.68	\$58,802.06	60%	7.0%
40	\$39,323.88	\$51,121.04	\$62,918.21	60%	7.0%
50	\$42,076.55	\$54,699.52	\$67,322.48	60%	7.0%
60	\$45,021.91	\$58,528.48	\$72,035.06	60%	7.0%
70	\$48,173.44	\$62,625.48	\$77,077.51	60%	7.0%
80	\$51,545.59	\$67,009.26	\$82,472.94	60%	7.0%
90	\$55,153.78	\$71,699.91	\$88,246.04	60%	7.0%
100	\$59,014.54	\$76,718.90	\$94,423.27	60%	7.0%
110	\$64,915.99	\$84,390.79	\$103,865.59	60%	10.0%
120	\$71,407.59	\$92,829.87	\$114,252.15	60%	10.0%
130	\$78,548.35	\$102,112.86	\$125,677.37	60%	10.0%
140	\$86,403.19	\$112,324.15	\$138,245.10	60%	10.0%
150	\$95,043.51	\$123,556.56	\$152,069.61	60%	10.0%
160	\$104,547.86	\$135,912.22	\$167,276.57	60%	10.0%
170	\$115,002.64	\$149,503.44	\$184,004.23	60%	10.0%
180	\$126,502.91	\$164,453.78	\$202,404.65	60%	10.0%

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

**EXHIBIT 5C
PROPOSED PAY GRADES**

Pay Grade	Classification Title
10	Camp Counselor
	Library Assistant
	Library Assistant - Children's
20	Groundskeeper
30	Custodian
	Sanitation Truck Operator Trainee
40	Community Development Technician
	Dock Attendant
	Lead Groundskeeper
	Maintenance Worker
	Sanitation Truck Operator I
50	Stormwater Technician I
	Accounting Technician
	Events Coordinator
	Facilities Maintenance Worker I
	Information Technology Library Assistant*
	Irrigation Technician
60	Records Technician*
	Senior Library Assistant
	Mechanic
60	Sanitation Truck Operator II
	Stormwater Technician II
70	Code Compliance Officer
	Executive Assistant
	Facilities Maintenance Worker II
	Marina Maintenance Worker II
80	Accountant
	Librarian
	Recreation Supervisor

**EXHIBIT 5C (CONTINUED)
PROPOSED PAY GRADES**

Pay Grade	Classification Title
90	Deputy Town Clerk
	Foreman - General Infrastructure
	Foreman - Grounds Maintenance
	Marketing Specialist
	Sanitation Foreman
	Stormwater Infrastructure Foreman
	Vehicle Maintenance Foreman
100	Accountant, Senior
	Network Technician*
	Operations Manager Planner
110	Dockmaster
120	
130	Assistant Director - Library
140	Assistant Director - Finance
	Manager - Capital Projects
150	
160	
170	Director - Community Development
	Director - Finance
	Director - Information Technology
	Director - Library
	Director - Marina
	Director - Public Works
	Director - Special Events
	Grant Writer/Chief Public Information Officer
Town Clerk	
180	Assistant Town Manager/Director - Human Resources

*New position; pending FY24 budget approval

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

Bring to New Minimum

A calculation is performed so that each employee's salary is adjusted to the minimum of their classification's proposed pay grade. If their salary is already within the proposed pay range, no adjustment is made.

Class Year Parity

This option is intended to re-align an employee's salary within their recommended range based on how long they have worked in their current classification. 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, while an employee with 30 or more years would be at the maximum.

Hire Year Parity

This option aims to re-align an employee's salary within their recommended range based on how long they have worked with the Town overall. 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.

Hybrid Year Parity

A calculation that places employees into their newly recommended ranges based on a hybrid between their time spent in their current classification title and total time with the organization.

Hybrid Year Parity Capped at 15 Percent

A calculation that places employees into their newly recommended ranges based on a hybrid between their time spent in their current classification title and total time with the organization. A cap is then placed on the salary so that no employee whose salary currently falls within the recommend pay grade receives more than a 15 percent adjustment to their existing hourly rate.

Current 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 them at the same percentage through the proposed range. For example, if an individual is 40 percent through their current range, they are brought to 40 percent through the recommended range.

Current Range Penetration Capped at 20 Percent

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 them at the same percentage through the proposed range or at a rate no more than a 20 percent increase to their current hourly rate.

Compa Ratio

A calculation is performed to evaluate an employee's current ratio to their grade midpoint. The ratio is then applied to place employees into their new range at the same ratio vs. the midpoint. For example employees who are at the midpoint now (100% compa ratio) would be place at their new range midpoint.



Discounted Compa Ratio

The same calculation for Compa Ratio is initially performed. A percentage discount is then applied to the individual adjustment as a cost-saving method.

As seen in **Exhibit 5D**, utilizing these approaches would call for adjustments for anywhere between 24 to 53 employees with implementation (salary only) costs ranging from \$196,538.14 to \$793,966.42.

EXHIBIT 5D IMPLEMENTATION COSTS

Implementation Option	Total Implementation Cost	# Employees Receiving Adjustments	Average Salary Adjustment	Average Percentage Adjustment
Bring to New Minimum	\$196,538.14	24	\$8,189.09	11.7%
Class Year Parity	\$414,761.18	36	\$11,521.14	20.8%
Hire Year Parity	\$604,758.01	43	\$14,064.14	20.5%
Current Range Penetration	\$788,959.51	53	\$14,886.03	22.1%
Current Range Penetration Capped at 20%	\$644,450.99	53	\$12,159.45	19.5%
Hybrid Year	\$517,033.14	42	\$12,310.31	14.7%
Compa Ratio	\$793,966.42	52	\$15,268.59	22.7%
Discounted Compa Ratio	\$683,092.29	52	\$13,136.39	19.4%
Hybrid Year Capped at 15%	\$347,252.58	42	\$8,267.92	11.2%

5.3 SYSTEM ADMINISTRATION

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

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

While it is unlikely that the pay structure (plan) in total will need to be adjusted for several years, a small number of classifications' pay grades may need to be reassigned more frequently. If the Town is experiencing difficulty high turnover or challenges with recruiting one or more classifications, 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).

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

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

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

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

There are several common methods for salary progression including cost of living adjustments (COLA)/across the board and performance-based. It is recommended that the Town evaluate, annually, whether a COLA needs to be applied (to both the pay plan and employees' salaries) to keep up with cost of living. It is also recommended that the Town continuously evaluate its practices to progress employees' salaries, and if necessary, make improvements to preserve equitable pay practices, particularly in the administration of the employee performance evaluation process.

5.4 SUMMARY

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

