

City of Madeira Beach

*Gallagher Response to Request for Proposal #2024-01
HR, Classification, and Compensation Plans Study*

February 9, 2024

Mr. Ronnie Charles, SPHR, GPHR, IPMA-SCP

National Managing Director & Practice Leader | Public Sector & Higher Education

651.234.0848 | Ronnie_Charles@ajg.com

Mr. Erik Smetana, MBA, SPHR, SHRM-SCP

Managing Director & Operations Leader | Public Sector & Higher Education

314.494.4849 | Erik_HenrySmetana@ajg.com

Gallagher Benefit Services, Inc. | ajg.com



Gallagher

Insurance | Risk Management | Consulting

Table of Contents

- 1. Introduction 1**
- 2. Experience and Qualifications 2**
 - a. A brief description of the experiences and qualifications..... 2
 - b. Listing and bios of proposed staff member(s) who will be performing the services..... 2
 - c. A brief description of the organization..... 6
 - d. A list of cities for which the consultant has conducted the comprehensive classification and compensation studies (within the past five years). 7
 - e. A list of three recent client references, including telephone numbers, email addresses, and addresses..... 9
- 3. Approach/Methods Used to perform the Project..... 9**
 - a. Proposer’s understanding of the services to be provided..... 9
 - b. Complete methodology to be used in determining benchmark positions, other cities and counties to include in the survey, and determining salary ranges..... 9
 - c. Description of the system you utilize to determine internal equity..... 11
 - d. Description/philosophy in determining market rates and how that relates to individual classification and what connection that might be to the pay table. Also, provide a description on how you determine minimums and maximums on the pay table..... 11
 - e. Estimated time the project will take from beginning to completion date..... 11
- 4. Cost Proposal 13**
- Contractual Considerations 14**

1. Introduction

February 9, 2024

Robin I. Gomez
City Manager
City of Madeira Beach
300 Municipal Drive
Madeira Beach, FL 33708

Dear Ms. Gomez,

We appreciate the opportunity to present this proposal regarding services Gallagher's Human Resources & Compensation Consulting practice (Gallagher) is able to offer the City of Madeira Beach (the City). Gallagher is highly capable and qualified to work with the City based on our extensive experience with Public Sector organizations throughout the country. We would consider it a privilege to serve the City in this capacity.

We understand that the City is seeking proposals from qualified consultants to conduct a comprehensive HR (human resources), classification, and compensation study and analysis. We understand that the City employs full-time and part-time employees in unique job classifications. This study will evaluate the present salary structure as compared to the specific job market for comparable positions in the public sectors.

We will provide the City with the most diversely experienced project team of any consulting practice in the country, which enhances the solutions and recommendations we will provide on this engagement. The questions and perspective provided by our team ensure we anticipate any issues the City may face throughout this project, as well as the ongoing management of the new compensation system.

We appreciate the opportunity to submit this proposal and look forward to assisting the City.

Sincerely,



Ronnie Charles, SPHR, GPHR, IPMA-SCP
National Managing Director & Practice Leader
651.234.0848
Ronnie_Charles@ajg.com

5516 Falmouth Street
Richmond, VA 23230



Mr. Erik Smetana, MBA, SPHR, SHRM-SCP
Managing Director & Operations Leader
314.494.4849
Erik_HenrySmetana@ajg.com

8 Cadillac Drive
Brentwood, TN 37027

2. Experience and Qualifications

a. A brief description of the experiences and qualifications.

Human Resource and Compensation Consulting Practice: Gallagher's Human Resources & Compensation Consulting practice empowers clients to **attract talent, manage staff, develop leaders, and reward success**—leveraging the power of Gallagher and wisdom of experience to produce an engaged and productive workforce. Tapping into expertise that spans the spectrum of human resources at every level, we can assemble flexible compensation and consulting solutions that improve efficiency and build bottom lines. Our practice is a combination of some of the most respected names in human resources and compensation consulting. Bringing together experts from compensation, performance, search, survey, and leadership fields, Gallagher empowers clients with tools for the entire lifecycle of employment management.

With an experienced team of consultants located in offices across the United States and Canada, our services include: *Compensation & Total Rewards, Engagement Solutions, Human Resources Policy & Strategy, Leadership Development & Organizational Strategy, Executive Search, and Data & Research.*

Public Sector Consulting Practice: Gallagher's public sector & higher education consulting practice includes extensive experience in developing and communicating a compensation philosophy, designing and implementing market-aligned pay structures, and developing job evaluation methods to maintain internal equity. We conduct benchmark analyses, including conducting custom tailored salary surveys (if needed), and recommend appropriate administrative and procedural guidelines to maintain the compensation system. We ensure that our clients are in compliance with applicable laws and regulations, such as the Fair Labor Standards Act (FLSA), the Americans with Disabilities Act (ADA), and Equal Employment Opportunity (EEO) standards and have pay systems that are appropriate for their organization and market strategy. We serve clients across an array of strategic and value-adding HR services with **classification and compensation as a core specialty.**

We have a strategic alliance with the Public Sector Human Resources Association (PSHRA), the National Public Employers Labor Relations Association (NPELRA), and the Colleges and Universities Professional Association for Human Resources (CUPA - HR) and have conducted a series of training seminars/workshops on compensation, classification, job evaluation, and employee benefits management throughout the nation in conjunction with these organizations. Gallagher Benefit Services also focuses on the higher education market. Our consultants have demonstrated leadership in the compensation field by attaining their Certified Compensation Professional (CCP) certification, and serving as instructors and presenters for WorldatWork, and the PSHRA. Our partners have been featured speakers at PSHRA national conference for more than 25 years. **Our managing directors have 30 years of experience assisting organizations in classification and compensation issues.**



b. Listing and bios of proposed staff member(s) who will be performing the services.

Gallagher fosters a commitment of excellence, professionalism, integrity, collaboration, and urgency to each of our clients. With each unique client, Gallagher combines these principles to deliver client services customized, specifically to meet your needs. Your Gallagher consulting team has years of experience consulting to public sector clients, including public employers, with a significantly diverse employee workforce. Each member of Gallagher's public sector compensation consulting practice has achieved one or more of the following certifications and/or degrees:

- Certified Compensation Professional from WorldatWork
- IPMA-SCP from the Public Sector Human Resources Association
- SPHR from the Human Resources Certification Institute
- SHRM-CP from the Society for Human Resource Management
- Master's degree or above, in Human Resources, Business Administration, and/or Organizational Psychology

PROJECT ADVISORS

RONNIE CHARLES, SPHR, GPHR, IPMA-SCP - National Managing Director - 30 years of experience

Ronnie leads Gallagher's public sector Human Resources & Compensation Consulting practice. Ronnie has over 30 years of Public Sector HR experience, including Chief Human Resources Officer (CHRO) experience, most recently in the City of Baltimore, with additional professional stints in the District of Columbia, the State of Virginia, and the City of Suffolk, Virginia. Ronnie has a Bachelor's Degree in Management from Saint Paul's College. Ronnie is a member of several professional organizations, including the International Public Management Association for Human Resources (IPMA-HR), and is a past chair of the International IPMA-HR Professional Development Committee. In addition, Ronnie is a past Chair of the Human Resources Institute (HRCI). He brings vast experience in domestic U.S. and Global HR compensation practices.

ERIK HENRY-SMETANA, MBA, SHRM-SCP, SPHR, Managing Director - 20 years of experience

Erik's 20-plus-year work history has led him to serve in various diverse roles across human resource management, particularly in compensation and benefits, talent management and organizational development, people analytics, and employee relations and policy development. Erik has extensive experience in private and public sectors, working with an eclectic mix of dynamic organizations, including Fortune 500 companies across multiple industries, international not-for-profit organizations, membership associations, media outlets (e.g., NPR and NBC affiliates), institutions of higher education and research, and others. Before joining Gallagher, he served as the enterprise-wide Deputy CHRO with the University of Missouri System and Vanderbilt University as the Executive Director of People & Engagement, leading, designing, and implementing compensation and people-focused programs and initiatives.

PROJECT LEADERSHIP SUPPORT

MICHAEL BURTON, Principal Consultant - 20 years' experience

With over two decades of experience in the field of compensation and benefits, he brings a wealth of knowledge and expertise that spans various industries, including utilities, business services, educational institutions, pharmaceuticals, and financial services. His career journey has equipped him with a deep understanding of total rewards strategies, enabling him to design and manage innovative programs that attract, retain, and motivate top talent. Michael has a proven track record of crafting and implementing intricate compensation and benefits programs tailored to meet the unique needs of diverse organizations. Whether it's developing competitive compensation structures, designing executive and variable incentive plans, or managing comprehensive benefits packages, Michael has consistently delivered solutions that align with business goals while ensuring fairness and transparency.

BEVERLY MOULTRIE, SPHR, IMPA-SCP - Principal Consultant - 25 years of experience

Beverly has over 25 years of professional human resources experience in all facets of HR Operations including Talent Acquisition, Compensation, Benefits, Employee & Labor Relations, Diversity Equity & Inclusion, Talent Development and Safety & Health. Beverly also brings a wide range of expertise working with large, mid-sized, and start-up organizations (both public and private) in government, higher education, healthcare, manufacturing, non-profit and service environments. Beverly is particularly adept at managing complex projects and has led the adoption of employee relation strategies and human resource systems where no prior system existed. Her experience also includes a progressive career in HR leadership roles as a Senior HR Leader and Corporate Diversity & Inclusion Manager for Fortune 500 companies. Additionally, Beverly has served as the CHRO for the City of Chattanooga, where she launched the strategic development of the City's equity & inclusion work with the Government Alliance on Race and Equity. Beverly has a master's degree in business with an emphasis on organization development and is a certified senior human resource professional.

LARRY ROBERTSON, Senior Consultant - 26 years of experience

Larry's 27-plus-year work history includes a variety of roles that included compensation, human resources information systems, and recruiting as well as serving in a primary leadership role as acting vice president for human resources for several months. Larry has experience in both private and public sectors, working in a manufacturing environment before moving to higher education for the 21 years prior to coming to Gallagher. He has previously earned professional certifications with the Human Resources Certification Institute (PHR and SPHR). He has been actively involved in CUPA-HR on chapter, regional, and national boards. He is a 2022 CUPA-HR Distinguished Service Award Recipient.

SHARI FALLON, PHR, SHRM-CP - Senior Consultant - 24 years of experience

Prior to joining Gallagher, Shari worked for Cornell University as a Senior Compensation & Workforce Analytics Consultant for 24 years. In her role at Cornell University, Shari was responsible for providing expertise and consultation to campus constituents and resolving

conflicts among functional areas to support best practice standards. She developed and designed the institutional foundation for assessing, delivering, and applying workforce planning analytics, advancing HR interests and shared responsibility in the consistency of practice across recruiting, compensation, staffing patterns, performance management, training, and transaction processing. Prior to Cornell, she worked in Human Resources for Retail and Health organizations. Shari has a Bachelor's Degree in Political Science/History from the College of St. Rose in Albany, NY, and is certified as a Professional in Human Resources from the Society of Human Resource Management.

DEREK SMITH, PhD, Senior Consultant - 15 years of experience

Prior to joining Gallagher, Derek served as the National Executive Director of the Higher Education Recruitment Consortium and as a part-time consultant with Sawgrass Consulting, following more than 15+ years in higher education leadership roles at places like UNLV, Kansas State University, the University of Missouri System and the University of Pittsburgh. Derek has a Bachelor's degree in History, a Master's of Science, a Master's of Business Administration, and a PhD in Public Policy and Leadership. He has earned professional certifications with the Human Resources Certification Institute (PHR), the Society for Human Resource Management (SHRM-CP), and the Korn Ferry Leadership Architect.

ALLEN JOHANNING, Senior Consultant - 15 years of experience

Allen has nearly 15 years of experience, working in compensation, people analytics, and workforce development and assessment within various healthcare organizations and higher education university systems. Allen began his career focusing on HR Information Systems, Workforce Development, Compensation and Process Improvement in the healthcare industry, working for a large university hospital health system as well as a standalone hospital that was part of one of the state's largest health system. He then transitioned to the University of Missouri System, which is comprised of four Universities and a health system, spread across the state. In his almost 10 years with the University of Missouri System, he held various individual contributor and leadership roles, spending the final 6 years as the Director of Compensation and HR Analytics. Allen received his Bachelor's degree in Business Administration from the University of Missouri-Columbia. He also has previously earned certifications with the Human Resources Certification Institute (Professional in Human Resources) and the Human Capital Institute (Strategic Workforce Planning).

CATHERINE THORP, BBA in Management, Senior Consultant - 10 years of experience

Ms. Thorp holds a Bachelor of Business Administration degree in Management from the University of Mary Hardin-Baylor. Before joining Gallagher, Catherine worked as a Senior Compensation Manager at Dun & Bradstreet and in roles ranging from analyst to senior manager at McLane Company, Inc. Catherine has applied her compensation knowledge in market analysis, salary structure design, pay equity, career competencies, strategic planning, system integration, and process optimization. Catherine will complete her CCP in 2023.

PROJECT STAFF SUPPORT

CHARMAIN KOHLER, Consultant II - 10 years of experience

Charmain has over 25 years of human resources experience in a variety of roles and industries. She has a Bachelor's degree in Business Administration with a concentration in Management from Saginaw Valley State University. Prior to joining Gallagher, she was the Senior Compensation Analyst at Numotion and at Saginaw Chippewa Indian Tribe of Michigan. Her professional experience also includes 10 years as a Human Resources Consultant in higher education.

ERIN KOLECKI, SHRM-CP, Consultant II - 15 years of experience

Erin brings more than 15 years of human resources experience in a variety of roles and industries. Before joining Gallagher, Erin served as a compensation consultant with the Texas Association of School Boards. Erin has a bachelor's of business administration in human resource management from Texas A&M University and is a Society for Human Resources Management Certified Professional (SHRM-CP). In her free time, Erin enjoys running, reading, and spending time with her husband and twin boys, when they are home from college.

TRACY MORRIS, Consultant II - 7 years of experience

Tracy has 7 years of experience working in public sector HR and compensation consulting. Tracy holds a bachelor's degree in applied economics and a Master of Business Administration, both from Texas Tech University, and she is a SHRM Certified Professional (SHRM-CP).

JAIME PARKER, Consultant II - 15 years of experience

Jaime has 15 years of experience in Higher Education with 7.5 of those years in compensation and organizational effectiveness. Prior to joining Gallagher, she worked at Kansas State University in Human Capital Services, and also in the Office of Institutional Effectiveness. Before her career in Higher Education, Jaime worked in the Banking Industry as a Banking Center Manager and Customer Service Manager. Jaime is a graduate of Kansas State University with a bachelor's degree in Accounting.

CHAU TRAN, Consultant II- 9 years' experience

Chau holds a Bachelor of Arts degree from the University of Utah and brings 9.5 years of experience working in public sector human resources compensation consulting. Chau served as a senior data analyst in compensation consulting at the Texas Association of School Boards where she served community colleges, public schools, charter schools, and educational service centers across the state of Texas.

DEE SMITH, Consultant - 18 years of experience

Dee is an established Human Resources professional that brings 18 years of comprehensive HR experience in several vertical industries in both the private and public sectors. Dee earned a Bachelor of Science degree in Human Resources Management and General Management from the University of Tennessee at Chattanooga and also holds an MBA. Dee is experienced in the areas of operations, recruitment, employee relations and benefits administration.

LUCILLE ZHANG, Consultant - 2 years of experience

Lucille has experience in the areas of compensation, talent management, training, and people analytics. Prior to joining Gallagher, Lucille served as a Compensation Analyst at Novellis, where she provided expertise in the administration and implementation of compensation programs. She also has worked at Willis Towers Watson to support clients across industries on executive compensation. Lucille earned a Bachelor's Degree in Psychology from Lafayette College and a Master's Degree in Industrial and Organizational Psychology from New York University.

PRISCILA CANDAL, MA, Associate Consultant - 8 years of experience

Priscila has experience in employee relations, compensation and classification and talent acquisition. She worked at the City of Gainesville as a Talent Acquisition Representative and at Iowa State University as a Human Resources Generalist, giving her first-hand experience in the public sector and higher education. She also worked for a global agricultural and forestry machinery manufacturer in Germany. Priscila has a Bachelor of Arts in Psychology and a Master of Business Administration in Human Resources. She is located in Gainesville, Florida.

MARY GAUTHE, SHRM-CP, Associate Consultant - 5 years of experience

Mary has 5 years of experience from Louisiana State University, where she's worked within the University's Central HR unit as a Compensation Consultant. Mary has a Bachelor's degree in Management with a concentration in Human Resources from Nicholls State University and is currently set to graduate from Louisiana State University in August with her Master's in Leadership and Human Resource Development.

KEVIN GRANGER, Senior Analyst - 12 years of experience

Kevin received his Bachelor's Degree in Mathematics from Texas Southern University in 2020. Prior to joining this team, Kevin worked at Gallagher as an Associate Account Manager for 2 years. Kevin is a Houston native and loves his city.

AMBER SHANG, MA in I/O Psychology – Associate Consultant - 2 years of experience

Amber holds a BS with honors in Psychology from the University of Washington and an MA in Industrial & Organizational Psychology from New York University. Before joining Gallagher, Amber has applied her knowledge of people analytics in roles ranging from Talent Acquisition at VNS Health to Compensation Analysis at Willis Towers Watson, and Selection & Assessment at DCI Consulting Group. At WTW and DCI, she helped clients from various sectors to tackle challenges and identify strategic solutions.

TERESA NGUYEN, MS, Senior Analyst - 2 years of experience

Teresa has a Bachelor's degree in Organizational Psychology from Spalding University and a Master's degree in Industrial Organizational Psychology from Western Kentucky University. Her most recent role was with Louisville Metro Government, as a Compensation & Classification Analyst. Her role focused on job descriptions, job evaluations, reclassifications, market analysis, and compensation projects focused on internal equity.

CARISSA MARTO, MA in I/O Psychology, Senior Analyst - 2 years of experience

Carissa has a Bachelor’s Degree in Psychology from Anderson University (SC) and a Master’s Degree in Industrial & Organizational Psychology from Middle Tennessee State University. Prior to joining Gallagher, she held project based roles working in performance and promotional assessments related to test design.

XIAOWEN YANG, BS IN MATHEMATICS, Senior Analyst - 5 years of experience

Xiaowen comes to Gallagher with five years of analytical experience in learning & development, product management, sales operations, and employee & physician engagement. Xiaowen most recently managed the full-cycle employee engagement survey program – encompassing design, development, analysis, reporting, and action planning - at West Monroe.

YUMI ZHU, MA, Senior Analyst - 2 years of experience

Prior to joining Gallagher, Yumi worked at WTW as a compensation analyst and interned at PwC and KPMG China where she gained experience working in consulting. Yumi recently graduated from University of Pennsylvania with a master’s degree in Organizational Dynamics and held a bachelor’s degree in Finance from DePaul University.

JOY PHILLIPS, MA, Analyst - 2 years of experience

Joy has 2 years of experience from Louisiana State University, where she’s worked within the University’s Central HR unit as an HRIS data analyst. Joy has a Master’s degree in Human Resources & Leadership Development from Louisiana State University.

c. A brief description of the organization.

Value Proposition: The ability to deliver comprehensively structured human capital solutions to clients is Gallagher’s signature in the marketplace. At Gallagher, we want to know what makes your organization unique. We listen intently to learn about your culture and priorities, and delve deeply into all the details that matter when balancing human capital needs with your bottom line. This single-minded focus on excellence — characterized by innovation and creativity — is the driving force behind every Gallagher engagement.

Company History: Arthur J. Gallagher & Co. opened its doors for business in 1927 and is still “growing strong” because of a practiced ability to help clients think ahead. Founded by its namesake who was previously the leading producer for Chicago’s largest insurance brokerage, Gallagher is now one of the world’s largest human capital, insurance brokerage and risk management services firms. We have operations in 33 countries, and extend our client-service capabilities to more than 90 countries through a global network of correspondent brokers and consultants. Since 1961, we’ve been helping clients overcome business barriers and create new opportunities to cost-effectively attract, retain and productively engage the best performers in their field. Gallagher started trading on the NYSE under the symbol AJG in 1984.

<p>Founded in 1927</p>		<p>130+ Countries Served</p>	<p>Global Reach Local Presence Shared values Passion of excellence Promises delivered</p>
<p>860+ Offices Globally</p>	<p>\$9.5B Total Adjusted Brokerage & Risk Management Revenues <i>(As of 9/30/2023)</i></p>	<p>49,000+ Employees Worldwide</p>	 <p>World's Most Ethical Companies™ and "Ethisphere" names and marks are registered trademarks of Ethisphere LLC, Arthur J. Gallagher & Co. has been recognized as one of the World's Most Ethical Companies™ in 2010, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023.</p> 

Company Culture & Philosophy: The ideals, principles and values embodied by the founder whose name still appears on our door are part of our corporate DNA. Gallagher’s approach to business, cultivated through three generations of family leadership, has always centered on creating relationship value as true partners to our clients. Gallagher’s interactions with you will be straightforward and candid. By earning the trust of our clients, we’ve sustained a reputation for ethics and a commitment to transparency that continue to

contribute to our growth. In fact, Gallagher was the first insurance broker named to the Ethisphere® Institute’s annual list of the World’s Most Ethical Companies in 2012 — and has earned this recognition for thirteen years, through 2023. This is a tremendous achievement: annually, less than 150 companies based in 24 countries and representing 57 industry categories received this honor. Gallagher is the only insurance broker to have ever been recognized.

The high standards of conduct we’ve set for our external professional relationships are the same rules we follow internally. The Gallagher Way, a one-page document that outlines our 25 shared values, was written in 1984 but is just as culturally relevant today. It speaks to the value of relationships and several tenets set guidelines for ethical behavior. Gallagher combines innovative solutions, thoughtful advice and honest business practices to minimize risk and help fuel your success.



We push for professional excellence.

The Gallagher Way. Since 1927.

d. A list of cities for which the consultant has conducted the comprehensive classification and compensation studies (within the past five years).

Aiken County Government	City of Bellevue	City of Midland
Aitkin County	City of Berkley	City of Minneapolis
Albemarle County	City of Billings	City of Minot
Atlanta Regional Commission	City of Blaine	City of Mission Hills
Atlantic City Municipal Utilities Authority	City of Bloomington	City of Missouri City
Barnes County	City of Caldwell	City of Newton
Barona Band of Mission Indians	City of Charlottesville	City of Ottumwa
Becker County	City of Chattanooga	City of Owatonna
Benton County	City of Chesapeake	City of Oxnard
Billings County	City of Clarksville	City of Oyster Creek
Black Hawk County	City of Cleveland	City of Pearland
Blue Ridge Juvenile Detention	City of Deer Park	City of Quincy, MA
BREC	City of Eden Prairie	City of Rapid City
Bremerton Housing Authority	City of Englewood	City of Red Lake Falls
Burleigh County	City of Farmington	City of Red Wing
Campbell County Fire Department	City of Fergus Falls	City of Roanoke
Capitol Region Watershed District	City of Fort Worth	City of Rocky Mount
Carver County	City of Gillette	City of Roeland Park
Cass County	City of Grinnell	City of Ruston
Champaign County	City of Hampton	City of Sacramento
Champaign-Urbana Mass Transit District	City of Hondo	City of Shreveport
City and Borough of Sitka	City of Hopkins	City of Sioux Falls
City and County of Denver	City of Idaho Falls	City of Spring Valley Village
City and County of Honolulu	City of Irvine	City of Springfield
City of Allentown	City of Johnston	City of Stafford
City of Andover	City of Katy	City of Statesville
City of Angleton	City of La Quinta	City of Tacoma
City of Anoka	City of Lexington	City of Thief River Falls
City of Artesia	City of Manhattan	City of Tolleson
City of Austin	City of Marshall	City of Topeka
City of Avon Lake	City of McMinnville	City of Valley Center
City of Baytown	City of Meridian	City of Vermilion
City of Becker	City of Miami	City of Wausau

City of Webster
City of West University Place
City of Wolfforth
City of Woodland Park
Clark County
Clay County
Cleveland Bakers & Teamsters Benefit Funds
Clinton County
Colorado Office of the Attorney General
Colorado School Districts Self Insurance Pool
Comfort Lake Forest Lake Watershed District
County of Allegan
County of Greenville
Currituck County
Denver Housing Authority
Dona Ana County
Dunn County
El Paso Police & Fire Pension Fund
Emanuel County
Fargo-Moorhead Metro Flood Diversion Authority
Fauquier County
Franklin County
Greater Lafayette Public Transportation Corporation
Guardian ad Litem Board
Gunnison County
Henrico County
Ho-Chunk Nation
Housing Authority of the City of Pittsburgh
Houston County
Illinois Housing Development Agency
Intercity Transit
Kandiyohi County
Ketchikan Gateway Borough
King County
Kitsap Transit
Kodiak Island Borough
La Plata County
Lake County Forest Preserves
Lake County Government
Lake County
Lane County
Las Vegas Metropolitan Police Department

Le Sueur County
Little Rock Convention & Visitors Bureau
Lorain Metropolitan Housing Authority
Los Alamos County
Louisville Metro Housing Authority
Macon County, North Carolina
Maine State Housing Authority
MassHousing
McHenry County
McKenzie County
McLean County
Michigan Works! Southeast
Montgomery County Common Pleas Court
Montgomery County
Mower County
Nebraska Judicial Branch
Nicollet County
North Dakota Association of Counties
North Kansas City
Northeast Ohio Regional Sewer District
Oakland Housing Authority
Ohio Public Employees Retirement System
Orange County
Otter Tail County
Pennington County
Pennsylvania Patient Safety Authority
Pennsylvania's State System of Higher Education
Pipestone County
Port of Houston Authority
Port of Moses Lake
Port of San Diego
Prince William County Department of Fire & Rescue
Prince William County
Prior Lake Spring Lake Watershed District
Public Utility District #1 of Okanogan County
Pueblo County
Ramsey County
Ramsey County
Regional Transportation District
Rhode Island Airport Corporation
Rice Creek Watershed District
Richland County

Roanoke County
San Antonio Housing Authority
Sargent County
Sheboygan County
Sherburne County
Skagit County
South Dakota Unified Judicial System
South Washington Watershed District
St. Cloud Metropolitan Transit Commission
St. Paul Public Housing Agency
St. Tammany Fire Protection District #4
St. Tammany Parish Library
State of Colorado Division of Human Resources
State of North Dakota Department of Health/Human Services
State of South Dakota
State of Utah
Steele County
Summit County
Summit County
Tacoma-Pierce County Health Department
The Virginia Department of Social Services
Todd County
Town of Colonial Beach
Trall County
Upper Mississippi River Basin Association
Vadnais Lake Area Water Management Organization
Village of Schaumburg
Virgin Islands Public Officials Compensation Commission
Virginia Department of Health Professions
Virginia Department of Housing & Community Development
Virginia Department of Labor & Industry
Virginia Department of Taxation
Virginia Department of Veterans Services
Virginia Housing
Virginia State Police
Ward County
Washington Cities Insurance Authority
Washington State Association of Counties
Western Lake Superior Sanitary District
Whatcom County

e. A list of three recent client references, including telephone numbers, email addresses, and addresses.

Contact names and phone numbers are listed for each project. These projects are relevant to demonstrating our ability to meet the needs of the City and show considerable experience in developing compensation systems for a variety of public sector organizations. Our references can attest to the timeliness, quality, and responsiveness of the services we provide, our understanding of job classification and pay equity, and our knowledge of legal issues, such as the ADA and FLSA, and our expertise in working with public organizations and sensitive personnel issues. The projects listed below were completed by members of your project team and within similar timeframes to what the City is requesting.

CITY OF SACRAMENTO, CA | 915 I Street Sacramento, CA 95814

Shelley Banks-Robinson, Director of Human Resources, 916.808.554, SMBanks-Robinson@cityofsacramento.org

We worked with the City on a classification and compensation study that resulted in updating all the classification specifications, collecting market data on over 200 benchmark jobs, and salary structure recommendations.

CITY OF AUSTIN, TX | 301 West Second Street, Austin, TX 78701

Bryan Dore, Compensation Manager, 512.974.3216, bryan.dore@austintexas.gov

We have been retained to do numerous projects with the City since 2017. In 2017, we were hired to assist the City with a review and assessment of the compensation strategy and to conduct a compensation study for the Human Resources and Legal departments. In 2019, Gallagher conducted another custom salary survey for the City and a comprehensive evaluation of pay equity in comparison to its prior studies to identify if there are any pay equity issues in the organization. Since 2021, we have been engaged in several more compensation projects.

HENRICO COUNTY, VA | 4301 East Parham Road, Henrico, Virginia 23228

Yvette George, Human Resources Director, 804.501.7202, geo029@henrico.us

We recently completed a compensation project encompassing 11,250 general government, public safety, and public school employees in 779 job classifications

3. Approach/Methods Used to perform the Project

a. Proposer's understanding of the services to be provided.

We understand that the services to be provided are as follow:

- Review and evaluate Human Resources/Personnel processes relative to all City job classifications and compensation.
- Review and evaluate all current job classifications to ensure compliance with federal, state, and local laws and regulations including the Fair Labor Standards Act, exempt/non-exempt classifications, and all other applicable personnel provisions.
- Review all current job classifications, confirm, and recommend changes to hierarchical order of jobs using your evaluation system.
- Establish appropriate benchmarking standards and conduct salary surveys as needed for similar positions as required (prefer to assess duplicate benchmarks – both municipalities as well as local employers).
- Identify potential pay compression issues and provide potential solutions.
- Analyze and recommend changes to the present compensation matrix and/or structure to meet the market analysis. This recommendation may include recommendations for individual positions as well.

b. Complete methodology to be used in determining benchmark positions, other cities and counties to include in the survey, and determining salary ranges.

Following industry standards and best practices, a customized survey process will be undertaken to collect market pay comparison information related to all the City classifications. Gallagher and the City will work together to develop the listing of comparable organizations to survey as well as the list of benchmark jobs to be surveyed. Private sector information, if desired by the City, can be collected using valid and credible published survey sources and the data integrated with the customized survey data to arrive at the market information.

We follow professionally accepted compensation principles and practices as outlined by WorlDatWork, SHRM, and the Department of Labor. Some of these guidelines are listed below. We have also authored many articles on various aspects of conducting salary surveys; please refer to our website www.ajg.com/compensation for these specific articles. We utilize the following guidelines for benchmark selection:

- Representation of all job families and levels throughout the organization
- Highly populated jobs
- Jobs found in most organizations
- Jobs with recruitment or retention problems

We will review job descriptions and other job documentation to ensure we understand the duties and responsibilities, level in which the job is functioning, and the reporting relationships so that participating organizations can match their classifications to the benchmark jobs. We will draw on our 30 years of salary and benefits survey experience to determine if a comparable job can be found in the labor market. We will ask the City to clarify any questionable jobs and/or answer any questions we may have about a particular job.

We follow guidelines for job matching (match only those jobs that match at least 80% of the duties, responsibilities and functions as outlined in the benchmark job summary). While some firms may claim to use a higher percentage, we believe anything over 80% may exclude data that are good, valid matches. We do not ask participants to rate the quality of the match, as this introduces additional subjectivity to the process that cannot be controlled. We follow professionally accepted guidelines for defining labor markets and selecting organizations to survey. We factor in that different jobs will have different recruiting markets, by:

- Type of organization (e.g. Public vs. Private sector)
- Size of organization
- Geographic location
- Services provided

It is important to define an organization's labor market prior to the survey rather than after the data have been collected so that it does not appear that the labor market data are being manipulated to support a certain conclusion. This could cause significant issues from an employee perception standpoint as well as potentially violate Federal Trade Commission and the U.S. Department of Labor's Sherman Antitrust Act guidelines in regard to the analysis of salary data. Any published sources utilized must meet the following criteria:

- Be conducted by a reputable salary survey firm
- Survey data is not self-reported
- Survey is conducted on a continual basis instead of a one-time event
- Survey reports its data sources, the effective date of the data, and was tested to ensure accurate matches and data

We will develop a data collection form that poses questions in a fashion that is easy for participants to answer, as well as being easy to quantify and analyze. We follow-up with participants to ensure data quality and validity of matches and data being reported. If there are any questions, we ask question and we seek job descriptions, organizational charts, and other information. We perform several reviews of the data as well as statistical tests to identify any extreme data and to ensure the validity of the data. We utilize trend factors for aging data so that all data is consistent to a current point in time. The trend factors are derived from either the U.S. Department of Labor data or WorlDatWork Surveys.

We apply geographic differentials as appropriate and necessary to ensure that the data are reflective of the City's labor market and economic conditions. We use third party resources (ERI) to identify the appropriate geographic differences. We calculate various statistics for summarizing the data (means, medians, highs, lows, percentiles). We follow the Federal Trade Commission and the U.S. Department of Labor guidelines that 5 matches should exist per job in order to draw reliable conclusions. Therefore, we do not calculate statistics (means, medians, etc.) on jobs with fewer than 5 job matches.

The City would like the development of salary structure options so that compensation is equitable and competitive. In order to develop a reliable salary structure, we integrate market data and custom survey results with the internal equity ratings from job evaluation if applicable, so that the structure is internally equitable and externally competitive. In this step, we assign all jobs to the right pay grade and all employees to the right place in the range based on agreed upon criteria. During this phase, we also discuss how pay

progression is integrated in a sustainable system that grows with the City and allows for employee development and contribution to goal achievement. We will also review the resulting structure for pay compression and pay equity issues. Up to three implementation scenarios will be provided to the City. Gallagher will review and update the City’s current policies and procedures related to classification and compensation.

c. Description of the system you utilize to determine internal equity.

Job Description Review: We will review existing job documentation for consistency in format and accuracy in job functions. We will use the current job descriptions provided by Organization to review and revise the current classification structure. If there are concerns or questions on the descriptions, we will follow-up with discussions with Human Resources, management, or employees to ensure our understanding of the job responsibilities. Through this work we will ensure appropriate job matches and internal alignment in the potential salary structures. Additionally, we can make recommendations on job description content to ensure compliance with applicable laws and regulations.

Internal Equity: We will work with Organization to evaluate each job title with the current job evaluation methodology to determine internal equity. Our project plan and cost reflect reviewing all Organization job titles and ensuring internal consistency and accuracy of job functions. We have significant experience in applying job evaluation methods, but will work with Organization to ensure our understanding of the method and the jobs. In many cases, we will verify the current evaluations of Organization and ask follow-up questions to clarify any questions

d. Description/philosophy in determining market rates and how that relates to individual classification and what connection that might be to the pay table. Also, provide a description on how you determine minimums and maximums on the pay table.

Market Comparison: We will work with Organization to identify benchmark job classes for the purposes of competitive market analysis. We recommend that Organization collect market data on its job titles to ensure sufficient data and validity of the resulting salary structure. We will survey both current rates of pay, minimum and maximum rates of pay, in addition to the relevant benefits and the employer and employee cost. We will also integrate private sector salary information in the market comparison process from survey sources that represent the local area market.

Salary Structure Development & Implementation Analysis: To develop a reliable salary structure, we integrate market data and custom survey results with the internal equity ratings from job evaluation, so that the structure is internally equitable and externally competitive. In this step, we assign all jobs to the right pay grade and all employees to the right place in the range based on agreed upon criteria. During this phase, we also discuss how pay progression is integrated in a sustainable system that grows with Organization and allows for employee development and contribution to goal achievement. Up to three implementation scenarios will be provided to Organization. These resulting pay structures and implementation scenarios will be reviewed to ensure a gender and race neutral system.

e. Estimated time the project will take from beginning to completion date.

Our practice takes a thoughtful and collaborative approach to all of our client engagements, where we work to ensure our efforts are ones which demonstrate how the Public Sector & Higher Education practice **C.A.R.E.S.** - collaborate/consult, advise/assess, recommend/resource, engage/endorse, and strategize/serve - about our clients and their needs. To that end, our project approach starts with our process and client communications.



Our significant experience has resulted in a comprehensive understanding of the scope of work described by the City. Additionally, we understand the importance of this study as one of many strategies to address current human resources issues and appreciate the delicate nature of public sector spending. Below are is our detailed work plan and the estimated project timeline.

Work Plan: The work plan proposed is designed to provide the flexibility necessary to attract, retain, and motivate employees to provide quality services and ensure the system is not an administrative and/or costly burden to the City now or in the future. Gallagher has integrated the Scope of Services into our phased approach and deliverables to address the City's requests. All phases will require that designated the City - team members and Gallagher have ongoing status meetings to explain the process, review the project's progress, review draft materials, address questions, and discuss next steps. The phased work plan is as follows:

PHASE 1: STUDY ADMINISTRATION

Meeting via telephone/online platform to initiate project and discuss timelines and key deliverables.

Organization & salary material collected.

Discussion/review of the strengths and weaknesses of the City's current classification system. Discussion of the City's current philosophy and supporting strategies.

Project timetable confirmed.

Employee orientation sessions conducted.

Virtual Meetings are included. On-site visits are available at an additional charge to the City.

PHASE 2: CLASSIFICATION & COMPENSATION STUDY

Conduct of meetings with HR/leadership/project team at critical intervals to discuss deliverables.

CLASSIFICATION STUDY

Review of and analysis of job descriptions/documentation for all employees covered by the study.

Conduct interviews with managers/supervisors (and with individual employees, as necessary) to verify/clarify job information.

Analysis of existing classifications and recommendations on any changes to current classification plan.

Review exempt and non-exempt classifications to ensure proper Fair Labor Standards Act (FLSA) status.

Recommendation of standard classification and titling conventions.

If applicable, allocate employees to an appropriate job class in the new classification structure.

Conduct a complete diagnostic review of current the City's practices to identify areas of concern.

COMPENSATION STUDY

CUSTOM SURVEY

Labor market confirmed and survey participants identified to gather data from local, state and regional sources.

Benchmark jobs identified and summarized (includes one [1] round of client revision).

Benefit and pay practice questions determined for inclusion in the custom survey. Custom survey developed and conducted (includes two [2] rounds of client revision).

INTEGRATE PUBLISHED SURVEY SOURCES

Identify appropriate published survey sources.

Collect market data from published survey sources using data cuts from public, private, local, state and regional sources.

The following activities will be performed on all data:

Comprehensive internal salary relationship analysis of data to ensure the structure is internally equitable and externally competitive.

Competitive analysis of market data (salary, benefits, and contracts) performed.

Diagnostic review of current salary structures conducted to identify opportunities for simplification, reduction in pay compression.

Recommended pay structure developed or existing structures updated (includes 1 revision requested).

Internal review conducted and consolidated feedback provided by the City. The City approves the updates to the pay plan(s) and other recommendations and implementation options.

Provide the City with up to three (3) transition options, recommendations and next steps/ongoing maintenance (includes one round of client revision).

PHASE 3: PROJECT FINALIZATION, DRAFT & FINAL REPORTS

Consultant shall make presentations to the HR/leadership prior to completion and at the time of completion, at times and in a manner agreed upon with the City.

Conduct of meetings with HR/leadership/project team at critical intervals to discuss deliverables.

Draft and final report and presentations developed and quality assurance reviews conducted.

Training provided for staff including necessary tools to maintain the system.

Project Timeline: The following is an estimate to complete each phase by month. We will discuss the details of each phase during Phase 1 and identify specific deadlines for the project at that time. We will conduct frequent conference calls with the City to ensure the schedule is monitored throughout the project. In today’s world, speed is very important. However, given the significance of this project, it is just as important for the City officials, department heads, and employees to have sufficient time to review and approve the recommendations of Gallagher and to ensure proper communications occur. We have prepared a timeline to ensure the City has the work products in an expeditious manner. Our phases run concurrently, in that we do not wait until the full completion of a phase to begin another phase. We are prepared to commence the work within two weeks of receiving your authorization to proceed.

	PHASE 1	PHASE 2	PHASE 3
Month	Study Administration	Classification & Compensation Study	Project Finalization, Draft & Final Reports
1			
2			
3			
4			
5			
6			
7			

4. Cost Proposal

Our fees to conduct the study outlined above (including out-of-pocket expenses) will be \$54,650 - \$ 79,650. The table below outlines the price per phase.

Phase	Fee
PHASE 1: Study Administration * <i>Includes virtual meeting and ongoing project management meetings throughout.</i> <i>Additional on-site meetings are available at an additional cost*</i>	\$3,500
PHASE 2: Classification & Compensation Study**	\$32,650 <i>Job Description Drafting: \$25,000</i>
PHASE 3: Project Finalization, Draft & Final Reports <i>Additional on-site meetings are available at an additional cost*</i>	\$3,500
Pre-Panned Travel & Expenses	\$15,000
TOTAL COST: \$54,650 - \$ 79,650	

*Additional on-site meetings are available at an additional cost.

**Should the City request Gallagher to update/write job descriptions, beyond what is described above, those services will be priced separately since we are unable to determine the number that will be required. Pricing would be \$550 per job description and is in addition to the “Total Cost” identified above.



Our study costs are directly derived from estimating the number of hours needed to perform the work and the level of the consultant charged with performing the work. Gallagher typically bills on a monthly basis up to the maximum of each deliverable. Please note, as phases sometimes run concurrently, a phase may not be completed at the time it is billed. All expenses are included in this quote. Should the City wish to have additional on-site presentation days or meetings, the estimated cost would be \$5,000 per day. Any change to the scope of the assignment (beyond what is described above) as well as other work requested beyond this assignment will be billed based on our hourly rates, unless we mutually agree on a fixed fee for the additional work.

Contractual Considerations

Gallagher is pleased to submit this proposal to the City. While this proposal is not meant to constitute a formal offer, acceptance, or contract, notwithstanding anything to the contrary contained in the proposal, Gallagher is submitting this proposal with the understanding the parties would negotiate and sign a contract containing terms and conditions that are mutually acceptable to both parties.

Our legal team has provided the following exceptions to the terms and conditions outlined in this proposal. We are open to discussion on these.

Gallagher is not a federal contractor or subcontractor. Therefore, Gallagher cannot agree to federal contracting provisions contained within the RFP.

INDEMNIFICATION AND INSURANCE (PDF page 2) - Indemnification should be limited to grossly negligent acts and omissions, breaches of the contract, intentional misconduct, or violations of law.

INDEMNIFICATION AND INSURANCE (PDF page 2) - A limitation of liability of fees paid needs to be added to the indemnification provision. We would request this limit be set at total project fees.

* * * * *

Thank you for this opportunity to offer our services. Please feel free to contact us at any time if you have any questions or require additional information. We look forward to hearing from you soon.

Sincerely,

Ronnie Charles, SPHR, GPHR, IPMA-SCP
National Managing Director & Practice Leader
651.234.0848
Ronnie_Charles@ajg.com

5516 Falmouth Street
Richmond, VA 23230

Mr. Erik Smetana, MBA, SPHR, SHRM-SCP
Managing Director & Operations Leader
314.494.4849
Erik_HenrySmetana@ajg.com

8 Cadillac Drive
Brentwood, TN 37027

Respondents shall comply with all applicable local, state, and federal laws and codes.

ATTACHMENTS

Drug Free Workplace Certification CONSULTANT shall include a signed and completed Drug Free Workplace Certification, attached hereto as Exhibit B.

DRUG FREE WORKPLACE CERTIFICATION.

SWORN STATEMENT ON DRUG FREE WORKPLACES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

This sworn statement is submitted to the City of Madeira Beach by Ronnie Charles, National Managing Director & Practice Leader

[print individual's name and title]

Gallagher Benefit Services, Inc. for

[print name of entity submitting sworn statement]

whose business address is: 2850 Golf Rd, Rolling Meadows, IL 60008 and (if applicable) its Federal Employer Identification Number (FEIN) is 36-4291971 (If the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement:

I understand that no person or entity shall be awarded or receive a City contract for public improvements, procurement of goods or services (including professional services) or a City lease, franchise, concession, or management agreement, or shall receive a grant of City monies unless such person or entity has submitted a written certification to the City that it will provide a drug free workplace by:

Providing a written statement to each employee notifying such employee that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance as defined by §893.02(4), Florida Statutes, as the same may be amended from time to time, in the person's or entity's workplace is prohibited specifying the actions that will be taken against employees for violation of such prohibition. Such written statement shall inform employees about:

- (i) the dangers of drug abuse in the workplace.
- (ii) the person's or entity's policy of maintaining a drug-free environment at all its workplaces, including but not limited to all locations where employees perform any task relating to any portion of such contract, business transaction or grant.
- (iii) any available drug counseling, rehabilitation, and employee assistance programs; and
- (iv) the penalties that may be imposed upon employees for drug abuse violations.

City of Madeira Beach

- (2) Requiring the employee to sign a copy of such written statement to acknowledge his or her receipt of same and advice as to the specifics of such policy. Such person or entity shall retain the statements signed by its employees. Such person or entity shall also post in a prominent place at all of its workplaces a written statement of its policy containing the foregoing elements (i) through (iv).
- (3) Notifying the employee in the statement required by subsection (1) that as a condition of employment the employee will:
 - (i) abide by the terms of the statement; and
 - (ii) notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such a conviction.
- (4) Notifying the City within ten (10) days after receiving notice under subsection (3) from an employee or otherwise receiving actual notice of such conviction.
- (5) Imposing appropriate personnel action against such employee up to and including termination; or requiring such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.
- (6) Making a good faith effort to continue to maintain a drug free workplace through implementation of sections (1) through (5) stated above.

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CITY OF MADEIRA BEACH IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT ANY CONTRACT OR BUSINESS TRANSACTION SHALL PROVIDE FOR SUSPENSION OF PAYMENTS, OR TERMINATION, OR BOTH, IF THE CITY DETERMINES THAT:

- (1) Such person or entity has made false certification.
- (2) Such person or entity violates such certification by failing to carry out the requirements of sections (1), (2), (3), (4), (5), or (6) or subsection 3-101(7)(B); or
- (3) Such a number of employees of such person or entity have been convicted of violations occurring in the workplace as to indicate that such person or entity has failed to make a good faith effort to provide a drug free workplace as required by subsection 3-101(7)(B).

Signatory Requirement. In the case of a corporation, this affidavit shall be executed by the corporate president.

In the case of a partnership, this affidavit shall be executed by the general partner(s). In the case of a business entity other than a partnership or a corporation, this affidavit shall be executed by an authorized agent of the entity or the individual.

Signature: *Ronnie Charles*
Title: National Managing Director & Practice Leader
Company: Gallagher Benefit Services, Inc.

NOTARY PUBLIC

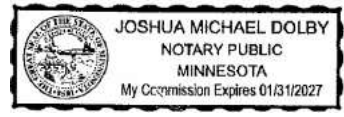
Minnesota
STATE OF ~~FLORIDA~~
CITY OF Hennepin

Sworn to and subscribed before me this day of February 8, 2024, 2024.

by Ronnie Charles who

is personally known to me OR Produced identification
_____ [type of

identification] My commission expires 1/31/2027



Notary Public Signature *Joshua Dolby*
[Print, type or stamp Commissioned name of Notary Public]

Requests for Additional Information

Questions or requests for additional information should be directed to the City Manager, Robin Gomez at rgomez@madeirabeachfl.gov.

Signature of Proposer's Agent	Title
<u><i>Ronnie Charles</i></u>	National Managing Director & Practice Leader
Printed Name	Date
<u>Ronnie Charles</u>	<u>2/8/2024</u>



ajg.com

The Gallagher Way. Since 1927.

"World's Most Ethical Companies®" and "Ethisphere" names and marks are registered trademarks of Ethisphere LLC. Arthur J. Gallagher & Co. has been recognized as one of the World's Most Ethical Companies® for in 2010, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023.

Gallagher is pleased to submit this proposal to you. While this proposal is not meant to constitute a formal offer, acceptance, or contract, notwithstanding anything to the contrary contained in the proposal, Gallagher is submitting this proposal with the understanding the parties would negotiate and sign a contract containing terms and conditions that are mutually acceptable to both parties.

This material was created to provide accurate and reliable information on the subjects covered by should not be regarded as a complete analysis of these subjects. It is not to provide specific legal, tax or other professional advice. The services of an appropriate professional should be sought regarding your individual situation.

Consulting and insurance brokerage services to be provided by Gallagher Benefit Services, Inc. and/or its affiliate Gallagher Benefit Services (Canada) Group Inc. Gallagher Benefit Services, Inc., a non-investment firm and subsidiary of Arthur J. Gallagher & Co., is a licensed insurance agency that does business in California as "Gallagher Benefit Services of California Insurance Services" and in Massachusetts as "Gallagher Benefit Insurance Services.