



CITY COUNCIL ACTION FORM

DEPARTMENT Administration	PRESENTED BY Drew Nelson - City Administrator	DATE February 1, 2022
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ITEM

2022 Compensation and Market Study Analysis

BACKGROUND

As part of the 2022 Annual Budget process that ended in October of 2021, the City was in the midst of performing a study of compensation rates for employees to ensure that the City remains competitive in the marketplace for employee recruitment and retention. Over the past few years, inflationary pressures with members of the workforce combined with increasing cost of living for all employees and residents of mountain communities have combined to force organizations like the City to modify their compensation practices often. Despite a compensation survey having been completed in 2020, the information in that survey was obsolete by the time the 2022 Annual Budget was under development.

In October of 2021, the City of Salida contracted with the firm Lee and Burgess of Denver to perform the compensation survey. Karin Connell, representative of the firm, interviewed staff, reviewed all job descriptions, processed the previous compensation survey, and garnered information from comparable communities to compute an updated survey. Attached to this memo are the results of the Lee and Burgess analysis. With this approach, the goal is to create a compensation plan that is competitive, promotes confidence amongst employees, is sensitive to market changes, and is internally manageable to evolve with the needs of the City of Salida.

In the attached presentation, market pay ranges for each position with the City are analyzed and established. All department heads have reviewed these findings and have signaled that they believe the market rates are correct in our current marketplace. As a baseline, the plan continues to provide for a baseline minimum wage starting at \$15.00 per hour for all employees. The plan includes a 5% increase for all employees at this level to ensure that the lower end of the wage scale continues to progress upward to meet rising costs of living. Overall, across the entire organization, the plan establishes an increase to overall personnel costs of 9%. This amount varies from department to department, but appears to keep each department competitive when it may potentially be looking for recruits to fill open positions. In addition, some departments' percentage of average with the City's comparable communities may exceed 100%; however, it should be noted that this is due to longevity of employees in certain positions that places them above the average cost for employees that are earlier in their careers.

Two of the main driving factors in the increases to employee compensation are the rising costs of goods and services, combined with an exceptionally tight labor market for highly specialized personnel. As noted on page 25 of the report, the Employment Cost Index – Wages and Salaries Only for the United States and the Mountain West stood at a 4.6% increase. As such, the baseline salary adjustment for all employees is 4.6%, with many positions being proposed to be adjusted at rates much higher than this. While this may seem high, inflationary pressures over the last part of 2021 and the beginning of 2022 have been reported at an increase of over 7%.

The bottom-line impact to overall personnel costs can be seen in the spreadsheet on page 11. The spreadsheet shows varying differences among the organizations departments. It is staff's observation that the amounts proposed in the wage pool are very conservative (on the high end) due to a significant amount of employees not meeting the minimum hours anticipated in the study. For example, many lifeguards at the Aquatics Center work only one shift per week; however, employees in this classification were assumed to work more than a minimum shift. This allows the City to be very conservative in our assumptions about total cost to implement the compensation plan. Finance Department staff have



CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Administration	Drew Nelson - City Administrator	February 1, 2022

been working on this and have removed approximately \$140,000 in personnel costs from original drafts of the plan, indicating that there will be additional savings through vacancies, less-experienced employees replacing more experienced ones at a lower starting wage, and lower overall costs through reduced assumptions about minimum hours for every worker in the City organization.

After a lengthy review of the noted positions and the wages needed to keep those positions filled, Finance and Administration staff believes that this compensation plan is not only thorough and can be backed up with analysis, but that it allows the City to remain competitive for both employee retention and employee recruitment. It should be noted that this includes adjusting pay rates backdated to the start of the fiscal year, January 1, 2022.

FISCAL NOTE

As noted on page 11 of the report, the total anticipated wage impact for implementing this plan is \$534,883 for 2022 (with long-term impacts over time). However, it should be noted that this amount is for salaries only, and does not include increased retirement contributions by the employer as well as payroll tax increases. Upon a deeper dive, the total anticipated cost of implementation of this plan is \$607,895 (again, this is the very high end of the potential impact). The 2022 Annual Budget included a placeholder of \$624,000 for salary adjustments, including retirement and payroll tax impacts. The proposed plan is slightly under the budgeted amount and can be implemented within the parameters of the 2022 Annual Budget.

STAFF RECOMMENDATION

Staff believes that this compensation survey and plan has been well-sourced and reviewed by an outside party in a fair and comprehensive manner. While the dollar and percentage increases may appear high to the City's bottom line, the City has seen that inflationary and cost of living increases are pushing employees out of Salida. The City's budget and revenues can absorb the increases with no impacts to projects or priorities within the 2022 Annual Budget and beyond.

In looking at the 2022 Annual Budget, the City made presumptions of 2022 sales tax revenues being flat to the 2021 actual sales tax revenue amounts, which have trended 22% higher than the prior year. While the revenue increases are not anticipated to grow at a similar rate in the future, staff believes that the conservative budgeting for future revenues allows this plan to remain sustainable for the long term. Our analysis also does not include any vacancy savings from open positions, which could amount to as much as \$200,000 annually in reduced costs each year simply due to turnover.

In order to remain competitive for attracting and retaining qualified members of the workforce, staff does believe that the implementation of this plan will keep Salida as an employer of choice going forward.

SUGGESTED MOTION

A City Councilmember should state, "I move to approve the 2022 Compensation and Market Study Analysis Update as well as the expenditure of funds within the 2022 Annual Budget for these purposes", followed by a second and a roll call vote.

CITY OF SALIDA, COLORADO

**2021 for 2022 Compensation
and Market Study Update**

January 2022 City Council Presentation

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# Introduction

Lee & Burgess Associates extends a thank you to the City of Salida for engaging it to conduct the 2021/2022 Compensation Market update. We appreciate the opportunity to work with you, the leadership team for the City is a pleasure to work with.

Prior to discussing Salida's 2021/2022 Compensation Plan Market Review and Update, we wanted to outline questions that may arise and offer to answer any additional questions now or in the future. Please contact us at your convenience.

Specifically, an orientation concerning the approach and methods used to establish the comparison market, to analyze the results, and to apply the survey results in updating the City's Compensation and Classification Plan will be included in this discussion.

Questions that may arise are:

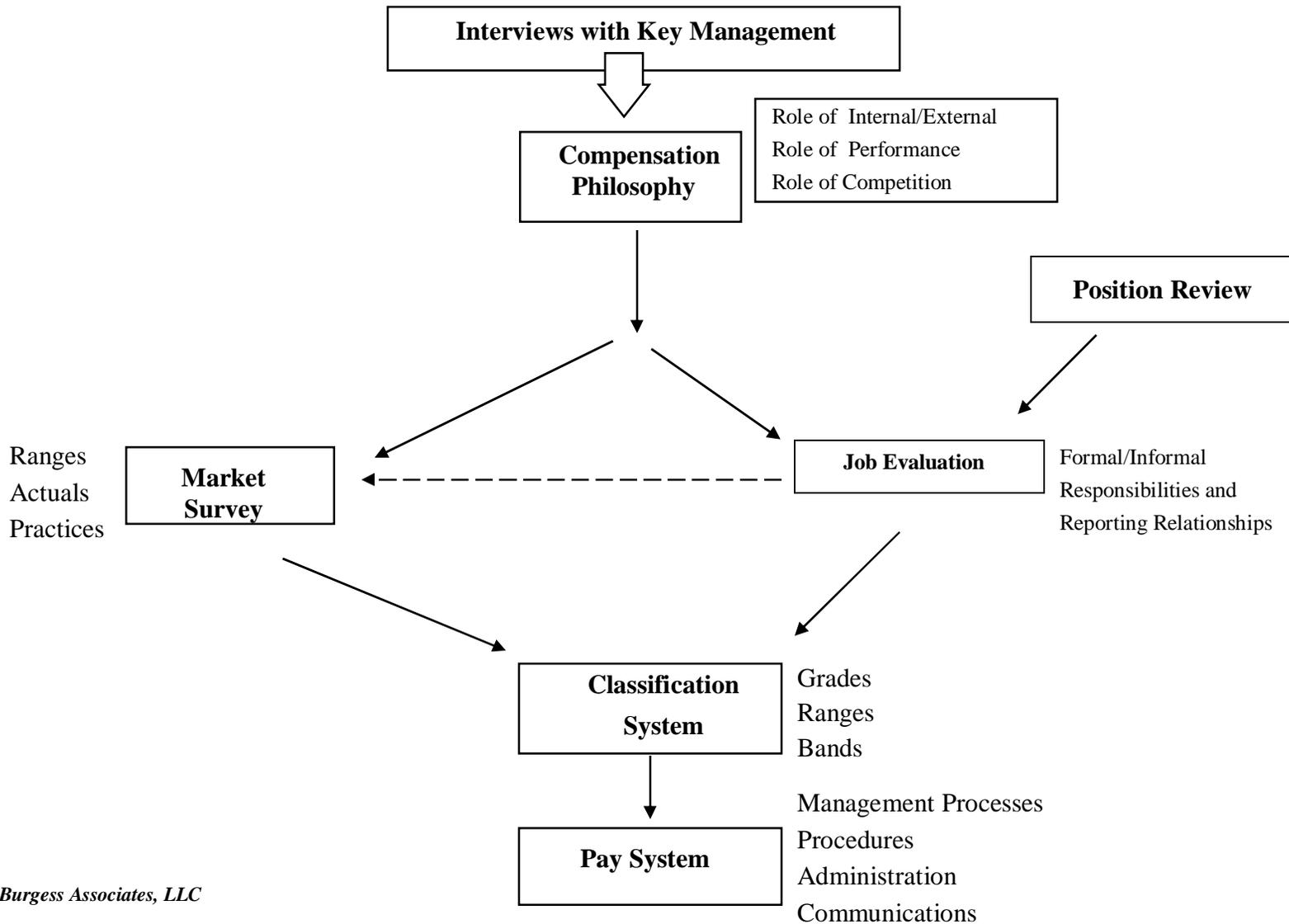
- How were the comparison organizations established?  
Salida has an established comparison group of organizations that it references for comparison. A list of those organization is included.
- How are the jobs/classifications analyzed?  
Jobs and position classifications are analyzed by comparing responsibilities, experience and background requirements to those of the selected comparison organizations.
- How is the survey conducted?  
The survey was conducted using the City's recommended resources of the Colorado Municipal League and the Employers Council 2021 reporting for each selected comparison organization.
- How is the survey data validated?  
Survey data is validated using comparative data from each market data source both for pay levels and pay ranges by organization.
- How are the survey results applied to establish the Compensation Plan?  
The aggregate average actual pay for each survey position establishes the Market Guide (Mid Point) of each range to establish an anchor to the market. Further, internal reporting relationships are examined to help ensure that the organization integrity is maintained.

# What has been Addressed for 2022?

- Pay system concerns – All departments were reviewed and updated. We were asked to pay particular attention to the following departments that have encountered some concerns during the past; **Fire** was updated to recognize the standard 2756 hour schedule with 238 mandatory hours of overtime per year; **Police** was reviewed to recognize the highly competitive market experienced currently and in the past several years; and **Parks & Recreation and Arts & Culture** part-time positions were recognized to the fullest extent possible examining rates of pay and reflecting new classifications for many positions.
- Internal and external pay practices – Were reviewed among comparison organizations and compared to the City's. Internal pay practices were examined to ensure that Colorado minimum wage requirements for 2022 were met in all jobs and that any compression concerns were either resolved by the applied survey results or were not present.
- Organization demographics – Salida's organization was reviewed across the City to ensure that reporting relationships within departments as well as comparable jobs were analyzed in relation to the city as a whole.
- External market competition – Salida's external market has multiple levels of competition depending on the position as well as the changes that have occurred as a result of the pandemic's demographic influence within Colorado. For Example: Department Head positions were classified based on the selected comparison group survey results. Also, these positions as well as others were reviewed in relation to state wide pay levels to look at the broader market that would or could be the audience for recruitment and retention.

**Results: Market Pay that is competitive, promotes confidence among employees, is sensitive to market changes and a plan that can be managed internally evolving with the Salida's needs.**

# Compensation Plan Design



# How were Comparison Organizations Selected?

- The City of Salida provided a list of comparable organizations with similar organization reporting relationships and management demands/direction that it has previously used to conduct market studies
- These organizations are within the City's geographic area and some have similar characteristics of recreation amenities and resort influence
  - Geographically situated within the Salida area of influence in Colorado
  - Organizations that compete in recruitment – this differs based on the job
  - County seats and municipalities that influence the area and/or have similar demands
- **No** private sector organizations were included in this market study.
  - In those instances where private organizations would be selected based on job disciplines, we recognize that private sector organizations do not have competitive matches for many of the jobs within the municipality although private sector does influence the market in general

# Municipalities Selected for Comparison by Salida

## County Seats:

- Alamosa
- Canon City
- Cortez
- Delta
- Glenwood Springs
- Gunnison
- Montrose
- Pagosa Springs

## Municipalities of Influence:

- Buena Vista
- Carbondale
- Estes Park
- Frisco
- Fruita
- Manitou Springs
- Rifle
- Woodland Park

# **COUNTIES Selected for Comparison -- None**

## **Regional Operations & Influence**

Although Counties have an influence on pay levels of the municipalities located within their Counties, generally municipalities tend to follow relatively closely in pay for comparable positions. The differences in mandated programs and organization requirements tend to differentiate job matches and in some case pay practices.

# How are the Results applied to establish the Pay Ranges, Pay Plan?

- Establish the appropriate market grouping/stratification for identifying the Market Guide anchor by job
  - Where do departing employees go?
  - Where are new employees recruited from?
  - What is the level of the job in the City organization?
  - What is the reporting relationship within the City?
  
- Develop the market based salary range plan – Salida’s plan reports a range for each position within the City. Market differences between levels of jobs in the market in relationship to Salida’s jobs and reporting relationships were validated within each department and across the City
  
- Compile blended jobs using % of time devoted to each function – Establish blended market guide for classification Example: Deputy City Clerk/Municipal Court Clerk (two separate jobs)
  
- Salida’s classifications reflect the market for each position; therefore, the job responsibilities and organizational reporting relationships define the pay plan. New titles are proposed as appropriate based on responsibilities of the job

# Market Guide Pay Structure Model for the Pay Ranges



- ✓ **Market Guide:** Reports the aggregate average actual reported pay of the current market for a given position and serves as the Organization's anchor to the selected comparison market.

Determined based on the aggregate market average actual pay for a given position validated by the market median for the same position.

- ✓ **Progression:** Annual progression is based on sustained performance.
- ✓ **Market Guide Designation:** Range Mid Point.
- ✓ **Market Guide Determination:** Competitive pay by position with selected market.
- ✓ **Range Minimum:** Mathematical computation based on Market.

# Overview

- Proposed 2022 Market Pay Projections – Executive Summary
- City of Salida Base Pay Ranges – Reported by Department

**City of Salida Colorado**

2021/2022 Base Pay Planning Analysis and Projections

**Executive Summary -- Proposed 2022 Market Pay Projections**

| Department Title                       | 2021                           |                                     | 2022                                   |                                      |                                                           | Dept. Base Pay Market Position | Annualized 2022 Adjusted Total Base Pay | Total Base Pay % Change 2021 to 2022 |
|----------------------------------------|--------------------------------|-------------------------------------|----------------------------------------|--------------------------------------|-----------------------------------------------------------|--------------------------------|-----------------------------------------|--------------------------------------|
|                                        | Annual Year End Total Base Pay | Year End Total Hourly Rate per Hour | Annual Total Cost to NEW Range Minimum | Projected Market Base Rate Adj'stmnt | Projected Total 2022 Adjusted Annual Base Rate Adjustment |                                |                                         |                                      |
| <b>Administration</b>                  | \$644,276                      | \$309.75                            | (a) \$0.00                             | (b) \$39,563                         | (a+b)=Change \$39,563                                     | 101.5%                         | \$683,839                               | 6.1%                                 |
| Includes:<br>City Clerk & Finance      |                                |                                     |                                        |                                      |                                                           |                                |                                         |                                      |
| <b>Community Development</b>           | 271,145                        | \$130.36                            | \$0.00                                 | \$21,429                             | \$21,429                                                  | 98.5%                          | \$292,574                               | 7.9%                                 |
| <b>Arts and Culture</b>                | \$321,502                      | \$355.04                            | \$1,809.43                             | \$27,042                             | \$28,851                                                  |                                | \$350,354                               | 9.1%                                 |
| Full Time Classified 2080 Hrs Wk       | \$182,510                      | \$87.75                             | \$0.00                                 | \$16,050                             | \$16,050                                                  | 98.5%                          | \$198,560                               | 8.8%                                 |
| Part Time Classified .25 FTE-520 Hrs   | \$102,516                      | \$197.15                            | \$1,809.43                             | \$9,168                              | \$10,977                                                  | na                             | \$113,493                               | 10.7%                                |
| Part Time UnClassified .25 FTE-520 Hrs | \$36,477                       | \$70.15                             | na                                     | \$1,824                              | \$1,824                                                   | na                             | \$38,300                                | 5.0%                                 |
| <b>Fire Department</b>                 | 2756 Hours Values<br>\$998,797 | \$390.21                            | \$13,365.00                            | \$97,742                             | \$111,107                                                 | 103.9%<br>incl. 238hrs OT      | 2756 Hours Values<br>\$1,109,903        | 11.12%                               |
| <b>Parks &amp; Recreation</b>          | \$1,203,665                    | \$1,330.39                          | \$6,947.59                             | \$82,967                             | \$89,915                                                  |                                | \$1,293,580                             | 7.5%                                 |
| Full Time Classified 2080 Hrs Wk       | \$682,481                      | \$328.12                            | \$6,813.16                             | \$56,874                             | \$63,687                                                  | 95.0%                          | \$746,168                               | 9.3%                                 |
| Part Time Classified .25 FTE-520 Hrs   | \$163,416                      | \$314.26                            | \$134.43                               | \$8,206                              | \$8,340                                                   | na                             | \$171,756                               | 5.1%                                 |
| Part Time UnClassified .25 FTE-520 Hrs | \$357,768                      | \$688.02                            | na                                     | \$17,888                             | \$17,888                                                  | na                             | \$375,656                               | 5.0%                                 |
| <b>Police Department</b>               | \$1,401,025                    | \$673.57                            | \$16,953.33                            | \$139,220                            | \$156,173                                                 | 97.0%                          | \$1,557,199                             | 11.15%                               |
| <b>Public Works</b>                    | \$1,112,514                    | \$534.86                            | \$12,195.03                            | \$75,650                             | \$87,845                                                  | 104.4%                         | \$1,200,359                             | 7.9%                                 |
| Includes:<br>Public Works & Utilities  |                                |                                     |                                        |                                      |                                                           |                                |                                         |                                      |
| <b>City of Salida Total</b>            | \$5,952,925                    | \$3,724.18                          | \$51,270.38                            | \$483,613                            | \$534,883                                                 |                                | \$6,487,808                             | 9.0%                                 |

# City of Salida Colorado

2021/2022 Base Pay Planning Analysis and Pay Range Projections

## 2022 Range Structure

Descending Sequence: Annual 2022 Market Guide Level

| Job Title Description                          | 2022 Pay Range                                      |                               |               |                      |                               |                      |                         |
|------------------------------------------------|-----------------------------------------------------|-------------------------------|---------------|----------------------|-------------------------------|----------------------|-------------------------|
|                                                | Range Minimum                                       | Annual Market Guide/Mid Point | Range Maximum | Hourly Range Minimum | Hourly Market Guide Mid Point | Hourly Range Maximum | (a) 2022 Rng Min to Max |
| <b>Administration -- Full-time Position</b>    |                                                     |                               |               |                      |                               |                      |                         |
| City Administrator                             | \$112,229                                           | \$140,286                     | \$168,343     | \$53.96              | \$67.45                       | \$80.93              | 50%                     |
| Director of Finance                            | \$87,806                                            | \$109,758                     | \$131,710     | \$42.21              | \$52.77                       | \$63.32              | 50%                     |
| Human Resources Director                       | \$71,113                                            | \$88,891                      | \$106,669     | \$34.19              | \$42.74                       | \$51.28              | 50%                     |
| City Clerk                                     | \$66,556                                            | \$83,195                      | \$99,834      | \$32.00              | \$40.00                       | \$48.00              | 50%                     |
| Assistant Finance Director                     | \$62,394                                            | \$77,993                      | \$93,592      | \$30.00              | \$37.50                       | \$45.00              | 50%                     |
| Staff Accountant                               | \$51,900                                            | \$64,875                      | \$77,850      | \$25.99              | \$31.19                       | \$38.99              | 50%                     |
| Human Resources Coordinator                    | \$48,304                                            | \$57,965                      | \$67,625      | \$23.22              | \$27.87                       | \$32.51              | 40%                     |
| Court Clerk/Asst Dpty City Clerk               | \$46,518                                            | \$55,821                      | \$65,125      | \$22.36              | \$26.84                       | \$31.31              | 40%                     |
| Administrative Coordinator                     | \$43,913                                            | \$52,695                      | \$61,478      | \$21.11              | \$25.33                       | \$29.56              | 40%                     |
| Municipal Court Clerk                          | \$42,548                                            | \$51,058                      | \$59,567      | \$20.46              | \$24.55                       | \$28.64              | 40%                     |
| Administrative Assistant                       | \$33,306                                            | \$39,967                      | \$46,628      | \$16.01              | \$19.21                       | \$22.42              | 40%                     |
| Management Fellow Internship                   | This position is not classified                     |                               |               |                      |                               |                      |                         |
| <b>Administration -- Part-time Position</b>    |                                                     |                               |               |                      |                               |                      |                         |
| Video Tech                                     | \$41,942                                            | \$50,330                      | \$58,719      | \$20.16              | \$24.20                       | \$28.23              | 40%                     |
| <b>City Council -- Elected -- Unclassified</b> |                                                     |                               |               |                      |                               |                      |                         |
| Mayor                                          | This position is not classified -- Elected Official |                               |               |                      |                               |                      |                         |
| Council                                        | This position is not classified -- Elected Official |                               |               |                      |                               |                      |                         |

Note:

(a) Percent difference between Range Minimum and Maximum reflect the reported selected market trends.

All Rates of Pay are calculated using 2080 hours per year.

Data Source: Detail provided by Heather Wright, as of October 12, 2021

# City of Salida Colorado

2021/2022 Base Pay Planning Analysis and Pay Range Projections

## 2022 Range Structure

Descending Sequence: Annual 2022 Market Guide Level

| Job Title Description                                                                                   | 2022 Pay Range   |                                        |                  |                            |                                        |                            | (a)<br>2022 Rng<br>Min to<br>Max |
|---------------------------------------------------------------------------------------------------------|------------------|----------------------------------------|------------------|----------------------------|----------------------------------------|----------------------------|----------------------------------|
|                                                                                                         | Range<br>Minimum | Annual<br>Market<br>Guide/Mid<br>Point | Range<br>Maximum | Hourly<br>Range<br>Minimum | Hourly<br>Market<br>Guide Mid<br>Point | Hourly<br>Range<br>Maximum |                                  |
| <b>Arts and Culture -- 000040</b>                                                                       |                  |                                        |                  |                            |                                        |                            |                                  |
| Arts & Culture Director                                                                                 | \$71,566         | \$89,457                               | \$107,349        | \$34.41                    | \$43.01                                | \$51.61                    | 50%                              |
| Arts & Culture Supervisor                                                                               | \$49,495         | \$59,394                               | \$69,293         | \$23.80                    | \$28.55                                | \$33.31                    | 40%                              |
| Administrative Coordinator                                                                              | \$43,913         | \$52,695                               | \$61,478         | \$21.11                    | \$25.33                                | \$29.56                    | 40%                              |
| <b>Part-time Work Schedules</b> <span style="color: blue;">The ranges below = 2080 annual hours.</span> |                  |                                        |                  |                            |                                        |                            |                                  |
| Events Coordinator II                                                                                   | \$44,033         | \$52,839                               | \$61,646         | \$21.17                    | \$25.40                                | \$29.64                    | 40%                              |
| Events Coordinator I                                                                                    | \$40,960         | \$49,152                               | \$57,344         | \$19.69                    | \$23.63                                | \$27.57                    | 40%                              |
| Audio Video Technician                                                                                  | \$41,942         | \$50,330                               | \$58,719         | \$20.16                    | \$24.20                                | \$28.23                    | 40%                              |
| Facility Worker II                                                                                      | \$34,394         | \$41,273                               | \$48,152         | \$16.54                    | \$19.84                                | \$23.15                    | 40%                              |
| Facility Worker I                                                                                       | \$31,995         | \$38,394                               | \$44,792         | \$15.38                    | \$18.46                                | \$21.53                    | 40%                              |

Bartender

Hourly Rates were compared with market rates by position -- All Salida rates are at or slightly above the average actual reported rates across Colorado.  
The minimum hourly rate for 2022 is \$ 9.54 (Tipped) which is the required minimum for this position.

Note:

(a) Percent difference between Range Minimum and Maximum reflect the reported selected market trends.

All Rates of Pay are calculated using 2080 hours per year.

Data Source: Detail provided by Heather Wright, as of October 12, 2021

# City of Salida Colorado

2021/2022 Base Pay Planning Analysis and Pay Range Projections

## 2022 Range Structure

Descending Sequence: Annual 2022 Market Guide Level

| Job Title Description | 2022 Pay Range |                               |               |                      |                               |                      |                         |
|-----------------------|----------------|-------------------------------|---------------|----------------------|-------------------------------|----------------------|-------------------------|
|                       | Range Minimum  | Annual Market Guide/Mid Point | Range Maximum | Hourly Range Minimum | Hourly Market Guide Mid Point | Hourly Range Maximum | (a) 2022 Rng Min to Max |

### Community Development -- 000016

|                             |          |           |           |         |         |         |     |
|-----------------------------|----------|-----------|-----------|---------|---------|---------|-----|
| Director, Community Dvl'mpt | \$88,354 | \$110,442 | \$132,530 | \$42.48 | \$53.10 | \$63.72 | 50% |
| Senior Planner              | \$66,578 | \$83,223  | \$99,868  | \$32.01 | \$40.01 | \$48.01 | 50% |
| Planner                     | \$54,299 | \$67,874  | \$81,449  | \$26.11 | \$32.63 | \$39.16 | 50% |
| Planning Technician         | \$42,262 | \$50,715  | \$59,167  | \$20.32 | \$24.38 | \$28.45 | 40% |

Note:

(a) Percent difference between Range Minimum and Maximum reflect the reported selected market trends.

All Rates of Pay are calculated using 2080 hours per year.

Data Source: Detail provided by Heather Wright, as of October 12, 2021

# City of Salida Colorado

2021/2022 Base Pay Planning Analysis and Pay Range Projections

## 2022 Range Structure

Descending Sequence: Annual 2022 Market Guide Level

| Job Title Description                                                    | 2022 Pay Range |                               |               |                      |                               |                      |                         |
|--------------------------------------------------------------------------|----------------|-------------------------------|---------------|----------------------|-------------------------------|----------------------|-------------------------|
|                                                                          | Range Minimum  | Annual Market Guide/Mid Point | Range Maximum | Hourly Range Minimum | Hourly Market Guide Mid Point | Hourly Range Maximum | (a) 2022 Rng Min to Max |
| <b>Fire Department -- Uniformed 2080 Annual Base Hours -- 000022</b>     |                |                               |               |                      |                               |                      |                         |
| Fire Chief                                                               | \$91,010       | \$113,763                     | \$136,515     | \$43.75              | \$54.69                       | \$65.63              | 50%                     |
| Asst Fire Chief                                                          | \$79,139       | \$98,924                      | \$118,709     | \$38.05              | \$47.56                       | \$57.07              | 50%                     |
| Fire Inspector                                                           | \$55,170       | \$66,204                      | \$77,238      | \$26.52              | \$31.83                       | \$37.13              | 40%                     |
| <b>Fire Department -- Uniformed 2756 Annual Base Hours -- 000022</b>     |                |                               |               |                      |                               |                      |                         |
| Fire Captain                                                             | \$71,555       | \$89,444                      | \$107,333     | \$25.96              | \$32.45                       | \$38.95              | 50%                     |
| Senior Firefighter                                                       | \$64,195       | \$77,034                      | \$89,873      | \$23.29              | \$27.95                       | \$32.61              | 40%                     |
| Firefighter                                                              | \$48,638       | \$58,365                      | \$68,093      | \$17.65              | \$21.18                       | \$24.71              | 40%                     |
| <b>Fire Department -- Non-Uniformed 2080 Annual Base Hours -- 000022</b> |                |                               |               |                      |                               |                      |                         |
| Administrative Coordinator                                               | \$43,913       | \$52,695                      | \$61,478      | \$21.11              | \$25.33                       | \$29.56              | 40%                     |

Note:

(a) Percent difference between Range Minimum and Maximum reflect the reported selected market trends.

All Fire Fighter Hourly Rates of Pay are calculated using 2756 hours (DOL 106 hrs/PP).

Data Source: Detail provided by Heather Wright, as of October 12, 2021

**City of Salida Colorado**

2021/2022 Base Pay Planning Analysis and Pay Range Projections

**2022 Range Structure**

Descending Sequence: Annual 2022 Market Guide Level

| Job Title Description                                                 | 2022 Pay Range |                               |               |                      |                               |                      |                         |
|-----------------------------------------------------------------------|----------------|-------------------------------|---------------|----------------------|-------------------------------|----------------------|-------------------------|
|                                                                       | Range Minimum  | Annual Market Guide/Mid Point | Range Maximum | Hourly Range Minimum | Hourly Market Guide Mid Point | Hourly Range Maximum | (a) 2022 Rng Min to Max |
| <b>Parks and Recreation Division -- Pool and Recreation -- 000051</b> |                |                               |               |                      |                               |                      |                         |
| Parks & Recreation Director                                           | \$84,112       | \$105,140                     | \$126,168     | \$40.44              | \$50.55                       | \$60.66              | 50%                     |
| Recreation & Aquatics Manager                                         | \$59,933       | \$74,916                      | \$89,899      | \$28.81              | \$36.02                       | \$43.22              | 50%                     |
| Facilities Supervisor                                                 | \$53,058       | \$66,323                      | \$79,588      | \$25.51              | \$31.89                       | \$38.26              | 50%                     |
| SHSAC Supervisor                                                      | \$48,541       | \$58,249                      | \$67,957      | \$23.34              | \$28.00                       | \$32.67              | 40%                     |
| Parks and Rec Coordinator                                             | \$46,230       | \$55,476                      | \$64,722      | \$22.23              | \$26.67                       | \$31.12              | 40%                     |
| Administrative Coordinator                                            | \$43,913       | \$52,695                      | \$61,478      | \$21.11              | \$25.33                       | \$29.56              | 40%                     |
| SHSAC Administrative Coordinato                                       | \$33,305       | \$39,967                      | \$46,628      | \$16.01              | \$19.21                       | \$22.42              | 40%                     |
| Lifeguard III                                                         | \$28,119       | \$33,743                      | \$39,367      | \$13.52              | \$16.22                       | \$18.93              | 40%                     |

Continued -- See next Page

# City of Salida Colorado

2021/2022 Base Pay Planning Analysis and Pay Range Projections

## 2022 Range Structure

Descending Sequence: Annual 2022 Market Guide Level

| Job Title Description                                                 | 2022 Pay Range                                                                                                                                           |                               |               |                      |                               |                      |                         |
|-----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|---------------|----------------------|-------------------------------|----------------------|-------------------------|
|                                                                       | Range Minimum                                                                                                                                            | Annual Market Guide/Mid Point | Range Maximum | Hourly Range Minimum | Hourly Market Guide Mid Point | Hourly Range Maximum | (a) 2022 Rng Min to Max |
| <b>Parks and Recreation Division -- Pool and Recreation -- 000051</b> |                                                                                                                                                          |                               |               |                      |                               |                      |                         |
| <b>Part-time Work Schedules</b>                                       |                                                                                                                                                          |                               |               |                      |                               |                      |                         |
|                                                                       | The ranges below = 2080 annual hours.                                                                                                                    |                               |               |                      |                               |                      |                         |
| Parks & Rec Worker (Entry Level)                                      | \$26,208                                                                                                                                                 | \$31,450                      | \$36,691      | \$12.60              | \$15.12                       | \$17.64              | 40%                     |
| Parks & Rec Representative                                            | \$26,208                                                                                                                                                 | \$31,450                      | \$36,691      | \$12.60              | \$15.12                       | \$17.64              | 40%                     |
| Custodian                                                             | \$29,287                                                                                                                                                 | \$35,145                      | \$41,002      | \$14.08              | \$16.90                       | \$19.71              | 40%                     |
| Front Desk Clerk 2                                                    | \$26,447                                                                                                                                                 | \$31,736                      | \$37,025      | \$12.71              | \$15.26                       | \$17.80              | 40%                     |
| Front Desk                                                            | \$26,447                                                                                                                                                 | \$31,736                      | \$37,025      | \$12.71              | \$15.26                       | \$17.80              | 40%                     |
| Instructor                                                            | Hourly Rates were compared with market rates by position -- All Salida rates are at or slightly above the average actual reported rates across Colorado. |                               |               |                      |                               |                      |                         |
| Lifeguard                                                             | The minimum hourly rate for 2022 is \$ 12.56 which is the required minimum for these positions.                                                          |                               |               |                      |                               |                      |                         |
| Lifeguard II                                                          |                                                                                                                                                          |                               |               |                      |                               |                      |                         |
| Umpire                                                                |                                                                                                                                                          |                               |               |                      |                               |                      |                         |
| Parks & Rec Facilities Lead                                           | \$36,863                                                                                                                                                 | \$44,236                      | \$51,609      | \$17.72              | \$21.27                       | \$24.81              | 40%                     |
| Recreation Assistant                                                  | \$26,208                                                                                                                                                 | \$31,450                      | \$36,691      | \$12.60              | \$15.12                       | \$17.64              | 40%                     |
| <b>Seasonal Part-time Positions</b>                                   |                                                                                                                                                          |                               |               |                      |                               |                      |                         |
| Umpire                                                                | Hourly Rates were compared with market rates by position -- All Salida rates are at or slightly above the average actual reported rates across Colorado. |                               |               |                      |                               |                      |                         |
| Instructor                                                            | The minimum hourly rate for 2022 is \$ 12.56 which is the required minimum for these positions.                                                          |                               |               |                      |                               |                      |                         |
| <b>Temporary Part-time Positions</b>                                  |                                                                                                                                                          |                               |               |                      |                               |                      |                         |
| Instructor                                                            |                                                                                                                                                          |                               |               |                      |                               |                      |                         |
| Lifeguard II                                                          |                                                                                                                                                          |                               |               |                      |                               |                      |                         |

Continued -- See next Page

# City of Salida Colorado

2021/2022 Base Pay Planning Analysis and Pay Range Projections

## 2022 Range Structure

Descending Sequence: Annual 2022 Market Guide Level

| Job Title Description                                                                                   | 2022 Pay Range |                               |               |                      |                               |                      |                         |
|---------------------------------------------------------------------------------------------------------|----------------|-------------------------------|---------------|----------------------|-------------------------------|----------------------|-------------------------|
|                                                                                                         | Range Minimum  | Annual Market Guide/Mid Point | Range Maximum | Hourly Range Minimum | Hourly Market Guide Mid Point | Hourly Range Maximum | (a) 2022 Rng Min to Max |
| <b>Parks and Recreation Division -- Parks Department</b>                                                |                |                               |               |                      |                               |                      |                         |
| Parks & Facilities Manager                                                                              | \$58,236       | \$72,795                      | \$87,354      | \$28.00              | \$35.00                       | \$42.00              | 50%                     |
| Parks Supervisor                                                                                        | \$50,567       | \$63,209                      | \$75,851      | \$24.31              | \$30.39                       | \$36.47              | 50%                     |
| Mechanic                                                                                                | \$50,648       | \$60,778                      | \$70,908      | \$24.35              | \$29.22                       | \$34.09              | 40%                     |
| Municipal Worker 4                                                                                      | \$50,505       | \$60,606                      | \$70,707      | \$24.28              | \$29.14                       | \$33.99              | 40%                     |
| Municipal Worker III                                                                                    | \$42,720       | \$51,264                      | \$59,808      | \$20.54              | \$24.65                       | \$28.75              | 40%                     |
| Municipal Worker II                                                                                     | \$35,869       | \$43,043                      | \$50,217      | \$17.24              | \$20.69                       | \$24.14              | 40%                     |
| <b>Part-time Work Schedules</b> <span style="color: blue;">The ranges below = 2080 annual hours.</span> |                |                               |               |                      |                               |                      |                         |
| Custodian                                                                                               | \$29,287       | \$35,145                      | \$41,002      | \$14.08              | \$16.90                       | \$19.71              | 40%                     |
| <b>Seasonal Part-time Positions</b>                                                                     |                |                               |               |                      |                               |                      |                         |
| Parks Seasonal                                                                                          | \$26,208       | \$31,450                      | \$36,692      | \$12.60              | \$15.12                       | \$17.64              | 40%                     |

Note:

(a) Percent difference between Range Minimum and Maximum reflect the reported selected market trends.

All Rates of Pay are calculated using 2080 hours per year.

Data Source: Detail provided by Heather Wright, as of October 12, 2021

# City of Salida Colorado

2021/2022 Base Pay Planning Analysis and Pay Range Projections

## 2022 Range Structure

Descending Sequence: Annual 2022 Market Guide Level

| Job Title Description                                           | 2022 Pay Range |                               |               |                      |                               |                      |                         |
|-----------------------------------------------------------------|----------------|-------------------------------|---------------|----------------------|-------------------------------|----------------------|-------------------------|
|                                                                 | Range Minimum  | Annual Market Guide/Mid Point | Range Maximum | Hourly Range Minimum | Hourly Market Guide Mid Point | Hourly Range Maximum | (a) 2022 Rng Min to Max |
| <b>Police Department Sworn Officers -- 000021</b>               |                |                               |               |                      |                               |                      |                         |
| Police Chief                                                    | \$94,701       | \$118,376                     | \$142,051     | \$45.53              | \$56.91                       | \$68.29              | 50%                     |
| Commander                                                       | \$74,725       | \$93,406                      | \$112,088     | \$35.93              | \$44.91                       | \$53.89              | 50%                     |
| Police Sergeant                                                 | \$63,442       | \$79,302                      | \$95,163      | \$30.50              | \$38.13                       | \$45.75              | 50%                     |
| Patrol Officer I, Detective                                     | \$57,944       | \$72,430                      | \$86,916      | \$27.86              | \$34.82                       | \$41.79              | 50%                     |
| Patrol Officer II                                               | \$56,422       | \$67,706                      | \$78,990      | \$27.13              | \$32.55                       | \$37.98              | 40%                     |
| Patrol Officer III                                              | \$52,486       | \$62,983                      | \$73,480      | \$25.23              | \$30.28                       | \$35.33              | 40%                     |
| <b>Police Department Non-Sworn Civilian Positions -- 000021</b> |                |                               |               |                      |                               |                      |                         |
| Administrative Coordinator                                      | \$43,913       | \$52,695                      | \$61,478      | \$21.11              | \$25.33                       | \$29.56              | 40%                     |
| Community Service Officer                                       | \$40,800       | \$48,959                      | \$57,119      | \$19.62              | \$23.54                       | \$27.46              | 40%                     |
| Police Records Technician                                       | \$39,501       | \$47,401                      | \$55,301      | \$18.99              | \$22.79                       | \$26.59              | 40%                     |

Note:

(a) Percent difference between Range Minimum and Maximum reflect the reported selected market trends.

All Rates of Pay are calculated using 2080 hours per year.

Data Source: Detail provided by Heather Wright, as of October 12, 2021

# City of Salida Colorado

2021/2022 Base Pay Planning Analysis and Pay Range Projections

## 2022 Range Structure

Descending Sequence: Annual 2022 Market Guide Level

| Job Title Description                    | 2022 Pay Range |                               |               |                      |                               |                      |                         |
|------------------------------------------|----------------|-------------------------------|---------------|----------------------|-------------------------------|----------------------|-------------------------|
|                                          | Range Minimum  | Annual Market Guide/Mid Point | Range Maximum | Hourly Range Minimum | Hourly Market Guide Mid Point | Hourly Range Maximum | (a) 2022 Rng Min to Max |
| <b>Public Works -- Department 000030</b> |                |                               |               |                      |                               |                      |                         |
| Public Works Director                    | \$86,023       | \$107,529                     | \$129,035     | \$41.36              | \$51.70                       | \$62.04              | 50%                     |
| Senior Construction Inspector            | \$63,166       | \$78,958                      | \$94,750      | \$30.37              | \$37.96                       | \$45.55              | 50%                     |
| WWTP Plant Manager                       | \$62,751       | \$78,438                      | \$94,126      | \$30.17              | \$37.71                       | \$45.25              | 50%                     |
| Water Plant Manager                      | \$59,791       | \$74,739                      | \$89,686      | \$28.75              | \$35.93                       | \$43.12              | 50%                     |
| Streets Supervisor                       | \$55,531       | \$69,414                      | \$83,297      | \$26.70              | \$33.37                       | \$40.05              | 50%                     |
| Utilities Supervisor                     | \$52,610       | \$65,762                      | \$78,915      | \$25.29              | \$31.62                       | \$37.94              | 50%                     |
| Enginr/GIS Tech                          | \$52,123       | \$62,547                      | \$72,972      | \$25.06              | \$30.07                       | \$35.08              | 40%                     |
| Construction Inspector                   | \$51,696       | \$62,035                      | \$72,374      | \$24.85              | \$29.82                       | \$34.80              | 40%                     |
| Mechanic                                 | \$50,648       | \$60,778                      | \$70,907      | \$24.35              | \$29.22                       | \$34.09              | 40%                     |
| Municipal Worker 4                       | \$50,505       | \$60,606                      | \$70,707      | \$24.28              | \$29.14                       | \$33.99              | 40%                     |
| Class B Operator - Wtr/WWtr              | \$46,161       | \$55,393                      | \$64,625      | \$22.19              | \$26.63                       | \$31.07              | 40%                     |
| Administrative Coordinator               | \$43,913       | \$52,695                      | \$61,478      | \$21.11              | \$25.33                       | \$29.56              | 40%                     |
| Municipal Worker III                     | \$42,720       | \$51,264                      | \$59,807      | \$20.54              | \$24.65                       | \$28.75              | 40%                     |
| Class C Operator - Wtr/WWtr              | \$41,073       | \$49,287                      | \$57,502      | \$19.75              | \$23.70                       | \$27.64              | 40%                     |
| <b>Positions without Incumbents</b>      |                |                               |               |                      |                               |                      |                         |
| Municipal Worker II                      | \$35,869       | \$43,043                      | \$50,217      | \$17.24              | \$20.69                       | \$24.14              | 40%                     |
| Class A Operator                         | \$51,739       | \$62,087                      | \$72,435      | \$24.87              | \$29.85                       | \$34.82              | 40%                     |
| Class D Operator                         | \$35,616       | \$42,739                      | \$49,862      | \$17.12              | \$20.55                       | \$23.97              | 40%                     |

Note:

(a) Percent difference between Range Minimum and Maximum reflect the reported selected market trends.

All Rates of Pay are calculated using 2080 hours per year.

Data Source: Detail provided by Heather Wright, as of October 12, 2021

# Approach Used -- Summary

- Reviewed philosophy and history of the organization
- Secured current information on all positions in the study
- Reviewed and validated, as needed, position content for use in the survey
- Used Salida's established comparison organizations, as requested
- Secured selected market data for comparison and analyses
- Conducted analysis of pay, pay policies and practices
- Developed pay plan recommendations

# Goals of the Market Review -- Summary

- ✓ A pay plan that Senior Management and Department Heads can work with to establish practices and guidelines for the future.
- ✓ A plan that is an interactive (not rigid) management tool for responding to evolving needs -- retaining current employees, rewarding contributions to the City, and attracting new employees.
- ✓ Pay processes that evolve with refined planning and evaluation.  
For Example: Define a method to classify Fire Fighter positions that is easily communicated, functional and more readily comparable to the comparison market – the current approach has evolved over time.

# What Was Implemented before and Updated for 2022 and Beyond

- ✓ A pay plan that Senior Management and Department Heads can work with to establish practices and guidelines for the future.
- ✓ An economically feasible plan that recognizes job responsibility and accomplishment while budgetary considerations are taken into account.
- ✓ A plan that is an interactive (not rigid) management tool for responding to evolving needs -- retaining current employees, rewarding contributions to the organization, and attracting new employees.
- ✓ Pay processes that evolve with refined planning and evaluation.

# The Updated Compensation Plan

- Establishes a framework for consistent pay administration and communication
- Responds to management and organization needs
- Recognizes Salida's market orientation concerning pay
- Establishes market linkages by job that are easily identified
- Provides administrative methodology by position for each department

## **Future Advantages:**

- Refines the City's structure with the breadth and depth to respond to growth and change
- Revalidates/updates Salida's systematic approach for managing pay

# What are some of Market Study Findings ?

- ❖ The majority of Salida's classifications needed to be updated based on the 2021/2022 pay practices reported by selected comparison organizations. The Pay Ranges included with this report show the changes in "market guide/rate" based on the differences in the 2021 market rates and the projected 2022 market for all positions that were classified in 2021.
- ❖ Lee & Burgess created new ranges for all classified positions to provide a standard base for citywide use moving forward. We applied the aggregate market average actual rate of the selected comparison market survey results by job to compile a range for each job that is representative of the market. Conservatively acknowledging 2021/2022 economic pressures, we determined, based on the level of change reported in the market, that no aging adjustment was necessary to establish the new basis for 2022, however, market monitoring should and will continue going forward. Minimum to maximum range values were refined slightly, senior positions are classified in ranges that show a 50% difference from minimum to maximum and professional/technical, administrative, operations positions represent the comparison market practices with ranges that are 40% difference from minimum to maximum.
- ❖ Current nationwide economic pressures, reported by the Bureau of Labor Statistics as of year-end 2021 of Total CPI-U 7.1% from 12/2020 to 12/2021 and CPI-U less food (7.1% increase) and energy (31.2% increase) is 5.5% from 12/2020 to 12/2021. The Bureau of Labor Statistics plans to report ECI for 2021 on January 28, 2022. As of end 3<sup>rd</sup> Quarter 2021, ECI (Employment Cost Index-Wages and Salaries Only) was at 4.6% in both the United States and the Mountain West in correlation with Total CPI-U West of 5.3% and CPI-U United States of 5.4%.  
CONSIDERSTION: With these levels of economic pressures, we will continue to monitor quarterly trends as well as the adjustments given in Salida's group of selected comparison organizations and keep you informed of any significant changes.

Continued

# What are some of Market Study Findings ?

- ❖ The City is recognizing selected comparison market trends that have occurred during the 2019-2020-2021 time frame. Therefore, some of the changes are greater than one would expect while others have tracked relatively steadily with the market which was an expected outcome. For Example: Public Works did not report any positions that were out of the market range; however, the department as a whole shows a 13.3% change in the market guide/rate from 2021 to 2022.
- ❖ Some of the positions that were new to the market update (previously unclassified) were below competitive pay levels increasing departmental budget recommendation above levels that may have been previously forecast.
- ❖ Conservative pay management prior to and during the limitations imposed by the first two years of the Covid pandemic coupled with aggressive changes in certain disciplines – Fire (25.9%), Police (19.1%), Parks & Recreation (No Measure due to Part-time) and Administrative Support (24.6%) -- have resulted in **pay levels** that were under Market. While longer term employees' pay levels were within the market range even with upward market guide/rate range adjustments because in most cases pay for the position was above the 2021 market rate based on long term service with the City.
- ❖ **Next Steps** – Approval/Implementation the 2022 Plan Update

*CITY OF SALIDA, COLORADO*

**2021 for 2022 Compensation  
and Market Study Update**

**January 2022 City Council Presentation**

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Thank You

Lee & Burgess Associates, LLC