

CITY OF HOLLY HILL, FLORIDA

CITY COMMISSION

AGENDA • JANUARY 8, 2018

City Commission Chamber

Work Session

2:00 PM

CITY HALL
1065 RIDGEWOOD AVENUE
HOLLY HILL, FL 32117

City Clerk's office: (386) 248-9441 - Fax: (386) 248-9448



City Commission Chamber
City Hall
1065 Ridgewood Avenue
Holly Hill, FL 32117

CITY COMMISSION MEMBERS

Mayor
John Penny

District 1 - Commissioner
Arthur J. Byrnes

District 3 - Commissioner
John C. Danio

District 2 - Commissioner
Penny Currie

District 4 - Commissioner
Chris Via

CITY MANAGER
Joseph Forte

CITY CLERK
Valerie Manning

1. CALL TO ORDER

- a. Roll Call

2. EVERGREEN SOLUTIONS - CLASSIFICATION & COMPENSATION STUDY

- 1. Evergreen Solutions - Classification & Compensation Study
(Requested by Valerie Manning, City Clerk)

3. ADJOURNMENT

Website Address – www.hollyhillfl.org (City Clerk)

NOTICE – If any person decides to appeal any decision of the City Commission at this meeting, he/she will need a record of the proceedings and, for that purpose, he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. The City does not prepare or provide such a record.



For special accommodations, please notify the City Clerk's Office at least 72 hours in advance. (386) 248-9441



Help for the hearing impaired is available through the Assistive Listening System. Receivers can be obtained from the City Clerk's Office.

In accordance with the Americans with Disabilities Act (ADA), persons needing a special accommodation to participate in the Commission proceedings should contact the City Clerk's Office no later than three (3) days prior to the proceedings.

**City Commission**

1065 Ridgewood Ave
Holly Hill, FL 32117

SCHEDULED

Meeting: 01/08/18 02:00 PM

Department: City Clerk

Category: Workshop Item

Prepared By: Valerie Manning

Initiator: Valerie Manning

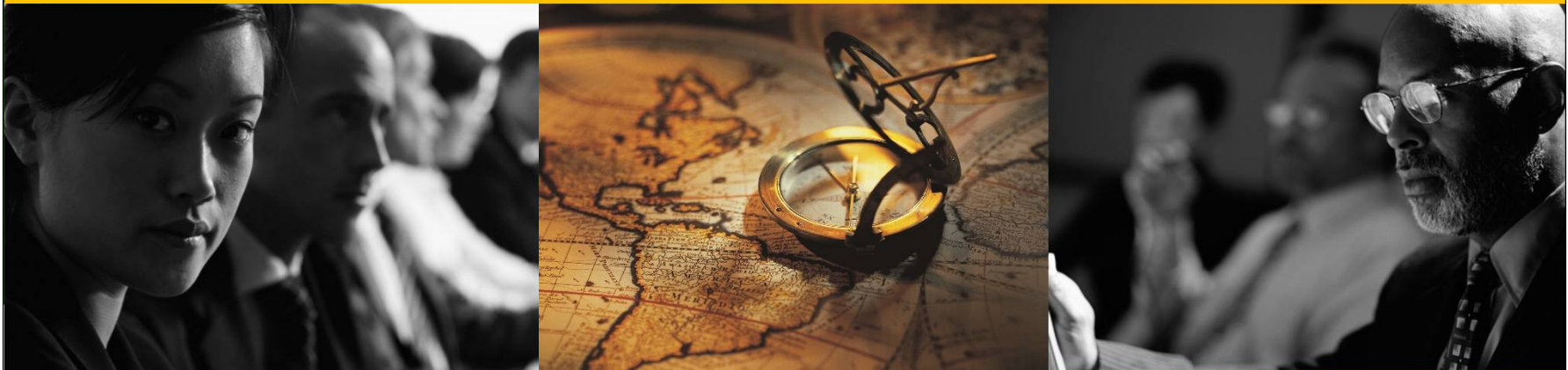
Sponsors: City Manager Joseph A. Forte

PRESENTATION - WORKSHOP ITEMS (ID # 1882)

DOC ID: 1882

Evergreen Solutions - Classification & Compensation Study

Pay and Classification Study for the City of Holly Hill, FL



Final Presentation



8 January 2018

Agenda

- Study Process
- Summary of Employee Outreach
- Compensation Philosophy Review
- Compensation Review Results
- Implementation Recommendation
- Additional Recommendations



Study Process

Completed:

- ü Conducted employee outreach and summarized findings.
- ü Reviewed current conditions of the compensation system.
- ü Reviewed the City's compensation philosophy.
- ü Analyzed **internal equity** by reviewing Job Assessment Tools (JAT); developed proposed class structure.
- ü Conducted a salary survey to analyze the **external equity** of the current compensation system.
- ü Utilized internal and external equity results to develop a new pay plan, and individually assigned pay grades to classifications.



Study Process (cont.)

Completed (cont.):

- ü Developed a recommended implementation option and estimated annualized salary costs to implement the new pay plan.
- ü Reviewed all classifications for Fair Labor Standards Act (FLSA) status;
- ü Finalized study results; provided draft and final reports;
- ü Trained Human Resources on how to revise job descriptions utilizing existing descriptions and input from employee JATs and MITs.



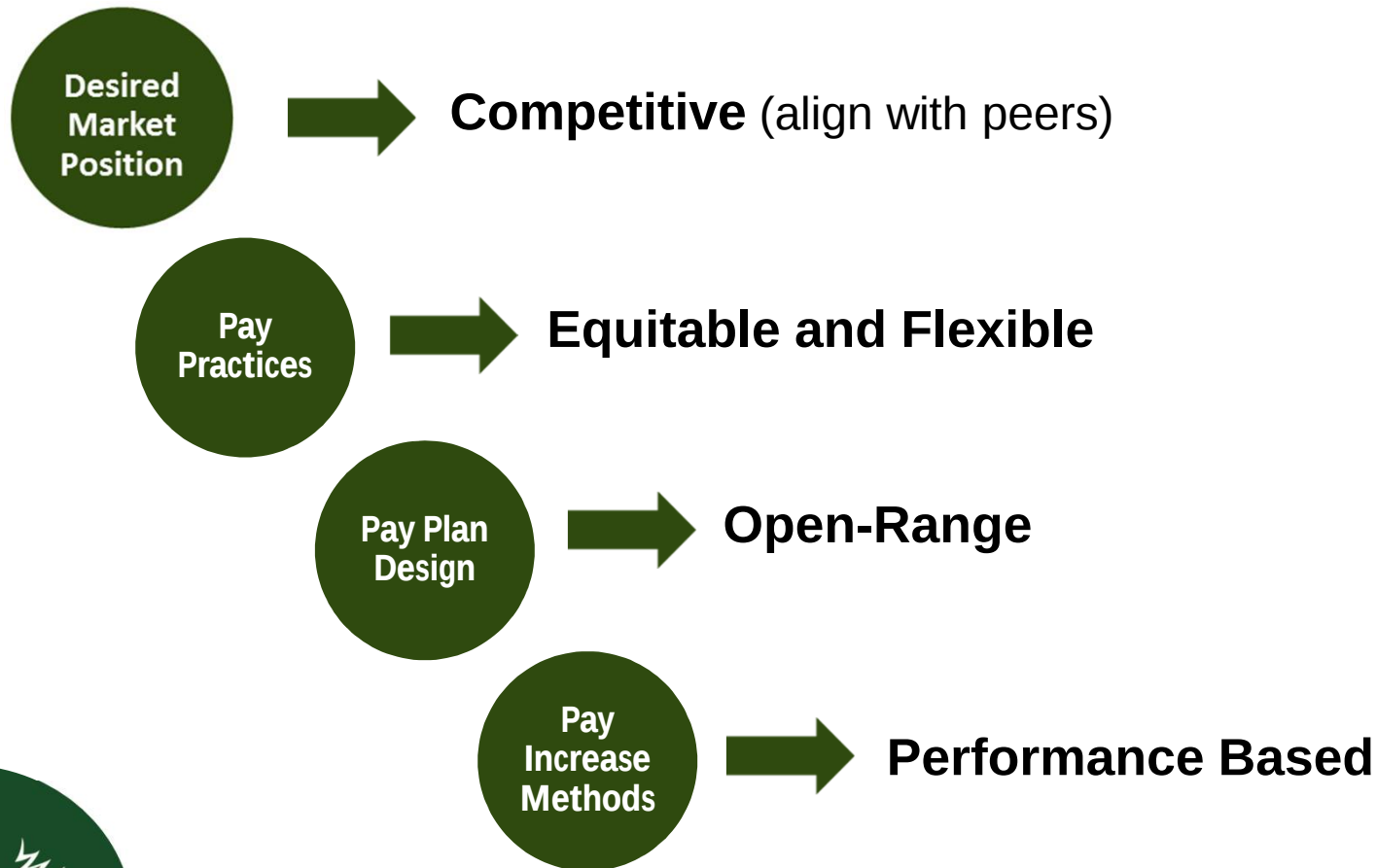
Outreach Summary

- Overall, employees enjoy working for the City and serving the community in which they live.
- The desire to serve their community was a reason many employees continue to work for the City.
- Duties have expanded to provide services for vacant positions without corresponding increases in compensation or changes in job titles.



Compensation Philosophy

City's Compensation Philosophy:



Compensation

Conducted a salary survey and collected salary range data from 19 peers to analyze **external (market) equity** for benchmark classifications:

Market Peers
City of Bunnell
City of Casselberry
City of Cocoa Beach
City of Deland
City of Deltona
City of Edgewater
City of Green Cove Springs
City of Maitland
City of New Smyrna Beach
City of Ocala
City of Orange City
City of Ormond Beach
City of Palm Coast
City of Port Orange
City of Satellite Beach
City of South Daytona
Flagler County
Town of Ponce Inlet
Volusia County, FL



Compensation (cont.)

*Collected salary range data for total of 62 benchmark classifications (subset of all classifications) and compared the data at the **average**:*

Benchmark Classifications	Differential at the Range Minimum	Differential at the Range Midpoint	Differential at the Range Maximum
Overall Average	-15.8%	-15.6%	-15.5%
Outliers Removed	-14.8%	-14.7%	-14.6%

Midpoint is typically considered “market” as employees receiving pay at this point should be proficient and satisfactorily performing the duties of their classification.

Results do not indicate that all benchmarks (classifications) were ahead or behind.



Compensation (cont.)

Developed new, competitive open-range pay plan for Non-Union employees:

- Ø increasing range spreads
 - Ø 55% grades 100-110
 - Ø 60% grades 111-115
 - Ø 65% grades 116-119
- Ø easy to administer
- Ø aligns with compensation philosophy

Grade	Minimum	Midpoint	Maximum	Range Spread	Range Progression
100	\$ 22,800	\$ 29,070	\$ 35,340	55%	
101	\$ 24,168	\$ 30,814	\$ 37,460	55%	6%
102	\$ 25,618	\$ 32,663	\$ 39,708	55%	6%
103	\$ 27,155	\$ 34,623	\$ 42,091	55%	6%
104	\$ 28,784	\$ 36,700	\$ 44,616	55%	6%
105	\$ 30,512	\$ 38,902	\$ 47,293	55%	6%
106	\$ 32,342	\$ 41,236	\$ 50,130	55%	6%
107	\$ 34,283	\$ 43,711	\$ 53,138	55%	6%
108	\$ 36,340	\$ 46,333	\$ 56,327	55%	6%
109	\$ 38,520	\$ 49,113	\$ 59,706	55%	6%
110	\$ 40,831	\$ 52,060	\$ 63,289	55%	6%
111	\$ 43,690	\$ 56,796	\$ 69,903	60%	7%
112	\$ 46,748	\$ 60,772	\$ 74,796	60%	7%
113	\$ 50,020	\$ 65,026	\$ 80,032	60%	7%
114	\$ 53,522	\$ 69,578	\$ 85,634	60%	7%
115	\$ 57,268	\$ 74,448	\$ 91,629	60%	7%
116	\$ 61,849	\$ 81,951	\$102,052	65%	8%
117	\$ 66,797	\$ 88,507	\$110,216	65%	8%
118	\$ 72,141	\$ 95,587	\$119,033	65%	8%
119	\$ 77,913	\$103,234	\$128,556	65%	8%



Evergreen Solutions, LLC

Compensation (cont.)

Developed new, competitive open-range pay plan for NAGE employees:

NAGE Unit					
Grade	Minimum	Midpoint	Maximum	Range Spread	Range Progression
N100	\$ 22,800	\$ 29,070	\$ 35,340	55%	
N101	\$ 24,168	\$ 30,814	\$ 37,460	55%	6%
N102	\$ 25,618	\$ 32,663	\$ 39,708	55%	6%
N103	\$ 27,155	\$ 34,623	\$ 42,091	55%	6%
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N108	\$ 36,340	\$ 46,333	\$ 56,327	55%	6%
N109	\$ 38,520	\$ 49,113	\$ 59,706	55%	6%



Compensation (cont.)

Developed new, competitive open-range pay plan for Fire and Police Union employees:

IAFF Unit					
Grade	Minimum	Midpoint	Maximum	Range Spread	Range Progression
F108	\$ 36,340	\$ 46,333	\$ 56,327	55%	6%
F109	\$ 38,520	\$ 49,113	\$ 59,706	55%	6%
F110	\$ 40,831	\$ 52,060	\$ 63,289	55%	6%
F112	\$ 46,748	\$ 60,772	\$ 74,796	60%	7%
F113	\$ 50,020	\$ 65,026	\$ 80,032	60%	7%

PBA Unit					
Grade	Minimum	Midpoint	Maximum	Range Spread	Range Progression
P108	\$ 36,340	\$ 46,333	\$ 56,327	55%	6%
P112	\$ 46,748	\$ 60,772	\$ 74,796	60%	7%
P114	\$ 53,522	\$ 69,578	\$ 85,634	60%	7%



Implementation

Developed and reviewed implementation options;

Bring Employees' Salaries to New Minimums:

A calculation is performed to determine if an employee's salary is below the proposed minimum of his/her proposed classification/grade. If his/her salary is below the proposed minimum, it is adjusted to the minimum of his/her proposed pay grade; if his/her salary is within the proposed pay grade, no adjustment is recommended.

- Total annualized estimated cost = **\$98,432.81**
- # employees who would receive adjustments = 41

** Cost estimates are salary only and do not include the cost of benefits.*



Implementation (cont.)

Range Penetration Capped at Midpoint (Maximum 3% Adjustment):

Assuming the competitive pay plan is implemented, employees would have their salaries adjusted in the new plan based on the relative position of their salary in the current plan's range (range penetration). For employees' salaries below the new midpoints, a calculation is performed to determine the range penetration of their current salary in the current structure, and their salaries are adjusted to the same relative position in the new structure. This places an employee's salary in the new range based on the relative position in the current range, yet does not place any salary beyond new midpoints unless the salary is already above that point, no employee salary is reduced, and no employee is given more than a 3% increase (unless required for the Bring to Minimum option).

- Total annualized estimated cost = **\$152,898**
- # employees who would receive adjustments = 81

** Cost estimate includes salary only (no benefits) and includes the cost of bringing all employees to the minimums of the proposed pay range.*



Implementation (cont.)

Range Penetration Capped at Midpoint (Maximum 5% Adjustment):

Assuming the competitive pay plan is implemented, employees would have their salaries adjusted in the new plan based on the relative position of their salary in the current plan's range (range penetration). For employees' salaries below the new midpoints, a calculation is performed to determine the range penetration of their current salary in the current structure, and their salaries are adjusted to the same relative position in the new structure. This places an employee's salary in the new range based on the relative position in the current range, yet does not place any salary beyond new midpoints unless the salary is already above that point, no employee salary is reduced, and no employee is given more than a 5% increase (unless required for the Bring to Minimum option).

- Total annualized estimated cost = **\$189,832**
- # employees who would receive adjustments = 81

** Cost estimate includes salary only (no benefits) and includes the cost of bringing all employees to the minimums of the proposed pay range.*



Implementation (cont.)

Move Toward Midpoint (Market) - 3 Tier :

Employees' salaries are adjusted based on their tenure and Compa-Ratio. For example, an employee's salary at 75% of the market point (Compa-Ratio) would be brought to 79% of the market point if tenure were less than 5 years, but would be brought to 80% if tenure were 5 to 10 years, and to 81% if tenure were greater than 10 years. These increments are designed to give larger adjustments (in percentage terms) to those with salaries furthest from the market point and to provide greater adjustments to those employees with more tenure. Employees at or above the market point are unaffected. This option includes the Bring to Minimum Cost.

- Total annualized estimated cost = **\$221,938.12**
- # employees who would receive adjustments = 82

** Cost estimates are salary only and do not include the cost of benefits.*



Recommendations

- Adopt compensation and classification plan structure recommended by the Evergreen study.
- Communicate study results to the employees.
- Review pay practices; revise as necessary to align with compensation philosophy and be competitive with peers.
- Administer and maintain the new plan; make pay grade/range adjustments as necessary.
- Conduct a comprehensive study every three to five years.



Thank You

Additional Questions?

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