

Compensation and Classification Study for the City of Albuquerque, NM

FINAL REPORT



Evergreen Solutions, LLC

July 1, 2024

Table of Contents

	PAGE
1.0 INTRODUCTION.....	1-1
1.1 Study Methodology.....	1-1
1.2 Report Organization.....	1-3
2.0 SUMMARY OF EMPLOYEE OUTREACH.....	2-1
2.1 General Feedback	2-1
2.2 Compensation.....	2-3
2.3 Classification.....	2-6
2.4 Benefits	2-9
2.5 Priorities For Employees	2-11
2.6 JAT Completion Analysis.....	2-13
2.7 Summary	2-14
3.0 ASSESSMENT OF CURRENT CONDITIONS.....	3-1
3.1 Analysis of Pay Plans.....	3-1
3.2 Grade Placement Analysis	3-4
3.3 Quartile Analysis	3-7
3.4 Compression Analysis	3-10
3.5 Summary	3-17
4.0 MARKET SUMMARY.....	4-1
4.1 Market Data	4-3
4.2 Salary Survey Results.....	4-8
4.3 Salary Survey Conclusion.....	4-14
5.0 RECOMMENDATION	5-1
5.1 Classification Recommendations.....	5-1
5.2 Compensation Recommendations.....	5-4
5.3 Compensation and Classification System Administration.....	5-9
5.4 Summary	5-14



Chapter 1 - Introduction

The leadership of the City of Albuquerque, NM (the “City”), in keeping with its commitment to attracting and retaining the employees necessary to provide high-quality services, determined that its current compensation and classification systems and structures needed to be updated to better reflect best practices. Evergreen Solutions, LLC (“Evergreen”) was selected by the City during Spring of 2023 as its partner in order to accomplish this goal. This engagement sought to evaluate the strengths and weaknesses of the City’s current systems, conduct a job and pay grade analysis to study internal equity, collect peer salary data to study external equity, and adjust the current compensation and classification systems to better reflect the market. This study and the analysis contained within provide City leadership with valuable information related to their employee demographics, opinions, and market data, as well as internal and external equity.

Internal equity relates to the fairness of an organization’s compensation practices among its current employees. Specifically, by reviewing the skills, responsibilities, and duties of each position, it can be determined whether similar positions are being compensated in an equitable manner within the organization. External equity relates to the differences between how an organization’s classifications are valued and the compensation available in the marketplace for the same skills, responsibilities, and duties. This component of the study aims to address how the City is positioned in the market relative to other local area government organizations with similar positions and to develop recommendations that allow the City to recruit and retain quality employees. The classification component of this study resolves any inconsistencies related to job requirements or job titles and ensures that all jobs are appropriately categorized and aligned with The work currently performed.

1.1 STUDY METHODOLOGY

Evergreen Solutions combines qualitative and quantitative data analysis to produce recommendations that maximize the fairness and competitiveness of an organization’s compensation structure and practices. It is important to note that the data utilized in the study represents a snapshot in time. As market conditions can change rapidly, it is important for the City to conduct regular market surveys to ensure its external market position does not decay. A full compensation and classification review is recommended approximately every three to five years. Some examples of project activities included:

- Conducting a project kick-off meeting
- Presenting orientation sessions to employees
- Facilitating focus group sessions with employees
- Conducting an external market salary survey



- Developing recommendations for compensation management
- Revising classification descriptions based on employee JAT feedback
- Developing recommendations for compensation and classification changes
- Creating draft and final reports
- Conducting training sessions with human resources staff in the methodology used to systematically assess job classifications

Kickoff Meeting

The kickoff meeting provided an opportunity to discuss the history of the City, finalize the work plan, and begin the data collection process. Data collection included the gathering of relevant background material, including existing pay plans, organization charts, policies, procedures, training materials, classification specifications, and other pertinent material.

Employee Outreach

Through the orientation sessions, Evergreen consultants briefed employees on the purpose and major processes of the study. This process addressed employee questions in an effort to resolve misconceptions about the study and related tasks and explained the importance of employee participation in the JAT process.

In addition, employees participated in focus group sessions designed to gather input from their varied perspectives as to the strengths and weaknesses of the current system. Feedback received from employees in this context was helpful in highlighting aspects of the organization that needed particular attention and consideration. This information provided some basic perceptual background, as well as a starting point for the research process.

Job Assessment Tool® (JAT) Classification Analysis

Employees were asked to complete individual JAT surveys, where they shared information pertaining to their work in their own words. These JATs were analyzed and compared to the current classification descriptions, and classifications were individually scored based on employee responses to five compensable factor questions. Each of the compensable factors—Leadership, Working Conditions, Complexity, Decision Making, and Relationships—were given weighted values based on employee responses, resulting in a point factor score for each classification. The rank order of classes by JAT scores was used to develop a rank order of classes within the proposed compensation structure. Combined with market data, this information formed the foundation of the combined recommendations. The nature of each compensable factor is described below:

- Leadership –relates to the employee’s individual leadership role, be it as a direct report of others who have leadership responsibilities, or as an executive who has leadership over entire departments or the City as a whole.
- Working Conditions – deals with the employee’s physical working conditions and the employee’s impact on those conditions, as well as the working conditions impact or potential impact on the employee.



- Complexity – describes the nature of work performed and includes options ranging from entry-level manual or clerical tasks up to advanced scientific, legal, or executive management duties.
- Decision Making – deals with the individual decision-making responsibility of the employees. Are decisions made on behalf of the employee or is the employee making autonomous decisions that impact the individual, other employees, or even the entire organization?
- Relationships – deals with organizational structure and the nature of the employee’s working relationships. Responses range from employees who work primarily alone, those who work as members of a team, those who oversee teams, and those who oversee the organization as a whole.

Salary Survey

The external market for this study was defined as identified local government organizations with similar positions as well as similar characteristics, demographics, and service offerings. Specific benchmark positions in the City were surveyed, although not all positions had matching positions at the peer organizations. This market data was supplemented by secondary data from the local area, sourced from the Economic Resource Institute and Salary.com’s Comp Analyst tool. The data were then analyzed by comparing City classifications to the jobs performing the same duties at peer organizations to gain a fuller understanding of their market position.

Recommendations

Evergreen developed recommendations for the City to consider in order to help maximize the effectiveness and efficiency of its current compensation and classification structure. Evergreen provided the City with a variety of recommendations for the future at various costs. Plans ranged from minor tweaks to the current compensation and classification system to wholesale changes to the entire organizational structure. These plans were designed to fix the issues identified in this report while continuing to build on the strengths the City currently exhibits.

1.2 REPORT ORGANIZATION

This report includes the following additional chapters:

- Chapter 2 – Summary of Employee Outreach
- Chapter 3 – Assessment of Current Conditions
- Chapter 4 – Market Summary
- Chapter 5 – Recommendations



Chapter 2 – Summary of Outreach

Outreach was conducted by six Evergreen consultants over the course of four separate weeks. The consultants met with City employees, explained the process of the study, and fielded questions that employees had about the study. Focus groups were conducted to solicit information from employees that gave Evergreen solid information to begin researching. Employees provided Evergreen with their opinions on classifications that were outdated, behind the market, or had trouble retaining employees.

Information was also provided on the employees' opinions of the biggest competitors to the City. Finally, employees provided information on all the positive aspects of employment with the City. Evergreen used employee opinions as a starting point for some data collection, but everything that was used in the course of this study was independently verified by Evergreen. A full summary of the outreach can be found in **Chapter 2** of this report.

Chapter 3 - Assessment of Current Conditions

An assessment of current conditions was conducted to help Evergreen better understand the current standing of the City pay plans, demographics, and compensation structures. This assessment should be considered a snapshot in time and is reflective of the conditions present within the City upon the commencement of this study. By leveraging this information, Evergreen was able to gain a better understanding of the strengths and weaknesses of the current compensation system. When combined with the market results, the Assessment of Current Conditions helped provide a basis for recommendations. A full summary of the Assessment of Current Conditions can be found in **Chapter 3** of this report.

Chapter 4 - Market Summary

A salary survey was designed by Evergreen and approved by the City's human resources department. The external market was defined by Evergreen and approved by the City's human resources department. Additional secondary data was collected and used to supplement the primary data. After the results were received, the data were analyzed to compare the City to the overall results. Combined with the Assessment of Current Conditions, the market survey gave Evergreen the information needed to understand the City's position relative to its labor market. A full summary of the market results can be found in **Chapter 4** of this report.

Chapter 5 – Recommendations

During the recommendations phase, Evergreen provided the City several different solution options based on its current relationship with the market and its internal equity. Solutions were provided that only require minor tweaks to the current compensation and classification systems, as well as some solutions that would require wholesale changes to City's current structures. Evergreen has provided the City with recommendations that can both leverage the current compensation structure and also help expand its ability to recruit and retain talent in the most competitive classifications. A full explanation of the recommendations can be found in **Chapter 5** of this report.



Chapter 2 – Summary of Employee Outreach

In June and July of 2023, Evergreen consultants conducted orientation sessions, department head interviews, and focus groups for City employees. Orientation sessions were conducted in order to inform employees about the purpose of the study, while also giving them information about the different ways they would be asked to participate and provide input. In addition, focus group questions were sent to employees via an online survey tool in August of 2023 in an effort to reach more employees and gather as much input from employees as possible. Focus groups were designed to solicit open feedback from employees concerning a number of topics related to compensation and classification. In-person focus groups and department head interviews allowed employees the opportunity to provide their perceptions on compensation and classification protocols and policies within the City and cite any concerns they may have. Overall, the goal of these groups and surveys was to gauge the general employee sentiment towards the current compensation and classification structures in use by the City while also gathering specific concerns employees had.

The observations in this chapter are a generalized summary of opinions, general themes, and trends expressed by employees who either participated in a focus group or provided direct feedback to Evergreen. It is important to note that the views shared in this summary are perceptual in nature and may not necessarily reflect the actual conditions in the City.

Observations are separated by the following six categories below:

- 2.1 General Feedback
- 2.2 Compensation
- 2.3 Classification
- 2.4 Benefits
- 2.5 Priorities for Employees
- 2.6 JAT Completion Analysis
- 2.7 Summary

2.1 GENERAL FEEDBACK

The primary focus of this study is to address the City's compensation and classification structures and ensure the system encourages recruitment and retention of high-quality employees. However, it is important to understand how employees currently view employment at large within the organization, and as a result, general feedback was sourced from employees on what brought them to work for the City and the primary factors that led to their continued employment. The comments described in this section reflect the factors that incentivized current employees to pursue employment with the organization and reflect the reasons employees decided to continue working for the organization. These elements are important to highlight, as compensation is an important factor but is often not the sole



determination for where employees wish to work. The responses in **Exhibit 2-1** display the reasons that employees originally decided to come work for the City. **Exhibit 2-2** shows why employees have stayed with the organization as long as they have.

EXHIBIT 2-1

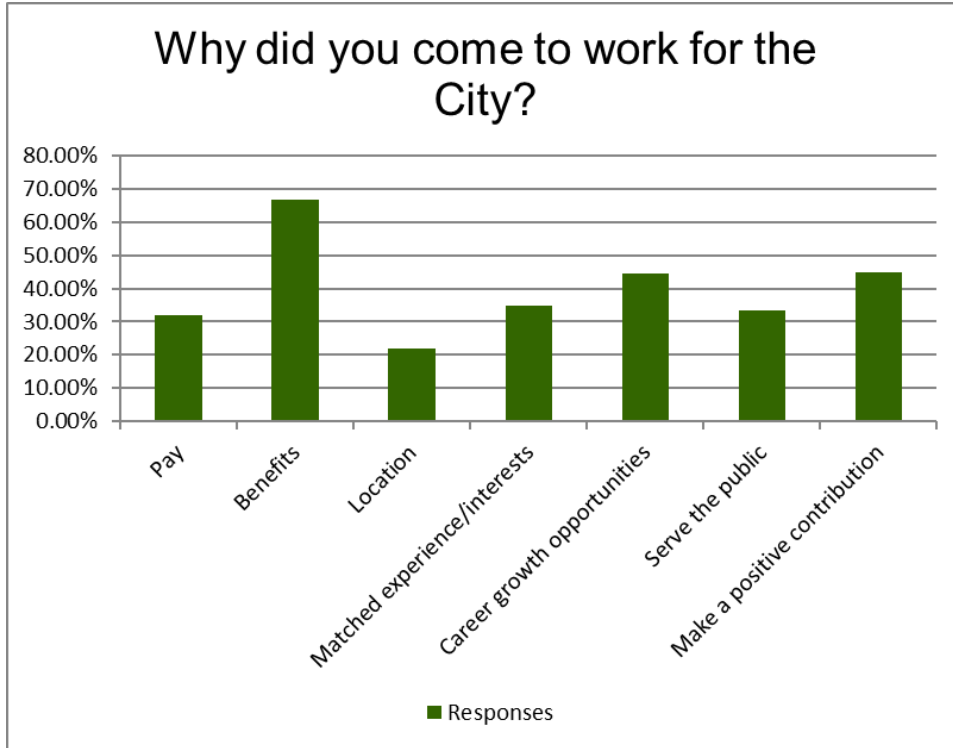
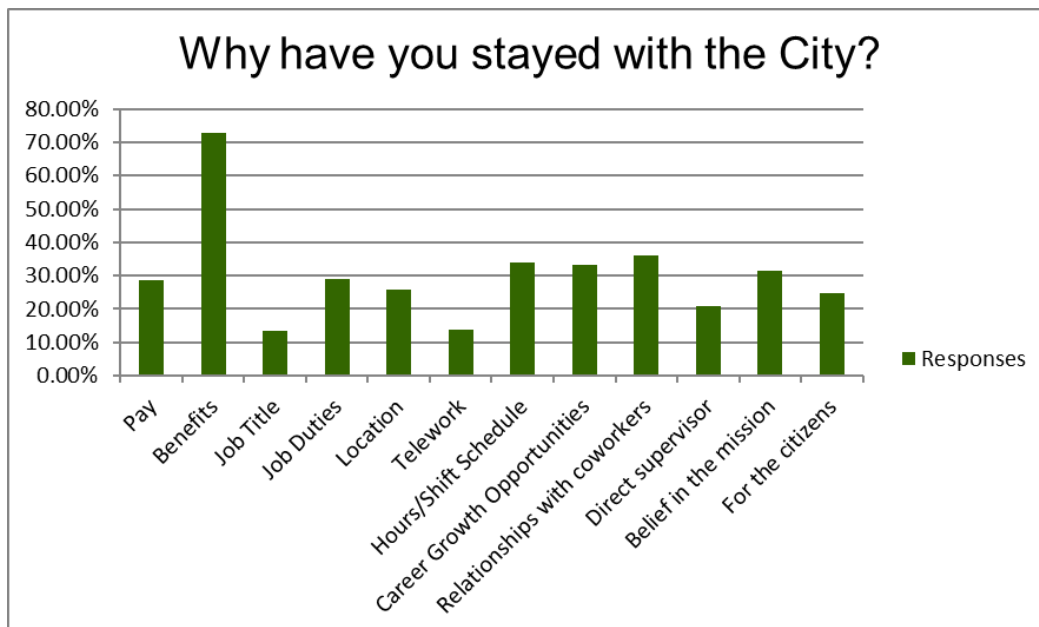


EXHIBIT 2-2



- **Benefits** – Employees in the focus group and those answering the virtual survey both stated benefits as the number one reason they came to work for the City and the reason they stay with the City. PERA, the City’s retirement plan, was listed as the top benefit. Flexible schedules and generous holidays schedules also proved to be popular discussion points in focus groups. However, employees expressed interest in tuition reimbursement, daycare assistance, and the addition of pet insurance as desired additional benefits.
- **Service to Community** – The desire to give back to their community and make a positive contribution to their hometown, families, and neighbors. Thirty-one percent of the employees stated they believe in the mission of the City and cited this as a reason to maintain employment with the City.
- **Career Growth** – While it garnered fewer responses, the City offers a range of diverse career opportunities for employees and an established path for career growth. Forty-four percent of employees completing the virtual survey felt secure in their ability to develop professionally through their employment. While employees in the focus groups felt the City didn’t allow enough development opportunities.
- **Stability** – Employees stated the stability of government work and the ability to maintain work/life balance as the key to retaining good talent and recruiting future employees.
- **Compensation** – Thirty-two percent of the employees who completed the virtual survey stated they applied to work for the City because of the pay; however, that percentage drops to 28.5 percent when asked why they stay with the City.
- **Relationships** – Thirty-six percent of employees completing the virtual survey expressed satisfaction with their co-workers. The relationship with their direct supervisor was cited by 20.9 percent of employees as a reason to stay with the City, whereas employees in the focus groups expressed concerns about poor leadership and first level supervisors needing appropriate training.
- **“Other” Category** – Some of the most popular answers provided in the other category include loyalty, commitment, the type of work being completed, and the ability to telework.

Overall, the responses were mostly positive when employees were given the opportunity to state their reasons for working at the City. Employees did appear to have a clear vision on why they came to work at the organization.

2.2 COMPENSATION

Questions were also solicited from employees on their experiences related specifically to compensation. **Exhibit 2-3** highlights perceived positive aspects of compensation. **Exhibit 2-4** shows areas of potential improvement based on employee feedback.



EXHIBIT 2-3

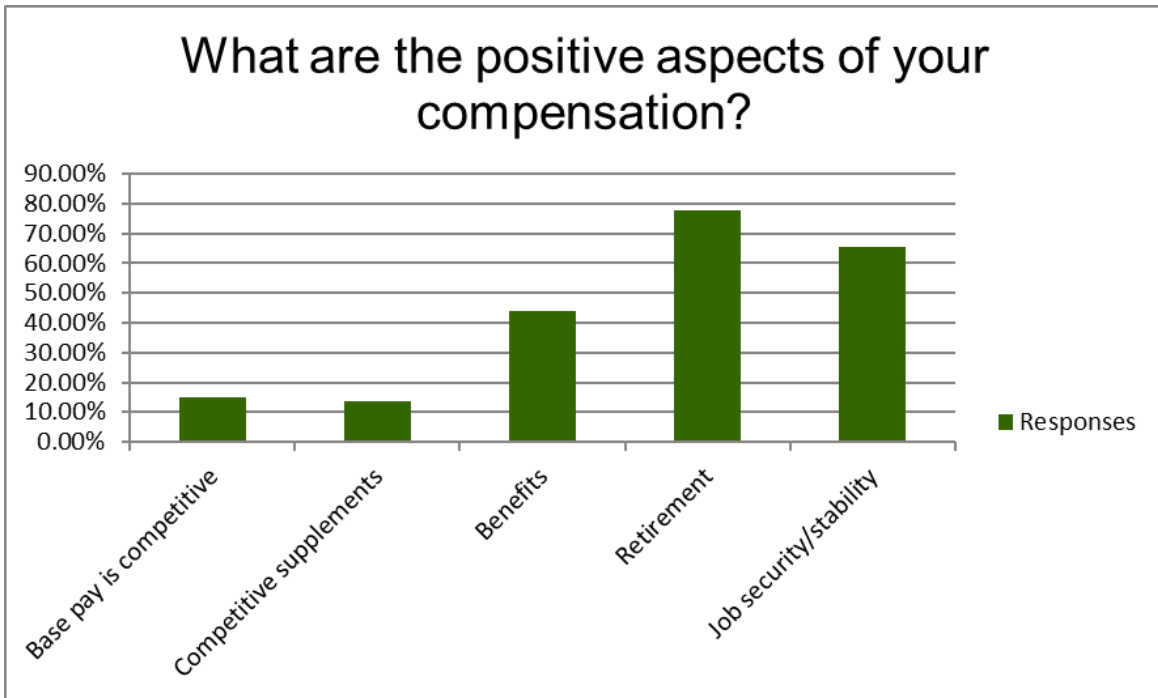
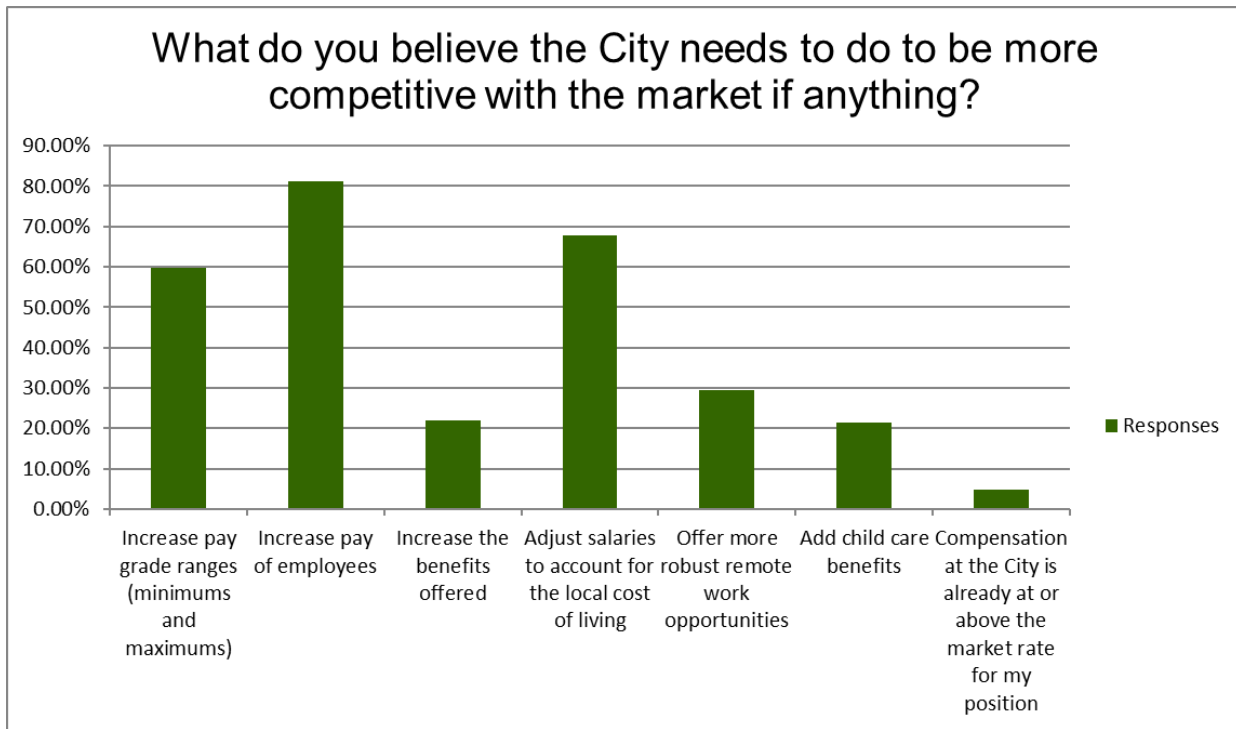
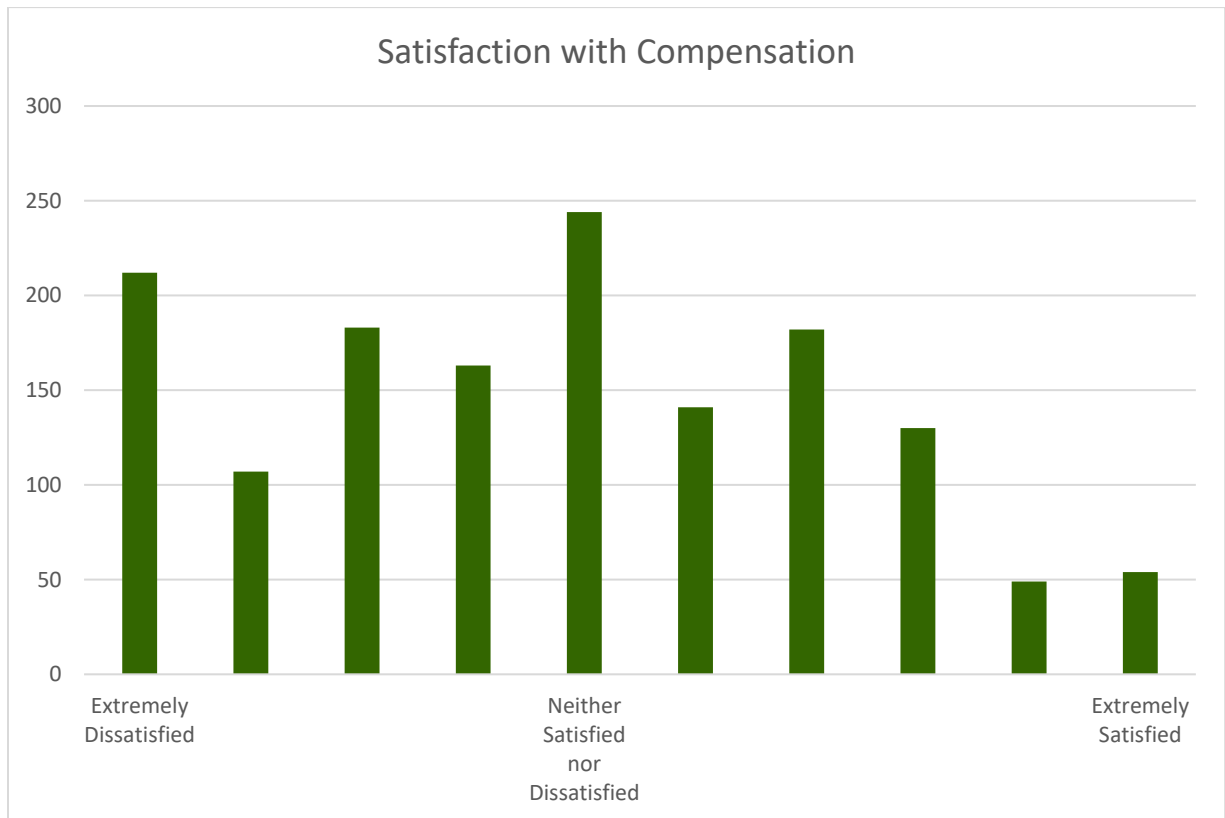


EXHIBIT 2-4



In addition, employees responding to the virtual survey were asked to rank their satisfaction with compensation. **Exhibit 2-5** shows the decrease in satisfaction with compensation.

EXHIBIT 2-5

Combining feedback from focus groups and responses to the virtual survey it appears as though the majority of employees are dissatisfied with their current compensation. The most common solutions offered by employees include:

- Create a simplified pay scale that is easy to understand.
- Provide consistent pay raises tied to merit and that realistically reflect the rising cost of living.
- Address compression between employees.
- Evaluate incentive and supplemental pays, with the top requests being uniform pay and safety incentives.
- Offer set COLA raises, by dollar amount rather than by percentages to assist lower paid positions truly meet the rising cost of inflation.



Additional concerns were expressed in relation to the lawsuit and the City’s response. Many believed the lawsuit could have been avoided had the current HR policies for raises and promotions been centralized through HR rather than allowing individualize departments to make pay adjustments. However, many stated the solution implemented by the City further undermined employees, created larger pay inequities, and undermined morale even further.

2.3 CLASSIFICATION

Employees completing the virtual survey were asked to provide feedback on their titles, duties, job descriptions, and career advancement opportunities. First, **Exhibit 2-6** shows that only 53.2 percent of employees believe their job title accurately reflects the work being performed. However, 56.6 percent state their job description does not reflect the work being performed, as demonstrated in **Exhibit 2-7**. **Exhibit 2-8** shows approximately 52.7 percent of employees believe their job title accurately reflects their level of leadership and responsibility within the organization. This data shows a majority of responding employees feel their job descriptions do not accurately reflect duties that have been added, deleted, or changed as jobs naturally evolve.

EXHIBIT 2-6

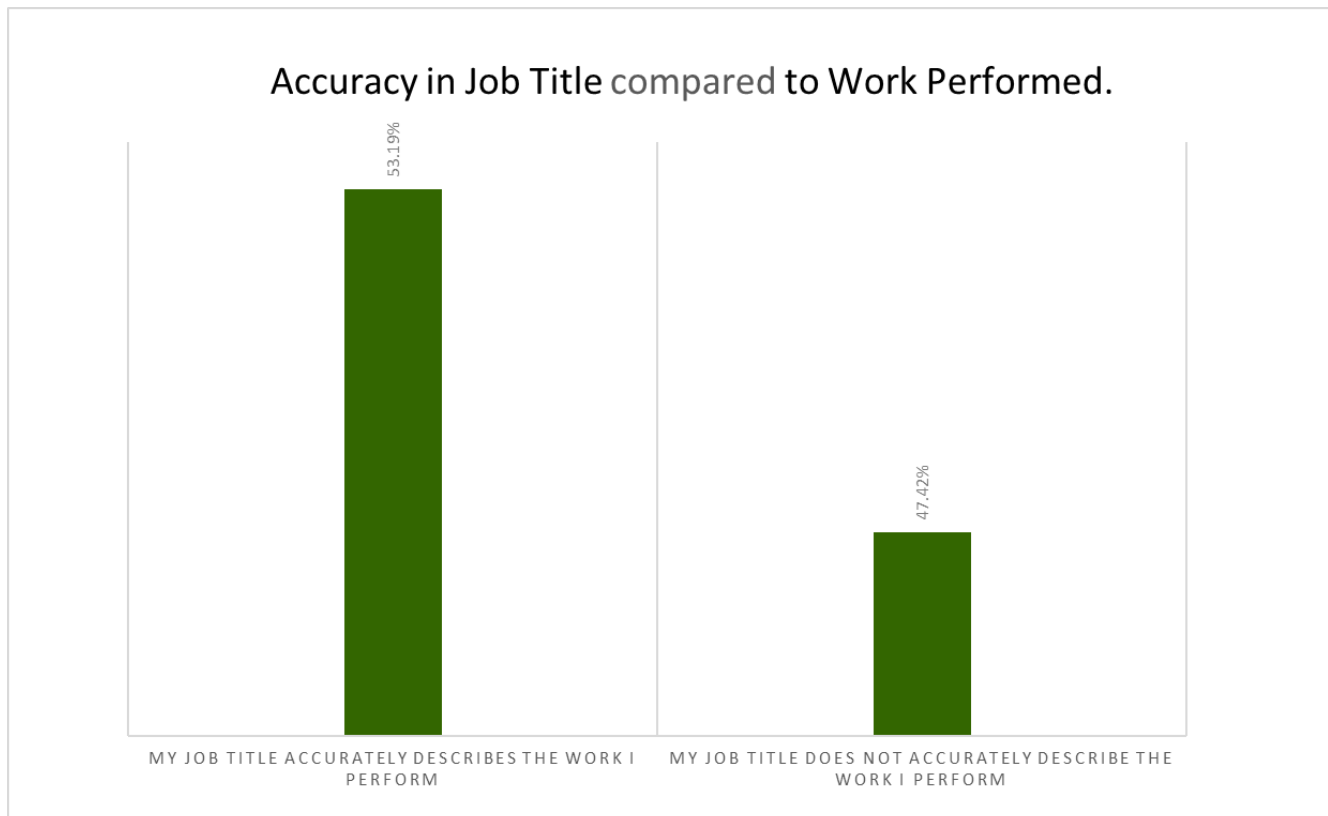


EXHIBIT 2-7

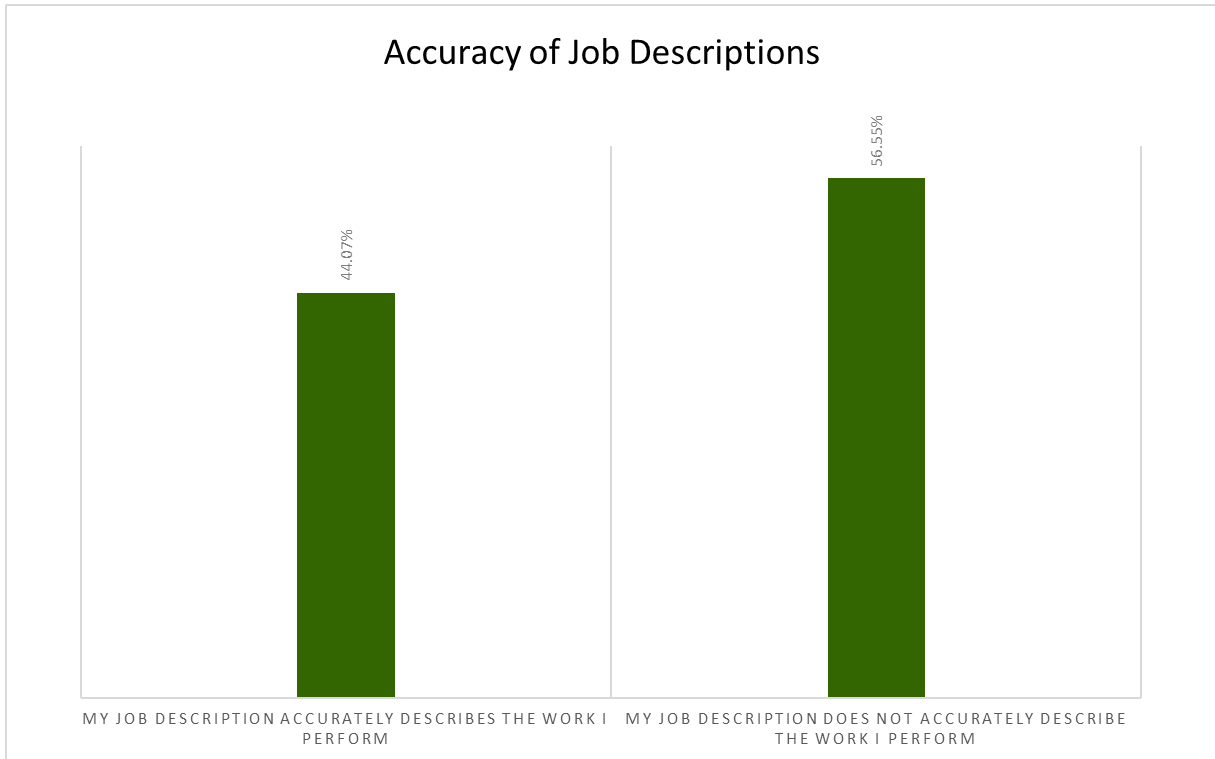
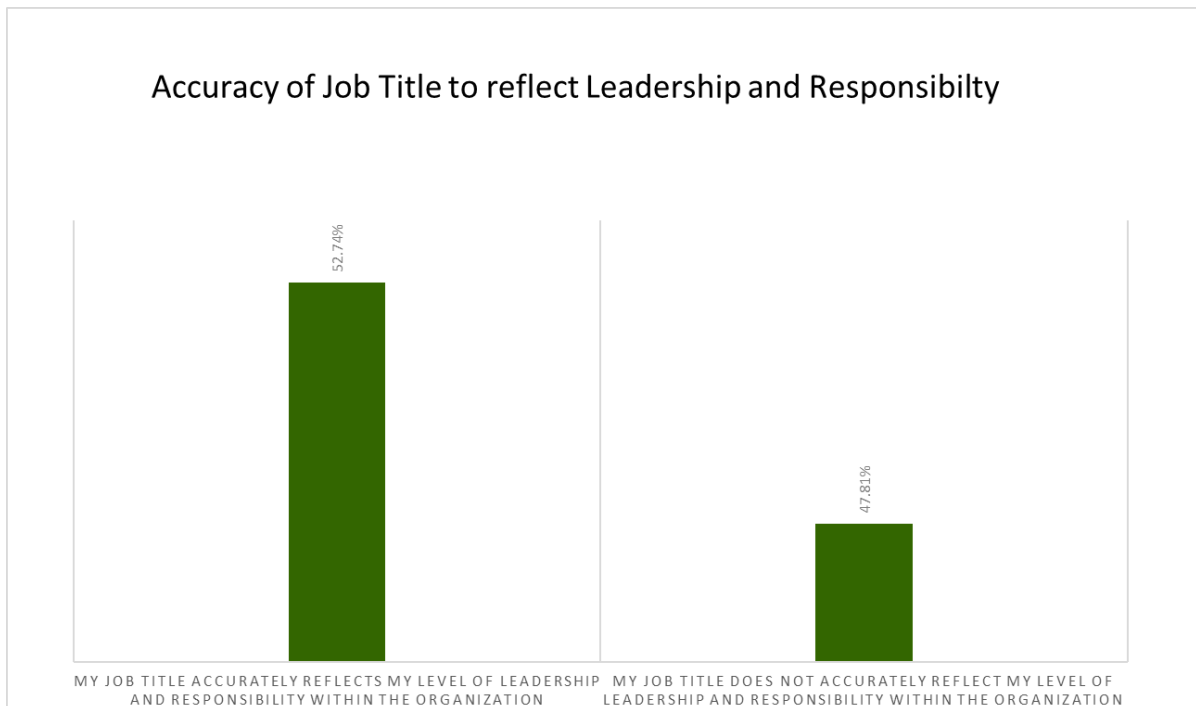


EXHIBIT 2-8



One area for improvement cited by employees is establishing a clear path to promotion in the organization. Employees were clear that there are not enough levels to advance in their current career path (**Exhibit 2-9**). Other employees in the focus groups and answering the virtual survey stated they would like to see:

- **Updated Job Descriptions** – The City may find that an annual or biannual review of job descriptions will remedy this concern by allowing employees and supervisors to regularly update job duties to reflect ever-changing responsibilities that come from new technology, programs, and City expectations.
- **Succession Plans** – Succession plans should be established and tied directly to job descriptions and training opportunities. This allows employees to clearly identify their next steps and develop the skills needed to take their careers to the next level.
- **Appropriate Levels of Advancement** – The majority of employees in the focus groups and completing the virtual survey believe there are not enough lower-level or mid-management positions, limiting them to entry-level positions with little room to advance.

Overall, these are easy fixes that can increase morale, develop employees, and create a healthy work environment. For a full list of responses, see **Exhibit 2-10**.

EXHIBIT 2-9

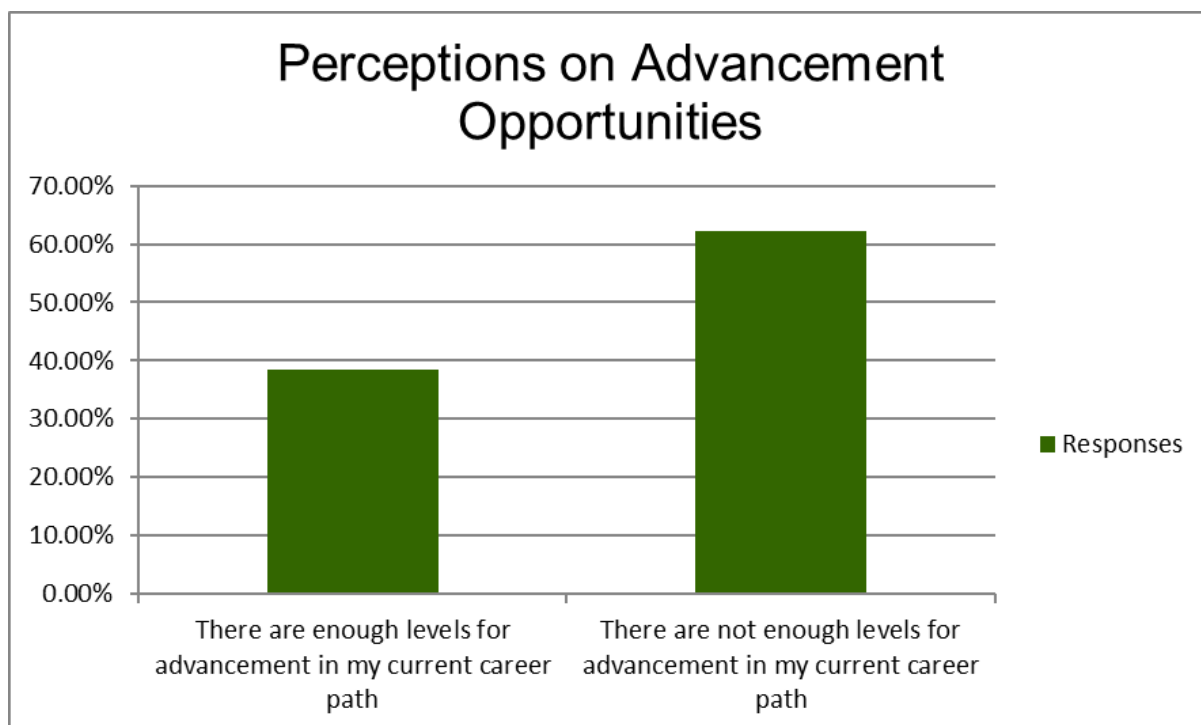
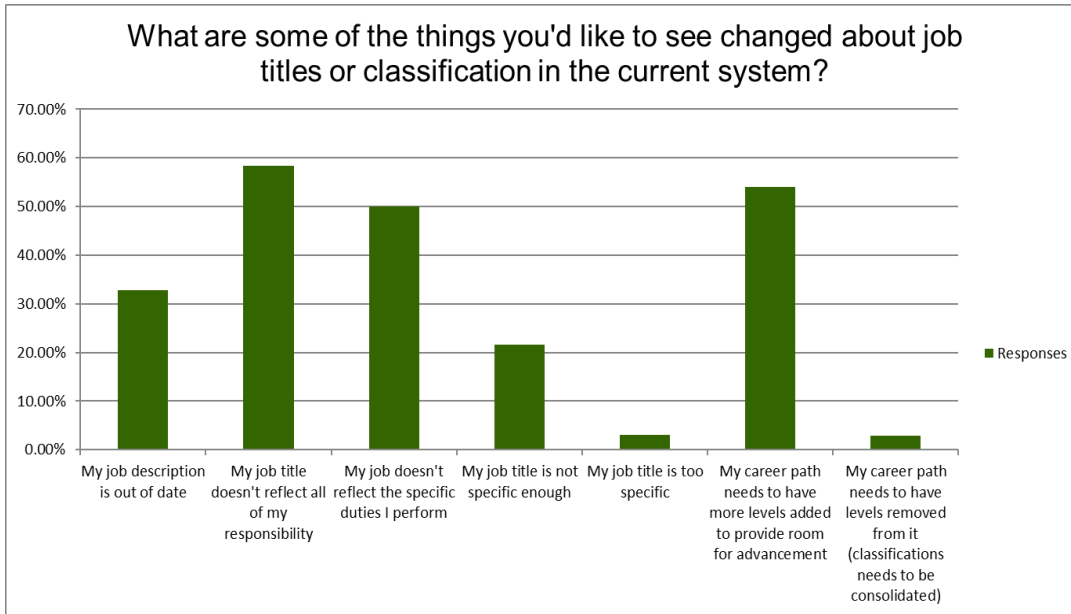


EXHIBIT 2-10



2.4 BENEFITS

Exhibit 2-11 highlights overall employee satisfaction with the current benefit offerings. Exhibits 2-12 and 2-13 show specific benefits employees liked such as Medical Care, Retirement, Paid Time Off, and Holidays; however these are also some of the items the less satisfied employees feel could be improved.

EXHIBIT 2-11

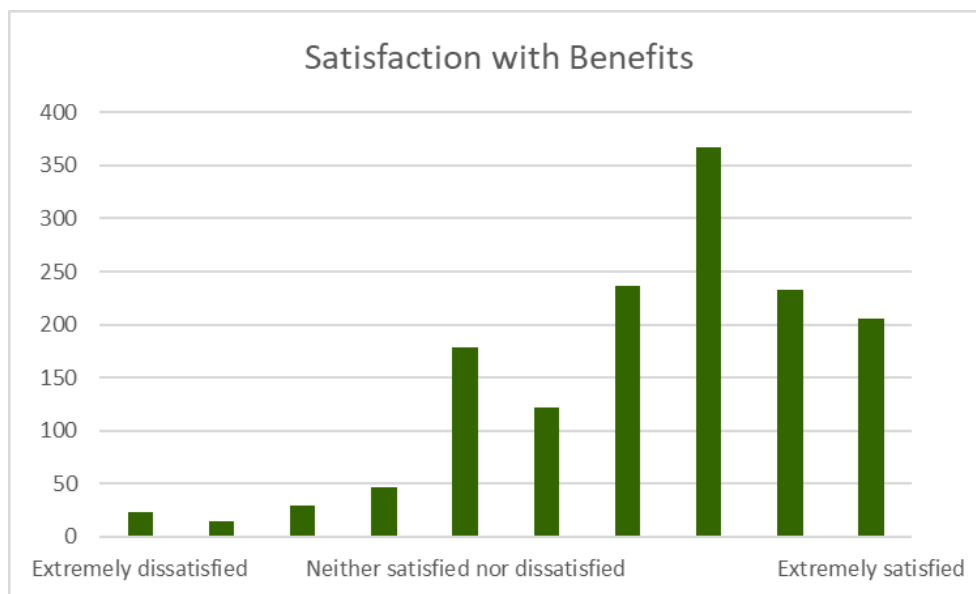


EXHIBIT 2-12

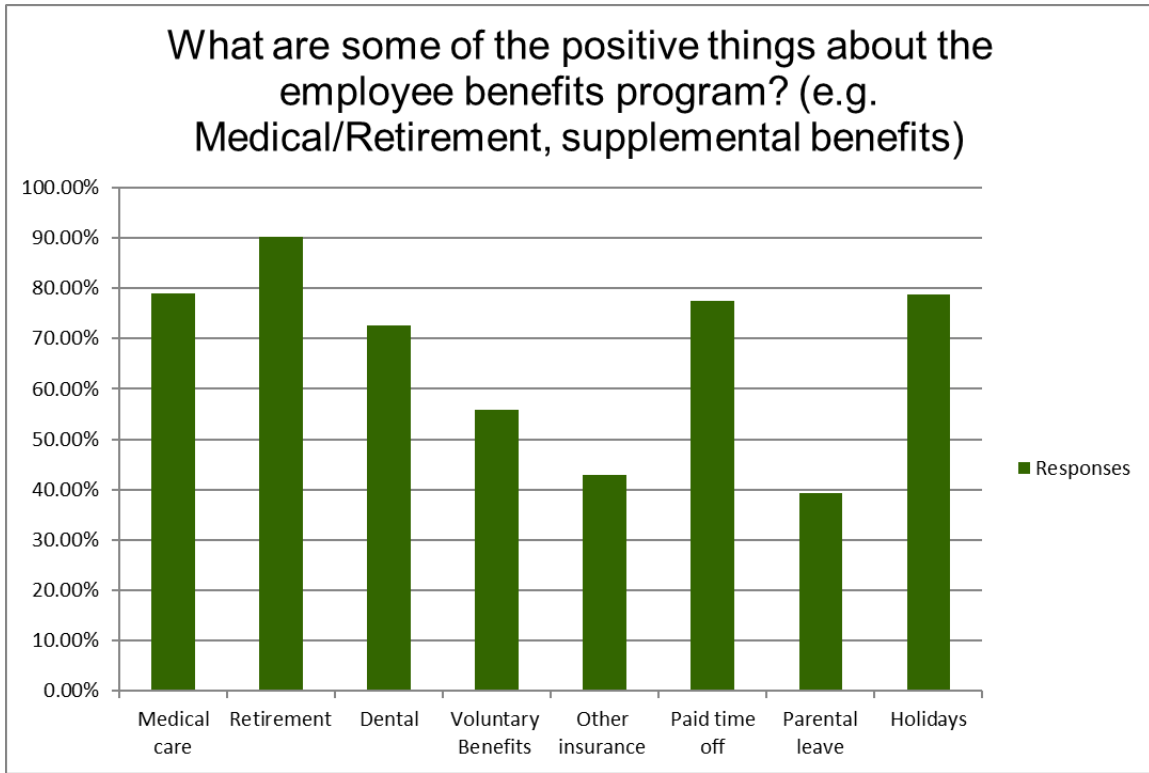
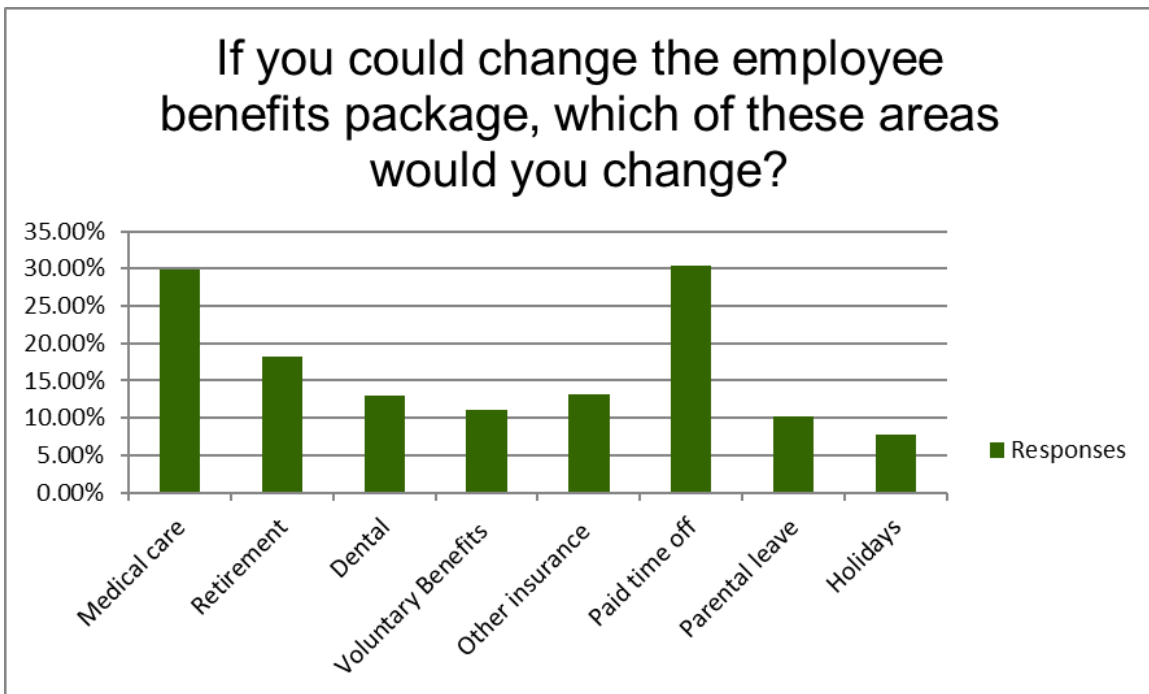


EXHIBIT 2-13



While employees are generally happy with the benefits package provided by the City, both the focus groups and employees completing the virtual survey provided exciting opportunities for the City to reward employees or increase morale by offering unique benefit opportunities.

- **Pet insurance** – Employees in the animal welfare department desired the opportunity to bring their own pets in for care, while others felt an optional pet insurance plan would suffice. Overall, all cited the wonderful job the City does educating and supporting animal owners in the City and believed offering this additional service further supports the City’s commitment to animal welfare.
- **Medical Care** – Employees often cited the cost of co-pays and deductibles as an area of concern, as well as the lack of non-traditional options, such as chiropractic or acupuncture care. Others expressed a desire to see treatments traditionally considered “cosmetic” covered or an expansion to specialists the current system will cover.
- **Supplemental Medical Insurance** – Aflac insurance was mentioned numerous times as a needed addition, as well as an expansion of vision and dental services.
- **Paid Time Off** – New employees perceive the accrual rate as lower than average, and employees across all tenures requested a change to PTO rather than having sick and annual leave time separated. Some suggested receiving an annual dump of leave, rather than having to earn it monthly.
- **Day Care Assistance** – Employees requesting daycare assistance made one of two requests. Some felt an on-site daycare would be beneficial; others believed assistance through a discount or supplemental pay would be the most helpful, as many perceive the downtown employees as benefiting the most from current programs. A discount program would be useful to others working across the entirety of the City.
- **Education/Tuition Assistance** – Employees expressed a desire for additional support from the City through the use of tuition assistance and the allowance of flexible schedules to attend classes.

Overall, the majority of employees found the current benefits package to be generous and a wonderful recruitment package. Yet, as generous as the benefits are, benefits are not enough to outweigh the low compensation.

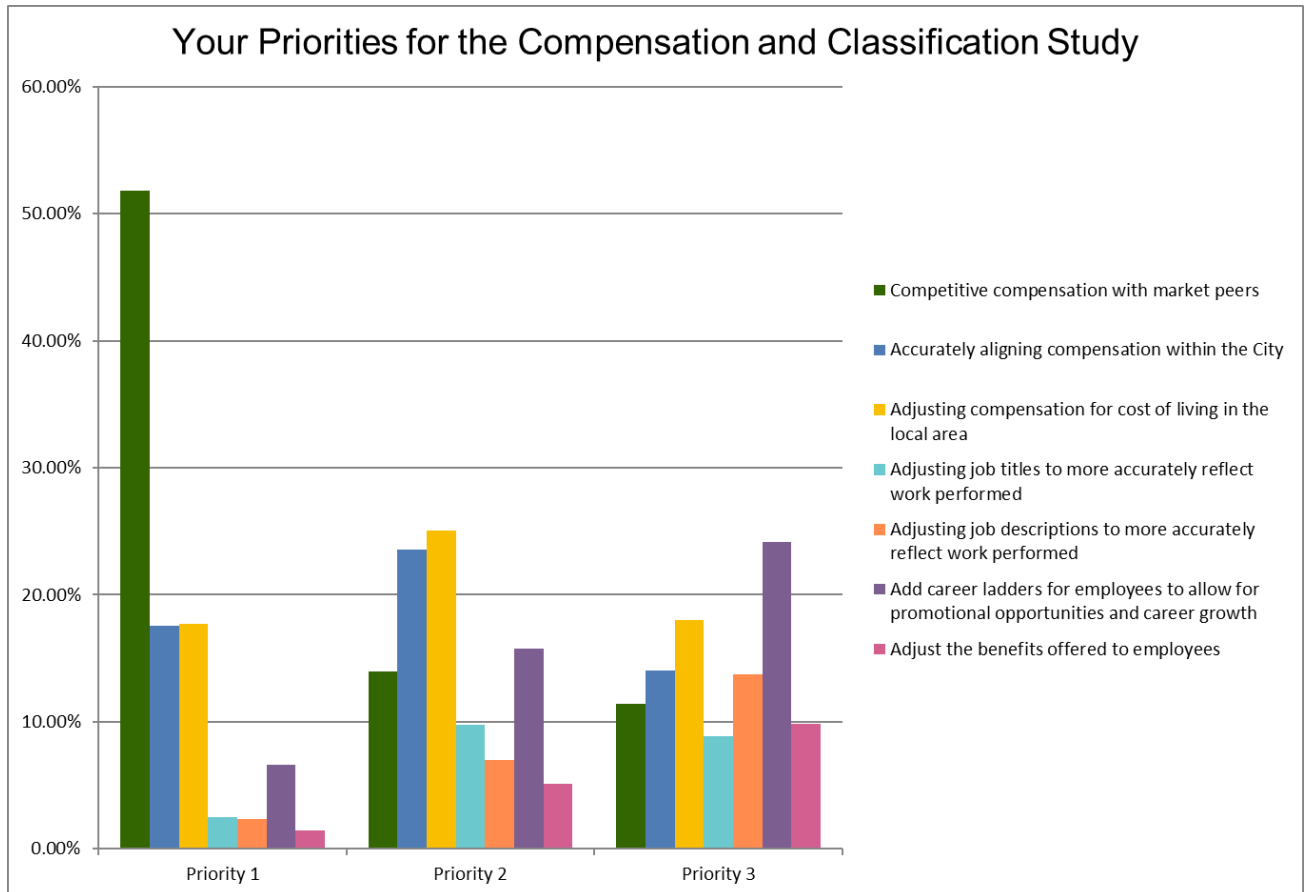
2.5 PRIORITIES FOR EMPLOYEES

Employees completing the virtual survey and attending the focus groups were asked to identify their top three priorities for the study. Focus group attendees cited staffing concerns and operational efficiencies, competitive wages, development of a fair and consistent merit system to include supervisor training, consistent and appropriate raises, and accurate job



descriptions which are tied to succession planning and employee development. Virtual participants identified competitive compensation that aligns with the market as the number one priority. Accurately aligning compensation and cost-of-living adjustments was identified as the second priority, with the development of career ladders coming in as the third priority. A full breakdown of priorities is shown below in **Exhibit 2-14**.

EXHIBIT 2-14



Targeted peers were identified for analysis utilizing input from leadership and employees. Peers were identified by geographic location and similarities to the City in budget, size, population, and number of total FTEs. Identified peers are:

- Albuquerque Bernalillo Water Utility Authority
- Albuquerque Public Schools
- Atlanta, GA
- Aurora, CO
- Austin, TX
- Bernalillo County, NM
- Central New Mexico Community College
- Colorado Springs, CO
- Dallas Area Rapid Transit



- Denver, CO
- Department of Energy
- Department of Health
- Department of Transportation
- El Paso, TX
- Fort Worth, TX
- Fresno, CA
- Houston, TX
- Las Vegas, NV
- Los Alamos Lab
- Los Cruces, NM
- Memphis, TN
- Mesa, AZ
- Milwaukee, WI
- Oklahoma City, OK
- Omaha, NE
- Phoenix, AZ
- Reno, NV
- Rio Rancho, NM
- Salt Lake City, UT
- San Francisco, CA
- Sandia National Laboratories
- Sandoval County
- Santa Fe, NM
- State of NM’s Fish and Wildlife
- Tucson, AZ
- US Forest Service
- University of NM

2.6 JAT COMPLETION ANALYSIS

The Job Assessment Tool (JAT) is designed to collect data from employees about the various roles and responsibilities they are performing at the current time. This information is used throughout the study, including during the internal assessment (Chapter 3), market survey (Chapter 4), and recommendations (Chapter 5). Successful studies are built on a foundation of strong employee participation. Receiving JATs from across the organization and across various job titles in different departments allowed Evergreen to get updated information on the workings of positions at City straight from incumbents. **Exhibit 2-15** shows just over 78 percent of classifications received data from employees through the completion of the JAT. The JATs are crucial in identifying market trends, matching compensation based on duties, and reviewing established hierarchies, as well as providing a better understanding of how responsibilities are divided among employees.



EXHIBIT 2-15
JAT COMPLETION SUMMARY

Classification Summary		
Total # of Classifications Surveyed	# of Classifications with a JAT	# of Classifications without a JAT
1077	847	230
	% Complete	% Incomplete
	78.64%	21.36%

The vast majority of departments at the City had more than half of employees showing they completed a JAT. Beyond employee participation, more than 78 percent of all classifications at City has at least one JAT completed by an incumbent. Additionally, almost 70 percent of all JATs were reviewed by their supervisor.

2.7 SUMMARY

The feedback received by Evergreen Solutions provided a solid foundation for the development of recommendations for the City. The willingness of employees to contribute to this effort was evident in the number of employees who took time out of their busy schedules to provide a completed survey response with well-reasoned comments, complete a JAT, or attend focus groups. These comments are verified and taken into consideration when identifying challenges and formulating recommendations for the organization. Often, this insight allows Evergreen to focus on the top concerns of employees when making recommendations, such as focusing on market competitiveness and understanding the level of dissatisfaction employees have with the current compensation philosophy. It also provides important insight for the City, as benefits are reviewed annually, compensation philosophies are determined, or supplemental compensation methods are discussed. The data also confidently supports employee desires to see a clearly defined pay grade system, with clearly defined expectations for raises and promotions.

As a whole, the City employees had excellent feedback and were enthusiastic when talking with Evergreen consultants during the orientation period. The Evergreen Team used the information gathered from employees throughout the remainder of this study in order to arrive at appropriate recommendations for the City.



Chapter 3 – Assessment of Current Conditions (AOCC)

The purpose of this chapter is to provide a statistical analysis of the classification and compensation system in place at the City at the start of this study. The assessment is divided into the following sections:

- 3.1 Analysis of Pay Plans
- 3.2 Grade Placement Analysis
- 3.3 Quartile Analysis
- 3.4 Compression Analysis
- 3.5 Summary

The analysis represented in this chapter reflects a snapshot in time – this chapter was built utilizing City information collected in June of 2023, the beginning of the study. Every organization changes continuously, so this chapter is not meant to be a definitive statement on continuing compensation practices at the City; rather, this Assessment is meant to represent the conditions that were in place when this study began. The City has moved to an interim pay structure as a result of recent litigation. The interim pay plans were in place at the beginning of the study and are analyzed for the purposes of this chapter. While this information is not reflective of the compensation decisions that the City has made historically, the data show the placement and arrangement of employee salaries at the beginning of this study. The data contained within provide the baseline for analyses through the course of this study but are not sufficient cause for recommendations in isolation. By reviewing employee data, Evergreen gained a better understanding of the structure and methods in place and identified opportunities for both further review and potential revision.

3.1 ANALYSIS OF PAY PLANS

The purpose of analyzing the various pay plans used within the City is to help gain an understanding of the compensation philosophy as it existed when the study began. The City utilizes several pay plans for the various classifications and union contracts throughout the organization. Many pay grades follow a step structure, while other grades have one set rate for the grade. Due to the State of New Mexico’s regulatory environment, the City has created additional ‘interim’ pay plans that have allowed the City to adjust salaries for individual positions. Currently, employees on the interim plans fall onto a two-step structure – an entry step for a probationary rate and a second step for permanent employees who have progressed through their probationary status. Moreover, the City does not currently use the whole pay range on the interim pay plans. However, for the purposes of this chapter, the entirety of each pay grade is analyzed.



All occupied pay grades are included in **Appendix 1-1** of this report, which means we are looking here at filled positions for this analysis. The exhibit provides the name, each pay grade on the plan, the steps associated with the grade, and the range spread for each pay grade – which is a measure of the distance between the minimum and maximum of the grade. The majority of the City’s pay plans follow a step structure, while other pay grades have a set pay rate. For example, grade F11 provides a specific pay rate for Firefighters with no movement through the range. It is important to note that some positions within the City are ‘unclassified’, and do not have a pay range associated with them. Unclassified employees are included in the total number of incumbents within the City but are not analyzed throughout the rest of the chapter.

The City’s pay plans include 149 occupied pay grades encompassing 27 departments. These departments hold 6,426 employees. The City’s range spreads are inconsistent across different grades. Excluding pay grades with one set rate, the City’s range spreads vary from 2 – 70 percent. The reason for this major difference is due to the number of steps within each grade. Pay grades with a narrow range spread may have only 2 steps while other pay grades may have up to 12 steps and possess much wider range spreads, ranging from 67 – 70 percent. The inconsistencies in steps have caused this discrepancy in the range spreads across pay grades.

In the following sections of this report, the analyses are conducted per department to present data in a usable format. **Exhibit 3A** lists each department, the number of employees in the department, the number of classifications within the department, and the percentage of the total employee count that makes up the department. The Police department contains the most employees, with 1,484, while the Office of Inspector General has the fewest number of employees, with only 3 incumbents.

EXHIBIT 3A
EMPLOYEE DISTRIBUTION THROUGHOUT EACH DEPARTMENT

Department	Employees	Classes	% of Total
Animal Welfare	120	37	1.9%
Aviation	172	77	2.7%
Chief Administrative Office	13	13	0.2%
City Support	83	18	1.3%
Civilian Police OS Dept	11	6	0.2%
Community Safety Department	65	25	1.0%
Council Services	42	22	0.7%
Cultural Services	383	124	6.0%
Economic Development	19	17	0.3%
Environmental Health	66	28	1.0%
Family Community Svcs	474	81	7.4%
Finance Admin Svc	114	61	1.8%
Fire	784	60	12.2%
General Services Department	174	54	2.7%
Human Resources	42	28	0.7%
Internal Audit	5	4	0.1%
Legal	73	32	1.1%
Municipal Development	252	103	3.9%
Office of Inspector GenDept	3	3	0.0%
Office of the City Clerk	29	14	0.5%
Parks and Recreation	688	131	10.7%
Planning Department	156	63	2.4%
Police	1484	171	23.1%
Senior Affairs	218	49	3.4%
Solid Waste	438	75	6.8%
Technology and Innovation	148	62	2.3%
Transit	370	65	5.8%
Total	6426	1423	100.0%

Comparing the summary data in **Appendix 1-1** to best practices, a number of observations can be made regarding the City's pay plans. Based on the analysis of the pay plans, the following facts can be observed:

- Range spreads are inconsistent across pay grades throughout the organization due to the varying number of steps within each pay grade.
- Naming conventions for pay grades are not straightforward and do not always logically align with the Grade's assigned pay plan. For example, Grade ZBE is on the E pay scale and grade Y38 falls on the M series.
- The minimum FTE annual pay offered to any City employee is \$24,960 while the maximum salary of any pay grade is \$168,355.



3.2 GRADE PLACEMENT ANALYSIS

The Grade Placement Analysis examines how employee salaries are distributed throughout the pay ranges within each department. This can help identify salary progression issues, which are usually accompanied by employee salaries that are clustered in segments of the pay range. A clustering of employee salaries in the lower part of ranges can indicate a lack of salary progression for employees or a high level of employee turnover. A clustering of employee salaries at the high end of pay ranges can be a sign of high employee tenure or a sign that the pay ranges are behind the market, forcing the organization to offer salaries near the maximum of the range to new hires. Regarding minimum and maximum salaries, employees at the grade minimum are typically newer to the organization or to the classification, while employees at the grade maximum are typically highly experienced and highly proficient in their classification. The Grade Placement Analysis examines how salaries compare to pay range minimums, midpoints, and maximums.

Exhibit 3B displays the percentage and number of employees compensated at their pay grade minimum and pay grade maximum. The percentages presented are based on the total number of employees in that department. As can be seen in the exhibit, 5.8 percent (371 total) of all employees are compensated at their pay grade minimum. A higher percentage of employees, at 32.7 percent (2,102 total), are compensated at their pay grade's maximum.

EXHIBIT 3B
EMPLOYEES AT MINIMUM AND MAXIMUM BY DEPARTMENT

Department	Employees	# at Min	% at Min	# at Max	% at Max
Animal Welfare	120	13	10.8%	87	72.5%
Aviation	172	13	7.6%	89	51.7%
Chief Administrative Office	13	0	0.0%	13	100.0%
City Support	83	0	0.0%	83	100.0%
Civilian Police OS Dept	11	0	0.0%	3	27.3%
Community Safety Department	65	8	12.3%	53	81.5%
Council Services	42	0	0.0%	36	85.7%
Cultural Services	383	25	6.5%	116	30.3%
Economic Development	19	0	0.0%	17	89.5%
Environmental Health	58	0	0.0%	7	12.1%
Family Community Svcs	490	8	1.6%	47	9.6%
Finance Admin Svc	105	2	1.9%	27	25.7%
Fire	785	77	9.8%	28	3.6%
General Services Department	174	15	8.6%	105	60.3%
Human Resources	42	0	0.0%	10	23.8%
Internal Audit	5	0	0.0%	0	0.0%
Legal	73	0	0.0%	54	74.0%
Municipal Development	252	11	4.4%	149	59.1%
Office of Inspector GenDept	3	0	0.0%	1	33.3%
Office of the City Clerk	29	1	3.4%	7	24.1%
Parks and Recreation	688	16	2.3%	175	25.4%
Planning Department	157	5	3.2%	30	19.1%
Police	1483	82	5.5%	321	21.6%
Senior Affairs	218	12	5.5%	80	36.7%
Solid Waste	438	51	11.6%	295	67.4%
Technology and Innovation	148	0	0.0%	62	41.9%
Transit	370	32	8.6%	207	55.9%
Total	6426	371	5.8%	2102	32.7%

In addition to assessing the number of employees at minimum and maximum, an analysis was conducted to determine the number of employees below and above the pay grade midpoint. The percentages refer to the percentage of employees in each department that are above and below the midpoint. **Exhibit 3C** displays the results of this analysis: a total of 1,357 employees are compensated below their pay grade midpoint; which is 21.1 percent of all employees for the City. There are 2,792 employees compensated above the midpoint of their pay grade, which is 43.4 percent of all employees. Employees who are in pay grades with one set pay rate are considered to be at the midpoint, as the value is consistent at minimum and maximum, and those pay grades are the reason the percentages do not add up to 100.0 percent.

EXHIBIT 3C
EMPLOYEES ABOVE AND BELOW MIDPOINT BY DEPARTMENT

Department	Employees	# < Mid	% < Mid	# > Mid	% > Mid
Animal Welfare	120	25	20.8%	95	79.2%
Aviation	172	53	30.8%	119	69.2%
Chief Administrative Office	13	0	0.0%	13	100.0%
City Support	83	0	0.0%	83	100.0%
Civilian Police OS Dept	11	7	63.6%	4	36.4%
Community Safety Department	65	9	13.8%	56	86.2%
Council Services	42	0	0.0%	42	100.0%
Cultural Services	383	148	38.6%	235	61.4%
Economic Development	19	1	5.3%	18	94.7%
Environmental Health	58	25	43.1%	33	56.9%
Family Community Svcs	490	112	22.9%	126	25.7%
Finance Admin Svc	105	23	21.9%	82	78.1%
Fire	785	88	11.2%	33	4.2%
General Services Department	174	31	17.8%	138	79.3%
Human Resources	42	19	45.2%	23	54.8%
Internal Audit	5	2	40.0%	3	60.0%
Legal	73	17	23.3%	56	76.7%
Municipal Development	252	46	18.3%	206	81.7%
Office of Inspector GenDept	3	0	0.0%	3	100.0%
Office of the City Clerk	29	20	69.0%	9	31.0%
Parks and Recreation	688	104	15.1%	184	26.7%
Planning Department	157	103	65.6%	53	33.8%
Police	1483	207	14.0%	385	26.0%
Senior Affairs	218	83	38.1%	107	49.1%
Solid Waste	438	75	17.1%	363	82.9%
Technology and Innovation	148	44	29.7%	68	45.9%
Transit	370	115	31.1%	255	68.9%
Total	6426	1357	21.1%	2792	43.4%

3.3 QUARTILE ANALYSIS

The last part of the Grade Placement Analysis is a detailed look at how salaries are distributed through each department, through a quartile analysis. Here, each pay grade is divided into four segments of equal width, called quartiles. The first quartile represents the first 25 percent of the pay range; the second quartile represents the part of the range above the first quartile up to the mathematical midpoint; the third quartile represents the part of the range from the midpoint to 75 percent of the pay range; and the fourth quartile represents the part of the range above the third quartile up to the pay range maximum. Employees are assigned to a quartile within their pay range based on their current salary. Pay grades with a 0 percent range spread are not included in this analysis, as employees within these classifications are at a set pay rate and will not fall into quartiles.

The quartile analysis is used to determine the location of employee salary clusters. Quartile analysis helps identify whether clusters exist in specific quartiles of pay grades. Additionally, the amount of time the employee has spent at the organization is also analyzed, in order to observe any relationship between organizational tenure and salary progression. This information, while not definitive alone, can shed light on any root issues within the current compensation and classification plan when combined with market data and employee feedback.

Exhibit 3D shows the number of employees that are in each quartile of each department, as well as the average overall tenure (i.e., how long an employee has worked for the City) by quartile. Overall, the data illustrates that 19.5 percent of employees fall into Quartile 1 of their respective grade, 13.2 percent fall into Quartile 2, 10.9 percent fall into Quartile 3, and 56.4 percent fall into Quartile 4. While this distribution does not lead to a conclusion, data for average tenure do lead to determinations on the relationship between tenure and salary.

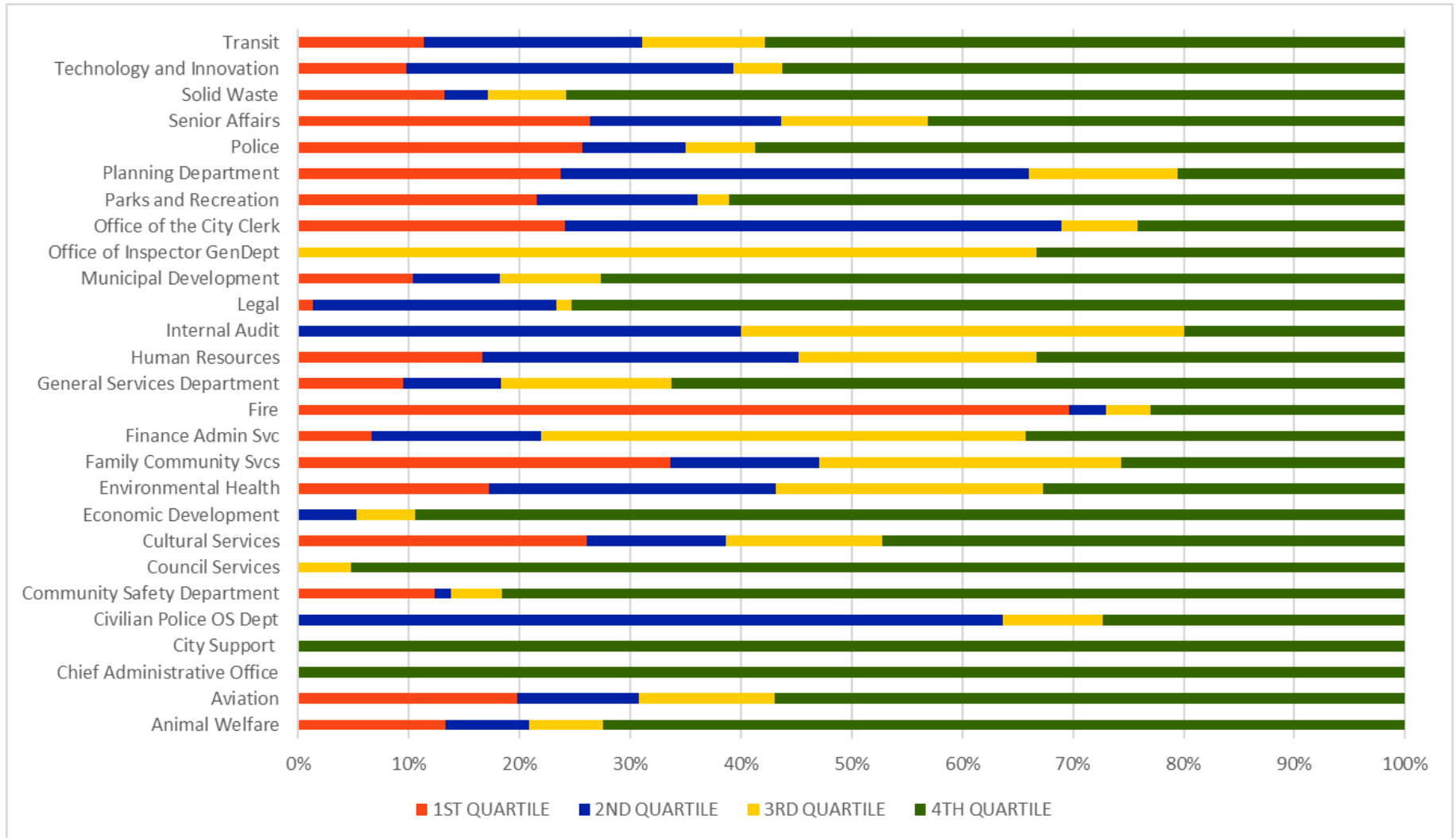
Specifically, overall average tenure generally increases as quartile increases; the average tenure in Quartile 1 is 4.8 years; in Quartile 2 is 8.3 years; in Quartile 3 is 10.1 years; and in Quartile 4 is 8.7 years. This would seem to indicate that employees are moved through their pay grades equitably, or at the very least a positive linear relationship exists between tenure and pay.

Exhibit 3E displays a graphical representation of the data contained in **Exhibit 3D**. Each pay grade is divided into up to four sections representing the percentage of employees in that pay grade, who belong in each quartile within each department. For example, the Chief Administrative Office and City Support do not have any employees in quartiles 1, 2, or 3. These departments are represented by a 100 percent green bar, showing that 100 percent of Chief Administrative Office and City Support employees are in Quartile 4. The Transit department has employees in all four quartiles and is consequently represented with bars displaying all four colors, corresponding to the percentage of employees in each quartile.

EXHIBIT 3D
QUARTILE ANALYSIS AND TIME WITH THE ORGANIZATION

DEPARTMENT	Total Employees	Average Tenure	1st Quartile		2nd Quartile		3rd Quartile		4th Quartile	
			# Employees	Avg Tenure	# Employees	Avg Tenure	# Employees	Avg Tenure	# Employees	Avg Tenure
Animal Welfare	120	7.5	16	3.1	9	10.8	8	8.6	87	7.9
Aviation	172	8.0	34	6.2	19	13.7	21	8.9	98	7.3
Chief Administrative Office	13	6.6	0	-	0	-	0	-	13	6.6
City Support	83	18.4	0	-	0	-	0	-	83	18.4
Civilian Police OS Dept	11	7.1	0	-	7	2.2	1	25.4	3	12.6
Community Safety Department	65	2.8	8	1.2	1	0.5	3	9.3	53	2.7
Council Services	42	9.0	0	-	0	-	2	4.7	40	9.2
Cultural Services	383	8.1	100	6.8	48	9.7	54	8.4	181	8.3
Economic Development	19	4.2	0	-	1	3.9	1	27.7	17	2.8
Environmental Health	58	10.2	10	2.6	15	12.6	14	13.5	19	9.9
Family Community Svcs	238	5.5	80	8.6	32	12.6	65	12.4	61	7.7
Finance Admin Svc	105	10.0	7	6.7	16	7.9	46	11.1	36	10.1
Fire	122	10.7	85	1.5	4	4.2	5	11.5	28	8.0
General Services Department	169	7.6	16	0.8	15	5.9	26	8.4	112	8.7
Human Resources	42	8.2	7	8.2	12	6.9	9	11.4	14	7.4
Internal Audit	5	3.7	0	-	2	4.6	2	3.3	1	2.8
Legal	73	4.6	1	0.7	16	9.0	1	18.0	55	3.2
Municipal Development	252	10.1	26	5.3	20	11.8	23	11.1	183	10.5
Office of Inspector GenDept	3	9.3	0	-	0	-	2	13.0	1	1.8
Office of the City Clerk	29	7.5	7	6.4	13	6.1	2	22.1	7	7.1
Parks and Recreation	288	4.9	62	8.1	42	14.9	8	10.7	176	8.7
Planning Department	156	6.4	37	5.0	66	6.4	21	8.4	32	6.8
Police	591	8.2	152	3.0	55	5.2	37	7.0	347	7.2
Senior Affairs	190	6.0	50	6.6	33	6.7	25	4.1	82	7.5
Solid Waste	438	8.8	58	1.9	17	4.8	31	13.1	332	9.8
Technology and Innovation	112	7.8	11	8.4	33	7.8	5	7.9	63	8.1
Transit	370	8.8	42	2.2	73	5.7	41	11.7	214	10.5
Overall	4149	8.0	809	4.8	549	8.3	453	10.1	2338	8.7

EXHIBIT 3E QUARTILE PLACEMENT BY DEPARTMENT



Studying the data from the following exhibits can reveal certain patterns. One thing that can be observed is the significant percentage of employees in Quartile 4. Over half of employees are in the last quartile of their pay grade within their department. There are many reasons why this could be the case. It is possible that many employees are in the fourth quartile because they have moved up on the pay scale due to the recent pay adjustments. Another possible explanation for this could be that employees are advancing and promoting through their pay grades and have reached the top of their pay range. This is something that bears watching in the future, as the City could gather valuable information about itself.

3.4 COMPRESSION ANALYSIS

Pay compression can be defined as the lack of variation in salaries between employees with significantly different levels of experience and responsibility. Compression can be seen as a threat to internal equity and morale. Two common types of pay compression can be observed when the pay of supervisors and their subordinates are too close, or when the pay of highly tenured staff and newly hired employees in the same job are too similar.

According to the Society for Human Resources Management (SHRM), specific examples of actions that may cause pay compression include the following:

- Reorganizations change peer relationships and can create compression if jobs are not reevaluated.
- In some organizations, certain departments or divisions may be relatively liberal with salary increases, market adjustments, and promotions while others are not.
- Some employers have overlooked their Human Resources policies designed to regulate pay, paying new hires more than incumbents for similar jobs under the mantra of “paying what it takes to get the best talent.”
- Many organizations have found it easy to hire people who have already done the same work for another organization, eliminating the need for training. Rather than hiring individuals with high potential and developing them for the long term, they have opted for employees who could “hit the ground running” regardless of their potential.



Exhibit 3F indicates the ratio of subordinate to supervisor salaries by grade graphically and **Exhibit 3G** displays these results numerically. One significant complication affecting these two exhibits is the fact that in the employee database, some employees were shown as reporting to their department's timekeeper rather than their functional supervisor responsible for assigning work or assessing work performance. These database relationships not being 100% accurate reflections of true supervisory relationships make drawing conclusions from these datapoints difficult. Nevertheless, the analysis was conducted to provide an attempt to review the data that was available and provide Evergreen and HR some data to review for anomalies.

Employees were grouped into categories reflecting whether their actual salary was less than 80 percent, greater than 80 percent but less than 95 percent, greater than 95 percent but less than 100 percent, or greater than 100 percent of their supervisor's salary. Less than 80 percent would indicate that the ratio of an employee's salary to his supervisor's salary would yield a result of less than 0.8. For example, an employee with a salary of \$79,000.00 and a supervisor with a salary of \$100,000.00 would yield a ratio of 0.79, and be placed into the Less than 80 percent category.

An analysis of the data would quickly reveal that many positions in the City are in a great position, with plenty of space between employee and supervisor salaries. Over half of employees are making less than 80 percent of their supervisor's salary, as indicated by the green bars in **Exhibit 3F**. However, there is still a sizable percentage of employees with salaries more than 95 percent of their supervisor's salary. One possible explanation is that employee salaries have recently increased due to the interim pay plans, and supervisor salaries were not necessarily adjusted at the same time. This change may have led to the compression exhibited by the orange and blue bars on the graph. Anywhere orange or blue appears on **Exhibit 3F** is somewhere that warrants an examination of supervisor vs. employee salary.



**EXHIBIT 3F
EMPLOYEE TO SUPERVISOR SALARY RATIO BY DEPARTMENT**

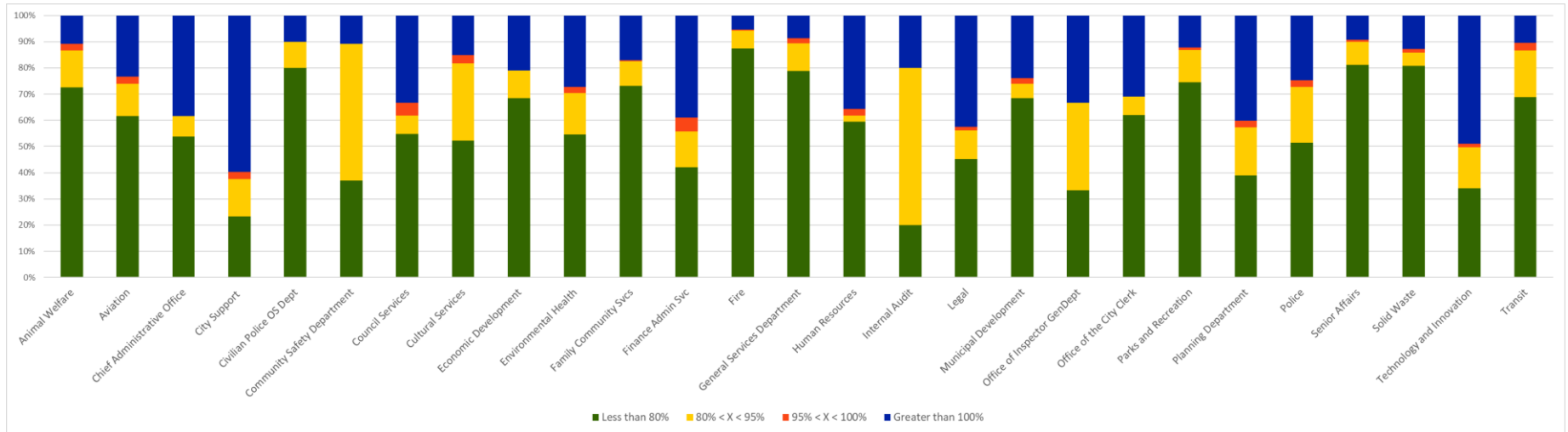


EXHIBIT 3G
EMPLOYEE-TO-SUPERVISOR SALARY RATIO BY DEPARTMENT

Department	Less than 80%	80% < X < 95%	95% < X < 100%	Greater than 100%
Animal Welfare	87	17	3	13
Aviation	106	21	5	40
Chief Administrative Office	7	1	0	5
City Support	18	11	2	46
Civilian Police OS Dept	8	1	0	1
Community Safety Department	24	34	0	7
Council Services	23	3	2	14
Cultural Services	200	113	12	58
Economic Development	13	2	0	4
Environmental Health	24	7	1	12
Family Community Svcs	350	45	2	82
Finance Admin Svc	40	13	5	37
Fire	681	53	4	41
General Services Department	127	17	3	14
Human Resources	25	1	1	15
Internal Audit	1	3	0	1
Legal	33	8	1	31
Municipal Development	171	14	5	60
Office of Inspector GenDept	1	1	0	1
Office of the City Clerk	18	2	0	9
Parks and Recreation	512	85	7	84
Planning Department	61	29	4	63
Police	758	311	38	364
Senior Affairs	176	19	2	20
Solid Waste	352	22	6	56
Technology and Innovation	46	21	2	66
Transit	233	60	10	35
Totals	4095	914	115	1179



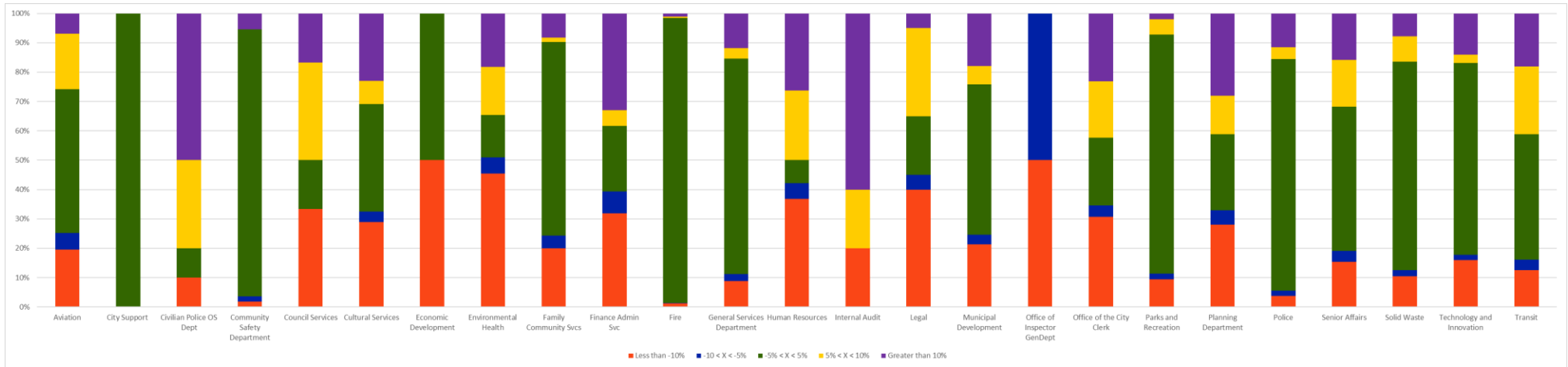
Exhibit 3H and **Exhibit 3I** showcase the actual vs. expected salaries of City employees, sorted by department. Expected salary is calculated using a 30-year progression assumption for employees. For example, an employee who had worked in the City for 15 years would expect to be at the grade midpoint, while an employee with 30 or more years within the City would expect to be at the grade maximum. It is important to note that for all analyses of salary placement, only tenure and seniority are taken into account. What is not being captured in this analysis is merit. Merit-based progression through ranges is not self-evident in a dataset such as was utilized for this report.

On **Exhibit 3I**, it is easy to discern that many City employees are being paid wages that are within five percent of what they would expect to receive, based on time within the City. Nonetheless, there are a significant number of employees making both 10 percent less than and more than 10 percent above what they would have expected to receive. The actual vs. expected salaries fluctuate significantly by department throughout the City. Once again, merit-based pay may explain some of these observations and adds context to otherwise difficult-to-interpret raw data. An employee who has been rewarded for high performance with merit-based pay increases may be likely to fall into the group being paid 10 percent or more above their “expected” wage, and a lower or more average performing employee may find themselves in the group 10 percent below their expected pay.

EXHIBIT 3H ACTUAL VS. EXPECTED SALARY

DEPARTMENT	Less than -10%	-10 < X < -5%	-5% < X < 5%	5% < X < 10%	Greater than 10%
Animal Welfare	16	0	46	10	9
Aviation	31	9	78	30	11
City Support	0	0	3	0	0
Civilian Police OS Dept	1	0	1	3	5
Community Safety Department	1	1	51	0	3
Council Services	2	0	1	2	1
Cultural Services	107	13	136	29	85
Economic Development	1	0	1	0	0
Environmental Health	25	3	8	9	10
Family Community Svcs	92	20	304	7	38
Finance Admin Svc	30	7	21	5	31
Fire	9	2	752	4	8
General Services Department	15	4	124	6	20
Human Resources	14	2	3	9	10
Internal Audit	1	0	0	1	3
Legal	8	1	4	6	1
Municipal Development	51	8	123	15	43
Office of Inspector GenDept	1	1	0	0	0
Office of the City Clerk	8	1	6	5	6
Parks and Recreation	63	13	546	35	13
Planning Department	41	7	38	19	41
Police	52	26	1106	55	162
Senior Affairs	33	8	105	34	34
Solid Waste	45	9	308	37	34
Technology and Innovation	17	2	70	3	15
Transit	46	13	156	84	66
Totals	710	150	3991	408	649

EXHIBIT 3I ACTUAL VS. EXPECTED SALARY



3.5 SUMMARY

The City utilizes several different pay plans to classify various employee groups. This provides a customized approach to allow the City to adjust each pay plan as much or as little as needed to fit the changing needs of the different groups. There were many observations made with respect to the City's compensation system in place at the beginning of the study.

- Range spread varies across each pay grade due to the differing number of steps on each grade. The City's plans have range spreads varying from 0 percent up to 70 percent.
- Over half of employees (56.4 percent) are in Quartile 4 of their pay grade. This is likely due to the two-step interim pay scale.
- The majority of City employees are paid less than 80.0 percent of their supervisors' salaries. However, there are still a significant number of employees who are making as much or more than their supervisors.

This analysis acts as a starting point for the development of recommendations in subsequent chapters of this report. Paired with market data, Evergreen is able to make recommendations that will ensure that the City compensation system is structurally sound in terms of best practice, competitive with the market, and treats all employees equitably moving forward.

Chapter 4 – Market Summary

The purpose of the market summary chapter is to benchmark the City's compensation practices against its market peers to establish how competitive the City is within the market. To complete this market study, Evergreen compared pay ranges of select benchmark positions that the City possesses against the compensation of positions performing those same duties within peer organizations. By aggregating the differences in pay ranges across all the positions, a reasonable determination is made as to the City's competitive position within the market.

It is important to note that individual salaries are not analyzed in this methodology, since individual compensation can be affected by a number of variables such as experience and job performance. For this reason, Evergreen looked at average pay ranges across the entire classification to make the most accurate comparison. This chapter, and the study overall, primarily focuses on the base pay rates of employees. In addition to this, a high-level review was conducted to assess whether the City allocates a comparable amount of resources to supplemental pay and benefits. Analysis of benefits as a percentage of total compensation reveals that the City's expenditure aligns with market standards for total resource allocation. Although the City very likely offers more generous benefits in certain areas—as do some of its peers—the overall allocation between benefits and compensation conforms to market expectations.

The results of this market study should be considered reflective of the current state of the market at the time of the study, however, market conditions can change rapidly. Consequently, it is necessary to perform market surveys of peer organizations at regular intervals in order for an organization to consistently monitor its position within the market. Furthermore, the market results detailed in this chapter provide a foundation for understanding the City's overall structural standing to the market. Although the rates reflected in this chapter are an important factor, they are not the sole determiner for how classifications were placed into the proposed salary ranges outlined in **Chapter 5**. Additionally, while the data shown compare each benchmark to all market peers in order to capture the widest overall view of the market, recommendations for many positions were based on subsets of the market at either the local or regional level. For the purposes of this study, the local market was defined as peers within New Mexico, the regional market was defined as peers within 500 miles of the City, and the national market included all peers.

Evergreen conducted a comprehensive market salary survey for the City, which included soliciting 29 target peer organizations (18 Counties and two cities) for 266 benchmark positions. Of the 29 total organizations contacted, 25 responded and provided data for the benchmark positions. Target peers were selected based on a number of factors including geographic proximity, resource level, job overlap, and size. Target organizations were also



identified for their competition with the City for employee recruitment and retention efforts. The list of targets that provided data for the purpose of this study is included in **Exhibit 4A**.

**EXHIBIT 4A
RESPONDENT MARKET PEERS**

Respondent Organizations
ABCWUA
Aurora, CO
Austin, TX
Bernalillo County, NM
Central New Mexico CC
Colorado Springs, CO
Denver, CO
El Paso, TX
Fort Worth, TX
Fresno, CA
Las Cruces, NM
Las Vegas, NV
Louisville, KY
Memphis, TN
Mesa, AZ
Milwaukee, WI
Oklahoma City, OK
Phoenix, AZ
Reno, NV
Rio Rancho, NM
Salt Lake City, UT
Santa Fe, NM
State of NM
Tucson, AZ
University of New Mexico

It was necessary to adjust peer responses relative to the City based on cost-of-living because the data collected for the market summary was from various regions. Therefore, a cost-of-living adjustment was applied to the reported pay ranges for all organizations that fell outside the City's immediate region to ensure a market average was attained in terms of the spending power an employee would have in the City's local area. Evergreen utilized cost-of-living index information from the Council for Community and Economic Research. The cost-of-living index figures for the City and each of the respondent market peers are located in **Exhibit 4B**.

EXHIBIT 4B
RESPONDENTS WITH COST-OF-LIVING ADJUSTMENTS

Organization	Cost of Living
City of Albuquerque, NM	101.6
ABCWUA	101.6
Aurora, CO	112.6
Austin, TX	106.7
Bernalillo County, NM	101.6
Central New Mexico CC	101.6
Colorado Springs, CO	106.0
Denver, CO	125.1
El Paso, TX	90.8
Fort Worth, TX	104.3
Fresno, CA	123.2
Las Cruces, NM	94.7
Las Vegas, NV	109.5
Louisville, KY	100.9
Memphis, TN	96.1
Mesa, AZ	116.7
Milwaukee, WI	104.6
Oklahoma City, OK	97.1
Phoenix, AZ	116.7
Reno, NV	113.0
Rio Rancho, NM	99.9
Salt Lake City, UT	109.6
Santa Fe, NM	106.4
State of NM	106.4
Tucson, AZ	105.5
University of New Mexico	101.6

4.1 MARKET DATA

The results of the market study are displayed in **Exhibit 4C**, which includes the benchmark job titles and the market average salaries for each position at the minimum, midpoint, and maximum points of the pay ranges. **Exhibit 4C** also includes the percentage differentials of the City’s pay ranges at each respective point relative to the market average pay. A positive percent differential indicates the City’s pay range exceeds the average of its market peers; where, a negative percentage differential indicates the City’s compensation for a given position lags behind its peers’ average. For those classifications where no differential is shown, either the City does not possess a pay range for comparison to the market, or the

peers did not provide any pay range information for comparable positions. **Exhibit 4C** also includes the average pay range for the market respondents for each position, as well as how many responses each benchmark received.

Although all benchmarks are included in the survey, not every peer organization possesses an appropriate match. Consequently, the benchmarks received varying levels of response. For the purpose of this study, all positions that received fewer than five matches from market peers were not considered in establishing the City’s competitive position. The rationale behind these positions being excluded is that insufficient response can lead to unreliable averages that may skew the aggregated data, blurring the reality of the City’s actual position in the market. Of the 266 positions surveyed, 232 had a sufficient response for inclusion.



EXHIBIT 4C (CONTINUED)
MARKET SURVEY RESULTS

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range	# Resp.
		Average	% Diff	Average	% Diff	Average	% Diff		
201	Senior Forensic Scientist	\$67,643.53	-7.5%	\$84,677.17	-2.7%	\$101,710.82	0.2%	50.6%	8.0
202	Service Desk Manager	\$79,346.80	-	\$97,189.21	-	\$115,031.62	-	44.9%	9.0
203	Social Services Coordinator	\$49,840.34	-	\$63,666.72	-	\$77,493.10	-	56.3%	7.0
204	Solid Waste Supt	\$72,469.32	-1.4%	\$88,358.47	5.3%	\$104,247.62	9.5%	43.1%	8.0
205	Sr Affairs Program Asst II	\$41,304.26	-22.4%	\$49,743.24	-43.8%	\$58,182.22	-64.1%	40.6%	2.0
206	Sr Buyer	\$55,086.66	-24.0%	\$65,163.07	-12.8%	\$75,239.48	-5.8%	36.9%	11.0
207	Sr Planner	\$61,068.68	-5.2%	\$76,154.37	-1.3%	\$91,240.06	1.2%	49.1%	20.0
208	Staff Auditor	\$53,436.15	-11.4%	\$67,017.01	-8.1%	\$80,597.87	-6.0%	50.7%	17.0
209	Stockkeeper I	\$35,402.55	-0.2%	\$42,035.39	-15.5%	\$48,668.24	-29.9%	37.3%	14.0
210	Storm Drainage Worker 2a	\$40,205.13	-5.9%	\$46,472.01	-19.1%	\$52,738.89	-31.5%	31.5%	8.0
211	Storm Water Inspector	\$48,760.57	-9.7%	\$58,829.47	-1.9%	\$68,898.37	3.1%	41.1%	6.0
212	Street Maint Worker 1b	\$36,403.71	-7.5%	\$43,718.59	-25.1%	\$51,033.48	-41.7%	40.3%	13.0
213	Student Lifeguard/instructor	\$30,942.86	-15.5%	\$36,531.90	-36.4%	\$42,080.64	-57.1%	35.7%	14.0
214	Sun Van Chauffeur	\$38,967.96	-19.4%	\$42,869.36	-14.5%	\$46,770.75	-10.8%	20.0%	2.0
215	Survey Crew Tech	\$42,534.87	3.4%	\$51,690.91	-14.6%	\$60,846.96	-31.7%	42.7%	11.0
216	Sustainability Specialist	\$55,561.75	4.3%	\$66,717.14	11.3%	\$77,872.54	15.6%	39.6%	5.0
217	Systems Administrator II	\$68,184.16	-4.6%	\$86,122.91	-28.9%	\$104,061.65	-52.0%	52.9%	19.0
218	Systems Analyst I	\$59,602.28	13.0%	\$75,316.62	-7.2%	\$91,030.96	-26.5%	52.5%	14.0
219	Systems Engineer I	\$74,358.83	12.4%	\$92,063.25	-5.8%	\$109,767.66	-23.1%	47.7%	6.0
220	Teacher	\$41,052.37	-15.8%	\$49,965.00	-9.4%	\$58,877.64	-5.4%	43.6%	5.0
221	Teaching Asst	\$36,049.15	-17.4%	\$43,398.84	-17.7%	\$50,748.52	-18.0%	40.9%	5.0
222	Technical Production Mgr	\$56,270.11	-14.9%	\$70,672.53	-11.1%	\$85,074.95	-8.7%	50.8%	4.0
223	Technical Program Manager I	\$83,092.51	0.0%	\$102,703.46	-20.5%	\$122,314.42	-40.0%	47.1%	6.0
224	Traffic Signal Tech 1A	\$42,956.78	-10.2%	\$50,065.88	-25.0%	\$59,093.98	-43.7%	38.7%	16.0
225	Training Specialist	\$50,501.53	-13.7%	\$62,892.75	-8.9%	\$75,283.96	-5.9%	48.6%	17.0
226	Transit Supervisor	\$58,386.41	-31.4%	\$69,350.08	-20.1%	\$80,313.75	-13.0%	36.8%	6.0
227	Transit Vehicle Servicer	\$40,963.40	-23.4%	\$51,216.92	-49.4%	\$61,470.45	-73.9%	50.8%	6.0
228	Treasurer	\$85,363.26	-8.5%	\$111,110.63	-7.8%	\$136,858.00	-7.4%	60.3%	12.0
229	Veterinarian	\$86,586.92	-	\$111,426.22	-	\$136,265.52	-	57.5%	11.0
230	Veterinarian Tech II	\$42,162.87	-5.2%	\$52,626.29	-1.0%	\$63,089.71	1.7%	49.8%	9.0
231	Warehouse Worker	\$38,149.31	2.2%	\$46,642.57	-16.4%	\$55,135.83	-34.0%	44.7%	5.0
232	Water Quality Spec	\$44,828.13	-11.8%	\$55,025.34	-5.6%	\$65,222.56	-1.6%	45.0%	11.0
233	Water Quality Supervisor	\$62,204.20	-40.0%	\$76,040.38	-31.7%	\$89,876.55	-26.4%	44.8%	5.0
234	Welder	\$43,982.62	3.6%	\$52,881.06	-13.2%	\$61,779.50	-29.3%	40.1%	17.0
235	Zoning Plan Examiner	\$54,183.70	-10.6%	\$65,543.14	-3.0%	\$76,902.58	1.8%	42.0%	10.0
236	Zookeeper I	\$40,387.55	-11.7%	\$43,469.91	-16.7%	\$51,078.01	-33.3%	30.6%	4.0
237	Deputy Fire Chief - 40 HR	\$115,212.92	24.3%	\$132,403.39	13.0%	\$151,818.51	0.2%	33.2%	18.0
238	Battalion Chief - 56 HR	\$97,123.84	10.0%	\$104,057.07	3.6%	\$115,632.97	-7.1%	20.6%	15.0
239	Captain - 56 HR	\$83,105.66	-1.0%	\$88,490.81	-7.6%	\$97,169.29	-18.1%	16.7%	17.0
240	Lieutenant - 56 HR	\$81,761.13	-9.3%	\$84,206.51	-12.5%	\$91,713.17	-22.6%	9.7%	12.0
241	Driver - 56 HR	\$68,437.82	-0.8%	\$73,800.06	-8.7%	\$79,708.94	-17.4%	17.7%	14.0
242	Firefighter 1C - 56 HR	\$51,282.64	16.8%	\$59,939.67	2.8%	\$70,580.01	-14.5%	37.1%	20.0
243	Para Battalion Chief - 40 HR	\$99,454.12	12.4%	\$97,514.00	14.2%	\$114,138.67	-0.5%	21.7%	5.0
244	Para Captain - 56 HR	\$81,221.75	9.8%	\$71,586.10	20.5%	\$81,597.18	9.4%	1.7%	3.0
245	Para Lieutenant - 56 HR	\$78,488.32	7.2%	\$75,571.78	10.6%	\$86,078.62	-1.8%	8.7%	5.0
246	Para Driver - 56 HR	\$65,032.80	15.2%	\$63,614.62	17.1%	\$70,323.55	8.3%	6.5%	4.0
247	Deputy Chief	\$123,147.91	25.1%	\$143,637.04	12.6%	\$166,290.26	-1.1%	36.1%	16.0
248	Commander	\$118,753.22	12.0%	\$127,399.45	5.6%	\$141,642.37	-5.0%	20.1%	15.0
249	Lieutenant	\$101,973.63	-4.9%	\$110,187.71	-13.4%	\$120,501.63	-24.0%	17.5%	19.0
250	Sergeant	\$85,321.97	-0.3%	\$91,696.38	-7.8%	\$100,847.07	-18.6%	18.6%	19.0
251	Master Police Officer 1C	\$68,675.31	14.5%	\$73,823.38	8.1%	\$83,256.65	-3.6%	18.0%	7.0
252	Senior Police Officer 1C	\$59,546.82	22.2%	\$63,930.43	16.5%	\$73,059.42	4.5%	18.1%	7.0
253	Police Officer 1C	\$56,610.48	23.5%	\$67,288.68	9.0%	\$78,527.13	-6.2%	37.7%	22.0
254	Police Cadet	\$47,243.84	23.6%	\$52,091.15	19.9%	\$58,624.08	14.2%	22.6%	15.0
255	Metro Court Officer	\$42,131.68	-5.1%	\$52,333.87	-0.4%	\$62,536.05	2.5%	48.4%	6.0
256	Internal Affairs Investigator	\$50,270.07	19.9%	\$65,270.66	-2.3%	\$80,271.24	-23.7%	59.5%	5.0
257	APD Evidence and ID Manager	\$65,220.09	-12.3%	\$78,824.76	-4.8%	\$92,429.44	-0.1%	41.7%	8.0
258	APD Transport Officer	\$38,270.34	-6.5%	\$46,388.35	-6.2%	\$54,506.36	-6.1%	43.2%	3.0
259	Crime Scene Specialist II	\$43,060.67	-21.4%	\$50,849.50	-11.4%	\$58,638.33	-4.9%	36.1%	10.0
260	Crime Stopper Liaison	\$48,512.50	-9.2%	\$60,970.08	-5.6%	\$73,427.67	-3.3%	51.4%	1.0
261	Crossing Guard	\$32,429.78	-26.1%	\$37,647.43	-46.4%	\$40,883.79	-59.0%	24.2%	6.0
262	Emergency Management Specialist	\$53,882.96	-2.0%	\$68,198.63	0.2%	\$83,419.34	0.5%	56.6%	11.0
263	Police Comm Shift Supv/cert	\$59,635.32	9.3%	\$73,845.11	-9.6%	\$87,848.28	-27.4%	48.1%	13.0
264	Police Property/evidence Tech	\$39,470.46	-11.3%	\$47,956.88	-5.0%	\$56,366.31	-0.9%	43.1%	16.0
265	Police Service Aide	\$35,182.08	-1.4%	\$42,044.43	-21.1%	\$48,906.78	-40.9%	39.0%	10.0
266	Telecommunication Oper I/cert	\$45,016.22	13.5%	\$53,120.00	0.3%	\$61,806.44	-13.4%	38.4%	18.0
	Overall Average		-5.3%		-7.7%		-11.7%	44.6%	11.1
	Outliers Removed*		-4.6%		-6.7%		-10.4%		



4.2 SALARY SURVEY RESULTS

Market Minimums

It is important to assess where an organization is relative to its market minimum salaries, because they are the beginning salaries of employees with minimal qualifications for a given position. Organizations that are significantly below market may experience recruitment challenges with entry-level employees. As seen in **Exhibit 4C**, the City is currently 4.6 percent below the market average minimum, when considering positions with sufficient responses. The City's benchmark positions ranged from 39.5 percent below to 23.9 percent above the market minimum.

The following points are observed regarding the City's position relative to the market average minimum:

- Of these 232 positions, 166 were below market, averaging 11.6 percent below. These 166 classifications represent roughly 71.5 percent of the surveyed positions receiving sufficient response.
- Of the 166 positions below market, 27 were more than 5.0 percent below the average market minimum. These positions are displayed in **Exhibit 4D**.



EXHIBIT 4D
CLASSIFICATIONS MORE THAN 5.0 PERCENT BELOW THE MINIMUM

Classification	% Diff
Construction Inspector II	-39.5%
Assoc Planner	-27.3%
Child Development Program Aide	-25.2%
City Engineer	-24.9%
Accountant I	-24.5%
City Forester	-19.3%
City Architect	-18.5%
Comm Rec Center Supv	-18.2%
Bldg Safety Spvr-Bldg	-17.4%
Accounting Asst	-15.8%
Buyer	-14.2%
Comm Center Spec	-13.8%
BioPark Project Manager	-12.8%
Chief Procurement Officer	-11.3%
Environ Health Spec I	-8.9%
Equip Operator I	-8.7%
City Budget Officer	-8.7%
Child Dev & Ed Prog Mgr	-8.6%
Construction Worker I	-8.4%
Engineer	-7.8%
Construction Project Manager	-7.7%
Custodian	-6.9%
Document Imaging Tech	-6.8%
Administrative Asst	-6.8%
Driver	-5.9%
City Fleet/Warehouse Manager	-5.8%
Aviation Operations Manager	-5.3%

- Of these 166 positions, 66 were above market, averaging 9.7 percent above. These 66 classifications represent roughly 28.4 percent of the surveyed positions receiving sufficient response.
- Of the 66 positions above market, seven were more than 5.0 percent above the average market minimum. These positions are displayed in **Exhibit 4E**.

EXHIBIT 4E
CLASSIFICATIONS MORE THAN 5.0 PERCENT ABOVE THE MINIMUM

Classification	% Diff
Database Administrator II	23.9%
Aquatics Division Manager	18.0%
Cook	10.1%
Business Technology Spec I	9.4%
Animal Protection Officer	9.4%
Community Outreach Coord	6.6%
Commercial Collections Driver	5.2%

Market Midpoints

The market midpoint is exceptionally important to analyze, because it is often considered the closest estimation of market average compensation. As seen in **Exhibit 4C**, the City is currently 6.7 percent below the market average midpoint when considering positions with sufficient responses. The City’s benchmark positions ranged from 33.9 percent below to 20.7 percent above the market midpoint.

The following points are observed regarding the City’s position relative to the market average midpoint:

- Of these 232 positions, 157 were below market, averaging 14.2 percent below. These 157 classifications represent roughly 67.7 percent of the surveyed positions receiving sufficient response.
- Of the 157 positions below market, 29 were more than 5.0 percent below the average market minimum. These positions are displayed in **Exhibit 4F**.

EXHIBIT 4F
CLASSIFICATIONS MORE THAN 5.0 PERCENT BELOW THE MIDPOINT

Classification	% Diff
Construction Inspector II	-33.9%
Child Development Program Aide	-26.7%
Equip Operator I	-25.5%
Citizen Contact Agent I	-23.4%
Construction Worker I	-22.7%
City Engineer	-22.3%
Custodian	-21.9%
Driver	-21.1%
Assoc Planner	-19.0%
Building Maint Worker	-18.9%
Accountant I	-17.5%
Airfield Maint Worker	-16.6%
Accounting Asst	-16.1%
Comm Rec Center Supv	-16.0%
Comm Center Spec	-14.6%
City Forester	-14.4%
City Architect	-13.8%
Electrician II	-12.0%
Bldg Safety Spvr-Bldg	-12.0%
Animal Handler	-12.0%
Carpenter	-9.9%
Business Technology Spec I	-9.5%
Buyer	-9.3%
Commercial Collections Driver	-8.4%
Chief Procurement Officer	-8.1%
BioPark Project Manager	-7.2%
Child Dev & Ed Prog Mgr	-7.0%
Animal Protection Officer	-6.7%
Document Imaging Tech	-6.5%

- Of these 232 positions, 66 were above market, averaging 7.8 percent above. These 66 classifications represent roughly 28.4 percent of the surveyed positions receiving sufficient response.
- Of the 66 positions above market, 13 were more than 5.0 percent above the average market midpoint. These positions are displayed in **Exhibit 4G**.

EXHIBIT 4G
CLASSIFICATIONS MORE THAN 5.0 PERCENT ABOVE THE MIDPOINT

Classification	% Diff
Aquatics Division Manager	20.7%
Airfield Operations Officer	11.5%
Community Outreach Coord	10.3%
Balloon Museum Manager	9.8%
Accounts Payable Specialist	8.7%
Engineering Asst	8.1%
Building Inspector	8.0%
Bldg Maint Mgr	7.3%
Database Administrator II	7.0%
Custodial Shift Supervisor	6.1%
Engineering Project Manager	6.1%
Energy Specialist	6.0%
Code Enforcement Specialist	5.4%

Market Maximums

The pay range maximum averages and how they compare to the City's are also detailed in **Exhibit 4C**. As seen in **Exhibit 4C**, the City is currently 10.4 percent below the market average maximum when considering positions with sufficient responses. The City's benchmark positions ranged from 44.3 percent below to 22.3 percent above the market maximum.

The following points are observed regarding the City's position relative to the market average maximum:

- Of these 232 positions, 154 were below market, averaging 20.5 percent below. These 154 classifications represent roughly 66.4 percent of the surveyed positions receiving sufficient response.
- Of the 154 positions below market, 30 were more than 5.0 percent below the average market maximum. These positions are displayed in **Exhibit 4H**.

EXHIBIT 4H
CLASSIFICATIONS MORE THAN 5.0 PERCENT BELOW THE MAXIMUM

Classification	% Diff
Citizen Contact Agent I	-44.3%
Equip Operator I	-42.2%
Driver	-37.8%
Construction Worker I	-36.2%
Custodian	-35.8%
Building Maint Worker	-34.6%
Airfield Maint Worker	-31.2%
Construction Inspector II	-30.5%
Animal Handler	-28.7%
Electrician II	-28.5%
Child Development Program Aide	-27.8%
Business Technology Spec I	-27.5%
Carpenter	-25.3%
Commercial Collections Driver	-25.1%
Animal Protection Officer	-23.9%
City Engineer	-20.6%
Accounting Asst	-16.2%
Comm Center Spec	-15.2%
Comm Rec Center Supv	-14.7%
Cook	-14.2%
Assoc Planner	-13.8%
Accountant I	-13.1%
City Forester	-11.3%
City Architect	-11.0%
Database Administrator II	-9.1%
Bldg Safety Spvr-Bldg	-8.5%
Document Imaging Tech	-6.3%
Buyer	-6.2%
Chief Procurement Officer	-6.1%
Child Dev & Ed Prog Mgr	-5.9%

- Of these 232 positions, 69 were above market, averaging 7.8 percent above. These 69 classifications represent roughly 29.8 percent of the surveyed positions receiving sufficient response.
- Of the 69 positions above market, 16 were more than 5.0 percent above the average market maximum. These positions are displayed in **Exhibit 4I**.



EXHIBIT 4I
CLASSIFICATIONS MORE THAN 5.0 PERCENT ABOVE THE MAXIMUM

Classification	% Diff
Aquatics Division Manager	22.3%
Airfield Operations Officer	15.6%
Balloon Museum Manager	15.0%
Custodial Shift Supervisor	12.8%
Accounts Payable Specialist	12.6%
Community Outreach Coord	12.5%
Building Inspector	11.8%
Engineering Asst	11.5%
Bldg Maint Mgr	9.5%
Comm Services Prog Spec II	9.4%
Code Enforcement Specialist	9.1%
Engineering Project Manager	8.2%
Energy Specialist	7.0%
Airport Facilities Mgr	6.1%
Electrical Inspector	5.8%
Administrative Svc Mgr	5.7%

4.3 SALARY SURVEY CONCLUSION

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

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

- The City's pay ranges are approximately 4.6 percent below the market minimum.
- The City's pay ranges are approximately 6.7 percent below the market midpoint.
- The City's pay ranges are approximately 10.4 percent below the market maximum.
- The City's pay range spread is approximately 30.0 percent, while its peers' pay range spread is 44.6 percent. This difference shows that peer pay ranges are wider than the City is currently offering, but even this difference under sells the City's ranges because of the interim wage scale that the City is using. While the City can place employees on a step within their 30.0 percent ranges, the progression available to peer employees is significantly greater than that available to City employees as they can only receive across the board increases after their one probationary step at six months.



The results of the market summary chapter are pivotal in the formulation of recommendations by Evergreen Solutions. Evergreen is better able to propose recommendations that enable the City to occupy its desired competitive position by establishing the City’s market position relative to its peers .



Chapter 5 - Recommendations

After reviewing the information provided in the preceding sections of this report, Evergreen developed recommendations to improve the City's current compensation and classification system. The recommendations and supporting findings are discussed in detail in this section. The recommendations are organized into three sections: classification, compensation, and administration of the system.

5.1 CLASSIFICATION RECOMMENDATIONS

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

In the analysis of the City's classification system, Evergreen Solutions collected classification data through the Job Assessment Tool (JAT) process. The JATs were completed by employees and reviewed by their supervisors and provided information about the type and level of work being performed for each of the City's classifications. Evergreen reviewed the data provided in the JATs and used the information as the basis for classification recommendations.

FINDING

The classification system being utilized by the City was generally accurate, and titles described the work being performed by employees. However, the City had highly overclassified in some areas meaning a large number of positions performed highly similar work but possessed different titles. This has led to a large number of unique titles, particularly in the City's unclassified pay scale. The existing classification system also lacked uniformity in applying titling conventions to various roles within the City with some of the biggest areas of concern being the titles coordinator, manager, and program manager.

Strategic organization of job families also plays an important role in ensuring streamlined, equitable, and effective public service operations. Job families, defined as groups of positions related by similar vocations, skills, and objectives, offer a framework for understanding roles and responsibilities within the structure of the City's operations. Through this study, the City was able to create job families and review job family placements of its classifications to help achieve a more comprehensive and nuanced perspective on its jobs, enabling consistent and

fair evaluation across different departments, This process not only aids in maintaining competitive and equitable compensation that aligns with the market and internal role value, but also underscores the City's commitment to transparency and fairness in employee compensation and classification.

Moreover, the collective analysis of job families supports strategic workforce planning and development, which is essential for fostering employee engagement, retention, and career progression within the public sector. It allows for the identification of clear career pathways and enhances employees' understanding of their growth opportunities within the City's structure. This analysis will also improve directors' and other leaders' understanding of the work being done for the City by allowing them to see a clear connection between related positions throughout departments. In any organization the size of the City, this understanding is important because without these indicators, it would be inordinately difficult to fully understand the work and role of every unique position throughout the City.

Finally, it became evident that a number of the City's job classifications needed modification to better encapsulate the duties and responsibilities inherent to the associated role. Specifically, the current job descriptions, alongside their corresponding Fair Labor Standards Act (FLSA) exemption statuses, demanded a comprehensive review to ensure they reflect the actual work being performed and comply with legal standards. This entailed a detailed review of each position's tasks, working conditions, and decision-making authority to determine the appropriate exemption status. Such revisions are critical not only for legal compliance but also for safeguarding the City's operational integrity. Ensuring that job descriptions and FLSA classifications are both accurate and current mitigates the risk of misclassification, which can lead to significant legal and financial repercussions. Through this rigorous review process, the aim is to establish a foundation that supports the City's ongoing compliance with FLSA regulations, while accurately reflecting the complexity and diversity of the work being conducted within its operations.

RECOMMENDATION 1: Adopt a new classification system for all employees.

Evergreen has developed a new proposed classification system for the City's consideration. The foundation for these recommendations was the work performed by employees in these classifications as described in their JATs and best practices among the City's peers. The City has been presented with a series of recommendations that necessitate careful review and consideration. These recommendations encompass a range of adjustments including job reclassifications, assignments of job families, and updates to Fair Labor Standards Act (FLSA) statuses. Each of these recommendations has the potential to significantly impact the City's human resource practices across departments. It is important to note that while Evergreen has provided these recommendations based on a thorough analysis, they have not yet been put into practice. The implementation of these recommendations has been deferred to allow for a detailed review process that takes into account feedback from the City's classification and compensation steering committee and legal counsel where appropriate (particularly the FLSA review). Recommendations with cost implications for the upcoming budget season were prioritized in order to meet City timelines, and the classification recommendations can all be implemented in the upcoming fiscal year.

The process for reviewing these recommendations will require a structured and strategic approach. Initially, the City's steering committee, which is composed of key stakeholders from various departments within the City, will evaluate the accuracy and practical impact of the proposed changes. This committee's role will be to ensure that any adjustments align with the City's strategic objectives and operational needs and provide consistency throughout departments at the City going forward. The City will need to seek the expertise of its legal counsel to thoroughly vet the FLSA-related recommendations, ensuring that any changes made adhere to legal standards and mitigate the risk of non-compliance.

Additionally, ensuring that work is being performed by employees in departments consistent with any implemented recommendations will be imperative in ensuring alignment with the New Mexico Fair Pay for Women Act (NMFPA). The steering committee will have an important role in promoting this understanding throughout the City in order to ensure compliance. If department heads allow employees to work out of classification, that could set up the City for a situation where its compensation is not being legally administered per the NMFPA. Ensuring this message is communicated as it relates to the study recommendations is a critical function of the steering committee.

RECOMMENDATION 2: Update existing class description to reflect the new classification system, and review all updated descriptions for FLSA status.

In conjunction with the City making the proposed title changes, Evergreen will provide the City with updated classification descriptions to ensure that they accurately reflect the work being carried out by employees. These are being provided under separate cover. Evergreen has recommended an updated FLSA status for the roles based on the new, updated content contained within the description. Those recommendations have been shared with the City, but should be reviewed by the City's legal counsel after receipt of the updated classification descriptions to ensure alignment from a legal perspective with the descriptions that are implemented.

The revision of job descriptions was an important step in the process that required careful attention to detail, as it forms the foundation for accurately assessing the responsibilities, skills, and qualifications required for each role going forward. This process not only helps ensure that job titles and classifications align with the actual duties performed by employees but also plays a pivotal role in facilitating fair and competitive compensation practices. It enables the City to maintain a clear, consistent, and legally compliant framework for defining roles, which is essential for effective human resource management. By engaging in this comprehensive review and revision of job descriptions, the City can ensure that its workforce is properly classified and compensated, thereby enhancing job satisfaction and organizational effectiveness. The importance of this process extends beyond compliance; it is about fostering a work environment where roles are clearly defined, expectations are transparent, and employees are positioned for success and growth within the City.

Although these descriptions are accurate as of the JAT collection from employees during the study, it is imperative that the descriptions are kept up to date over time. Department heads, Human Resources, and the steering committee will all have a role to play in ensuring that this message is shared, and changes are captured in the future as the needs and roles within the City change.

5.2 COMPENSATION RECOMMENDATIONS

The compensation analysis consisted of two parts: an external market assessment and an internal equity assessment. During the external market assessment, the City's compensation for selected benchmark classifications was compared to average compensation offered in the market at three distinct levels: local, regional, and national. Regardless of the comparison point, the City was found to be lagging in the market, though by different degrees. Positions in the City were compared at a distinct level that factored in the availability of positional matches in the market, the City's recruiting area, and other retention and competitive concerns.

During the internal equity assessment, consideration of the relationships between and the type of work being performed by the City's employees in their classifications was reviewed and analyzed. Specifically, a composite score was assigned to each of the City's classifications that quantified the classification's level of five separate compensatory factors. The level for each factor was determined based on responses to the JAT or by the position's current job description for positions where no JAT was provided.

FINDING

The City currently operates under a variety of structures that lack uniformity and fail to promote consistency across different departments and functions. This fragmentation in compensation structures leads to discrepancies in how roles and responsibilities are managed and compensated, undermining efforts to establish a cohesive and efficient organizational framework. Further complicating this landscape was the City's adoption of an interim pay structure, which, while aimed at addressing immediate legal and compensation challenges, has resulted in certain positions being compensated at levels significantly above market rates. Despite these over-market compensations in isolated cases, the overarching finding indicates that, on the whole, the City's compensation practices trail behind market standards in most areas. This discrepancy not only places the City at a disadvantage in attracting and retaining top talent but also signals potential inefficiencies in the allocation of its budgetary resources. To align more closely with market rates and ensure a more equitable and competitive compensation framework, a comprehensive recalibration and restructuring of the City's pay plan and compensation policies are imperative.

RECOMMENDATION 3: Adopt a new, market-responsive compensation structure and assign all positions to it equitably.

Evergreen has developed a new pay plan for the City's consideration. The new structure consists of 35 unique pay grades, with range spreads set at a static 40.0 percent between the minimum and the maximum of the range. Furthermore, the midpoint progression between grades is a static 5.5 percent, which aligns with HR best practices. Midpoint progression is a measure of separation between successive pay grades. Practically, this is a mechanical function of the compensation structure, which creates or reduces the amount of pay increase that is incurred from one range to the next. Midpoint progressions are highly specific to organizations, their structure design, and the types of jobs employed. Determining a midpoint progression is an exercise in alignment first and foremost. Evergreen has found the most common range spreads amongst governmental organizations to be between 3 and 7 percent.

Larger midpoint progressions are typically found in organizations with fewer pay grades, where larger jumps between pay ranges are necessary to expand to all compensation ranges an organization needs to provide for its various jobs. The details of the proposed plan are located in **Exhibit 5A**.

**EXHIBIT 5A
PROPOSED PAY PLAN**

Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression
101	\$ 31,200.00	\$ 37,440.00	\$ 43,680.00	40.0%	-
102	\$ 32,916.00	\$ 39,499.20	\$ 46,082.40	40.0%	5.50%
103	\$ 34,726.38	\$ 41,671.66	\$ 48,616.93	40.0%	5.50%
104	\$ 36,636.33	\$ 43,963.60	\$ 51,290.86	40.0%	5.50%
105	\$ 38,651.33	\$ 46,381.59	\$ 54,111.86	40.0%	5.50%
106	\$ 40,777.15	\$ 48,932.58	\$ 57,088.01	40.0%	5.50%
107	\$ 43,019.90	\$ 51,623.87	\$ 60,227.85	40.0%	5.50%
108	\$ 45,385.99	\$ 54,463.19	\$ 63,540.39	40.0%	5.50%
109	\$ 47,882.22	\$ 57,458.66	\$ 67,035.11	40.0%	5.50%
110	\$ 50,515.74	\$ 60,618.89	\$ 70,722.04	40.0%	5.50%
111	\$ 53,294.11	\$ 63,952.93	\$ 74,611.75	40.0%	5.50%
112	\$ 56,225.28	\$ 67,470.34	\$ 78,715.40	40.0%	5.50%
113	\$ 59,317.67	\$ 71,181.21	\$ 83,044.74	40.0%	5.50%
114	\$ 62,580.15	\$ 75,096.17	\$ 87,612.20	40.0%	5.50%
115	\$ 66,022.05	\$ 79,226.46	\$ 92,430.88	40.0%	5.50%
116	\$ 69,653.27	\$ 83,583.92	\$ 97,514.57	40.0%	5.50%
117	\$ 73,484.20	\$ 88,181.04	\$ 102,877.87	40.0%	5.50%
118	\$ 77,525.83	\$ 93,030.99	\$ 108,536.16	40.0%	5.50%
119	\$ 81,789.75	\$ 98,147.70	\$ 114,505.65	40.0%	5.50%
120	\$ 86,288.18	\$ 103,545.82	\$ 120,803.46	40.0%	5.50%
121	\$ 91,034.03	\$ 109,240.84	\$ 127,447.65	40.0%	5.50%
122	\$ 96,040.91	\$ 115,249.09	\$ 134,457.27	40.0%	5.50%
123	\$ 101,323.16	\$ 121,587.79	\$ 141,852.42	40.0%	5.50%
124	\$ 106,895.93	\$ 128,275.11	\$ 149,654.30	40.0%	5.50%
125	\$ 112,775.21	\$ 135,330.25	\$ 157,885.29	40.0%	5.50%
126	\$ 118,977.84	\$ 142,773.41	\$ 166,568.98	40.0%	5.50%
127	\$ 125,521.62	\$ 150,625.95	\$ 175,730.27	40.0%	5.50%
128	\$ 132,425.31	\$ 158,910.37	\$ 185,395.44	40.0%	5.50%
129	\$ 139,708.70	\$ 167,650.44	\$ 195,592.19	40.0%	5.50%
130	\$ 147,392.68	\$ 176,871.22	\$ 206,349.76	40.0%	5.50%
131	\$ 155,499.28	\$ 186,599.14	\$ 217,698.99	40.0%	5.50%
132	\$ 164,051.74	\$ 196,862.09	\$ 229,672.44	40.0%	5.50%
133	\$ 173,074.59	\$ 207,689.50	\$ 242,304.42	40.0%	5.50%
134	\$ 182,593.69	\$ 219,112.43	\$ 255,631.16	40.0%	5.50%
135	\$ 192,636.34	\$ 231,163.61	\$ 269,690.88	40.0%	5.50%
UNG	-	-	-	-	-



Implementation of the new compensation structure requires two steps. First, all positions were assigned to an appropriate pay grade within the overall plan. To determine what pay grade each position was assigned, Evergreen used the following factors: the results of the JAT analysis, the results of the market study, as well as consideration for both existing and newly created internal relationships between classifications. Assigning pay grades to classifications requires a balance of internal equity and desired market position, and recruitment and retention concerns also played a role in the process. Thus, the market results discussed in **Chapter 4** were not the sole criteria for the proposed pay ranges.

RECOMMENDATION 4: Evergreen recommends the City adopt a methodology to transition employee salaries into the proposed pay plan that aligns with its established compensation philosophy and meets the available financial resources of the organization.

The second step in implementing the proposed structure is to transition employee salaries into their new recommended pay ranges. This step can be done via a variety of methods, each with its own strengths and drawbacks. However, after discussion with City leadership, Evergreen recommends that the organization pursue implementing the following transition methodology:

Multi-Year Implementation with Targeted Adjustments

The development of an adjustment methodology for a multi-year implementation involves creating a structured approach to gradually realign salaries with market rates, fiscal realities, and organizational priorities. This methodology aims to enhance market competitiveness, comply with union agreements, and address the compensation needs of priority positions, as identified through standard HR metrics and input from department heads. The following recommendations were developed in consultation with HR, the steering committee, and City leadership to ensure that the City can better reach market competitiveness while also respecting its fiscal realities over the next three years.

Yearly Adjustment Phases

Fiscal Affordability Assessment:

Begin each fiscal year by assessing the City's budgetary constraints to determine the total available funding for salary adjustments.

This assessment should take into consideration projected revenues, obligatory expenditures, and any financial commitments, ensuring that the compensation adjustments are sustainable over the long term.

Market Competitiveness Analysis:

Review the relevant market to identify the positions and departments most significantly trailing behind market rates. This has been forecasted by Evergreen for the next three years; however, it is important that the City recognize that these are only projections and are subject to change as the market evolves. HR should continue to monitor the market for relevant

changes and adjustments to both the system overall as well as individual positions and job families.

This analysis should factor in both external market data and internal equity considerations, ensuring a balanced approach to compensation adjustments. As jobs change within the City, adjustments may be needed to reflect the updated roles and responsibilities of positions on an ongoing basis.

Prioritization Framework:

Establish a prioritization framework guided by several key criteria:

- Compliance with existing union agreements, ensuring that adjustments meet or exceed stipulated minimums.
- Ensure positions fall within the newly recommended grade structure and meet the minimum salary assigned to their classification.
- Across-the-board adjustments to improve overall market competitiveness.
- Focus on priority positions as determined by turnover rates, difficulty in filling positions, and other HR metrics indicating high need.
- Recommendations from department heads, highlighting roles critical to departmental efficiency and service delivery.

Implementation of Adjustments:

Based on the prioritization framework and fiscal affordability, implement salary adjustments. This may involve a phased approach where certain groups or departments are adjusted before others, depending on the prioritization criteria.

Across-the-board increases may be considered to elevate the overall compensation floor, with additional targeted adjustments for priority positions.

Continuous Monitoring and Adjustment:

Establish a continuous monitoring mechanism to assess the impact of the implemented adjustments on market competitiveness and employee retention. Evergreen is recommending that the City use benchmarking as a methodology to adjust positions over time. The City should monitor the movement of benchmark classifications each year and adjust these positions and related positions (via direct linking, supervisory relationships, or job family considerations) as the data provide.

Adjust the specific implementation methodology as necessary in response to changing fiscal conditions, market rates, union negotiations, and organizational priorities.



Communication and Transparency:

Throughout the adjustment process, maintain open lines of communication with all stakeholders, including employees, union representatives, and department heads.

Transparency about the implementation methodology, City priorities, and implementation timeline is crucial to managing expectations and fostering trust within the organization.

Cost Summary of Recommended Implementation

With these factors taken into account, the recommended costs and adjustments for employees are shown below. A detailed breakdown of the assumptions factored into these costs is listed below. While these numbers show the recommended adjustment that was arrived at by Evergreen in consultation with the City's HR department, Steering Committee, and leadership team, it is important to note that these costs are all subject to standard fiscal constraints. These adjustments chart an aggressive path forward for the City to reach a market-competitive placement within three years, but the City's budget may not allow the implementation to take place in exactly this manner. Even still, this provides a strong framework for the City to work within as it tries to reach its goals. These costs are subject to change as the City continues to update its data and as the market moves over the upcoming years. Evergreen will work with the City on modeling for its implementation – to be provided to the City under separate cover as the City moves forward with the first phase of its implementation later this year.

- **FY25 Implementation:** Shows the total cost (salary + benefits) to grant all union increases already negotiated for (including a 2.0 percent adjustment for non-union employees), move all employees at the City to the recommended minimums of the proposed pay plan, and adjust jobs designated as “priority jobs” by the City's Directors and/or HR data and metrics to at least the 15th percentile of the recommended ranges.
- **FY26 Implementation:** Shows the total cost (salary + benefits) to grant all union increases already negotiated for (including a 2.0 percent adjustment for non-union employees), move all jobs to at least the 15th percentile within the recommended pay ranges, update said pay ranges for market by estimating a standard 2.0 percent market adjustment, and adjust all “priority jobs” within the City to at least the 50th percentile of the recommended pay ranges.
- **FY27 Implementation:** Shows the total cost (salary + benefits) to grant all union increases already negotiated for (including a 2.0 percent adjustment for non-union employees), move all jobs to at least the 25th percentile within the recommended pay ranges, and update said pay ranges for market by estimating a standard 2.0 percent market adjustment.



EXHIBIT 5B
PROJECTED IMPLEMENTATION COSTS

Implementation Option	Total Implementation Cost	Number of Employees Adjusted	Average Adjustment for Impacted Employees	% of Payroll
FY25 Implementation	\$16,532,400.00	5,869	\$ 2,816.90	3.3%
FY26 Implementation	\$26,013,000.00	5,869	\$ 4,432.27	5.1%
FY27 Implementation	\$17,056,800.00	5,869	\$ 2,906.25	3.2%

5.3 COMPENSATION AND CLASSIFICATION SYSTEM ADMINISTRATION

Any organization's compensation and classification system will need periodic maintenance as one of many key factors in attracting and retaining talent. The recommendations provided in this chapter were developed based on conditions at the time the study was conducted. Without proper upkeep of the system, the potential for contributing to recruitment and retention issues may increase as the compensation and classification system becomes dated and less competitive.

RECOMMENDATION 5: Review the market each year to determine the need to move positions as the market adjusts.

To ensure the City's compensation structure remains competitive and responsive to market dynamics, it is recommended to implement a regular benchmarking process for updating salaries. This process will involve the careful selection of benchmark positions within the City's organizational structure, which will serve as key indicators for market movement and compensation trends. The selected benchmark positions should represent a wide range of job families, levels of responsibility, and sectors within the City to ensure a comprehensive analysis of market competitiveness across the organization.

Selection of Benchmark Positions:

Identify and select a representative set of benchmark positions across various departments and job families within the City. These positions should be critical to the City's operations, have clear counterparts in the external labor market, and cover a range of roles from entry-level to senior leadership.

This process has been completed as a part of this study, though the City may wish to revisit, update, or add to this list over time as its needs change.

Annual Market Data Collection:

Collect compensation data annually for the selected benchmark positions from reliable secondary sources, such as industry salary surveys, government labor statistics, and

professional associations. This data collection should focus on capturing current market rates, benefits, and other compensation elements relevant to the benchmark positions.

The City has used secondary sources for peer salary research and has recently incorporated CompAnalyst – a recognized and reputable source for secondary salary data. As market data will hold greater weight in this new system, ensuring access to peer market data over time will allow the City to maintain consistency in the administration of its plans and will allow for targeted information to be collected on benchmark classifications.

Analysis of Market Movement:

Analyze the collected data to determine market movement and trends affecting the benchmark positions. This analysis should consider factors such as changes in the cost of living, labor market supply and demand, and industry-specific trends.

Adjustment of Salaries:

Based on the analysis, adjust the salaries of the benchmark positions to align with current market rates. Then, systematically apply these adjustments to linked positions (those directly related in terms of duties and responsibilities), similar positions within their job families, and other roles influenced by the overall market movement.

This approach ensures that salary adjustments are not only confined to the benchmark positions but also holistically applied across the City, maintaining internal equity and market competitiveness.

Implementation and Communication:

Upon approval, implement the salary adjustments and communicate the changes to all affected employees. Transparency about the slotting process and rationale for adjustments is essential for maintaining trust and morale within the workforce.

RECOMMENDATION 6: Conduct a comprehensive classification and compensation study every three to five years.

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

Conducting regular, comprehensive compensation and classification studies is recognized as a best practice in human resources for several fundamental reasons. The recommended interval aligns with the dynamic nature of labor markets and organizational structures, ensuring that the City's compensation and classification system remains relevant, competitive, and equitable. The need for such studies stems from the rapid changes in job requirements, the emergence of new roles, shifts in labor supply and demand, and

fluctuations in economic conditions that can all significantly affect compensation benchmarks and job classifications.

These studies allow the City to maintain alignment with the competitive labor market. As market conditions and job roles evolve, regular reviews ensure that the City's compensation packages remain attractive to current and prospective employees, which is critical for retaining talent and reducing turnover. This is particularly important for roles that are in high demand or require specialized skills, where market competitiveness can shift more frequently.

Regular compensation and classification studies also support internal equity by ensuring that pay differences among employees are based on meaningful differences in job responsibilities, qualifications, and performance. This internal alignment is crucial for maintaining employee morale and motivation, as perceived inequities can lead to dissatisfaction and disengagement.

These studies help the City comply with legal and regulatory requirements, including the Fair Labor Standards Act (FLSA) and equal pay laws. Regular reviews can identify and rectify any compliance issues related to misclassification of employees or pay inequities before they become systemic problems that could lead to legal challenges and financial liabilities.

Additionally, by systematically reviewing and updating job classifications and compensation, the City can more accurately reflect the evolving nature of work and the value of each role within the organization. This practice supports strategic workforce planning by ensuring that job descriptions are current and aligned with the City's strategic goals, facilitating better recruitment, performance management, and career development processes.

Conducting a comprehensive compensation and classification study every three to five years is a critical HR best practice that ensures the City's compensation system is not only competitive and fair but also legally compliant and aligned with organizational goals. This proactive approach allows the City to adapt to the changing external market and internal strategic direction, ultimately securing its position as a desirable employer and enhancing its operational effectiveness.

While the previous two recommendations intend to maintain the competitiveness over time of the classification and compensation structure as a whole, it is also necessary to establish procedures for determining equitable pay practices for individual employees.

RECOMMENDATION 7: Revise policies and practices for moving employees' salaries through the pay plan, including procedures for determining the salaries of newly hired employees and employees who have been promoted, demoted, or transferred to a different classification.

The method of moving salaries through the pay plan and setting new salaries for new hires, promotions, demotions, and transfers depends largely on an organization's compensation philosophy. However, it is important for the City to have established guidelines for each of these situations, and that they are followed consistently for all employees. Common practices for progressing and establishing employee salaries are outlined below.

It is important to note the recommendations in this section are intended to ensure the City maintains legal compliance with all salaries being level set within job titles across the City. Should the City move to differentiated salaries within the recommended pay ranges at a later date, these policies should be revisited with consideration for factors such as experience, performance, and competencies.

New Hires

In consultation with the Steering Committee, Evergreen recommends the City discontinue utilizing a probationary rate for new hire employees and instead pay new hires at the set scale rate for their positions immediately upon hire. Due to the limitations on the City's ability to differentiate pay for incumbents within the same job title, Evergreen does not recommend any deviation from this singular hiring rate per class code when setting a new salary for an employee.

Promotions/Demotions

When an employee is promoted to a new classification, it is important to have guidelines for calculating the employee's new salary that rewards the employee for his or her new responsibilities, moves the salary into the new pay grade, and ensures internal equity in the new classification.

Multi-incumbent job titles

Evergreen recommends employees who are promoted into a new job title should have their salaries increased to the set-scale rate assigned for the new title. If the employee's salary already exceeds the set-scale rate, the law dictates that they will need to be aligned with the set-scale rate of other employees in the classification. This could result in a pay decrease, or it could result in the other employees in the classification receiving an increase. This decision should be made by HR in consultation with the CAO, budget, and the Steering Committee as appropriate, but employees should have the ramifications of any promotion explained to them in writing by HR before being officially offered any promotion that would result in a pay decrease.

Employees who are demoted into a new job title should have their salaries decreased to the set-scale rate assigned for the new title. If the employee's salary falls below the set-scale rate, they should be placed at the set-scale rate for the new job title.

Single incumbent job titles

If an employee promotes into a vacant job title, an unclassified job title, or a job title that has no set salary at the time of promotion, HR will need to conduct a market and internal analysis on the role to slot the position into the pay plan (for classified jobs) and/or assign a set scale rate to the position as appropriate. HR should provide a set scale rate for all positions in the organization going forward in order for the City to maintain legal compliance.



Transfers

An employee transfer occurs when an employee is reassigned to a job title at the same pay grade as his or her current job title or when an employee's classification stays the same, but his or her department changes. In these instances, the employee's salary should remain unchanged unless the set-scale rate between the old and new job does not align. If this is the case, the employee should be brought to the new job's set scale rate within the new range.

Salary Progression

Structural: Adjustments to the ranges should be made annually with the aim of adjusting for the changes in the cost of living and shifts in overall market conditions. Evergreen recommends the City tie the annual compensation structure movement to a consistent metric that will ensure the City doesn't lose pace with its local market. One option would be the local change in the Consumer-Price-Index (CPI), with another option being to annually survey peer organizations for their anticipated COLA or pay range adjustments. Either annual adjustment methodology will ensure the City's pay ranges do not rapidly fall out of line with that of its peers; however, it should be noted that the City currently falls below the average of its peer market, so simply adjusting pay ranges to keep pace with the market from this point forward will not be enough to put the City into a more competitive position.

Based on the City's desire to incorporate a market-responsive compensation structure, Evergreen recommends the City's HR department perform a small survey of its most critical local peers to assess what degree the peer organizations anticipate moving their salary structures. Based on the average movement reported by peers, the City can then leverage this rate to assess and determine the best adjustment percentage in any given year, dependent on its goals at the time of how best to maintain its market position. The survey component should be performed a few months ahead of budget planning so that the City can adequately assess its ability to commit the financial resources to an annual movement of its structure.

Classification: As a result of the market surveys, the City may identify classifications or job families that are experiencing considerable market rate movement or job duty changes. As a result, reassignment of the pay grades or set scale points within the salary range should be considered when this occurs. Set-scale movement to more aggressive points into the range should be considered when a job's rate of pay begins to lag the market by more than 10.0 percent. Re-alignment to a higher grade should occur when the classifications is found to have experienced significant duties changes that are consistent for all incumbents, such that the current range assignment is no longer equitable within the overall City structure.

Due to the limitations on the City's ability to differentiate pay for incumbents within the same job title, Evergreen recommends the City maintain all employees at a singular set-scale rate (set to align with the new pay range) even if a classification moves upward in pay grade assignment.

Individual: To tie into the adjustment of the structure, movement to individual pay is unnecessary given the singular rate of pay per job title within the City. Any pay increases made to individuals should be done in an across-the-classification manner to ensure legal compliance.

At or Above Pay Range Maximum

If employees' salaries for a given classification reach or exceed the pay range maximum for the pay grade they are assigned to, Evergreen recommends employee salary progression being halted until the ranges move such that the set rate salary falls within the ranges again. For the time that employees are at or above maximum, they will be considered red-circled and ineligible for any base pay increases. However, should the City find it financially feasible, Evergreen recommends the City consider paying any across-the-board increases to employees above maximum in the form of a bonus payment – either in a singular lump sum to be paid on the effective date the increase would take place, or split into portions across the fiscal year paid quarterly or semi-annually.

Temporary Pay

If an employee is temporarily promoted into an acting role for a position that is in a higher grade than their current position, it is important to identify what the appropriate compensation is for the employee performing these higher-level duties. Evergreen recommends the City explore the legality of having a differentiated temporary pay approach based on whether the employee is performing these duties for a short duration (30 days or less) or long term (more than 30 days).

- If the employee is performing them on a short-term basis, Evergreen recommends the City explore its legal standing to allow for a pay additive that represents half the difference between the current position's salary and the acting role's set scale salary; or, a minimum of a 10 percent pay differential, whichever is greater. Legal compliance in this case would come from the fact that a short-term adjustment to duties can never fully encompass the totality of a higher-level role, since one of the most significant aspects of most higher-level roles is the long-term planning and decision-making that is entrusted to the incumbent. In a limited period, employees filling in for a higher-level role would perform some of the higher-level duties but would not absorb the whole scope of duties entrusted to long-term incumbents.
- If the employee is performing these duties on a long-term basis, Evergreen recommends the City place the employee at the set scale salary for the acting position they are filling for the duration of the appointment. With any placement into a higher-level position over a longer period of time, incumbents could be asked to complete the totality of duties of a position and would, therefore, be legally required to receive the full set scale pay for the position.

Evergreen recommends temporary pay and acting appointments should not exceed 12 months in duration.

5.4 SUMMARY

The City's undertaking of this comprehensive compensation and classification study is a significant step forward, and it should be commended for demonstrating this commitment to fairness and competitiveness in employee compensation. This initiative reflects a deep



understanding of the importance of establishing a compensation framework that is both equitable and reflective of the current labor market. By seeking to align its compensation structures with market standards while ensuring internal equity, the City can position itself as an employer of choice, attracting and retaining the talent necessary for delivering high-quality services to the community.

The recommendations provided in this report pave the way for the City to adopt a new competitive pay plan that has been meticulously designed to address both external competitiveness and internal equity. The introduction of equitable classification titles and pay grade assignments further strengthens this new system, ensuring that it is not only robust but also adaptable to future market changes and organizational needs. The commitment to establishing system administration practices that support the ongoing responsiveness of the compensation and classification system is particularly noteworthy because these practices are essential for maintaining the integrity and effectiveness of the system over time, allowing the City to dynamically adjust to changing circumstances while continuing to meet the needs of its employees and the community.

The effort required to maintain this newly recommended system should not be underestimated. However, the benefits of such a system—including enhanced recruitment capabilities, improved employee retention, and overall workforce satisfaction—signify a strategic investment in the City's future. The commitment to providing competitive and fair compensation underscores a broader commitment to excellence, equity, and sustainability in all aspects of the City's operations. Through this initiative, the City not only sets a standard for others to follow but also reinforces its dedication to creating a work environment that values and rewards its employees' contributions.

**APPENDIX 1-1
ALL OCCUPIED PAY GRADES**



Pay Plan	Grade	Step 1	Step 2	Range Spread
ACS Responder Series	CR1	\$ 40,518.40	\$ 42,598.40	5%

Pay Plan	Grade	Step 1	Step 2	Range Spread
Admin Support	AD3	\$ 36,150.40	\$ 38,230.40	6%
Admin Support	HJ5	\$ 37,835.20	\$ 41,766.40	10%

Pay Plan	Grade	Step 1	Step 2	Range Spread
Blue Collar	B13	\$ 29,348.80	\$ 31,428.80	7%
Blue Collar	B15	\$ 30,222.40	\$ 32,302.40	7%
Blue Collar	B19	\$ 32,240.00	\$ 34,320.00	6%
Blue Collar	B20	\$ 32,884.80	\$ 34,964.80	6%
Blue Collar	B21	\$ 33,571.20	\$ 35,651.20	6%
Blue Collar	B22	\$ 34,299.20	\$ 36,379.20	6%
Blue Collar	B23	\$ 35,110.40	\$ 37,190.40	6%
Blue Collar	B24	\$ 36,004.80	\$ 38,084.80	6%
Blue Collar	B25	\$ 36,857.60	\$ 38,937.60	6%
Blue Collar	B26	\$ 37,856.00	\$ 39,936.00	5%
Blue Collar	B27	\$ 38,979.20	\$ 41,059.20	5%
Blue Collar	B28	\$ 40,144.00	\$ 42,224.00	5%
Blue Collar	B29	\$ 41,433.60	\$ 43,513.60	5%
Blue Collar	B30	\$ 42,764.80	\$ 44,844.80	5%
Blue Collar	B31	\$ 44,304.00	\$ 46,384.00	5%
Blue Collar	B32	\$ 45,864.00	\$ 47,944.00	5%
Blue Collar	B33	\$ 47,507.20	\$ 49,587.20	4%
Blue Collar	B34	\$ 49,462.40	\$ 51,542.40	4%
Blue Collar	B35	\$ 51,480.00	\$ 53,560.00	4%

Pay Plan	Grade	Step 1	Range Spread
Caretaker	CT1	\$ 26,998.40	-

Pay Plan	Grade	Step 1	Range Spread
Citizen Contact	UC1	\$ 37,044.80	-
Citizen Contact	UC2	\$ 46,841.60	-
Citizen Contact	UCS	\$ 64,896.00	-

Pay Plan	Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Range Spread
Clerical	CC	\$ 27,060.80	\$ 29,806.40	\$ 31,200.00	\$ 32,760.00	\$ 34,424.00	\$ 37,980.80	40%
Clerical	CF	\$ 28,059.20	\$ 30,929.60	\$ 32,468.80	\$ 34,070.40	\$ 35,838.40	\$ 39,478.40	41%
Clerical	CG	\$ 28,496.00	\$ 31,366.40	\$ 32,843.20	\$ 34,528.00	\$ 36,192.00	\$ 39,936.00	40%
Clerical	CI	\$ 29,328.00	\$ 32,302.40	\$ 33,758.40	\$ 35,464.00	\$ 37,356.80	\$ 41,080.00	40%
Clerical	CJ	\$ 29,806.40	\$ 32,739.20	\$ 34,340.80	\$ 36,004.80	\$ 37,835.20	\$ 41,766.40	40%
Clerical	CL	\$ 30,763.20	\$ 33,800.00	\$ 35,380.80	\$ 37,211.20	\$ 39,041.60	\$ 43,097.60	40%
Clerical	CM	\$ 31,241.60	\$ 34,403.20	\$ 36,004.80	\$ 37,835.20	\$ 39,748.80	\$ 43,763.20	40%
Clerical	CN	\$ 31,782.40	\$ 35,006.40	\$ 36,712.00	\$ 38,542.40	\$ 40,456.00	\$ 44,532.80	40%
Clerical	CO	\$ 32,385.60	\$ 35,568.00	\$ 37,377.60	\$ 39,249.60	\$ 41,121.60	\$ 45,448.00	40%
Clerical	CP	\$ 32,926.40	\$ 36,212.80	\$ 38,001.60	\$ 39,894.40	\$ 41,974.40	\$ 46,259.20	40%
Clerical	CQ	\$ 33,592.00	\$ 36,982.40	\$ 38,729.60	\$ 40,664.00	\$ 43,576.00	\$ 48,027.20	43%
Clerical	CZ	\$ 34,236.80	\$ 37,710.40	\$ 39,540.80	\$ 41,496.00	\$ 43,576.00	\$ 48,027.20	40%
Clerical	CU	\$ 35,776.00	\$ 39,270.40	\$ 41,100.80	\$ 43,243.20	\$ 45,406.40	\$ 50,024.00	40%
Clerical	CX	\$ 38,084.80	\$ 41,932.80	\$ 43,950.40	\$ 46,134.40	\$ 48,464.00	\$ 53,456.00	40%

Pay Plan	Grade	Step 1	Step 2	Range Spread
Telecommunicators	C1	\$ 46,384.00	\$ 48,734.40	5%
Telecommunicators	C2	\$ 48,724.00	\$ 53,788.80	10%
Telecommunicators	C1C	\$ 50,544.00	\$ 52,894.40	5%
Telecommunicators	C2C	\$ 52,873.60	\$ 57,948.80	10%

Pay Plan	Grade	Step 1	Range Spread
Crossing Guard	LCG	\$ 38,251.20	-

Pay Plan	Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Range Spread
E Series	EA	\$ 33,051.20	\$ 34,756.80	\$ 36,441.60	\$ 37,356.80	\$ 39,208.00	\$ 41,059.20	\$ 43,243.20	\$ 45,406.40	\$ 47,652.80	\$ 49,961.60	\$ 52,478.40	59%
E Series	EB	\$ 36,628.80	\$ 38,459.20	\$ 40,289.60	\$ 42,411.20	\$ 44,491.20	\$ 46,675.20	\$ 48,984.00	\$ 51,480.00	\$ 54,038.40	\$ 56,804.80	\$ 59,633.60	63%
E Series	EC	\$ 42,036.80	\$ 44,054.40	\$ 46,342.40	\$ 48,609.60	\$ 51,126.40	\$ 53,560.00	\$ 56,264.00	\$ 59,134.40	\$ 60,840.00	\$ 63,897.60	\$ 67,017.60	59%
E Series	ED	\$ 46,550.40	\$ 48,838.40	\$ 51,334.40	\$ 53,851.20	\$ 56,513.60	\$ 59,384.00	\$ 61,089.60	\$ 64,188.80	\$ 67,371.20	\$ 70,761.60	\$ 73,819.20	59%
E Series	ZDB	\$ 46,696.00	\$ 51,480.00										10%
E Series	ZBE	\$ 49,275.20	\$ 54,246.40										10%
E Series	EE	\$ 51,292.80	\$ 53,830.40	\$ 56,472.00	\$ 59,363.20	\$ 61,068.80	\$ 64,168.00	\$ 67,350.40	\$ 70,740.80	\$ 73,798.40	\$ 77,563.20	\$ 81,390.40	59%
E Series	EF	\$ 56,368.00	\$ 59,238.40	\$ 60,964.80	\$ 64,043.20	\$ 67,225.60	\$ 70,595.20	\$ 73,715.20	\$ 77,355.20	\$ 81,224.00	\$ 85,300.80	\$ 89,627.20	59%
E Series	E16	\$ 56,368.00	\$ 59,238.40	\$ 60,964.80	\$ 64,043.20	\$ 67,225.60	\$ 70,595.20	\$ 73,715.20	\$ 77,355.20	\$ 81,224.00	\$ 85,300.80	\$ 89,627.20	59%
E Series	E5E	\$ 58,011.20	\$ 60,091.20										4%
E Series	EG	\$ 61,068.80	\$ 64,168.00	\$ 67,371.20	\$ 70,761.60	\$ 73,798.40	\$ 77,584.00	\$ 81,411.20	\$ 85,529.60	\$ 89,814.40	\$ 94,265.60	\$ 98,987.20	62%
E Series	ZED	\$ 62,566.40	\$ 69,014.40										10%
E Series	EH	\$ 69,388.80	\$ 72,446.40	\$ 76,044.80	\$ 79,872.00	\$ 83,865.60	\$ 88,067.20	\$ 92,456.00	\$ 97,073.60	\$ 101,878.40	\$ 106,496.00	\$ 111,820.80	61%
E Series	EI	\$ 76,356.80	\$ 80,225.60	\$ 84,115.20	\$ 88,379.20	\$ 92,788.80	\$ 97,427.20	\$ 102,273.60	\$ 106,766.40	\$ 112,132.80	\$ 117,832.00	\$ 123,739.20	62%
E Series	E20	\$ 84,094.40	\$ 88,358.40	\$ 92,081.60	\$ 97,406.40	\$ 102,252.80	\$ 106,745.60	\$ 112,153.60	\$ 117,811.20	\$ 123,697.60	\$ 129,812.80	\$ 136,302.40	62%
E Series	EJ	\$ 84,094.40	\$ 88,358.40	\$ 92,081.60	\$ 97,406.40	\$ 102,252.80	\$ 106,745.60	\$ 112,153.60	\$ 117,811.20	\$ 123,697.60	\$ 129,812.80	\$ 136,302.40	62%

Pay Plan	Grade	Step 1	Step 2	Range Spread
ERP - URG	URG	\$ 113,588.80	\$ 115,668.80	2%

Pay Plan	Grade	Step 1	Step 2	Range Spread
Fire	F21	\$ 25,438.40	\$ 29,411.20	16%
Fire	F32	\$ 33,321.60	\$ 41,184.00	24%
Fire	F22	\$ 35,568.00	\$ 41,184.00	16%
Fire	F11	\$ 41,121.60	-	-
Fire	FD1	\$ 45,281.60	-	-
Fire	FL1	\$ 49,899.20	-	-
Fire	RD1	\$ 51,168.00	-	-
Fire	FC1	\$ 54,849.60	-	-
Fire	RL1	\$ 56,388.80	-	-
Fire	F12	\$ 57,636.80	-	-
Fire	RC1	\$ 60,070.40	-	-
Fire	FD3	\$ 60,340.80	-	-
Fire	FD2	\$ 63,273.60	-	-
Fire	FL3	\$ 66,518.40	-	-
Fire	RD2	\$ 69,284.80	-	-
Fire	FL2	\$ 69,804.80	-	-
Fire	FM1	\$ 71,968.00	-	-
Fire	RL2	\$ 76,440.00	-	-
Fire	FC2	\$ 76,731.20	-	-
Fire	RC0	\$ 80,080.00	-	-
Fire	RC2	\$ 84,011.20	-	-
Fire	FM2	\$ 100,713.60	-	-
Fire	RM2	\$ 110,281.60	-	-
Fire	FP2	\$ 147,721.60	-	-

Pay Plan	Grade	Step 1	Step 2	Range Spread
Forensic Scientist	SCT	\$ 62,524.80	-	-
Forensic Scientist	SC1	\$ 67,225.60	\$ 70,595.20	5%
Forensic Scientist	SC2	\$ 73,881.60	\$ 77,584.00	5%
Forensic Scientist	SC3	\$ 81,265.60	\$ 85,342.40	5%

Pay Plan	Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Range Spread
I Series	ID	\$ 44,241.60	\$ 46,488.00	\$ 48,817.60	\$ 51,292.80	\$ 53,830.40	\$ 56,472.00	\$ 59,363.20	\$ 61,048.00	\$ 64,126.40	\$ 67,329.60	\$ 70,720.00	\$ 73,777.60	67%
I Series	IE	\$ 48,235.20	\$ 50,648.00	\$ 53,206.40	\$ 55,910.40	\$ 58,656.00	\$ 60,944.00	\$ 63,336.00	\$ 66,560.00	\$ 69,929.60	\$ 72,945.60	\$ 76,606.40	\$ 80,454.40	67%
I Series	IF	\$ 52,603.20	\$ 55,182.40	\$ 58,011.20	\$ 60,902.40	\$ 62,732.80	\$ 65,790.40	\$ 69,118.40	\$ 72,134.40	\$ 75,753.60	\$ 79,560.00	\$ 83,491.20	\$ 87,630.40	67%
I Series	IG	\$ 60,902.40	\$ 63,294.40	\$ 66,476.80	\$ 69,888.00	\$ 72,924.80	\$ 76,523.20	\$ 80,412.80	\$ 84,385.60	\$ 88,670.40	\$ 93,100.80	\$ 97,676.80	\$ 102,564.80	68%
I Series	IH	\$ 68,120.00	\$ 71,219.20	\$ 74,713.60	\$ 78,478.40	\$ 82,409.60	\$ 86,548.80	\$ 90,812.80	\$ 95,388.80	\$ 100,172.80	\$ 105,144.00	\$ 109,886.40	\$ 115,356.80	69%
I Series	II	\$ 73,195.20	\$ 76,897.60	\$ 80,704.00	\$ 84,801.60	\$ 89,003.20	\$ 93,412.80	\$ 98,134.40	\$ 103,022.40	\$ 107,619.20	\$ 113,027.20	\$ 118,601.60	\$ 124,550.40	70%
I Series	IJ	\$ 77,937.60	\$ 81,868.80	\$ 85,945.60	\$ 90,313.60	\$ 94,806.40	\$ 99,528.00	\$ 104,520.00	\$ 109,158.40	\$ 114,628.80	\$ 120,307.20	\$ 126,318.40	\$ 132,662.40	70%

Pay Plan	Grade	Step 1	Step 2	Range Spread
J Series	J12	\$ 57,636.80	-	-
J Series	J13	\$ 43,680.00	\$ 44,886.40	3%

Pay Plan	Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Range Spread
M Series	MA	\$ 30,388.80	\$ 32,843.20	\$ 35,713.60	\$ 39,374.40	\$ 43,347.20	\$ 47,798.40	57%
M Series	M12	\$ 34,424.00	\$ 36,712.00	\$ 40,497.60	\$ 44,699.20	\$ 49,275.20	\$ 54,246.40	58%
M Series	MB	\$ 34,424.00	\$ 36,712.00	\$ 40,497.60	\$ 44,699.20	\$ 49,275.20	\$ 54,246.40	58%
M Series	MC	\$ 38,916.80	\$ 42,161.60	\$ 46,529.60	\$ 51,251.20	\$ 56,534.40	\$ 62,296.00	60%
M Series	M13	\$ 38,916.80	\$ 42,161.60	\$ 46,529.60	\$ 51,251.20	\$ 56,534.40	\$ 62,296.00	60%
M Series	MD	\$ 43,139.20	\$ 46,696.00	\$ 51,480.00	\$ 56,784.00	\$ 62,628.80	\$ 69,014.40	60%
M Series	M14	\$ 43,139.20	\$ 46,696.00	\$ 51,480.00	\$ 56,784.00	\$ 62,628.80	\$ 69,014.40	60%
M Series	ME	\$ 47,548.80	\$ 51,438.40	\$ 56,763.20	\$ 62,566.40	\$ 69,014.40	\$ 76,003.20	60%
M Series	M15	\$ 47,548.80	\$ 51,438.40	\$ 56,763.20	\$ 62,566.40	\$ 69,014.40	\$ 76,003.20	60%
M Series	Y38	\$ 59,134.40	\$ 60,840.00					3%

Pay Plan	Grade	Step 1	Step 2	Step 3	Step 4	Range Spread
Metro Court	MCO	\$ 66,331.20	\$ 68,681.60	\$ 70,449.60	\$ 72,217.60	9%

Pay Plan	Grade	Step 1	Step 2	Step 3	Step 4	Range Spread
Police	CS1	\$ 32,988.80				-
Police	PSA	\$ 33,696.00				-
Police	PC0	\$ 43,534.40				-
Police	PDO	\$ 47,860.80	\$ 66,331.20			39%
Police	CS2	\$ 54,558.40				-
Police	M1C	\$ 59,321.60	\$ 60,881.60	\$ 63,835.20	\$ 66,955.20	13%
Police	PE0	\$ 68,411.20				-
Police	PE1	\$ 70,761.60				-
Police	PE2	\$ 74,297.60				-
Police	PFO	\$ 82,555.20				-
Police	PG0	\$ 94,348.80				-
Police	PH1	\$ 125,112.00				-
Police	PH0	\$ 130,977.60				-
Police	PHP	\$ 138,299.20				-
Police	PDP	\$ 159,619.20				-
Police	PD2	\$ 163,924.80				-
Police	PD1	\$ 168,355.20				-

Pay Plan	Grade	Step 1	Step 2	Step 3	Range Spread
Prisoner Transport	ATO	\$ 34,902.40	\$ 36,982.40	\$ 49,878.40	43%
Prisoner Transport	ATS	\$ 57,761.60			-
Prisoner Transport	PTM	\$ 73,798.40			-

Pay Plan	Grade	Step 1	Step 2	Range Spread
SA2/BPA2 Unclassified	URB	\$ 93,412.80	\$ 95,492.80	2%
SA2/BPA2 Unclassified	URA	\$ 93,641.60	\$ 95,721.60	2%

Pay Plan	Grade	Step 1	Step 2	Range Spread
SA3/BPA3 Unclassified	URE	\$ 105,081.60	\$ 107,161.60	2%
SA3/BPA3 Unclassified	URD	\$ 105,352.00	\$ 107,432.00	2%
SA3/BPA3 Unclassified	URF	\$ 113,048.00	\$ 115,128.00	2%
SA3/BPA3 Unclassified	URC	\$ 114,899.20	\$ 116,979.20	2%

Pay Plan	Grade	Step 1	Range Spread
Seasonal Worker	AA1	\$ 24,960.00	-
Seasonal Worker	WK1	\$ 24,960.00	-
Seasonal Worker	LG1	\$ 26,000.00	-
Seasonal Worker	SS1	\$ 26,000.00	-
Seasonal Worker	AC1	\$ 28,080.00	-
Seasonal Worker	LG2	\$ 29,120.00	-
Seasonal Worker	AC2	\$ 30,160.00	-
Seasonal Worker	AC3	\$ 31,200.00	-
Seasonal Worker	RC3	\$ 32,240.00	-

Pay Plan	Grade	Step 1	Step 2	Step 3	Step 4	Range Spread
Transportation Union	QSV	\$ 29,140.80	\$ 31,678.40	\$ 34,964.80	\$ 40,996.80	41%
Transportation Union	Q00	\$ 32,136.00	\$ 36,712.00	\$ 45,260.80		41%

Pay Plan	Grade	Step 1	Range Spread
-	AL1	\$ 54,641.60	-
-	ALD	-	-