CITY COUNCIL STUDY SESSION MEETING

STUDY SESSION AGENDA

TUESDAY, NOVEMBER 17, 2020, 1:00 PM

201 S. Cortez Street
Prescott, AZ 86303
Council Chambers

Greg Mengarelli, Mayor

Billie Orr, Mayor Pro Tem	Cathey Rusing, Councilmember
Steve Blair, Councilman	Alexa Scholl, Councilwoman
Phil Goode, Councilman	Steve Sischka, Councilman

The following Agenda will be considered by the Prescott **City Council Study Session** at its **Study Session** pursuant to the Prescott City Charter, Article II, Section 13. Notice of the meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02. One or more members of the Council may be attending the meeting through the use of a technological device.

Viewing & Participation in Council Meeting

This meeting may be viewed on Channel 64 and Facebook Live as well as on the City's website:
City Council Meetings
Or via Zoom by registering in advance at:
Zoom Registration Link
Comments from the public may be submitted through the City website:
Speaker Request Form

1. CALL TO ORDER

2. ROLL CALL

3. DISCUSSION

A. Presentation & Discussion of Total Compensation Study Findings; and Recommendations & Introduction of Revised City Code Chapter 1-20.

Recommended Action: This item is for discussion only. No formal action will be taken.

4. ADJOURNMENT

EXECUTIVE SESSION

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

(1) Discussion or consideration of personnel matters (A.R.S. §38-431.03(A)(1));
(2) Discussion or consideration of records exempt by law (A.R.S. §38-431.03(A)(2));
(3) Discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03(A)(3));
(4) Discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid litigation (A.R.S. § 38-431.03(A)(4));
(5) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03(A)(5));
(6) Discussion, consultation or consideration for negotiations by the city or its designated representatives with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city (A.R.S. §38-431.03(A)(6);
(7) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03(A)(7)).

THE CITY OF PRESCOTT ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO PERSONS WITH DISABILITIES. With 72 hours advanced notice, special assistance can be provided for sight and/or hearing-impaired persons at this meeting. Reasonable accommodations will be made upon request for persons with disabilities or non-English speaking residents. Please call the City Clerk (928) 777-1272 to request an accommodation to participate in this public meeting. Prescott TDD number is (928) 445-6811. Additionally, free public relay service is available from Arizona Relay Service at 1-800-367-8939 and more information at www.azrelay.org

Confidentiality

Arizona statute precludes any person receiving executive session information from disclosing that information except as allowed by law. A.R.S. §38-431.03(F). Each violation of this statute is subject to a civil penalty not to exceed $500, plus court costs and attorneys' fees. This penalty is assessed against the person who violates this statute or who knowingly aids, agrees to aid or attempts to aid another person in violating this article. The city is precluded from expending any public monies to employ or retain legal counsel to provide legal services or representation to the public body or any of its officers in any legal action commenced for violation of the statute unless City Council takes a legal action at a properly noticed open meeting to approve of such expenditures prior to incurring any such obligation or indebtedness. A.R.S. §38-431.07(A)(B).

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on ______________ at ______________m. in accordance with the statement filed by the Prescott City Council with the City Clerk

Sarah M. Siep
____
Sarah M. Siep, City Clerk

3.A

CITY OF PRESCOTT

COUNCIL AGENDA MEMO

MEETING TYPE/DATE: STUDY SESSION 11-17-20

DEPARTMENT: Human Resources

AGENDA ITEM: Presentation & Discussion of Total Compensation Study Findings; and Recommendations & Introduction of Revised City Code Chapter 1-20.

ITEM SUMMARY

Evergreen Consulting will present the results of the Total Compensation Study completed for the City of Prescott, to include methodology, summary of employee outreach, analysis of pay plan, market results and benefit analysis, and recommended compensation implementation and adjustments. The information will be used to formulate budgets for Fiscal Year 2022 and subsequent fiscal years.

BACKGROUND

In the Fall of 2019, City Contract No. 2020-122 with Evergreen Associates was approved to: survey wages and benefits; facilitate City employee focus groups to directly solicit suggestions, opinions, and concerns regarding benefits; analyze current City pay and public safety pay plans; and make appropriate compensation adjustment recommendations.

The independent work completed by Evergreen Associates will assist in evaluating the City's position in the employment market, as well as accomplish other objectives outlined below:

Adopting a new compensation and classification system

- Providing total compensation results with benchmarked titles distributed to Arizona public sector employers and assessment, methodology and evaluation of current compensation structures to make appropriate recommendations.

- Comparing City benefits package with peer employers to include medical, dental, vision, and paid time off through surveys, questionnaires and employee focus group meetings with employees in order to evaluate the City employee benefit package.

- Adopting a new classification system and compensation plan.

- Recommending to Council options for bringing employees to competitive market wage levels.

- Excluding top tier employees from market adjustments and introducing Pay for Performance for leadership/management employees effective June 28, 2021.

- Applying annual pay plan structure adjustment based on CPI effective June 28, 2021 and introducing COLA for all employees.

- Maintaining competitiveness through a variety of system administration recommendations.

Revising the City Code Chapter 1-20, and updating City policies and procedures (Administrative Guidelines)

- Moving PTO and other personnel administrative items from City Code Chapter 1-20 and delegating responsibility to City Manager.

- Updating Administrative Regulations to capture information no longer included in the revised City Code Chapter 1-20. Allows for grandfathering of previous benefits for existing employees.

FINANCIAL IMPACT

None at this time.

Recommended Action: **This item is for discussion only. No formal action will be taken.**

ATTACHMENTS

1. Evergreen Solutions Executive Summary of Compensation Report.docx
2. Summary of Recommendations.docx
3. Evergreen Solutions Compensation Report.pdf
4. Evergreen Solutions Power Point Presentation.pptx
5. City Code Chapter 1-20 (Current).docx
6. City Code Chapter 1-20 (Proposed).docx

Evergreen Executive Summary

November 17, 2020

Evergreen Report on the City of Prescott Total Compensation Study

Introduction:

We are pleased to share with you the Total Compensation Study Report of Findings and Recommendations by Evergreen Solutions, LLC. We recognize that there has been great anticipation among employees to receive the consultant's findings regarding how our classifications, compensation and benefit levels compare to "the market," including organizations that we compete with for talent. The end goal is to establish a Total Compensation system for the City that is equitable, both internally and externally.

In late 2019, the City of Prescott contracted with Evergreen Solutions to conduct a comprehensive study regarding our Total Compensation Systems and processes. Prescott employees completed a Job Assessment Tool (JAT) which described in detail the duties and necessary knowledge, skills, and abilities related to the diverse array of jobs performed across the City. In addition, individual meetings with Directors and employee focus groups were conducted with Evergreen consultants to share thoughts about pay, benefits, and other factors impacting the work environment. Due to the COVID-19 virus, work had stalled. It was difficult to obtain comprehensive benefits data from many comparators due to priorities focused on the virus. Now, eleven months later, Evergreen has delivered a report, which provides information related to market data, assessments of internal and external equity and benefits information. The study includes three primary components:

1. Classification Study - This involves conducting job analyses (based on submitted JAT's) and evaluating current job classifications. Job analysis examines the position and not the talents and qualifications of the person in the position.

2. Compensation Study - This involves a comprehensive market salary survey of targeted public and private sector organizations. The study also examines pay equity issues, identifies possible corrective solutions as needed, and provides recommendations for strategies to facilitate pay equity in the future. A review was also undertaken of current compensation rules and guidelines, with recommendations for changes that will ensure that compensation remains competitive in future years.

3. Benefits Study - This involves a comprehensive market survey providing information on health, PTO, and other important benefits.

As you review the report, please keep the following points in mind:

- The purpose of the report is to provide the City of Prescott with a high-level overview of Evergreen's findings. The report does not include a list of individual positions, employee names, or recommendations for pay increases for specific employees or positions. Decisions regarding any overall and/or individual pay adjustments will be made upon approval of City Council.
- Evergreen's role was to provide decision-makers with information, analyses, and options. Evergreen's role is not to decide which options will be implemented, the timing of the implementation, or the funding for the implementation.
- The data utilized in the study represents a snapshot in time, and market conditions are evolving.
- In some sections, Evergreen uses technical industry terminology and statistical processes that may be difficult to understand. Note that there will be an opportunity for future discussions with Human Resources staff and Evergreen to provide greater clarification.
- Evergreen will be scheduling employee meetings for the purpose of continued explanation of the process and will continue to gather input about the impact as the results are released.

Report Highlights:

Current Conditions:
Evergreen concluded that the classification system being utilized by the City is generally accurate, and titles describe the work being performed by employees.

Evergreen found that the City has too many pay grades for an organization of 500 employees. In addition, range spreads and grade progression are too narrow making it hard to compete in the market.

Range spread, generally recommended to be between 50-70 percent, was static at 40.0 percent. This may lead to the City having some difficulty matching the market maximum rates of pay.

Overall the City is in a great position with regard to employee vs. supervisor compression. Evergreen concluded that most City employees are paid less than 80.0 percent of their supervisors' salaries. While there are a few outliers, the City has a very strong, positive relationship between tenure and grade penetration.

Market Summary:
Evergreen conducted a comprehensive market salary survey, which included data from 21 public peer organizations throughout the State of Arizona.

Evergreen identified 61 Prescott benchmark classifications for the purpose of the salary survey which comprises 61% of the employee population.

Evergreen conducted market comparisons with Public sector peers using data from the Economic Research Institute. The City was found to be, on average, offering below market rate compensation compared to the whole of the market when factoring for total compensation (i.e. including the value of benefits).

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

- The City is approximately 6.6 percent below the general employee market minimum.
- The City is approximately 7.9 percent below the general employee market midpoint.
- The City is approximately 9.0 percent below the general employee market maximum.
- The City is approximately 8.2 percent below the public safety market minimum.
- The City is approximately 5.2 percent below the public safety market midpoint.
- The City is approximately 2.9 percent below the public safety market maximum.
- The City is not competitive regarding time off as comparators are offering on an average of at least 200 and up to 250 paid hours off per year.

Recommendation Highlights:

Classification/Compensation Structure:
Evergreen recommends a new pay plan/structure. The new structure consists of 22 pay grades and an open range pay grade with a spread of 50-60% between minimum and maximum of the pay grade and a wider spread of 5-6% between grades which will help with compression issues.

Market Approach:
Evergreen recommends that the City adopt a new pay plan that will align with the selected classification/compensation structure.

Implementation of the new compensation structure requires two steps:

1. Assignment of classifications to appropriate pay ranges:
   The factors considered in the assignment of classifications are (a) the results of the JAT analysis, (b) the results of the market study, and (c) consideration for existing internal relationships between classifications.

2. Transitioning of salaries into the newly assigned pay ranges:
   This process may include a number of possible strategies that will be considered and must be approved by the City Council.

Evergreen recommends the City adjust the pay structure annually to maintain market movement with peers, and also recommends implementation of an annual COLA.

Evergreen recommends that the City Council approve changes to the City Code Chapter 1-20 and consider administratively approving compensation changes, such as increasing PTO annual accruals to align more competitively with the market.

Evergreen recommends that the City exercise a differentiated percentage merit system for high performers (pay for performance) starting with leadership/management levels in the City.

Next Steps:

The study found that most City employees are classified appropriately but compensated below fair market rates. Evergreen also found that PTO accrual rates are well below the market. Human Resources and City leadership continue to review Evergreen's report and data to identify the steps needed to:

1. Adopt a compensation structure and align compensation rates for positions that may fall below market levels.
2. Offer recommendations to increase employee PTO accrual rates.
3. Conduct annual review of new pay plan and adjust accordingly to maintain alignment with peers. This includes implementation of annual COLA and CPI adjustments.

Evergreen consultants will conduct a number of information sessions for City employees, and Human Resources will continue to provide updates throughout the next few weeks.

Questions about the report may be directed to Human Resources by calling (928) 777-1284 or sending an email to joyce.lira@prescott-az.org or melissa.fousek@prescott-az.org

Summary of Recommendations

Evergreen Total Compensation Study

November 17, 2020

Classification
Adopt a new classification system (includes revised job descriptions, combining similar jobs, and FLSA status).

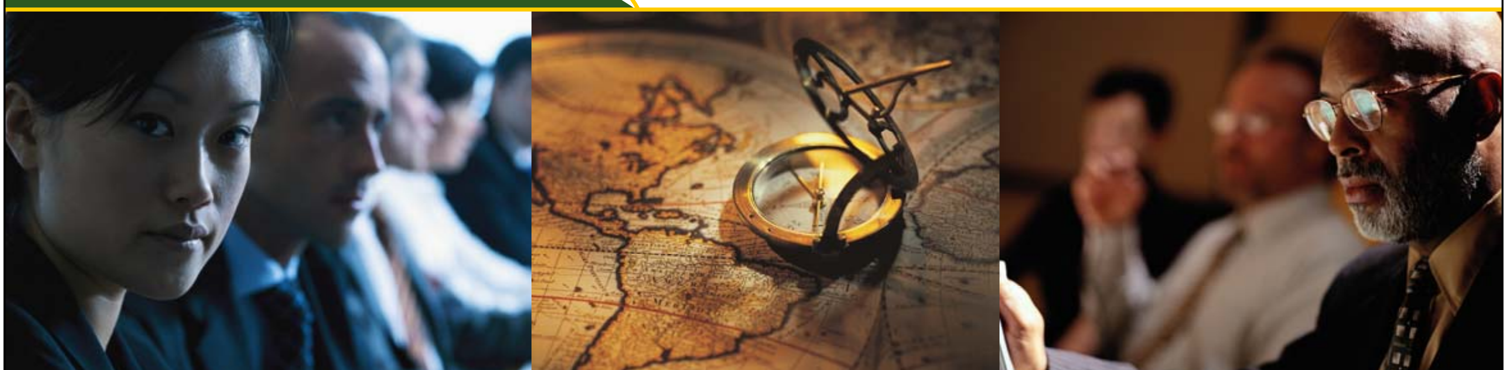
Compensation	
Adopt a new compensation structure pay plan	
Slot jobs/classifications into new pay plan	
Transition employee salaries into new pay plan with one of these options:	
• Bring to minimum	$183,937.00
• Adjust to Compa Ratio	2,305,747.00
• Adjust to 95 Percent of Compa Ratio	1,101,459.00

Benefits
Adopt revised City Code Chapter 1-20/Enhance PTO accruals
Examine healthcare adjustments to the premiums paid by employee (review tier levels, Employee, Employee + Spouse, Child, and Family)

System Administration
Maintain competitiveness through ad-hoc small scale salary studies for hard to fill/retain positions.
Make salary adjustments for employees to ensure appropriate placement in range
• Annual pay plan structure adjustment based on CPI/small scale market survey
• Annual classification adjustments based on hard to recruit and retain
• Annual adjustment of employee pay based on COLA
• Differentiate high performance based on pay-for-performance program for leaders
Adopt a hiring grid to ensure new/promoted employees are hired at the competitive placement in the structure based on qualifications.
Update policy regarding promotion/demotion/transfer to align with new compensation structure/grid.

Total Compensation Study for the City of Prescott

FINAL REPORT



Evergreen Solutions, LLC

November 17, 2020

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Chapter 1 - Introduction

In the Fall of 2019, the City of Prescott, AZ (the City) determined that its current classification and compensation system and structures needed to be updated to better reflect best practices. This process involved conducting a job analysis, collecting peer salary and benefits data, developing new policies and procedures, and implementing the new structure. This study and the analysis contained within provides City leadership, department heads, and the human resources department valuable information related to their employee demographics, opinions, 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.

Additionally, the City worked with Evergreen to create an updated compensation philosophy to ensure the City has a consistent path to ensuring equity for years to come. This compensation philosophy is included with this report as Appendix B following the end of the written chapters.

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 their external market position does not decay. While pay ranges should be evaluated every year in a changing market, a full compensation and classification review is recommended approximately every five to seven years. Annual adjustments to the pay plan are important in ensuring the City doesn't fall too far behind the market. However, because the market moves at different rates for different positions, a full classification and compensation study ensures that the entire organization remains up to date. 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;
- Conducting an external market benefits 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; and
- 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 Job Assessment Tool (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 which needed particular attention and consideration. This information provided some basic perceptional 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 and the citizens that rely on the City?

- 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 even those who report to elected officials or the general public.

Salary and Benefits Surveys

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. Benchmark classifications from the City were surveyed, although not all positions had the same number of matching positions at the peer organizations. Market data was collected from cities and counties across Arizona and was supplemented by fire-specific data to ensure there were enough matches on the fire classifications. Benefits data was also requested from the Cities and Counties included in the survey. The data were then analyzed 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 systems 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 three Evergreen consultants over the course of three days. The consultants met with City employees and 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 their opinions on classifications that were outdated, behind 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 and those issues that they believed were present outside of compensation. 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 all 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 to include cities, counties, and additional fire specific peers throughout the state of Arizona. Benefits information was also solicited from peer organization to assist the City in determining if they are matching the benefits offered by their peer organizations. 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 several different solution options based on their current relationship to market. 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 current structures. Evergreen has provided the City with recommendations that will improve the City's ability to recruit and retain employees by ensuring that internal and external equity are maximized with respect to compensation and benefits. A full explanation of the recommendations can be found in **Chapter 5** of this report.

Chapter 2 – Summary of Employee Outreach

Throughout the week of January 20th, 2020, Evergreen consultants conducted three orientation sessions and nine focus groups for the City of Prescott ("the City"). The sessions and focus groups were conducted throughout each day, both in the morning and afternoon, to ensure that the City's employees were able to attend. The orientation sessions were performed with two objectives. The first was to inform City employees about the purpose and overall objectives for the study. The second was to give employees information relating to how they would be asked to participate in the study. While the orientation sessions were more focused on Evergreen providing information to employees, focus group sessions were conducted with the goal of soliciting feedback from employees with reference to a variety of topics relating to compensation and classification. The overall purpose behind the focus groups was to gauge the sentiment that City employees have toward the current system of compensation and classification, while also allowing the employees to provide specific feedback on other aspects of their employment.

When focus groups were conducted, one of the first things expressed to the employees was a high-level summary of what the focus groups were about and how the process works. This included informing employees that they would be asked perceptual questions and that the identifiable information relating to their responses will be removed. With this in mind, the observations summarized in this chapter are generalizations of opinions, themes, and trends that City employees expressed. While these views may not necessarily reflect the actual conditions at the City, it is important to realize that everything included here represents the opinions of at least a small subset of City employees.

Comments are separated by the following four categories below:

2.1 General Feedback
2.2 Compensation & Classification
2.3 Market Peers
2.4 Summary

2.1 GENERAL FEEDBACK

While the study's focus relates to compensation and classification, many times they are not the only factors that determine why employees applied to work for or are continuing to work at the City. In order to account for some of these other factors, general feedback was sourced from employees relating to the primary factors for their continued employment. This is important to understand because many times the incentives that drew and retain the City's employees may also incentivize other prospective employees as well. Many of the responses varied, but the primary responses related to employee-only health care coverage, culture, and location.

- Benefits – While some of the feedback relating to benefits were mixed, many of the employees expressed that the employee-only healthcare option was an excellent benefit and they were happy with its coverage. Other employees mentioned the retirement was another great incentive and was something they were happy to receive.

- Culture – Every focus group mentioned the people they work with as one of the top reasons they continued to work for the City. Several employees mentioned that they left and came back because they really enjoyed the culture and friendliness of the City.

- Location – Another frequent response when asked about the reasons for seeking employment with the City was its location. Many focus groups stated that this is an amazing place to raise a family due to the environment and outdoor opportunities close by.

Overall, the employees of the City expressed overwhelmingly that while they did have some concerns, the City is a wonderful place to work and is filled with amazing people.

2.2 COMPENSATION AND CLASSIFICATION

As the main focus of this study, feedback on compensation and classification was solicited from employees. Employees were asked to identify any concerns, challenges, or limitations observed with how the City currently compensates and classifies its positions. It is important to remember that the perceptions of employees listed below do not necessarily reflect or align with the data collected in the market survey, found in **Chapter 4.**

Specific feedback shared by employees related to compensation practices included the following:

- External Equity – The overall perception that employees expressed was that the City used to be very competitive with the external market, but has become less competitive over time. It was mentioned that after the recession, many policies changed regarding pay range increases and raises, and these changes were never reverted once the recession ended. Additionally, employees stated that many of the other pay practices, such as those relating to certifications and education, were not competitive with the external market.

- Internal Equity – Focus group feedback was mixed regarding internal equity. Many of the more tenured employees of the City felt that new hires were getting brought in at a much higher rate causing compression. Another concern the more tenured employees expressed related to the compensation when they reach the end of their range. They said that the additional compensation they received was not commensurate to their years of experience and when a promotion arises, they were not always incentivized enough to take the position. The newer employees' concerns seemed to relate to the increasing time it takes to reach of the end of the pay range.

- Minimum Qualifications – Several participants mentioned that they would like the minimum qualifications for each classification to be reviewed, pointing out that the same classification in different departments had different requirements. Others said that they thought the requirements haven't been adjusted recently and were not in line with others in the market.

- Tuition Reimbursement – The feedback relating to tuition reimbursement was mixed. Some employees seemed unaware of this benefit, while others were not certain how the process worked. The ones who were aware of it did say they appreciated the assistance it provided, but said they would like it to be more transparent with how the process works.

- Raises – Employees at the City seemed to feel that the raises they most often received were more of a cost of living adjustment than a raise itself. Many employees said they felt this way because they knew that there was a limit of three percent for raises no matter how well they perform. They mentioned they would like to see a differentiation with the merit system between the average and high performing employees.

- Living in Prescott – Something that was mentioned in every focus group was the rising cost of housing in Prescott. Many participants said that they like working for the City and its people, but can't afford to live in the city that they serve.

- Certifications – The employees said that while the City covers the costs for required certifications and they are appreciative of this, they stated if the test was failed, they had to foot the bill. Additionally, they also said that they would like to have assistance paying for additional qualifications to help improve the City's overall workforce and to receive compensation for them as well.

- Retirement and Vision (benefits perceived strengths) – Many of the focus groups said that the retirement system was one of the top reasons to work for the City. They also expressed that the employee-only coverage on the health plan was a great benefit and they were grateful that vision was brought back.

- Health Care Affordability (benefits perceived weakness) – Employees expressed that they like that the family plan has options, but felt very strongly that not all of the options were affordable, especially the 80/20 plan which has better coverage. While employees mentioned that they were grateful that the City provided them options, some employees said it felt like a false choice because the better family health care plans are unaffordable, and therefore not realistic options for most employees.

- Paid Time Off Accrual (benefits perceived weaknesses) – Another common concern expressed was the accrual rates for the PTO. The participants said they were glad the City increased the amount employees could bank, but because the accrual was so low they felt they were having to make the choice of either going on vacation or taking time off due to illness. Employees believe that the accrual rates need to be significantly increased to become more competitive with accrual rates seen in other organizations.

- Performance Management – While not all of the participants in the focus groups had completed the new performance appraisal system, the ones that had viewed it as a much better system. Supervisors said that it allowed for more of a dialogue with employees that sought their input as well, rather than checking boxes and completed a complicated form that took a large amount of time. Employees also mentioned that they appreciated they were able to contribute to the process and did not view it as one-sided as the previous system.

- Other Areas – While these concerns were not within the scope of the compensation and classification study and the participants were informed as such, almost every focus group mentioned two areas they wanted to address with the City. The first concern was with the use of temporary employees. Several focus groups mentioned some of the temporary employees have been with the city for a long time and are not actually temporary. The other area related to the staffing leveling for the city. Employees felt the city has been growing placing a larger burden on them and they mentioned they feel the city needs to review its current overall staffing level.

2.3 MARKET PEERS

Another question included in the focus groups related to peer organizations. These were defined as organizations who the participants believe have similar characteristics to the City in both the local and regional market. While the focus groups identified many organizations that they considered peers, the following list contains the organizations referred to the most across all of the focus groups. These organizations were considered when developing the list for the compensation and classification survey, and some examples are listed below.

- Avondale
- Buckeye
- Chandler
- Flagstaff
- Gilbert
- Mesa
- Marana
- Peoria
- Phoenix
- Prescott Valley
- Sedona
- Tempe
- Daisy Mountain Fire District

2.4 SUMMARY

Overall, many of the concerns expressed that are represented above are typical and exist in many organizations today. The commitment the City shows by seeking employee input and feedback regarding the compensation and classification system is a positive step toward improvement in these areas. During the outreach sessions, employees consistently stated three main areas they wished the City to improve upon. These areas included improving the City's compensation system to be market competitive, reviewing the cost for health care coverage for families to make it more affordable for employees, and increasing the PTO accrual.

The input received during the employee outreach sessions provided a foundation for the understanding of the current environment and was used throughout the remainder of the study in order to arrive at appropriate recommendations provided in Chapter 5 of this report.

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 represents a snapshot in time – this chapter was built off of employee information collected in the first quarter of 2020. Every organization changes continuously, so this chapter is not meant to be a definitive statement on continuing compensation practices at the City. Rather, this AOCC is meant to represent the conditions that were in place when this study began. 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 issues 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 overview of the compensation philosophy as it existed when the study began. The City had a current system in place with forty pay grades being used for general employees, and another four for fire classifications, that had approximately 2.5 percent midpoint progression between them. This analysis only considers pay grades that are currently utilized by at least one City employee, so in actuality there were even more pay grades than displayed at the City. Exhibit 3A displays the City's pay plan summarized for ease of comparison. The exhibit provides the name; each pay grade on the plan; the value of each pay grade at minimum, midpoint and maximum; the range spread for each pay grade – which is a measure of the distance between the minimum and maximum of the grade; the midpoint progression between grades; and the number of employees per pay grade.

The City's pay plan includes forty-five occupied pay grades that hold 484 employees. The range spreads of the grades are all set equal to 40.0 percent. There are several unoccupied pay grades, and pay grade 67 contains more employees than any other grade with fifty-nine.

EXHIBIT 3A
PAY PLAN SUMMARY

Pay Plan	Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression	Employees
General	41	$ 25,043	$ 30,046	$ 35,048	40%	-	3
General	47	$ 29,037	$ 34,840	$ 40,643	40%	16.0%	15
General	48	$ 29,765	$ 35,714	$ 41,662	40%	2.5%	5
General	50	$ 31,262	$ 37,523	$ 43,784	40%	5.1%	7
General	52	$ 32,843	$ 39,416	$ 45,989	40%	5.0%	5
General	53	$ 33,675	$ 40,404	$ 47,133	40%	2.5%	15
General	54	$ 34,507	$ 41,413	$ 48,318	40%	2.5%	24
General	55	$ 35,381	$ 42,453	$ 49,525	40%	2.5%	19
General	56	$ 36,254	$ 43,514	$ 50,773	40%	2.5%	8
General	57	$ 37,170	$ 44,606	$ 52,042	40%	2.5%	37
General	58	$ 38,106	$ 45,718	$ 53,331	40%	2.5%	15
General	59	$ 39,042	$ 46,852	$ 54,662	40%	2.5%	32
General	60	$ 40,019	$ 48,027	$ 56,035	40%	2.5%	17
General	61	$ 41,018	$ 49,223	$ 57,429	40%	2.5%	12
General	62	$ 42,058	$ 50,461	$ 58,864	40%	2.5%	6
General	63	$ 43,098	$ 51,719	$ 60,341	40%	2.5%	19
General	64	$ 44,179	$ 53,019	$ 61,859	40%	2.5%	2
General	65	$ 45,282	$ 54,340	$ 63,398	40%	2.5%	12
General	66	$ 46,426	$ 55,702	$ 64,979	40%	2.5%	10
General	67	$ 47,570	$ 57,086	$ 66,602	40%	2.5%	59
General	68	$ 48,776	$ 58,521	$ 68,266	40%	2.5%	13
General	70	$ 51,230	$ 61,485	$ 71,739	40%	5.1%	18
General	71	$ 52,520	$ 63,024	$ 73,528	40%	2.5%	5
General	72	$ 53,830	$ 64,594	$ 75,358	40%	2.5%	1
General	73	$ 55,182	$ 66,217	$ 77,251	40%	2.5%	2
General	74	$ 56,555	$ 67,870	$ 79,186	40%	2.5%	7
General	75	$ 57,970	$ 69,566	$ 81,162	40%	2.5%	2
General	76	$ 59,426	$ 71,302	$ 83,179	40%	2.5%	5
General	77	$ 60,902	$ 73,081	$ 85,259	40%	2.5%	3
General	78	$ 62,421	$ 74,911	$ 87,402	40%	2.5%	9
General	79	$ 63,981	$ 76,783	$ 89,586	40%	2.5%	3
General	80	$ 65,582	$ 78,697	$ 91,811	40%	2.5%	3
General	81	$ 67,226	$ 80,673	$ 94,120	40%	2.5%	6
General	82	$ 68,910	$ 82,690	$ 96,470	40%	2.5%	2
General	83	$ 70,637	$ 84,760	$ 98,883	40%	2.5%	1
General	84	$ 72,384	$ 86,871	$101,358	40%	2.5%	3
General	86	$ 76,066	$ 91,270	$106,475	40%	5.1%	2
General	88	$ 79,914	$ 95,898	$111,883	40%	5.1%	4
General	89	$ 81,910	$ 98,290	$114,670	40%	2.5%	3
General	91	$ 86,050	$103,262	$120,474	40%	5.1%	1
General	64-S	$ 44,175	$ 53,013	$ 61,851	40%	-	20
General	71-S	$ 52,532	$ 63,030	$ 73,528	40%	18.9%	17
General	78-S	$ 62,433	$ 74,911	$ 87,389	40%	18.8%	15
General	86-S	$ 76,061	$ 91,262	$106,463	40%	21.8%	2
General	OR	-	-	-	-	-	15

Comparing the summary data in Exhibit 3A to best practices, a number of observations can be made regarding the City's pay plan. Based on the analysis of the pay plan, the following facts can be observed:

- Range spreads—generally set between 50-70 percent—are slightly more narrow than you would typically see in the market today. Each range has a spread of only 40.0 percent, which may make it difficult for the City to compete with the market at the top end of most pay ranges.
- The number of employees on each pay grade is widely varied. Multiple pay grades are unoccupied, while several pay grades contain twenty or more employees.
- The minimum annual pay offered to any City employee is $25,043 while the maximum salary of any pay grade is $106,463. The City does have an "Open--Range" grade that is currently utilized for director-level and other leadership positions, and some of those salaries exceed this amount.

3.2 GRADE PLACEMENT ANALYSIS

The Grade Placement Analysis examines how employee salaries are distributed throughout the pay grades. This can help identify salary progression issues, which are usually accompanied by employee salaries that are clustered in segments of the pay grades. 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 in the high end of pay ranges can be a sign of high employee tenure or a sign that the pay ranges are behind market, forcing the organization to offer salaries near the maximum of the range to new hires. With regard to 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. Only pay grades with at least one incumbent are included in this analysis.

Exhibits 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 grade. As can be seen in the exhibit, 9.3 percent (45 total) of all employees are compensated at their pay grade's minimum. A slightly larger percent of employees, at 9.7 percent (47 total), are compensated at their pay grade's maximum.

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 pay grade midpoint. The percentages refer to the percentage of employees in each pay grade that are above and below midpoint. Exhibit 3C displays the results of this analysis: a total of 292 employees are compensated below their pay grade midpoint—which is 60.3 percent of all employees for the City. There are 191 employees compensated above midpoint of their pay grade, which is 39.5 percent of all employees.

EXHIBIT 3B
EMPLOYEES AT MINIMUM AND MAXIMUM BY GRADE

Grade	Employees	# at Min	% at Min	# at Max	% at Max
41	3	0	0.0%	0	0.0%
47	15	1	6.7%	1	6.7%
48	5	0	0.0%	0	0.0%
50	7	4	57.1%	0	0.0%
52	5	0	0.0%	1	20.0%
53	15	4	26.7%	2	13.3%
54	24	3	12.5%	2	8.3%
55	19	6	31.6%	0	0.0%
56	8	1	12.5%	0	0.0%
57	37	8	21.6%	4	10.8%
58	15	0	0.0%	2	13.3%
59	32	1	3.1%	3	9.4%
60	17	0	0.0%	0	0.0%
61	12	1	8.3%	1	8.3%
62	6	0	0.0%	0	0.0%
63	19	1	5.3%	0	0.0%
64	2	0	0.0%	1	50.0%
65	12	0	0.0%	1	8.3%
66	10	3	30.0%	2	20.0%
67	59	9	15.3%	8	13.6%
68	13	1	7.7%	1	7.7%
70	18	0	0.0%	0	0.0%
71	5	1	20.0%	0	0.0%
72	1	0	0.0%	0	0.0%
73	2	0	0.0%	1	50.0%
74	7	0	0.0%	1	14.3%
75	2	0	0.0%	0	0.0%
76	5	0	0.0%	1	20.0%
77	3	0	0.0%	1	33.3%
78	9	0	0.0%	1	11.1%
79	3	0	0.0%	0	0.0%
80	3	0	0.0%	0	0.0%
81	6	0	0.0%	0	0.0%
82	2	0	0.0%	1	50.0%
83	1	0	0.0%	0	0.0%
84	3	0	0.0%	0	0.0%
86	2	0	0.0%	1	50.0%
88	4	0	0.0%	2	50.0%
89	3	0	0.0%	0	0.0%
91	1	0	0.0%	1	100.0%
64-S	20	0	0.0%	2	10.0%
71-S	17	0	0.0%	3	17.6%
78-S	15	0	0.0%	3	20.0%
86-S	2	1	50.0%	0	0.0%
OR	15	0	0.0%	0	0.0%
Total	**484**	**45**	**9.3%**	**47**	**9.7%**

EXHIBIT 3C
EMPLOYEES ABOVE AND BELOW MIDPOINT BY PAY GRADE

Grade	Employees	# < Mid	% < Mid	# > Mid	% > Mid
41	3	0	0.0%	3	100.0%
47	15	9	60.0%	6	40.0%
48	5	5	100.0%	0	0.0%
50	7	7	100.0%	0	0.0%
52	5	2	40.0%	3	60.0%
53	15	11	73.3%	4	26.7%
54	24	19	79.2%	4	16.7%
55	19	18	94.7%	1	5.3%
56	8	6	75.0%	2	25.0%
57	37	25	67.6%	12	32.4%
58	15	7	46.7%	8	53.3%
59	32	20	62.5%	12	37.5%
60	17	9	52.9%	8	47.1%
61	12	6	50.0%	6	50.0%
62	6	1	16.7%	5	83.3%
63	19	13	68.4%	6	31.6%
64	2	1	50.0%	1	50.0%
65	12	4	33.3%	8	66.7%
66	10	5	50.0%	5	50.0%
67	59	36	61.0%	23	39.0%
68	13	10	76.9%	3	23.1%
70	18	15	83.3%	3	16.7%
71	5	3	60.0%	2	40.0%
72	1	0	0.0%	1	100.0%
73	2	0	0.0%	2	100.0%
74	7	5	71.4%	2	28.6%
75	2	1	50.0%	1	50.0%
76	5	1	20.0%	4	80.0%
77	3	0	0.0%	3	100.0%
78	9	7	77.8%	2	22.2%
79	3	1	33.3%	2	66.7%
80	3	1	33.3%	2	66.7%
81	6	1	16.7%	5	83.3%
82	2	1	50.0%	1	50.0%
83	1	0	0.0%	1	100.0%
84	3	1	33.3%	2	66.7%
86	2	0	0.0%	2	100.0%
88	4	1	25.0%	3	75.0%
89	3	3	100.0%	0	0.0%
91	1	0	0.0%	1	100.0%
64-S	20	12	60.0%	8	40.0%
71-S	17	4	23.5%	13	76.5%
78-S	15	5	33.3%	10	66.7%
86-S	2	1	50.0%	1	50.0%
OR	15	15	100.0%	0	0.0%
Total	**484**	**292**	**60.3%**	**191**	**39.5%**

3.3 QUARTILE ANALYSIS

The last part of the Grade Placement Analysis is a detailed look at how salaries are distributed through pay grades, 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.

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 grade, as well as the average overall tenure (i.e. how long an employee has worked for the City) by quartile. Overall, data provide that 35.2 percent of employees fall into Quartile 1 of their respective grade; 24.1 percent fall into Quartile 2; 15.8 percent fall into Quartile 3; and 24.9 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.

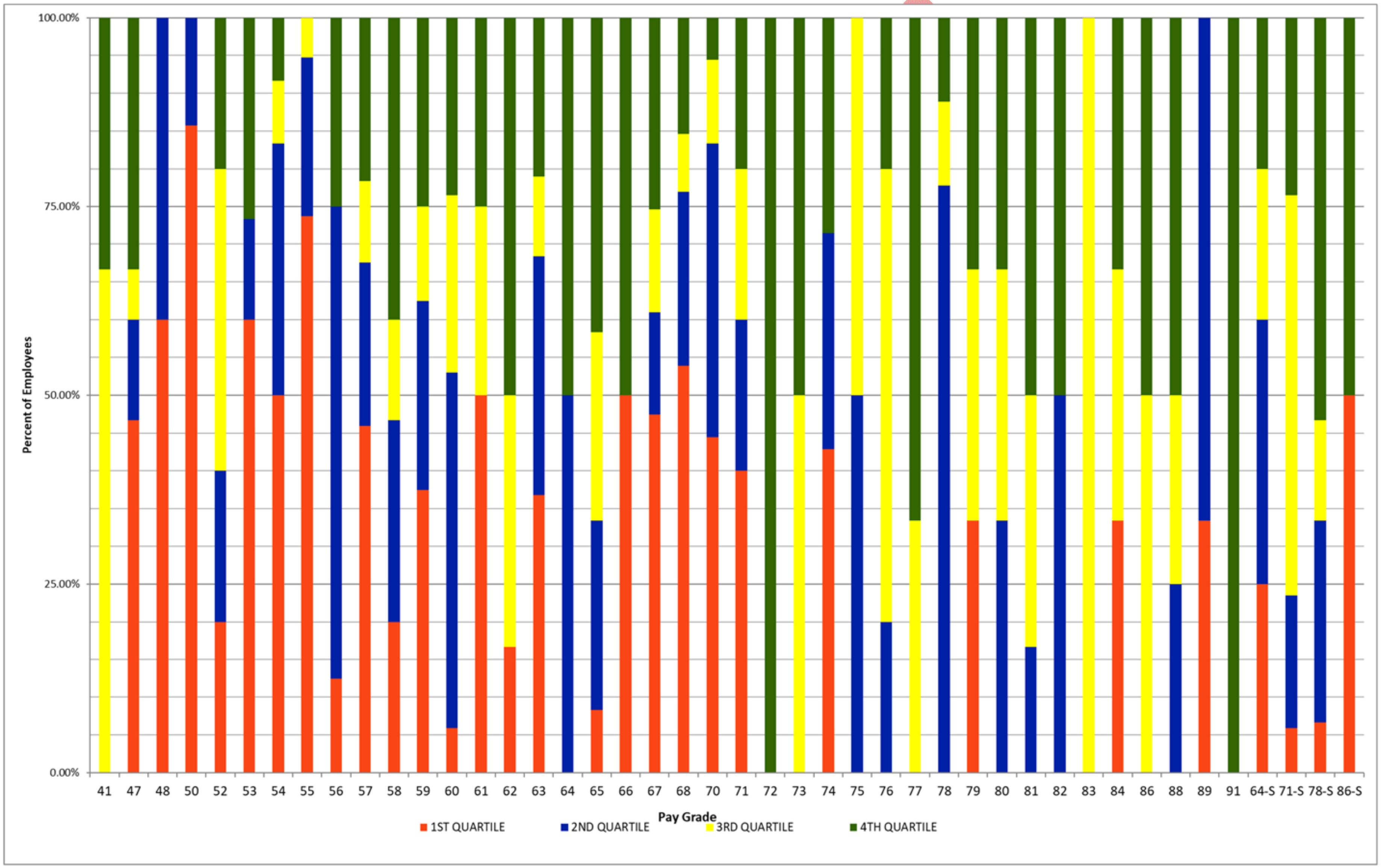
Specifically, overall average tenure increases as quartile increases; the average tenure in Quartile 1 is 3.5 years; in Quartile 2 is 7.1 years; in Quartile 3 is 9.7 years; and in Quartile 4 is 17.2 years. This would seem to indicate that employees are moved through their pay grades equitably, or at 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. For example, pay grade 91 has zero employees in Quartile 1, 2, or 3. That pay grade is represented by a 100 percent green bar, showing that 100 percent of Grade 91 employees are in Quartile 4. Pay grades 57-60 have employees in all four quartiles, however, and are consequently represented with bars displaying all four colors, corresponding to the percentage of employees for each pay grade in each quartile.

EXHIBIT 3D
QUARTILE ANALYSIS AND TIME WITH THE ORGANIZATION

GRADE	Total Employees	Average Tenure	1st Quartile		2nd Quartile		3rd Quartile		4th Quartile	
			# Employees	Avg Tenure	# Employees	Avg Tenure	# Employees	Avg Tenure	# Employees	Avg Tenure
41	3	8.1	0	-	0	-	2	3.6	1	17.0
47	15	8.5	7	2.2	2	5.9	1	11.7	5	17.8
48	5	2.3	3	1.6	2	3.2	0	-	0	-
50	7	1.6	6	0.7	1	7.1	0	-	0	-
52	5	7.4	1	3.7	1	1.9	2	7.1	1	17.4
53	15	5.9	9	1.7	2	2.8	0	-	4	16.8
54	24	5.0	12	1.7	8	4.0	2	12.7	2	21.3
55	19	5.7	14	5.3	4	5.7	1	12.2	0	-
56	8	6.7	1	0.9	5	5.0	0	-	2	13.9
57	37	7.0	17	2.4	8	5.8	4	8.7	8	17.2
58	15	13.5	3	2.5	4	8.1	2	20.4	6	20.3
59	32	7.0	12	3.9	8	5.2	4	6.2	8	13.9
60	17	10.2	1	2.9	8	5.2	4	12.6	4	19.5
61	12	6.9	6	2.5	0	-	3	3.9	3	18.8
62	6	10.8	1	4.2	0	-	2	10.9	3	12.9
63	19	6.2	7	2.9	6	5.2	2	5.1	4	14.4
64	2	11.7	0	-	1	5.5	0	-	1	18.0
65	12	11.8	1	1.5	3	6.4	3	13.6	5	16.1
66	10	13.5	5	5.9	0	-	0	-	5	21.0
67	59	6.6	28	2.2	8	5.8	8	5.9	15	15.6
68	13	8.2	7	3.2	3	7.7	1	20.2	2	20.6
70	18	11.0	8	10.6	7	10.9	2	2.8	1	31.6
71	5	8.1	2	6.6	1	3.6	1	4.0	1	19.5
72	1	3.9	0	-	0	-	0	-	1	3.9
73	2	25.2	0	-	0	-	1	22.4	1	28.0
74	7	8.7	3	6.1	2	5.4	0	-	2	16.1
75	2	2.5	0	-	1	3.3	1	1.6	0	-
76	5	9.7	0	-	1	13.4	3	7.3	1	13.2
77	3	17.5	0	-	0	-	1	22.1	2	15.2
78	9	16.3	0	-	7	15.5	1	15.4	1	23.3
79	3	4.2	1	1.3	0	-	1	8.4	1	2.9
80	3	12.9	0	-	1	13.3	1	6.4	1	18.9
81	6	7.3	0	-	1	1.9	2	4.0	3	11.4
82	2	9.8	0	-	1	0.9	0	-	1	18.7
83	1	13.2	0	-	0	-	1	13.2	0	-
84	3	7.1	1	0.3	0	-	1	12.8	1	8.1
86	2	29.9	0	-	0	-	1	23.6	1	36.1
88	4	7.2	0	-	1	3.4	1	2.2	2	11.6
89	3	23.3	1	20.0	2	24.9	0	-	0	-
91	1	13.8	0	-	0	-	0	-	1	13.8
64-S	20	6.0	5	3.2	7	3.7	4	5.7	4	13.9
71-S	17	13.1	1	4.8	3	7.4	9	13.1	4	19.7
78-S	15	19.7	1	9.4	4	17.4	2	19.8	8	22.1
86-S	2	24.0	1	22.7	0	-	0	-	1	25.2
OR	0	11.3	0	-	0	-	0	-	0	-
Overall	**469**	**8.8**	**165**	**3.5**	**113**	**7.1**	**74**	**9.7**	**117**	**17.2**

EXHIBIT 3E
QUARTILE PLACEMENT BY PAY GRADE



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 had 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. Employees were grouped into categories reflecting whether their actual salary was less than 80 percent, less than 95 percent, or greater than 95 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 while most positions in the City are in a great position, with plenty of space between employee and supervisor salaries, there is still a sizeable percentage of employees with salaries more than 95 percent of their supervisor’s salary. Anywhere orange or blue appears on **Exhibit 3F** is somewhere that warrants an examination of supervisor vs. employee salary. There are some situations that would justify an employee and a supervisor have very similar salaries, but each of these situations should be evaluated by the City to ensure that an internal equity adjustment is not necessary. Overall, the City is in a strong position with regard to employee vs. supervisor compression, but it will be important to evaluate each of the instances of an employee being within 5.0 percent of their supervisor’s salary.

EXHIBIT 3F
EMPLOYEE TO SUPERVISOR SALARY RATIO BY PAY GRADE

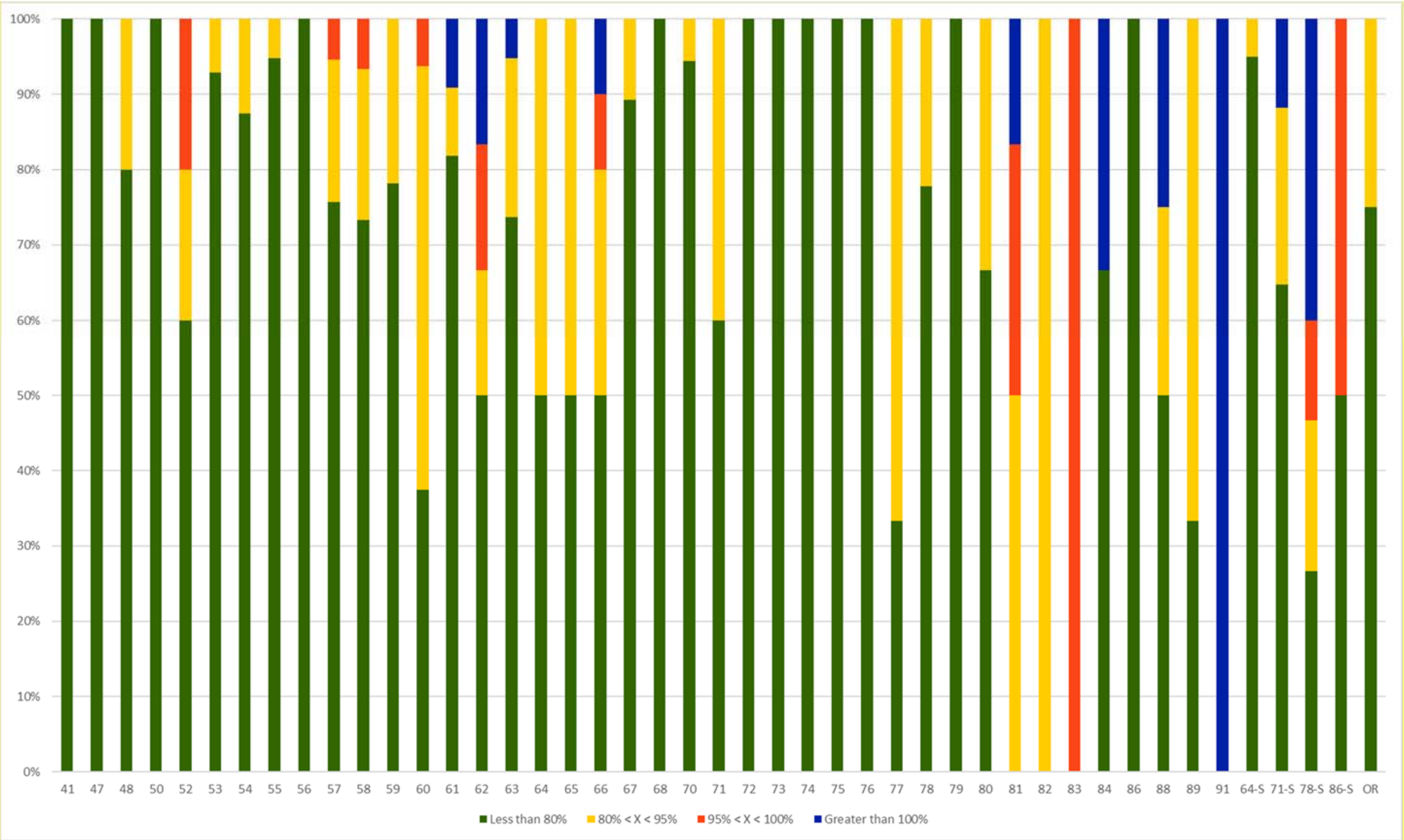


EXHIBIT 3G
EMPLOYEE TO SUPERVISOR SALARY RATIO BY PAY GRADE

Grade	Less than 80%	80% < X < 95%	95% < X < 100%	Greater than 100%
41	3	0	0	0
47	15	0	0	0
48	4	1	0	0
50	1	0	0	0
52	3	1	1	0
53	13	1	0	0
54	21	3	0	0
55	18	1	0	0
56	8	0	0	0
57	28	7	2	0
58	11	3	1	0
59	25	7	0	0
60	6	9	1	0
61	9	1	0	1
62	3	1	1	1
63	14	4	0	1
64	1	1	0	0
65	6	6	0	0
66	5	3	1	1
67	50	6	0	0
68	13	0	0	0
70	17	1	0	0
71	3	2	0	0
72	1	0	0	0
73	2	0	0	0
74	7	0	0	0
75	2	0	0	0
76	5	0	0	0
77	1	2	0	0
78	7	2	0	0
79	3	0	0	0
80	2	1	0	0
81	0	3	2	1
82	0	2	0	0
83	0	0	1	0
84	2	0	0	1
86	2	0	0	0
88	2	1	0	1
89	1	2	0	0
91	0	0	0	1
64-S	19	1	0	0
71-S	11	4	0	2
78-S	4	3	2	6
86-S	1	0	1	0
OR	9	3	0	0
Totals	358	82	13	16

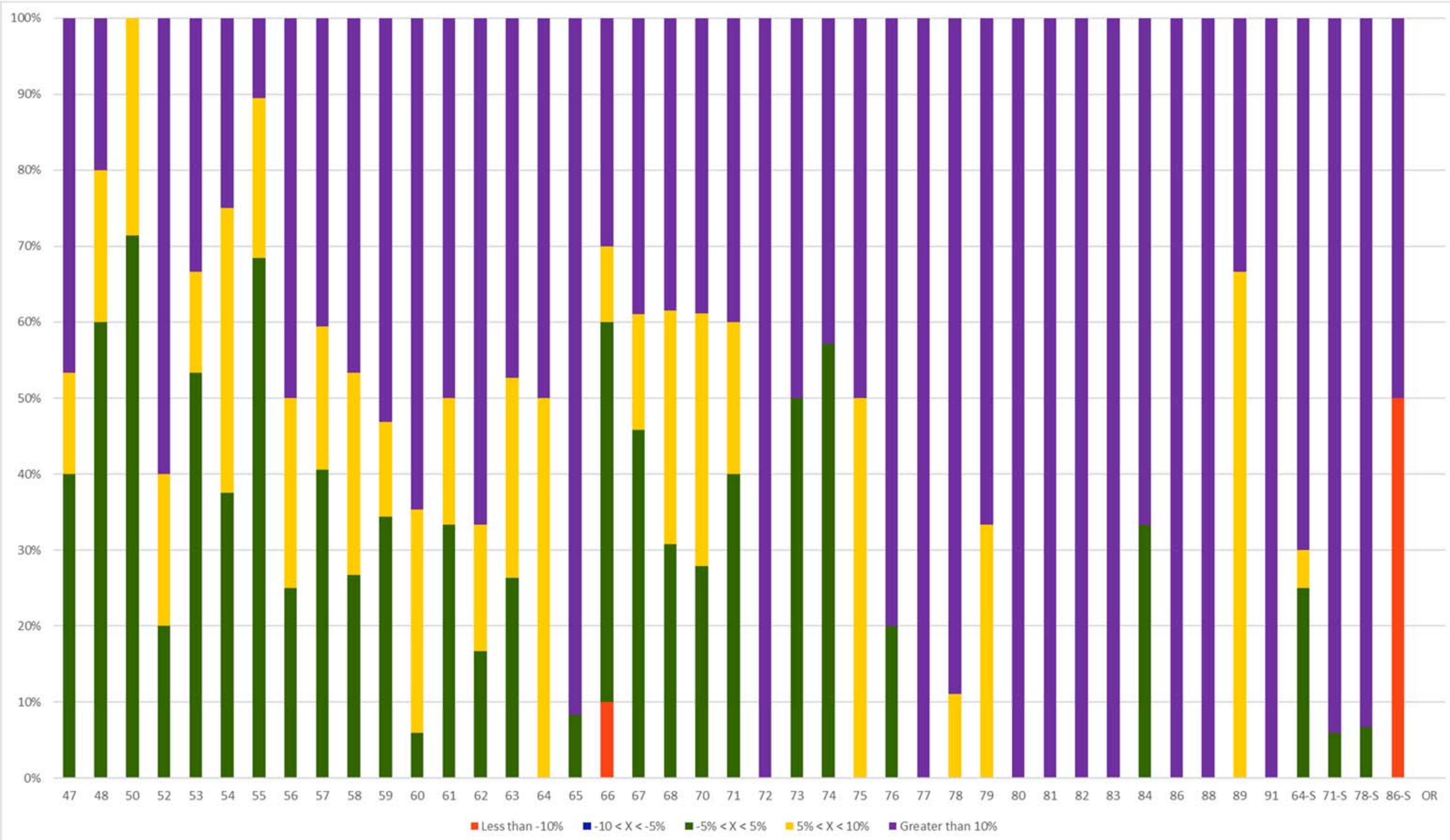
Exhibit 3H and Exhibit 3I showcase the actual vs. expected salaries of City employees, sorted by pay grade. Expected salary is calculated using a thirty-year progression assumption for employees. For example, an employee who had worked at his position for fifteen years would expect to be at the grade midpoint, while an employee with thirty or more years of class years would expect to be at the grade maximum. An important distinction between this compression table and the quartile analysis: this compression table utilizes class years, while the Quartile analysis uses tenure. Class years are differentiated from tenure by using the date that you started working in your current classification as the start date, instead of the date you first were hired by the City. To illustrate, if an employee had been an accountant for fifteen years, and then was promoted last year to Accountant Supervisor that employee would have fifteen years of tenure, but only one class year.

On Exhibit 3I, it is easy to discern that the majority of City employees are being paid wages that are more than 10 percent above what they would expect to receive, based on their class years. While this is clearly good for employees, it is not necessarily bad for the City. It could mean that the City is overpaying employees or that pay grades are too low, forcing the City to advance employees more quickly through pay grades to keep competitive with the market. However, it could just as easily be another indicator of employee promotion and advancement through the ranks. As mentioned in the description of the quartile analysis, when an employee has advanced to near the top of his pay grade and he receives a promotion, he will often not start at his new pay grade minimum. An employee will not accept a pay decrease, so that employee is therefore started above the minimum on his new pay grade. That puts him above his “expected pay”, by definition. He has zero class years, but his pay is above the minimum. Then, if he advances exactly at the speed expected for the rest of his career, he will always remain above his “expected” pay. While the truth likely lies somewhere in between these examples, a definitive answer cannot be determined without more data.

EXHIBIT 3H
ACTUAL VS. EXPECTED SALARY

Grade	Less than -10%	-10 < X < -5%	-5% < X < 5%	5% < X < 10%	Greater than 10%
41	0	0	0	0	3
47	0	0	6	2	7
48	0	0	3	1	1
50	0	0	5	2	0
52	0	0	1	1	3
53	0	0	8	2	5
54	0	0	9	9	6
55	0	0	13	4	2
56	0	0	2	2	4
57	0	0	15	7	15
58	0	0	4	4	7
59	0	0	11	4	17
60	0	0	1	5	11
61	0	0	4	2	6
62	0	0	1	1	4
63	0	0	5	5	9
64	0	0	0	1	1
65	0	0	1	0	11
66	1	0	5	1	3
67	0	0	27	9	23
68	0	0	4	4	5
70	0	0	5	6	7
71	0	0	2	1	2
72	0	0	0	0	1
73	0	0	1	0	1
74	0	0	4	0	3
75	0	0	0	1	1
76	0	0	1	0	4
77	0	0	0	0	3
78	0	0	0	1	8
79	0	0	0	1	2
80	0	0	0	0	3
81	0	0	0	0	6
82	0	0	0	0	2
83	0	0	0	0	1
84	0	0	1	0	2
86	0	0	0	0	2
88	0	0	0	0	4
89	0	0	0	2	1
91	0	0	0	0	1
64-S	0	0	5	1	14
71-S	0	0	1	0	16
78-S	0	0	1	0	14
86-S	1	0	0	0	1
OR	0	0	0	0	0
Totals	2	0	146	79	242

EXHIBIT 3I
ACTUAL VS. EXPECTED SALARY



3.5 SUMMARY

The City utilizes one pay plan to classify general employees, with a few additional grades for Fire classifications. This provides a consistent approach to allow the City to keep almost all employees on the same plan. Some of the many observations made with respect to the City's compensation system in place at the beginning of the study follow:

- Range spread, generally recommended to be between 50-70 percent, was static at 40.0 percent. This may lead to the City having some difficulty matching the market maximum rates for pay. Chapter 4 will provide more information.
- The majority of employees are paid more than their expected salary, based on a thirty-year progression plan.
- More than half of employees are paid below their pay grade midpoint.
- Approximately one-third of employees (35.2 percent) are in Quartile 1 of their pay grade. This is an appropriate percentage, and each of the four quartiles contained at least 15.8 percent of employees.
- Most City employees are paid less than 80.0 percent of their supervisors' salaries.
- While there will always be outliers, the City has a very strong, positive relationship between tenure and pay grade penetration.

This analysis acts as a starting point for 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 and benefits practices against that of its market peers in order to establish how competitive the City is for employees within its market. The assessment is divided into the following sections:

4.1 Market Targets and Cost of Living
4.2 General Employee Market Results
4.3 Public Safety Market Results
4.4 Benefits Analysis
4.5 Market Survey Conclusion

To complete the compensation portion of 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 performance. For this reason, Evergreen looked at average pay ranges across the entire classification to make the most accurate comparison. The results of this market study should be considered reflective of the current state of the market at the time of this 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, and the rates reflected in this chapter, while an important factor, are not the sole determinant for how classifications were placed into the proposed salary ranges outlined in **Chapter 5.**

4.1 MARKET TARGETS AND COST OF LIVING

Evergreen conducted a comprehensive market salary survey for the City, which included sixteen cities, two counties, one school district, one college, and three fire-specific targets responding to seventy benchmark positions. Of the twenty-three total organizations contacted, twenty-two responded and provided data for at least one portion of the market survey. Collection was slowed by the hit of the coronavirus pandemic, but in general peers were happy to participate as much as their schedule would allow. Target peers were selected based on a number of factors, including geographic proximity and population size. Target organizations were also identified for their competition to the City for employee recruitment and retention efforts. The list of targets that provided data for the purpose of this study are included in **Exhibit 4A.**

EXHIBIT 4A
TARGET MARKET PEERS

General Peers	Public Safety Peers
City of Prescott	**City of Prescott**
Apache Junction	Apache Junction
Avondale	Avondale
Casa Grande	Buckeye
Flagstaff	Casa Grande
Goodyear	Flagstaff
Lake Havasu	Goodyear
Marana	Marana
Maricopa	Maricopa
Oro Valley	Oro Valley
Peoria	Peoria
Prescott Valley	Prescott Valley
Queen Creek	Queen Creek
Sierra Vista	Sierra Vista
Yuma	Yuma
Coconino County	Coconino County
Yavapai County	Yavapai County
Prescott USD No 1	CAFMA
Yavapai College	Daisy Mountain FD
-	Golder Ranch FD

Due to the fact that the data collected for the market summary was from various regions of Arizona, it was necessary to adjust peer responses relative to the City based on cost of living. For all organizations that fell outside the City's immediate region, a cost of living adjustment was applied to the reported pay ranges to ensure a market average was attained in terms of the spending power an employee would have in the City. Evergreen utilizes cost of living index information from the Council for Community and Economic Research (C2ER), and the scale is based on the national average cost of living being set at 100. 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

General Peers	C2ER	Public Safety Peers	C2ER
City of Prescott	**97.4**	**City of Prescott**	**97.4**
Apache Junction	92.5	Apache Junction	92.5
Avondale	110.3	Avondale	110.3
Casa Grande	92.5	Buckeye	110.3
Flagstaff	100.1	Casa Grande	92.5
Goodyear	110.3	Flagstaff	100.1
Lake Havasu	93.2	Goodyear	110.3
Marana	98.6	Marana	98.6
Maricopa	92.5	Maricopa	92.5
Oro Valley	98.6	Oro Valley	98.6
Peoria	110.3	Peoria	110.3
Prescott Valley	97.4	Prescott Valley	97.4
Queen Creek	110.3	Queen Creek	110.3
Sierra Vista	98.1	Sierra Vista	98.1
Yuma	77.0	Yuma	77.0
Coconino County	100.1	Coconino County	100.1
Yavapai County	97.4	Yavapai County	97.4
Prescott USD No 1	97.4	CAFMA	97.4
Yavapai College	97.4	Daisy Mountain FD	110.3
-	-	Golder Ranch FD	98.6

4.2 GENERAL EMPLOYEE MARKET RESULTS

The results of the general-employee market survey 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. Also included within the exhibit are the percent differentials of the City's pay ranges at each respective point, relative to the market average pay. A positive percent differential is indicative of the City's pay range exceeding that of the average of its market peers; alternatively, a negative percent differential indicates the City's compensation for a given position lagging behind the average of its peers. For those classifications where no differential is shown, this is due to the City not possessing a pay range for comparison to the market. The exhibit also includes the average pay range for the market respondents for each position, as well as how many responses each benchmark received.

While all benchmarks are surveyed by each peer, not every peer organization possesses an appropriate match to supply salary information for. Consequently, the benchmarks receive varying levels of response. For the purpose of this study, all position 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. Fifty-six of the sixty-one positions surveyed had a sufficient response for inclusion.

EXHIBIT 4C
GENERAL EMPLOYEE MARKET SURVEY RESULTS

ID	Classification	Survey Minimum Average	Survey Minimum % Diff	Survey Midpoint Average	Survey Midpoint % Diff	Survey Maximum Average	Survey Maximum % Diff	Survey Avg Range	# Resp.
1	Accountant	$51,112.50	-4.7%	$62,176.69	-6.1%	$73,240.88	-7.0%	43.5%	15.0
2	Accounting Clerk	$32,831.49	0.0%	$39,790.53	-0.9%	$46,749.56	-1.6%	42.5%	13.0
3	Accounting Services Manager	$66,185.01	-0.9%	$81,412.56	-3.4%	$96,640.11	-5.1%	46.3%	10.0
4	Administrative Specialist	$33,239.27	1.3%	$40,215.29	0.5%	$47,191.30	-0.1%	42.0%	15.0
5	Administrative Support Services Manager	$67,640.83	6.8%	$83,948.14	3.4%	$100,255.44	1.1%	48.2%	5.0
6	Airport Director	$86,159.71	-	$109,457.00	-	$132,754.29	-	54.1%	2.0
7	Airport Operations Technician	$37,198.41	-5.0%	$43,375.29	-2.1%	$49,552.18	-0.1%	33.2%	3.0
8	Assistant City Attorney	$87,298.31	-18.7%	$106,385.40	-20.2%	$125,472.48	-21.3%	44.0%	12.0
9	Assistant to City Manager	$68,136.91	-23.5%	$84,318.83	-26.5%	$100,500.75	-28.6%	47.6%	11.0
10	Business Manager	$48,518.16	-19.2%	$58,309.75	-19.3%	$68,101.34	-19.4%	40.5%	5.0
11	Chief Building Official	$76,268.33	-17.5%	$93,170.17	-19.3%	$110,072.00	-20.5%	44.5%	12.0
12	City Attorney	$122,189.08	-	$146,971.34	-	$171,753.61	-	40.8%	6.0
13	City Clerk	$95,247.52	-	$117,946.88	-	$140,646.24	-	47.9%	13.0
14	City Court Clerk	$35,517.94	-12.7%	$42,691.56	-12.9%	$49,865.18	-13.0%	40.5%	8.0
15	City Manager	$150,529.96	-	$184,858.77	-	$219,187.57	-	46.0%	6.0
16	Civil Engineer	$64,923.26	6.0%	$79,235.27	4.3%	$93,547.27	3.1%	44.3%	13.0
17	Communications Specialist	$40,593.88	-3.9%	$48,665.24	-3.8%	$56,736.59	-3.7%	39.8%	12.0
18	Communications Specialist Supervisor	$50,716.04	-11.3%	$62,056.10	-13.2%	$73,396.16	-14.6%	44.7%	12.0
19	Community Development Director	$101,879.08	-	$126,998.57	-	$152,118.07	-	49.6%	10.0
20	Community Outreach Manager	$77,742.30	-19.4%	$96,351.04	-22.6%	$114,959.79	-24.8%	48.1%	7.0
21	Construction Inspector	$46,088.01	-6.7%	$55,866.48	-7.7%	$65,644.96	-8.4%	42.6%	12.0
22	Construction Services Manager	$70,066.21	3.3%	$86,580.88	0.3%	$103,095.55	-1.7%	47.4%	9.0
23	Custodian	$28,954.92	-14.5%	$32,950.51	-9.3%	$38,105.96	-8.4%	30.8%	10.0
24	Director of IT	$101,183.14	-	$124,333.92	-	$147,484.71	-	46.1%	13.0
25	Economic Development Coordinator	$51,573.09	-22.8%	$63,585.42	-25.4%	$75,597.75	-27.3%	46.7%	5.0
26	Engineering Technician	$44,344.42	-2.9%	$53,837.19	-4.0%	$63,329.97	-4.8%	42.8%	11.0
27	Equipment Mechanic	$40,352.36	-3.3%	$48,807.02	-4.1%	$57,261.68	-4.6%	41.9%	13.0
28	Equipment Operator	$37,767.54	-1.6%	$45,598.01	-2.2%	$53,428.49	-2.6%	41.6%	10.0
29	Facilities Coordinator	$44,611.93	-10.9%	$55,340.90	-14.2%	$66,069.87	-16.4%	48.1%	7.0
30	Finance Director	$105,370.92	-	$129,524.37	-	$153,677.82	-	46.2%	13.0
31	Fleet Manager	$68,500.51	-14.2%	$83,502.73	-15.8%	$98,504.95	-16.9%	43.9%	8.0
32	GIS Specialist	$46,778.63	4.2%	$55,975.94	4.4%	$65,173.26	4.6%	39.2%	8.0
33	Groundskeeper	$28,793.03	0.8%	$34,812.27	0.1%	$40,831.52	-0.5%	41.9%	8.0
34	Help Desk Manager	$61,116.97	-7.8%	$75,390.69	-10.5%	$89,664.42	-12.4%	47.0%	8.0
35	HRIS Technician	$39,724.63	-6.6%	$48,083.44	-7.5%	$56,442.25	-8.1%	42.2%	9.0
36	Human Resources Business Partner	$50,104.20	-24.8%	$61,279.34	-26.7%	$72,454.49	-28.0%	44.6%	11.0
37	Human Resources Director	$105,044.88	-	$122,253.55	-	$139,462.22	-	36.0%	12.0
38	IT Database Administrator	$59,234.48	-7.1%	$74,156.56	-11.3%	$89,078.63	-14.2%	50.4%	7.0
39	IT Specialist	$46,889.83	3.9%	$57,016.05	2.6%	$67,142.28	1.7%	43.2%	13.0
40	Library Assistant	$31,134.42	-7.0%	$37,315.28	-6.9%	$43,496.14	-6.8%	39.6%	8.0
41	Library Director	$94,388.88	-	$117,100.59	-	$139,812.31	-	48.4%	4.0
42	Library Manager	$69,551.89	-8.3%	$85,443.25	-10.7%	$101,334.62	-12.3%	45.7%	5.0
43	Maintenance Specialist	$41,106.62	-0.2%	$50,110.74	-1.8%	$59,114.86	-2.9%	43.9%	9.0
44	Maintenance Technician	$35,633.43	-0.7%	$43,010.82	-1.3%	$50,388.21	-1.7%	41.4%	12.0
45	Network Engineer	$61,934.64	-9.1%	$75,204.22	-10.3%	$88,473.80	-11.1%	43.0%	11.0
46	Payroll Coordinator	$47,790.66	6.9%	$57,348.80	7.0%	$66,906.93	7.0%	40.0%	1.0
47	Planner	$54,285.11	-5.8%	$66,025.25	-7.1%	$77,765.39	-8.1%	43.3%	15.0
48	Plans Examiner & Building Inspector	$48,581.18	-7.0%	$59,309.88	-8.7%	$70,038.58	-10.0%	44.3%	12.0
49	Police Records Clerk	$32,397.67	3.9%	$38,846.38	4.0%	$45,295.10	4.0%	39.8%	12.0
50	Public Works Director	$106,476.41	-	$131,412.50	-	$156,348.59	-	47.1%	13.0
51	Recreation Coordinator	$44,319.80	-10.2%	$54,080.80	-11.9%	$63,841.80	-13.0%	44.1%	9.0
52	Recreation Director	$103,229.70	-	$127,765.71	-	$152,301.71	-	47.8%	11.0
53	Recreation Services Manager	$53,903.67	-24.7%	$66,334.75	-27.2%	$78,765.84	-28.9%	46.4%	8.0
54	Sales & Marketing Coordinator	$53,786.71	-26.9%	$66,991.98	-30.6%	$80,197.25	-33.1%	49.1%	3.0
55	Senior Equipment Operator	$40,185.95	-0.4%	$48,058.72	-0.1%	$55,931.50	0.2%	39.3%	8.0
56	Solid Waste Supervisor	$52,378.45	-2.2%	$63,485.06	-3.2%	$74,591.68	-3.9%	42.9%	5.0
57	Wastewater Superintendent	$66,453.95	-8.7%	$81,760.63	-11.2%	$97,067.31	-13.0%	46.3%	8.0
58	Water Operations Supervisor	$60,481.70	-14.1%	$73,543.44	-15.4%	$86,605.18	-16.3%	43.4%	8.0
59	Water Utility Worker	$36,263.15	-5.0%	$44,601.86	-7.4%	$52,940.56	-9.1%	46.2%	7.0
60	Web Development Specialist	$53,719.40	-14.6%	$65,773.72	-16.6%	$77,828.05	-18.0%	44.9%	3.0
61	WWTP Operator	$42,122.58	2.3%	$51,155.92	1.1%	$60,189.27	0.3%	43.0%	11.0
	Overall Average		-7.1%		-8.4%		-9.5%	44.0%	9.2
	Outliers Removed*		-6.6%		-7.9%		-9.0%		

Market Minimums

It is important to assess where an organization is relative to its market minimum salaries, as 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 6.6 percent below the market average minimum, when considering positions with sufficient responses. The City's benchmark positions ranged from 26.9 percent below to 17.6 percent above the market minimum.

The following are summary points of the results analysis concerning the market minimum:

- Of the fifty-six City positions receiving sufficient response, thirty-six were below market, averaging 10.4 percent below. These thirty-nine classifications represent roughly 64.3 percent of all surveyed positions receiving sufficient response.

- Of the thirty-nine positions below market, seventeen were more than 10.0 percent below the average market minimum. These positions are displayed in **Exhibit 4D.**

EXHIBIT 4D
CLASSIFICATIONS MORE THAN 10% BELOW THE MINIMUM

Classification	Survey Minimum	
	Average	% Diff
Assistant City Attorney	$87,298.31	-18.7%
Assistant to City Manager	$68,136.91	-23.5%
Business Manager	$48,518.16	-19.2%
Chief Building Official	$76,268.33	-17.5%
City Court Clerk	$35,517.94	-12.7%
Communications Specialist Supervisor	$50,716.04	-11.3%
Community Outreach Manager	$77,742.30	-19.4%
Custodian	$28,954.92	-14.5%
Economic Development Coordinator	$51,573.09	-22.8%
Facilities Coordinator	$44,611.93	-10.9%
Fleet Manager	$68,500.51	-14.2%
Human Resources Business Partner	$50,104.20	-24.8%
Recreation Coordinator	$44,319.80	-10.2%
Recreation Services Manager	$53,903.67	-24.7%
Sales & Marketing Coordinator	$53,786.71	-26.9%
Water Operations Supervisor	$60,481.70	-14.1%
Web Development Specialist	$53,719.40	-14.6%

Market Midpoints

The market midpoint is exceptionally important to analyze, as it is often considered the closest estimation of market average compensation. As seen in **Exhibit 4C**, the City is currently 7.9 percent below the market midpoint.

Analysis of the market midpoint comparisons yielded the following information:

- With respect to the midpoint average, thirty-seven of the surveyed positions receiving sufficient response were below the market midpoint, averaging 11.5 percent below. These thirty-seven positions represent 66.1 percent of the positions surveyed.

- Of the thirty-seven positions below the market midpoint, nineteen were more than 10.0 percent below the midpoint. These positions are displayed in **Exhibit 4E**.

EXHIBIT 4E
CLASSIFICATIONS MORE THAN 10% BELOW THE MIDPOINT

Classification	Survey Midpoint	
	Average	% Diff
Assistant City Attorney	$106,385.40	-20.2%
Assistant to City Manager	$84,318.83	-26.5%
Business Manager	$58,309.75	-19.3%
Chief Building Official	$93,170.17	-19.3%
City Court Clerk	$42,691.56	-12.9%
Communications Specialist Supervisor	$62,056.10	-13.2%
Community Outreach Manager	$96,351.04	-22.6%
Economic Development Coordinator	$63,585.42	-25.4%
Facilities Coordinator	$55,340.90	-14.2%
Fleet Manager	$83,502.73	-15.8%
Help Desk Manager	$75,390.69	-10.5%
Human Resources Business Partner	$61,279.34	-26.7%
IT Database Administrator	$74,156.56	-11.3%
Library Manager	$85,443.25	-10.7%
Network Engineer	$75,204.22	-10.3%
Recreation Coordinator	$54,080.80	-11.9%
Recreation Services Manager	$66,334.75	-27.2%
Wastewater Superintendent	$81,760.63	-11.2%
Water Operations Supervisor	$73,543.44	-15.4%

Market Maximums

The pay range maximum averages, and how they compare to the City's, are also detailed in **Exhibit 4C**. The City is, on average, 9.0 percent below the market at the maximum of its salary bands for these fifty-six classifications.

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

- At the market maximum, thirty-nine of the fifty-six positions fell below the average, averaging 11.6 percent below. These thirty-nine positions represent 69.6 percent of the total number of positions surveyed.

- Of these thirty-nine, twenty fell more than 10.0 percent below the market maximum. These 15 positions are displayed in **Exhibit 4F.**

EXHIBIT 4F
CLASSIFICATIONS MORE THAN 10% BELOW THE MAXIMUM

Classification	Survey Maximum	
	Average	% Diff
Recreation Services Manager	$78,765.84	-28.9%
Assistant to City Manager	$100,500.75	-28.6%
Human Resources Business Partner	$72,454.49	-28.0%
Economic Development Coordinator	$75,597.75	-27.3%
Community Outreach Manager	$114,959.79	-24.8%
Assistant City Attorney	$125,472.48	-21.3%
Chief Building Official	$110,072.00	-20.5%
Business Manager	$68,101.34	-19.4%
Fleet Manager	$98,504.95	-16.9%
Facilities Coordinator	$66,069.87	-16.4%
Water Operations Supervisor	$86,605.18	-16.3%
Communications Specialist Supervisor	$73,396.16	-14.6%
IT Database Administrator	$89,078.63	-14.2%
Recreation Coordinator	$63,841.80	-13.0%
City Court Clerk	$49,865.18	-13.0%
Wastewater Superintendent	$97,067.31	-13.0%
Help Desk Manager	$89,664.42	-12.4%
Library Manager	$101,334.62	-12.3%
Network Engineer	$88,473.80	-11.1%
Plans Examiner & Building Inspector	$70,038.58	-10.0%

4.3 PUBLIC SAFETY MARKET RESULTS

The results of the public safety survey are displayed in **Exhibit 4G**, 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. Also included within the exhibit are the percent differentials of the City's pay ranges at each respective point, relative to the market average pay. A positive percent differential is indicative of the City's pay range exceeding that of the average of its market peers; alternatively, a negative percent differential indicates the City's compensation for a given position lagging behind the average of its peers. For those classifications where no differential is shown, this is due to the City not possessing a pay range for comparison to the market. The exhibit also includes the average pay range for the market respondents for each position, as well as how many responses each benchmark received.

While all benchmarks are surveyed by each peer, not every peer organization possesses an appropriate match to supply salary information for. Consequently, the benchmarks receive varying levels of response. For the purpose of this study, all position 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. For the public safety survey, each of the nine positions surveyed had a sufficient response for inclusion.

EXHIBIT 4G
PUBLIC SAFETY MARKET SURVEY RESULTS

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range	# Resp.
		Average	% Diff	Average	% Diff	Average	% Diff		
1	Deputy Fire Chief	$95,772.26	-	$113,480.25	-	$131,188.24	-	36.7%	10.0
2	Battalion Chief	$81,688.15	-7.1%	$96,667.08	-5.8%	$111,646.01	-4.8%	36.5%	12.0
3	Fire Captain	$68,308.06	-9.0%	$78,109.11	-4.2%	$87,910.17	-0.6%	28.5%	10.0
4	Fire Engineer	$58,131.97	-10.1%	$66,671.15	-5.6%	$75,210.34	-2.3%	29.1%	10.0
5	Firefighter	$44,127.03	0.1%	$52,730.84	0.6%	$61,334.64	0.8%	39.0%	9.0
6	Police Chief	$115,236.17	-	$142,550.61	-	$169,865.05	-	47.8%	10.0
7	Police Lieutenant	$86,756.19	-5.7%	$101,889.41	-3.6%	$117,022.63	-2.0%	34.6%	13.0
8	Police Sergeant	$72,865.24	-15.4%	$82,821.58	-10.0%	$92,777.92	-6.0%	27.5%	11.0
9	Police Officer	$52,040.95	-9.0%	$61,181.02	-6.9%	$70,321.08	-5.4%	35.3%	13.0
	Overall Average		-8.0%		-5.1%		-2.9%	34.8%	11.0

EXHIBIT 4H
FIRE MARKET SURVEY RESULTS

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range	# Resp.
		Average	% Diff	Average	% Diff	Average	% Diff		
1	Deputy Fire Chief	$95,772.26	-	$113,480.25	-	$131,188.24	-	36.7%	10.0
2	Battalion Chief	$81,688.15	-7.1%	$96,667.08	-5.8%	$111,646.01	-4.8%	36.5%	12.0
3	Fire Captain	$68,308.06	-9.0%	$78,109.11	-4.2%	$87,910.17	-0.6%	28.5%	10.0
4	Fire Engineer	$58,131.97	-10.1%	$66,671.15	-5.6%	$75,210.34	-2.3%	29.1%	10.0
5	Firefighter	$44,127.03	0.1%	$52,730.84	0.6%	$61,334.64	0.8%	39.0%	9.0
	Overall Average		-6.5%		-3.7%		-1.7%	34.0%	10.2

EXHIBIT 4I
POLICE MARKET SURVEY RESULTS

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range	# Resp.
		Average	% Diff	Average	% Diff	Average	% Diff		
6	Police Chief	$115,236.17	-	$142,550.61	-	$169,865.05	-	47.8%	10.0
7	Police Lieutenant	$86,756.19	-5.7%	$101,889.41	-3.6%	$117,022.63	-2.0%	34.6%	13.0
8	Police Sergeant	$72,865.24	-15.4%	$82,821.58	-10.0%	$92,777.92	-6.0%	27.5%	11.0
9	Police Officer	$52,040.95	-9.0%	$61,181.02	-6.9%	$70,321.08	-5.4%	35.3%	13.0
	Overall Average		-10.1%		-6.8%		-4.5%	36.3%	11.8

Public Safety Results

Overall, public safety classifications at the City have a similar market position to general employees, with one major difference. While both public safety and general employees are approximately five percent behind market at the midpoint, the public safety marketing positioning actually improves over the course of the range while the general employee market positioning worsens. This is because of the range spreads in the market for public safety vs. general employees. While the City utilizes consistent range spreads of 40.0 percent, the market spreads for general employees are typically slightly wider at 44.0 percent on average. The public safety market displays average range spreads of about 34.8 percent, which leads to public safety employees market position improving over the course of the range.

Fire Market Survey Results

The City's fire market position starts off solid with the Firefighter classification close to at market at all three levels. However, as you increase in rank in the Fire Department your market position does decay somewhat. The City faces market gaps of approximately 5.0 percent at the Engineer, Captain, and Battalion Chief levels. Additionally, the market positioning starts off further behind, but catches up slightly due to wider range spreads in the City than the public safety market.

Police Market Survey Results

Police positions at the City are also behind market, though that extends to all surveyed police classifications. Officers, Sergeants, and Lieutenants are all between 3.6 and 10.0 percent behind market at the pay grade midpoint. Police positions do not steadily improve or decline vs. the market when advancing through the ranks, but Police positions do improve vs. the market when moving from minimum to maximum, just as Fire positions did. The average market differential at the minimum for Police classifications is slightly more than double the market differential at the maximum of the range.

4.4 BENEFITS MARKET SURVEY ANALYSIS

As a component of this study, Evergreen conducted a benefits market analysis. A benefits analysis, much like a salary evaluation, represents a snapshot in time of what is available in peer organizations. The Benefit Survey can provide the organization with an understanding of the total compensation (salary and benefits) offered by its peers. It is important to realize that there are intricacies involved with benefits programs that are not captured by a benefits survey alone.

This information should be used as a cursory overview and not a line-by-line comparison, since benefits can be weighted differently depending on the importance to the organization. It should also be noted that benefits are sometimes negotiated and acquired through third parties, so one-to-one comparisons can be difficult. The analysis in this chapter highlights aspects of the benefits survey that provide pertinent information and had high completion rates by target peers.

Exhibit 4J provides a list of the 7 market peers from which full or partial benefits data were obtained for this analysis.

EXHIBIT 4J
BENEFITS SURVEY RESPONDENTS

Benefits Peers
City of Prescott
Avondale
Bullhead City
Flagstaff
Goodyear
Marana
Prescott Valley
Sierra Vista

Exhibit 4K displays a basic overview of peer organization size, benefits as a percent of total compensation, and the average number of health plans offered. Market peers have an average of 421 full-time employees and 53 part-time employees. This is a slightly higher number of employees overall that the City has but with fewer full-time employees. The exhibit also displays that the average number of health plans offered by peers (any combination of HMO, PPO, High Deductible, or other type of plan) is 2.4 as compared to 3 at the City of Prescott. The benefits percentage of total compensation for peer organizations is about five percent lower than the benefits percentage at the City, with a peer percentage of 28.7 percent. This percentage is important because it can represent the generousness of a benefits package as compared to salary compensation.

EXHIBIT 4K
OVERALL BENEFITS INFORMATION

Organization Demographics	Peer Average		Prescott	
Full-Time Employees	421	88.8%	487	99%
Part-Time Employees	53	11.2%	4	1%
Total Compensation	**Peer Average**		**Prescott**	
Benefits as a percentage of total compensation	28.7%		34%	
Number of Plans	**Peer Average**		**Prescott**	
Number of health plans offered	2.4		3	

Health Plans

Exhibit 4L displays data on the types of health plans offered by peers. With regard to the City's peer organizations, 62.5 percent of peers offer an HMO plan, 75.0 percent offer a PPO plan, only 14.3 percent offer an HSA plan, and 71.4 percent offer another type of plan (which were primarily high-deductible plans). The City of Prescott offers three different PPO plans for their employees to choose.

The data shows that the percentage of an individual employee's premium paid by the employer is over 90.0 percent for each plan type, and many of the peers offered 100 percent payment for individual health care. This matches the City's offering of 100 percent coverage for employees no matter which plan is selected.

For employee plus child plans and employee plus spouse plans, employers contribute between 77.5 and 90.7 percent. Depending on the plan an employee at the City is on, this may or may not feel like a place the City is competitive. The City pays only 57.5 percent of the premium for one of their PPO plans, but covers up to 94.1 percent of the cost for another. This does offer employees at the City a choice between paying for a premium plan and choosing to take a cheaper plan at a discounted rate. At only $59 to cover an employee and child, PPO plan 2 does come in cheaper than the market average at peer organizations.

For employee plus family plans, employers contribute between 76.2 and 90.7 percent. Once again, depending on which plan an employee selects, this may be a lower or higher percentage than the City of Prescott pays on his/her family plan. What is not shown on the exhibit is that many peers had one plan for employees with their families, irrespective of how many family members they added to their plan. In other words, whether you add one child or several children and your spouse, you would very often pay the same amount at most peer organizations. Shown at the bottom of Exhibit 4L, Evergreen surveyed respondents for health plan deductible and co-pay amounts.

EXHIBIT 4L
OVERVIEW OF HEALTH PLANS OFFERED BY PEERS

Health Plan Premiums & Deductibles	Peer HMO Average	Peer PPO Average	Peer HSA Average	Other Plans Average	Prescott PPO 1	Prescott PPO 2	Prescott PPO 3
Percentage of peers offering each plan	62.5%	75.0%	14.3%	71.4%	-	-	-
DOLLAR AMOUNT (monthly) of employee premium paid by employer	$435.01	$582.83	$603.36	$533.46	$705.00	$435.00	$553.00
PERCENTAGE (monthly) of employee premium paid by employer	94.4%	92.9%	96.4%	98.0%	100.0%	100.0%	100.0%
DOLLAR AMOUNT (monthly) of employee premium paid by employee	$27.82	$45.47	$22.71	$9.58	$0.00	$0.00	$0.00
PERCENTAGE (monthly) of employee premium paid by employee	5.6%	7.1%	3.6%	2.0%	0.0%	0.0%	0.0%
Individual Maximum Deductible In Network	$1,720.00	$591.67	$1,750.00	$2,380.00	$350.00	$600.00	$1,200.00
Individual Maximum Deductible Out of Network	$1,250.00	$1,500.00	$2,750.00	$3,440.00	$350.00	$600.00	$1,200.00
DOLLAR AMOUNT (monthly) of employee plus child premium paid by employer	$750.40	$971.49	$960.00	$862.43	$936.00	$936.00	$936.00
PERCENTAGE (monthly) of employee plus child premium paid by employer	82.4%	77.5%	90.7%	88.2%	57.5%	94.1%	73.4%
DOLLAR AMOUNT (monthly) of employee plus child premium paid by employee	$176.04	$478.69	$98.31	$191.73	$693.00	$59.00	$340.00
PERCENTAGE (monthly) of employee plus child premium paid by employee	17.6%	22.5%	9.3%	11.8%	42.5%	5.9%	26.6%
Employee Plus Child Maximum Deductible In Network	$3,560.00	$1,125.00	$3,200.00	$4,610.00	$700.00	$1,200.00	$2,400.00
Employee Plus Child Maximum Deductible Out of Network	$2,500.00	$1,875.00	$4,200.00	$5,730.00	$700.00	$1,200.00	$2,400.00
DOLLAR AMOUNT (monthly) of employee plus spouse premium paid by employer	$831.82	$1,022.72	$1,130.83	$919.54	$936.00	$936.00	$936.00
PERCENTAGE (monthly) of employee plus spouse premium paid by employer	81.8%	77.5%	90.7%	88.2%	57.5%	94.1%	73.4%
DOLLAR AMOUNT (monthly) of employee plus spouse premium paid by employee	$194.44	$481.90	$115.81	$196.11	$693.00	$59.00	$340.00
PERCENTAGE (monthly) of employee plus spouse premium paid by employee	18.2%	22.5%	9.3%	11.8%	42.5%	5.9%	26.6%
Employee Plus Spouse Maximum Deductible In Network	$3,560.00	$1,150.00	$3,200.00	$4,610.00	$700.00	$1,200.00	$2,400.00
Employee Plus Spouse Maximum Deductible Out of Network	$2,500.00	$1,875.00	$4,200.00	$5,730.00	$700.00	$1,200.00	$2,400.00
DOLLAR AMOUNT (monthly) of employee plus family premium paid by employer	$910.33	$1,104.65	$1,615.47	$1,048.83	$936.00	$936.00	$936.00
PERCENTAGE (monthly) of employee plus family premium paid by employer	79.7%	76.2%	90.7%	88.2%	57.5%	94.1%	73.4%
DOLLAR AMOUNT (monthly) of employee plus family premium paid by employee	$221.81	$461.23	$165.44	$208.52	$693.00	$59.00	$340.00
PERCENTAGE (monthly) of employee plus family premium paid by employee	20.3%	23.8%	9.3%	11.8%	42.5%	5.9%	26.6%
Employee Plus Family Maximum Deductible In Network	$3,560.00	$1,125.00	$3,200.00	$4,610.00	$700.00	$1,200.00	$2,400.00
Employee Plus Family Maximum Deductible Out of Network	$2,500.00	$2,583.33	$4,200.00	$5,730.00	$700.00	$1,200.00	$2,400.00

In addition to questions regarding health care coverages, Evergreen asked peers to provide information on dental and vision plans available for employees. **Exhibit 4M** shows that 85.7 percent of peers offer both employer and employee paid dental insurance for employees. The average cost to peers for employee only dental coverage is $38.74 while the average employer cost for employee plus dependent coverage is $71.13. The employee's premiums for optional employee paid plans averaged $1.81 for employee only coverage while the average employee cost for employee plus dependent coverage is $16.32. In terms of vision coverage, employees' average payment for individual coverage is $4.15 a month or $16.32 a month for employee and dependent coverage. The employers' portion average $24.56 for individual or $51.08 for employee and dependent.

EXHIBIT 4M
DENTAL AND VISION COVERAGE QUESTIONS

Dental and Vision Offerings		Peer Percentage Offered	Average Number of Plans Offered	Average maximum monthly amount that the employee pays for employee only coverage	Average maximum monthly amount that the employee pays for employee plus dependent coverage	Average maximum monthly amount the employer pays for employee only coverage	Average maximum monthly amount the employer pays for employee plus dependent coverage
Dental Insurance	Employer Paid	85.7%	1.0	-	-	$38.74	$71.13
	Prescott	-	**2**	-	-	**$44.00**	**$59.00**
	Employee Paid	85.7%	1.0	$1.81	$35.35	-	-
	Prescott	-	**2.0**	**$0.00**	**$44.00**	-	-
Vision Plan	Employer Paid	33.3%	2	-	-	$24.56	$51.08
	Prescott	-	**1.0**	-	-	**$15.00**	**$21.00**
	Employee Paid	83.3%	1.2	$4.15	$16.32	-	-
	Prescott	-	**1.0**	**$0.00**	**$16.00**	-	-

Retirement

Retirement was consistently offered by the peers, and the primary plan offered was the Arizona State Retirement System (ASRS) plan for general employees and the Arizona Public Safety Personnel Retirement System (PSPR) plan for public safety individuals. The average time to fully vest in the plans offered by peers was 3.0 years, and peers typically contributed approximately 11.0 percent to the retirement option, while employees contributed 7.0 percent.

Employee Leave, Holidays, & Time Off

Exhibit 4N provides the average minimum and maximum accrual rates—the average years of service required to achieve the maximum accrual rate for Personal Leave, Sick Leave, Annual/Vacation Leave, and Paid Time off (PTO) leave for respondents.

EXHIBIT 4N
LEAVE TIME ACCRUAL

Leave Accrual	Offered?	Minimum Accrual Rate in Hours (Monthly)	How many years of service does it require to begin to accrue the minimum rate?	Maximum Accrual Rate in Hours (Monthly)	Years to Achieve Maximum Accrual Rate	Maximum Hours Allowed to Roll Over to Following Year
Sick Leave	57.1%	10.01	0.00	10.01	0.00	128.20
Prescott	**No**	-	-	-	-	-
Annual/Vacation Leave	85.7%	7.70	0.17	16.61	15.00	199.28
Prescott	**No**	-	-	-	-	-
Personal Leave	66.7%	4.01	0.00	4.68	0.00	56.10
Prescott	**No**	-	-	-	-	-
Paid-Time Off	75.0%	6.19	0.00	6.86	0.00	125.33
Prescott	**Yes**	**8.69**	**0.00**	**13.53**	**15.00**	**173.33**

While each peer had a mechanism to ensure employees received pay while staying home sick, only 57.1 percent of peers offer a named sick leave program to employees. The remainder of peers split their "sick leave" offerings between personal leave and paid-time off (PTO). The City utilizes a PTO model itself, without offering any other types of leave for employees. There were 85.7 percent of peers that offered annual/vacation leave, but again – those that did not offer annual or vacation leave did have a mechanism in place for employees to take vacation time. Only one peer had a single designated pool of time for employees to use to take time off work, which is what the City of Prescott offers. The remainder had some combination of sick, vacation, personal, and PTO.

Within each of those categories there was tremendous variation between how peers used each type of leave. Some additional information on various leave types are included below; however, the most important takeaway from the leave assessment was that the peers average approximately 250 hours of leave per year offered to employees when combining all types of leave offered to all general employees. The lowest number of hours offered in total by a peer was 200 hours per year, while the highest number offered was 304 hours per year. This puts the City of Prescott behind the market when it comes to overall leave. The City offers a minimum leave amount equal to 104 hours per year, with a maximum accrual of 162 hours per year. When comparing this to the sick, vacation, and personal days offered by market peers, the City's maximum accrual rate for employees sits almost 40 hours per year (the equivalent of one work week) below the next lowest peer offering and about 100 hours (two and a half work weeks) below the average peer offering.

Exhibit 4O summarizes respondent policies regarding sick and vacation leave payout. Sick leave is paid out upon voluntary separation in 60.0 percent of responding peer organizations. That number drops to 20.0 percent when looking at involuntary separations, and there is a lower cap on the hours that will be paid out. The City of Prescott pays out sick leave for both voluntary and involuntary separations, and pays out the same 173.3 hours either way. Unused sick leave is not able to be counted towards retirement in any participating peer organization, though the City of Prescott does allow two weeks to be counted. Vacation leave is paid out upon voluntary or involuntary separation in 100 percent of responding peer organizations, and that payout is capped on average at 480 hours at responding peer organizations. That compares to the City of Prescott allowing 240 hours of payout for vacation time upon separation.

EXHIBIT 4O
SICK AND VACATION LEAVE PAYOUT

Leave Payout Policies	Peer Percentage Yes	Peer Average
Is unused sick leave paid out upon voluntary separation?	60.0%	-
Max hours of sick leave paid out upon voluntary separation	-	760.0
Prescott	**Yes**	**173.3**
Is unused sick leave paid out upon involuntary separation?	20.0%	-
Max hours of sick leave paid out upon involuntary separation	-	480.0
Prescott	**Yes**	**173.3**
Can unused sick leave count towards retirement?	0.0%	-
Max hours of sick leave that can count towards retirement	-	-
Prescott	**Yes**	**80.0**
Is unused annual/vacation leave paid out upon voluntary separation?	100.0%	-
Max hours of annual/vacation leave paid out upon voluntary separation	-	480.0
Prescott	**Yes**	**240.0**
Is unused annual/vacation leave paid out upon involuntary separation?	100.0%	-
Max hours of annual/vacation leave paid out upon involuntary separation	-	480.0
Prescott	**Yes**	**240.0**

The percentage of peers that offer various holidays are shown in **Exhibit 4P.** On average, peers offer 11.1 holidays to employees. The City offers employees 10 paid holidays, and offers the same majority of holidays that peers offer. The only holiday that at least 50.0 percent of peers offer full or partial days off for that the City doesn't match is Columbus Day.

EXHIBIT 4P
HOLIDAYS

Paid Holiday	Peer Offering Holiday Percent	Prescott
New Year's Day	85.7%	Yes
New Year's Eve	28.6%	No
Martin Luther King, Jr. Day	100.0%	Yes
Lincoln's Birthday	0.0%	No
Washington's Birthday	28.6%	No
Presidents Day	71.4%	Yes
Good Friday	0.0%	No
Memorial Day	100.0%	Yes
Independence Day	100.0%	Yes
Labor Day	100.0%	Yes
Veteran's Day	100.0%	Yes
Thanksgiving Day	100.0%	Yes
Day after Thanksgiving	100.0%	Yes
Christmas Eve	42.9%	No
Christmas Day	100.0%	Yes
Personal Holiday	28.6%	No
Employee Birthday	0.0%	No
Columbus Day	50.0%	No
Inauguration Day (Once Every 4 Years)	0.0%	No
Other Holiday	0.0%	No

Exhibit 4Q shows that 50.0 percent of participating peers offer longevity pay, 75.0 percent offer merit raises, while no peers offer merit bonuses or other types of bonus inventive programs. The City currently does not offer Longevity Pay but does offer Merit Raises and Bonuses. The Merit Bonuses are for those employees capped at the maximum of their grade – they can receive a merit bonus instead if they receive a satisfactory performance review.

EXHIBIT 4Q
INCENTIVE PAY PROGRAMS

Types of longevity pay, bonuses, allowances, or inventive pay programs.	Peer Percentage Yes	Prescott
Does your organization offer: Longevity Pay?	50%	No
Does your organization offer: Merit Raises?	75%	Yes
Does your organization offer:Merit Bonuses?	0%	Yes
Does your organization offer: other programs?	0%	No

Parental Leave, Supplemental Benefits, and Other Compensation

Overall, the peers had lots of variety in their offerings of the additional supplemental benefits offered. While each peer offered the legally mandated FMLA leave for new mothers, some peers offered paid leave on top of the unpaid leave required by law. One peer offered up to four weeks paid leave for both parents, while another peer offered two weeks to both parents. One peer did have maternity leave but not paternity leave, which is the more traditional path, but is becoming less common. No peers offered adoption assistance, a daycare subsidy, or provided on-site childcare; however, several peers did offer flexible work schedules and four-day work weeks. Even those peers who did not offer flexible scheduling and telework did concede that they have started to offer more flexibility in their policies in the wake of the coronavirus pandemic. The majority of peers did not offer pet insurance, care/home insurance for employees, or fitness member subsidies, but half of peers do provide at least some level of legal support to their employees (see EXHIBIT 4R).

EXHIBIT 4R
PARENTAL LEAVE AND OTHER BENEFITS

Question	Average Peer Response	Prescott
Does your organization provide any parental leave benefits (either parent), beyond legally mandated benefits, like FMLA?	33%	No
Average paid time granted:	120	-
Does your organization provide any maternity leave benefits, beyond legally mandated benefits, like FMLA?	50%	No
Average paid time granted:	120	-
Does your organization provide any paternity leave benefits, beyond legally mandated benefits, like FMLA?	33%	No
Average paid time granted:	120	-
What is the maximum amount of time off available to parents? (paid and unpaid combined)	480	480
Are any of the above listed benefits available to both parents, or only the primary caregiver?	Both	n/a
Can an employee take FMLA leave and then take their paid parental leave seperately? Or must these two benefits run concurrently?	Concurrently	n/a
Does this policy cover all employees at your organization? (bargaining unit employees, full-time, part-time, etc.)	Benefits Eligible Employees	n/a
Are there any requirements employees must meet to be eligible for these benefits? (at least one year with the organization, exempt employee, etc.)	Must have worked at the org. for 12 months	n/a
Do you offer adoption assistance?	0%	No
Do you offer any daycare subsidy?	0%	No
Do you offer onsite/offsite childcare?	0%	No
Do you offer flexible scheduling?	50%	Some positions with approval
Do you offer 4 day work weeks?	83%	Some positions with approval
Do you allow telework/remote work?	50%	Temporarily with approval
Do you offer credit counseling services?	33%	Yes
Do you offer pet insurance?	17%	Yes
Do you offer Car/Home insurance?	0%	Yes
Do you offer Cancer or Catastrophic insurance?	17%	Yes
Do you provide a fitness member subsidy?	17%	No
Does your organization have walking meetings?	33%	No
Do you provide legal services to your employees?	50%	Yes

Overall, the City was found to be comparable to the market with respect to some benefits, while the City was trailing the market in other areas. When single benefits were analyzed in isolation, some of the City's offerings appeared more or less generous than those offered by peers. However, certain areas of the City's benefits package merit an evaluation to ensure the total compensation package for employees is comparable with the market offering. Specifically, the City's paid time off pool was significantly behind the market in terms of total time allotted to employees. Additionally, the family insurance premiums for some plans were more expensive than those offered at peer organizations, although the City does have a family plan that is cheaper than the options offered by peers.

4.5 MARKET SURVEY CONCLUSION

The standing of individual classifications pay range relative to the market should not be considered a definitive assessment of actual employee salaries being similarly above or below the market. Individual benefit offerings should likewise not be used to make determinations on the entire compensation package offered to employees. However, such differentials can, in part, explain symptomatic issues with recruitment and retention of employees.

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

- The City is approximately 6.6 percent below the general employee market minimum.
- The City is approximately 7.9 percent below the general employee market midpoint.
- The City is approximately 9.0 percent below the general employee market maximum.
- The City is approximately 8.2 percent below the public safety market minimum.
- The City is approximately 5.2 percent below the public safety market midpoint.
- The City is approximately 2.9 percent below the public safety market maximum.
- Benefits at peer organizations are varied, but there are some areas where the market converges. These are the areas that the City should ensure that they are meeting the market average – if not with an identical offering, then one that is comparable in value. Some examples would be offering at least 200 and up to 250 paid hours off per year, ensuring the City has a free health option for employees and heavily subsidized health care option for families, and providing up to eleven paid holidays per year. Each of these were areas that peers showed a clear pattern of benefits offerings, while the City came in behind the market to varying degrees.

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

Chapter 5 - Recommendations

After reviewing the information provided in the preceding sections of this report, Evergreen developed recommendations to improve the City's current classification and compensation system. The recommendations, as well as the findings that led to each recommendation, 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 in order 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, which were completed by employees and reviewed by their supervisors, provided information about the type and level of work being performed for each of the 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 was over classified in some areas. Some of its positions performed highly similar work but possessed different titles, leading to a number of titles performing similar work but with a different classification title.

Additionally, several of the City's classifications require some modification to better describe the work being performed. Current job descriptions and corresponding Fair Labor Standards Act (FLSA) exemption status require review, updates and revisions.

RECOMMENDATION 1: Adopt a new classification system for all staff 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. By organizing highly similar work performed by different positions under a singular title, the City will have a more organized system of grouping types of work performed, and better be able to track and ensure internal equity between positions within the City. All classifications that are being recommended for the City to adopt are contained in the attached **Appendix A**. Evergreen will continue to work with the City to determine the appropriate changes that should be made related to career pathing for employees.

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. Upon completion and approval of the proposed class descriptions, Evergreen will further recommend an updated FLSA status for the roles based on the new, updated content contained within the description.

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 the City competes for employees in. The external assessment consisted of comparing the City against its peer organizations within its market, and revealed that the City is currently lagging the market by a few percentage points on average.

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.

FINDING

While the City currently maintains an organized and defined overall pay plan, Evergreen found that there was some redundancy in the number of pay ranges the City currently possesses. The number of pay grades the City currently possesses, combined with the small midpoint progression and range spreads across all grades, makes this plan difficult to administer if the City's goal is to remain market competitive.

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 22 unique pay grades, each with a range spread of 50.0 percent between the minimum and the maximum of the range. Furthermore, the progression between grades has been changed to either 5.0 or 6.0 percent, depending on the area of the pay plan. The details of the proposed plan are located in **Exhibit 5-1**.

EXHIBIT 5-1
PROPOSED PAY PLAN

Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression
101	$ 28,500.00	$ 35,625.00	$ 42,750.00	50.0%	-
102	$ 29,925.00	$ 37,406.25	$ 44,887.50	50.0%	5.0%
103	$ 31,421.25	$ 39,276.56	$ 47,131.88	50.0%	5.0%
104	$ 32,992.31	$ 41,240.39	$ 49,488.47	50.0%	5.0%
105	$ 34,641.93	$ 43,302.41	$ 51,962.89	50.0%	5.0%
106	$ 36,374.02	$ 45,467.53	$ 54,561.04	50.0%	5.0%
107	$ 38,192.73	$ 47,740.91	$ 57,289.09	50.0%	5.0%
108	$ 40,102.36	$ 50,127.95	$ 60,153.54	50.0%	5.0%
109	$ 42,107.48	$ 52,634.35	$ 63,161.22	50.0%	5.0%
110	$ 44,212.85	$ 55,266.07	$ 66,319.28	50.0%	5.0%
111	$ 46,865.63	$ 58,582.03	$ 70,298.44	50.0%	6.0%
112	$ 49,677.56	$ 62,096.95	$ 74,516.34	50.0%	6.0%
113	$ 52,658.22	$ 65,822.77	$ 78,987.33	50.0%	6.0%
114	$ 55,817.71	$ 69,772.14	$ 83,726.56	50.0%	6.0%
115	$ 59,166.77	$ 73,958.47	$ 88,750.16	50.0%	6.0%
116	$ 62,716.78	$ 78,395.97	$ 94,075.17	50.0%	6.0%
117	$ 66,479.79	$ 83,099.73	$ 99,719.68	50.0%	6.0%
118	$ 70,468.57	$ 88,085.72	$105,702.86	50.0%	6.0%
119	$ 74,696.69	$ 93,370.86	$112,045.03	50.0%	6.0%
120	$ 79,178.49	$ 98,973.11	$118,767.73	50.0%	6.0%
121	$ 83,929.20	$104,911.50	$125,893.80	50.0%	6.0%
122	$ 88,964.95	$111,206.19	$133,447.42	50.0%	6.0%
OR	-	-	-	-	-

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. In addition to providing the City with updated pay ranges, Evergreen worked with the City's leadership and HR teams to develop a compensation philosophy (included in this report as Appendix B) that will guide the City in the future.

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 of implementing the proposed structure is then to transition employee salaries into their new recommended pay ranges. This step can be done via a variety of methods, each with their own strengths and drawbacks, however, after discussion with City leadership, Evergreen has recommended a few different options for the City to consider:

- Bring to Minimum – an adjustment where employees who are below the minimum of their pay range are brought up to the minimum, with no further adjustments made. The salary cost of this adjustment methodology would be approximately $183,937.

- Compa Ratio – an adjustment where employees maintain the same relationship to their pay grade midpoint they have currently attained when placed into their new pay grade. For example, if an employee is currently 5.0 percent above their current midpoint, they would be placed 5.0 percent above their new pay grade midpoint. The salary cost of this adjustment methodology would be approximately $2,305,747.

- 95 Percent of Compa Ratio - an adjustment where employees maintain a similar relationship to their pay grade midpoint when placed into their new pay grade. For example, if an employee is currently at their current midpoint, they would be placed 95.0 percent of the way to their new pay grade midpoint. This still represents an increase for a majority of City employees because the employees were typically slotted into a higher pay grade than their current plan due to the market gap identified in Chapter 4. The salary cost of this adjustment methodology would be approximately $1,101,459.

- 30 Year Class Parity – an adjustment where employees are re-aligned along their salary range on the basis of how long they have been serving in their current classification at the City. This is done on a total 30-year basis, meaning employees with 30 or more years of experience in their current classification would be placed at maximum, whereas employees with 15 years would be placed at the midpoint of the range. The salary cost of this adjustment methodology would be approximately $429,793.

- 30 Year Tenure Parity – an adjustment where employees are re-aligned along their salary range on the basis of how long they have been employed at the City overall. This is done on a total 30-year basis, meaning employees with 30 or more years of time spent at the City would be placed at maximum, whereas employees with 15 years would be placed at the midpoint of the range. The salary cost of this adjustment methodology would be approximately $1,350,613.

Evergreen recommends the City ultimately select an implementation option that aligns with its compensation philosophy and meets its available financial resources to implement changes. The options shown are intended to give the City guidance on different methods of implementing, and the City should not feel restrained in exploring other alternatives.

FINDING

There are some areas that the City has not kept pace with the market in terms of the benefit offering to employees, particularly with regard to paid time off. Each peer offers employees at least 200 hours of paid time per year, divided in some way between sick, vacation, and personal time. The City has fallen behind that mark, and should evaluate the benefits offered to employees to try and meet the market standard where possible.

RECOMMENDATION 5: Evergreen recommends the City review its overall benefits offering to employees, and revise those policies that are found to be below market.

With regard to benefits at the City compared to peer organizations, the largest market gap identified was with regard to the time off policies in the market. The City's PTO offering does not meet the market average time off offered to employees at peer organizations, and it even falls below the lowest peer offerings in some ways. Evergreen recommends that the City take a long look at increasing employee time off at the City, although there are several different methods that would make sense. The simplest way to tackle the issue would be to simply increase the accrual rates for employee PTO. With one unified PTO offering that should go towards employee sick and vacation time, the City's accrual rate needs to exceed all peer offerings for separate sick and vacation accruals, and at least approach the combined rates that employees receive elsewhere. This would mean having an accrual rate of between 16 and 24 hours per month (two or three days) for the combined PTO benefit. Most peer organizations offer one sick day, and varying rates of vacation time between one and two days (as you approach the end of your career) per month. This means that if the City wants to maintain a unified PTO pool, the rates need to be at least two days (16 hours) per month, possibly increasing up to three days (24 hours) towards the end of an employee's career. This could also be done by splitting sick and vacation time and offering pools for both types of leave, or some other organization of time off. Evergreen believes that the method of granting time off is not as important as meeting the market in terms of total days off.

Additionally, the percentage of the health care plan that falls onto employees on Employee + Spouse, Employee + Child, and Employee + Family plans is higher at the City, for two of the three plans offered, than it is among peer organizations for any type of healthcare plan. Healthcare plans are not all created equal, so additional consideration would need to be paid to the specifics of each healthcare plan offered before adjusting this plan. However, the City should look into the healthcare plans, and all that they entail, and see if an adjustment to the premiums paid by the City could be adjusted for the Employee + Spouse, Child, and Spouse plans.

Finally, there are some other smaller benefits that the City could consider that would not have as large of an impact as the time off and healthcare benefits, but could still lead to higher job satisfaction among employees at the City. One example is that the average peer offers an additional holiday per year over the 10 the City offers. Evergreen recommends that the City considers adding a paid holiday for employees. The paid holidays that are most often offered at peer organizations that the City does not grant are Columbus Day and Christmas Eve, so Evergreen recommends the City evaluate those two holidays first. Another example of a benefit the City could explore in the future is paid maternity, paternity, or parental leave. While not every peer offers this benefit, one-third of peers offer paid parental leave (to both parents) while one-half of peers offer paid maternity leave to employees. These are smaller benefits, but they can be very impactful to those employees who are able to take advantage of them.

5.3 COMPENSATION AND CLASSIFICATION SYSTEM ADMINISTRATION

Any organization's compensation and classification system will need periodic maintenance. 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 recruitment and retention issues may increase as the compensation and classification system becomes dated and less competitive.

RECOMMENDATION 6: Conduct small-scale salary surveys as needed to assess the market competitiveness of hard-to-fill classifications and/or classifications with retention issues, and make adjustments to pay grade assignments if necessary.

While it is unlikely that the pay plan as a whole will need to be significantly changed for several years, a small number of classifications' pay grades may need to be reassigned more frequently. If one or more classifications are exhibiting high turnover or are having difficulty with recruitment, the City should collect salary range data from peer organizations to determine whether an adjustment is needed for the pay grade of the classification(s).

RECOMMENDATION 7: Conduct a comprehensive classification and compensation study every seven to ten years, provided the City performs annual adjustments to keep the pay plan up to date.

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 seven to ten 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.

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 8: Evaluate policies and practices for moving employees' salaries through the pay plan, including procedures for determining 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.

Salary Progression

As outlined above, Evergreen recommends City enact the second phase of implementing the new pay plan which would involve a one-time salary adjustment for employees to ensure they are placed in the proper percentile of their salary range. While this major adjustment should be performed when the City has the financial resources to do so, the City should continue to adjust salaries annually when financially feasible. Based on the feedback from employees and City leadership, Evergreen recommends that the basis of salary adjustment in the future be done at three distinct levels.

- Structural: Adjustment to the ranges should be done annually and with the aim of adjusting for the changes in cost of living. Evergreen recommends the City tie the annual compensation structure movement to the local change in the Consumer-Price-Index (CPI). This annual adjustment will ensure the City's pay ranges do not rapidly fall out of line with that of its peers; however, when conducting the small-scale surveys referenced above, the City should also collect pay plan movement and anticipated movement from its peers to gauge if market movement is keeping pace with CPI movement.

- Classification: As a result of the market surveys, the City may identify classifications or job families that are experiencing considerable market movement and as a result, reassignment of the pay grades should be considered when this occurs. Alternatively, if the City identifies classifications that have become hard to recruit and retain, pay grade reassignment should also be considered to ensure the City is competitive for both recruiting new talent and retaining existing employees.

- Individual: To tie into the adjustment of the structure, Evergreen recommends the City adjust employee salaries annually for Cost-of-living adjustment (COLA). This adjustment would be done for all employees who receive a satisfactory performance evaluation, and the percentage adjustment would need to be roughly 1.0 percent more than the movement of the compensation structure in any given years, in order to allow for employee progression into the range. Moreover, based on the feedback from employees and City's desire to recruit and retain a high-quality workforce, Evergreen recommends the City grant additional adjustment to employees who receive above average performance evaluations. The City should exercise a differentiated percentage for high performers that met the financial constraints of the budget but while still providing a meaningful incentive for high performance.

New Hires

A new employee's starting salary largely depends on the amount of education and experience the employee possesses beyond the minimum requirements for the job. Typically, an employee holding only the minimum education and experience requirements for a classification is hired at or near the classification's pay grade minimum. An upper limit to the percentage above minimum that can be offered to a new employee with only the minimum requirements should be established, where approval is needed to offer a starting salary that is a higher percentage above minimum. Another threshold should be established as the maximum starting salary possible without approval for new employees with considerable experience and/or education above the requirements for the position. It is common for the midpoint to be used as the maximum starting salary for most classifications. Once the City has performed the initial implementation adjustment for current employee salaries, new employee starting salaries should take into consideration internal equity, meaning that new hires should be offered comparable salaries to existing employees in the classification with similar levels of education and experience.

RECOMMENDATION 9: Evergreen recommends the City adopt a hiring grid that aligns with its selected implementation methodology.

Dependent upon which route the City elects to transition employees into the new salary ranges, a hiring grid should be adopted that provides guidance where new employee salaries should be set. The adoption of a new hiring grid should be done after an implementation methodology is selected in order to ensure alignment of salary placement between current employees and new hires, and to prevent new compression issues from arising both within classifications and departments, as well as throughout the City as a whole. Evergreen will work with the City's leadership team to develop a structure that aligns with any selected method of implementation.

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. It is common for organizations to establish a minimum percentage salary increase that depends on the increase in pay grade as a result of the promotion. Regardless of the minimum percent increase, the employee's new salary should be within the new pay grade's range, and internal equity of salaries within the classification should be preserved.

Transfers

An employee transfer occurs when an employee is reassigned to a classification at the same pay grade as his or her current classification or when an employee's classification stays the same, but his or her department changes. In either of these cases, it is likely that no adjustment is necessary to the employee's salary. The only situation in which a salary adjustment would be needed for a transferred employee would be if his or her current salary is not aligned with the salaries of employees in the new classification or department. If that occurs, it may be necessary to adjust the salary of the employee or the incumbents of the classification to ensure salary equity within the new classification.

RECOMMENDATION 10: Evergreen recommends the City update its policy regarding promotions/demotions and transfers to align with its new compensation structure.

Evergreen recommends the City Implement a minimum increase of five percent per grade of base salary for employees receiving promotion. However, the employee's salary should always be increased to at least the minimum of the new salary range. In the case of demotions, Evergreen recommends a minimum salary decrease of five percent per grade, except in cases where this percent decrease would reduce the employee's salary below the new range minimum. If the employee's salary exceeds the new range maximum after the pay decrease, the employee should be capped from receiving any salary adjustments until the pay moves upward to allow for increases.

5.4 SUMMARY

The City should be commended for its desire and commitment to provide competitive and fair compensation for its employees. The recommendations in this report establish a new competitive pay plan, externally and internally equitable classification titles and pay grade assignments, and system administration practices that will provide the City with a responsive compensation and classification system for years to come. While the upkeep of this recommended system will require concrete effort, the City will find that having a competitive compensation and classification system that encourages strong recruitment and employee retention is worth this commitment.

APPENDIX A
RECOMMENDED CLASSIFICATIONS

Current Classification	Minimum	Midpoint	Maximum	Recommended Classification	Recommended Minimum	Recommended Midpoint	Recommended Maximum
Accountant	$48,776.00	$58,510.40	$68,265.60	Accountant	$49,677.56	$62,096.95	$74,516.34
Accounting Clerk	$33,675.20	$40,414.40	$47,132.80	Accounting Clerk	$34,641.93	$43,302.41	$51,962.89
Accounting Services Manager	$65,582.40	$78,707.20	$91,811.20	Accounting Services Manager	$66,479.79	$83,099.73	$99,719.68
Accounts Payable & Purchasing Specialist	$36,254.40	$43,513.60	$50,772.80	Accounts Payable & Purchasing Specialist	$36,374.02	$45,467.53	$54,561.04
Accounts Receivable & Assessment Specialist	$36,254.40	$43,513.60	$50,772.80	Accounts Receivable & Assessment Specialist	$36,374.02	$45,467.53	$54,561.04
Admin Services Specialist	$38,105.60	$45,718.40	$53,331.20	Admin Services Specialist	$38,192.73	$47,740.91	$57,289.09
Admin Support Services Manager	$72,384.00	$86,881.60	$101,358.40	Admin Support Services Manager	$74,696.69	$93,370.86	$112,045.03
Administrative Coordinator	$37,169.60	$44,595.20	$52,041.60	Administrative Coordinator	$38,192.73	$47,740.91	$57,289.09
Administrative Specialist	$33,675.20	$40,414.40	$47,132.80	Administrative Specialist	$34,641.93	$43,302.41	$51,962.89
Administrative Supervisor	$51,230.40	$61,484.80	$71,739.20	Administrative Supervisor	$52,658.22	$65,822.77	$78,987.33
Airport Director	-	-	-	Airport Director	$99,743.39	$129,666.41	$159,589.43
Airport Operations & Maintenance Coordinator	$43,097.60	$51,729.60	$60,340.80	Airport Operations & Maintenance Coordinator	$44,212.85	$55,266.07	$66,319.28
Airport Operations Specialist	$41,017.60	$49,233.60	$57,428.80	Airport Operations Specialist	$42,107.48	$52,634.35	$63,161.22
Airport Superintendent - Operations	$60,902.40	$73,091.20	$85,259.20	AIRPORT OPERATIONS SUPERINTENDENT	$66,479.79	$83,099.73	$99,719.68
Airport Operations Technician	$35,380.80	$42,452.80	$49,524.80	Airport Operations Technician	$38,192.73	$47,740.91	$57,289.09
Animal Control Officer	$32,843.20	$39,416.00	$45,988.80	Animal Control Officer	$36,374.02	$45,467.53	$54,561.04
Animal Control Supervisor	$36,254.40	$43,513.60	$50,772.80	Animal Control Supervisor	$40,102.36	$50,127.95	$60,153.54
Assistant City Attorney	$72,384.00	$86,881.60	$101,358.40	Assistant City Attorney	$79,178.49	$98,973.11	$118,767.73
Assistant Golf Course Superintendent	$46,425.60	$55,702.40	$64,979.20	Assistant Golf Course Superintendent	$46,865.63	$58,582.03	$70,298.44
Assistant to City Manager/Interngovernmental Coordinator	$70,636.80	$84,760.00	$98,883.20	Assistant to City Manager/Interngovernmental Coordinator	$70,468.57	$88,085.72	$105,702.86
Battalion Chief	$76,061.44	$91,262.08	$106,462.72	Battalion Chief	$79,178.49	$98,973.11	$118,767.73
Budget Manager	$51,230.40	$61,484.80	$71,739.20	Budget Manager	$55,817.71	$69,772.14	$83,726.56
Building Inspector	$43,097.60	$51,729.60	$60,340.80	Building Inspector	$44,212.85	$55,266.07	$66,319.28
Administrative Assistant	$35,380.80	$42,452.80	$49,524.80	Business Manager	$44,212.85	$55,266.07	$66,319.28
Business Manager	$40,019.20	$48,027.20	$56,035.20	Business Manager	$44,212.85	$55,266.07	$66,319.28
Capital Project Manager	$67,225.60	$80,662.40	$94,120.00	Capital Project Manager	$70,468.57	$88,085.72	$105,702.86
Pavement & Sidewalk Program Manager	$56,555.20	$67,870.40	$79,185.60	Capital Project Manager	$70,468.57	$88,085.72	$105,702.86
CDBG Comm Development Coordinator	$46,425.60	$55,702.40	$64,979.20	CDBG Comm Development Coordinator	$46,865.63	$58,582.03	$70,298.44
Chief Building Official	$63,980.80	$76,793.60	$89,585.60	Chief Building Official	$66,479.79	$83,099.73	$99,719.68
City Attorney	-	-	-	City Attorney	$112,071.68	$145,693.18	$179,314.69
City Clerk	-	-	-	City Clerk	$94,097.54	$122,326.81	$150,556.07
City Court Clerk	$31,262.40	$37,523.20	$43,784.00	City Court Clerk	$34,641.93	$43,302.41	$51,962.89
City Engineer	$79,913.60	$95,888.00	$111,883.20	City Engineer	$83,929.20	$104,911.50	$125,893.80
City Manager	-	-	-	City Manager	$125,923.74	$163,700.86	$201,477.98
City Surveyor	$67,225.60	$80,662.40	$94,120.00	City Surveyor	$66,479.79	$83,099.73	$99,719.68
Civil Engineer	$68,910.40	$82,680.00	$96,470.40	Civil Engineer	$70,468.57	$88,085.72	$105,702.86
Civilian Parking Accident Investigator	$32,843.20	$39,416.00	$45,988.80	Civilian Parking Accident Investigator	$38,192.73	$47,740.91	$57,289.09
Code Compliance Inspector	$43,097.60	$51,729.60	$60,340.80	Code Compliance Inspector	$44,212.85	$55,266.07	$66,319.28
Community Development Director	-	-	-	Community Development Director	$99,743.39	$129,666.41	$159,589.43
Community Outreach Manager	$63,980.80	$76,793.60	$89,585.60	Community Outreach Manager	$66,479.79	$83,099.73	$99,719.68

APPENDIX A (Continued)
RECOMMENDED CLASSIFICATIONS

Current Classification	Minimum	Midpoint	Maximum	Recommended Classification	Recommended Minimum	Recommended Midpoint	Recommended Maximum
Construction Inspector	$43,097.60	$51,729.60	$60,340.80	Construction Inspector	$46,865.63	$58,582.03	$70,298.44
Construction Inspector Supervisor	$51,230.40	$61,484.80	$71,739.20	Construction Inspector Supervisor	$52,658.22	$65,822.77	$78,987.33
Construction Services Manager	$72,384.00	$86,881.60	$101,358.40	Construction Services Manager	$74,696.69	$93,370.86	$112,045.03
Contract & Purchasing Administrator	$48,776.00	$58,510.40	$68,265.60	Contract & Purchasing Administrator	$49,677.56	$62,096.95	$74,516.34
Contracts Coordinator	$41,017.60	$49,233.60	$57,428.80	Contracts Coordinator	$38,192.73	$47,740.91	$57,289.09
Crime Prevention Specialist	$33,675.20	$40,414.40	$47,132.80	Crime Prevention Specialist	$34,641.93	$43,302.41	$51,962.89
Custodian	$25,043.20	$30,035.20	$35,048.00	Custodian	$28,500.00	$35,625.00	$42,750.00
Deputy Chief Of Police	-	-	-	Deputy Chief Of Police	$94,097.54	$122,326.81	$150,556.07
Deputy City Attorney	$86,049.60	$103,272.00	$120,473.60	Deputy City Attorney	$94,097.54	$122,326.81	$150,556.07
Deputy City Clerk	$49,982.40	$59,987.20	$69,971.20	Deputy City Clerk	$46,865.63	$58,582.03	$70,298.44
Deputy Fire Chief	-	-	-	Deputy Fire Chief	$94,097.54	$122,326.81	$150,556.07
Development Coordinator & Records Control Officer	$37,169.60	$44,595.20	$52,041.60	Development Coordinator & Records Control Officer	$38,192.73	$47,740.91	$57,289.09
Development Services Facilitator	$57,969.60	$69,555.20	$81,161.60	Development Services Facilitator	$59,166.77	$73,958.47	$88,750.16
Development Services Representative I	$31,262.40	$37,523.20	$43,784.00	Development Services Representative I	$34,641.93	$43,302.41	$51,962.89
Development Services Representative II	$32,843.20	$39,416.00	$45,988.80	Development Services Representative II	$36,374.02	$45,467.53	$54,561.04
Development Services Supervisor	$48,776.00	$58,510.40	$68,265.60	Development Services Supervisor	$49,677.56	$62,096.95	$74,516.34
Director of IT	-	-	-	Director of IT	$99,743.39	$129,666.41	$159,589.43
Division Chief	$76,065.60	$91,270.40	$106,475.20	Division Chief	$79,178.49	$98,973.11	$118,767.73
Electrical Maintenance & Scada Technician	$42,057.60	$50,460.80	$58,864.00	Electrical Maintenance & Scada Technician	$42,107.48	$52,634.35	$63,161.22
Engineering Technician	$43,097.60	$51,729.60	$60,340.80	Engineering Technician	$44,212.85	$55,266.07	$66,319.28
Environmental Coordinator	$51,230.40	$61,484.80	$71,739.20	Environmental Coordinator	$52,658.22	$65,822.77	$78,987.33
Equipment Mechanic	$39,041.60	$46,862.40	$54,662.40	Equipment Mechanic	$40,102.36	$50,127.95	$60,153.54
Equipment Operator Solid Waste	$37,169.60	$44,595.20	$52,041.60	Equipment Operator	$38,192.73	$47,740.91	$57,289.09
Equipment Operator Streets	$37,169.60	$44,595.20	$52,041.60	Equipment Operator	$38,192.73	$47,740.91	$57,289.09
Executive Assistant	$42,057.60	$50,460.80	$58,864.00	Executive Assistant	$44,212.85	$55,266.07	$66,319.28
Facilities Coordinator	$40,019.20	$48,027.20	$56,035.20	Facilities Coordinator	$42,107.48	$52,634.35	$63,161.22
Facilities Superintendent	$59,425.60	$71,302.40	$83,179.20	Facilities Superintendent	$62,716.78	$78,395.97	$94,075.17
Finance Director	-	-	-	Finance Director	$105,728.00	$137,446.40	$169,164.80
Fire Captain	$62,433.28	$74,925.76	$87,389.12	Fire Captain	$66,479.79	$83,099.73	$99,719.68
Fire Chief	-	-	-	Fire Chief	$112,071.68	$145,693.18	$179,314.69
Fire Engineer	$52,532.48	$63,015.68	$73,528.00	Fire Engineer	$55,817.71	$69,772.14	$83,726.56
Firefighter	$44,175.04	$53,027.52	$61,850.88	Firefighter	$44,212.85	$55,266.07	$66,319.28
Fleet Maint Supervisor	$51,230.40	$61,484.80	$71,739.20	Fleet Maint Supervisor	$52,658.22	$65,822.77	$78,987.33
Fleet Manager	$59,425.60	$71,302.40	$83,179.20	Fleet Manager	$62,716.78	$78,395.97	$94,075.17
Fuels Management Coordinator	$38,105.60	$45,718.40	$53,331.20	Fuels Management Coordinator	$42,107.48	$52,634.35	$63,161.22
Fuels Reduction Technician	$34,507.20	$41,412.80	$48,318.40	Fuels Reduction Technician	$38,192.73	$47,740.91	$57,289.09
GIS Coordinator & Historic Preservation Specialist	$60,902.40	$73,091.20	$85,259.20	GIS Coordinator & Historic Preservation Specialist	$62,716.78	$78,395.97	$94,075.17
GIS Specialist	$48,776.00	$58,510.40	$68,265.60	GIS Specialist	$49,677.56	$62,096.95	$74,516.34
Groundskeeper	$29,036.80	$34,840.00	$40,643.20	Groundskeeper	$29,925.00	$37,406.25	$44,887.50
Help Desk Manager	$56,555.20	$67,870.40	$79,185.60	Help Desk Manager	$59,166.77	$73,958.47	$88,750.16

APPENDIX A (Continued)
RECOMMENDED CLASSIFICATIONS

Current Classification	Minimum	Midpoint	Maximum	Recommended Classification	Recommended Minimum	Recommended Midpoint	Recommended Maximum
Human Resources Technician	$37,169.60	$44,595.20	$52,041.60	HRIS Technician	$38,192.73	$47,740.91	$57,289.09
Human Resources Specialist	$39,041.60	$46,862.40	$54,662.40	Human Resources Business Partner	$44,212.85	$55,266.07	$66,319.28
Human Resources Director	-	-	-	Human Resources Director	$99,743.39	$129,666.41	$159,589.43
Human Resources Manager	$59,425.60	$71,302.40	$83,179.20	Human Resources Manager	$66,479.79	$83,099.73	$99,719.68
Irrigation Technician	$35,380.80	$42,452.80	$49,524.80	Irrigation Technician	$36,374.02	$45,467.53	$54,561.04
IT Database Administrator	$55,182.40	$66,206.40	$77,251.20	IT Database Administrator	$59,166.77	$73,958.47	$88,750.16
IT Specialist	$48,776.00	$58,510.40	$68,265.60	IT Specialist	$49,677.56	$62,096.95	$74,516.34
Lakes Coordinator	$40,019.20	$48,027.20	$56,035.20	Lakes Coordinator	$42,107.48	$52,634.35	$63,161.22
Landscape Coordinator	$40,019.20	$48,027.20	$56,035.20	Landscape Coordinator	$42,107.48	$52,634.35	$63,161.22
Lead Librarian	$51,230.40	$61,484.80	$71,739.20	Lead Librarian	$52,658.22	$65,822.77	$78,987.33
Legal Secretary	$34,507.20	$41,412.80	$48,318.40	Legal Secretary	$36,374.02	$45,467.53	$54,561.04
Legal Services Administrator	$42,057.60	$50,460.80	$58,864.00	Legal Services Administrator	$44,212.85	$55,266.07	$66,319.28
Librarian	$46,425.60	$55,702.40	$64,979.20	Librarian	$46,865.63	$58,582.03	$70,298.44
Librarian - Trainee	$46,425.60	$55,702.40	$64,979.20	Librarian - Trainee	$46,865.63	$58,582.03	$70,298.44
Library Assistant	$29,036.80	$34,840.00	$40,643.20	Library Assistant	$31,421.25	$39,276.56	$47,131.88
Library Director	-	-	-	Library Director	$94,097.54	$122,326.81	$150,556.07
Library Manager Support Services	$57,969.60	$69,555.20	$81,161.60	Library Manager Support Services	$59,166.77	$73,958.47	$88,750.16
Library Manager	$63,980.80	$76,793.60	$89,585.60	Library Manager, Senior	$66,479.79	$83,099.73	$99,719.68
Library Specialist	$33,675.20	$40,414.40	$47,132.80	Library Specialist	$36,374.02	$45,467.53	$54,561.04
Maintenance Specialist	$41,017.60	$49,233.60	$57,428.80	Maintenance Specialist	$42,107.48	$52,634.35	$63,161.22
Maintenance Superintendent	$65,582.40	$78,707.20	$91,811.20	Maintenance Superintendent	$66,479.79	$83,099.73	$99,719.68
Maintenance Technician	$35,380.80	$42,452.80	$49,524.80	Maintenance Technician	$36,374.02	$45,467.53	$54,561.04
Maintenance Technician	$35,380.80	$42,452.80	$49,524.80	Maintenance Technician, Senior	$38,192.73	$47,740.91	$57,289.09
Maintenance Worker	$29,036.80	$34,840.00	$40,643.20	Maintenance Worker	$29,925.00	$37,406.25	$44,887.50
Management Analyst	$48,776.00	$58,510.40	$68,265.60	Management Analyst	$52,658.22	$65,822.77	$78,987.33
Public Works Analyst	$51,230.40	$61,484.80	$71,739.20	Management Analyst	$52,658.22	$65,822.77	$78,987.33
Network Engineer	$56,555.20	$67,870.40	$79,185.60	Network Engineer	$59,166.77	$73,958.47	$88,750.16
Secretary	$29,764.80	$35,713.60	$41,662.40	Office Assistant	$29,925.00	$37,406.25	$44,887.50
Parts & Service Specialist	$39,041.60	$46,862.40	$54,662.40	Parts & Service Specialist	$42,107.48	$52,634.35	$63,161.22
Payroll Supervisor	$51,230.40	$61,484.80	$71,739.20	Payroll Supervisor	$55,817.71	$69,772.14	$83,726.56
Permit Technician & Plans Examiner	$37,169.60	$44,595.20	$52,041.60	Permit Technician & Plans Examiner	$38,192.73	$47,740.91	$57,289.09
Planner	$51,230.40	$61,484.80	$71,739.20	Planner	$55,817.71	$69,772.14	$83,726.56
Planning Manager	$68,910.40	$82,680.00	$96,470.40	Planning Manager	$70,468.57	$88,085.72	$105,702.86
Plans Examiner & Building Fire Inspector	$45,281.60	$54,350.40	$63,398.40	Plans Examiner & Building Inspector	$49,677.56	$62,096.95	$74,516.34
Plans Examiner & Building Inspector	$45,281.60	$54,350.40	$63,398.40	Plans Examiner & Building Inspector	$49,677.56	$62,096.95	$74,516.34
Police Chief	-	-	-	Police Chief	$112,071.68	$145,693.18	$179,314.69
Police Lieutenant	$81,910.40	$98,280.00	$114,670.40	Police Lieutenant	$88,964.95	$111,206.19	$133,447.42
Police Officer	$47,569.60	$57,096.00	$66,601.60	Police Officer	$52,658.22	$65,822.77	$78,987.33
Police Records Clerk	$33,675.20	$40,414.40	$47,132.80	Police Records Clerk	$34,641.93	$43,302.41	$51,962.89
Police Records Supervisor	$48,776.00	$58,510.40	$68,265.60	Police Records Supervisor	$49,677.56	$62,096.95	$74,516.34
Police Sergeant	$62,420.80	$74,921.60	$87,401.60	Police Sergeant	$70,468.57	$88,085.72	$105,702.86
PRCC Assistant Manager	$59,425.60	$71,302.40	$83,179.20	PRCC Assistant Manager	$55,817.71	$69,772.14	$83,726.56
PRCC Manager	$72,384.00	$86,881.60	$101,358.40	PRCC Assistant Manager	$55,817.71	$69,772.14	$83,726.56

APPENDIX A (Continued)
RECOMMENDED CLASSIFICATIONS

Current Classification	Minimum	Midpoint	Maximum	Recommended Classification	Recommended Minimum	Recommended Midpoint	Recommended Maximum
Property & Evidence Technician	$39,041.60	$46,862.40	$54,662.40	Property & Evidence Technician	$40,102.36	$50,127.95	$60,153.54
Property & Evidence Technician CSI	$42,057.60	$50,460.80	$58,864.00	Property & Evidence Technician CSI	$42,107.48	$52,634.35	$63,161.22
Communications Specialist Supervisor	$45,281.60	$54,350.40	$63,398.40	Public Safety Dispatch Supervisor	$52,658.22	$65,822.77	$78,987.33
Communications Specialist	$39,041.60	$46,862.40	$54,662.40	Public Safety Dispatcher	$42,107.48	$52,634.35	$63,161.22
Public Works Director	-	-	-	Public Works Director	$105,728.00	$137,446.40	$169,164.80
Real Estate Administrator	$67,225.60	$80,662.40	$94,120.00	Real Estate Administrator	$70,468.57	$88,085.72	$105,702.86
Recreation Coordinator	$40,019.20	$48,027.20	$56,035.20	Recreation Coordinator	$42,107.48	$52,634.35	$63,161.22
Recreation Director	-	-	-	Recreation Director	$99,743.39	$129,666.41	$159,589.43
Recreation Services Manager	$42,057.60	$50,460.80	$58,864.00	Recreation Services Manager	$44,212.85	$55,266.07	$66,319.28
Recreation Services Supervisor	$48,776.00	$58,510.40	$68,265.60	Recreation Services Supervisor	$52,658.22	$65,822.77	$78,987.33
Recreation Supervisor	$56,555.20	$67,870.40	$79,185.60	Recreation Supervisor	$55,817.71	$69,772.14	$83,726.56
Revenue Manager	$65,582.40	$78,707.20	$91,811.20	Revenue Manager	$66,479.79	$83,099.73	$99,719.68
Sales & Marketing Coordinator	$41,017.60	$49,233.60	$57,428.80	Sales & Marketing Coordinator	$49,677.56	$62,096.95	$74,516.34
Senior Engineering Technician	$51,230.40	$61,484.80	$71,739.20	Senior Engineering Technician	$52,658.22	$65,822.77	$78,987.33
Senior Equipment Operator Solid Waste	$40,019.20	$48,027.20	$56,035.20	Senior Equipment Operator	$42,107.48	$52,634.35	$63,161.22
Senior Equipment Operator Streets	$40,019.20	$48,027.20	$56,035.20	Senior Equipment Operator	$42,107.48	$52,634.35	$63,161.22
Senior Human Resources Specialist	$45,281.60	$54,350.40	$63,398.40	Senior Human Resources Business Partner	$55,817.71	$69,772.14	$83,726.56
Senior Infrastructure Analyst	$70,636.80	$84,760.00	$98,883.20	Senior Infrastructure Analyst	$74,696.69	$93,370.86	$112,045.03
Senior Utility Worker	$38,105.60	$45,718.40	$53,331.20	Senior Utility Worker	$40,102.36	$50,127.95	$60,153.54
Senior Victim Advocate	$39,041.60	$46,862.40	$54,662.40	Senior Victim Advocate	$40,102.36	$50,127.95	$60,153.54
Senior WWTP Operator	$45,281.60	$54,350.40	$63,398.40	Senior WWTP Operator	$46,865.63	$58,582.03	$70,298.44
Service Technician	$32,843.20	$39,416.00	$45,988.80	Service Technician	$34,641.93	$43,302.41	$51,962.89
Solid Waste Superintendent	$59,425.60	$71,302.40	$83,179.20	Solid Waste Superintendent	$62,716.78	$78,395.97	$94,075.17
Solid Waste Supervisor	$51,230.40	$61,484.80	$71,739.20	Solid Waste Supervisor	$52,658.22	$65,822.77	$78,987.33
Station Coordinator	$33,675.20	$40,414.40	$47,132.80	Station Coordinator	$34,641.93	$43,302.41	$51,962.89
Stormwater Specialist	$45,281.60	$54,350.40	$63,398.40	Stormwater Specialist	$46,865.63	$58,582.03	$70,298.44
Streets Maintenance Superintendent	$59,425.60	$71,302.40	$83,179.20	Streets Maintenance Superintendent	$62,716.78	$78,395.97	$94,075.17
Streets Supervisor	$51,230.40	$61,484.80	$71,739.20	Streets Supervisor	$52,658.22	$65,822.77	$78,987.33
Tax Compliance Specialist	$36,254.40	$43,513.60	$50,772.80	Tax Compliance Specialist	$36,374.02	$45,467.53	$54,561.04
Traffic Control Worker	$37,169.60	$44,595.20	$52,041.60	Traffic Control Worker	$38,192.73	$47,740.91	$57,289.09
Traffic Engineer	$79,913.60	$95,888.00	$111,883.20	Traffic Engineer	$83,929.20	$104,911.50	$125,893.80
Traffic Engineering Tech	$43,097.60	$51,729.60	$60,340.80	Traffic Engineering Tech	$44,212.85	$55,266.07	$66,319.28
Traffic Signal Specialist	$44,179.20	$53,019.20	$61,859.20	Traffic Signal Specialist	$44,212.85	$55,266.07	$66,319.28
Traffic Signal Supervisor	$55,182.40	$66,206.40	$77,251.20	Traffic Signal Supervisor	$55,817.71	$69,772.14	$83,726.56
Trails & Park L& Planner	$51,230.40	$61,484.80	$71,739.20	Trails & Park L& Planner	$52,658.22	$65,822.77	$78,987.33
Turf & Irrigation Specialist	$37,169.60	$44,595.20	$52,041.60	Turf & Irrigation Specialist	$38,192.73	$47,740.91	$57,289.09
Utilities Manager	$79,913.60	$95,888.00	$111,883.20	Utilities Manager	$83,929.20	$104,911.50	$125,893.80
Utility Billing Representative	$33,675.20	$40,414.40	$47,132.80	Utility Billing Representative	$34,641.93	$43,302.41	$51,962.89
Utility Billing Specialist	$36,254.40	$43,513.60	$50,772.80	Utility Billing Specialist	$36,374.02	$45,467.53	$54,561.04
Wastewater Utility Worker	$34,507.20	$41,412.80	$48,318.40	Utility Worker	$36,374.02	$45,467.53	$54,561.04
Water Utility Worker	$34,507.20	$41,412.80	$48,318.40	Utility Worker	$36,374.02	$45,467.53	$54,561.04

APPENDIX A (Continued)
RECOMMENDED CLASSIFICATIONS

Current Classification	Minimum	Midpoint	Maximum	Recommended Classification	Recommended Minimum	Recommended Midpoint	Recommended Maximum
Victim Advocate	$35,380.80	$42,452.80	$49,524.80	Victim Advocate	$36,374.02	$45,467.53	$54,561.04
Wastewater Collection Supervisor	$52,520.00	$63,024.00	$73,528.00	Wastewater Collection Supervisor	$52,658.22	$65,822.77	$78,987.33
Wastewater Superintendent	$60,902.40	$73,091.20	$85,259.20	Wastewater Superintendent	$66,479.79	$83,099.73	$99,719.68
Water Operations Supervisor	$52,520.00	$63,024.00	$73,528.00	Water Operations Supervisor	$52,658.22	$65,822.77	$78,987.33
Water Operator	$40,019.20	$48,027.20	$56,035.20	Water Operator	$42,107.48	$52,634.35	$63,161.22
Water Protection Inspector	$39,041.60	$46,862.40	$54,662.40	Water Protection Inspector	$42,107.48	$52,634.35	$63,161.22
Water Protection Specialist	$41,017.60	$49,233.60	$57,428.80	Water Protection Specialist	$42,107.48	$52,634.35	$63,161.22
Water Resource Project Manager	$67,225.60	$80,662.40	$94,120.00	Water Resource Project Manager	$66,479.79	$83,099.73	$99,719.68
Water Superintendent	$60,902.40	$73,091.20	$85,259.20	Water Superintendent	$66,479.79	$83,099.73	$99,719.68
Web Development Specialist	$46,425.60	$55,702.40	$64,979.20	Web Development Specialist	$46,865.63	$58,582.03	$70,298.44
WWTP Lab Tech/Relief Operator	$43,097.60	$51,729.60	$60,340.80	WWTP Lab Tech/Relief Operator	$44,212.85	$55,266.07	$66,319.28
WWTP Operations Supervisor	$52,520.00	$63,024.00	$73,528.00	WWTP Operations Supervisor	$52,658.22	$65,822.77	$78,987.33
WWTP Operator	$43,097.60	$51,729.60	$60,340.80	WWTP Operator	$44,212.85	$55,266.07	$66,319.28

APPENDIX B
CITY OF PRESCOTT COMPENSATION PHILOSOPHY

The City of Prescott strives to provide exemplary service to the community and be known as "the Premier Community in the Southwest".

The City's workforce consists of dedicated and talented professional staff, all committed to promoting organizational and community values that include: act with integrity, work as a team, have personal commitment and loyalty, solve problems, take pride in excellent results, have a high level of productivity and be nice.

To achieve and maintain our high standards of service and performance, the City must continue to attract and retain well-qualified staff that exemplifies the organization's values. A public service environment that is attractive to such individuals depends upon many factors, including pride, teamwork, a competitive compensation and benefits program, and non-monetary benefits such as recognition in the workplace for accomplishments, professional development, and employee engagement. The City's overarching compensation strategy will aim to retain and attract high-skilled, high-performing staff capable of delivering the highest standards of public service to our community. The City will expect all staff to consistently perform to those high standards in their work performance, customer service, ethics and passion for public service. The City will also strive to administer pay and benefits in a way that is fair and transparent to all, that provides equal pay for equal work, and that does not take into consideration race, ethnicity, religion, sex, gender, sexual orientation, gender identity or expression, or other factors unrelated to work performance.

In order to provide competitive, sustainable, and responsible compensation, the City will take into account total compensation, which consists of but is not limited to: direct compensation, e.g. salary; and indirect compensation such as health insurance, retirement, professional development and time-off benefits.

In evaluating competitive compensation, the City will take into account:

A. Financial sustainability as reflected by the City's financial forecasts and revenue projections, competing service priorities, long-term liabilities, capital improvement and other asset requirements, and fund reserve levels.

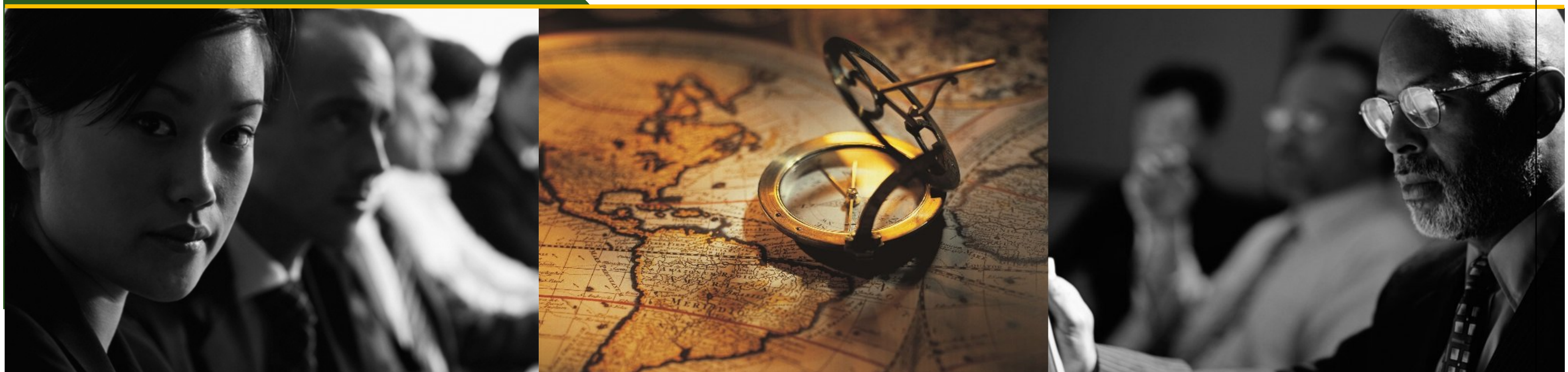
B. The "relevant labor market" which may vary depending upon classification but is primarily defined by geographic region (predominately local and/or statewide) and key markets (municipal and other government agencies) and if applicable, private sector when readily available and effectively comparable.

C. "Internal Relationships" referring to the relative value of classifications to one another as determined by the City. The City will compare responsibilities, skill level, knowledge, ability and judgment to determine similarity, and evaluate the equity of pay differentials.

D. Other relevant factors may include unforeseen economic, regulatory or service changes.

When possible, the City will perform annual evaluations of its compensation structure, programs and policies to assess market competitiveness, effectiveness and compliance with applicable State and federal law. In addition, range adjustments will be applied to the compensate structure so that on an ongoing basis, we retain a competitive and equitable pay plan. While an overall structure adjustment will be considered annually, the City will also strive to perform full compensation and classification studies every five to ten years. These can be conducted internally by HR or externally (i.e., with a vendor), but this will ensure that every single classification at the City will be evaluated and compared internally and externally at least once every five to ten years.

Classification and Compensation Study
City of Prescott, AZ
Final Presentation



Presented by:
Dr. Jeff Ling

Evergreen Solutions, LLC

November 17th, 2020

Overview

- Study Goals
- Project Phases
- Employee Meetings
- Current System Review
- JAT Responses
- Compensation Survey
- Solution Options
- Next Steps

Evergreen Solutions, LLC

Study Goals

- Review current classification and compensation system to ensure internal equity

- Survey peer organizations to ensure external equity

- Produce recommendations to provide the organization with a classification and compensation system that is equitable, both internally and externally

Evergreen Solutions, LLC

Project Phases

Phase 1: Outreach	Phase 2: Classification	Phase 3: Compensation	Phase 4: Solution
Employee Meetings	Classification Structure	Comp Survey	Implementation Options
Job Data (JATs)	Internal Positioning	Market Positioning	Reporting

Evergreen Solutions, LLC

Employee Meetings Comments - Positive

- Culture – Every focus group mentioned the people they work with as one of the top reasons they continued to work for the City. Several employees mentioned that they left and came back because they really enjoyed the culture and friendliness of the City.
- Benefits – Some of the comments on benefits were mixed. However, employees generally stated that the employee-only healthcare option was an excellent benefit. Some employees also mentioned the City's retirement benefits as another great incentive they were happy about receiving.
- Location – Another frequent response when asked about the reasons for seeking employment with the City was its location. Many focus groups stated that this is an amazing place to raise a family due to the environment and outdoor opportunities in the area.

Employee Meetings Comments - Concerns

- Paid Time Off Accrual – The number one complaint in almost every focus group was the PTO system in place at the City. Employees were frustrated by the low accrual rates, their inability to save up enough time to take vacations, and, some employees said, the forced choice between taking sick or vacation time because they were not able to take both.

- External Equity – The overall perception that employees expressed was that the City used to be very competitive with the external market, but has become less competitive over time.

- Cost of Living – Something that was mentioned in every focus group was the rising cost of housing in Prescott. Many participants said that they like working for the City and its people, but can't afford to live in the city that they serve.

Evergreen Solutions, LLC

Current System Review

- Strength:
  - The City is currently paying a majority of their employees more than their expected salary when looking at their current pay grades (i.e., based on internal equity only).
  - The City has a very strong, positive relationship between tenure and pay grade penetration.
- Weakness:
  - Range spread, generally recommended to be between 50-70 percent, is set to a static 40.0 percent across all grades. This can lead to difficulty competing with employee pay near the maximum of the pay range.
  - The City has an excessive number of pay grades, with a very small midpoint progression between the grades.

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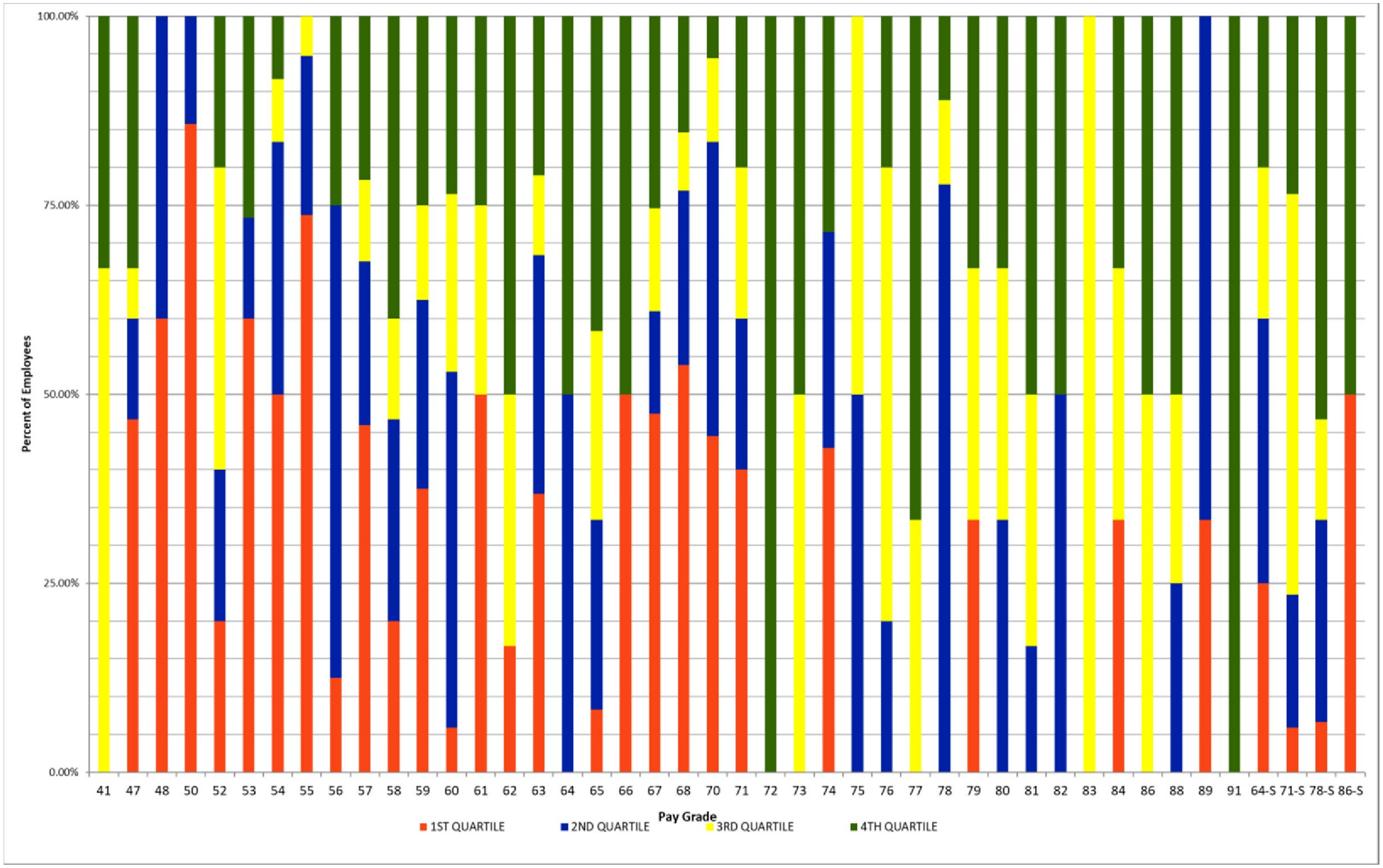
Current System Review

Quartile Analysis



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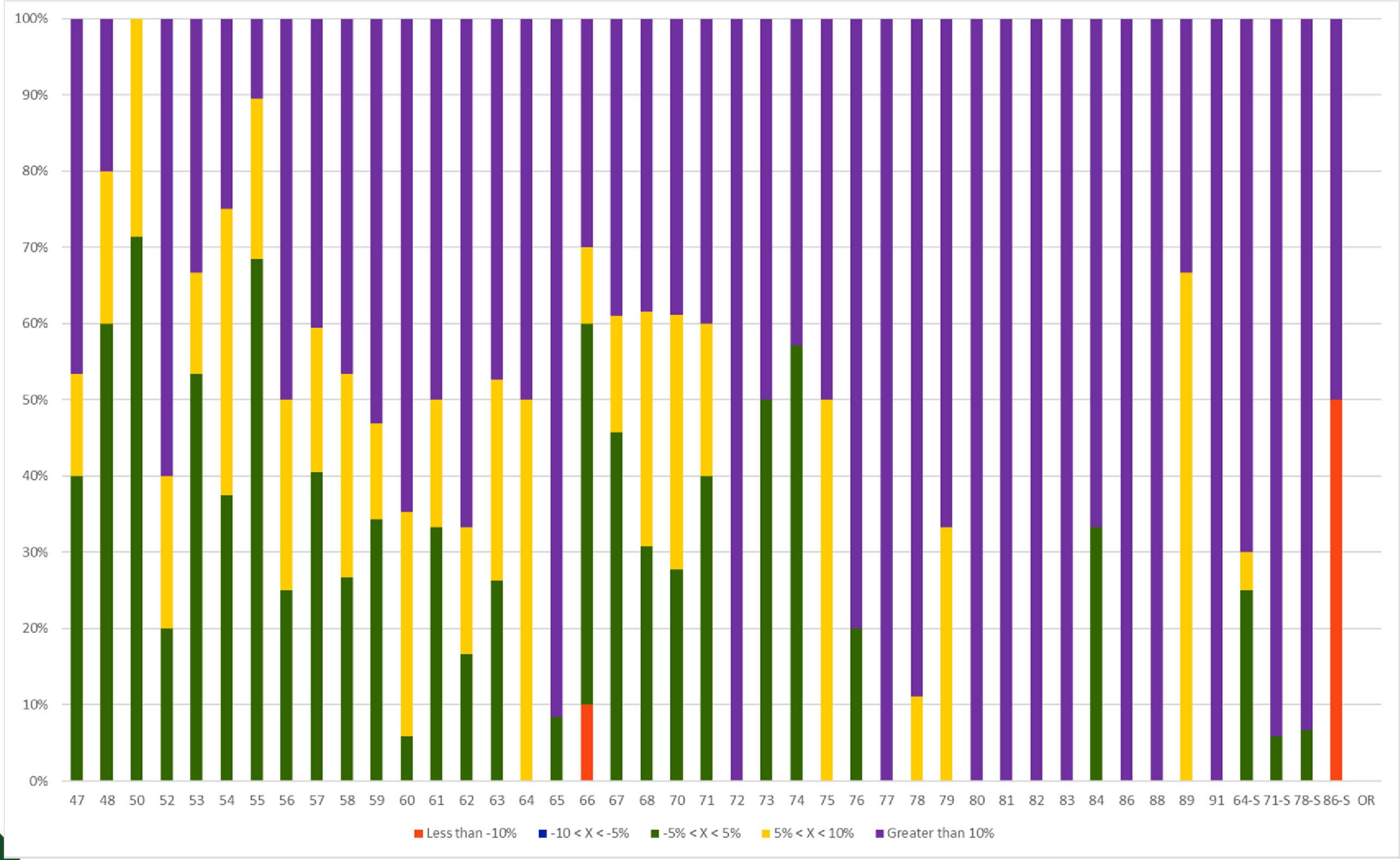
Current System Review

Employee Actual vs. Expected Salary Progression



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JAT Completion

- Number of JATs issues: 611
- Number of JATs completed: 476 (77.9%)
- Total JAT engagement: 488 (79.9%)
- Permanent Positions with at least one JAT: 95.1%
- Number of JATs reviewed by supervisor: 440 (92.4%)

Comp Survey

- Salary survey resulted in 37 combined responses.
- All responses are adjusted for cost of living differentials.
- A total of 70 jobs were benchmarked representing all participating parties.
- A benefits survey was also conducted, which resulted in seven peer responses.

General Peers	Public Safety Peers
City of Prescott	**City of Prescott**
Apache Junction	Apache Junction
Avondale	Avondale
Casa Grande	Buckeye
Flagstaff	Casa Grande
Goodyear	Flagstaff
Lake Havasu	Goodyear
Marana	Marana
Maricopa	Maricopa
Oro Valley	Oro Valley
Peoria	Peoria
Prescott Valley	Prescott Valley
Queen Creek	Queen Creek
Sierra Vista	Sierra Vista
Yuma	Yuma
Coconino County	Coconino County
Yavapai County	Yavapai County
Prescott USD No 1	CAFMA
Yavapai College	Daisy Mountain FD
-	Golder Ranch FD

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Comp Survey Results

Market Comparison Results

Employee Type	Minimum	Midpoint	Maximum	Range Spread	Average Response
General	-7.1%	-8.4%	-9.5%	44%	9.25
Fire	-8.0%	-5.1%	-2.9%	35%	11.00
Police	-10.1%	-6.8%	-4.5%	36%	11.75

On average, the City of Prescott:

- Lags the market in general employee pay by approximately 7-10%;
- Lags the public safety market (both fire & police) by approximately 3-10%;
- Sees its market positioning worsen vs. the market for general employee pay due to a smaller range spread than peer organizations.

In summary, the City has fallen behind the market rates for pay for the average employee/classification. Some positions are in better or worse position, but the City will need to adjust pay overall if the desire is to meet the market average.

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Benefits Survey Results

Health Care

- The City meets or exceeds the market offering for individual health care plan pricing, with a free option offered to employees. The peer average was a cost of $10-45 per month, with several peers having free options.
- The City's family plans are more hit or miss – the less expensive option for employees is only $49 per month, which does meet the market rate. However, the City's more expensive option costs employees $693 per month, which exceeds the market average all health plans offered by peers.

Leave Time

- The average market peer offers approximately 250 hours per year in combined sick, vacation, or PTO time for employees. The City of Prescott offers a maximum of 162 hours of time off for employees.
- The City has one combined pool of PTO for employees, while the peer time-off policies are extremely varied. Some peers have a unified PTO pool, some have traditional sick and vacation, and some peers had additional time off pools for employees (for example, personal leave in addition to sick and vacation).

Solution Options

Three primary classification/compensation structure proposals:

- Option 1 – Bring to Minimum: adjusts salary ranges to market rates, but makes only the minimum adjustments to employee salaries.

- Option 2 – Compa Ratio: adjusts ranges for market and then adjusts salaries to maintain employees' progression vs. their grade midpoint.

- Option 3 – Discounted Compa Ratio: adjusts ranges for market and then adjusts salaries to maintain some of employees' progression vs. their grade midpoint.

Solution Option Costs

Solution Option Costs

Option	Total Cost	Marginal Cost
Bring to Minimum	$ 183,937.00	-
Discounted Compa Ratio	$ 1,101,459.00	$ 917,522.00
Compa Ratio	$ 2,305,747.00	$ 2,121,810.00

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Recommendations

- Adopt the recommended pay plan (displayed in the Final Report)
- Discounted compa ratio implementation for general and public safety employees
- Apply annual pay plan structure adjustment based on CPI and provide COLA to employees
- Move directors and their direct reports to a *Pay for Performance* system
- Adopt benefits recommendations (detailed in the Final Report), including updating time-off accrual rates to at least the market average rate
- Move PTO and other personnel administrative items out of City Code HR Chapter 1-20 and delegate the responsibility to City Manager

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Employee Pay Adjustments

Number of employees in the Study: 488

Number of employees receiving market adjustments: 385

Percentage of employees receiving market adjustments: 78.9%

Average dollar adjustment: $2,860.93

Average percentage adjustment: 5.3%

Number of employees moving onto the *Pay for Performance* System: 46

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City Code Revisions

- Recommend shortened version (17 pages – 2 pages)
  - More progressive practices
  - Incorporate Compensation/Benefits changes and administrative recommendations (eliminate overlap, contradictory information, outdated practices)
- Incorporates Existing Code Details into Administrative Regulations (Handbook)
- Update the form of governance for code policies
  - Provide authority for human resources administration action to City Manager

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Next Steps

- November 2020 – Finalize implementation plan and present to City Council for approval in January 2021
  - Select alternative
  - Communicate alternative
  - Introduce *Pay for Performance* for leadership
  - Conduct employee meetings

- January 2021 – City will finalize PTO accrual plan

- January/February 2021 – Revised class descriptions and create career paths
  - Create new class descriptions
  - Revise current class descriptions
  - Train HR on JAT/Compensation Systems

- July 2021 – City will work with YCT (Yavapai Combined Trust) to review contribution rates for Medical Plan(s)

Evergreen Solutions, LLC

CHAPTER 1-20: CITY PERSONNEL

SECTIONS:

1-20-1 GENERAL PROVISIONS:
The general purpose of this Ordinance is to establish for the City of Prescott a system of personnel administration that will assure optimum utilization of the human resources employed by the City of Prescott to effect the social, economic and other program needs of the people of the city as these needs now or in the future may be established. This system shall provide means to recruit, select, develop and maintain an effective and responsible work force; and shall include policies and procedures for employee hiring and advancement, terminations, training and career development, job classification, salary administration, discipline, discharge and related activities.

1-20-2 FAIR EMPLOYMENT PRACTICES:
All appointments, promotions, demotions, separations and other employment transactions in the City service shall be made on the basis of merit and fitness without regard to race, color, sex, place of national origin, political or religious affiliation; using open competitive selection procedures, examinations or other evidence of fitness.

1-20-3 RESPONSIBILITIES OF THE PERSONNEL OFFICER:
The City Manager may appoint a Personnel Officer of the City, who will be charged with carrying into effect these rules and regulations. The City Manager, however, maintains ultimate responsibility for all personnel functions.

The Personnel Officer shall be responsible for recruiting, evaluating, selecting and referring of personnel, classification administration, administration of performance rating system and personnel rules, maintenance of employment records, and payroll reviewing.

Under the direction and control of the City Manager and in cooperation with the department heads, the Personnel Officer shall be responsible for training and safety, wage and salary administration, benefit and service award programs, personnel relations, personnel research studies and for employee counseling.

The Personnel Officer shall, in person or through delegation:

(A) Appoint all employees of the department of personnel and in the area of administrative services, and to direct and/or control their work and, under the customary financial procedures of the City;

(B) Establish and maintain a roster of all employees showing the salient facts of the employment history of each employee;

(C) Prepare rules, including a classification plan, drafts of legislation for recommendation to the City Manager in matters requiring such legislation, including a compensation plan, and changes as deemed desirable from time to time in such rules and legislation;

(D) Allocate each position in the classified service to its appropriate class in the classification plan adopted under the provisions of this legislation, and reallocate positions as conditions warrant, from class to class;

(E) Prepare and maintain appropriate definitions of classes and grades in the classification plan and amend them from time to time as warranted;

(F) Hold examinations for employees, pass upon the qualifications of all applicants, and establish eligible lists as needed, and to certify names of eligibles to department heads for filling all vacancies;

(G) Cooperate with department heads and others in providing programs of training for employees, for employee welfare, for promoting of employee morale, and for otherwise raising of standards of performance in the service in every practicable way;

(H) Pass upon, for compliance with the provisions contained herein, and approve or disapprove as to compliance therewith, all appointments, demotions, transfers, promotions, service ratings, leaves of absence, changes in rates of pay, suspensions, separations and other employment transactions affecting the status of employees;

(I) Make such investigations as are deemed desirable with respect to the enforcement and effect of the personnel law and rules, and such special investigations as the City Manager may request and make special reports relative thereto;

(J) Devise and recommend to the City Manager a compensation plan consisting of scales of pay for the several grades or classes in due relation to each other and to rates prevailing for like employment in private industry or government agencies, rules for the interpretation and application of the plan, and changes in such plan and rules from time to time as deemed desirable;

(K) Establish a policy for layoffs by reason of lack of funds or work, or abolition of a position, or material change in duties or organization, and for reemployment of employees laid off;

(L) Make such administrative regulations as are deemed necessary, not inconsistent with the personnel law and rules, relative to matters involved in the administration of the personnel provisions of such law and rules;

(M) Make, if deemed necessary, annual reports to the City Manager for his (her) approval on the work of the department and the administration and effect of this law, with such recommendations for action as he (she) may deem desirable, and such special reports as may be requested by the City Manager;

(N) Aid the City Manager and department heads in determining the numbers and kinds of positions needed to carry on the City’s business and in discovering and labeling unnecessary positions in order that they may be designated as supernumerary;

(O) Aid the City Manager and department heads in all practicable ways in handling other personnel matters relating to positions under their jurisdictions;

(P) Perform duties necessary or proper for making effective the provisions of this law and all rules and ordinances adopted in pursuance thereof, and not inconsistent therewith. The power of the Personnel Officer to make effective the provisions of this law and of ordinances shall not be deemed to be contingent on the adoption of rules but, in the absence of rules that are applicable, the Personnel Officer shall have power to take such action, not inconsistent with this law as may be reasonably necessary and proper to effectuate the purposes thereof; and

(Q) To adopt, in cooperation with the City Manager, rules and regulations for City employees which are not otherwise inconsistent with the City Charter, City Code or State Statutes. (Ord. 2279, 6-25-91)

1-20-4 DUTIES OF THE CITY MANAGER:
The City Manager maintains the ultimate authority and responsibility for the handling of all personnel matters. This authority includes, in addition to those powers defined in the City Charter, the power to: hire, dismiss, promote, transfer, classify, reclassify and change the pay range of City employees for the purpose of utilizing officers and employees of the City. Subject to the provisions of the City Charter, the City Manager maintains authority and responsibility. (Ord. 1111, 5-12-75)

1-20-5 CLASSIFIED AND UNCLASSIFIED SERVICE:
The work force of the City is divided and classified into the classified and unclassified service. (amd. Ord. 3186, eff. 5-12-94)

(A) The unclassified service shall be comprised of the following:

1. All officers elected by the people.

2. All members of appointive boards and commissions.

3. Volunteer personnel, interns and personnel appointed to serve without pay.

4. Consultants and counsel rendering temporary professional services.

5. Temporary employees (amd. Ord. 3696, eff. 12-25-97)

6. City employees who are appointed by the Council, pursuant to applicable City Charter provisions.

7. Department heads who are appointed by the City Manager.

(B) The classified service shall include and embrace all other positions, offices and employment of the City now existing or hereafter to be created.

(C) No one occupying a position in the unclassified service shall have access to the grievance procedure. Unclassified employees shall serve at the pleasure of either the City Manager or City Council, as determined by the City Charter.

(D) Personnel serving under grants or other programs in which agencies or other governmental units, other than the City, provide the funding for the positions that are normally classified. The only exceptions to this shall apply when the grantor places conditions, such as funding limits, upon such positions. (Ord. 1577, 3-22-82)

1-20-6 CHECKING OF PAYROLLS:
(Deleted Ord. 3186, eff. 5-12-94)

1-20-7 DEFINITIONS:
(A) "Applicant" means a person who has filed an application for a position.

(B) "Appointing Power, Authority or Officer" means the City Manager or other legally designated official having the power of appointment and removal of employees.

(C) "Appointment": (amd. Ord. 3696, eff. 12-25-97)

Full-time Regular means appointment to an authorized position requiring the services of an employee on a full-time, year round schedule.

Part-time Regular means appointment to an authorized position requiring the services of an employee on a less than full-time, year round schedule.

Temporary means appointment to a non-regular position, on either a full or part-time basis, for not more than twelve (12) consecutive months, unless employment is sporadic and on an as-needed basis, or for a special project of a specified duration in excess of twelve (12) months, as approved by the City Manager.

(D) "Candidate" means a person participating in an examination.

(E) "Class or Classification" means a position or group of positions, either permanent or part-time, sufficiently similar in respect to their duties and responsibilities that similar requirements as to education, experience, knowledge, ability and other qualifications are required of the occupants, and the same tests of fitness are used to choose qualified employees and the same schedule of compensation can be made to apply with equity under the same or substantially the same employment conditions.

(F) "Class Title" means the designation given to a class, to each position allocated to the class and to the occupant of each position.

(G) "Classification Schedule or Plan" means the plan, system or schedule for the classification of all positions in the classified service, based upon the duties, responsibilities and qualifications of each position, which is approved by the City Council.

(H) "Classified Service" means all offices, positions and employments in the service of the City of Prescott except those expressly exempt or designated as unclassified.

(I) "Demotion" means a unit of the administrative branch of the City government including a line of work and a group of employees under the immediate charge of a director who shall be known as the department head.

(K) "Discharge, Dismissal or Removal" means the separation of an employee from City employment.

(L) "Eligible" means a person whose name is recorded on a current original employment eligible, reinstatement, promotional or layoff list. (Ord. 1111, 5-12-75)

(M) "Employee" means a person who is legally an occupant of an appointed, salaried position in the classified or unclassified service, or who is on an authorized leave of absence and whose position is held open for him (her) upon his (her) return. (Ord. 1577, 3-22-82)

(N) "Employment Lists" means lists of persons who successfully qualified for employment as determined by the various methods of evaluating qualifications. Employment lists may include, but are not necessarily limited to, "Layoff Lists", "Reinstatement Lists", "Promotional Lists" and "Original Employment Eligible Lists". (amd. Ord. 3696, eff. 12-25-97)

(O) "Examination" means the appraising of a candidate by the use of measurements which will determine if the candidate has the qualifications required of the class for which he (she) is being evaluated.

(P) "Layoff List" means a list of names of persons who were laid off from a class, or from service on account of lack of work or funds and whose names were placed on said list by the department heads affected.

(Q) "Original Employment Eligible List or Register" means an officially promulgated list of eligibles for a class of position arranged in the order of their final ratings derived from evaluations of their qualifications for the class of position. Eligibility achievement shall be by open competition.

(R) "Position" means a specific office or employment, whether occupied or vacant, calling for the performance of certain duties and the carrying of certain responsibilities by one individual, either on a full-time, part-time or seasonal basis. (Ord. 1111, 5-12-75)

(S) "Promotion" means an advancement of an employee from one class to another class having a higher maximum rate of pay. Additional pay ranges allowed for special assignments within a class shall not constitute a promotion. (Ord. 1379, 10-22-79)

(T) "Promotional List" means a list of names of employees, who successfully completed promotional competitive test of fitness for a class of position, ranked according to their relative percentages attained in the test.

(U) "Public Notice" means giving notice either by posting or publication or both.

(V) "Reinstatement List" means a list of names of persons who resigned from service and whose names were placed on such list by the Personnel Officer upon request of eligible applicant.

(W) "Seasonal or Part-Time Position" means any position in the work force which requires the service of an incumbent during certain parts of each year, or for less hours than required by the class of position.

(X) To "serve an employee by process" means:

1. Personal service of any order of removal, etc. by delivery to the person named or to any member of his (her) family over the age of sixteen (16) residing at his (her) usual place of residence.

2. Deposit of the order in the United States mails, registered return receipt requested, postage prepaid, addressed to the last known address of the person to be served, and the return of the receipt showing that the person named received it.

(Y) "Suspension" means the temporary separation of an employee from his (her) position for disciplinary reasons without pay.

(Z) "Trainee" means an employee in a transitional classification designed to provide instruction and work experience.

(AA) "Transfer" means the assignment of an employee from one position in the City service to another position for which the employee possesses the qualification requirements and the pay range of the new position does not exceed that of his (her) present position. (Ord. 1111, 5-12-75)

(BB) "Unclassified service" means all positions designated in Section 1-20-5(A) of the Prescott City Code and Article IV, Sections 2, 3 and 4 and Article XI, Section 4 of the City Charter. (Ord. 1577, 3-22-82)

1-20-8 RECRUITMENT, SELECTION AND PROMOTION:
(A) Notice of vacancies within the classified service shall be made by placing an advertisement in a newspaper of local circulation at least one time or by posting notice of such vacancy at City Hall, or by such other means as the City Manager may deem appropriate to publicize the opportunity of employment. If a vacancy in the classified service is to be filled through promotion, or through the use of an existing employment list, established pursuant to this Section, the notice of the vacancy may not be required. In all other cases, the position should not be filled until five (5) calendar days following publication of notice in a newspaper in local circulation or until notice of the vacancy has been posted at City Hall for a period of (5) consecutive days, except in cases of dire need or emergency as determined by the City Manager.

(B) Application for City employment in the classified service shall be made on forms provided by the City. Resumes, letters of reference, and other material which may assist in determining the ability of the applicant may be submitted with an application for employment. All applications for employment, together with any accompanying materials, become the property of the City, and will not be returned to the applicant unless arrangements for such return are made at the time of application. Applications for City employment will be retained on file by the Personnel Director for a period of ninety (90) days or for so long as the name of the applicant remains on the active employment list, whichever shall be longer.

(C) All examinations for employment in the classified service shall be impartial and shall deal with the duties and requirements of the position to be filled. When oral tests and interviews are used a competent record of questions and answer shall be made. Examinations, tests and interviews shall be in the charge of the Personnel Officer. The Personnel Officer may call on other persons to assist in the conduct of examinations, tests and interviews.

(D) In case of vacancy in a position requiring peculiar and exceptional qualifications of a scientific, professional or expert character, upon satisfactory evidence that competition is impractical and that the position can best be filled by the selection of some designated person of recognized attainments, the Personnel Officer may suspend competition. This provision also applies to all supernumerary personnel.

(E) All persons in the City service holding positions in the classified service as established by this Ordinance at the time it takes effect shall retain their positions until discharged, reduced, promoted or transferred in accordance with the provisions of this Ordinance, and departmental rules and regulations.

(F) The Personnel Officer shall maintain records of all persons in the City service showing in connection with each name the position held, the date and character of every appointment and of every subsequent change in status. Each head of a department shall promptly transmit to the Personnel Officer all information required for the establishment and maintenance of these records. (Ord. 1111, 5-12-75)

(G) The Personnel Officer may require persons who apply for positions in the classified service of the City to have their fingerprints taken by the City Police Department prior to their hiring as employees of the City of Prescott. One copy of these fingerprints shall be taken by the Police Department and transmitted to the Department of Public Safety, Federal Bureau of Investigation, and Department of Justice for the purpose of securing a report from the records of these agencies. The Personnel Officer may withhold final appointment to any classified position in the City until he has received return of the fingerprint information and, upon return of the information, a copy of the fingerprint card and record will be placed in the employee's personnel file. (Ord. 1124, 10-13-75)

1-20-9 SELECTION:
When applicable notice requirements as provided in subsection 1-20-8 (A) above have been met, or when a sufficient number of applications for a vacant position have been received from individuals who on the face of their applications, meet the minimum requirements for the position, the Personnel Officer shall evaluate the applications and rank them in order of relative fitness for the position in question, forwarding the applications of the highest rated candidates to the department head. In making his (her) evaluation, the Personnel Officer may make use of any combination of written or oral performance, physical agility, and medical examinations, as well as analysis of work history and previous employment, together with such other techniques of evaluation as he (she) may deem appropriate. Those individuals who, on the face of their applications, do not meet the minimum standards for the position, together with those individuals who, upon investigation, are found not to possess the minimum requirements for the position, will be dropped from further consideration.

1-20-10 ESTABLISHING PRIORITIES FOR HIRING:
Qualified applications of candidates for employment in the classified service will be given in order of rank or score from the highest to the lowest of such applications and shall constitute an employment list. Employment applications shall remain active for a period of six (6) months or until eligible candidate whose names appear on the applications have been employed or offered employment, whichever period of time shall be shorter.

1-20-11 PROMOTIONAL PROCEDURE:
When vacancies occur in positions above the entry level in the classified service, the Personnel Officer with concurrence of the City Manager may elect to fill the vacancy through internal promotion. In such cases, notice need not be placed in a newspaper of local circulation and posted notices of the vacancy shall bear the notation "Promotional Opportunity". Notice of promotional opportunities shall be made by posting a notice as described in paragraph 1-20-8 (A) at City Hall and such other places of work, and by such other means as the Personnel Officer may deem appropriate. Application, selection and employment list procedures shall be handled in the manner set forth in 1-20-8 (B), (C) and (D) except that the employment list shall be designated "Promotional Employment List".

1-20-12 PROBATION:
All original and promotional appointments shall be tentative and subject to a probationary period of not less than six (6) months, or one year for Public Safety personnel, of successful service. The Personnel Officer with the recommendation of the concerned department head may establish a longer probationary period for specified classes. The probationary period shall be regarded as a part of the testing process and shall be utilized for closely observing the employee's work and for securing the most effective adjustment of a new employee to his (her) position. During the probationary period, an employee may be dismissed at any time without a statement of cause and without the right of appeal. (Ord. 1056, 2-25-74)

However, a dismissed probationary employee shall be entitled to the right of appeal if said employee has successfully completed his/her probationary period in another class. If such an appeal is requested by a dismissed, promoted probationary employee, it shall be for reinstatement to the lower class from which said employee was promoted.

Time served during a temporary appointment cannot be used to satisfy the probationary requirement in the event of appointment to a permanent [regular| status. (amd. Ord. 3696, eff. 12-25-97)

Time taken on paid vacation, sick leave or while off-duty as a result of a City job-related injury or illness, not in excess of thirty (30) working days, shall be allowed the probationer as creditable time toward his (her) probation. (Ord. 1379, 10-22-79)

1-20-13 CLASSIFICATION PLAN:
(A) The Personnel Officer, or a person whom he (she) may designate, shall ascertain and record the duties and responsibilities of all positions in the classified service and shall recommend a Classification Plan for such positions. The Classification Plan shall consist of classes of positions in the classified service defined by class specifications, including job titles. The Classification Plan shall be so developed and maintained that all positions substantially similar with respect to duties, responsibilities, authority and character of work are included within the same class, and that the same schedules of compensation may be made to apply with equity under like working conditions to all positions in the same class.

(B) The Classification Plan shall be adopted and may be amended from time to time by the Personnel Officer with the approval of the City Manager. Amendments and revisions of the plan may be suggested to the Personnel Officer in writing by any interested party including employees of the City, and shall be submitted to the City Manager for his (her) consideration.

(C) Following the adoption of the Classification Plan, the City Manager and the Personnel Officer shall allocate every position in the classified service to one of the classes established by the Plan.

(D) When a new position is created, the Classification Plan shall be amended to provide therefor, and an appropriate employment ranking shall be established for such position.

(E) Any position, the duties of which have changed materially so as to necessitate reclassification, shall be reallocated by the Personnel Officer, with the advice of the department heads concerned and concurrence of

the City Manager to a more appropriate class, whether new or already created. Reclassifications shall not be used for the purpose of avoiding restrictions concerning demotions and promotions.

1-20-14 PAY PLAN:
(Ord. 3052, eff. 2-25-93)

(A) The Personnel Director, under the direction of the City Manager, shall prepare a Pay Plan covering all position classifications in the City Service, which Pay Plan (and any amendments or revisions thereto) shall be approved by the Council by Resolution. In determining appropriate salary rates or ranges, consideration will be given to prevailing rates of pay in comparable public and private sector positions, current cost of living, recommendations of department heads, the city’s financial condition and policies, and other relevant factors.

(B) The Pay Plan shall address, but not necessarily be limited to, promotions, demotions, reclassifications, acting pay, overtime, compensatory time, standby compensation and call-back pay.

1-20-15 LEAVE POLICY
(A) PAID TIME OFF: Except as otherwise required under the Family And Medical Leave Act, the Americans With Disabilities Act, other applicable federal, state or local law and/or other City policies, paid time off will be handled as follows:

1. Paid Time Off Accrual:

   (a) Full Time Regular Employees (other than fire department employees assigned to a fifty six (56) hour workweek) shall accrue paid time off credits according to the following schedule:

(1) 112.20 hours per year to accrue on a prorated, bi-weekly basis for the first three (3) years of service.

(2) 136.12 hours per year to accrue on a prorated, bi-weekly basis for employees with three (3) or more years of service but less than ten (10) years of service.

(3) 160.04 hours per year to accrue on a prorated, bi-weekly basis for employees with ten (10) or more years of service but less than fifteen (15) years of service.

(4) 175.90 hours per year to accrue on a prorated, bi-weekly basis for employees with fifteen (15) or more years of service.

(b) Full Time Regular Employees of the fire department scheduled on the basis of a fifty six (56) hour workweek shall accrue paid time off credits according to the following schedule:

(1) 156.82 hours per year to accrue on a prorated, bi-weekly basis for the first three (3) years of service.

(2) 190.36 hours per year to accrue on a prorated, bi-weekly basis for employees with three (3) or more years of service but less than ten (10) years of service.

(3) 223.90 hours per year to accrue on a prorated, bi-weekly basis for employees with ten (10) or more years of service but less than fifteen (15) years of service.

(4) 246.26 hours per year to accrue on a prorated, bi-weekly basis for employees with fifteen (15) or more years of service.

(c) Part Time Regular Employees who are scheduled to work at least one thousand forty (1,040) hours per year on an annualized basis shall accrue paid time off credits on a prorated basis. The prorated basis shall be established by dividing the number of hours scheduled per week by forty (40) and multiplying that result by the accrual rate for a Full Time Regular Employee with the same length of service.

(d) All Full Time and Part Time Regular Employees who take any unpaid leave during any pay period shall not accrue any paid time off credits for that pay period.

(e) All Full Time Regular Employees (other than Fire Department employees assigned to a fifty-six (56) hour workweek) may accrue paid time off credits up to a maximum of four hundred eighty (480) hours at any time. No additional paid time off credits will accrue as long as the employee is at the maximum amount.

(f) The maximum accrual of paid time off credits for employees of the Fire Department assigned to a fifty-six (56) hour workweek schedule shall be six hundred seventy-two (672) hours at any time. No additional paid time off credits will accrue as long as the employee is at the maximum amount.

(g) Temporary employees are not eligible to accrue paid time off credits. Time spent as a temporary employee does not count towards the years of service requirements herein.

2. Eligibility to Use Paid Time Off: Subject to the requirements herein, all Full and Part Time Regular Employees are eligible to use paid time off leave which has been earned and credited.

3. Paid Time Off Authorization.

(a) All employees are required to request paid time off in advance through their supervisors according to established departmental procedures.

(b) Every attempt will be made to accommodate the employee's wishes in scheduling paid time off, however, a time off request may be denied by the department head when it is determined that the employee's absence would have an adverse effect on departmental operations.

(c) Failure to request paid time off in advance may be grounds for denial of the leave and/or disciplinary action. Department heads may approve paid time off after the fact when, in their determination, there was an emergency or other justifiable reason for taking paid time off without prior approval. Employees shall make every attempt to immediately notify their supervisors as soon as possible of their absence.

4. Charging Paid Time Off: Paid time off is charged against the employee's credits on an hour-for-hour basis according to the number of hours the employee would have been scheduled to work during the period of absence. When less than an exact number of hours is used, paid time off credits will be charged to the nearest fifteen (15) minutes.

5. Payment of Paid Time Off Credits upon Separation: An employee who leaves the City's employment for any reason will be paid for any earned but unused paid time off as follows:

(a) If an employee, other than a Fire Department employee assigned to a fifty-six (56) hour workweek, has any remaining unused vacation time credits under the City's vacation program that existed prior to June 23, 2012, or any unused paid time off, the employee will be paid for any unused vacation time and any unused paid time off in the employee's last paycheck, up to the maximum combined accrued leave credit (i.e., vacation time and PTO time) of two hundred (200) hours for employees with less than ten (10) years of service and up to the maximum combined accrued leave credit (i.e., vacation time and PTO) of two hundred forty (240) hours for employees with ten (10) or more years of service.

(b) If a Fire Department employee assigned to a fifty-six (56) hour workweek has any remaining unused vacation time credits under the City's vacation program that existed prior to June 23, 2012, or any unused paid time off, the Fire Department employee will be paid for any unused vacation time and any unused paid time off in the employee's last paycheck, up to the maximum combined accrued leave credit (i.e., vacation time and PTO time) of two hundred eighty (280) hours for employees with less than ten (10) years of service and up to the maximum combined accrued leave credit (i.e., vacation time and PTO) of three hundred thirty-six (336) hours for employees with ten (10) or more years of service.

(B) SICK LEAVE: Except as otherwise required under the Family And Medical Leave Act, the Americans With Disabilities Act, other applicable federal, state or local law and/or other City policies, sick leave will be handled as follows:

1. Sick Leave Accrual.

(a) Effective June 23, 2012, the accrual of sick leave shall cease for all employees.

2. Sick Leave Bank.

(a) Unused sick leave hours accrued on or before June 23, 2012, will be banked for future use by the employee who earned them, and may be used and/or paid out according to the rules of this section (which mirrors the former policies).

3. Sick Leave Bank and Use.

(a) Employees shall be allowed to use sick leave credits accrued in their sick leave bank.

(b) An employee without sick leave credits may use accrued vacation or paid time off credits with approval of the department head.

(c) Sick leave shall only be allowed when:

(i) The employee (or the employee's dependent/family member) has any medically related illness or injury and/or as provided under any applicable federal or state law, such as the Family and Medical Leave Act, the Americans With Disabilities Act, etc.

(ii) The employee needs medical or dental treatment and examination when prescribed or performed by a licensed medical or dental practitioner.

(iii) An employee has accepted Worker's Compensation and requires sick leave to supplement the compensation payments.

4. Leave Authorization.

(a) In order to receive compensation while absent on sick leave, the employee must notify his/her immediate supervisor, division or department head prior to, or within one hour after, the time set for reporting to work.

(b) Sick leave shall be shown in the timekeeping system, and the leave must be approved by the employee's supervisor and department head.

(c) When appropriate under federal, state or local law, the City reserves the right to refer any employee to a doctor designated by the City in determining whether the employee is sufficiently recovered from illness or injury to return to work or whether or not sick leave will be paid. The department head may require documentation of the need for sick leave any time that sick leave is used.

(d) In the case of personal injury or sickness where employees are capable of performing light duty and have a medical release from a physician, they shall so advise their department head who will make the arrangements (provided such light duty is available).

(e) Sick leave is not a form of vacation, and may be used only as provided in this policy, and/ or as appropriate under federal, state, or local law. Abuse of the City's sick leave regulations shall be cause for disciplinary action.

5. Charging Sick Leave.

(a) Sick leave is charged against the employee's sick leave credits on an hour-for-hour basis according to the number of hours the employee would have been scheduled to work during the period of absence. When less than an exact number of hours is used, sick leave credits shall be charged to the nearest fifteen (15) minutes.

6. Conversion of Sick Leave to Vacation Time.

(a) A portion of sick leave (but not any paid time off) may be converted to vacation leave credits according the following formula:

(i) If no sick leave is used during a full calendar year, twenty-four (24) hours of sick leave may be converted to additional vacation leave credits on an hour-for-hour basis.

(ii) If an employee uses from one (1) to sixteen (16) hours of sick leave in a calendar year, conversion of sick leave to additional vacation leave credits shall be at the rate of twenty-four (24) hours less one-half hour for each hour of sick leave used.

(iii) If an employee uses from seventeen (17) to thirty-one (31) hours of sick leave in a calendar year, conversion of sick leave to additional vacation leave credits shall be at the rate of thirty-two (32) hours less one hour for each hour of sick leave used. If an employee uses 32 hours or more sick leave during the year, he/she will not be eligible to convert sick leave to vacation leave credits.

(iv) Employees of the Fire Department scheduled on the basis of a 56-hour week will have conversions figured on a proportionate basis where eight (8) hours in a 40-hour work week is equivalent to 11.2 hours in a 56-hour work week.

(b) Conversion of sick leave to vacation leave credits shall be done on the basis of twenty-six (26) payroll periods within a calendar year. Transfers will be calculated at the end of the last (26th) pay period of the calendar year.

(c) Employees hired between January 1 and June 30 will be eligible for conversion at one-half of the regular rate. Employees hired between July 1 and December 31 will not be eligible for conversion until the end of the next year following their date of hire.

(d) Conversion of sick leave to vacation leave credits will be at the option of the employee. Statements will be sent from the Personnel Department each January showing the number of hours available for conversion.

7. Payment of Sick Leave Upon Separation from City Service.

(a) Employees who retire from City service shall be paid for unused sick leave at the rate of fifty percent (50%), up to a maximum of 700 hours; provided, however, that the maximum shall be 975 hours for fire employees who are members of the Public Safety Personnel Retirement System. (amd. Ord. 3589, eff. 3-27-97)

(b) In order to qualify for the retirement benefits described in subsection (B)7(a) of this section, an employee must have at least ten (10) years of consecutive service as a Full Time or Part Time Regular Employee with the City and qualify for a retirement benefit under the Arizona State Retirement System or the Public Safety Personnel Retirement System. Temporary employment shall not count toward years of City service. Employees who qualify for medical retirement benefits as a result of a job-related injury or illness shall also be eligible for the City's retirement benefits regardless of length of service including those benefits described in subsection D. (Ord. 3696, eff. 12-25-1997)

(c) The beneficiaries of an employee who dies prior to retirement shall receive compensation for one-third (1/3) of accumulated sick leave beyond that amount equivalent to the number of scheduled working hours in a month for the class to which the employee belongs.

(d) Employees who resign from City service shall receive compensation for one-third (1/3) of accumulated sick leave beyond that amount equivalent to the number of scheduled working hours in a month for the class to which the employee belongs.

(C) VACATION LEAVE: Except as otherwise required under the Family And Medical Leave Act, the Americans With Disabilities Act, other applicable federal, state or local law and/or other City policies, vacation leave will be handled as follows:

1. Vacation Leave Accrual:

(a) Effective June 23, 2012, the accrual of vacation leave shall cease for all employees.

2. Vacation Leave Bank:

(a) Unused vacation leave hours accrued on or before June 23, 2012, will be banked for future use by the employee who earned them, and may be used and/or paid out according to the rules of this section (which mirrors the former policies).

3. Vacation Leave Bank and Use:

(a) Employees are required to request vacation leave in advance through their supervisors according to established departmental procedures.

(b) Every attempt will be made to accommodate the employee's wishes in scheduling vacation leave; however, a vacation leave request may be denied by the department head when it is determined that the employee's absence would have an adverse effect on departmental operations. Vacation leave requests in excess of twenty (20) scheduled working days must be approved by the department head and human resources director.

(c) Failure to request vacation leave prior to taking it may be grounds for denial of the leave and/or disciplinary action. Department heads may approve vacation leave after the fact when, in their determination, there was an emergency or other justifiable reason for using it without prior approval. However, employees should make every attempt to notify their supervisors as soon as possible of their absence.

4. Charging Vacation Leave: Vacation is charged against the employee's credits on an hour-for-hour basis according to the number of hours the employee would have been scheduled to work during the period of absence. When less than an exact number of hours is used, vacation credits will be charged to the nearest fifteen (15) minutes.

5. Payment Of Vacation Leave Upon Separation: Every regular employee who has completed six (6) months of service with the City, and who has accumulated vacation credits, and leaves the City for any reason, shall have any remaining vacation credits paid on the last paycheck issued by the City; provided, however, that an employee shall not be paid more than the maximum accrued leave credits as set forth in subsections (A)1(e) and (A)1(f) above.

(D) RETIREMENT APPRECIATION BONUS: Except as otherwise required under the Family And Medical Leave Act, the Americans With Disabilities Act, other applicable federal, state or local law and/or other City policies, the retirement appreciation bonus will be handled as follows:

1. An employee hired on or before June 30, 2012, shall also receive a retirement appreciation bonus equivalent to three (3) months pay upon the satisfaction of the eligibility criteria set forth hereunder. Time spent as a temporary employee shall not count toward years of City service.

(a) Employees of the City who, as of June 30, 2012, had at least ten (10) years of consecutive service as a Full Time or Part Time Regular Employee with the City and qualified for a retirement benefit under the Arizona State Retirement System or the Public Safety Personnel Retirement System will be eligible to receive the retirement appreciation bonus at their rate of pay upon separation. Pay out for Part Time Regular Employees will be on a prorated basis.

(b) Employees of the City who, as of June 30, 2012, either did not have ten (10) years of consecutive service as a Full Time or Part Time Regular Employee with the City or were not qualified for a retirement benefit under the Arizona State Retirement System or the Public Safety Personnel Retirement System are eligible to receive the retirement appreciation bonus, calculated at their June 30, 2012, rate of pay, upon separation if at that time they meet the eligibility criteria set forth in subsection (D)1(a) above. Pay out for Part Time Regular Employees will be on a prorated basis.

(c) Employees of the City hired on July 1, 2012, or thereafter shall not be eligible to receive the retirement appreciation bonus.

(E) SPECIAL LEAVE WITHOUT PAY: Except as otherwise required under the Family And Medical Leave Act, the Americans With Disabilities Act, other applicable federal, state or local law and/or other City policies, requests for special leave without pay will be handled as follows:

1. Leave Authorization:

(a) A department head, with approval of the human resources director, may grant a regular or probationary employee a leave of absence without pay for not more than two (2) calendar weeks.

(b) The City Manager may grant a regular employee a special extended leave of absence without pay upon recommendation of the appropriate department head and human resources director. A written request setting forth the reasons for unpaid leave must be submitted to the department head.

(c) An employee may request a medical leave of absence without pay after accrued paid time off, sick and/or vacation leave have been depleted. Certification of the need and duration of such leave from a licensed physician will be required.

(d) Denial of a request for leave without pay is not subject to appeal.

(e) Military leave without pay will be granted in accordance with provisions of state and federal law.

2. Employment Status: Unless otherwise provided by federal, state or local law:

(a) An employee on leave without pay will receive no compensation or fringe benefits and will not accrue paid time off leave credits.

(b) Employees who elect to continue coverage under the City's health insurance program while on leave without pay must pay all premium costs for the duration of the leave.

(c) If possible, an employee returning to work from leave without pay may be reinstated to the same or equivalent position.

(d) Employees on leave without pay for less than thirty (30) calendar days are eligible to receive salary increases scheduled during the leave period. Otherwise, the employee's scheduled date for salary increase will be changed to reflect the number of calendar days off payroll.

(F) SPECIAL PAID LEAVE: Except as otherwise required under the Family And Medical Leave Act, the Americans With Disabilities Act, other applicable federal, state or local law and/or other City policies, special paid leave will be handled as follows:

1. Workers' Compensation:

(a) Employees are insured by the City, under the Arizona workers' compensation statutes, against injuries and illnesses occurring in the course of City employment. The law provides for payment under certain circumstances of medical expenses and compensation for loss of income. It is mandatory that every job-related injury or illness, regardless of severity, be reported immediately to the supervisor and a written report prepared in accordance with City safety policies.

(b) Workers' compensation payments for lost income do not commence until the eighth calendar day following injury or illness. Employees may receive up to forty (40) hours (56 hours for fire suppression personnel) of City-paid industrial injury leave within a calendar year to be used during periods when workers' compensation payments are not available.

(c) During those periods when City industrial leave or workers' compensation payments are not provided, payment of salary will be charged to the employee's accrued paid time off, sick leave bank, and/or vacation leave bank, until available leave has been exhausted.

(d) If an absence due to job-related disability extends beyond thirteen (13) calendar days, workers' compensation payments are computed and made retroactive to the date the injury or illness occurred. When retroactive payment is made and the employee has previously received City-paid industrial or other credited leave payments, the employee must assign the workers' compensation payments to the City. Industrial or other credited leave previously used by the employee will then be restored to the employee's account on a proportionate basis.

(e) When pay is provided by workers' compensation, the amount received by the employee is usually less than the employee's normal paycheck. If the employee chooses, the difference between the normal paycheck and the amount received in workers' compensation will be calculated and charged to the employee's accrued leave.

(f) The employee has the option to accept or reject adjustment payments from sick bank, vacation bank and/or paid time off credits. If the employee elects to reject such payments, the entire amount of workers' compensation will be retained by the employee. If payments of sick bank time, vacation bank time and/or paid time off are accepted, the employee must assign the workers' compensation payments to the City to be used to provide the employee the normal pay as provided herein.

(g) The employee may be required to submit to a medical examination on a periodic basis by a City-designated physician.

(h) It is the City's policy to attempt to place every employee who is temporarily disabled due to a job-related injury in a light duty position. The job duties are to be within any prescribed limitations as set by a licensed physician. The City can place any employee eligible for light duty within any City department.

2. Military Leave:

(a) An employee who is a member of the National Guard, a member of the reserve corp of the United States armed services or a member of another applicable military service shall be entitled to a leave of absence as provided for in the Uniformed Services Employment and Reemployment Rights Act (USERRA).

(b) Appropriate documentation for military leave must be submitted to the City's Human Resources department in accordance with the requirements of USERRA.

3. Jury or Witness Leave:

(a) When an employee is summoned for jury duty or subpoenaed as a witness in a court of law, the City will continue to pay the employee's regular salary upon the surrender of the juror's fee to the City. Employees required to appear in court for personal reasons or are subpoenaed to testify in proceedings where they are either a plaintiff, defendant or other interested party will not be eligible for paid witness leave unless it is directly related to their employment with the City.

(b) Employees should notify their department head upon receipt of a summons or subpoena and in advance of their absence from City duty to appear in court.

(c) When jury or witness leave is completed, the employee must submit documented proof of attendance to the department head and record it in the timekeeping system.

4. Bereavement Leave:

(a) Family leave with pay may be granted in the event of the death of a member of the employee's immediate family. The immediate family shall consist of the employee's spouse, children, parents, grandparents, grandchildren, brothers, sisters, or the spouse's children, parents, grandparents, grandchildren, brothers or sisters.

(b) Use of family leave is limited to two (2) occurrences within a calendar year and a maximum of three (3) consecutive workdays for each occurrence. Two (2) additional days of family leave may be granted if the employee must travel out of state.

5. Holidays:

(a) Regular full-time and part-time employees will be allowed the following paid holidays:

New Year's Day	January 1
Martin Luther King Jr. Day	Third Monday in January
Washington's Birthday	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veterans Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	
Christmas Day	December 25

(b) If the holiday falls on Sunday, the following Monday shall be observed; if the holiday falls on Saturday, the preceding Friday shall be observed. Shift workers scheduled to work on holidays will be compensated in accordance with policies established by the City manager.

(c) Regular, part-time employees scheduled to work more than one thousand forty (1,040) hours per year shall be paid for holidays on a prorated basis according to the number of hours they would normally be scheduled to work on that day.

(d) Employees must work or be on paid leave the last scheduled workday before the holiday and the first scheduled workday after the holiday to be paid for the holiday.

(e) An employee who is separated from City service when the last day worked is the last working day before a holiday shall not be paid for the holiday.

6. Unused Leave:

(a) Special paid leave does not accrue from year to year and cannot be carried over into a subsequent year.

(b) Employees separating from City service are not eligible to be compensated for any special paid leave days which were not used. (Ord. 2307, 10-22-1991, eff. 1-1-1992)

(G) Family and Medical Leave Act: Notwithstanding anything to the contrary herein, all eligible employees of the City, as defined in the family and medical leave act of 1993, shall be entitled to all of the benefits set forth therein, as the same may be amended from time to time. (Ord. 3101, eff. 7-22-1993)

(H) Modifications of all of the foregoing policies will be made as required under any applicable federal, state or local law.

(Ord. 4832-1232, 05-22-2012; eff. 06-21-2012; Ord. 2018-1613, 5-22-2018)

1-20-16 RESTRICTIONS ON POLITICAL ACTIVITY AND SOLICITATIONS:
(A) A city employee shall not, during the duration of his/her employment, hold an elective public office or any appointive public office which could constitute a possible conflict of interest with his city employment.

(B) No officer or employee of the city shall directly or indirectly solicit or receive, or be connected with, the soliciting or receiving of any assessment, subscription or contribution for any political purpose from any city employee or suggest or require any city employee to support any candidate for public office.

(C) Employees are prohibited from engaging in any political activity relating to any city election, or taking part in any city political issues, beyond the private expression of personal opinions, registering to vote, signing nominating, initiative, referendum or recall petitions, and voting in any special, primary or general election.

(D) Employees are prohibited from engaging in any partisan political activity beyond the private expression of personal opinion, registering as a member of a political party, signing of nominating, initiative, referendum or recall petitions, and voting in any special, primary or general election if such activity could constitute a possible conflict of interest with his city employment or if such activity affects the employee's performance of his city duties. (Ord. 1137, 4-12-1976)

1-20-17 DISCIPLINE:
The city manager is hereby empowered to adopt disciplinary guidelines and procedures for all city personnel. (Ord. 3248, eff. 9-22-1994)

1-20-18 POWERS OF DEPARTMENT HEAD OR SUPERVISOR:
(Rep. by Ord. 3248, eff. 9-22-1994)

1-20-19 GRIEVANCE PROCEDURES:
The City Manager is hereby empowered to adopt grievance procedures for all City personnel. (Ord. 3248, eff. 9-22-94)

1-20-20 GRIEVANCE BOARD:
DELETED by Ordinance No. 3248, eff. 9-22-94

1-20-21 PRESENT BENEFITS:
Those employees who have accrued vacation or other employment benefits under prior personnel policies that are different from those established by this Ordinance shall continue to retain those benefits for use and/or payout under the term of the applicable policies in force at the time of the accumulation of the leave time. The future accrual and use of benefits after the passage of this Ordinance shall be at the levels and under the terms that are defined within this Ordinance. (Ord. 4832-1232, 05-22-2012; eff. 06-21-2012)

1-20-22 SEVERANCE CLAUSE:
The provisions of this Chapter are declared to be severable and if any Section, sentence, clause or phrase of this Chapter shall for any reason be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining Sections, sentences, clauses and phrases of this Chapter, but they shall remain in effect, it being the legislative intent that this Chapter shall stand notwithstanding the invalidity of any part. (Ord. 1056, 2-25-74; Renumbered Ord. 1111, 5-12-75)

1-20-23 AFFIRMATIVE ACTION PROGRAM:
The Personnel Officer shall implement a policy for the City merit system department heads and other management and supervisory personnel as a guide for developing action programs to provide real equal employment opportunities for minority job applicants, women and employees.

The following subsections are the criteria to be used by the Personnel Officer in establishing that policy:

(A) City employment opportunities are to be made known effectively to minority group citizens and women. Advertising, publications, and other forms of communication and contact shall be utilized in ensuring that minority group persons and women are informed of City employment opportunities.

(B) City employment standards shall not be higher than needed to perform the duties of the job involved.

(C) Employment examinations shall be designed carefully with the objective of determining which applicants are most fit to perform the jobs involved and of avoiding examination barriers irrelevant to the job.

(D) When minority group or women eligibles are on civil service employment lists, a particular effort shall be made to find appropriate positions for such eligibles.

(E) Minority group and women employees of the City shall be encouraged to take advantage of City training programs and the City tuition reimbursement plan.

(F) Minority group or women employees shall be encouraged to seek advancement in City service and those who desire it shall be counselled on how to prepare themselves for promotional opportunities.

(G) Comprehensive statistics shall be maintained regarding the employment of minority groups or women in City of Prescott Government.

(H) City employees, particularly those in supervisory and management positions, shall be made aware of the cultural backgrounds and common attitudes of persons from various minority groups and women.

1-20-24 CONFLICT WITH CHARTER:
In cases where this Chapter may be in conflict with the City Charter, the Charter shall prevail. (Ord. 1124, 10-13-75)

1-20-25 MODIFICATIONS:
The City reserves the right to add to, modify, change or eliminate any benefits at any time upon appropriate action by the City Council. (Ord. 4832-1232, 05-22-2012; eff. 06-21-2012)

CHAPTER 1-20: HUMAN RESOURCES (Proposed)

SECTIONS:

1-20-1: CREATION AND SCOPE

There shall be adopted a merit system for the for the employees of the City, the provisions of which shall apply, to all employees of the City excluding elected officials, persons engaged under contract to supply expert, professional or technical services, temporary employees and volunteer personnel who receive no regular compensation from the City.

1-20-2: GENERAL PROVISIONS

Responsibilities of City Manager are to establish a city-wide employee policies and procedures to implement this Chapter and facilitate the effective management of City personnel. The City Manager is responsible for the administration of the personnel system of the City.

The general purpose of this Chapter is to adopt and establish for the City of Prescott a merit system of Human Resources general policies and administration to meet the needs of the employees of the City. This system shall provide means to recruit, select, develop and maintain an effective and engaged work force; and shall include an overview of philosophies and policies for employee hiring and advancement, terminations, training and career development, job classification, salary administration, employee benefits, corrective action, discharge and related Human Resources activities. The specific system, policies and procedures are addressed in the Human Resources Employee Handbook (Administrative Regulations).

1-20-3: CONDITIONS OF EMPLOYMENT

The Human Resources Employee Handbook (Administrative Regulations) shall specify the appointment, promotion and tenure of every employee, along with other conditions of employment as deemed appropriate by the City Manager in consultation with the Human Resources Director.

The City of Prescott is an equal opportunity employer. No employee of the City shall discriminate against any employee or applicant for employment with regard to recruitment, application, testing, appointment, assignment, performance evaluation, training, working conditions, promotion, demotion, corrective action, lay-off, termination, retirement, or any other aspect of employment on the basis of race, color, creed, religion, sex, national origin, age, or disability. Complaints alleging illegal discrimination, including sexual harassment, may be filed with Human Resources or any management employee.

1-20-4: RULES AND REGULATIONS

The City Council may adopt rules and regulations to effectuate this chapter, which may be modified or changed from time to time, but such rules and regulations shall follow the generally accepted principles of good personnel administration. The City manager is authorized to make changes, additions and amendments to the Human Resources Administrative Regulations Manual that are in conformity with good personnel administration, state and federal law.

1-20-5: POLITICAL ACTIVITY, CONTRIBUTIONS AND SOLICITATIONS

A. A City employee shall not, during the duration of his/her employment, hold an elective public office or any appointive public office which could constitute a possible conflict of interest with his City employment.

B. No officer or employee of the City shall directly or indirectly solicit or receive, or be connected with, the soliciting or receiving of any assessment, subscription or contribution for any political purpose from any City employee or suggest or require any City employee to support any candidate for public office.

C. Employees are prohibited from engaging in any political activity relating to any City election, or taking part in any City political issues, beyond the private expression of personal opinions, registering to vote, signing nominating, initiative, referendum or recall petitions, and voting in any special, primary or general election.

D. Employees are prohibited from engaging in any partisan political activity beyond the private expression of personal opinions, registering as a member of a political party, signing of nominating, initiative, referendum or recall petitions, and voting in any special, primary or general elections if such activity could constitute a possible conflict of interest with his City employment or if such activity affects the employee's performance of his or her City duties.

1-20-6 GRANDFATHERED EMPLOYMENT BENEFITS

Those employees who have accrued vacation or other employment benefits under prior personnel policies that are different from those established by this Ordinance shall continue to retain those benefits for use and/or payout under the terms of the applicable policies in force at the time of the accumulation of the leave time. The future accrual and use of benefits after the passage of this Ordinance shall be at the levels and under the terms that are defined within this Ordinance.

1-20-7: SEVERANCE CLAUSE

The provisions of this Chapter are declared to be severable and if any Section, sentence, clause or phrase of this Chapter shall for any reason be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining Sections, sentences, clauses and phrases of this Chapter, but they shall remain in effect, it being the legislative intent that this Chapter shall stand notwithstanding the invalidity of any part.