

COMPENSATION RECOMMENDATIONS

Non-Represented Staff

Historical Salary Increase Comparison

Pay Increase and Market Adjustment History for Benchmark Cities - FY15-17			
City/Town	FY15 Increase	FY16 Increase	FY17 Increase
Avondale	3%	3%	3.5%
Buckeye	0%	Varied**	4.34%
Chandler*	up to 3.7%	up to 3.5%	up to 3.7%
Gilbert*	2-6%	2-6%	2-6%
Glendale	2.5% Avg.	2.5% Avg.	2.5% Avg.
Goodyear	2.5% avg	3% avg	3.50%
Peoria*	3.50%	5.0% avg.	5.0% avg.
Phoenix	Varies	Varies	Varies
Scottsdale	3%	3%	3%
Surprise	3.3%	3%	2% & 1% to DCP
Tempe	0.5% & \$300 lump sum	3% & \$300-\$2000 based on years of service.	3.25%

Lower than Goodyear	20.0%	10.0%	20.0%
Higher than Goodyear	50.0%	30.0%	20.0%
Same or similar to Goodyear	10.0%	40.0%	40.0%
Unknown	20.0%	20.0%	20.0%

*Merit/Pay for Performance.

COMPENSATION STUDY

Non-Represented Staff

City of Goodyear, Arizona

Market Update Study Results

City Council Work Session

April 10, 2017

Presented by:

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Vice President*

Work Steps and Key Deliverables

- Analyze market data for approximately 32% of all active job titles (62 positions)
 - Determine the need for additional data collection and analysis
 - Review current list of comparator employers to confirm sufficient sources
- Reallocate individual jobs to pay grades to realign with market data
- Recommend potential modifications to the pay structures and design
- Provide implementation costing scenarios

Market Assessment

Review of Benchmark Jobs to ensure representation of Workforce

Sufficient number of benchmark jobs to statistically represent all jobs:

- Widespread representing all departments
- All levels of the organization represented
- Includes representation of services provided

Criteria for Selection of Comparable Employers

- Commonality of positions
- Competition for jobs/talent
- Location/proximity
- Services provided
- Other criteria as determined such as historical use as a benchmark

Market Assessment

Review of Comparable Employers

- Avondale
- Buckeye
- Chandler
- Gilbert
- Glendale
- Peoria
- Phoenix
- Scottsdale
- Surprise
- Tempe

Market Methodology

- Collected information on salary range minimums, midpoints, and maximums.
- Range data was adjusted based on the effective implementation date of July 1, 2017
- Standard deviation analysis completed to remove outliers in data.
- Pay for individual job titles within 95-105% of market is considered market competitive.
- Overall goal is for each structure to be at 100% of market.

Summary of Findings-Base Pay Only

- Overall, we found that the City of Goodyear's pay ranges are lagging market average by approximately 3%.

THE CITY OF GOODYEAR, ARIZONA OVERALL MARKET POSITION ACROSS ALL BENCHMARKS-PAY ONLY*

	City of Goodyear Pay Ranges as a Percent of the Market Average		
	Pay Range Minimum	Pay Range Midpoint	Pay Range Maximum
Overall	96%	97%	97%

	Pay Range Minimum	Pay Range Midpoint	Pay Range Maximum
Exempt	97%	97%	97%
Non-exempt	93%	95%	97%

*Does not include sworn public safety

Summary of Findings-Base Pay Only

- Overall, we found that the City of Goodyear's Police and Fire Command Staff pay ranges are lagging market average.

THE CITY OF GOODYEAR, ARIZONA OVERALL MARKET POSITION FOR SWORN PUBLIC SAFETY-PAY ONLY

Benchmark Title	Pay Range Minimum	Pay Range Midpoint	Pay Range Maximum
Sworn Fire Command			
Battalion Chief	88%	88%	89%
Deputy Fire Chief	92%	90%	89%
Sworn Police Command			
Deputy Chief of Police	94%	89%	85%
Police Lieutenant	95%	96%	98%

Recommendations

- Recommend adjustment of pay structures as follows:
 - **General Exempt** – Adjust exempt structure by 3% and the addition of one grade for positions needing to be re-slotted
 - **General Non-Exempt** – Adjust non- exempt structure by 4% and the addition of one grade for positions needing to be re-slotted
 - **Public Safety** – At each command staff level, steps at the minimum should be removed to address compression and steps added at the maximum to reach market competitiveness
- Recommend market realignment of remaining 20 jobs still lagging market
- Recommend increase salaries for three General Non-exempt employees whose pay is below entry of the new pay grade
- Adjust Public Safety Command staff salaries by an average 9.9% to address pay structure changes, pay compression, and annual increases

Projected Costs for Implementation

2017 PAY PLAN IMPLEMENTATION COST SUMMARY*

	Non-sworn Employees
Current Base Salary	\$21,941,035.45
Number of Employees	342
Adjustment to Employees Structure - Cost	\$745,314.25
Number of Employee Receiving Adjustment	342
Percentage of Employees Receiving Adjustment	100%
Adjustment to New Range Minimum	\$9,713.42
Number of Employee Receiving Adjustment	3
	0.88%
TOTAL	\$745,314.25

*Projections are base pay only and with a projected implementation date of 07.01.17.

Projected Costs for Implementation

2017 PAY PLAN IMPLEMENTATION COST SUMMARY*

	Employee Group	
	<u>Fire</u>	<u>Police</u>
Annual Pay Increases to Address New Range Structure and Compression	\$82,561.94	\$107,819.51
Number of Sworn Command Receiving Adjustment	8	10

Questions and Answers



COMPENSATION – ANNUAL INCREASE

Represented Staff

Salary Increase Recommendation



NON-REPRESENTED EMPLOYEES

- Salary increase recommendation:
 - Non-sworn employees (See Elmo)
 - Sworn command staff included in Segal Waters presentation
- Lump sum increase for employees at maximum of range

Approved in Public Safety MOU's



SWORN PUBLIC SAFETY

- **Sworn Fire** (Firefighters, Engineers and Captains)
 - Market adjustment of 3.0% to salary schedules only per MOU
 - Total average increase of 5.0%
 - (3.0% - 12.52% to base pay) and (2.5% lump sum for employees at max of salary range)
- **Sworn Police** (Police Officer, Sergeant)
 - Market adjustment of 5.0% to salary schedule only per MOU for Police Officers
 - Total average increase of 5.27%
 - (2.97% - 13.21% to base pay) and (2.5% lump sum for employees at max of salary range)
 - Eliminate Detective Position becomes an assignment
- **All Represented Sworn Public Safety Personnel**
 - 2.5% Lump sum for employees at maximum of range
 - Revenue trigger component (Payout determined November 2017)

Questions ?



Questions?