

Market Study & Pay Plan Update

February 9, 2021

The logo for ADDISON, featuring the word "ADDISON" in a bold, blue, sans-serif font centered within a white circle. The circle is set against a blue background that is part of a larger graphic design on the right side of the slide, which includes a white circle and a grey triangle.

On January 26, 2021, Council was presented the results of the Market Study and recommendations for implementation.

This discussion included information from Staff and Matt Weatherly with Public Sector Personnel Consultants.



Adopted Compensation Philosophy

The purpose of the merit and market pay plan is threefold:

To encourage excellence in service by tying salary increases to job performance;

To reward employees for their efforts and job performance and;

To remain competitive with other metroplex cities in regards to the Town's compensation program by paying employees **better than the average** of our comparison cities.

We support an **open range system** in compliance with our compensation philosophy. We will annually budget for market and merit adjustments for compensation that are fair and sustainable.

Comparison Cities



High Level Overview of Findings

Market Range Comparisons For Police And Fire

Rank	Market Variance	
	Entry	Top
Firefighter/Paramedic	-5.96%	-2.01%
FEO/Paramedic	-2.05%	-4.83%
Fire Lieutenant	-9.16%	-4.08%
Fire Captain	-5.05%	-4.05%
Battalion Chief	-5.86%	-4.03%
Fire Marshal	-4.10%	-2.21%
Deputy Fire Chief	1.88%	-9.14%
Police Officer	-8.44%	-7.44%
Police Sergeant	-9.29%	-6.75%
Police Lieutenant	-10.34%	-10.44%
Police Captain	-4.61%	-6.24%
Assistant Police Chief	-0.32%	-9.23%

Market Range Comparisons Found For 70+ Civilian Job Titles

<u>Relationship to Prevailing Rates</u>	<u>Benchmark Job Classes</u>	<u>% of Sample</u>	<u>Average Variance</u>
Below	16	23%	- 8.54%
Comparable	45	63%	- 1.33%
Above	10	14%	+ 7.28%

- Adjust Pay Ranges and Salaries for Sworn Police and Fire Positions to reflect a position of market + 1%
- Adjust Pay Ranges and Salaries for Civilian Positions to reflect a position of market + 1%
- Pay 2% merit increase based on Fiscal Year 2020 Performance
- Implement on a go-forward basis

Costing (Fully Loaded) – “1% Above Market”

Civilian annual cost estimated - \$594,586

Police annual cost estimated - \$647,500

Fire annual cost estimated - \$413,730

Total Annual Cost - \$1,655,816

Total Fiscal Year 2021 Cost - \$1,152,838

Market - \$783,182

Merit - \$369,656

Fiscal Year 2021 Merit Budget - \$512,000

Additional Funds Needed in Fiscal Year 2021 - \$640,838

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