



Addison City Council Work Session Meeting

January 7, 2025

Addison Conference Centre

15650 Addison Road

Addison, Texas 75001

Email comments may be submitted using the Public Comment Form located on Addison's website by 3:00 PM on the meeting day. The meeting will be live-streamed at www.addisontexas.net.

WORK SESSION

The Addison City Council will convene in the Acacia Room beginning at 5:30 PM.

1. **Call Meeting to Order and Announce that a Quorum is Present**

2. **Closed Meeting.** The Addison City Council will enter a Closed Meeting pursuant to Texas Government Code Sections 551-071 through 090 to discuss the following item(s):
 - a. Section 551.087(1): Economic Development Negotiations to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations:
 - Addison Circle Transit Oriented Development Project
 - Project Brad Pitt

3. **Open Meeting.** In accordance with Texas Government Code Chapter 551, the Addison City Council will reconvene in an Open Meeting to consider action, if any, on the matters discussed in the Closed Meeting.

4. **Work Session Reports**

- a. Present and discuss an alternate voting site location for the May 2025 General Election.
- b. Present and discuss public safety compensation.

5. **Adjourn Meeting**

NOTE: The City Council reserves the right to meet in a Closed Meeting at any time during this meeting to discuss matters listed on the agenda, as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551. Any decision held on such matters will be conducted in an Open Meeting following the conclusion of the Closed Meeting.

THE TOWN OF ADDISON IS ACCESSIBLE TO PERSONS WITH DISABILITIES. PLEASE CALL (972) 450-7017 AT LEAST 48 HOURS IN ADVANCE IF YOU NEED ASSISTANCE.

Posted by: Valencia Garcia, City Secretary
Date posted: January 2, 2025 Time posted: 4:24pm
Date removed from bulletin board: _____
Removed by: _____

City Council Work Session Meeting

2. a.

Meeting Date: 01/07/2025

Department: City Secretary

AGENDA CAPTION:

Section 551.087(1): Economic Development Negotiations to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations:

- Addison Circle Transit Oriented Development Project
- Project Brad Pitt

BACKGROUND:

N/A

RECOMMENDATION:

N/A

City Council Work Session Meeting

4. a.

Meeting Date: 01/07/2025

Department: City Secretary

Key Focus Areas: Community Engagement

AGENDA CAPTION:

Present and discuss an alternate voting site location for the May 2025 General Election.

BACKGROUND:

Historically, the Town has made the Addison Conference Centre available to Dallas County to utilize for early voting and election day voting during elections every year. This year, early voting and election day voting will occur while the Conference Centre will be under renovation, rendering it unavailable.

As an alternative voting site location for the May 2025 General Election, Town staff proposes utilizing the Community Room on the first floor of the Addison Athletic Club. This would allow the Town to maintain a voting site location in Addison while the Conference Centre is under renovation.

RECOMMENDATION:

Staff requests Council direction.

Attachments

Presentation - May 2025 Election Voting Location

May 2025 General Election Proposed Voting Location

January 7, 2025

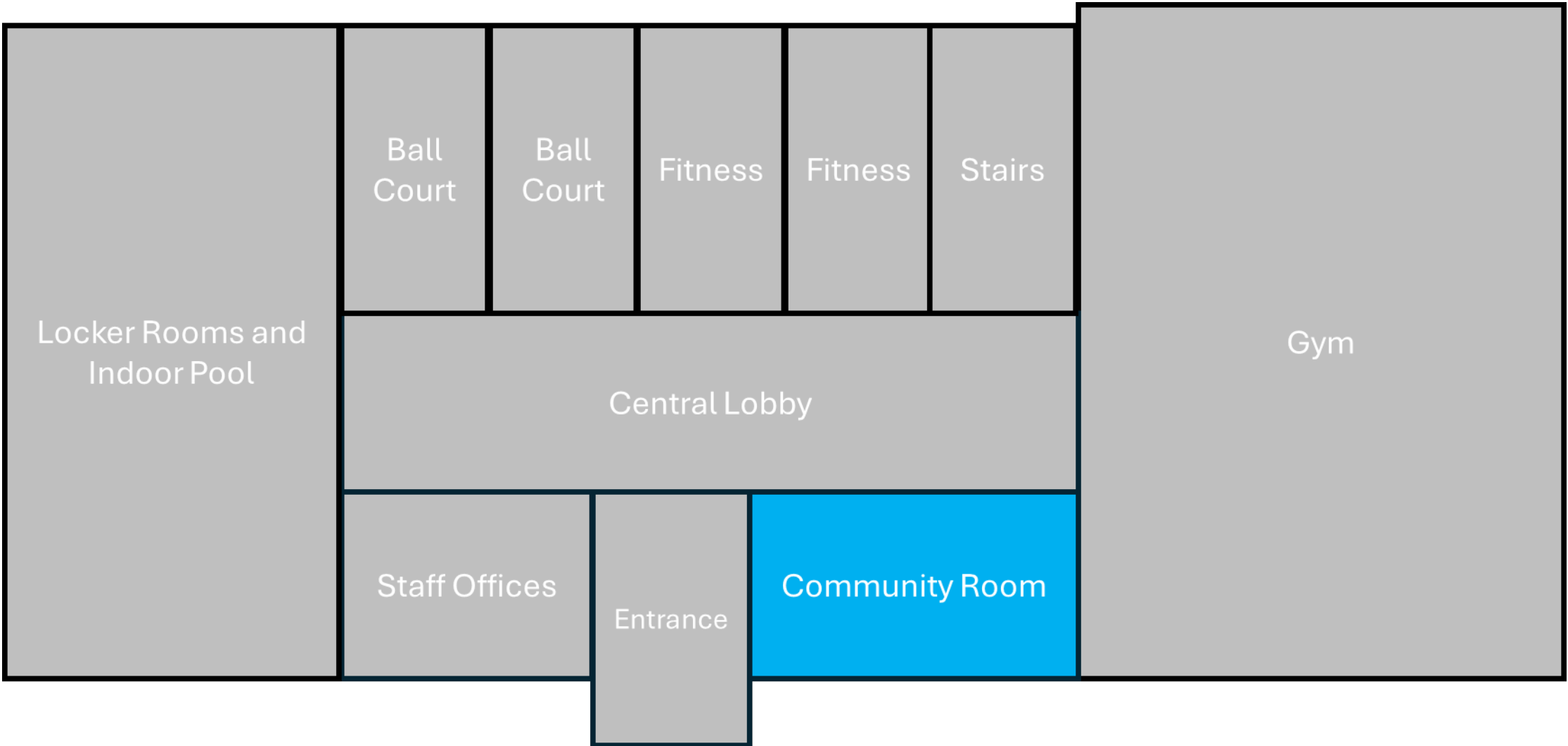
Valencia Garcia, City Secretary



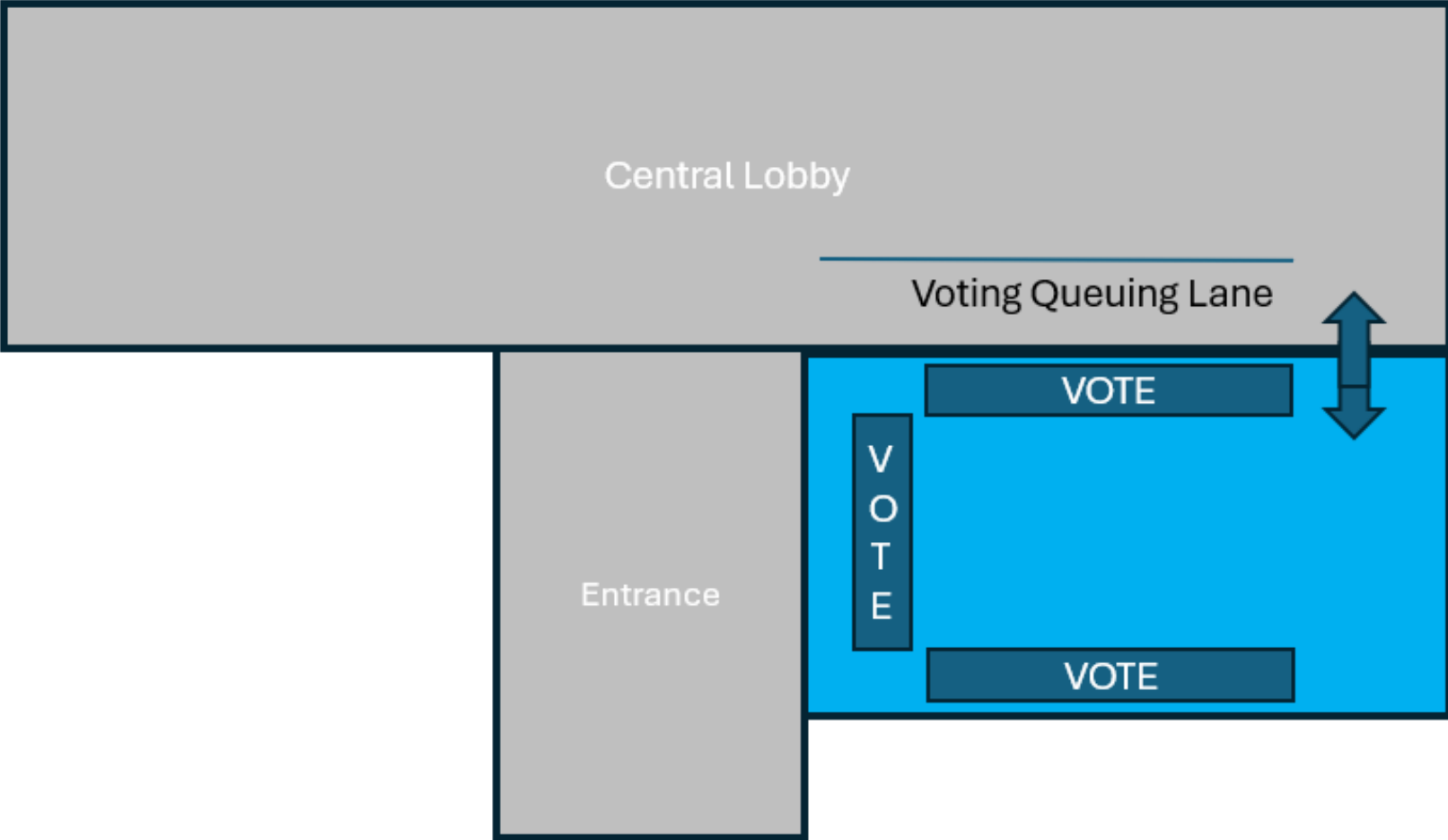
ADDISON

- Historically, the Town has made the Addison Conference Centre available to Dallas County to utilize for early voting and election day voting during elections.
- This year, early voting and election day voting will occur while the Conference Centre will be under renovation, rendering it unavailable.
- As an alternative voting location, the Town proposes utilizing the Community Room at the Addison Athletic Club.

Proposed Voting Location – Addison Athletic Club



Proposed Voting Location – Addison Athletic Club



Questions?

City Council Work Session Meeting

4. b.

Meeting Date: 01/07/2025

Department: Human Resources

Key Focus Areas: Public Safety

Financial Health and Organizational Excellence

AGENDA CAPTION:

Present and discuss public safety compensation.

BACKGROUND:

The Town's current Compensation Philosophy and Pay Plan includes sworn Police and Fire personnel following the same model as all other civilian positions and Town employees. As we look at our 13 comparison cities, Addison is the outlier when it comes to the inclusion of a step-based pay plan for sworn Police and Fire personnel. Provided the challenges, market competition, and the Town's strategic objectives, staff evaluated and recommend moving to a step-based performance pay plan for sworn Police and Fire personnel beginning in FY2026. If approved, staff will develop a resolution amending the Town's Compensation Philosophy. A competitive and sustainable step-based performance pay plan structure would then be developed during the FY2026 budget season.

Current Challenges:

- Turnover data shows our sworn positions are exiting the organization within 1–5 years of employment. In exit interviews, they indicate their reason for leaving is the lack of a step-based pay plan. With our comparison cities increasing their lateral pay and incentives for experienced staff, we're also seeing our seasoned employees not only retire, but onboard with other entities. Just in the last few years, cities have substantially increased their compensation for sworn police and fire personnel.
- With turnover comes direct and indirect costs: increased overtime, recruiting and hiring costs, training costs, lost productivity and time spent training new staff, and employee fatigue due to low staffing.
- As the budget allots, we've consistently shifted the pay plan in line with the market and slotted police officer and firefighter compensation above market average at the conclusion of compensation studies. It's a continual challenge to keep up with the market, as we're only able to compare the minimum and maximum compensation of our surrounding cities step-based pay plans.
- The last compensation study concluded at the end of 2023. Staff found that police officer and firefighter compensation were slotted above market

average. Since then, Addison is now below average. On average, comparator cities top out quicker than Addison and provide higher increases in their first few years of service.

Next Steps:

- Staff develops a competitive and sustainable step-based pay plan during the FY2026 budget process.
- Staff amends the current Town Compensation Philosophy to include the step-based performance pay plan for sworn Police and Fire personnel, with a resolution to Council.
- With a phased approach beginning in FY2026, sworn positions would transition into the step pay plan structure based on current salary and years of service.

RECOMMENDATION:

Staff seeks feedback from Council on the staff recommendation to move to a step-based performance pay plan structure beginning in FY2026 for sworn Police and Fire personnel.

Attachments

Public Safety Compensation Discussion



Public Safety Compensation Discussion

Jan. 7, 2025

Ashley Wake
Director of Human Resources

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Town Compensation Philosophy

- The purpose of the **Town's merit and market pay plan** is to:
 - 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.
- **The pay plan is applied to all employees of the Town, including sworn Police and Fire**
- The pay plan was updated at the end of 2023 following a Town-wide Compensation & Classification study completed by Evergreen Solutions based upon internal and external data
 - Pay ranges for Police Officer and Firefighter were brought above the average of comparison cities at that time
- For FY2025, all employees received a market adjustment (2%) and eligible employees could also receive an additional merit increase (2%)

Current Pay Plan

Pay ranges are increased annually by the market adjustment provided to all employees:

- Allows pay plans to remain competitive and current
- Provides for growth of tenured employees
- Progression through the range is based on merit increases received

Lateral pay is offered for applicants with prior, full-time experience.

It has been a consistent request from sworn Police and Fire employees to move to a step-based pay plan based upon comparison to other cities.

Current Pay Ranges

Position	Fiscal Year	Minimum	Midpoint	Maximum
Firefighter/ Paramedic	FY2024	\$74,713.74	\$84,110.28	\$93,506.81
Firefighter/ Paramedic	FY2025 (2%)	\$76,208.01	\$85,792.49	\$95,376.95

Position	Fiscal Year	Minimum	Midpoint	Maximum
Police Officer	FY2024	\$78,913.32	\$90,088.97	\$101,264.62
Police Officer	FY2025 (2%)	\$80,491.59	\$91,890.75	\$103,289.91

Addison Strategic Plan



Public Safety



Economic
Development
and
Revitalization



Mobility and
Connectivity



Infrastructure
Development
and
Maintenance



Financial
Health and
Organizational
Excellence



Community
Engagement



Vibrant Active
Community

Key Focus Area: Public Safety

- ❖ **Strategic Objective:** Retain, recruit, and train quality employees in the Addison Way and provide adequate resources (facilities, tools, equipment, etc.)

Key Focus Area: Financial Health and Organizational Excellence

- ❖ **Strategic Objective:** Attract, retain, and develop top tier employees.

Recruitment & Retention

In Addison

- Experiencing challenges to recruit qualified applicants
- Concern for employees starting and leaving within 1-5 years
 - Compensation and lack of a step pay plan are cited as a top reason in exit interviews
 - In the last few years, cities have opened up ability for lateral transfers and increased hiring compensation flexibility to recruit experienced employees
- Experiencing retirements of some long-tenured employees

Addison Fire Sworn Positions

Calendar Year	Turnover (#)	Turnover (%)	Respective Years of Experience of each Employee Leaving	Average Years of Experience
2019	3	5.5%	0.9 / 2.5 / 3.9	2.44
2020	6	10.7%	0.8 / 8.7 / 14.0 / 26.0 / 35.4 / 36.5	20.22
2021	3	5.4%	4.4 / 5.2 / 39.3	16.31
2022	4	7.1%	2.8 / 18.2 / 21.3 / 22.0	16.08
2023	6	10.7%	0.8 / 1.6 / 8.3 / 8.8 / 22.2 / 25.3	11.17
2024	9	16.1%	0.7 / 1.0 / 1.1 / 2.2 / 2.7 / 3.3 / 10.1 / 18.5 / 25.1	7.17
<i>Average</i>	5.2	9.2%		12.23

Addison Police Sworn Positions

Calendar Year	Turnover (#)	Turnover (%)	Respective Years of Experience of each Employee Leaving	Average Years of Experience
2019	5	7.9%	0.3 / 0.4 / 1.0 / 1.2 / 5.1	1.58
2020	6	9.5%	2.3 / 3.3 / 12.9 / 14.4 / 15.2 / 22.1	11.69
2021	6	9.5%	1.9 / 7.0 / 9.2 / 20.0 / 20.1 / 20.2	13.06
2022	8	12.7%	0.3 / 0.5 / 0.9 / 3.8 / 4.7 / 4.8 / 8.0 / 9.3	4.04
2023	6	9.5%	0.0 / 2.2 / 4.4 / 7.4 / 10.3 / 23.8	8.03
2024	7	11.1%	0.8 / 1.4 / 1.5 / 2.2 / 2.7 / 7.7 / 28.5	6.39
<i>Average</i>	6.3	10.1%		7.47

- Level of turnover poses challenges and costs for Addison
 - **Direct Costs**
 - Increased overtime cost if cannot meet minimum staffing per shift
 - Increased recruiting and hiring costs (advertising, attending events, interviewing, screening, hiring)
 - Increased training costs
 - **Indirect Costs**
 - Lost productivity and time spent training new employees by supervisors and managers
 - Onboarding/training time per employee
 - For fire fighters ~12 months, for police officers ~18 months
 - Cultural and employee morale impact
 - Employee fatigue if low on staffing

- **Of the Town's 13 comparator cities, all 13 cities offer a step-based pay plan for both sworn Police and Fire**
- **Highlights:**
 - **On average, comparator cities top out quicker than Addison**
 - Fire Average: 4.62 Years to Max | Police Average: 5.92 Years to Max
 - Addison (Depending Upon Market/Merit Adjustments): Could take 6-10+ Years to Max
 - **On average, comparator cities provide higher increases at first 1 - 2 years of service**
 - Fire Average: 5.2% (1 Yr), 5.3% (2 Yr) | Police Average: 4.4% (1 Yr), 4.5% (2 Yr)
 - Addison: for FY25, 4% (2% market + 2% merit)

- Provided the challenges, market competition, and the Town's strategic objectives, staff evaluated and recommend moving to a step-based performance pay plan for sworn Police and Fire beginning in FY2026

- Address and **ensure Addison is competitive** for Police and Fire
 - Develop steps that align with the trends for quicker progression
 - Retain early-mid career employees in Addison
- Adopt a **transparent and consistent methodology** for Police and Fire
 - Assist with recruitment of employees
 - Develop consistent application for employees
 - **Employee performance reviewed annually** and if not meeting performance expectations, they do not receive the scheduled step
- Continue to provide **performance lump sum amount for employees that are topped out**
 - Contingent upon annual budget process

Step Pay Plan Structure

The following charts show a proposed step schedule using current FY2025 ranges to demonstrate proposed movement through the range. It does not account for FY2026 adjustments, which is dependent upon budget.

Proposed Fire Step Structure

Current FY25 Range: Min: \$76,208 | Max: \$95,377

	0 Year (Hire) MIN	1 Year	%	2 Year	%2	3 Year	%3	4 Year	%4	MAX
Firefighter/Paramedic	\$78,494*	\$82,419	5.0%	\$86,540	5.0%	\$90,867	5.0%	\$95,377	5.0%	\$95,377
Average - Comparators	\$81,209	\$85,401	5.2%	\$89,956	5.3%	\$93,139	3.5%	\$96,345	3.4%	\$99,466
<i>Difference (\$)</i>	\$(2,715)	\$(2,982)		\$(3,416)		\$(2,272)		\$(968)		\$(4,089)
<i>Difference (%)</i>	-3.3%	-3.5%		-3.8%		-2.4%		-1.0%		-4.1%

*proposed to increase hire step for step distribution

Proposed Police Step Structure

Current FY25 Range: Min: \$80,492 | Max: \$103,290

	0 Year (Hire) MIN	1 Year	%	2 Year	%2	3 Year	%3	4 Year	%4	5 Year	%5	6 Year	%6	MAX
Police Officer	\$80,492	\$84,517	5.0%	\$88,742	5.0%	\$92,292	4.0%	\$95,984	4.0%	\$99,823	4.0%	\$103,290	3.5%	\$103,290
Average – Comparators	\$82,584	\$86,200	4.4%	\$90,073	4.5%	\$94,351	4.7%	\$97,670	3.5%	\$101,253	3.7%	\$103,467	2.2%	\$104,925
<i>Difference (\$)</i>	\$(2,092)	\$(1,683)		\$(1,331)		\$(2,059)		\$(1,686)		\$(1,430)		\$(177)		\$(1,635)
<i>Difference (%)</i>	-2.5%	-2.0%		-1.5%		-2.2%		-1.7%		-1.4%		-0.2%		-1.6%

Step Pay Plan Structure

FY2026 Cost Analysis

- Finance staff conducted a cost analysis to transition to a step-based performance pay plan
- Transition to a step pay plan structure could be accomplished in FY2026 at no additional cost under following assumptions:
 - Assume a **total of a 4% personnel increase would be budgeted again for FY2026** (same as FY2025)
 - Employees will be **phased into the step schedule** and placed based on current salary and years of service
 - **Plan for no funds to be available for one-time performance lump sum amounts** for initial transition year of FY2026
 - Unless there are one-time funds available that can be considered and approved as part of the budget process
 - PD & FD Leadership have communicated there is **support from employees to achieve the step pay plan model** for their departments

- Staff is seeking initial feedback from Council on the staff recommendation to move to a step-based performance pay plan structure beginning in FY2026 for sworn Police and Fire personnel
- If Council wishes to proceed with staff's recommendation for Public Safety compensation, this discussion will be brought forward during the FY2026 budget process, and a resolution would then be brought forward to reflect an update to the Town's Compensation Philosophy in conjunction with the FY2026 budget adoption

Questions