

CLASSIFICATION AND COMPENSATION STUDY

Proposed FY 2023 Pay Plan for the City of Forney



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1. EXECUTIVE SUMMARY

It is with pleasure that we present this summary describing the findings and recommendations from the FY 2022 Classification and Compensation Study.

A. SUMMARY OF FINDINGS

1. The City has approximately 100 job descriptions in use for providing municipal services; job descriptions and job titles were reviewed through employee job description questionnaires and minor title modifications are proposed (page 2).
2. Using +/- 5% to define competitive, the City's current civilian pay ranges are competitive for 45% of the survey sample, and more than 5% below market for 55% of the sample (page 3).
3. The City's Police pay tables and mostly competitive and Fire pay tables are slightly below market average for some ranks (page 4).
4. The City is offering a competitive number, type and level of benefits; areas surveyed include health insurance, pension, paid time off, assignment pay, and other benefits (page 4, Appendix).
5. An updated civilian salary table has been designed and pay range placements have been proposed for each job using the available market data and our interpretation of the City's hierarchy and internal equity (page 5 and Appendix).
6. If pay ranges and updates for civilian and public safety are adopted "at market average", the estimated full-year and partial year costs can be estimated as follows:

Action	12-Month Cost	6-Month Cost	Number of Employees Impacted
Civilians Below Minimum Up to Minimum	\$53,000	\$26,500	22
Additional Range Penetration for Civilians (3% per year target)	\$49,000	\$24,500	26
5% Flat Increase for Dispatch *	\$25,000	\$12,500	9
3% Flat Increase for Police	\$65,000	\$32,500	36
3% Flat Increase for Fire	\$75,000	\$37,500	27
Estimated Totals	\$267,000	\$133,500	
	plus benefits "load rate"		

* includes 7% for Dispatch Supervisors and moving Supervisors to step plan

B. SUMMARY OF RECOMMENDATIONS

1. Adopt the new pay range placements for all employees found in the Appendix.
2. Provide mid-year adjustments illustrated on page 1 effective April 1, 2022 if possible.
3. Continue to provide salary increases within the new pay ranges as budget allows.

2. POSITION CLASSIFICATION

Position analysis and classification is the process of documenting and verifying the number, type, and distinct levels of occupational job classes within the City and assigning each budgeted position to the correct occupational job class. This process establishes the sound basis for the subsequent salary plan which is administered at the job class level.

A. POSITION ANALYSIS QUESTIONNAIRES

The position analysis and classification phase of the City's total salary plan development project consisted of determining each position's correct occupational job class and title.

Each employee, supervisor, and department head was invited to complete a comprehensive position analysis questionnaire (PAQ) summarizing the scope and complexity of the duties and responsibilities of their position.

B. TITLE CHANGES FOR CONSIDERATION

The following are possible title changes from our classification review:

Department/Job Family	Current Job Class	Recommended Job Class
Fire	Fire Inspector	Fire Inspector / Investigator
Human Resources	Human Resources Manager	Human Resources Generalist, Senior
Neighborhood Services	Neighborhood Services Specialist	Code Enforcement Officer
Public Works	Sewer Foreman	Water/Wastewater Foreman

3. EXTERNAL COMPARISONS

The following paragraphs and tables describe the market data collected and used for pay plan development. Details on the benefits comparisons appear in the appendix.

A. SURVEY COMPARATORS

We obtained salary plan, benefits, and job description details from the following employers for comparison:

Addison	Heath
Burleson	Lancaster
Celina	Mesquite
Cleburne	Rockwall
DeSoto	Rowlett
Farmers Branch	Terrell
Garland	Wylie
Greenville	

Data from the private sector was also included wherever job matches exist using Economic Research Institute's Salary Assessor.

B. METHODOLOGY: SALARY RANGE COMPARISONS

Market salary structures and the prevailing rates for civilian positions are often represented by their Midpoints, which are the amounts employers pay for sustained competent job performance.

The Midpoint is the most objective, occupation-specific and consistent component of salary structures among employers, as the varying widths of salary ranges are too great to utilize Minimum or Maximum. Midpoint is not affected by actual salary averages which may reflect longevity, pay-for-performance, and a myriad of subjective salary plan administration characteristics of the comparator employers.

For all classifications we compared the City's mathematical midpoints (entry plus maximum, divided by two) to the same calculated midpoints found in the market. Additional analysis at entry and top out were performed for Police and Fire classifications.

C. CIVILIAN MARKET COMPETITIVENESS COMPARISON – BASE PAY AT MIDPOINT

The following table summarizes the City's variance to market; the City's current pay ranges are competitive for 45% of the survey sample, and behind market by more than -5% for 55% of the survey sample.

<u>Relationship to Prevailing Rates</u>	<u>Benchmark Job Classes</u>	<u>% of Sample</u>	<u>Average Variance</u>
Below	48	55%	- 11.41%
Comparable	35	40%	- 0.82%
Above	4	5%	+ 9.25%

D. MARKET COMPETITIVENESS COMPARISON – POLICE AND FIRE BASE PAY

The City’s current pay ranges for Police classifications are fairly competitive, and behind market by more than -5% for Fire staff at entry:

Group	Average Variance	
	Entry	Top Out
Police	- 1.50%	- 1.15%
Fire	- 5.66%	- 3.08%

E. MARKET COMPETITIVENESS COMPARISONS – BENEFITS

The City is offering a competitive benefits package in most of the areas reviewed.

Benefit Offering	Forney	Market Average	Market Variance
Employee Health Insurance - Employer Pays	100%	90%	At Market +
Family Health Insurance - Employer Pays	73%	73%	At Market
TMRS Contributions Employer / Employee	14% / 7%	14% / 7%	At Market
40-Hour Staff Vacation Paid Time Off - Year 1	10 Days	12 Days	Slightly Below
40-Hour Staff Vacation Paid Time Off - Year 10	20 Days	18 Days	Slightly Ahead
Shift Personnel Vacation Paid Time Off - Year 1	5 Shifts	6 Shifts	Slightly Below
Shift Personnel Vacation Paid Time Off - Year 10	10 Shifts	8 Shifts	Slightly Ahead
Sick Leave	10 Days	13 Days	Slightly Below
Paid Holidays	10 Days	10 Days	At Market
Certification Pay – Police and Fire	\$50-\$150/mo	\$53-\$141/mo	At Market

Additional pay and benefits details are found in the Appendices

4. UPDATED PAY TABLE, RANGE PLACEMENTS AND IMPLEMENTATION

A listing of the suggested pay ranges for each classification can be found in the Appendix. The narrative below is provided to describe the steps taken in the updating process.

A. RECOMMENDED CIVILIAN SALARY RANGE TABLE

The recommended Salary Range Table provides equal in-range salary opportunity of 42% from Minimum to Maximum. The salary ranges are separated by a uniform 5%, permitting job classes to be precisely linked to the external prevailing rates, the City's salary competitiveness policy, and internal job relationships, through their Midpoints.

The table's 40 ranges exceed the dollar ranges required to encompass the FY 2023 prevailing rates, permitting the plan to be updated in future years to accommodate the anticipated increases in the prevailing rates. Additional salary ranges may be added.

Salary Range	Minimum	Midpoint	Maximum	Salary Range	Minimum	Midpoint	Maximum
1	\$23,430	\$28,400	\$33,370	21	\$62,167	\$75,354	\$88,541
2	\$24,602	\$29,820	\$35,039	22	\$65,275	\$79,121	\$92,968
3	\$25,832	\$31,311	\$36,790	23	\$68,539	\$83,077	\$97,616
4	\$27,123	\$32,877	\$38,630	24	\$71,966	\$87,231	\$102,497
5	\$28,479	\$34,520	\$40,561	25	\$75,564	\$91,593	\$107,622
6	\$29,903	\$36,246	\$42,590	26	\$79,342	\$96,172	\$113,003
7	\$31,398	\$38,059	\$44,719	27	\$83,309	\$100,981	\$118,653
8	\$32,968	\$39,962	\$46,955	28	\$87,475	\$106,030	\$124,585
9	\$34,617	\$41,960	\$49,303	29	\$91,849	\$111,332	\$130,815
10	\$36,348	\$44,058	\$51,768	30	\$96,441	\$116,898	\$137,355
11	\$38,165	\$46,261	\$54,356	31	\$101,263	\$122,743	\$144,223
12	\$40,073	\$48,574	\$57,074	32	\$106,326	\$128,880	\$151,434
13	\$42,077	\$51,002	\$59,928	33	\$111,643	\$135,324	\$159,006
14	\$44,181	\$53,552	\$62,924	34	\$117,225	\$142,091	\$166,956
15	\$46,390	\$56,230	\$66,070	35	\$123,086	\$149,195	\$175,304
16	\$48,709	\$59,042	\$69,374	36	\$129,240	\$156,655	\$184,069
17	\$51,145	\$61,994	\$72,843	37	\$135,702	\$164,488	\$193,273
18	\$53,702	\$65,093	\$76,485	38	\$142,487	\$172,712	\$202,937
19	\$56,387	\$68,348	\$80,309	39	\$149,612	\$181,348	\$213,083
20	\$59,206	\$71,765	\$84,324	40	\$157,092	\$190,415	\$223,738

Midpoint %
5.00%

Range Spread
42.00%

B. ASSIGNMENT OF JOB CLASSES TO SALARY RANGES

Survey benchmark job classes were placed as close to the prevailing rates for comparable job classes as was practical, with consideration given for job complexity, minimum qualifications, and supervision exercised.

We utilized our professional judgment to prevent illogical relationships that could result from survey data directly linked into salary ranges, as there is no automatic logical job content relationship among survey data collected from various employers. Non-benchmark job classes were linked to benchmark job classes by professional judgment.

C. INITIAL IMPLEMENTATION AND ANNUAL UPDATES

We recommend the City’s salary plan be established with approval of the proposed pay range placements, and subsequent plan updates made on the basis of the external prevailing rates.

Example Range Penetration Modeling - Civilian

The goal is to move employees along in their pay range to allow room for new hires and project some of the market movement of the pay range on to the employee salaries. No cost if an employee’s current compa-ratio exceeds the modeled target.

Tenure (years)	Target % of New Midpoint
0-.99	82.50%
1-1.99	85.50%
2-2.99	88.50%
3-3.99	91.50%
4-4.99	94.50%
5-5.99	97.50%
6-6.99	100.50%
7+ years	103.50%

Proposed Implementation – “At Market”

- Adopt new pay ranges and move salaries to targeted in-range position
- Provide market increases to Police, Fire, and Dispatch tables and salaries

C. REGULAR PLAN UPDATE STEPS

1. Secure re-affirmation of the City’s prevailing rate salary policy (+/-5% of market).
2. Obtain latest pay data from approved comparator employers (suggest every 3-5 years).
3. Compute the prevailing rate for each of the benchmark job classes.
4. Re-assign job classes to the salary ranges whose Mathematical Midpoints most closely match prevailing rates.
5. Utilize professional judgment in job class re-assignment to prevent internal inequities and relationships not supported by relative job complexity.
6. Provide information to the City Council for budgeting purposes.

APPENDIX

**PROPOSED RANGE PLACEMENTS AND TABLES
BENEFITS SURVEY NOTES**