



N E V A D A

AGENDA
Special Meeting
City Council

Thursday, April 6, 2023 • 4:00 PM

Mayor

Neal E. McIntyre

City Council

Ward 1 - Ryan Hanan

Ward 2 - Felicity Zoberski

Ward 3 - Stan Lau

Ward 4 - Albert Torres

Ward 5 - Fran McKay

City Manager

Fernley City Council Chambers, 595 Silver Lace Boulevard, Fernley, NV 89408

Zoom information:

Please click the following link to join the webinar: <https://us02web.zoom.us/j/82966343247>, or one tap/mobile: 12532158782, Dial: 669 900 9128, Webinar ID: 829 6634 3247

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Public Comment: Those wishing to address the City Council may submit public comment through the online public comment form found at <https://www.cityoffernley.org/forms>, or by sending an email to cityclerk@cityoffernley.org. Comments received prior to 4:00 pm the day of the meeting will be provided to City Council and added to the record but will not be read during the live meeting. Public comments received after 4 pm the day of the meeting will be included in the record but may not reach council members before action is taken. Public comment, whether on action items or public comment, is limited to three (3) minutes per person. Unused time may not be reserved by the speaker, nor allocated to another speaker. The public may comment on any matter that is not specifically included on an agenda as an action item or comment on a specific agenda item. Items not included on the agenda cannot be acted upon other than to place them on a future agenda. Additionally, if you wish you can comment in person at the meeting or use the Raise your Hand feature in Zoom (*9 if you are participating via phone).

Accommodations: City Council and staff will make reasonable efforts to assist and accommodate individuals with disabilities desiring to attend the meeting. Please contact the City Clerk's Office at (775) 784-9830 in advance so that arrangements can be made.

Supporting Material: Staff reports and supporting material for the meeting are available at the City Clerk's Office, and on the City's website at www.cityoffernley.org. Pursuant to NRS 241.020(6), supporting material is made available to the general public at the same time it is provided to the City Council.

Order of Business: The presiding officer shall determine the order of the agenda. The Fernley City Council may combine two or more agenda items for consideration; remove an item from the agenda; or delay discussion relating to an item on the agenda at any time. All items are action items unless otherwise noted. Items scheduled to be heard at a specific time will be heard no earlier than the stated time but may be heard later.

1. INTRODUCTORY ITEMS

1.1. Roll Call

1.2. Public Forum

1.3. (For Possible Action) Approval of Agenda

2. STAFF REPORTS

2.1. Consideration of correction action pursuant to NRS 241.0365 on action previously taken by city council on March 15, 2023. (Discussion and for possible action).

The City Council will consider whether to rescind the vote taken on agenda item # 7.1 of the regular meeting held on March 15, 2023. (Merit pay compensation of City Attorney paid to City Attorney administrative staff)

2.2. Reconsideration of agenda item 7.1 from March 15, 2023 (Merit pay compensation of City Attorney to be paid to City Attorney administrative staff). (Discussion and possible action).

The City Council will discuss and take possible action regarding merit pay of the City Attorney to be awarded to City Attorney administrative staff.

3. ADDRESS REQUEST(S) FOR FUTURE AGENDA ITEMS

4. PUBLIC FORUM

5. ADJOURNMENT

Next Meeting: April 6th Budget Meeting @ 5pm



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: April 6, 2023

REPORT TO: Mayor and City Council

REPORT FROM: Jennie Carrick

FINANCIAL IMPACT:

Yes: No:

CURRENTLY BUDGETED:

Yes: No:

FUND/ACCOUNT:

ACTION REQUESTED:

AGENDA ITEM: (For Possible Action):

Consideration of correction action pursuant to NRS 241.0365 on action previously taken by city council on March 15, 2023. (Discussion and for possible action).

The City Council will consider whether to rescind the vote taken on agenda item # 7.1 of the regular meeting held on March 15, 2023. (Merit pay compensation of City Attorney paid to City Attorney administrative staff)

AGENDA ITEM BRIEF:

RECOMMENDED MOTION:

BUSINESS IMPACT (per NRS Chapter 237):

See attached report for background, analysis, alternatives.

ALTERNATIVES:

BACKGROUND:

RELEVANT LAWS, STATUTES, AND REGULATIONS:

FINANCIAL IMPLICATIONS:

ATTACHMENTS:

None

AMENDMENT A

**TO THE CONTRACT FOR EMPLOYMENT SERVICES
BETWEEN THE CITY OF FERNLEY AND BRANDI JENSEN**

This Amendment A, (first and only amendment) to the Contract for Employment Services between the City of Fernley and Brandi Jensen is entered into this 6th day of February, 2018, by and between The City of Fernley ("City"), and Brandi Jensen ("Jensen"); also referred to as "The Parties."

On March 22nd, 2010, the City and Employee entered into a Contract for employment services with Brandi Jensen. The parties hereby wish to modify the contract as follows:

1. Work Schedule, Jensen shall be able to work any schedule of her choice as long as:
 - a. The total hours worked within a year are roughly 2080 inclusive of sick and annual leave, with a goal of 80 hours average, per pay period.
 - b. Partial day absences will require annual or sick leave to be used only if working less than 80 hours in that pay period.
 - c. Full day absences will require leave to be used if there is less than 80 hours in that pay period.
 - d. The City Attorney's Office will ensure an attorney is present at all Council Meetings, Planning Commission Meetings, Municipal Court, and any other reasonable time requested by Mayor or Council.
 - e. Employee will keep Mayor (and in his absence, City Manager) notified of her schedule.

- f. City may revoke this flexible schedule with 30 days' notice to Jensen.

2. Compensation:

- a. The parties hereby agree to modify section 3 in the last two paragraphs in the contract to say:
 - i. Upon an average rating of satisfactory or higher, Jensen shall be entitled to the same increase given to the other employees, or as otherwise agreed upon by Employee Jensen and Council, until Jensen has reached the top of the currently approved salary range. The increase/raise will be effective following the required March evaluation, with a start date of the first day of the pay period of Jensen's anniversary date within the current fiscal year.
 - ii. If Jensen has reached the top of the current adopted salary range, Jensen will receive the longevity pay as outlined in the most currently adopted personnel policy. Also, regardless of whether the Jensen reached the top of the salary range, Jensen will still be entitled to any COLA increase given to City employees.
 - iii. Jensen will accumulate sick and annual leave as provided in the current adopted personnel policy.
- 3. Health Insurance: Jensen shall receive the same Health Insurance benefit as the other employees not to drop below 100% employee coverage and 50% dependent coverage.
- 4. Evaluation Form(s): The City shall use whichever is the most recently approved

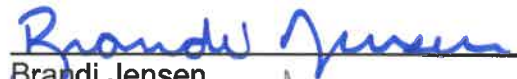
evaluation form adopted by the City Council. Should the evaluation form change and become adopted by Council, Jensen will be given 30 days notice in advance of when the form takes effect so that standards and expectations are understood.

5. Advice of Council: Each Party hereto represents and agrees that it has had the opportunity to seek and has sought from attorneys any such advice as it deems appropriate with respect to signing this Agreement or the meaning of it.

6. Contract Review: The Parties agree that this contract will be reviewed at a minimum of every 5 years. Either party is free to bring back to the other as necessary, and at any time.

7. Authority and Consent: The Parties hereby approve and consent to the Amendment changes above. Each signatory for the Parties below has read the Amendment A, agrees to be bound by said document, and has the authority to bind their respective entity as listed. This waiver of raise/amendment does not constitute a waiver of any past obligations in the contract. All of the other terms and conditions in the Contract that are not modified by this Amendment A, shall remain in full force and effect.

DATED: 2/7/19


Brandi Jensen

DATED: 6 Feb 2019


Roy Edgington
Mayor, City of Fernley

Attest:
DATED: 2/6/2019


KIM SWANSON
City Clerk, City of Fernley

3. An employee who demotes to a position with a lower grade level will be placed at a step in the lower grade level which is closest to their current salary. If the employee's salary exceeds the top salary of the lower pay range the employee will be Y-Rated (see Y-Rate policy.). Reclassification to a class with a lower grade level will be treated as a demotion for salary purposes.
4. Reallocation of an existing class:
 - To a higher-grade level is NOT a promotion. An employee in a class that is reallocated to a higher-grade level shall be placed in the higher grade at a step closest to his/her current salary that does not provide a decrease, or step 1 of the new grade if the current salary does not fall within the grade range.
 - To a lower grade level shall be placed at the step closest to the employee's current salary that does not provide a decrease. If the employee's salary exceeds the top salary of the lower pay range the employee will be Y-Rated (see Y-Rate policy).

5.8. Annual Wage Increase

5.8.1. Annual Wage Increase Authorized

1. An employee who is currently not paid at the top step of the salary range for his/her class is normally eligible for annual wage increases on his/her anniversary date. Raises in salary resulting from annual wage increases are based on longevity and satisfactory performance and are not automatic. An annual wage increase may be granted only upon a finding by the **City of Fernley** that the employee meets all of the performance requirements of the position and complies with all of the **City of Fernley** rules, regulations, and policies. An employee who is determined to be eligible for an annual wage increase will be based upon budgetary resources and compliance with current negotiated collective bargaining agreement.
2. Except when Y-rated, an employee will not be paid a regular rate of pay above the top step of the salary range for his/her classification.
3. Annual wage increases may be made to a supervisor to maintain an appropriate differential, not to exceed two steps, between the base rate of pay of a supervisor and the base rate of pay of an employee who is in the direct line of authority of the supervisor. An adjustment may be granted pursuant to this provision if, before the adjustment, the base rate of pay of the employee is the same or greater than the base rate of pay of the supervisor.
4. Annual wage increases are administered by the Department Head subject to the confirmation of the City Manager that there is adequate documentation that all requirements have been met.
5. Annual wage increases (to include but not limited to step, salary or GWI – general wage increase) will be determined based upon budgetary resources and compliance with the current negotiated collective bargaining agreement.

5.8.2. Anniversary Date/ Annual Wage Increase

1. The date on which an employee becomes eligible for consideration for annual wage increase is known as the anniversary date. When approved in writing, annual wage increases will become effective at the beginning of the pay period in which the employee's anniversary date occurs.
2. A promotion and reclassification to a class with a higher salary range shall establish a new anniversary date.
3. A demotion or reclassification to a class with a lower salary range shall not establish a new anniversary date.
4. Annual wage increases shall be as follows:
 - a. In most instances new employees will be appointed at Step 1 of the salary range. In cases where a candidate has exceptional experience and education, appointment at a higher wage may be considered by the appointing authority.
 - b. Movement in the range may include but not limited to step, salary or GWI, providing that the employee's performance evaluation is satisfactory or above.
 - c. Promotions to a higher classification will result in an increase in pay to Step A of the new range or approximately 5%, whichever is greater.
 - d. When a cost of living adjustment is applied to the range, the employee's adjustment in the new rate of pay applied to the employee's current range and salary.

5.8.3. Employee Longevity Pay

Employees topped out in his/her classification for a minimum of one year will be paid a \$150 longevity bonus that is not added to the base pay conditioned on a standard or better annual performance evaluation. Employees may qualify for this longevity bonus on an annual basis as long as the employee remains topped out in his/her classification.

5.9. Withholding of Annual Wage Increase

5.9.1. Job Performance

When the **City of Fernley** has determined that the job performance of an employee is less than satisfactory, the annual wage increase shall be withheld. The employee's performance shall be documented, and a copy of the documentation provided to the employee.

5.9.2. Unpaid Leaves of Absence

An employee's eligibility for consideration for annual wage increase shall be delayed by temporary layoffs or unpaid leaves of absence in excess of 15 working days during the 12-month period following the employee's last increase. The employee's anniversary date shall be adjusted by the total number of days of unpaid leave.

5.9.3. Granting of Withheld Advancements

The **City of Fernley** may approve an annual wage increase at the beginning of any pay period upon finding that the employee now meets the qualifications for an advancement. The employee's anniversary date shall be adjusted to the date on which the annual wage

Classification & Compensation Study

City of Fernley, Nevada

Final Report

March 2017

Pontifex Consulting Group LLC



PONTIFEX
CONSULTING GROUP, LLC

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Introduction

What was the Pontifex Consulting Group (PCG) asked to do?

The objectives of the study were to:

- Validate the compensation philosophy and its alignment to City of Fernley's (City) strategy and direction.
- Review job content information for City jobs.
- Examine current compensation programs and structures for City jobs.
- Analyze current competitive labor market compensation and benefits practices.
- Provide recommendations for classification structures (internal equity).
- Provide recommendations for compensation structures (labor market equity).
- Provide recommendations for maintenance of classification and compensation systems.
- Prepare a written report of our findings and comparisons.

This report covers all of these objectives.

II. Human Capital Issues and Compensation Philosophy

Human Resources Issues

For the City to achieve its mission of providing service to the public the City needs to attract and retain talented staff. These are jobs that have a significant depth in customer service, technical and professional competencies, while at the same time possessing advanced skills in project coordination and team-building. These unique skills are essential for staff to be successful at carrying-out the City's mission in an effective and efficient manner.

Specifically, the City intends to:

- Maintain a competitive, market driven compensation and benefits system within budgetary restraints.
- Maintain a performance-based, results oriented culture.
- Reflect the unique benefits of working in a “small town” setting.
- Engage in succession planning efforts for staff and management positions.

Compensation Strategy

The City currently compensates its staff in accordance with a classification and compensation system that was last updated over a decade ago. The system is internally focused with rules that are oriented towards the composition of a significantly changed workforce and competitive labor market.

The compensation of an organization's staff normally follows an established compensation philosophy and strategy. Such strategic documents are critical towards alignment of the organization's largest budgetary expenditure towards organizational needs and fiscal resources.

A survey of 2,025 organizations across the United States shows that a majority of respondents have a stated compensation strategy of paying at or above the labor market rate for their jobs:

<i>Employee Group</i>	<i>Pay Below Market Rate</i>	<i>Pay Equal to Market Rate</i>	<i>Pay Above Market Rate</i>	<i>Other Percentile or No Strategy</i>
Hourly Employees	1.7%	85.0%	5.5%	8.8%
Salaried Employees	2.3%	86.5%	7.1%	4.1%
Management/Executive Employees	1.7%	76.5%	9.7%	11.1%

SOURCE: World-at-Work (American Compensation Association) 2016/2017 Salary Budget Survey.

Compensation Strategy

The “Employer Costs for Employee Compensation” survey is produced by the Bureau of Labor Statistics of the U.S. Department of Labor to show what employer’s average hourly costs are for compensation and its components. Listed below are comparative figures for wages (no benefits data included) between 2009 and 2015:

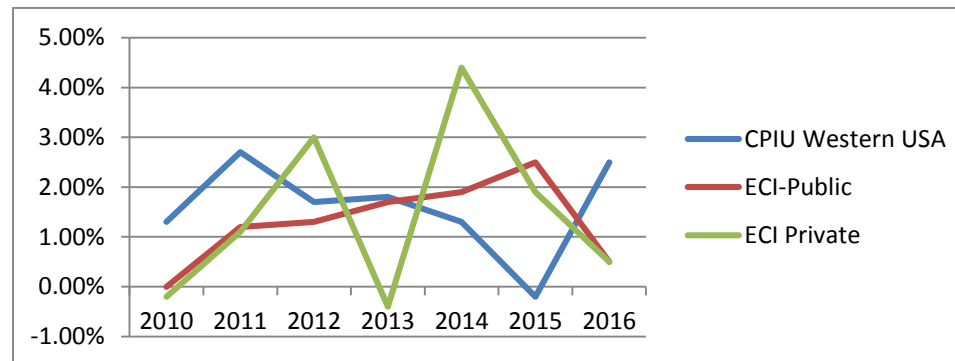
<i>Private Sector Employers</i>	<i>Cost Compensation 2009</i>	<i>Cost Compensation 2015</i>	<i>% Increase</i>
All Private Employers	\$19.41	\$22.14	+14.1%
- Management/Professionals	\$32.16	\$38.75	+20.5%
- Office & Administrative Support	\$15.65	\$16.54	+5.7%
- Service Occupations	\$10.32	\$11.27	+9.2%

<i>State & Government Employers</i>	<i>Cost Compensation 2009</i>	<i>Cost Compensation 2015</i>	<i>% Increase</i>
All State & Local Government Employers	\$26.11	\$28.63	+9.7%
- Management/Professionals	\$32.54	\$35.87	+10.2%
- Office & Administrative Support	\$17.02	\$18.52	+8.9%
- Service Occupations	\$17.72	\$19.73	+11.3%

Compensation Strategy

The following chart shows the percentage changes in the Consumer Price Index for Urban Consumers (CPI-U) for the Western United States and the Employment Cost Index (ECI) for private and public sector employers between 2010 and 2016 as reported by the Bureau of Labor Statistics of the U.S. Department of Labor:

Year	CPI-U Western USA	ECI Public Sector	ECI Private Sector
2010	1.3%	0.0%	-0.2%
2011	2.7%	1.2%	1.1%
2012	1.7%	1.3%	3.0%
2013	1.8%	1.7%	-0.4%
2014	1.3%	1.9%	4.4%
2015	-0.2%	2.5%	1.9%
2016	2.5%	0.5%	0.5%
Average 2010-2016	1.6%	1.3%	1.5%



III. Classification Study

Methodology

Pete Ronza of the Pontifex Consulting Group (PCG), met with Daphne Hooper, City Manager, and Shannon McKnight, Human Resources Specialist in December of 2016 to discuss the project work plan, deliverables, and the City's issues/concerns with their classification and compensation programs.

The City supplied PCG with organization charts, compensation program information and current job descriptions. The job descriptions provided critical information that described:

- Duties and Responsibilities;
- Knowledge and Skills required to perform those responsibilities and duties;
- Education and/or Experience levels required to perform duties and responsibilities;
- Supervisory responsibilities;
- Scope of Decision-making;
- Delegation of Authority;
- Physical Demands; and,
- Environmental and Working Conditions.

Methodology (continued)

PCG reviewed the job descriptions and performed any necessary follow-up questions or clarifications with City Human Resources staff by phone and email.

PCG then developed a recommendation for new classification structures that combine jobs of similar levels of duties, responsibilities, knowledge, skills, education and experience. This new structure also creates appropriate career ladders and job families in accordance with the existing mix of jobs, the mission and strategy of the City.

The recommendations were discussed with the City's management in January of 2017. The City reviewed the recommendations, provided revisions, and a final structure was presented to PCG. PCG then created compensation recommendations based upon the population of classifications in the structures and their competitive labor market data. The classification structure and methodology can be found in Appendix A.

IV. Compensation & Benefits Analysis

Competitive Compensation Analysis

Methodology

PCG discussed and received direction to provide a compensation study based upon two (2) labor market comparator groups:

- Private sector employers in Nevada.
- Selected public sector agencies in Nevada.

The compensation analysis was conducted in January of 2017.

For those jobs that are recruited from the overall labor market (public and private), PCG obtained comparable information from the private sector as well. Examples of jobs that are recruited and retained from the private sector would be occupations in the areas of finance, information technology and human resources. Salary information for private sector organizations was obtained from:

- Towers Watson Data Services, United States employer surveys.

A majority of the City's jobs only exist in public sector organizations. Therefore, the public sector is one of the City's primary competitors for talent. The City reviewed and approved a list of public sector comparable agencies in the State of Nevada to survey for the purpose of obtaining compensation and benefits data for this sector. A list of the agencies who responded can be found in Appendix B.

Overall responsibilities, specific duties and education and experience requirements for City job classifications were referenced to provide accurate matching.

Competitive Compensation Analysis

Methodology (continued)

Data reflect market pay levels updated to January 1, 2017.

Survey data provide critical competitive salary information; however, compensation of individual positions may differ from the target labor market for many reasons, including stage of organizational growth, organizational performance and the qualifications, specific responsibilities and performance of the individual position incumbents.

Jobs were matched based on content, responsibilities, level and qualifications and not on title alone. For this reason, the titles in the market will not necessarily be the same titles as those employed by the City.

Benchmarks with fewer than three (3) data points were excluded from any analyses because fewer than three (3) data points matched to a given benchmark are considered an insufficient sample size for drawing conclusions.

Due to Sherman Antitrust Act consent decrees, only summary (aggregate) data are shown for each benchmark.

Since the City is a unique organization, a comparison with other similar organizations and similar positions needs to be viewed as a reference point. It would be an error to directly adopt the compensation levels of other organizations without carefully analyzing the factors that make the City unique, and which make each staff employee valuable to the City.

For example, there is a legitimate organizational reason for paying some City jobs more or less than market due to the difference in scope, services, organizational priorities, and population with services provided by other agencies.

To maintain data integrity, we can only use valid data provided to us through our survey process in order to conduct a professional and objective analysis of the information.

Salary Range Minimum Rate

The minimum salary range rate represents the minimum rate of pay that an employer will pay for a job/skill set. This is usually understood to be where the organization would set the pay rate for an incumbent who has the minimal level of education and experience required for a job (attraction rate).

The charts on pages 16-17 show the overall comparison of the competitive labor market minimum salary range averages and the City's salary range minimum rates.

Competitive Compensation Analysis

Salary Range Minimum Rates

Job Title	City Minimum Salary Range Rate	Market Average Minimum Salary Range Rate	City as a Percent of Market Average Rate
Accounting Technician I	\$30,466	\$36,738	-17.1%
Accounting Technician	\$39,975	\$42,447	-5.8%
Administrative Specialist I	\$33,643	\$30,413	+10.6%
Administrative Specialist II	\$37,118	\$36,694	+1.2%
Administrative Specialist III	\$39,975	\$41,974	-4.8%
Animal Control Officer II	\$33,643	\$42,728	-21.3%
Assistant Planner	\$44,090	\$44,498	-0.9%
Building Inspector I	\$33,643	\$41,880	-19.7%
Building Inspector II	\$37,118	\$45,195	-17.9%
Building Official	\$60,805	\$68,511	-11.2%
City Attorney	\$72,296	\$89,387	-19.1%
City Engineer	\$72,296	\$80,629	-10.3%
City Manager	\$84,365	\$116,010	-27.3%
Court Administrator	\$46,328	\$71,413	-35.1%
Court Clerk I	\$31,234	\$35,191	-11.2%
Court Clerk II	\$33,643	\$39,629	-15.1%
Deputy City Attorney	\$56,455	\$65,783	-14.2%
Deputy City Clerk	\$39,975	\$57,775	-30.8%
Deputy Finance Director	\$51,147	\$48,079	+6.4%
Finance Director	\$72,296	\$85,088	-15.0%
Fleet Foreman	\$46,328	\$53,107	-12.8%
General Services/Facilities Foreman	\$46,328	\$49,378	-6.2%
GIS Manager	\$44,090	\$49,378	-10.7%
Human Resources Specialist	\$51,147	\$54,322	-5.8%
IT Specialist	\$44,090	\$51,831	-14.9%

Competitive Compensation Analysis

Salary Range Minimum Rates (continued)

Job Title	City Minimum Salary Range Rate	Market Average Minimum Salary Range Rate	City as a Percent of Market Average Rate
Legal Secretary	\$39,975	\$36,704	+8.9%
Maintenance Worker I	\$31,234	\$33,959	-8.0%
Maintenance Worker II	\$33,643	\$38,191	-11.9%
Mechanic	\$37,118	\$45,990	-19.3%
Parks Foreman	\$46,328	\$43,608	+6.2%
Permit Technician	\$37,118	\$39,531	-6.1%
Public Works Director	\$72,296	\$84,974	-14.9%
Senior Maintenance Worker	\$35,327	\$42,025	-15.9%
Senior Planner	\$60,805	\$70,237	-13.4%
Streets & Storm Drains Foreman	\$46,328	\$48,145	-3.8%
Utilities Foreman	\$46,328	\$52,429	-11.6%
Utility Operator	\$38,994	\$44,811	-13.0%
Water Lead Operator	\$44,090	\$49,474	-10.9%
Water Treatment Chief Operator	\$53,726	\$54,457	-1.3%

Competitive Compensation Analysis

Salary Range Maximum Rate

The maximum salary range rate represents the maximum rate of pay that an employer will pay for a job/skill set. This is usually understood to be where the organization would set the pay rate for an incumbent who has an above average level of education and experience (retention rate).

The charts on pages 19-20 show the overall comparison of the competitive labor market maximum salary range averages and the City's salary range maximum rates.

Competitive Compensation Analysis

Salary Range Maximum Rates

Job Title	City Maximum Salary Range Rate	Market Average Maximum Salary Range Rate	City as a Percent of Market Average Rate
Accounting Technician I	\$46,883	\$48,714	-3.8%
Accounting Technician	\$61,530	\$57,180	+7.6%
Administrative Specialist I	\$51,808	\$39,368	+31.6%
Administrative Specialist II	\$57,116	\$47,511	+20.2%
Administrative Specialist III	\$61,530	\$54,649	+12.6%
Animal Control Officer II	\$51,808	\$54,263	-4.5%
Assistant Planner	\$67,883	\$62,781	+8.1%
Building Inspector I	\$51,808	\$54,694	-5.3%
Building Inspector II	\$57,116	\$58,308	-2.0%
Building Official	\$93,595	\$94,770	-1.2%
City Attorney	\$111,376	\$131,114	-15.1%
City Engineer	\$111,376	\$115,173	-3.3%
City Manager	\$129,834	\$153,340	-15.3%
Court Administrator	\$71,315	\$105,533	-32.4%
Court Clerk I	\$48,077	\$49,739	-3.3%
Court Clerk II	\$51,808	\$54,231	-4.5%
Deputy City Attorney	\$86,922	\$95,636	-9.1%
Deputy City Clerk	\$61,530	\$82,547	-25.5%
Deputy Finance Director	\$78,756	\$70,654	11.5%
Finance Director	\$111,376	\$125,711	-11.4%
Fleet Foreman	\$71,315	\$75,666	-5.8%
General Services/Facilities Foreman	\$71,315	\$57,908	+23.2%
GIS Manager	\$67,883	\$68,835	-1.4%
Human Resources Specialist	\$78,756	\$77,083	+2.2%
IT Specialist	\$67,883	\$70,524	-3.7%

Competitive Compensation Analysis

Salary Range Maximum Rates (continued)

Job Title	City Maximum Salary Range Rate	Market Average Maximum Salary Range Rate	City as a Percent of Market Average Rate
Legal Secretary	\$61,530	\$51,944	+18.5%
Maintenance Worker I	\$48,077	\$44,059	+9.1%
Maintenance Worker II	\$51,808	\$49,716	=4.2%
Mechanic	\$57,116	\$59,358	-3.8%
Parks Foreman	\$71,315	\$57,166	+24.8%
Permit Technician	\$57,116	\$53,468	+6.8%
Public Works Director	\$111,376	\$125,842	-11.5%
Senior Maintenance Worker	\$54,409	\$54,370	+0.1%
Senior Planner	\$93,595	\$98,395	-4.9%
Streets & Storm Drains Foreman	\$71,315	\$65,509	+8.9%
Utilities Foreman	\$71,315	\$74,998	-4.9%
Utility Operator	\$60,037	\$58,404	+2.8%
Water Lead Operator	\$67,883	\$65,296	+4.0%
Water Treatment Chief Operator	\$82,764	\$73,925	+12.0%

Salary Range Midpoint Rate

The midpoint of the salary range represents the midpoint of the range of pay that an employer will pay for a job/skill set. This is usually understood to be where the organization would set the pay rate for an incumbent who has a journey-level education and experience. From an experience level this is generally understood to be 4-5 years.

The charts on pages 22-23 show the overall comparison of the competitive labor market midpoint salary range averages and the City's salary range midpoint rates.

Competitive Compensation Analysis

Salary Range Midpoint Rates

Job Title	City Midpoint Salary Range Rate	Market Average Midpoint Salary Range Rate	City as a Percent of Market Average Rate
Accounting Technician I	\$38,675	\$42,726	-9.5%
Accounting Technician	\$50,753	\$49,814	+1.9%
Administrative Specialist I	\$42,726	\$34,891	+22.5%
Administrative Specialist II	\$47,117	\$42,102	+11.9%
Administrative Specialist III	\$50,753	\$48,312	+5.1%
Animal Control Officer II	\$42,726	\$48,495	-11.9%
Assistant Planner	\$55,987	\$53,639	+4.4%
Building Inspector I	\$42,726	\$48,287	-11.5%
Building Inspector II	\$47,117	\$51,751	-9.0%
Building Official	\$77,200	\$81,640	-5.4%
City Attorney	\$91,836	\$110,250	-16.7%
City Engineer	\$91,836	\$97,901	-6.2%
City Manager	\$107,099	\$133,988	-20.1%
Court Administrator	\$58,822	\$88,473	-33.5%
Court Clerk I	\$39,656	\$42,465	-6.6%
Court Clerk II	\$42,726	\$46,930	-9.0%
Deputy City Attorney	\$71,689	\$80,709	-11.2%
Deputy City Clerk	\$50,753	\$70,161	-27.7%
Deputy Finance Director	\$64,952	\$59,367	+9.4%
Finance Director	\$91,836	\$105,400	-12.9%
Fleet Foreman	\$58,822	\$64,386	-8.6%
General Services/Facilities Foreman	\$58,822	\$51,189	+14.9%
GIS Manager	\$44,090	\$59,106	-25.4%
Human Resources Specialist	\$64,952	\$65,702	-1.1%
IT Specialist	\$55,987	\$61,177	-8.5%

Competitive Compensation Analysis

Salary Range Midpoint Rates (continued)

Job Title	City Midpoint Salary Range Rate	Market Average Midpoint Salary Range Rate	City as a Percent of Market Average Rate
Legal Secretary	\$50,753	\$44,324	+14.5%
Maintenance Worker I	\$39,656	\$39,009	+1.7%
Maintenance Worker II	\$42,726	\$43,593	-2.0%
Mechanic	\$47,117	\$52,674	-10.5%
Parks Foreman	\$58,822	\$50,387	+16.7%
Permit Technician	\$47,117	\$46,500	+1.3%
Public Works Director	\$91,836	\$105,408	-12.9%
Senior Maintenance Worker	\$44,868	\$48,198	-6.9%
Senior Planner	\$77,200	\$84,316	-8.4%
Streets & Storm Drains Foreman	\$58,822	\$56,827	+3.5%
Utilities Foreman	\$58,822	\$63,713	-7.7%
Utility Operator	\$49,516	\$51,607	-4.1%
Water Lead Operator	\$55,987	\$57,385	-2.4%
Water Treatment Chief Operator	\$68,245	\$64,191	+6.3%

Private Sector Salary Range Midpoint Rate

A majority of the City's jobs only exist in the public sector. However, there are jobs that are interchangeable between the public and private sectors. PCG has identified those positions that have valid comparable labor market data and constructed a comparison of those sectors.

The midpoint of the salary range represents the midpoint of the range of pay that an employer will pay for a job/skill set. This is usually understood to be where the organization would set the pay rate for an incumbent who has a journey-level education and experience. From an experience level this is generally understood to be 4-5 years.

The chart on page 25 shows the overall comparison of the private sector competitive labor market salary range midpoint rates and the City's comparable salary range midpoint rates.

Competitive Compensation Analysis

Salary Range Midpoint Rates – Private Sector Employers

Job Title	City Midpoint Salary Range Rate	Market Average Midpoint Salary Range Rate	City as a Percent of Market Average Rate
Accounting Technician	\$50,753	\$43,800	+15.9%
Administrative Specialist I	\$42,726	\$31,300	+36.5%
Finance Director	\$91,836	\$94,000	-2.3%
General Services Foreman	\$58,822	\$68,600	-14.3%
Human Resources Specialist	\$64,952	\$68,300	-4.9%
IT Specialist	\$55,987	\$63,300	-11.6%

Competitive Compensation Analysis

City in comparison to market segment averages – Minimum Salary Range Rate

City as a Percent of Public Sector
-10.9%

City in comparison to market segment averages – Maximum Salary Range Rate

City as a Percent of Public Sector
-0.9%

City in comparison to market segment averages – Midpoint Salary Range Rate

City as a Percent of Public Sector	City as a Percent of Private Sector
-4.5%	+3.2%

Competitive Benefits Analysis

Medical Benefits

Comparisons of medical contribution rates are appropriate at the local level since healthcare markets vary significantly amongst regional areas due to a variety of supply, regulations and competitive demographics.

Comparisons were made to organization's most expensive plans and benchmarked to the City's HMO Plan.

Medical Plan Premiums:

The following data is sourced from the 2016 Kaiser/HRET Survey of Employer-Sponsored Health Benefits:

- Nationally, 88% of employees with employee only coverage contribute towards their premiums.
- Medical premium inflation has averaged 5% annually since 2011.

In Nevada:

- Employees with Employee Only coverage pay an average of 18.9 % of the total premium cost for their medical insurance.
- Employees with Employee+1 coverage pay an average of 26.1% of the total premium cost for their medical insurance.
- Employees with Family coverage pay an average of 22.9% of the total premium cost for their medical insurance.

City employees pay:

- 0% of the total premium cost for Employee Only coverage
- 30% of the total premium cost for Employee + Child coverage
- 30% of the total premium cost for Employee + Spouse coverage
- 30% of the total premium cost for Family coverage.

Competitive Benefits Analysis

Holidays Paid

City Paid Days per Year	Nevada Public Sector Average Paid Days per Year
12	12

Personal Leave

Years of Service	City Paid Days per Year	Nevada Public Sector Average Paid Days per Year
0 < 5	13	12
5 < 12	19.5	20
12+	26	23

Sick Leave

City Paid Days per Year	Nevada Public Sector Average Paid Days per Year
15	14

V. Summary and Recommendations

Methodology

PCG was tasked with provision of a recommendation on a new classification and compensation structure for the City to consider that would provide a balance between internal equity and external competitiveness. It would also need to be constructed in a way that would allow internal Human Resources staff the means to be able to maintain in a viable and equitable manner.

The recommended structure mirrors the ten (10) job categories used by the Equal Employment Opportunity Commission (EEOC) to classify employees at all employer and industry groupings in the United States. The classification plan is included in Appendix A of this report. The City classification structure grades and corresponding EEOC job categories definitions are listed as follows:

Grades A1 – A3

Administrative Support – Occupations in which employees are responsible for internal and external communications, retrieval and recording of data and/or information required in an office.

Grades A1 – A3

Service/Maintenance – Occupations in which employees perform duties which result in or contribute to the comfort, convenience, hygiene, or safety of the general public or contribute to the upkeep and care of buildings, facilities or grounds of public properties. Employees in this group may operate machinery.

Grade T1 – T3

Paraprofessionals – Occupations in which employees perform some of the duties of a professional or technician in a supportive role, which usually require less formal training and/or experience normally required for professional or technical staff.

Classification Structure

Methodology (continued)

Grades T1 – T3

Technicians – Occupations which require a combination of basic scientific or technical knowledge and manual skill which can be obtained through specialized post-secondary school education or through equivalent on-the-job training.

Grades T1 – T3

Skilled Craft Workers – Occupations in which employees perform jobs which require manual skill and a thorough and comprehensive knowledge of the process involved in the work which is acquired through on-the-job training OR through apprenticeship or other formal training programs.

Grades P1 – P2

Professionals – Occupations which require specialized and theoretical knowledge which is usually acquired through college training or through work experience and other training which provides considerable knowledge.

Grades M1, M2, D1, D2, S1, S2, E1

Supervisors, Managers, Directors and Executives – Occupations that are designated by the organization for responsibility over staff in a unit/division and has the authority to discipline, hire and terminate.

Compensation Structure

Base Salaries

In setting the compensation of an individual employee, the City should consider such criteria as experience, value to the organization, scope and complexity of the position in relation to other positions at the same pay grade level. Par (average) performers are typically compensated at market rates and sub-par performers are typically compensated at below market rates. Consistent high level performers should be paid at or above the market rate for their jobs.

PCG has recommended different wage structure options to assist in collective bargaining negotiations. Based upon the results of the negotiations pay ranges will be constructed that will bring external equity to the City's compensation structure.

PCG has recommended compensation structures that take into account labor market trends and avoid compression with among occupational groups. It is critical that appropriate spacing is maintained so as to enable promotion opportunities and retention of internal talent.

The City will develop solutions to transition issues from the existing to the new system, such as classification seniority, red circles and green circles (over range maximum and under range minimum rates), pay placement, etc.

NOTE: Actual incumbent employee pay level and position within the range is determined by years of service, performance and the individual's knowledge, skills and experience.

Compensation Structure

Salary Ranges

PCG has utilized public sector labor market averages for salary range midpoint rates to construct and benchmark the City's new compensation ranges. This is based upon:

- Average base salary rates reflect wages currently being paid to an organization's incumbents. It carries a bias in that an organization could be paying high or low rates due to a variety of factors. Example: With recent downsizing in local public sector agencies, the higher seniority (higher paid) incumbents remain employed. This drives up the salary rate and does not reflect the reality of the worth of the job.
- Pay structure rates reflect what value the organization has determined for a particular skill set (job). This provides an objective and measurable indicator of how other organizations value a job/skill set.
- The midpoint rate reflects pay at the journey-level of a particular job. This is a professionally accepted data point used to construct a pay range that reflects the breadth of skill sets within a particular job and allows for valid pay range construction.
- The Nevada Public Sector is the primary labor market from which the City competes for talent (attraction and retention) for the majority of its jobs.
- City staff will be able to obtain pay range information more readily in order that they can benchmark and maintain the system in the future.

Summary and Recommendations

System Maintenance:

The market positioning of the City's jobs should be reviewed at a minimum every twenty-four (24) months. This will provide needed data necessary for use in calculating adjustments to the wage structure based upon labor market movement.

There should be an established policy to ensure that a journey-level employee's base compensation be $\pm 10\%$ of the comparable labor market average midpoint rate for their particular classification.

New jobs should be benched to the market to provide relevant salary data that will assist in recruitment and retention. It will also be of importance in the maintenance of the compensation system.

New jobs and reclassifications can be classified by City Human Resources staff using the classification system template developed by the PCG. The measures that were developed for the new system should make it easier to process these requests and ensure internal equity within the existing system.

Appendix A

Classification Structure

CITY FERNLEY CLASSIFICATION STRUCTURE

Administrative & Operational Support

Grade A1

Accounting Technician I
Administrative Specialist I
Court Clerk I
Maintenance Worker I

Grade A2

Administrative Specialist II
Animal Control Officer I
Court Clerk II
Maintenance Worker II
Utility Operator

Grade A3

Administrative Specialist III
Deputy City Clerk
Legal Secretary
Senior Maintenance Worker

CITY FERNLEY CLASSIFICATION STRUCTURE

Technicians & Trades

Grade T1

Accounting Technician
Animal Control Officer II
Building Inspector I
Meter Technician

Grade T2

Building Inspector II
GIS Technician
Mechanic
Meter Technician/Backflow Specialist
Permit Technician
Shift Operator

Grade T3

Building Inspector III
Lead Operator

CITY FERNLEY CLASSIFICATION STRUCTURE

Professionals

Grade P1

Assistant Planner

Grade P2

Assistant to the City Manager

Associate Engineer

Human Resources Specialist

IT Specialist

Water Rights/GIS Manager

CITY FERNLEY CLASSIFICATION STRUCTURE

Supervisors/Managers

Grade M1

Fleet Foreman

General Services/Facilities Foreman

Parks Foreman

Streets & Storm Drains Foreman

Utilities Manager

Wastewater Systems Foreman

Water Treatment Plant Chief Operator

Water Distribution Systems Foreman

Grade M2

Accountant (Deputy City Treasurer)

Court Administrator

Deputy City Attorney

Deputy Public Works Director

CITY FERNLEY CLASSIFICATION STRUCTURE

Directors

Grade D1

Building Official

Grade D2

City Engineer

Planning Director

Public Works Director

Statutory

Grade S1

City Clerk

Municipal Court Judge

Grade S2

City Attorney

Finance Director/City Treasurer

Executives

Grade E1

City Manager

Appendix B

Compensation Survey Participants

Nevada Public Sector Employer Survey Participants

Cities	Counties
Boulder City	Churchill
Carson City	Lyon
Elko	
Fallon	
Mesquite	