

Compensation Study for the City of New Port Richey, FL

FINAL REPORT



Evergreen Solutions, LLC

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Chapter 1 - Introduction

The leadership at the City of New Port Richey (CNPR) in keeping with its commitment to attracting and retaining the staff necessary to provide high quality services to its citizens determined that its current compensation system needed to be updated to reflect market best practices. This study and the analysis contained within provides the city with valuable information related to their sworn law enforcement employees' and communications dispatchers' demographics, market data, and internal and external equity. This study aims to address how the CNPR Police Department is positioned in the market relative to other cities in the state and to other local area police departments with similar positions. The data gathered during the market portion of this study were used to develop recommendations that allow the city to recruit and retain quality staff.

1.1 STUDY METHODOLOGY

Evergreen Solutions combines qualitative and quantitative data analysis to produce recommendations that maximize the fairness and competitiveness of an organization's compensation structure and practices. It is important to note that the data utilized in the study represents a snapshot in time. As market conditions can change rapidly, it is important for the city to conduct regular market surveys to ensure their external market position does not decay. A full compensation and classification review is recommended approximately every three to five years. Some examples of project activities included:

- Conducting a project kick-off meeting
- Conducting an analysis on the internal conditions at the New Port Richey Police Department
- Determining appropriate target market peers
- Conducting an external market salary survey
- Developing recommendations for compensation management
- Realigning positions based on the market results
- Developing recommendations for compensation changes
- Creating draft and final reports

Kickoff Meeting

The kickoff meeting was held February 21, 2022, to discuss the city's compensation philosophy, finalize the work plan, determine project goals and begin the data collection process. Data collection included the gathering of relevant background material including existing pay plans, organization charts, policies, procedures, training materials, classification specifications, and other pertinent material.



Internal Analysis

The internal analysis was run on data provided by the city and consisted of “union covered” positions only. (i.e. sworn officers and communications dispatchers.) Evaluations were conducted to evaluate employees’ salaries compared to the minimum, midpoint, and maximum of their pay ranges, as well as evaluating the employees’ salaries against the “expected salary” that an employee would expect to make based on the number of years an employee has spent in their current classification.

Salary and Benefits Survey

The external market for this study was defined as identified police departments in the state of Florida, as well as police departments with similar positions, characteristics, demographics, service, and benefit offerings. The cities union classifications in the police department were used to represent the CNPR Police when conducting the salary and benefits surveys. Data was collected for all benchmark classifications provided from approved target organizations and matched with the union positions at the city. These matches helped Evergreen understand the market positioning of the New Port Richey Police Department and which positions might be above or below their true market value.

Recommendations

Evergreen developed recommendations for the city to consider in order to help maximize the effectiveness and efficiency of its current compensation structure. Evergreen provided the city with a variety of recommendations for the future at various costs. Ultimately, Evergreen submitted three implementation options that will be described in greater detail in **Chapter 4** of this report.

1.2 REPORT ORGANIZATION

This report includes the following chapters:

- Chapter 1 – Introduction
- Chapter 2 – Assessment of Current Conditions
- Chapter 3 – Benefits Summary
- Chapter 4 – Market Salary Survey Summary
- Chapter 5 – Recommendations

Chapter 2 - Assessment of Current Conditions

An assessment of current conditions was conducted to help Evergreen better understand the current standing of the CNPR Police Department pay plan, demographics, and compensation structures. This assessment should be considered a snapshot in time and is reflective of the conditions present within the city upon the commencement of this study. By leveraging this information, Evergreen was able to gain a better understanding of the strengths and weaknesses of the current compensation system. When combined with the market results,



the Assessment of Current Conditions helped provide a basis for recommendations. A full summary of the Assessment of Current Conditions can be found in **Chapter 2** of this report.

Chapter 3 – Benefits Survey Summary and Chapter 4 – Market Salary Survey Summary

Salary and benefits surveys were designed by Evergreen and approved by the City Manager. The external market was recommended by Evergreen and approved by the City Manager. After the results were received, the data was analyzed to compare the city to the overall results from public-sector peers. Combined with the Assessment of Current Conditions, the market survey gave Evergreen the information needed to understand the city's position relative to its labor market. A full summary of the market and benefits results can be found in **Chapters 3 and 4** of this report.

Chapter 5 – Recommendations

During the recommendations phase, Evergreen provided several different solution options based on the CNPR's current relationship to market. Evergreen has provided the CNPR with recommendations that will leverage the strengths of the current compensation structure and also help expand its ability to recruit and retain talent in the most competitive classifications. A full explanation of the recommendations can be found in **Chapter 5** of this report.



Chapter 2 – Assessment of Current Conditions

The purpose of this chapter is to provide a statistical analysis of the classification and compensation system in place at the City of New Port Richey Police Department (CNPR) at the start of this study. The assessment is divided into the following sections:

- 2.1 Analysis of Pay Plans
- 2.2 Grade Placement Analysis
- 2.3 Quartile Analysis
- 2.4 Compression Analysis
- 2.5 Summary

The analysis provided in this chapter represents a snapshot in time – this chapter was built off of employee information provided in February 2022. Every organization changes continuously, so this chapter is not meant to be a definitive statement on continuing compensation practices at the CNPR. Rather, this Assessment of Current Conditions or “AOCC” is meant to represent the conditions that were in place when this study began. The data contained within provide the baseline for analyses through the course of this study but are not sufficient cause for recommendations in isolation. By reviewing employee data, Evergreen gained a better understanding of the structure and methods in place and identified issues for both further review and potential revision.

2.1 ANALYSIS OF PAY PLANS

The purpose of analyzing the various pay structure within the Police Department is to help gain an overview of the compensation philosophy as it existed when the study began. The Police Department had a system in place that categorized classifications by rank and step within rank. This system used the classification title as the grade and the classification references the specific step in each grade. **Exhibit 2A** displays the Police Department’s pay plan summarized for ease of comparison. The exhibit provides each pay grade on the plan; the value of each pay grade at minimum, midpoint and maximum; the range spread for each pay grade – which is a measure of the distance between the minimum and maximum of the grade; the midpoint progression between grades; and the number of employees per pay grade.

The Police Department’s pay plan includes seven occupied pay grades that hold 44 employees. The range spreads of the grades fall between 5 – 21 percent for the pay plan.



EXHIBIT 2A PAY PLAN SUMMARY

Pay Plan	Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression	Employees
	PATROL OFFICER PART TIME	\$ 49,566	\$ 49,566	\$ 49,566	0%	-	3
	PATROL OFFICER	\$ 42,702	\$ 51,438	\$ 60,174	41%	-	23
	MASTER PATROLMAN	\$ 61,610	\$ 62,346	\$ 63,082	2%	21%	3
	POLICE CORPORAL	\$ 64,896	\$ 65,697	\$ 66,498	2%	5%	6
	POLICE SERGEANT	\$ 69,888	\$ 71,469	\$ 73,050	5%	9%	6

Comparing the summary data in **Exhibit 2A** to best practices, a number of observations can be made regarding the Police Department pay plans. Based on the analysis of the pay plan, the following facts can be observed:

- Range spreads are generally set between 50-70 percent. The city's range spread of 41% for patrol officers is slightly narrower than you would typically see in the market today.
- The minimum annual pay offered to any Sworn Officer is \$42,702 while the maximum salary of any pay grade is \$89,398.

2.2 GRADE PLACEMENT ANALYSIS

The Grade Placement Analysis examines how sworn officer salaries are distributed throughout the pay grades. This can help identify salary progression issues, which are usually accompanied by sworn officer salaries that are clustered in segments of the pay grades. A clustering of sworn officer salaries in the lower part of ranges can indicate a lack of salary progression for sworn officers or a high level of turnover. A clustering of sworn officer salaries in the high end of pay ranges can be a sign of high sworn officer tenure or a sign that the pay ranges are behind market, forcing the organization to offer salaries near the maximum of the range to new hires. With regard to minimum and maximum salaries, sworn officers at the grade minimum are newer to the organization or to the classification in the probationary status, while employees at the grade maximum are those who have achieved the definable progression in the rank. The Grade Placement Analysis examines how salaries compare to pay range minimums, midpoints, and maximums. Only pay grades with at least one incumbent are included in this analysis.

Exhibits 2B displays the percentage and number of sworn officers compensated at their pay grade minimum and pay grade maximum. The percentages presented are based on the total number of employees in that grade. As can be seen in the exhibit, 31.6 percent (12 total) of all employees are compensated at their pay grade's minimum. A smaller percent of employees, at 18.4 percent (7 total), are compensated at their pay grade's maximum.



EXHIBIT 2B
EMPLOYEES AT MINIMUM AND MAXIMUM BY GRADE

Grade	Employees	# at Min	% at Min	# at Max	% at Max
PATROL OFFICER	23	9	39.1%	2	8.7%
MASTER PATROLMAN	3	1	33.3%	2	66.7%
POLICE CORPORAL	6	1	16.7%	2	33.3%
POLICE SERGEANT	6	1	16.7%	1	16.7%
Total	38	12	31.6%	7	18.4%

In addition to assessing the number of sworn officers at minimum and maximum, an analysis was conducted to determine the number of sworn officers below and above pay grade midpoint. The percentages refer to the percentage of sworn officers in each pay grade that are above and below midpoint. **Exhibit 2C** displays the results of this analysis: a total of 38 sworn officers are compensated below their pay grade midpoint—which is 65.8 percent of all Sworn Officers for the Police Department. There are 13 employees compensated above midpoint of their pay grade, which is 34.2 percent of all employees.

EXHIBIT 2C
EMPLOYEES ABOVE AND BELOW MIDPOINT BY PAY GRADE

Grade	Employees	# < Mid	% < Mid	# > Mid	% > Mid
PATROL OFFICER	23	17	73.9%	6	26.1%
MASTER PATROLMAN	3	1	33.3%	2	66.7%
POLICE CORPORAL	6	4	66.7%	2	33.3%
POLICE SERGEANT	6	3	50.0%	3	50.0%
Total	38	25	65.8%	13	34.2%

2.3 QUARTILE ANALYSIS

The last part of the Grade Placement Analysis is a detailed look at how salaries are distributed through pay grades, through a quartile analysis. Here, each pay grade is divided into four segments of equal width, called quartiles. The first quartile represents the first 25 percent of the pay range; the second quartile represents the part of the range above the first quartile up to the mathematical midpoint; the third quartile represents the part of the range from the midpoint to 75 percent of the pay range; and the fourth quartile represents the part of the range above the third quartile up to the pay range maximum. Sworn officers are assigned to a quartile within their pay range based on their current salary.

The quartile analysis is used to determine the location of sworn officer salary clusters. Quartile analysis helps identify whether clusters exist in specific quartiles of pay grades. Additionally, the amount of time the sworn officer has spent at the organization is also analyzed, in order



to observe any relationship between organizational tenure and salary progression. This information, while not definitive alone, can shed light on any root issues within the current compensation plan when combined with market data.

Exhibit 2D shows the number of sworn officers that are in each quartile of each grade, as well as the average overall tenure (i.e., how long a sworn officer has worked for the CNPR) by quartile. Overall, data provide that 36.84 percent of sworn officers fall into Quartile 1 of their respective grade; 28.95 percent fall into Quartile 2; 10.53 percent fall into Quartile 3; and 23.68 percent fall into Quartile 4. While this distribution does not lead to a conclusion, data for average tenure do lead to determinations on the relationship between tenure and salary.

Specifically, overall average tenure increases as quartile increases; the average tenure in Quartile 1 is 4.2 years; in Quartile 2 is 3.3 years; in Quartile 3 is 7.9 years; and in Quartile 4 is 12.0 years. This would seem to indicate that employees are moved through their pay grades equitably, or at the very least a positive linear relationship exists between tenure and pay.

Exhibit 2E displays a graphical representation of the data contained in **Exhibit 2D**. Each pay grade is divided into up to four sections representing the percentage of sworn officers, in that pay grade, who belong in each quartile. For example, Master Patrolman has zero sworn officers in Quartile 2, or 3. That pay grade is represented by a 33.3 percent red bar, and 66.7 percent green bar, showing that one-third of the Master Patrolmen are in Quartile 1 while two-thirds are in Quartile 4. Patrol Officer has sworn officers in all four quartiles, however, and is consequently represented with a bar displaying all four colors, corresponding to the percentage of employees in each quartile.

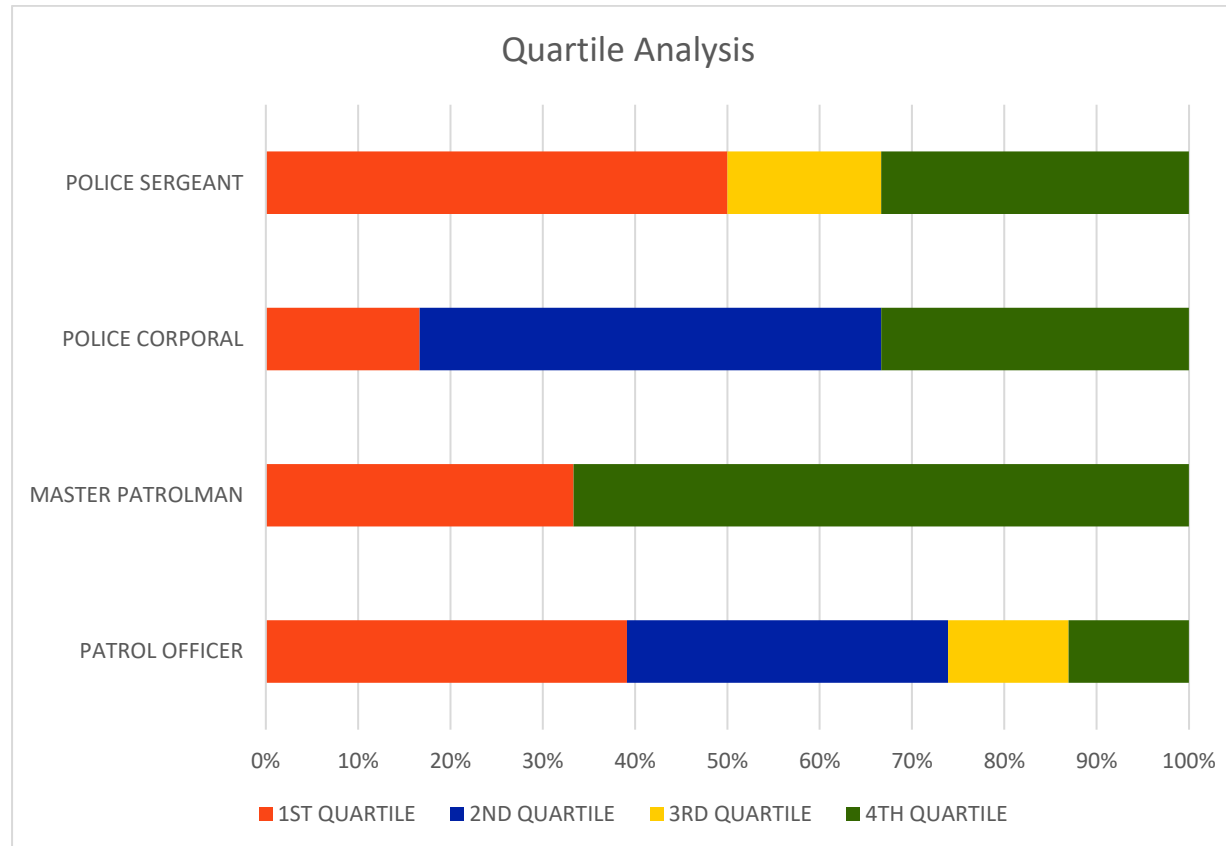


EXHIBIT 2D
QUARTILE ANALYSIS AND TIME WITH THE ORGANIZATION

GRADE	Total Employees	Average Tenure	1st Quartile		2nd Quartile		3rd Quartile		4th Quartile	
			# Employees	Avg Tenure	# Employees	Avg Tenure	# Employees	Avg Tenure	# Employees	Avg Tenure
PATROL OFFICER	23	2.4	9	0.8	8	2.3	3	4.1	3	5.7
MASTER PATROLMAN	3	12.9	1	6.3	0	-	0	-	2	16.2
POLICE CORPORAL	6	6.9	1	2.8	3	6.2	0	-	2	10.0
POLICE SERGEANT	6	16.8	3	14.4	0	-	1	19.1	2	19.2
Overall	38	6.2	14	4.2	11	3.3	4	7.9	9	12.0



EXHIBIT 2E
QUARTILE PLACEMENT BY PAY GRADE



The Police Department has a clearly defined pay structure: if a sworn officer has the tenure requirement and meets any respective qualifications, they can advance in the step within their rank. This leads to salary growth over time; however, employees can reach the ceiling (20.5 percent in the 4th quartile) and progression is halted unless they take the steps to advance in rank.

2.4 COMPRESSION ANALYSIS

Pay compression can be defined as the lack of variation in salaries between employees with significantly different levels of experience and responsibility. Compression can be seen as a threat to internal equity and morale. Two common types of pay compression can be observed when the pay of supervisors and their subordinates are too close, or when the pay of highly tenured staff and newly hired employees in the same job are too similar.

According to the Society for Human Resources Management (SHRM), specific examples of actions that may cause pay compression include the following:

- Reorganizations change peer relationships and can create compression if jobs are not reevaluated.
- In some organizations, certain departments or divisions may be relatively liberal with salary increases, market adjustments, and promotions—while others are not.
- Some employers have overlooked their Human Resources policies designed to regulate pay, paying new hires more than incumbents for similar jobs under the mantra of “paying what it takes to get the best talent.”
- Many organizations have found it easy to hire people who had already done the same work for another organization, eliminating the need for training. Rather than hiring individuals with high potential and developing them for the long term, they have opted for employees who could “hit the ground running”—regardless of their potential.

Exhibit 2F indicates the ratio of subordinate to supervisor salaries by grade graphically, and **Exhibit 2G** displays these results numerically. Employees were grouped into categories reflecting whether their actual salary was less than 80 percent, less than 95 percent, or greater than 95 percent of their supervisor’s salary. Less than 80 percent would indicate that the ratio of an employee’s salary to his supervisor’s salary would yield a result of less than 0.8. For example, an employee with a salary of \$79,000.00 and a supervisor with a salary of \$100,000.00 would yield a ratio of 0.79 and be placed into the Less than 80 percent category. An analysis of the data would suggest that the compression measured with one’s supervisor is likely a prevalent issue in the organization.

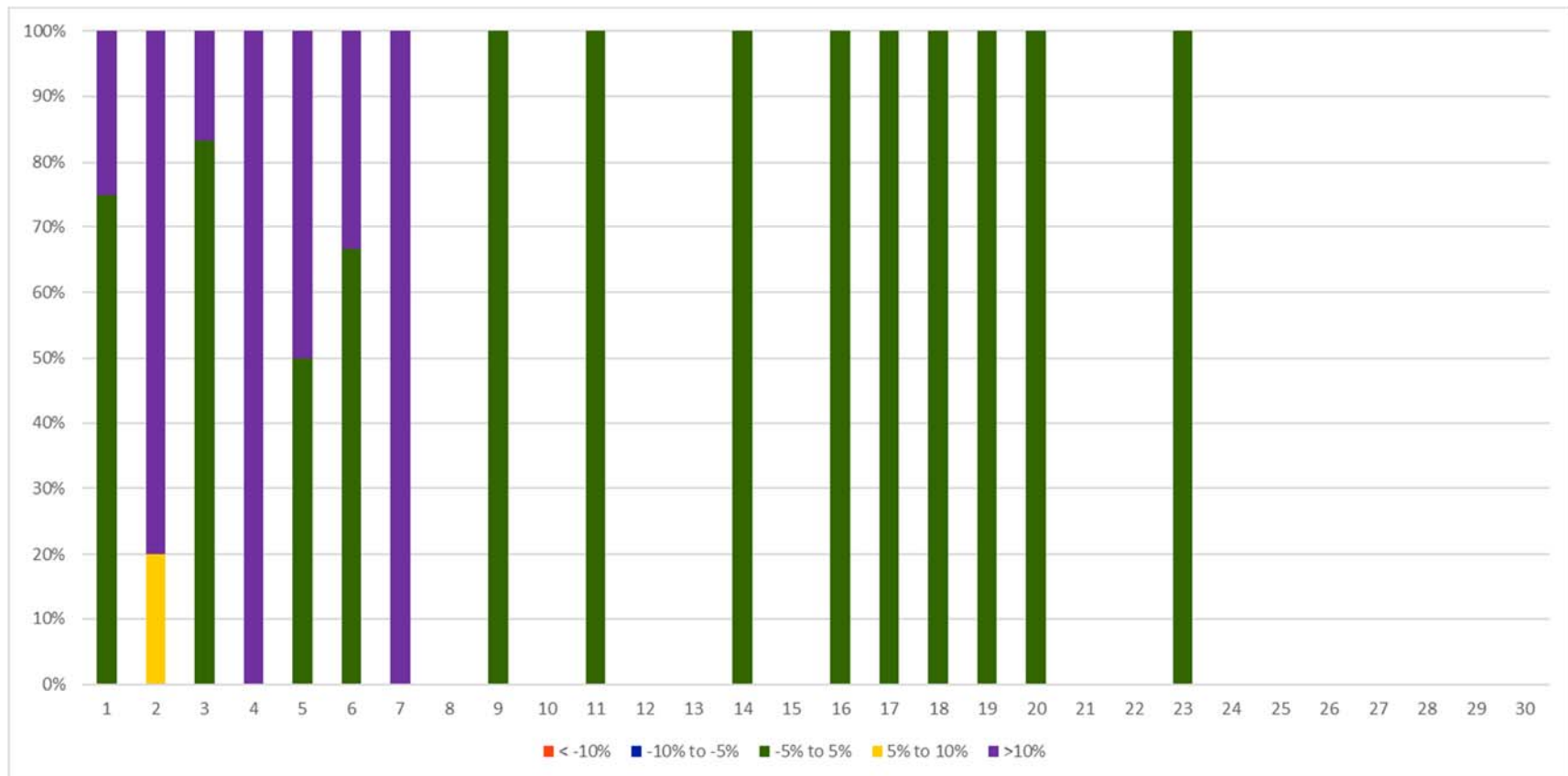


EXHIBIT 2F
ACTUAL VS. EXPECTED SALARY

Tenure	< -10%	-10% to -5%	-5% to 5%	5% to 10%	>10%
1	0	0	3	0	1
2	0	0	0	1	4
3	0	0	5	0	1
4	0	0	0	0	3
5	0	0	2	0	2
6	0	0	2	0	1
7	0	0	0	0	1
8	0	0	0	0	0
9	0	0	3	0	0
10	0	0	0	0	0
11	0	0	1	0	0
12	0	0	0	0	0
13	0	0	0	0	0
14	0	0	2	0	0
15	0	0	0	0	0
16	0	0	1	0	0
17	0	0	1	0	0
18	0	0	1	0	0
19	0	0	2	0	0
20	0	0	1	0	0
21	0	0	0	0	0
22	0	0	0	0	0
23	0	0	1	0	0
24	0	0	0	0	0
25	0	0	0	0	0
26	0	0	0	0	0
27	0	0	0	0	0
28	0	0	0	0	0
29	0	0	0	0	0
30	0	0	0	0	0



EXHIBIT 2G
ACTUAL VS. EXPECTED SALARY



2.5 SUMMARY

The CNPR utilizes one pay plan to classify their sworn officers. This provides a defined approach to allow the city to define salary progression within the ranks until a sworn officer reaches the highest level. There were many observations made with respect to the city's compensation system in place for the Police Department at the beginning of the study.

- Range spread, generally recommended to be between 50-70 percent, is narrower than what is usually seen in the market. The CNPR's plan has range spreads varying from 0 to 41 percent.
- Some employees are paid where the current expectation is based on a thirty-year progression plan as a result of the ceiling at most pay grades and the stagnant salary at the highest ranks.
- One-fifth of sworn officers are in Quartile 4 which is the maximum of the pay ranges for each rank. This is the top of the pay range, while the longest employee tenure is 22.7 years.
- The advancement between ranks holds a narrow progression. This would suggest that the compression measured with one's supervisor likely exists in the organization.

This analysis acts as a starting point for development of recommendations in subsequent chapters of this report. Paired with market data, Evergreen is able to make recommendations that will ensure that the City of New Port Richey's Police Department compensation system is structurally sound in terms of best practice, competitive with the market, and treats all employees equitably moving forward.



Chapter 3 – Benefits Survey Results

As a component of this study, Evergreen conducted a benefits market analysis. A benefits analysis, much like a salary evaluation, represents a snapshot in time of what is available in peer organizations. The Benefit Survey can provide the organization with an understanding of the total compensation (salary and benefits) offered by its peers. It is important to realize that there are intricacies involved with benefits programs that are not captured by a benefits survey alone.

This information should be used as a cursory overview and not a line-by-line comparison since benefits can be weighted differently depending on the importance to the organization. It should also be noted that benefits are sometimes negotiated and acquired through third parties, so one-to-one comparisons can be difficult. The analysis in this chapter highlights aspects of the benefits survey that provide pertinent information and had high completion rates by target peers.

Exhibit 3A provides a list of the 6 target peers from which full or partial benefits data were obtained for this analysis.

EXHIBIT 3A BENEFITS SURVEY RESPONDENTS

Clermont, FL
Leesburg, FL
Marco Island, FL
Tavares, FL
Clearwater, FL
Auburndale, FL



3.1 EMPLOYEE INSURANCE COVERAGES AND MISCELLANEOUS BENEFITS

Exhibit 3B displays a basic overview of peer benefits as a percent of total compensation and the average number of health plans offered.

**EXHIBIT 3B
OVERALL BENEFITS INFORMATION**

Total Compensation		Peer Average
Benefits as a percentage of total compensation		32.5%

Number of Plans	Peer Average	City of New Port Richey Police
Number of health plans offered	1.7	2

Exhibit 3B displays that the average number of health plans offered by peers (any combination of HMO, PPO, High Deductible, or other type of plan) is 1.7, while CNPR offers two types of health plans.

3.2 HEALTH PLANS

Exhibit 3C displays data on the types of health plans offered by peers. As can be seen, 33.3 percent of peers offer an HMO plan and 66.7 percent offer a PPO plan. 33.3 percent offer a supplemental health plan in addition to their main option. The data shows that the percentage of an individual employee's premium paid by the employer is 0 percent for all health plans in the market at all levels including. Employers in the market contribute equally for Employee Plus Child premiums and Employee plus Spouse. In and out of network deductibles are also shown in **Exhibit 3C**.



EXHIBIT 3C
OVERVIEW OF HEALTH PLANS OFFERED BY PEERS

Health Plan Premiums & Deductibles	Peer HMO Average	Peer PPO Average	Other Plans Average
Percentage of peers offering each plan	33.3%	66.7%	33.3%
DOLLAR AMOUNT (monthly) of employee premium paid by employer	\$671.92	\$1,271.12	\$863.90
PERCENTAGE (monthly) of employee premium paid by employer	-	-	-
DOLLAR AMOUNT (monthly) of employee premium paid by employee	\$15.00	\$57.19	\$27.16
PERCENTAGE (monthly) of employee premium paid by employee	-	-	-
Individual Maximum Deductible In Network	\$1,500.00	\$2,312.50	\$2,500.00
Individual Maximum Deductible Out of Network	\$1,000.00	\$2,666.67	\$4,000.00
DOLLAR AMOUNT (monthly) of employee plus child premium paid by employer	\$97.60	\$1,530.84	\$1,071.69
PERCENTAGE (monthly) of employee plus child premium paid by employer	-	-	-
DOLLAR AMOUNT (monthly) of employee plus child premium paid by employee	\$348.30	\$241.25	\$273.81
PERCENTAGE (monthly) of employee plus child premium paid by employee	-	-	-
Employee Plus Child Maximum Deductible In Network	\$1,000.00	\$2,500.00	\$5,000.00
Employee Plus Child Maximum Deductible Out of Network	\$2,000.00	\$5,000.00	\$8,000.00
DOLLAR AMOUNT (monthly) of employee plus spouse premium paid by employer	\$136.84	\$1,568.39	\$1,085.82
PERCENTAGE (monthly) of employee plus spouse premium paid by employer	-	-	-
DOLLAR AMOUNT (monthly) of employee plus spouse premium paid by employee	\$470.94	\$200.16	\$280.76
PERCENTAGE (monthly) of employee plus spouse premium paid by employee	-	-	-
Employee Plus Spouse Maximum Deductible In Network	\$1,000.00	\$2,500.00	\$5,000.00
Employee Plus Spouse Maximum Deductible Out of Network	\$2,000.00	\$5,000.00	\$8,000.00
DOLLAR AMOUNT (monthly) of employee plus family premium paid by employer	\$234.43	\$1,739.29	\$1,392.55
PERCENTAGE (monthly) of employee plus family premium paid by employer	-	-	-
DOLLAR AMOUNT (monthly) of employee plus family premium paid by employee	\$785.40	\$359.85	\$500.95
PERCENTAGE (monthly) of employee plus family premium paid by employee	-	-	-
Employee Plus Family Maximum Deductible In Network	\$4,000.00	\$4,125.00	\$5,000.00
Employee Plus Family Maximum Deductible Out of Network	\$2,000.00	\$5,666.67	\$8,000.00



For comparison purposes, a summary of the plans offered by CNPR are displayed in **Exhibit 3D**. As can be seen, CNPR offers a Low and High plan with Non-Smoker and Smoker distinctions in each, all including the employee-only paid options.

EXHIBIT 3D
HEALTH PLANS OFFERED BY CITY OF NEW PORT RICHEY

Health Plan Premiums & Deductibles	City of New Port Richey Police Department	City of New Port Richey Police Department	City of New Port Richey Police Department	City of New Port Richey Police Department
Percentage of peers offering each plan	Low Plan Non-Smoker	Low Plan Smoker	High Plan Non-Smoker	High Plan Smoker
DOLLAR AMOUNT (monthly) of employee premium paid by employer				
PERCENTAGE (monthly) of employee premium paid by employer				
DOLLAR AMOUNT (monthly) of employee premium paid by employee	\$48.16	\$153.62	\$153.62	\$153.62
PERCENTAGE (monthly) of employee premium paid by employee				
Individual Maximum Deductible In	\$2,500.00	\$2,500.00	\$1,250.00	\$1,250.00
Individual Maximum Deductible Out of	N/a	N/a	N/a	N/a
DOLLAR AMOUNT (monthly) of employee plus child premium paid by employer				
PERCENTAGE (monthly) of employee plus child premium paid by employer				
DOLLAR AMOUNT (monthly) of employee plus child premium paid by employee	\$349.64	\$349.64	\$349.64	\$349.64
PERCENTAGE (monthly) of employee plus child premium paid by employee				
Employee Plus Child Maximum	\$5,000.00	\$5,000.00	\$2,500.00	\$2,500.00
Employee Plus Child Maximum	N/a	N/a	N/a	N/a
DOLLAR AMOUNT (monthly) of employee plus spouse premium paid by employer				
PERCENTAGE (monthly) of employee plus spouse premium paid by employer				
DOLLAR AMOUNT (monthly) of employee plus spouse premium paid by employee	\$397.99	\$397.99	\$397.99	\$397.99
PERCENTAGE (monthly) of employee plus spouse premium paid by employee				
Employee Plus Spouse Maximum	\$5,000.00	\$5,000.00	\$2,500.00	\$2,500.00
Employee Plus Spouse Maximum	N/a	N/a	N/a	N/a
DOLLAR AMOUNT (monthly) of employee plus family premium paid by employer				
PERCENTAGE (monthly) of employee plus family premium paid by employer				
DOLLAR AMOUNT (monthly) of employee plus family premium paid by employee	\$687.66	\$687.66	\$687.66	\$687.66
PERCENTAGE (monthly) of employee plus family premium paid by employee				
Employee Plus Family Maximum	\$5,000.00	\$5,000.00	\$2,500.00	\$2,500.00
Deductible In Network				
Employee Plus Family Maximum	N/a	N/a	N/a	N/a
Deductible Out of Network				



In addition to questions regarding health care coverages, Evergreen asked peers to provide information on dental, vision, short-term disability, long-term disability, and life coverages.

Exhibit 3E shows that 16.7 percent of peers offer an employer paid dental insurance for employees, while 66.7 percent offer an employee paid dental plan option. Employers pay, on average, \$28.88 monthly for employee only dental insurance, and \$0 for employee plus dependent dental coverage. For the employee paid dental plans, employees pay on average \$17.79 for employee only coverage and \$78.73 for employee plus dependent coverage.

CNPR offers an employee paid dental plan. CNPR employees pay \$25.18 per month for employee only coverage, and \$79.98 per month for employee plus dependent coverage.

EXHIBIT 3E DENTAL COVERAGE QUESTIONS

Dental		Peer Percentage Offered	Average Number of Plans Offered	Average maximum monthly amount that the employee pays for employee only coverage	Average maximum monthly amount that the employee pays for employee plus dependent coverage	Average maximum monthly amount the employer pays for employee only coverage	Average maximum monthly amount the employer pays for employee plus dependent coverage
Dental Insurance	Employer	16.7%	1.0	-	-	\$28.88	\$0.00
	CNPR	-	-	-	-	-	-
	Employee	66.7%	0.0	\$17.79	\$78.73	-	-
	CNPR	-	2.0	\$25.18	\$79.98	-	-

Exhibit 3F shows that 16.7 percent of peers offer an employer paid vision insurance for employees, while 66.7 percent offer one or more employee paid vision plan options. The average cost to peers for employee and employee plus dependent vision coverage is \$5.12 and 17.18 respectively. The employee's premiums for optional employee paid plans averaged \$7.05 for employee only coverage while the average cost for employee plus dependent coverage is \$17.80. CNPR offers an employee paid vision plan. The employees' premiums for employee only coverage is \$5.32 monthly and \$16.54 for employee plus dependent coverage.



EXHIBIT 3F VISION COVERAGE QUESTIONS

Vision		Peer Percentage Offered	Average Number of Plans Offered	Average maximum monthly amount that the employee pays for employee only coverage	Average maximum monthly amount that the employee pays for employee plus dependent coverage	Average maximum monthly amount the employer pays for employee only coverage	Average maximum monthly amount the employer pays for employee plus dependent coverage
Vision Plan	Employer Paid	16.7%	1	-	-	\$5.12	\$17.18
	CNPR	-	-	-	-	-	-
	Employee Paid	66.7%	1.0	\$7.05	\$17.80	-	-
	CNPR	-	1.0	\$5.32	\$16.54	-	-

For short-term disability coverage, none of responding peers offer an employer paid plan and 50 percent offer an employee paid plan as displayed in **Exhibit 3G**. On average, peers pay an average of 60 percent of salary at the time of a disability. CNPR offers employee paid short-term disability coverage but does not offer employer paid short-term disability coverage. The monthly cost to employees for employee paid employee only coverage depends on income. CNPR pays 60 percent of salary at the time of disability.

EXHIBIT 3G SHORT-TERM DISABILITY COVERAGE QUESTIONS

Disability Insurance		Peer Percentage Offered	Average Number of Plans Offered	Average maximum monthly amount that the employee pays for employee only coverage	Average maximum monthly amount that the employee pays for employee plus dependent coverage	Average maximum monthly amount the employer pays for employee only coverage	Average maximum monthly amount the employer pays for employee plus dependent coverage	Percentage of salary the employee receives
Short-Term Disability	Employer Paid	0.0%	-	-	-	-	-	-
	City of New Port Richey Police Department	-	-	-	-	-	-	-
	Employee Paid	50.0%	1.0	\$ 60.60	-	-	-	60.0%
	City of New Port Richey Police Department	-	1.0	-	-	-	-	60%
	Department	-	1.0	-	-	-	-	60%



For long-term disability, 16.7 percent of responding peers offer an employer paid long-term disability plan and 33 percent offer an employee paid plan as displayed in **Exhibit 3H**. On average, employer paid plans pay 60.9 percent of salary at the time of a disability and employee paid plans paid an average of 60 percent of salary. CNPR does offer a Long-term disability plan that will pay 60% of salary at the time of a disability.

EXHIBIT 3H
LONG-TERM DISABILITY COVERAGE QUESTIONS

Disability Insurance		Peer Percentage Offered	Average Number of Plans Offered	Average maximum monthly amount that the employee pays for employee only coverage	Average maximum monthly amount that the employee pays for employee plus dependent coverage	Average maximum monthly amount the employer pays for employee only coverage	Average maximum monthly amount the employer pays for employee plus dependent coverage	Percentage of salary the employee receives
Long-Term Disability	Employer Paid	16.7%	1.00	-	-	-	-	60.9%
	City of New Port Richey Police Department							
	Employee Paid	33%	1.00	\$ 153.84	-	-	-	60%
	City of New Port Richey Police Department	-	1					60%

Exhibit 3I summarizes the life insurance offerings of responding peers and CNPR. Overall, 66.7 percent of the responding peers offer life insurance and 50 percent indicated that they offer optional dependent coverage. CNPR offers employer-paid life insurance and additional voluntary life insurance policies.

Of the responding peers, 50 percent indicated providing accidental death insurance and 50 percent indicated providing additional life insurance if desired. CNPR offers accidental death insurance as well.



**EXHIBIT 3I
LIFE INSURANCE**

Life Insurance	Peer Percentage Yes	Peer Average	City of New Port Richey Police Department
Is employer-paid life insurance offered?	66.7%	-	Yes
Cost (monthly) to employer for individual coverage	-	\$0.08	
Dollar amount of death benefit	-	\$10,000.00	\$10,000.00
Is Optional dependent coverage offered?	50.0%	-	Yes
Can the employee purchase (additional) life insurance if desired?	50.0%	-	Yes
Is accidental death insurance provided?	50.0%	-	Yes

3.3 EAP, TUITION REIMBURSEMENT, 529 PLANS, AND FINANCIAL PLANNING

Exhibit 3J displays questions regarding Employee Assistance Programs. As shown, 66.7 percent of participating peers offer EAP. For all respondents, benefits are available to family members in addition to the employee. On average, peers provide 4.5 EAP visits per year. CNPR offers EAP with 4 annual visits and allows the benefits to be available to family members in addition to the employee.

**EXHIBIT 3J
EMPLOYEE ASSISTANCE PROGRAMS**

EAP	Peer Percentage Yes	Peer Average	City of New Port Richey Police Department
Is an EAP offered?	66.7%	-	Yes
Are benefits available to family members as well as the employee?	50.0%		Yes
Number of Annual EAP Visits Provided	-	4.5	4



Exhibit 3K displays questions regarding Tuition Reimbursement. As shown, 83.3 percent of the responding peers indicated that they have provisions to provide some type of tuition reimbursement for employees. On average, peers' tuition reimbursement limit was \$1,317.99. One peer indicated offering a book reimbursement of \$350 per fiscal year, which is not factored into the exhibit but is important to note.

**EXHIBIT 3K
TUITION REIMBURSEMENT**

Tuition Reimbursement	Peer Percentage Yes	Peer Average	City of New Port Richey Police Department
Is Tuition Reimbursement offered?	83.3%	-	Yes
Tuition Reimbursement Limit	-	\$1,317.99	\$1,500.00

3.4 RETIREMENT

Exhibit 3L displays that the average number of plans offered by peers is 1.6 while CNPR has one plan.

**EXHIBIT 3L
NUMBER OF RETIREMENT PLANS**

Number of Plans	Peer Average	City of New Port
Number of retirement plans offered	1.6	1

Exhibit 3M provides questions regarding retirement details. On average, participating peers offer 8 years to fully vest. As shown, 0 percent of participating peers' retirement plan offers a disability provision. For participating peers, employee contribution to this retirement option is 10 percent and employer contribution is 10 percent. CNPR requires 10 years to fully vest.



EXHIBIT 3M RETIREMENT DETAILS

Retirement Details	Peer Average	City of New Port Richey Police Department
Years to Fully Vest	8.0	10
COLA Offered to Retiree Pensions	0.0%	0.0%
Does the organization's retirement plan offer a disability provision?	0.0%	60%
What percent of salary does the organization contribute to this retirement option?	10.0%	12.5
What percent of salary does the employee contribute to this retirement option?	10.0%	6.5

Exhibit 3N displays questions regarding Retirement Participation. As shown, 100 percent of the responding peers indicated that participate in a State Retirement System. 66.7 percent of responding peers also indicated that they offer another retirement option, other than a state plan. CNPR does participate in a state retirement plan and offers a D.R.O.P. Plan.

EXHIBIT 3N RETIREMENT PARTICIPATION

Retirement Participation	Peer Percentage Yes	City of New Port Richey Police Department
Does the organization participate in a State Retirement System?	100.0%	No
Is a retirement option other than a state plan offered?	66.7%	Private
Is D.R.O.P. offered?	28.6%	Yes
Is a 401k, 401a, 403(b), or 457 offered?	20.0%	-
Is a type of plan other than a 401k, 401a, 403(b) or 457 offered?	-	-
Does the employer contribute to any of these non-state retirement options?	14.3%	-



Exhibit 30 shows that 83.3 percent of participating peers offer health insurance to retired employees. Additionally, 66.7 percent of respondents offer dental insurance to retired employees while 33.3 percent offer life insurance to retired employees. CNPR offers health, and dental insurance to retired employees.

EXHIBIT 30 INSURANCE FOR RETIREES

Insurance for Retirees	Peer Average	City of New Port Richey Police Department
Does your organization offer health insurance to retired employees?	83.3%	Yes
Does your organization offer dental insurance to retired employees?	66.7%	Yes
Does your organization offer life insurance to retired employees?	33.3%	No

3.5 EMPLOYEE LEAVE, HOLIDAYS, AND COMPENSATORY TIME

Exhibit 3P provides the average minimum and maximum accrual rates—the average years of service required to achieve the maximum accrual rate for Personal Leave, Sick Leave, Annual/Vacation Leave, and Paid Time off (PTO) leave for respondents.

EXHIBIT 3P LEAVE TIME ACCRUAL

Leave Accrual	Organization	Offered?	Minimum Accrual Rate (Monthly)	How many years of service does it require to begin to accrue the minimum rate?	Maximum Accrual Rate (Monthly)	Years to Achieve Maximum Accrual Rate	Maximum Allowed to Roll Over to Following Year
Sick Leave	Peer Percentage Yes/Average	50.0%	6.59	0.0	7.93	0.5	96.0
	City of New Port Richey Police Department	Yes	4.00	0	4.00	0.0	Unlimited
Annual/Vacation Leave	Peer Percentage Yes/Average	60.0%	6.61	0.0	13.42	17.3	168
	City of New Port Richey Police Department	Yes	8.00	0.0	12.00	10.0	-
Personal Leave	Peer Percentage Yes/Average	33.3%	-	0.0	-	-	-
	City of New Port Richey Police Department	Yes	0.66	1.0	1.25	5.0	-
Paid-Time Off	Peer Percentage Yes/Average	20.0%	13.00	0.0	18.70	10.0	264
	City of New Port Richey Police Department	No	-	-	-	-	-



As shown, 50 percent of peers offer sick leave, 60 percent of peers offer annual/vacation leave, 33.3 percent of peers offer personal leave and 20 percent of peers offer PTO.

CNPR offers sick leave with unlimited accrual, annual/vacation leave, and personal leave, but does not offer paid time off.

Exhibit 3Q summarizes respondent policies regarding sick and vacation leave payout. Sick leave is paid out upon voluntary separation only for 50 percent of peers. Unused sick leave counts towards retirement in 50 percent of participating peers. Vacation leave is paid out upon voluntary separation in 100 percent of responding peer organizations, and vacation leave is paid out upon involuntary separation in 100 percent of responding peer organizations.

CNPR does not pay out sick leave upon voluntary and involuntary separation. CNPR does allow unused annual/vacation leave to be paid out upon voluntary and involuntary separation.



EXHIBIT 3Q
SICK AND VACATION LEAVE PAYOUT

Sick Leave Policies	Peer Percentage Yes	Peer Average	City of New Port Richey Police Department
Is unused sick leave paid out upon voluntary separation?	50.0%	-	No
Max hours of sick leave paid out upon voluntary separation	-	-	-
Is unused sick leave paid out upon involuntary separation?	0.0%	-	No
Max hours of sick leave paid out upon involuntary separation	-	-	-
Can unused sick leave count towards retirement?	50.0%	-	No
Max hours of sick leave that can count towards retirement	-	-	-
Vacation Leave Policies	Peer Percentage Yes	Peer Average	City of New Port Richey Police Department
Is unused annual/vacation leave paid out upon voluntary separation?	100.0%	-	Yes
Max hours of annual/vacation leave paid out upon voluntary separation	-	320.0	No maximum
Is unused annual/vacation leave paid out upon involuntary separation?	100.0%	-	Yes
Max hours of annual/vacation leave paid out upon involuntary separation	-	-	No maximum

The percentage of peers that offer various holidays are shown in **Exhibit 3R**. On average, peers offer 12.2 holidays to employees, compared to 15 offered by CNPR.



EXHIBIT 3R HOLIDAYS

Paid Holiday observed by peer organizations	Peer Percentage Yes	City of New Port Richey Police Department
New Year's Day	100.0%	Yes
New Year's Eve	33.3%	Yes, 1/2 day
Martin Luther King, Jr. Day	100.0%	Yes
Lincoln's Birthday	0.0%	No
Washington's Birthday	40.0%	No
Presidents Day	33.3%	No
Good Friday	33.3%	Yes
Memorial Day	100.0%	Yes
Juneteenth	16.6%	Yes
Independence Day	100.0%	Yes
Labor Day	100.0%	Yes
Veteran's Day	100.0%	Yes
Thanksgiving Day	100.0%	Yes
Day after Thanksgiving	100.0%	Yes
Christmas Eve	100.0%	Yes, 1/2 day
Christmas Day	100.0%	Yes
Personal Holiday	80.0%	No
Employee Birthday	0.0%	No
Columbus Day	100.0%	No
Inauguration Day (Once Every 4 Years)	50.0%	No
Other - Provide name of holiday in this space	100.0%	4 floating holidays



Exhibit 3S shows that none of the participating peers offer longevity pay and 50 percent offer merit raises. CNPR does not offer longevity pay.

**EXHIBIT 3S
INCENTIVE PAY PROGRAMS**

Types of longevity pay, bonuses, allowances, or incentive pay programs.	Peer Percentage Yes	City of New Port Richey Police Department
Does your organization offer: Longevity Pay?	0.0%	No
Does your organization offer: Merit Raises?	50.0%	No
Does your organization offer: Merit Bonuses?	0.0%	No
Does your organization offer: other programs?	0.0%	\$30 incentive for AA, \$40 for Bachelor's, \$50 for Master's, \$60 for Doctorate. Maximum incentives \$150/mo. \$50/month addition for certifications needed for job performance. \$30/mo for career development training at 80 or more hours per year.

3.6 SUMMARY

When looking at the overall benefits service offerings, the City of New Port Richey's Police Department was found to be comparable to the market with respect to the benefits portion of total compensation. There are a few benefit offerings the CNPR should consider adding or modifying to eliminate any opportunity for market peers to gain a perceived or real advantage. CNPR could improve plan flexibility for employees by expanding health care plans available so allow employees to select the plan that best meets their health care needs. Overall, the results were not surprising in that when single benefits were analyzed in isolation, some of CNPR's offerings appeared more or less generous than those offered by peers. However, when taken as a whole, the total package appeared to be in alignment with the market.



Chapter 4 – Market Summary

The purpose of the market summary chapter is to benchmark the City of New Port Richey Police Department compensation practices against that of its market peers in order to establish how competitive the CNPR is for Police Officers within its market. To complete this market study, Evergreen compared pay ranges of all ranks the CNPR Police Department possesses against the compensation of positions performing similar duties within peer organizations. By aggregating the differences in pay ranges across all the positions, a reasonable determination is made as to the CNPR's competitive position within the market.

It is important to note that individual salaries are not analyzed in this methodology, since individual compensation can be affected by a number of variables such as experience and performance. For this reason, Evergreen looked at average pay ranges across the entire classification to make the most accurate comparison. The results of this market study should be considered reflective of the current state of the market at the time of this study, however, market conditions can change rapidly. Consequently, it is necessary to perform market surveys of peer organizations at regular intervals in order for an organization to consistently monitor its position within the market. Furthermore, the market results detailed in this chapter provide a foundation for understanding the CNPR's overall structural standing to the market, and the rates reflected in this chapter, while an important factor, are not the sole determinant for how classifications were placed into the proposed salary ranges outlined in **Chapter 5**.

Evergreen conducted a comprehensive market salary survey for CNPR, which included 13 peers including Police Departments and Sheriff's Offices from cities and counties throughout Central Florida's coastal communities. Of those 13 peers approved by CNPR, Evergreen was able to gather data from 9. Target peers were selected based on several factors including geographic proximity, population size, FDLE's Police Department Staffing Ratios. Target organizations were also identified for their competition with the CNPR for Officer recruitment and retention efforts. The list of targets that were solicited for the purpose of this study is included in **Exhibit 4A**.



**EXHIBIT 4A
TARGET MARKET PEERS**

Target Respondents
Clermont, FL
Zephyrhills, FL
Haines City, FL
Leesburg, FL
Marco Island, FL
Tavares, FL
Gulfport, FL
Clearwater, FL
Tarpon Springs, FL
Auburndale, FL
Maitland, FL
Pasco County, FL
Pinellas County, FL

Since the data collected for the market salary summary was from various communities of Florida, it was necessary to adjust peer responses relative to New Port Richey based on the cost of living. For all organizations that fell outside New Port Richey's immediate region, a cost of living adjustment was applied to the reported pay ranges to ensure a market average was attained in terms of the spending power an Officer would have in New Port Richey. Evergreen utilizes cost of living index information from the Council for Community and Economic Research, and the scale is based on the national average cost of living being set at 100. The cost of living index figures for New Port Richey and each of the respondent market peers relative to CNPR are located in **Exhibit 4B**.



EXHIBIT 4B
RESPONDENTS WITH COST OF LIVING ADJUSTMENTS

Market Peers	COL Factor
City of New Port Richey	1.000
Clermont, FL	1.001
Zephyrhills, FL	1.045
Haines City, FL	1.045
Leesburg, FL	1.001
Marco Island, FL	0.838
Tavares, FL	1.001
Gulfport, FL	0.878
Clearwater, FL	0.878
Tarpon Springs, FL	0.878
Auburndale, FL	1.045
Maitland, FL	0.941
Pasco County, FL	1.000
Pinellas County, FL	0.878

4.1 MARKET DATA

The results of the market study are displayed in **Exhibit 4C**, which includes the benchmark job titles and the market average salaries for each position at the minimum, midpoint, and maximum points of the pay ranges. Also included within the exhibit are the percent differentials of the CNPR's pay ranges at each respective point, relative to the market average. A positive percent differential is indicative of the CNPR's pay range exceeding that of the average of its market peers; alternatively, a negative percent differential indicates the CNPR compensation for a given position lagging behind the average of its peers. The exhibit also includes the average pay range for the market respondents for each position, as well as how many responses each benchmark received.

Exhibit 4D measures the market comparison at the 50th percentile. This comparison displays the market ranges in a more competitive nature. Measuring the comparison at the 50th percentile would demonstrate where competitive ranges would fall for each classification in the top 50 percent of market peers.

While all benchmarks are surveyed by each peer, not every peer organization possesses an appropriate match to supply salary information for and consequently, the benchmarks receive varying levels of response. For the purpose of this study, all classifications that received less than five matches from market peers were not considered in establishing the CNPR's competitive position. The rationale behind these classifications being excluded is to comply with Federal guidelines and that insufficient response can lead to unreliable averages that may skew the aggregated data, blurring the reality of the CNPR's actual position in the market. Five of the 6 classifications surveyed had a sufficient response for inclusion. The Police Corporal classification did not hold sufficient responses.



EXHIBIT 4C MARKET SURVEY RESULTS

Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range	# Resp.
	Average	% Diff	Average	% Diff	Average	% Diff		
COMM/TECHNOLOGY SUPVR	\$49,308.82	-0.8%	\$60,705.31	-21.5%	\$72,101.79	-38.3%	47.0%	8.0
COMMUNICATIONS DISPATCHER (Probationary, I, II, MASTER PATROLMAN (I, II)	\$37,341.60	2.2%	\$47,647.48	-11.8%	\$57,953.36	-22.0%	55.8%	8.0
PATROL OFFICER (Probationary, I, II, III, IV, V, VI)	\$46,264.83	31.3%	\$56,748.43	12.4%	\$67,232.04	-3.4%	46.2%	9.0
POLICE CORPORAL (Probationary, I, II, III)	\$46,264.83	-5.1%	\$56,748.43	-4.1%	\$67,232.04	-3.4%	46.2%	9.0
POLICE SERGEANT (Probationary, I, II, III)	\$47,797.48	30.3%	\$59,569.13	12.3%	\$71,340.78	-2.1%	49.4%	4.0
POLICE SERGEANT (Probationary, I, II, III)	\$64,405.98	11.1%	\$75,450.27	-4.0%	\$86,494.56	-16.9%	34.0%	8.0
Overall Average		11.5%		-2.8%		-14.4%	46.4%	7.7
Outliers Removed*		7.7%		-5.8%		-16.8%		

EXHIBIT 4D MARKET SURVEY RESULTS AT THE 50TH PERCENTILE

Classification	50th Percentile Minimum		50th Percentile Midpoint		50th Percentile Maximum		50th Percentile Avg Range	# Resp.
	Average	% Diff	Average	% Diff	Average	% Diff		
COMM/TECHNOLOGY SUPVR	\$47,184.26	3.6%	\$61,764.88	-23.2%	\$70,496.92	-36.2%	47.0%	8.0
COMMUNICATIONS DISPATCHER (Probationary, I, II, III)	\$37,118.86	2.8%	\$48,035.38	-12.7%	\$59,124.68	-24.0%	55.8%	8.0
MASTER PATROLMAN (I, II)	\$45,726.48	32.5%	\$57,927.90	10.3%	\$70,459.53	-8.1%	46.2%	9.0
PATROL OFFICER (Probationary, I, II, III, IV, V, VI)	\$45,726.48	-3.9%	\$57,927.90	-6.1%	\$70,459.53	-8.1%	46.2%	9.0
POLICE CORPORAL (Probationary, I, II, III)	\$47,468.01	31.0%	\$59,625.10	12.2%	\$72,067.89	-3.1%	49.4%	4.0
POLICE SERGEANT (Probationary, I, II, III)	\$64,607.03	10.8%	\$75,255.96	-3.7%	\$85,507.65	-15.7%	34.0%	8.0
Overall Average		12.8%		-3.9%		-15.9%	46.4%	7.7
Outliers Removed		9.1%		-7.1%		-18.4%		



4.2 SALARY SURVEY RESULTS

Market Minimums

It is important to assess where a Police Department is relative to its market minimum salaries, as they are the beginning salaries of Officers with minimal qualifications for a given position. Organizations that are significantly below market may experience recruitment challenges with entry-level Officers. As seen in **Exhibit 4C**, CNPR PD is currently 7.7 percent above the market average minimum and 9.1 percent above the 50th percentile minimum, when considering positions with sufficient responses. The City's benchmark positions ranged from 5.1 percent below to 31.3 percent above the market minimum.

The following are summary points of the analysis of the results concerning the market minimum:

- Of the 5 positions receiving sufficient response, 2 were below market, averaging 3.0 percent below the market minimum. These classifications represent roughly 40 percent of all surveyed positions receiving sufficient response. These positions are displayed in **Exhibit 4E**.
- Of the 2 positions below market, none were more than 10.0 percent below the average market minimum.

EXHIBIT 4E CLASSIFICATIONS BELOW THE MINIMUM

Classification	% Diff
COMM/TECHNOLOGY SUPVR	-0.8%
PATROL OFFICER (Probationary, I, II, III, IV, V, VI)	-5.1%

- Of the 5 positions receiving sufficient response, 4 were above market, averaging 14.7 percent above. These classifications represent approximately 80 percent of all surveyed positions receiving sufficient response. These positions are displayed in **Exhibit 4F**.
- Of those 4 positions, 3 were more than 10.0 percent above market minimum average.



EXHIBIT 4F
CLASSIFICATIONS ABOVE THE MINIMUM

Classification	% Diff
COMMUNICATIONS DISPATCHER (Probationary, I, II, III)	2.2%
MASTER PATROLMAN (I, II)	31.3%
POLICE LIEUTENANT	14.3%
POLICE SERGEANT (Probationary, I, II, III)	11.1%

Market Midpoints

The market midpoint is exceptionally important to analyze, as it is often considered the closest estimation of market average compensation. As seen in **Exhibit 4C**, the CNPR is currently 5.8 percent behind the market midpoint on average when considering positions receiving sufficient response.

Analysis of the market midpoint comparisons yielded the following information:

- With respect to the midpoint average, 4 of the surveyed positions receiving sufficient response were below the market midpoint, averaging 9.5 percent below. These 4 positions represent 80 of all surveyed positions receiving sufficient response. These positions are displayed in **Exhibit 4G**.
- Of the 4 positions below the market mid-point, 2 were more than 10.0 percent below the midpoint.

EXHIBIT 4G
CLASSIFICATIONS BELOW THE MIDPOINT

Classification	% Diff
COMM/TECHNOLOGY SUPVR	-21.5%
COMMUNICATIONS DISPATCHER (Probationary, I, II, III)	-11.8%
PATROL OFFICER (Probationary, I, II, III, IV, V, VI)	-4.1%
POLICE SERGEANT (Probationary, I, II, III)	-4.0%



- Of the 5 positions receiving sufficient response, 1 was above the market midpoint. This comprises 20 percent of all surveyed positions receiving sufficient response.
- This 1 position was more than 10.0 percent above the market midpoint. This position is displayed in **Exhibit 4H**.

EXHIBIT 4H
CLASSIFICATIONS MORE THAN 10% ABOVE THE MIDPOINT

Classification	% Diff
MASTER PATROLMAN (I, II)	12.4%

Market Maximums

The pay range maximum averages and how they compare to the CNPR are also detailed in **Exhibit 4C**. The CNPR is 16.8 percent below the market, on average, at the maximum of its salary bands for these 6 classifications.

The following points are regarding the CNPR's position relative to the market average maximum:

- At the market maximum, all 5 positions receiving sufficient response fell below the average, averaging 16.8 percent below. This is 100 percent of all surveyed positions receiving sufficient response. These 5 positions are displayed in **Exhibit 4I**.
- Of the 5 positions, 3 fell more than 15 percent below the market maximum.

EXHIBIT 4I
CLASSIFICATIONS BELOW THE MAXIMUM

Classification	% Diff
COMM/TECHNOLOGY SUPVR	-38.3%
COMMUNICATIONS DISPATCHER (Probationary, I, II, III)	-22.0%
MASTER PATROLMAN (I, II)	-3.4%
PATROL OFFICER (Probationary, I, II, III, IV, V, VI)	-3.4%
POLICE SERGEANT (Probationary, I, II, III)	-16.9%



4.3 SALARY SURVEY CONCLUSION

The standing of an individual classifications pay range relative to the market should not be considered a definitive assessment of actual Officer salaries being similarly above or below the market; however, such differentials can, in part, explain symptomatic issues with recruitment and retention of Officers.

The main summary points of the market study are as follows:

- The CNPR is competitive at the market minimum, approximately 7.7 percent ahead.
- The CNPR is approximately 5.8 percent below the market midpoint.
- The CNPR is approximately 16.8 percent below the market maximum.
- The Communications Dispatchers and Comm/Technology Supervisor start competitively with the market, but quickly fall behind regarding the progression of the pay ranges.
- The Sworn officers are fairly competitive at the minimums for each rank but the competitive nature is lost approaching the midpoint and maximum of the ranges.

The results of the market summary chapter are pivotal in the formulation of recommendations by Evergreen Solutions. By establishing the CNPR's market position relative to its peers, Evergreen is better able to propose recommendations that enable the CNPR to occupy its desired competitive position. The salary survey identified specific classifications that fall below market peers and warrant immediate action to correct external equity deficiencies.



Chapter 5 - Recommendations

After reviewing the information provided in the preceding sections of this report, Evergreen developed recommendations to improve the City of New Port Richey Police Department's current compensation system. The recommendations, as well as the findings that led to each recommendation, are discussed in detail in this section. The recommendations are organized into two sections: compensation and administration of the system.

5.1 COMPENSATION RECOMMENDATIONS

The compensation analysis consisted of two parts: an external market assessment and an internal equity assessment. During the external market assessment, the CNPR compensation for all benchmark classifications was compared to average compensation offered in the market as identified by the selected target peer organizations. The external assessment consisted of comparing the CNPR against its peer institutions and organizations within its market and revealed the CNPR is currently not meeting the market average. The market position overall average at the survey midpoint shows CNPR 5.9% below market. While the CNPR performed better to market at the survey minimum, the Patrol Officer classifications were below market at the survey minimum by more than 5%. CNPR is at a competitive disadvantage when trying to recruit quality employees in these introductory Patrol Officer classifications and retain employees as they progress through their career due to current market positioning. What follows are the key findings and recommendations that serve as the foundation for the proposed new pay plan. Evergreen is recommending a new pay plan with noticeable changes to the current system including a decrease in the number of pay grades, an increase to the number of steps within each grade and an increase to the minimum starting salary. The new structure was created utilizing existing classifications. It should be noted that changes in classification placement within the pay plan are recommended to provide the CNPR the best opportunity to strengthen its market position going forward.

FINDING

The current CNPR pay plan has 5 pay grades with an inconsistent step plan progression and one ungraded slot.

RECOMMENDATION 1: Adjust the current pay plan to increase the number of steps within each grade to 15, one step for every two years of service. The current pay plan can is shown in Exhibit 5-1.

EXHIBIT 5-1 CURRENT PAY PLAN

Grade	Min	Mid	Max	Range Spread
COMM/TECHNOLOGY SUPVR	\$48,900.80	\$48,900.80	\$ 48,900.80	0.0%
COMMUNICATIONS DISPATCHER (Probationary, I, II, III)	\$38,168.00	\$42,317.60	\$ 46,467.20	21.7%
POLICE CORPORAL (Probationary, I, II, III)	\$64,896.00	\$67,371.20	\$ 69,846.40	7.6%
PATROL OFFICER (Probationary, I, II, III, IV, V, VI, MASTER PATROLMAN I, MASTER PATROLMAN II)	\$43,971.20	\$54,475.20	\$ 64,979.20	47.8%
PATROL OFFICER PART TIME	\$49,566.40	\$49,566.40	\$ 49,566.40	0.0%
POLICE SERGEANT (Probationary, I, II, III)	\$71,988.80	\$72,519.20	\$ 73,049.60	1.5%

The proposed pay plan would reduce the number of occupied pay grades to five and standardize progression for each pay grade. The resulting pay plan would establish a simpler yet more defined compensation structure. By reducing the number of pay grades and increasing the number of steps within each pay grade, the proposed pay plan will provide additional flexibility, competitiveness, and improved career pathing opportunities for all employees regardless of classification or pay grade. This new step plan will also help address one of the key concerns raised by CNPR leadership relative to recruiting talent. The ability of CNPR to expand their pool of qualified applicants to include experienced law enforcement professionals and properly recognize a potential applicants' years of law enforcement experience will be greatly enhanced with the proposed expansion of the current step plan. The step plan progression would be as follows: The Communications Dispatchers classifications would occupy pay grade PD1. Introductory Patrol Officer classifications advancing through Master Patrolman 2 would occupy pay grade PD2. Pay grade PD3 would be assigned to the Police Corporal classifications. The Police Sergeants would occupy pay grade PD5. PD4 would be unoccupied providing flexibility to accommodate growth and the addition of new classifications if deemed necessary by the CNPR. The proposed pay plan with step progression is provided in detail in **Exhibit 5-2**.



EXHIBIT 5-2 PROPOSED PAY PLAN

Step	Grade	Min	Mid	Max	Step 1	Step 2	Step 3	Step 4
3.00%	PD1	\$ 37,200.00	\$ 46,734.17	\$ 56,268.34	\$ 37,200.00	\$ 38,316.00	\$ 39,465.48	\$ 40,649.44
Spread	PD2	\$ 45,500.00	\$ 57,161.42	\$ 68,822.83	\$ 45,500.00	\$ 46,865.00	\$ 48,270.95	\$ 49,719.08
55.0%	PD3	\$ 47,500.00	\$ 59,674.01	\$ 71,848.01	\$ 47,500.00	\$ 48,925.00	\$ 50,392.75	\$ 51,904.53
	PD4	\$ 54,000.00	\$ 67,839.92	\$ 81,679.85	\$ 54,000.00	\$ 55,620.00	\$ 57,288.60	\$ 59,007.26
	PD5	\$ 64,500.00	\$ 81,031.02	\$ 97,562.04	\$ 64,500.00	\$ 66,435.00	\$ 68,428.05	\$ 70,480.89
	UNGPD	\$ 51,287.60	\$ 51,287.60	\$ 51,287.60	\$ 51,287.60			

Hourly Rates	Grade	Min	Mid	Max	Step 1	Step 2	Step 3	Step 4
	PD1	\$ 17.88	\$ 22.47	\$ 27.05	\$ 17.88	\$ 18.42	\$ 18.97	\$ 19.54
	PD2	\$ 21.88	\$ 27.48	\$ 33.09	\$ 21.88	\$ 22.53	\$ 23.21	\$ 23.90
	PD3	\$ 22.84	\$ 28.69	\$ 34.54	\$ 22.84	\$ 23.52	\$ 24.23	\$ 24.95
	PD4	\$ 25.96	\$ 32.62	\$ 39.27	\$ 25.96	\$ 26.74	\$ 27.54	\$ 28.37
	PD5	\$ 31.01	\$ 38.96	\$ 46.90	\$ 31.01	\$ 31.94	\$ 32.90	\$ 33.89
	UNGPD	\$ 24.66	\$ 24.66	\$ 24.66	\$ 24.66			

2200 Annual Rates	Grade	Min	Mid	Max	Step 1	Step 2	Step 3	Step 4
	PD201	\$ 39,346.15	\$ 49,430.37	\$ 59,514.59	\$ 39,346.15	\$ 40,526.54	\$ 41,742.33	\$ 42,994.60
	PD202	\$ 48,125.00	\$ 60,459.19	\$ 72,793.38	\$ 48,125.00	\$ 49,568.75	\$ 51,055.81	\$ 52,587.49
	PD203	\$ 50,240.38	\$ 63,116.74	\$ 75,993.09	\$ 50,240.38	\$ 51,747.60	\$ 53,300.02	\$ 54,899.02
	PD204	\$ 57,115.38	\$ 71,753.76	\$ 86,392.14	\$ 57,115.38	\$ 58,828.85	\$ 60,593.71	\$ 62,411.52
	PD205	\$ 68,221.15	\$ 85,705.89	\$ 103,190.62	\$ 68,221.15	\$ 70,267.79	\$ 72,375.82	\$ 74,547.10
	UNGPD2200	\$ 54,246.50	\$ 54,246.50	\$ 54,246.50	\$ 54,246.50			



EXHIBIT 5-2 (CONTINUED)
PROPOSED PAY PLAN

Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	Step 14	Step 15
\$ 41,868.93	\$ 43,125.00	\$ 44,418.75	\$ 45,751.31	\$ 47,123.85	\$ 48,537.56	\$ 49,993.69	\$ 51,493.50	\$ 53,038.30	\$ 54,629.45	\$ 56,268.34
\$ 51,210.65	\$ 52,746.97	\$ 54,329.38	\$ 55,959.26	\$ 57,638.04	\$ 59,367.18	\$ 61,148.20	\$ 62,982.64	\$ 64,872.12	\$ 66,818.28	\$ 68,822.83
\$ 53,461.67	\$ 55,065.52	\$ 56,717.48	\$ 58,419.01	\$ 60,171.58	\$ 61,976.73	\$ 63,836.03	\$ 65,751.11	\$ 67,723.64	\$ 69,755.35	\$ 71,848.01
\$ 60,777.48	\$ 62,600.80	\$ 64,478.82	\$ 66,413.19	\$ 68,405.58	\$ 70,457.75	\$ 72,571.48	\$ 74,748.63	\$ 76,991.09	\$ 79,300.82	\$ 81,679.85
\$ 72,595.32	\$ 74,773.18	\$ 77,016.37	\$ 79,326.86	\$ 81,706.67	\$ 84,157.87	\$ 86,682.61	\$ 89,283.08	\$ 91,961.58	\$ 94,720.42	\$ 97,562.04

Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	Step 14	Step 15
\$ 20.13	\$ 20.73	\$ 21.36	\$ 22.00	\$ 22.66	\$ 23.34	\$ 24.04	\$ 24.76	\$ 25.50	\$ 26.26	\$ 27.05
\$ 24.62	\$ 25.36	\$ 26.12	\$ 26.90	\$ 27.71	\$ 28.54	\$ 29.40	\$ 30.28	\$ 31.19	\$ 32.12	\$ 33.09
\$ 25.70	\$ 26.47	\$ 27.27	\$ 28.09	\$ 28.93	\$ 29.80	\$ 30.69	\$ 31.61	\$ 32.56	\$ 33.54	\$ 34.54
\$ 29.22	\$ 30.10	\$ 31.00	\$ 31.93	\$ 32.89	\$ 33.87	\$ 34.89	\$ 35.94	\$ 37.01	\$ 38.13	\$ 39.27
\$ 34.90	\$ 35.95	\$ 37.03	\$ 38.14	\$ 39.28	\$ 40.46	\$ 41.67	\$ 42.92	\$ 44.21	\$ 45.54	\$ 46.90

Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	Step 14	Step 15
\$ 44,284.44	\$ 45,612.98	\$ 46,981.37	\$ 48,390.81	\$ 49,842.53	\$ 51,337.81	\$ 52,877.94	\$ 54,464.28	\$ 56,098.21	\$ 57,781.15	\$ 59,514.59
\$ 54,165.11	\$ 55,790.06	\$ 57,463.77	\$ 59,187.68	\$ 60,963.31	\$ 62,792.21	\$ 64,675.98	\$ 66,616.26	\$ 68,614.74	\$ 70,673.18	\$ 72,793.38
\$ 56,546.00	\$ 58,242.38	\$ 59,989.65	\$ 61,789.34	\$ 63,643.02	\$ 65,552.31	\$ 67,518.88	\$ 69,544.44	\$ 71,630.78	\$ 73,779.70	\$ 75,993.09
\$ 64,283.87	\$ 66,212.38	\$ 68,198.76	\$ 70,244.72	\$ 72,352.06	\$ 74,522.62	\$ 76,758.30	\$ 79,061.05	\$ 81,432.88	\$ 83,875.87	\$ 86,392.14
\$ 76,783.51	\$ 79,087.01	\$ 81,459.63	\$ 83,903.41	\$ 86,420.52	\$ 89,013.13	\$ 91,683.53	\$ 94,434.03	\$ 97,267.05	\$ 100,185.06	\$ 103,190.62



FINDING

The introductory Patrol Officer classification is 5.1% below market average and 3.9 percent below the 50th percentile at the survey minimum with a starting annual salary of \$43,971.

RECOMMENDATION 2: Adjust the current pay plan to increase the annual starting wage for Patrol Officers to \$21.88 per hour.

One of the key study goals is to create a pay plan that is competitive with the market for which CNPR competes for quality employees. To help achieve this goal, Evergreen is proposing to increase the minimum starting wage to \$21.88 per hour. If approved, the recommendation will place CNPR in the 50th percentile and immediately bring CNPR to a more competitive position in the market.

Implementation Options and Associated Costs:

Implementation of the new compensation structure requires two steps. First, all positions were assigned to an appropriate pay grade within the overall plan, with the classifications assigned to a step within the pay grade based primarily on market position. However, overall years of service and time spent in the current classification were also contributing factors used to place employees into their respective step for the proposed plan. Assigning pay grades to classifications requires a balance of internal equity and desired market position, and recruitment and retention concerns also played a role in the process. Thus, the market results discussed in **Chapter 3** were not the sole criteria for the proposed pay ranges.

RECOMMENDATION 3: Evergreen recommends the CNPR Police Department adopt a methodology to transition employee salaries into the proposed pay plan that aligns with its established compensation philosophy and meets the available financial resources of the CNPR.

The second step of implementing the proposed structure is then to transition employee salaries into their new recommended pay ranges. This step can be done via a variety of methods, each with their own strengths and drawbacks. Evergreen has provided two different recommendations for implementing salaries that the CNPR can pursue, each with their own advantages. These implementation options, associated costs and the number of impacted employees is highlighted in **Exhibit 5-3**.

**EXHIBIT 5-3
IMPLEMENTATION OPTIONS**

Implimentation Option	Total Salary-Only Cost	Number of Employees Adjusted	Average Adjustment for Impacted Employees	% of Payroll
Bring to Closest Step	\$ 78,238.51	57	\$ 1,372.61	2.6%
Compa Ratio	\$ 321,593.01	57	\$ 5,641.98	10.7%



Bring to Closest Step

This option ensures that all CNPR employees are realigned into the new salary ranges and placed into the appropriate step without consideration to years of service. If an employee is between 2 steps, it will round them to the next step in the new plan. Any employees whose salaries are already higher than their new proposed grade minimum would not receive an adjustment. While it is the least expensive option, it will likely cause additional wage compression at grade minimum. The Bring to the Closest Step option is a baseline adjustment done to salaries after any change to the pay plan. This implementation would cost the City of New Port Richey **\$78,238.51** affecting the salaries of **57 employees** at an average cost of \$1,372.61.

Compa-Ratio

This option consists of analyzing employees' current compa-ratio and realigns employees in their recommended salary ranges by maintaining the relationship to the midpoint that they have currently. A compa-ratio is number that uses the relationship between an employee's salary and their pay grade midpoint to show where an employee's salary falls in their grade. For example, an employee currently at midpoint would move to midpoint in their recommended pay range, an employee currently 5% above midpoint would move to 5% above midpoint in their new range, and an employee currently 15% below midpoint would move to 15% below midpoint in their newly recommended range. This option maintains the relationships between employee salaries that currently exist and can reward previous experience to the extent that it is rewarded now. While this implementation option does not correct any compression issues, it does maintain performance gains and allows for a transition to the new step plan that is consistent with the city's preferred compensation philosophy. The total cost for the compa-ratio implementation would be **\$321,593.01** and would affect **57 employees** at an average cost of \$5,641.98. When considering the impacts to internal equity and the overall fiscal sustainability of this plan, it is recommended to implement in in phases over 2 years, where the first year would bring all employees to the closest step and hold 50 percent of the remaining cost of this option. The second year would implement the remaining cost.

5.2 COMPENSATION AND CLASSIFICATION SYSTEM ADMINISTRATION

Any organization's compensation and classification system will need periodic maintenance. The recommendations provided in this chapter were developed based on conditions at the time the study was conducted. Without proper upkeep of the system, the potential for recruitment and retention issues may increase as the compensation and classification system becomes dated and less competitive.

RECOMMENDATION 4: Conduct small-scale salary surveys as needed to assess the market competitiveness of hard-to-fill classifications and/or classifications with retention issues and adjust pay grade assignments if necessary.

While it is unlikely that the pay plan as a whole will need to be adjusted for several years, a small number of classifications' pay grades may need to be reassigned more frequently. If one



or more classifications are exhibiting high turnover or are having difficulty with recruitment, the CNPR should collect salary range data from peer organizations to determine whether an adjustment is needed for the pay grade of the classification(s).

RECOMMENDATION 5: Conduct a comprehensive classification and compensation study every three to five years.

While small-scale salary surveys can improve the market position of specific classifications, it is recommended that a full classification and compensation study be conducted every three to five years to preserve both internal and external equity for the CNPR. Changes to classification and compensation do occur, and while the increments of change may seem minor, they can compound over time. A failure to react to these changes quickly has the potential to place the CNPR in a poor position for recruiting and retaining quality employees.

While the previous two recommendations intend to maintain the competitiveness over time of the compensation structure as a whole, it is also necessary to establish procedures for determining equitable pay practices for individual employees.

RECOMMENDATION 6: Revise policies and practices for moving employees' salaries through the pay plan, including procedures for determining salaries of newly hired employees and employees who have been promoted, demoted, or transferred to a different classification.

The method of moving salaries through the pay plan and setting new salaries for new hires, promotions, demotions, and transfers depends largely on an organization's compensation philosophy. However, it is important for the CNPR to have established guidelines for each of these situations, and that they are followed consistently for all employees. Common practices for progressing and establishing employee salaries are outlined below.

Salary Progression

As outlined above, Evergreen recommends CNPR enact the second phase of implementing the new pay plan which would involve a one-time salary adjustment for employees to ensure they are placed into the proper step of their salary range. While this adjustment should be performed when the CNPR has the financial resources to do so, the CNPR should continue to adjust salaries annually when financially feasible. Based on the step plan created and feedback from the City Manager, Evergreen recommends that the basis of salary adjustment in the future be done at two distinct levels.

- **Structural:** Adjustment to the ranges should be done annually and with the aim of adjusting for the changes in cost of living. Evergreen recommends the CNPR tie the annual compensation structure movement to the local change in the Consumer-Price-Index (CPI). This annual adjustment will ensure the CNPR's pay ranges do not rapidly fall out of line with that of its peers; however, when conducting the small-scale surveys referenced above, the CNPR should also collect pay plan movement and anticipated movement from its peers to gauge if market movement is keeping pace with CPI movement.



- Individual: To tie into the adjustment of the structure, Evergreen recommends the CNPR advance employees one step for every two years of service to align with a 30-year parity model. This adjustment could be done for all employees within the framework of the existing collective bargaining agreement and coincide with a satisfactory performance evaluation

New Hires

A new employee's starting salary largely depends on the amount of education and experience the employee possesses beyond the minimum requirements for the job. Typically, an employee holding only the minimum education and experience requirements for a classification is hired at or near the classification's pay grade minimum. An upper limit to the percentage above minimum that can be offered to a new employee with only the minimum requirements should be established, where approval is needed to offer a starting salary that is a higher percentage above minimum. Another threshold should be established as the maximum starting salary possible without approval for new employees with considerable experience and/or education above the requirements for the position. It is common for the midpoint to be used as the maximum starting salary for most classifications. Once the CNPR has performed the initial implementation adjustment for current employee salaries, new employee starting salaries should take into consideration internal equity, meaning that new hires should be offered comparable salaries to existing employees in the classification with similar levels of education and experience.

5.3 SUMMARY

The City of New Port Richey should be commended for its desire and commitment to provide competitive and fair compensation for its employees. The recommendations in this report establish a new competitive pay plan, externally equitable pay grade and step assignments, and system administration practices that will provide the CNPR with a responsive compensation system to meet the demands of a rapidly changing labor market. While the upkeep of this recommended system will require concrete effort, the CNPR will find that having a competitive compensation system that encourages strong recruitment and employee retention is worth this commitment.

