



DATE: May 15, 2023

TO: Mayor and Members of the City Council President and Members of the Estero Municipal Improvement District (EMID) Board of Directors

VIA: Stefan Chatwin, City/District Manager

FROM: Julie Paping, Administrative Services Director

DEPARTMENT: Administrative Services

SUBJECT: CLASSIFICATION STUDY AND COMPENSATION STUDY REPORTS

RECOMMENDATION

It is recommended that the City Council/EMID Board of Directors (City Council), by Minute Order, receive and accept the Classification Study Report and Compensation Study Report prepared by Koff & Associates, a division of Gallagher Benefit Services, Inc. (Koff & Associates).

EXECUTIVE SUMMARY

In 2021, the City Council identified the completion of a classification study as a key initiative under its Staff Empowerment and Operational Excellence value/priority area. The City Council approved an agreement with Koff & Associates for completion of the Classification Study at a cost not to exceed \$84,320. Then, in 2022, the City Council approved an agreement with Koff & Associates for completion of a Compensation Study at a cost not to exceed \$60,390. Koff & Associates has completed both studies and will present its findings at tonight's meeting. No further action will be taken on this item at this time.

BACKGROUND/ANALYSIS

Classification Study:

During the City Council Vision and Policy Summit on February 10, 2021, the City Council identified the completion of a Classification Study as a key initiative under the Staff Empowerment and Operational Excellence value/priority area. The City Council reaffirmed the classification study as a key initiative at the March 11, 2021 Special Meeting when a recap of the Vision and Policy Summit and implementation plan was presented to City Council.

At the April 5, 2021 Regular Meeting, the City Council adopted Resolutions No. 2021-40 and 3566 approving the issuance of a Request for Proposals (RFP) for Classification Study services. The purpose of the study was to update job classification standards to reflect the current organizational structure and provide clarity in job requirements for future and existing employees to attract and retain high-caliber talent.

Following the issuance of the RFP, staff received four (4) proposals and recommended to the City Council to enter into an agreement with Koff & Associates for Classification Study services at a cost not to exceed \$84,320. At the June 21, 2021 Regular Meeting, the City Council adopted Resolutions No. 2021-90 and 3588 approving the agreement and appropriating the necessary funding.

The launch of the study was marked by an orientation meeting with staff members to review study objectives, the process for the study, and to answer questions. Position Description Questionnaires (PDQs) were distributed to all employees to gather information on job duties and knowledge, skills, and abilities required for each position. The PDQ responses were reviewed by supervisors and department heads. Follow-up interviews were conducted by Koff & Associates with some employees. Using the information gathered through the questionnaire and interview process, Koff & Associates prepared draft job classifications which were distributed to employees for review. Employees were given the opportunity to provide feedback on those draft job classifications and, where it felt appropriate, Koff & Associates incorporated the feedback and updated the draft job classifications.

Koff & Associates completed the Classification Study (Attachment 4 - Linked) in May 2022; however, the report was not brought to City Council until now to allow time for the completion of the related Compensation Study. It is important to note some staffing and position changes have been made since the completion of the study.

Compensation Study:

At the November 15, 2021, Regular Meeting, the City Council approved Resolutions No. 2021-170 and 3619 authorizing the issuance of a Request for Proposals (RFP) for Compensation Study services. The purpose of the study was to review the pay plan and benefits for employees to ensure the organization continues to remain competitive in attracting and retaining top talent. In response to the RFP, the City received two (2) proposals.

At the February 7, 2022, Regular Meeting, the City Council approved Resolutions No. 2022-9 and 3633 approving an agreement with Koff & Associates for Compensation Study services in an amount not to exceed \$60,390. Preliminary results of the study were shared with the former Human Resources Director in September 2022. Data was collected from comparator agencies; however, staff determined a need to update the information gathered as many of the comparator agencies had entered into new labor agreements after the initial data was collected. At the January 9, 2023, Special Meeting, the City Council approved Resolutions No. 2023-1 and 3699 approving an amendment to the agreement with Koff & Associates so that updated compensation information could be gathered at an additional cost not to exceed \$8,250.

Koff & Associates has completed the Compensation Study (Attachment 5 - Linked) and a summary of the findings can be found on page one of the report.

Next Steps:

Following City Council's acceptance of the report, staff will engage bargaining units to complete the meet and confer process.

California Environmental Quality Act

Not Applicable

FISCAL IMPACT

There is no financial impact associated with accepting and receiving the report.

CITY COUNCIL VISION, MISSION, AND VALUE/PRIORITY AREA

Staff Empowerment and Operational Excellence

ATTACHMENTS:

Attachment 1 - Agreement with Koff & Associates (Classification Study)

Attachment 2 - Agreement with Koff & Associates (Compensation Study)

Attachment 3 - Contract Amendment No. 1 (Compensation Study)

[Attachment 4 - Classification Study Report prepared by Koff & Associates](#)

[Attachment 5 - Compensation Study Report prepared by Koff & Associates](#)