

## Recommended Compensation Philosophy

Compensation Category	Description	City Position	Recommendation/Philosophy
Base Salary	Annual amount of salary that is competitive and serves to attract and retain executives.	<ol style="list-style-type: none"> <li>1. No regular review of director's salary to ensure market competitiveness</li> <li>2. 6 separate pay ranges for the same classification of duties</li> <li>3. Control Point utilized to limit salary growth and to set a "do not exceed amount" that is not regularly reviewed for market competitiveness</li> <li>4. COLA – anchored to budget assumptions</li> </ol>	<ol style="list-style-type: none"> <li>1. Compensate fairly and competitively relative to applicable labor markets</li> <li>2. Establish a salary review practice of executive level compensation to ensure that it is competitive within market, there is no compaction, and fiscally sustainable.</li> <li>3. Eliminate four separate pay ranges and collapse into one range (except for the Director of Employment Development, Director of Public Safety and the Assistant City Manager classifications)</li> <li>4. Establish COLA increases based on review of CPI, internal equity, and fiscal sustainability</li> <li>5. Merit increases every 26 pay periods of service with an achieved or above overall rating on their performance evaluation. The merit increase percentage shall be determined by the City Manager, up to 5% based on performance.</li> </ol>

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Benefits	Benefits that maintain the health and wellbeing of our employees	Health Dental Vision EAP Life/AD&D LTD Etc.	<ol style="list-style-type: none"> <li>1. Maintain benefits</li> <li>2. Provide for the basic health and wellbeing of our employees by offering health and death/disability income protection benefits</li> <li>3. Retiree medical vesting provisions meet retention goals</li> <li>4. Benefits are consistent with prevailing market practice</li> </ol>
Professional Development	Expenditures provided to the employee that provide for rewards or incentives for retention, to meet the competitive nature of the market, or to build skills to improve added value to service delivery. Annual incentives may be designed and delivered through multiple programs that support various objectives.	<ol style="list-style-type: none"> <li>1. Training/Professional Development</li> <li>2. Workplace Programs that generate increased morale</li> <li>3. Housing Loan Program</li> </ol>	<ol style="list-style-type: none"> <li>1. Maintain benefits</li> </ol>
Retirement	Provide retirement security for executives and ensure market competitive	<ol style="list-style-type: none"> <li>1. Tiers 1, 2, and PEPPA pension benefits</li> <li>2. Deferred Compensation benefits</li> </ol>	<ol style="list-style-type: none"> <li>1. Maintain benefits</li> </ol>