



TOWN BOARD WORK SESSION

September 26, 2022 - 5:30 PM

1st Floor Conference Room, 301 Walnut Street, Windsor, CO 80550

To view Town Board meeting broadcasts, visit
www.windsorgov.com/MeetingsOnDemand.

AGENDA

GOAL of this Work Session is to have the Town Board receive information on topics of Town business from the Town Manager, Town Attorney and Town staff in order to exchange ideas and opinions regarding these topics.

Members of the Public in attendance are asked to be recognized by the Mayor before participating in any discussions of the Town Board

WORK SESSION AGENDA ITEMS

1. Meet the Board - New Employees - B. Sorenson, Human Resources Manager
2. Compensation & Benefits Study Overview - J. Butcher Trujillo, Human Resources Director
3. Future Meetings Agenda

The Town of Windsor will make reasonable accommodations for access to Town services, programs, and activities and will make special communication arrangements for persons with disabilities. Please call (970) 674-2400 by noon on the Thursday prior to the meeting to make arrangements.



MEMORANDUM

Date: September 26, 2022
To: Mayor and Town Board
From:
Re: Meet the Board - New Employees - B. Sorenson, Human Resources Manager
Item #: 1.

Background / Discussion:

Last Name	First Name	Title	DOH	Supervisor
Clow	Kurt	Police Sergeant	1/10/2022	Rick Klimek
Pebley	Vivian	Police Officer	1/14/2022	Rick Klimek
Trotter	Robert	Police Officer	1/14/2022	Rick Klimek
Willis	Skylar	Police Officer	1/14/2022	Rick Klimek
Graf	Tabatha	Records Specialist Tech	6/6/2022	Rick Klimek
Case	Serena	Records Specialist Tech	6/6/2022	Rick Klimek

Financial Impact:

Relationship to Strategic Plan:

Recommendation:

CC:

Attachments:



MEMORANDUM

Date: September 26, 2022
To: Mayor and Town Board
From: Jennifer Butcher, HR Director
Re: Compensation & Benefits Study Overview - J. Butcher Trujillo, Human Resources Director
Item #: 2.

Background / Discussion:

Compensation & Benefits Study - Graves Consulting Report:

Background

The Town of Windsor contacted Graves Consulting in late 2021 to request a proposal for a Compensation and Benefits Study in 2022. We responded and were ultimately awarded the project. Work began in February of this year.

Scope of Work

The Compensation and Benefits Study included a comprehensive review of the Town's current pay structure, a review of all job descriptions for current full time and part time positions (including some newly created positions), review of the market the Town compares itself to and analyzing data from multiple sources. After months of collaborative effort between Graves Consulting staff and members of the Town's leadership team, we have created the findings and recommendations outlined below.

Market

A foundational element for this project was the definition of an appropriate external market with which the Town would compare itself. The intent was to create a market broad enough to provide statistically valid data and matches for the Town's positions. The Town had previously been using the Denver/Boulder and Northern Colorado communities, as outlined in the Employers Council survey data.

We agree that this is an appropriate market definition. This market includes the following municipalities:

Cities and Towns			Counties
Arvada	Evans	Lone Tree	Adams
Aurora	Federal Heights	Longmont	Arapahoe
Boulder	Firestone	Loveland	Boulder
Brighton	Fort Collins	Northglenn	Broomfield
Broomfield	Frederick	Parker	Denver
Castle Pines	Golden	Superior	Douglas
Castle Rock	Greeley	Thornton	Gilpin
Centennial	Greenwood Village	Wellington	Jefferson
Commerce City	Johnstown	Westminster	Larimer
Denver	Lafayette	Wheat Ridge	Weld
Englewood	Lakewood	Windsor	
Erie	Littleton		

*Private sector data for the same regions was also included for applicable positions

Data Sources

Our primary data sources for this project were the 2022 Employers Council and Colorado Municipal League compensation surveys, as the Town has access through their memberships. The information was aged by 5% to account for market movement since the information was collected in Q1 of this year.

Job Matching

Job matching is the other foundational element of a comprehensive Compensation Study, in addition to Market Definition. Ensuring that we understand the Town's positions well enough to choose accurate benchmarks is critical. Graves Consulting collected information on the Town's positions through Job Description review, detailed meetings with each Department Head and additional follow up emails and questions.

In comparing jobs, we match as many Town positions to the data sources listed above as possible. Between all of the survey sources, we were able to match 52 of the Town's 58 current and proposed positions. The remaining positions were "slotted" based on internal equity. We believe this provides a very solid foundation for this Compensation Study.

For available matches, we extract actual wages being paid for that job in the Town's defined market.

For some positions, the survey pay ranges are reviewed as well.

We use standard "best practices" when matching jobs and extracting data from pay surveys. For example:

- It is common to blend job matches when a Town position matches with more than one survey job. We may combine survey positions to reflect the most accurate job match(es) available.
- We review the survey data sample size and do not include some matches with a limited sample size of data or where we believe an anomaly exists.
- We adjust some job matches as appropriate. For example, we may believe that a Town position

is a good match with a job, but we know that the Town's position has higher requirements or licensures than the survey job. We may add a percentage to the survey result to reflect the complexity of the Town's position. We also trend a result downward if we feel the Town's position is at a slightly lower level than the survey position.

Pay Structures and Classification – Current State and Recommended

General Government Pay Structure

Currently, the Town has five separate pay structures. Full Time Exempt, Full Time Non-Exempt, Part Time Year-Round, Seasonal and a Step Plan for most Sworn Police positions. The current FT, PT and Seasonal structures have pay grades and ranges that vary from 35% to 50% wide. The grades are not uniformly distanced from each other with midpoint distances ranging from 8% to 37% apart.

Graves Consulting is proposing a revision that includes a total of four pay structures. All General Government positions will be on the Full Time, Part Time Year-Round or Seasonal pay structures.

Police Officer and Sergeant will be on a step plan.

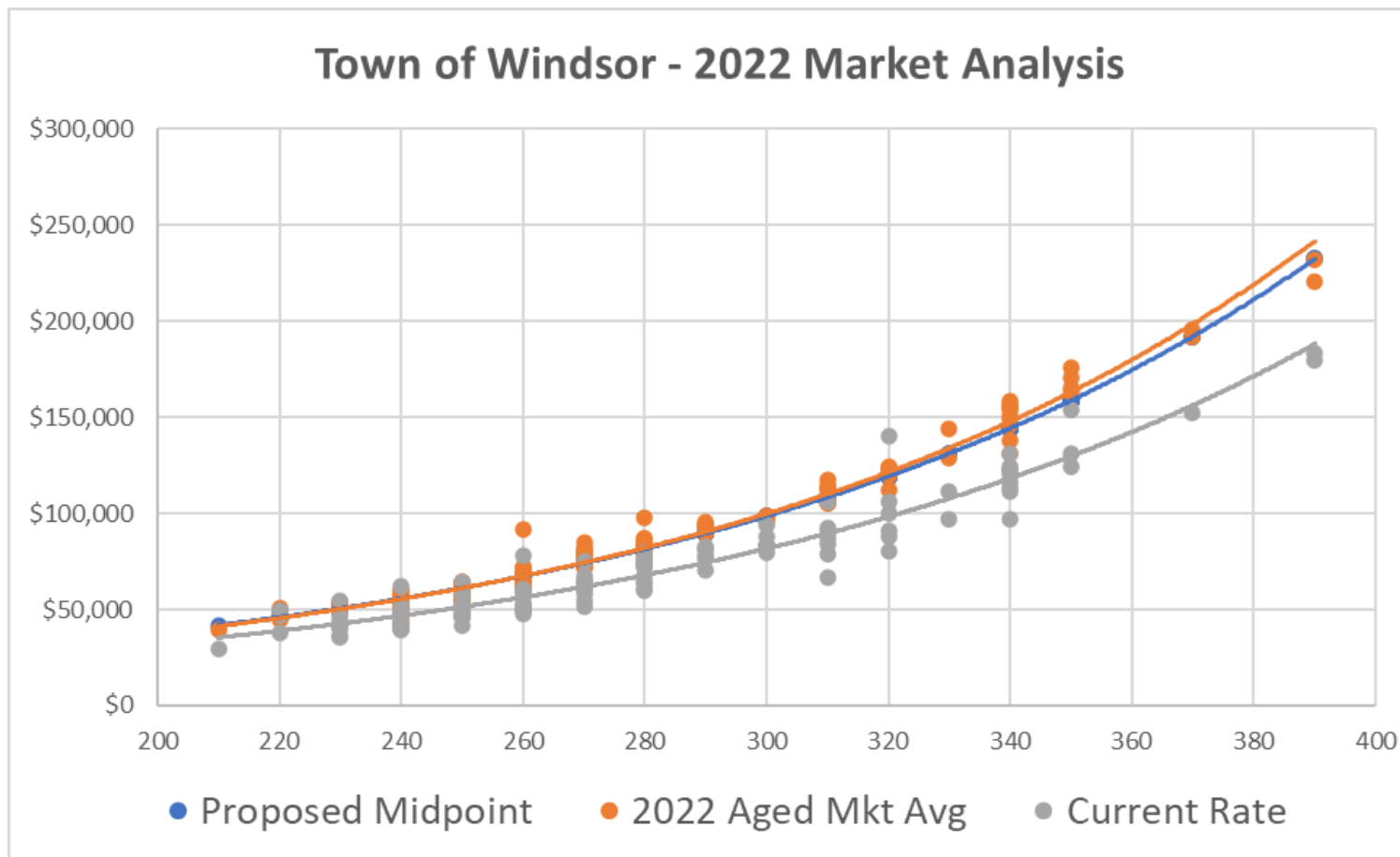
The primary difference is that Exempt and Non-Exempt positions are not separated in two separate structures and the distance between each of the grades are all 10% apart at the midpoint. This is an important revision as it will make it easier to move positions according to market or to add or upgrade positions as the Town continues to grow and change. We believe this structure will allow the Town the flexibility to adjust maintain alignment to market for all positions over time.

Below is our proposed pay structure for the majority of the Town's Full Time positions:

Town of Windsor - Proposed Pay Structure 2023								
Grade	Annualized			Hourly			Design	
	Min	Mid	Max	Min	Mid	Max	Width	Distance
200	\$32,340	\$38,000	\$43,660	\$15.55	\$18.27	\$20.99	35%	
210	\$35,574	\$41,800	\$48,026	\$17.10	\$20.10	\$23.09	35%	10%
220	\$39,132	\$45,980	\$52,828	\$18.81	\$22.11	\$25.40	35%	10%
230	\$43,045	\$50,578	\$58,111	\$20.69	\$24.32	\$27.94	35%	10%
240	\$47,350	\$55,636	\$63,922	\$22.76	\$26.75	\$30.73	35%	10%
250	\$52,085	\$61,199	\$70,314	\$25.04	\$29.42	\$33.80	35%	10%
260	\$56,099	\$67,319	\$78,539	\$26.97	\$32.37	\$37.76	40%	10%
270	\$61,709	\$74,051	\$86,393	\$29.67	\$35.60	\$41.54	40%	10%
280	\$67,880	\$81,456	\$95,032	\$32.63	\$39.16	\$45.69	40%	10%
290	\$74,668	\$89,602	\$104,536	\$35.90	\$43.08	\$50.26	40%	10%
300	\$82,135	\$98,562	\$114,989	\$39.49	\$47.39	\$55.28	40%	10%
310	\$90,349	\$108,418	\$126,488	\$43.44	\$52.12	\$60.81	40%	10%

320	\$97,355	\$119,260	\$141,165	\$46.81	\$57.34	\$67.87	45%	10%
330	\$107,091	\$131,186	\$155,282	\$51.49	\$63.07	\$74.65	45%	10%
340	\$117,800	\$144,305	\$170,810	\$56.63	\$69.38	\$82.12	45%	10%
350	\$129,580	\$158,735	\$187,891	\$62.30	\$76.32	\$90.33	45%	10%
360	\$139,687	\$174,609	\$209,531	\$67.16	\$83.95	\$100.74	50%	10%
370	\$153,656	\$192,070	\$230,484	\$73.87	\$92.34	\$110.81	50%	10%
380	\$169,021	\$211,277	\$253,532	\$81.26	\$101.58	\$121.89	50%	10%
390	\$185,924	\$232,405	\$278,885	\$89.39	\$111.73	\$134.08	50%	10%

The chart below shows that with the proposed pay ranges, the Town's Range Midpoints are well aligned to the 2022 Market data. This was our goal. This chart further shows that the current employee pay rates are below market with 76 employees having current pay rates below the new range minimum.



Implementation and Financial Impact for Base Pay Adjustments

Graves Consulting recommends implementing the proposed pay structure and ensuring that not only are rates at or above the range maximums but that employees with more experience are placed appropriately in their pay ranges to prevent pay compression. This means that all 76 employees whose current pay is below the new range minimum will be increased to at least range minimum and that 53 additional employees will receive pay increases that align with their tenure and experience. The

annualized cost for these pay adjustments is as follows:

Employee Type	
Full Time General Government Employees	\$1,384,658
Part Time Year Round/Seasonal Employees	\$231,615
Sworn Officer and Sergeants on Step Plan	\$635,253
Combined for general fund and all enterprise budgets	\$2,251,526

*Combined merit/step increases would have totaled: \$786,494 (\$195k will remain for employees at/above current market)

Benefit Comparison and Recommendations

In addition to analyzing base pay, we also reviewed the major elements of the Town's Benefit Plans.

Graves Consulting gathered data from the Employers Council survey on health plan cost, retirement plan contributions and paid time off benefits, as we see these as the primary elements of the Benefits offered.

As you can see from the outline below, the Town's benefit offerings are competitive and well aligned to market. We are not recommending any changes. See below for more details:

Town of Windsor - Benefit Comparison			
Benefit	Windsor Data	EC Market Data	Findings
Health Plans (Medical):			Highly Competitive
Employee Cost - Single	\$11.18 (HDHP) to \$76.78 (PPO)	\$54 (HDHP) to \$93 (POS)	
Employee Cost - Emp + Children	\$20.68 (HDHP) to \$142.01 (PPO)	\$120 (HDHP) to \$258 (POS)	
Employee Cost - Emp + Spouse	\$22.38 (HDHP) to \$153.67 (PPO)	\$197 (HDHP) to \$300 (POS)	
Employee Cost - Family	\$25.72 (HDHP) to \$176.67 (PPO)	\$260 (HDHP) to \$415 (POS)	
Retirement - General Gov't		5% for 401(k)	Competitive
		4% for 457(b)	
	Up to 6% for 401(a)	6% for 401(a)	
Retirement - Police	9.5% for 2023	10%*	
Holidays - Days	11 Days (+ 2 Personal Days)	11 Days	Competitive
Vacation Accrual Hours - Hours			Competitive
Less than 1 year		40 Hours	
1-4 years	88-112 Hours	96 Hours	
5-9 years	120-144 Hours	120 Hours	
11-19 years	160 Hours	160 Hours	
20-24 years	160 Hours	168 Hours	
25+ years	160 Hours	168 Hours	
Sick Leave Accrual - Hours	80 Hours	80 Hours	

*This data is from a 2021 Graves Consulting Custom Law Enforcement Compensation survey

Summary

We believe the Town's pay structure has been appropriate in the past but some structural changes as well as more alignment to market will allow the Town to be both more flexible and competitive now and in the future.

The changes to the structure that we are recommending are primarily for the purpose of addressing the concerns that were mentioned at the start of this project. Specifically, ensuring competitiveness to market, addressing internal equity, and providing flexibility and a method for ongoing maintenance of the structures for the Town. Additionally, we believe our recommendations will allow the Town to have an objective and transparent structure and process for pay that is more easily communicated to employees.

All results and recommendations are based on compiled market data, however, Town leadership should review and adjust for specific circumstances that we may not be aware of.

We are available to discuss this report in further detail with you or any other members of the leadership team or Town Council, as is appropriate.

Financial Impact:

Relationship to Strategic Plan:

Recommendation:

CC:

Attachments:



Compensation Study Results

August 2022

Project Intent & Scope

Intent: To recruit and retain top talent by ensuring all employees at the Town of Windsor are paid competitively to market while maintaining internal equity and providing for career progression

Scope: Provide recommendations to update the Town's Pay Structure based on current, statistically valid market data from a defined market area that is appropriate for the Town, including recommendations for implementation and ongoing maintenance

Project Deliverables

- ▶ Review and analyze current wage structure and classification system
- ▶ Define the market the Town wishes to compare itself to
- ▶ Review existing wage survey data collected from relevant, statistically valid market studies
- ▶ Recommend pay structures that meet the Town's needs including placement of each position within those structures
- ▶ Provide financial impact analysis and recommendations for implementation, internal equity, pay compression and ongoing maintenance and communication
- ▶ Provide high level benefit plan comparison along with recommendations
- ▶ Provide comprehensive final report

Why was a Comp Study Important Now?

- ▶ For context on inflation, the Social Security Cost of Living adjustment for 2022 was 5.9%, the largest increase since 1982. The average over the last 10 years was 1.9%
- ▶ The Bureau of Labor Statistics reports that the Consumer Price Index for the Denver area has increased 8.2% over the 12-months ending in July 2022
- ▶ The Federal Reserve has increased interest rates three times in 2022, .25% in March, .75% in June and another .75% in July
- ▶ In this labor market and inflationary time, the Town is going to be forced to incur increased labor costs ***whether you implement a new wage structure or not***
- ▶ Turnover is very costly when you include recruiting and hiring costs, training, certifications, the cost of rework when mistakes are made, overtime, etc..
- ▶ Additionally, when you hire new employees to replace those that leave, the Town will have to pay market rates for those employees which makes compression even worse for existing employees and will require more pay increases

Definition of Market

Cities & Towns			Counties & Districts
Arvada	Evans	Littleton	Adams County
Aurora	Federal Heights	Lone Tree	Arapahoe County
Boulder	Firestone	Longmont	Boulder County
Brighton	Fort Collins	Loveland	Douglas County
Broomfield	Frederick	Northglenn	Jefferson County
Castle Pines	Golden	Parker	Larimer County
Castle Rock	Greeley	Superior	Weld County
Centennial	Greenwood Village	Thornton	Foothills P&R
Commerce City	Johnstown	Wellington	Hyland Hills P&R
Denver	Lafayette	Westminster	South Suburban P&R
Englewood	Lakewood	Wheat Ridge	Metro Water Recovery
Erie			South Ft Collins Sanitation

This represents the Denver/Boulder and Northern Colorado regions; private sector data from those same regions was also included for applicable positions

Process & Methodology

Data Collection

- ▶ From the surveys, we pulled actual wages being paid to employees doing similar work for each position - rather than just pay ranges
- ▶ We scrubbed the results to ensure valid data and made adjustments to the survey data to account for uniqueness in some roles at the Town
- ▶ Matched as many of the Town's positions as possible to external data sources to determine a market average for each

Current Pay Structure Overview

Five Pay Structures:

- ▶ Full Time Exempt
 - ▶ Range width 45%-50% wide
 - ▶ Midpoint distances vary
 - ▶ 10 Pay Grades/Ranges
- ▶ Full Time Non-Exempt
 - ▶ Range width 35%-45% wide
 - ▶ Midpoint distances vary
 - ▶ 6 Pay Grades/Range
- ▶ Police Sworn Non-Exempt
 - ▶ Step Plan that includes Officer, Sergeant and Commander
- ▶ Part Time Year Round
- ▶ Seasonal

Pay Structure Recommendations

- ▶ **Recommending redesigned Pay Structures for the following:**
 - ▶ Full Time Exempt and Non-Exempt (combined)
 - ▶ Range Width increases from 35% to 50%
 - ▶ Midpoints are all 10% apart
 - ▶ 20 total pay grades/ranges
 - ▶ Police Sworn Non-Exempt Step Plan (Officers & Sergeants, Commander moved to FT Pay Structure)
- ▶ **Recommending increasing the following Pay Structures by 8%:**
 - ▶ Part Time Year Round
 - ▶ Seasonal
 - ▶ Several positions on each structure were also upgraded to align to market

Proposed Full Time Pay Structure

Town of Windsor - Proposed Pay Structure 2023								
Grade	Annualized			Hourly			Design	
	Min	Mid	Max	Min	Mid	Max	Width	Distance
200	\$32,340	\$38,000	\$43,660	\$15.55	\$18.27	\$20.99	35%	
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390	\$185,924	\$232,405	\$278,885	\$89.39	\$111.73	\$134.08	50%	10%

Proposed Police Sworn Non-Exempt Step Plan

Town of Windosr							
Proposed Step Plan for Sworn, Non-Exempt Police							
Position							
		\$63,086					
Police Cadet Rate (Non-Sworn)		30.33					
		<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>
		\$70,096	\$74,477	\$79,132	\$84,078	\$89,332	\$94,916
Police Officer		33.70	35.81	38.04	40.42	42.95	45.63
			6.25%	6.25%	6.25%	6.25%	6.25%
		<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	
		\$99,715	\$105,449	\$111,512	\$117,924	\$124,705	
Police Sergeant		47.94	50.70	53.61	56.69	59.95	
			5.75%	5.75%	5.75%	5.75%	

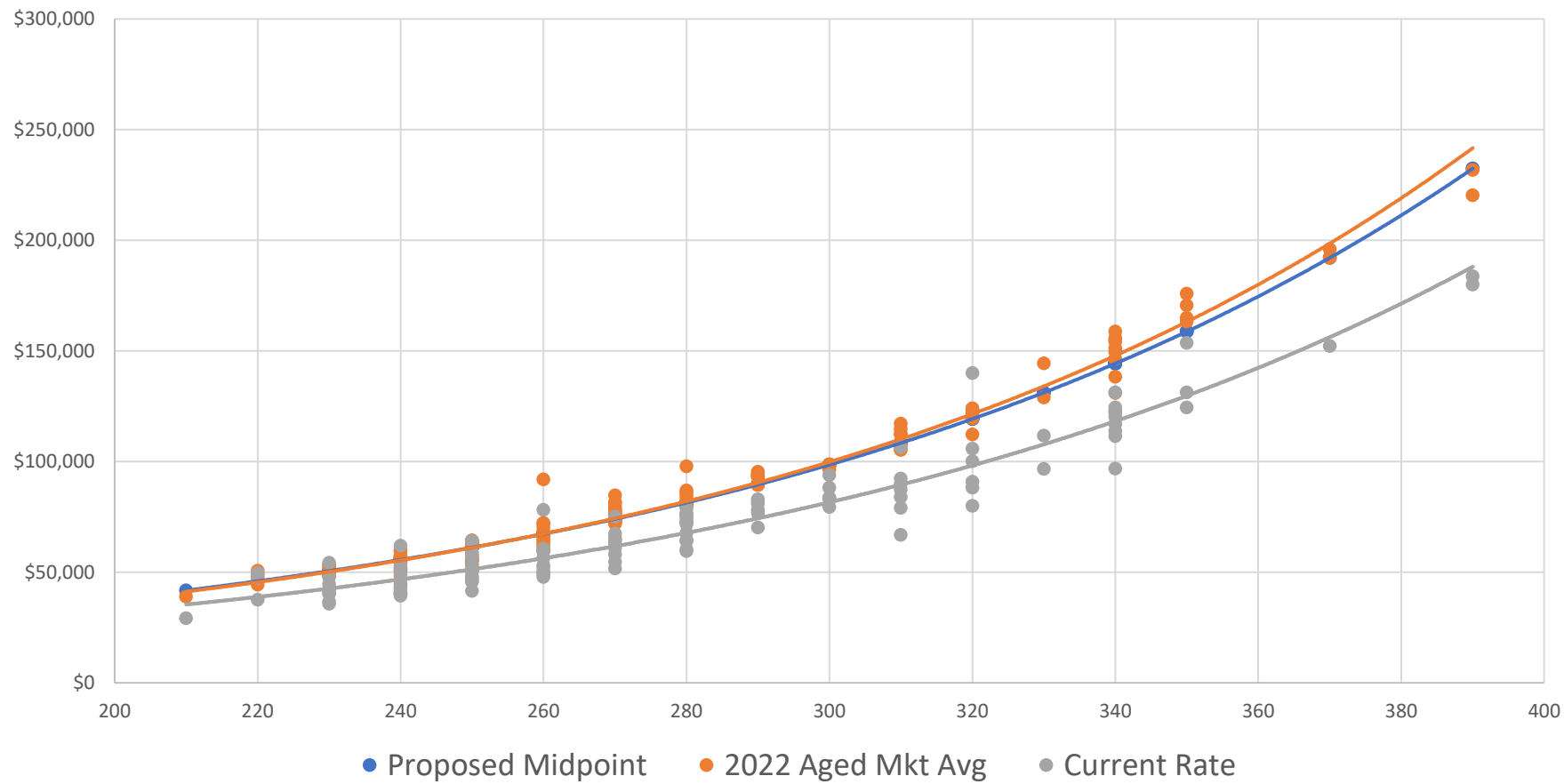
Pay Structure High Level Impact

Overall Financial Impact of Implementation

- ▶ \$2,251,526 impact to 2023 budget for pay study
- ▶ Full Time personnel account for \$1,384,658
- ▶ Part Time and Seasonal account for \$231,615
- ▶ STEP Plan for Officer/Sergeants: \$635,253
- ▶ Most of impact (78%) is in general fund
- ▶ 157/210 employees will receive a salary increase from pay study.
- ▶ 53 remaining are currently at/above “market”, will be eligible for up to 5% merit increase following evaluation, which totals \$195k.
- ▶ Merit increases will be applied first to existing salaries, followed by any market adjustments. Placeholder budget (incl Step plan) was \$786,494

Market Analysis Results Overview

Town of Windsor - 2022 Market Analysis



Benefits Review

- ▶ Reviewed benefit plans including health benefits, retirement plans and paid time off (used data from Employers Council)
- ▶ The Town is competitive across all categories
- ▶ Details on the following slide

Town of Windsor - Benefit Comparison

Benefit	Windsor Data	EC Market Data	Findings
Health Plans (Medical):			Highly Competitive
Employee Cost - Single	\$11.18 (HDHP) to \$76.78 (EPO)	\$54 (HDHP) to \$93 (POS)	
Employee Cost - Emp + Children	\$20.68 (HDHP) to \$142.01 (EPO)	\$120 (HDHP) to \$258 (POS)	
Employee Cost - Emp + Spouse	\$22.38 (HDHP) to \$153.67 (EPO)	\$197 (HDHP) to \$300 (POS)	
Employee Cost - Family	\$25.72 (HDHP) to \$176.67 (EPO)	\$260 (HDHP) to \$415 (POS)	
Retirement - General Gov't		5% for 401(k) 4% for 457(b)	Competitive
	Up to 6% for 401(a)	6% for 401(a)	
Retirement - Police	9.5% for 2023	10%*	
Holidays - Days	11 Days (+ 2 Personal Days)	11 Days	Competitive
Vacation Accrual Hours - Hours			Competitive
Less than 1 year		40 Hours	
1-4 years	88-112 Hours	96 Hours	
5-9 years	120-144 Hours	120 Hours	
11-19 years	160 Hours	160 Hours	
20-24 years	160 Hours	168 Hours	
25+ years	160 Hours	168 Hours	
Sick Leave Accrual - Hours	80 Hours	80 Hours	

*Police retirement data is from 2021 GC Custom Survey

Final Steps

Project Conclusion:

- ▶ Present results to Town Board
- ▶ Build Communication Plan for Employees, including a presentation of results
- ▶ Implement new pay structure and identified pay increases in Jan 2023



Questions?



MEMORANDUM

Date: September 26, 2022
To: Mayor and Town Board
From: Shane Hale, Town Manager
Re: Future Meetings Agenda
Item #: 3.

Background / Discussion:

Financial Impact:

Relationship to Strategic Plan:

Recommendation:

CC:

Attachments:

1. 2022 Future Meetings Agenda



FUTURE TOWN BOARD MEETINGS

October 3, 2022 5:30 p.m.	Town Board Work Session (Public Services Facility) Budget – Capital Improvement Plan
October 10, 2022 5:30 p.m.	Town Board Work Session Board/Manager/Attorney Monthly Meeting Strategic Plan Update
October 10, 2022 7:00 p.m.	Town Board Regular Meeting
October 15, 2022 (Saturday)	Town Board Work Session (Evergreen Room at CRC) Operating Budget
October 17, 2022 5:30 p.m.	Town Board Work Session Rates and Fees Discussion
October 24, 2022 5:30 p.m.	Town Board Work Session Budget – Follow-up Questions Transportation Update
October 24, 2022 7:00 p.m.	Town Board Regular Meeting
October 31, 2022	Canceled – Fifth Monday
November 7, 2022 5:30 p.m.	Town Board Work Session
November 14, 2022 5:30 p.m.	Town Board Work Session Board/Manager/Attorney Monthly Meeting
November 14, 2022 7:00 p.m.	Town Board Regular Meeting
November 21, 2022 5:30 p.m.	Town Board Work Session Traffic Safety Program
November 28, 2022 5:30 p.m.	Town Board Work Session
November 28, 2022 7:00 p.m.	Town Board Regular Meeting
December 5, 2022 5:30 p.m.	Town Board Work Session

December 12, 2022 5:30 p.m.	Town Board Work Session Board/Manager/Attorney Monthly Meeting
December 12, 2022 7:00 p.m.	Town Board Regular Meeting
December 19, 2022 5:30 p.m.	Town Board Work Session
December 26, 2022	Canceled – Christmas Holiday

Future Work Session Topics

- DDA Entertainment District
- Telecom Code (Pending FCC Rules)
- Regional Water Treatment Plant Site Update
- Weld RE-4 School Land Dedication/Cash in lieu of Land Update
- Energy Plan Update (December 12th)
- Discuss Wells Used For Geologic Sequestration of Carbon Dioxide draft ordinance