



MARYLAND

**SALISBURY CITY COUNCIL
WORK SESSION AGENDA**

**AUGUST 19, 2013
COUNCIL CHAMBERS, ROOM 301
GOVERNMENT OFFICE BUILDING**

- 1:30 p.m. Grants Management Software presentation – Tom Grimes, Streamlink Software
- 2:00 p.m. City Employees Pay Study – Mayor Ireton/Tom Stevenson/Brian Wolfe, Evergreen Consultant
- 2:30 p.m. EDU Incentive Zone (Ordinance No. 2258) – Amanda Pollack/Mark Tilghman
- 3:00 p.m. Merritt Mill Road/Smith Annexation – Introduction – Chris Jakubiak/Keith Hall/Mark Tilghman
- 3:30 p.m. Habitual Offenders – Susan Phillips/Mark Tilghman
- 3:50 p.m. Charter Change – Advertising requirements - Mark Tilghman/Council discussion
- 4:00 p.m. Linens of the Week Property Disposition – Tom Stevenson/Council discussion
- 4:15 p.m. Veterans Preference Policy – Jake Day
- 4:30 p.m. Youth Civics Council Grant application – Jake Day
- 4:45 p.m. City Attorney/City Clerk evaluations – Council discussion
- 5:15 p.m. General Discussion
- 5:30 p.m. Adjournment

*Times shown are approximate. Council reserves the right to adjust the agenda as circumstances warrant.
The Council reserves the right to convene in Closed Session as permitted under the Annotated Code of Maryland 10-508(a).*

Recovery Accountability and Transparency Board

Grants Reporting Information Project

GRIP

June 2013

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Overview of the Grants Reporting Information Project

The Recovery Accountability and Transparency Board (Recovery Board) was established to oversee the effective implementation of the transparency and accountability requirements outlined in Title XV of the American Recovery and Reinvestment Act of 2009 (ARRA or Recovery Act). In fulfilling this mandate, the Recovery Board successfully implemented a government-wide, centralized ARRA recipient reporting system called FederalReporting.gov. Recipients report on their ARRA funded projects through this centralized electronic collection system. FederalReporting.gov is based on fundamental principles: a limited set of data elements, data standards, and scalability to accommodate the number of recipient reports.

Reporting is Key for Accountability

Recipient reporting is a central component to federal financial assistance oversight as it shows how funds are spent and used and ensures that recipients are accountable for the money they have received. Through recipient reporting, the government and public can determine whether or not the program is meeting its goals and objectives.

However, effective oversight may be impacted by agency and program-specific reporting requirements, cited in the Codification of Governmentwide Grants Requirements (common rules) and in the terms and conditions of each award. In addition, Office of Management and Budget (OMB) guidance has set forth multiple reporting schedules. For example, OMB Circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations," requires performance reporting occur not more frequently than quarterly or less frequently than annually.

Project Description

In 2012, Recovery Board staff tested the feasibility of using FederalReporting.gov as a model for collecting financial reports on non-ARRA grant programs. This project was initiated based in large part upon feedback from ARRA recipients, who also receive non-ARRA awards from the federal government that reporting was not consistent across programs and data elements collected did not have standard definitions or formats. The reporting requirements, systems, and data formats are disparate within each agency's established business processes. The incongruent nature of federal grant reporting leads to duplicative systems, data inconsistencies, and administrative burdens for recipients and agencies.

Recovery Board staff initiated the Grant Reporting Information Project (GRIP) using the FederalReporting.gov system as a platform. FederalReporting.gov is the centralized government-wide collection system for federal agencies and recipients of federal awards under Section 1512 of the Recovery Act. GRIP was conducted as a proof-of-concept with a limited size and scope.

Nine federal grant recipients volunteered to participate in GRIP and collectively reported on 25 grants from 11 agencies. Two federal agencies participated in reviewing the collected data. GRIP captured data elements from OMB's Federal Financial Report (FFR), Standard Form 425 (SF-425), the financial

report for grants, as well as sub-recipient and vendor expense data collected in Recovery Act reporting. Appendix 1 documents the complete GRIP methodology, Appendix 1.1 contains the FFR/SF-425, and Appendix 1.2 lists participating recipients and grants reported.

GRIP's objectives were to test the following:

1. Can FederalReporting.gov be used to centrally collect federal grant financial reporting data?
2. Can centralized reporting reduce reporting burden?
3. Can providing a machine readable filing mechanism increase efficiencies?
4. Can federal grant reporting data be pre-populated by other government systems?
5. Can the Recovery Board's proposed Universal Award Identifier (UAID) algorithm be implemented within the system?

GRIP results demonstrated that:

1. Central grant financial reporting can be accomplished.
2. Comments from recipient participants support that some level of burden reduction could be achieved by submitting reports to one central source, using standard data, transmitting data in a standard format, and uploading multiple reports in one machine readable file. The project did not, however, measure burden reduction as compared to the Paperwork Burden Statement baseline, as defined by OMB, for the FFR/SF-425¹. Burden reduction was not quantified because of the limited number of recipient participants and project timeframe, the current disparate nature of federal grant financial reporting requirements, and the learning curve associated with GRIP as a reporting system. A burden reduction test could be conducted in a broader pilot project using the FFR/SF-425 public reporting burden average as a baseline. It is important to note two recipient participants stated that centralized reporting, in combination with the adoption of financial reporting data standards and standardized business processes, will reduce burden and improve efficiencies only if implemented across the federal government.
3. The ability to produce standard machine readable report files (e.g., XML²) and to "bulk" or "batch" multiple grant reports in one XML file, regardless of agency or program, can significantly increase reporting efficiency.
4. Data pre-population can occur with federal systems that can be easily mapped and have reliable data. A government-wide award number standard would greatly improve the ability to match data for pre-population use in grant reporting. The benefits of a standard award identifier, which theoretically would be established at the inception of the award and carried throughout its life, are system edits that could be developed and implemented to test for valid numbers, reconciliation between systems and documents would be simplified, and changes to the number would be prevented.

¹ Per OMB SF-425 - Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

² Extensible Markup Language (XML) - XML defines a set of rules for encoding documents to transport and store data. Its primary purpose is to support data exchange and is a free open standard.

5. An algorithm, easily identified by the awarding agency and recipients, can be used to produce a unique award identifier (UAID) using commonly available, as well as machine generated data elements (e.g., agency code, fiscal year, an alpha character indicating award type, and randomly generated alpha-numeric characters).

Findings

Can FederalReporting.gov be used to centrally collect federal grant financial reporting data?

Currently, the method by which grant recipients file financial reports varies across agencies and programs within the agencies. GRIP recipient participants stated that in some cases the FFR/SF-425 is entered directly into sophisticated agency systems (e.g., Department of Health and Human Services (DHHS)/National Institutes of Health) while others require the information be submitted via adobe acrobat.pdf format or as excel spreadsheets. One recipient participant indicated that the National Aeronautics and Space Administration is one example of an agency that has an electronic system but also requires the same information be submitted in paper format. In many cases, agencies receive data in paper format or as an adobe acrobat .pdf and then enter information manually into a grant program-specific database; such is the case at the U.S. Department of Agriculture's (USDA) National Institute of Food and Agriculture (NIFA).

GRIP results clearly indicated a centralized grant financial reporting system can be built using the FederalReporting.gov technology. The system was easily modified to accommodate the federal grant financial reporting data currently collected in the Federal Financial Report (FFR/SF-425). Recipient participants who reported via web form found it easy to use. The ability to choose from multiple reporting mechanisms (e.g., webform, XML single submission, and XML bulk submission) made using the system desirable. GRIP recipient participants indicated that centralized reporting would eliminate the need to learn and keep track of the multiple grant financial reporting vehicles and various program-specific requirements currently in place throughout the federal government.

From an agency perspective, the NIFA grant administration office indicated a centralized reporting system for the FFR/SF-425 would finally allow them to collect SF-425 data electronically rather than on paper. They also indicated that if the centrally collected data were available for public queries, it would eliminate the time they currently spend creating stakeholder requested reports.

A government-wide centralized reporting mechanism would eliminate agency duplication of efforts, including development and maintenance of systems, help desk support, and data entry (e.g., paper forms submitted to agencies are then entered into agency systems by agency personnel). In addition, any mandated changes to standard data elements or other reporting requirements would occur once, ensuring a quick and truly government-wide implementation.

Can centralized reporting reduce reporting burden?

The results regarding reporting burden were inconclusive due to a couple of complicating factors, which lead to the inability to collect empirical data. First, GRIP data elements contained both FFR/SF-425

requirements as well as ARRA sub-recipient and vendor expense reporting requirements. A time test could not be conducted comparing recipient participants' current FFR/SF-425 submission methodologies to those employed during GRIP.

Second, grant reporting requirements (data and frequency) are not standard across the federal government. Although OMB directed that older grant financial report forms be replaced with the FFR/SF-425, effective government-wide October 1, 2009, pursuant to the Federal Financial Assistance Management Improvement Act of 1999 (P.L. 106-107), this has not been consistently implemented. For example, one participant stated that within USDA's Agricultural Research Service, grant financial reporting requirements can be different depending on which office issues the award (e.g., similar awards require different reports). Also, agencies that do require an FFR/SF-425 often exempt grant recipients from having to submit certain data elements (e.g., indirect costs) depending upon the grant or program. Finally, recipient participants indicated that financial reporting varies across agencies and programs, with the reporting cycles ranging from quarterly, to semi-annually, annually, biennially, and some only at award closeout. One recipient participant indicated and others reiterated:

“Reporting period is based on agency requirements. Less than 50 percent [of our grants] have financial and program reporting requirements in sync/due at the same time.”

Additionally, recipient participants were asked to comment on whether it would ultimately take less time to file grant financial reports if data element requirements were standard across all grants. Recipient participants generally agreed if a government-wide financial reporting standard was implemented with one format and one set of data elements (e.g., no additional specific program level requirements) a level of burden reduction could be achieved. However, the amount of burden reduction would depend on the standardization of data and processes, and the frequency of reporting. Although recipient participants answered survey questions addressing burden reduction as it related to time and effort, it was subjective information based upon their experiences.

Can providing a machine readable filing mechanism increase efficiencies?

GRIP provided several report filing mechanisms, including the ability to create and submit a machine readable XML file. Recipient participants agreed the ability to submit XML files would increase efficiency because much, if not all, of the report data could be queried and generated through automated systems, reducing the amount of manual effort necessary. One recipient participant estimated that submitting a FFR/SF-425 via web form instead of the paper forms and excel spreadsheets currently required could reduce submission time by 10%. Recipient participants stated the ability to “batch” or “bulk” submit many financial reports (regardless of agency or program) in one XML file would significantly increase efficiency and ultimately reduce burden. As stated by one of the recipient participants:

“If [GRIP] were moved into production, efficiencies would be realized in the standardization of the reporting process and the ability to submit many reports at once.”

Can federal grant reporting data be pre-populated by other government systems?

GRIP used data from USASpending.gov³ and the System for Award Management (SAM)⁴, two government-wide systems that capture award information, to pre-populate some of the reporting fields. Data populated from USASpending.gov (agency information, Treasury Account Symbol, Catalog of Federal Domestic Assistance (CFDA) number, funding amount, project title, award date and grant period) were tied to the grant award number being reported. Data populated from SAM (recipient name and address) were tied to the recipient's Data Universal Numbering System (DUNS) number, which government business partners are required to have. Manual searches by recipients and the GRIP support team were necessary in order to locate the proper grants in USASpending.gov due to award number formatting inconsistencies. In addition, some of the data being used for pre-population, such as the CFDA number funding amount, were missing, inaccurate, or incomplete in USASpending.gov.

The identified anomalies and errors can be attributed at least in part to the voluntary and highly manual data quality process followed in USASpending.gov. The Data Submission and Verification Tool, per the USASpending.gov website, is an optional tool not used for all data feeds. Further, once a user reports a data problem, the user is directed back to the agency to address the problem. Subsequently, the agency must resend the data. All of these manual processes make it extremely difficult to ensure accurate data. Implementing a robust automated data quality system similar to that employed by Recovery Board staff in FederalReporting.gov would significantly improve the reliability of USASpending.gov data, making data pre-population achievable as a means to realize grant financial reporting efficiencies.

Similar problems were not experienced when pre-populating information from SAM.

Can the Recovery Board's proposed Universal Award Identifier (UAID) algorithm be implemented within the system?

Currently, there is no standard government-wide grant award identifier format. Program offices use their own formulas to generate award numbers, and several change the award identifier throughout its life cycle by either adding alpha-numeric characters or truncating the identifier's prefix or suffix. Recovery Board staff documented reconciliation problems due to lack of standardization and researched the applicability and methodology by which a government-wide unique award identifier (UAID) could be established. The Recovery Board's previous experiences were substantiated during the GRIP test when difficulties arose reconciling recipient participant reported grant identification numbers with those contained in USASpending.gov. In most cases, the numbers did not match due to differences in the alpha-numeric characters themselves or the way in which the identifier was formatted.

As part of GRIP, Recovery Board staff tested the ability to create a machine generated 12 digit award number for each of the GRIP reported grants using the Board's proposed UAID algorithm. The algorithm

³ USASpending.gov is mandated by the Federal Funding Accountability and Transparency Act (Transparency Act), managed by the General Services Administration, to provide the public with information about how their tax dollars are spent.

⁴ SAM, managed by the General Services Administration, is the combination of federal procurement systems, including the Central Contractor Registry, with the Catalog of Federal Domestic Assistance.

created a machine generated 12 digit award number after each grant report was submitted. The UAID attributes consisted of the following:

- Agency Code: 3 digits (e.g., 012)
- Award Type: 1 digit (e.g., G for grant)
- Fiscal Year: 2 digits (e.g., 12)
- Random Alpha Numeric Code: 5 digits (e.g., 55EFG)
- Check Digit: 1 digit (e.g., 2)

The UAID test provided the project team the ability to access grant data using the UAID or the agency assigned award number. The UAID test proved that a specified format, which generated a random number from an algorithm, could be set up electronically and added to an existing user's system. Appendix 2 is a chart containing the award number as reported by recipient participant, the corresponding number from USASpending.gov, and the UAID as generated by GRIP.

Recommendations

The Recovery Board makes the following recommendations it believes would enhance federal grant financial reporting processes, reduce grant reporting burden, and improve data quality throughout the grant life cycle:

1. An adoption of financial reporting data standards and standardized business processes will reduce burden and improve efficiencies if implemented across the federal government.
2. A centralized financial reporting system should allow for multiple electronic reporting mechanisms with an emphasis on bulk or batch XML filing.
3. A unique award numbering scheme should be considered for government-wide implementation. This, along with more stringent data quality assurance measures within USASpending.gov, could enable seamless pre-population of some reporting data fields.
4. A full centralized reporting pilot should be conducted using standard data elements that could be used government-wide (e.g., FFR/SF-425). The pilot should use a standardized financial reporting frequency, and include a thorough time and resource evaluation to more adequately measure burden reduction. If the pilot is successful, centralized reporting should be used government-wide.

Appendix 1: GRIP Proof-of-Concept Methodology

Scope

The Grant Reporting Information Project (GRIP) team reviewed the data dictionaries for the FederalReporting.gov American Reinvestment and Recovery Act (ARRA)¹ reporting system, the Federal Funding Accountability and Transparency Act (FFATA)² Sub Award Reporting System (FSRS)³, the FAADS+ USASpending.gov⁴ agency file submission on financial assistance reporting, and the data fields for the Office of Management and Budget standard form 425 and 425-A, the Federal Financial Report (FFR/SF-425)⁵. After analyzing all data dictionaries and forms to identify duplicative and corresponding data requirements, data elements were selected for the GRIP proof-of-concept.

The Recovery Accountability and Transparency Board's FederalReporting.gov collection system was used to build the GRIP test system. All of the data fields from the FFR/SF-425, a copy of which can be found in Attachment 1.1, were included as were the ARRA financial expense data elements as they pertained to sub recipients and vendors.

GRIP was launched in October 2012. We required that recipient reporting be completed in early November 2012. Agency data review occurred in December 2012.

Participant Selection and Grants Reported

In total, GRIP involved nine recipients and two agency participants.⁶ Five recipient participants reported directly to GRIP: the State of Nebraska; University of Wisconsin-Madison; University of Washington; Colorado State University; and the University of New Mexico. The City of Bowie, MD; the College of Lake County, IL; the University of North Carolina-Wilmington and North Carolina State reported into the GRIP system using files in a standard machine language (Extensible Markup Language (XML)) generated by grant middleware software that they had previously implemented at their institutions.

¹ FederalReporting.gov is the central government-wide data collection system for Federal Agencies and Recipients of Federal awards under Section 1512 of the Recovery Act.

² The Federal Funding Accountability and Transparency Act (FFATA) was signed on September 26, 2006. The intent is to empower every American with the ability to hold the government accountable for each spending decision.

³ The FFATA Subaward Reporting System (FSRS) is the reporting tool Federal prime awardees (i.e. prime contractors and prime grants recipients) use to capture and report subaward and executive compensation data regarding their first-tier subawards to meet the FFATA reporting requirements.

⁴ The FFATA legislation requires information on federal awards (federal financial assistance and expenditures) be made available to the public via a single, searchable website, which is www.USASpending.gov.

⁵ The FFR/SF-425 replaced older grant financial report, forms pursuant to the Federal Financial Assistance Management Improvement Act of 1999 (P.L. 106-107), effective government-wide October 1, 2009.

⁶ One of the agency participants, the Environmental Protection Agency (EPA), recommended one of the recipient participants, the State of Nebraska Department of Environmental Quality; it also recommended coordination with the Federal Demonstration Partnership (FDP). The FDP is a cooperative initiative among 10 federal agencies and 119 institutional recipients of federal funds that is a program sponsored by the Government, University, and Industry Research Roundtable of the National Academies. Its purpose is to reduce the administrative burdens associated with research grants and contracts and it works cooperatively with federal agencies on specific projects to address these issues. The FDP created a work group and four members participated. The remaining participants were recommended through the GRIP project team.

Appendix 1: GRIP Proof-of-Concept Methodology

GRIP did not replace the recipients' normal reporting requirements, rather the recipients agreed to participate for GRIP testing purposes only. Each of the nine recipient participants selected up to five grants to report. Together, the nine recipient participants reported on 25 grants from 11 different agencies; Appendix 1.2 lists the grants and associated information for each of the recipients.

Data Collection Strategy

Recipient participants provided the grant award identification number, agency name, program, catalog of Federal Domestic Assistance (CFDA) number, recipient Data Universal Numbering System (DUNS) number, and any sub-recipient names and DUNS numbers for each of the grants they selected for the test. Based upon this information, the GRIP team conducted searches of USASpending.gov and the System for Award Management (SAM)⁷ in order to pre-populate a number of the fields. The data populated from USASpending.gov (agency information, Treasury Account Symbol, CFDA number, funding amount, project title, award date, and grant period) was tied to the grant award number entered by the recipient. The data populated from SAM (recipient name and address) was tied to the recipient's Data Universal Numbering System (DUNS) number.

GRIP recipient participants were able to report through a variety of mechanisms including web form and XML file submissions. If a recipient participant chose to use the webform, all FFR/SF-425 data elements that are a sum total of others (e.g., cash on hand representing cash receipts minus cash disbursements) per the standard form were calculated by the system.

GRIP recipient participants attended a webinar training session and received various documentation including data dictionaries and sample XML files. The participants determined the method by which they would report the GRIP data being collected as previously described. Some chose two methods to test and others chose only one. Two of the directly reporting GRIP recipient participants reported a total of five grants using single XML file (e.g., one grant per file) transfer. Three of the directly reporting recipient participants reported a total of seven grants using the web form. One of the directly reporting recipient participants reported a total of four grants using a bulk or batch XML file (e.g. all grants regardless of agency or program were filed together in one XML file) transmission. The four recipient participants utilizing middleware filed a total of nine grants using single XML file transfer.

A help desk email and phone number were established to assist the recipients through the process. Once the recipients submitted the data, regardless of the chosen method, they were able to log onto the system and view the data through the web form.

⁷ SAM, managed by the General Services Administration, is the combination of federal procurement systems, including the Central Contractor Registry, with the Catalog of Federal Domestic Assistance.

Appendix 1: GRIP Proof-of-Concept Methodology

Recipient Evaluation

Directly reporting recipient participants provided feedback and evaluation via both a conference call and via written evaluations. Those who used middleware to file provided feedback via a conference call.

Agency Review and Evaluation

EPA and the Department of Agriculture (USDA) participated in reviewing the GRIP data submitted from an agency perspective. EPA reviewed six individual reports and USDA reviewed four reports. Both agencies participated in a webinar conference call that provided background on the GRIP project, the means by which to log into the system, and a set of questions for the agencies to consider when viewing the submitted data online. The agencies also were given the opportunity to submit written evaluations.

Appendix 1.2 Methodology; GRIP Recipient Participants and Grants Reported

Recipient	Agency	CFDA No.	Program Name	Grant No.	FDP Partner	Reporting Method
City of Bowie, MD	DOJ	16.710	Community Oriented Policing Service	2009CKWX0576		Middleware
	HUD	14.218	Community Development Block/Entitlement Grants	B-11-MC-24-0001		
College of Lake County, IL	DOL	17.282	Trade Adj Act Community College Career & Training Program	TC-22517-11-60-A-17		Middleware
Colorado State University	EPA	66.461	Regional Wetland Program Development Grants	CD-97846701	X	Direct
	DoD	12.800	Air Force Defense Research Sciences Program	FA9550-11-1-0205		
	USDA	10.206	Grants for Agricultural Research-Competitive Research	2012-67015-19506		
Nebraska, State of	DOD	12.113	State MoU Program for the Reimbursement of Technical Services	W912DY-12-1-0229		Direct
	EPA	66.605	Performance Partnership	BG-997325-07		
University of New Mexico	ED	84.015	National Resource Centers Program for Foreign Language and Area Studies	P015B100099	X	Direct
	NSF	47.076	Education and Human Resources	DRL-1038654		
North Carolina State University	EPA	66.509	Science To Achieve Results (STAR) Research Program	834264601		Middleware
	EPA	66.509	Science To Achieve Results (STAR) Research Program	83516501		
	USDA	10.307	Organic Agriculture Research and Extension Initiative	2012-51300-20024		
University of North Carolina - Wililmington	NSF	47.074	Biological Sciences	IOS-1126938 UNCW G57173		Middleware
	DOC	11.463	NOAA/Habitat Conservation	NA12NMF4630045 UNCW G57260		
	USDA	10.206	Grants for Agricultural Research-Competitive Research	2009-35103-05336 UNCW G50945		
University of Washington	EPA	66.509	Science To Achieve Results (STAR) Research Program	RD-83169701-AM05	X	Direct
	DOI	15.608	Fish and Wildlife Management Assistance	F09AC00410 MOD02		
	NSF	47.082	Trans-NSF Recovery Act Research Support	47.050 ARC-0856330AM05		
	DOC	11.468	NOAA/Applied Meteorological Research	NA08NWS4680035 AM02		
	USDA	10.310	Agriculture and Food Research Initiative (AFRI)	2011-68005-30407		
University of Wisconsin	HHS	93.359	HRSA/Nurse Education, Practice Quality and Retention Grants	D11HP22189	X	Direct
	HHS	93.866	NIH/Aging Research	P30 AG017266		
	EPA	66.469	Great Lakes Program	GL-00E00440		
	DOD	12.910	Research and Technology Development	N66001-11-1-4139		

Appendix 2: GRIP Recipient Participant Grant Award Numbers Comparison

Agency	Recipient provided Award #	Corresponding USAspending.gov Award #	Generated Universal Award Identifier (UAID)
USDA	2012-51300-20024	20125130020024.1	005G2012GZAW67
USDA	2009-35103-05336	20093510305336.1	005G20092GQRJ9
USDA	2011-68005-30407	20116800530407.1	005G2011TOL7T7
USDA	2012-67015-19506	20126701519506.1	005G2012KR1JZ2
DoC	NA12NMF4630045	NA12NMF4630045	006G2012SMU4D6
DoC	NA08NWS4680035 AM02	NA08NWS4680035	006G2010BOFUM9
DoD	N66001-11-1-4139	N660011114139	200G20120ZJXV7
DoD	W912DY-12-2-0229	W912DY1220229	200G2012AY21N1
DoD	FA9550-11-1-0205	FA95501110205	570G2012UE7X31
Ed	P015B100099	P015B100099	018G2012DTUSO5
EPA	GL-00E00440	00E00440	422G2012EECXJ4
EPA	834264601	83426401	020G20099OJA26
EPA	83516501	83516501	020G2012ZW55W8
EPA	BG-997325-07	99732507	020G2012KIXMY7
EPA	RD-83169701-AM05	83169701	020G2012FY56E9
EPA	CD-97846701	97846701	020G2009AWESE4
HHS	D11HP22189	D11HP22189	009G20123JCLH8
HHS	P30 AG017266	P30AG017266	009G2012RZHJV5
HUD	B-11-MC-24-0001	B-11-MC-24-0001	025G2012BYFJX3
DoI	F09AC00410 MOD02	813329J005	010G2009HSWPD3
DoJ	2009CKWX0576	2009CKWX0576	011G2009QJYZB4
DoL	TC-22517-11-60-A-17	TC225171160A17	012G2011VGWE86

Appendix 2: GRIP Recipient Participant Grant Award Numbers Comparison

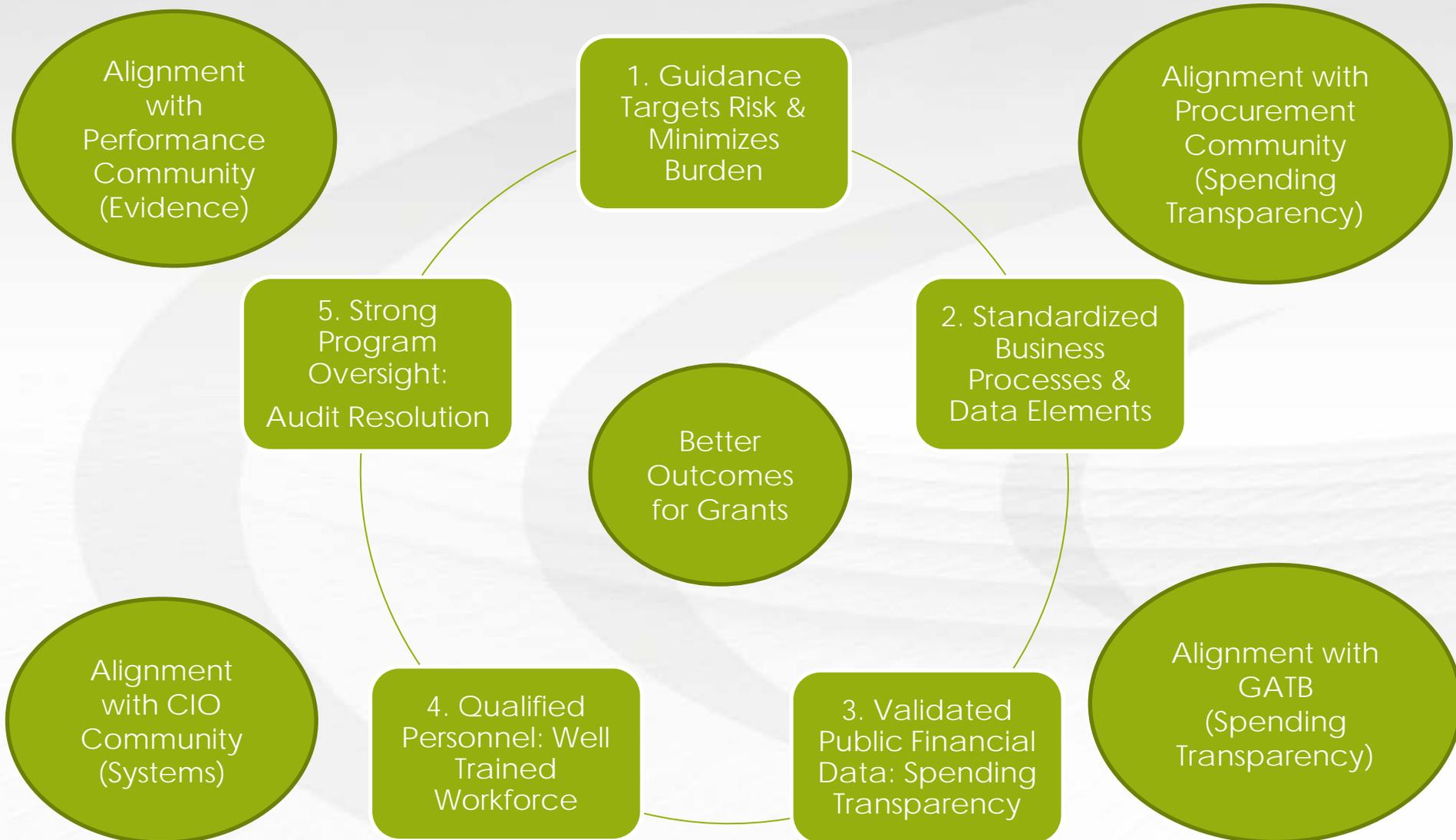
Agency	Recipient provided Award #	Corresponding USA Spending.gov Award #	Generated Universal Award Identifier (UAID)
NSF	IOS-1126938	1126938	422G2011WRRAZ3
NSF	DRL-1038654	1038654	422G2011TATJM3
NSF	47.050 ARC-0856330AM05	0856330	422G2012EECXJ4
The following grants were initially going to be reported by recipient participants but corresponding information was not found in USA Spending database.			
DoE	DE-ED0000202		
USDA	69-4532-10-004		

Compliance and Regulation Priorities

Overview of Proposed
Grant Reform 2013—
multi-resource materials



Priorities: Strong Controls for Better Outcomes



Goals: Target Risk & Minimize Burden

Challenge

- Eight overlapping complex sets of guidance
- Federally funded scientists report spending on average 40% of their time on administrative tasks
- Over 4,000 audited “major programs” failed to receive clean opinions in 2011 (3% of total audited programs)
- Major programs report repeat audit findings causing material noncompliance but no easy way to track repeat findings.
- No existing guidance holds agencies and recipients accountable and inefficient use of oversight resources.

Proposed Reform

- Notice of Proposed Guidance in Federal Register (www.regulations.gov)
- Provides grants community with comprehensive guidance

Goals: Create Oversight of Spending Data

Challenge

- Lack of controls to verify accuracy of spending data and financial data and accountability to stakeholders.
- Lack of high quality information on which to base program management decisions.
- Inability to adequately satisfy requests for information

Proposed Deliverable

- Ensure accuracy of financial and spending data.
- Streamline ability to report required information.

Proposed Reforms: Efforts to Date

- Focused Need for Transparency & Accountability
 - Priority focus on ensuring federal grant dollars are being used efficiently.
 - OMB advocating good internal controls because grantees will be held accountable via audits and required to remain a “low-risk” auditee.
- Create an environment of Compliance
 - Proposed guidance that would hold agencies and grantees responsible.
 - Guarantee the avoidance of fraud, institutional mismanagement and poor management of federal funds.

Proposed Reforms: Grantee Compliance

- Safeguarding all assets
- Spending funds in accordance with the authorized purpose.
- Developing and implementing systems to ensure proper stewardship of funds
 - Financial management systems
 - Procurement systems
 - Time & effort reporting systems
 - Monitoring activities
 - Adherence to terms and conditions of award

Grantee Compliance Pitfalls

- Unallowable costs & misallocation of costs.
- Inaccurate effort reporting.
- Inadequate sub recipient monitoring.
- Noncompliance with assurances and special terms and conditions of award.
- Delinquent closeout reporting.
- Administrative and clerical costs.
- Excessive cost transfers.

Indicators of Successful Management of Grant Dollars

- Fewer unclean audit opinions.
- Timely grant closeouts.
- Fully certified professional workforce.
- Validated financial data.
- Recipients report reduced burden.
- Measurably improved outcomes.

To learn more about...

- AmpliFund Grant Management Software:
- www.streamlinksoftware.com



Memo

To: City Council
From: Tom Stevenson
Date: August 14, 2013
Re: Pay and Classification Study (Overview)

As you know, the August 5, 2013 work session was canceled due to extraordinary circumstances. The original intent, at that time, was for staff to provide an overview of the pay and classification study. Because the consultant, Mr. Brian Wolfe from Evergreen Solutions had already committed to the August 19, 2013 date, I decided just have him make the presentation.

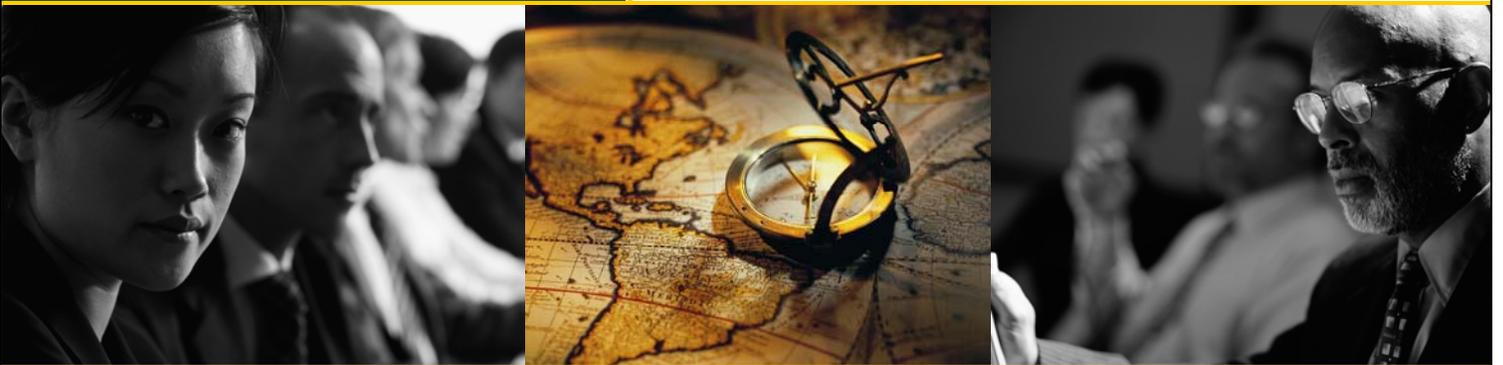
I have attached another copy of the final report for your convenience.

In the interim, please let me know if you have any questions or require additional information.

C.c. Mayor James Ireton, Jr.

Classification and Compensation Study for the City of Salisbury, MD

FINAL REPORT



Evergreen Solutions, LLC

July 9, 2013

Chapter 1 - Introduction

INTRODUCTION

In February 2013, Evergreen Solutions was retained by the City of Salisbury (City) to conduct a Pay and Classification Study of all positions in the organization. A pay and classification study is primarily designed to focus on internal and external equity of both the structure by which employees are compensated as well as the way positions relate and compare to one another across the organization. Internal equity relates to the fairness of an organization's compensation practices among its current employees. Specifically, by reviewing the skills, capabilities, and duties of each position, it can be determined whether similar positions are being compensated in a similar manner within the organization.

External equity deals with the differences between what an organization's classifications are valued and what compensation is available in the market place for the same skills, capabilities, and duties. As part of the study, Evergreen Solutions, LLC was tasked with:

- Collecting and reviewing current environmental data present at the City.
- Conducting market salary and benefits surveys and providing feedback to the City regarding current market competitiveness.
- Conducting a classification analysis to assess internal equity and the efficiency of the current classification plan.
- Developing strategic positioning recommendations using market data and best practices.
- Developing a compensation structure and implementation cost plan for the City.
- Instructing department heads and supervisors on the implementation, administration, and maintenance of the recommended compensation structure.
- Developing and submitting draft and final reports summarizing findings and recommendations.



1.1 STUDY METHODOLOGY

Evergreen Solutions combines qualitative as well as quantitative data analysis to produce an equitable solution in order to maximize the fairness and competitiveness of an organization's compensation structure and practices. Project activities included:

- conducting a project kick-off meeting;
- conducting orientation sessions with employees;
- facilitating employee focus group sessions;
- conducting employee interviews;
- conducting a salary survey;
- conducting a benefits survey;
- developing recommendations for compensation management;
- developing detailed implementation plans; and
- creating draft and final reports.

Kickoff Meeting

The kickoff meeting provides an opportunity to discuss the history of the organization, finalize the work plan, and begin the data collection process. Data collection of relevant background material (including existing pay plans, organization charts, policies, procedures, training materials, job descriptions, and other pertinent material) is part of this process.

Orientation Sessions

The orientation sessions are designed to brief employees and supervisors on the purpose and major processes of the study. This process is intended to address any questions and resolve any misconceptions about the study and relevant tasks. In addition, employees are asked about their experience with the organization and to identify any concerns they have about compensation. This information provides some basic perceptual background as well as a starting point for the research process.

Salary and Benefits Surveys

The external market is defined as identified peers that have similar characteristics, demographics, and service offerings as the target organization and benchmark positions are identified from each area and level of the organization and typically include a large cross-section of positions at the City. Once the target and benchmark information is finalized, a survey tool is created to solicit benefits and pay grade information from each of the peer organizations. Matches are made for classifications in the salary survey using job functions and responsibilities. When the results are received, the data are analyzed, organized, and processed to produce aggregate findings.

Solution Creation - Pay Schedule and Transition Costing

Solution creation follows agreement on the structure of the compensation system. During this phase, desired range spreads (distance from minimum to maximum) and midpoint progressions (distance from the midpoint of one pay grade to the next) are established.



Once the structure is created, jobs can be slotted into the proposed pay grade structure using market data and Client Project Manager (CPM) feedback.

As part of the study, the organization identifies its desired market position. Subsequently, the pay plan and job slotting within the system can be adjusted to account for this desired position in the market.

The final step, in the creation of the solution, is to identify the costs associated with each step of the analysis. The data from the job slotting are applied to the individual incumbents in the organization. This allows the City to view the total costs associated with the structural changes. Information is then provided to the City on various ways to implement the proposed structure and possible adjustments that can be made to address any remaining issues.

1.2 REPORT ORGANIZATION

This report includes the following chapters:

- Chapter 2 – Summary of Employee Outreach
- Chapter 3 - Assessment of Current Conditions
- Chapter 4 - Market Summary
- Chapter 5 – Recommendations



Chapter 2 - Summary of Employee Outreach

EMPLOYEE OUTREACH

The Evergreen Solutions team conducted a series of employee focus groups and interviews over the course of four days in March 2013. Questions were designed to solicit input on a number of topics related to the compensation and classification study. Findings from focus groups and interviews are separated by category below.

General Feedback

Employees commonly regard the City as a positive place to work, however in recent years the fiscal conditions and toughening job market have pushed morale slightly lower. Employees did have several positive comments regarding working for the City including the following:

- Employees regularly cited the benefits package, specifically retirement and health insurance benefits, as one of the primary reasons for both joining the City as well as remaining employed there.
- Most employees cited the location of the City as a reason for originally wanting to be employed there, as well as remaining employed at the City.
- Most employees believe the City is a great place to work, and they truly enjoy the work they do, as well as their co-workers and the work environment.

Benefits Observations

A strong majority of employees were pleased with the benefits package offered by the City to its employees. While employees admitted that the benefits drew them to the City, they do see some opportunities for improvement in this area.

- Many employees perceived an inconsistency with exempt and non-exempt classifications and earning comp time or overtime. These employees indicated that some supervisory or director positions have the ability to make overtime, while other lower level positions do not have that ability. There was also the sense that depending on the department, employees can choose whether they want comp time or overtime. They felt that the employee handbook left room for interpretation on this issue, which contributes to the problem.
- Employees largely wish that the rising cost of benefits would factor into their ability to receive some kind of cost-of-living-based salary increase. Employees believe previous salary increases were also met with an increase in insurance costs, thus negating much, if not all, of the salary increase received.



- Some employees expressed a desire to combine sick and vacation time into a general paid time off pool so that there is more flexibility in using this time. These employees also stated they would like to be compensated for their unused sick or vacation time in the current system.

Compensation Issues

As previously mentioned, employees were very grateful to receive cost of living increases consistently while other public sector organizations have not. City staff offered several additional comments related to compensation, these included:

- There is a sense that additional duties have been added to individuals and that compensation has not been addressed in recognition of these additional duties.
- Many employees believed they need to be compensated for acquiring additional education, certifications, training, or languages which are relevant to their job functions. Employees that discussed this felt the lack of compensation for certifications went against the City's goal to encourage employees to seek out continuing education opportunities.
- Pay compression, or the perception of compression was noted in several focus groups. The compression described relates mostly to longer-tenured employees being paid approximately the same wage as a new employee. This was noted as an especially big problem within the Fire Department. To be fair, while this may be the case, this situation is common in public sector environments.
- Many employees indicated that some of the lower pay grades are not high enough for the cost of living, which requires employees in these grades to have multiple jobs in order to make enough money to support a family.
- Some employees felt that there is an internal equity issue within the City where supervisors are making the same or less than their subordinates.

Classification Issues

Many of the directors, supervisors, and employees provided the Evergreen Solutions team with issues specific to individual classifications which were analyzed during the JAT process. More general issues included:

- Most employees said that some jobs have out-grown their initial design and are performing duties far outside the original intent of the position. Many employees attributed this to high turnover and, therefore, limited staff.
- Some employees felt they have taken on additional responsibilities as other employees leave and positions remain unfilled. They expressed concern that these additional duties aren't reflected in updated classification titles, descriptions, or in compensation.
- Many employees felt that there isn't room for advancement in the current classification system. These employees expressed a desire for larger job families or a career ladder in an attempt to remedy this problem.



- Some employees that are within a job family indicated that there isn't a differentiation between different classifications within that job family, yet there is a differentiation of pay.
- Most employees also had the impression that the current step plan in place within the City is not being used, so reclassifications are the only way to attempt to get a raise.
- Some employees feel there is an inequity between Water Treatment Plant and Wastewater Treatment plant classifications, as well as between the Police and Fire classifications. These employees said that positions that have similar job functions are being classified the same between departments.

Market Peers

Focus group and interview participants were asked to name those organizations that they considered to be market peers. These are organizations that the focus group and interview participants felt are the biggest competitors to the City in terms of compensation, benefits, and other intrinsic qualities such as working conditions. Their responses are listed below:

- City of Ocean City
- Annapolis City
- City of Wilmington
- Baltimore County
- Anne Arundel County
- Howard County
- Montgomery County
- Fairfax County
- Fredrick County
- Power County
- Manassas County
- Norfolk County
- York County
- Portsmouth County
- Coatsville, PA
- State of Maryland
- State of Delaware
- Virginia Highway
- Cambridge
- Salisbury University
- Hornpoint University
- Wor-Wic Community College
- Worcester County
- Wicomico County
- City of Easton
- City of Berlin
- City of Annapolis
- Talbot County
- Norfolk Zoo
- Brandywine Zoo



- National Zoo
- Baltimore Zoo
- Cape May County Zoo
- Philadelphia Zoo
- Franklin Park Zoo

Benchmark Positions

Input was solicited from employees as to which positions at the City present the greatest challenges with regard to recruitment and retention. Not all of these classifications are necessarily difficult to fill, but difficult to retain individuals for. For example, the City may receive hundreds of applications each time an opening for a Secretary comes up, however the position may struggle with retention. These positions provide a basic framework for populating the market salary survey. The positions mentioned by focus group and interview participants were as follows:

- Fire Chief
- Project Engineer
- Pretreatment Technicians
- Utility Tech I
- Wastewater Operators
- Zookeeper I
- Finance positions
- Police Communications positions
- Public Works positions

SUMMARY

In general, employees felt that the City is a positive place to work and enjoy their co-workers along with the current work environment. Many employees agreed that the economy has put a strain on the City and are appreciative of their jobs. It should be noted that employees gave constructive feedback during focus groups and are eager to see the City improve. The feedback provided by employees during this portion of the study will be vital to further analysis and the recommendations of this study.



Chapter 3 – Assessment of Current Conditions

The purpose of this statistical evaluation is to provide an overall assessment of the structure of the compensation plan in place within the City and a brief analysis of the employee demographics within the organization. Data included here reflect the demographics in place at present and should be considered a snapshot in time. The data contained within this report provide fertile ground for more detailed analysis and recommendations through the course of this study, but will not be sufficient cause for recommendations on its own. By reviewing information about the City's compensation structure, philosophies, and employee demographics, Evergreen Solutions can gain a better understanding of the structures and methods in place that will help identify issues for both further review and potential revision.

Pay Plan Analysis

The City currently has three pay structures which place employees into pay grades by classification. The three plans are for general, fire, and police employees. There are 222 employees in the general pay plan, 71 employees in the fire pay plan, and 88 employees in the police pay plan. All three pay plans are organized in a step configuration with each step representing a new salary within the range. All grades of the three step plans have 25 steps.

The first step plan has 18 numbered pay grades, with all except grades currently occupied by at least one employee. Range spreads are 61 percent across all grades in the general pay plan. The fire step plan has six numbered grades, all of which are currently occupied by at least one employee. Range spreads vary between 51 percent and 64 percent, with an average range spread of 59 percent across all fire grades. The police step plan has eight numbered grades, all of which occupy at least one employee. Range spreads vary between 54 percent and 65 percent, with an average range spread of 57 percent across all police pay grades.

Exhibit 3A on the following page illustrates the City's present pay plans and the number of employees at each grade. Grade 4 (general) possesses the highest number of employees with 38. The second largest pay grade is Grade 3 (general), which has 35 employees. Grades 6 (general), 2 (fire), and 1 (police) all have the third largest number of employees, which is 33. Pay grades 17 (general), 18 (general), 8 (fire), 8 (police), and 9 (police) each possess only one employee.



Exhibit 3A Current Pay Plan

General Salary Structure						Fire Salary Structure					
Grade	Minimum	Midpoint	Maximum	Range Spread	Employees	Grade	Minimum	Midpoint	Maximum	Range Spread	Employees
1	\$ 20,780	\$ 27,102	\$ 33,423	61%	4	F2	\$ 34,746	\$ 45,192	\$ 55,637	60%	33
2	\$ 22,442	\$ 29,261	\$ 36,079	61%	19	F4	\$ 41,927	\$ 52,571	\$ 63,214	51%	24
3	\$ 24,238	\$ 31,612	\$ 38,985	61%	35	F5	\$ 43,297	\$ 56,287	\$ 69,276	60%	6
4	\$ 26,177	\$ 34,141	\$ 42,104	61%	38	F6	\$ 48,276	\$ 62,781	\$ 77,286	60%	2
5	\$ 28,272	\$ 36,873	\$ 45,474	61%	19	F7	\$ 54,122	\$ 71,359	\$ 88,595	64%	5
6	\$ 30,533	\$ 39,822	\$ 49,110	61%	33	F8	\$ 60,833	\$ 79,072	\$ 97,311	60%	1
7	\$ 32,975	\$ 43,007	\$ 53,038	61%	13	Fire Salary Structure Total					71
8	\$ 35,614	\$ 46,449	\$ 57,283	61%	21	Police Salary Structure					
9	\$ 38,463	\$ 50,164	\$ 61,865	61%	4	Grade	Minimum	Midpoint	Maximum	Range Spread	Employees
10	\$ 41,539	\$ 54,176	\$ 66,813	61%	8	P1	\$ 36,473	\$ 46,352	\$ 56,231	54%	33
11	\$ 44,863	\$ 58,511	\$ 72,159	61%	11	P3	\$ 39,869	\$ 50,781	\$ 61,693	55%	31
12	\$ 48,452	\$ 63,192	\$ 77,932	61%	4	P4	\$ 42,734	\$ 54,518	\$ 66,301	55%	8
13	\$ 52,328	\$ 68,247	\$ 84,166	61%	3	P5	\$ 46,448	\$ 59,362	\$ 72,275	56%	6
14	\$ 56,514	\$ 73,707	\$ 90,899	61%	4	P6	\$ 51,330	\$ 68,033	\$ 84,736	65%	6
15	\$ 61,036	\$ 79,605	\$ 98,173	61%	2	P7	\$ 57,060	\$ 73,202	\$ 89,344	57%	2
16	\$ 65,918	\$ 85,972	\$106,025	61%	2	P8	\$ 63,640	\$ 81,784	\$ 99,927	57%	1
17	\$ 71,191	\$ 92,849	\$114,506	61%	1	P9	\$ 64,614	\$ 84,271	\$103,928	61%	1
18	\$ 76,887	\$100,278	\$123,668	61%	1	Police Salary Structure Total					88
General Salary Structure Total					222	Overall Total					381

Source: Evergreen Solutions, May 2013.

It is important to have an organized pay structure because it gives employees something to work towards and also helps clear confusion about future salary increases or equity among different pay grades. Additionally, an established pay structure allows the organization to analyze and address problems regarding compression within job classifications and compression among different grades with a sense of consistency and thoroughness.

Consideration of the external market as well as the need for internal equity among classifications will also benefit the organization in a number of ways. A competitive pay structure will allow the City to be an effective recruiter in the marketplace, contribute to a reduction in employee turnover, set the precedent to offer comparable base salaries for positions, and give employees ample room for upward growth and motivation for professional development, all of which the present compensation plan has potential to do.

Grade Placement Analysis

In assessing the overall effectiveness of an organization's pay plan and policies, it is often helpful to analyze a snapshot in time of where employee salaries stand in comparison to the range in which they are placed. An organization with no career ladder, for example, which limits the methods by which employees are able to progress through the ranges, would be expected to reveal a large clustering of employees at or near the minimum of their pay grades. An organization with severely uncompetitive range values may have employees clustered near the top of their ranges because the organization is required to pay them the

highest salary possible in order to limit turnover. These situations as well as others may reveal themselves through the analysis of grade placement data and for that reason it is analyzed in this segment of the report.

Grade midpoint is often considered the most accepted market average. Therefore, it is important to examine the percentages of employees at the City who fall above and below the calculated midpoint of their respective pay grade. The following exhibits detail this information for each pay grade.

Exhibit 3B shows that across all employees in the City's pay plan, 50 employees (or 13.1 percent) are at the minimum of their respective pay grade and 4 employees (or 1.0 percent) are at the maximum of their respective pay grade. Being at the grade minimum is typically a sign of a newer employee who has not had the opportunity or experience necessary to progress from that entry level of compensation, or that an employee has just been promoted into a new pay grade. Contrarily, being at the grade maximum is typically a sign of an established employee who has had the opportunity or experience necessary to progress to the top of compensation, or that an employee may be nearing an opportunity for promotion which would result in a reclassification into a new pay grade. This analysis shows that very few employees are at either the minimum or maximum of their pay grade.

Exhibit 3C provides the breakdown of employees above and below midpoint by pay grade. The exhibit shows that 304 employees (or 79.8 percent) are below the midpoint of their respective pay grades, while 77 (or 20.2 percent) lie above the midpoint of their respective pay grade. This analysis shows that over three-fourths of employees fall below the midpoint of their respective pay grade. Too many employees above or below midpoint can result in compression within a pay grade. Further analysis of the quartiles within each pay grade will indicate if compression exists in specific segments of the City's pay plan.



Exhibit 3B
Employees at Minimum and Maximum by Pay Grade

Grade	Employees	# at Min	% at Min	# at Max	% at Max
1	4	1	25.0%	0	0.0%
2	19	0	0.0%	0	0.0%
3	35	0	0.0%	0	0.0%
4	38	0	0.0%	1	2.6%
5	19	5	26.3%	0	0.0%
6	33	8	24.2%	0	0.0%
7	13	0	0.0%	0	0.0%
8	21	1	4.8%	0	0.0%
9	4	0	0.0%	0	0.0%
10	8	1	12.5%	0	0.0%
11	11	0	0.0%	1	9.1%
12	4	0	0.0%	0	0.0%
13	3	0	0.0%	0	0.0%
14	4	1	25.0%	0	0.0%
15	2	0	0.0%	0	0.0%
16	2	0	0.0%	0	0.0%
17	1	0	0.0%	0	0.0%
18	1	0	0.0%	0	0.0%
F2	33	16	48.5%	0	0.0%
F4	24	10	41.7%	0	0.0%
F5	6	2	33.3%	0	0.0%
F6	2	0	0.0%	0	0.0%
F7	5	0	0.0%	0	0.0%
F8	1	0	0.0%	0	0.0%
P1	33	5	15.2%	0	0.0%
P3	31	0	0.0%	0	0.0%
P4	8	0	0.0%	0	0.0%
P5	6	0	0.0%	2	33.3%
P6	6	0	0.0%	0	0.0%
P7	2	0	0.0%	0	0.0%
P8	1	0	0.0%	0	0.0%
P9	1	0	0.0%	0	0.0%
Total	381	50	13.1%	4	1.0%

Source: Evergreen Solutions, May 2013.



Exhibit 3C
Employees Above and Below Midpoint by Pay Grade

Grade	Employees	# < Mid	% < Mid	# > Mid	% > Mid
1	4	4	100.0%	0	0.0%
2	19	18	94.7%	1	5.3%
3	35	30	85.7%	5	14.3%
4	38	33	86.8%	5	13.2%
5	19	18	94.7%	1	5.3%
6	33	25	75.8%	8	24.2%
7	13	12	92.3%	1	7.7%
8	21	19	90.5%	2	9.5%
9	4	2	50.0%	2	50.0%
10	8	5	62.5%	3	37.5%
11	11	9	81.8%	2	18.2%
12	4	3	75.0%	1	25.0%
13	3	2	66.7%	1	33.3%
14	4	4	100.0%	0	0.0%
15	2	1	50.0%	1	50.0%
16	2	1	50.0%	1	50.0%
17	1	1	100.0%	0	0.0%
18	1	1	100.0%	0	0.0%
F2	33	33	100.0%	0	0.0%
F4	24	24	100.0%	0	0.0%
F5	6	6	100.0%	0	0.0%
F6	2	1	50.0%	1	50.0%
F7	5	5	100.0%	0	0.0%
F8	1	1	100.0%	0	0.0%
P1	33	33	100.0%	0	0.0%
P3	31	13	41.9%	18	58.1%
P4	8	0	0.0%	8	100.0%
P5	6	0	0.0%	6	100.0%
P6	6	0	0.0%	6	100.0%
P7	2	0	0.0%	2	100.0%
P8	1	0	0.0%	1	100.0%
P9	1	0	0.0%	1	100.0%
Total	381	304	79.8%	77	20.2%

Source: Evergreen Solutions, May 2013.



Quartile Analysis

To determine where employee salaries fall within the pay structure, each pay grade was divided into four equal quartiles, and employees were assigned a quartile based on where their salary fell. **Exhibit 3D** illustrates the number employees in each pay grade and in each quartile. **Exhibit 3E** also analyzes the number of full-time employees in each pay grade and in each quartile, but presents the figures as a graph representing percentage of the total number of employees in each grade.

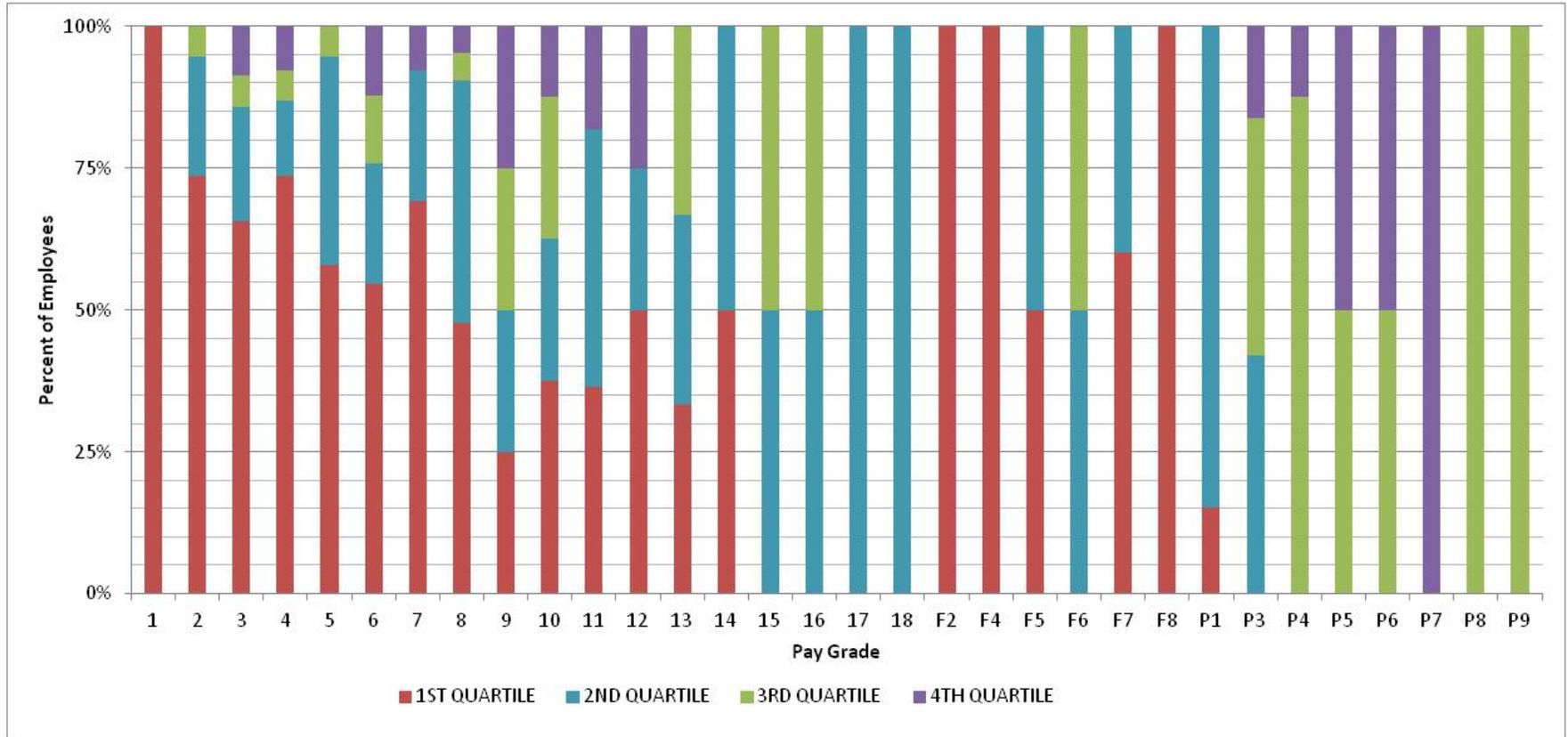
Exhibit 3D
Quartile Analysis (Count of Employees)

GRADE	Total	1ST QUARTILE	2ND QUARTILE	3RD QUARTILE	4TH QUARTILE
1	4	4	0	0	0
2	19	14	4	1	0
3	35	23	7	2	3
4	38	28	5	2	3
5	19	11	7	1	0
6	33	18	7	4	4
7	13	9	3	0	1
8	21	10	9	1	1
9	4	1	1	1	1
10	8	3	2	2	1
11	11	4	5	0	2
12	4	2	1	0	1
13	3	1	1	1	0
14	4	2	2	0	0
15	2	0	1	1	0
16	2	0	1	1	0
17	1	0	1	0	0
18	1	0	1	0	0
F2	33	33	0	0	0
F4	24	24	0	0	0
F5	6	3	3	0	0
F6	2	0	1	1	0
F7	5	3	2	0	0
F8	1	1	0	0	0
P1	33	5	28	0	0
P3	31	0	13	13	5
P4	8	0	0	7	1
P5	6	0	0	3	3
P6	6	0	0	3	3
P7	2	0	0	0	2
P8	1	0	0	1	0
P9	1	0	0	1	0
Total	381	199	105	46	31

Source: Evergreen Solutions, May 2013.



Exhibit 3E
 Quartile Analysis (Percentage of Employees per Pay Grade)



Source: Evergreen Solutions, May 2013.

This analytical tool is helpful in determining whether employee salaries are adequately disbursed throughout the pay range and also helps to identify cases in which pay grade incumbents dominate the upper ranges of the grade. The latter could indicate that pay ranges are too low to hire employees in, at, or near the minimum, that employees are moving too quickly through the pay range, or that the pay grade includes a large number of employees with significant tenure.

The observation made in the Grade Placement Analysis that a majority of employees fall below the midpoint in their respective pay grades is further exemplified in the Quartile Analysis. In particular, it can be seen that over half of all employees in the study fall in the first quartile, and 27.6 percent of employees fall within the second quartile of their respective pay grades. Several pay grades have two or less incumbents, such as pay grades 17 (general), 8 (fire), and 7 (police); this explains why these types of pay grades show all employees occupying a single quartile. However, all 33 incumbents in the 2 (fire) and all 24 incumbents in the 4 (fire) pay grades have salaries in the first quartile of the pay grade. This compression in the first quartile is also seen in the general pay plan, where grades 1 through 7 all have over half of employees in the first quartile. Compression in the first and second quartiles is seen in grade 1 (police), where all employees are in the lower half and 85 percent are in the second quartile. The upper grades of the police pay plan – in particular, grades 4 and higher – have all employees in the upper half of their respective pay grades. Compression appears to exist in the third quartile of these pay grades. All of these signs of compression most likely represent employees with shorter or longer tenure and who therefore are either at the beginning steps of their pay grade or who have further progressed through their pay grades. Further analysis of employee demographics will likely confirm this.

Employee Demographics

As of April 2013, the City employed 381 individuals. The following analyses are intended to provide basic information regarding how employees are distributed among departments and the tenure of employees.

The City's employees are spread among 8 departments. **Exhibit 3F** depicts the number of classifications present in each department, along with the number and overall percentage of total employees by department. As the exhibit illustrates, the largest department in the City is Public Works, with 151 employees, representing 39.6 percent of the City's total workforce, while City Clerk, Community Development, Human Resource, and Information Technology are the smallest departments, each with two employees, each representing 0.5 percent of the City's total workforce.



Exhibit 3F
Employees by Department

Department	Employees	Classes	% of Total
CITY CLERK	2	2	0.5%
EXECUTIVE	8	8	2.1%
FIRE FIGHTING	74	9	19.4%
INFORMATION TECHNOLOGY	2	2	0.5%
INTERNAL SERVICES	153	101	40.2%
NEIGHBORHOOD SERVICES	2	2	0.5%
POLICE	115	23	30.2%
PUBLIC WORKS	151	99	39.6%
Total	507	246	133%

Source: Evergreen Solutions, June 2013

Evaluating average employee tenure is another valuable tool by which the workforce can be demographically analyzed. Many things can be learned by assessing the tenure of employees in an organization including understanding the relative age and experience of the workforce at the City. This information in turn can help in making important decisions about handling compression within the pay structure and planning for succession within positions.

Exhibit 3G shows average employee tenure by pay grade. This data shows that average tenure across the City is approximately 10.1 years. This is above the national average, which according to recent statistics from the Department of Labor, is slightly more than seven years for employees in the public sector.



Exhibit 3G
Employee Tenure by Pay Grade

Grade	Count	Avg Tenure
1	4	7.6
2	19	7.3
3	35	9.6
4	38	9.0
5	19	9.0
6	33	13.5
7	13	7.0
8	21	13.4
9	4	21.6
10	8	18.7
11	11	12.3
12	4	20.0
13	3	28.6
14	4	7.6
15	2	12.8
16	2	1.5
17	1	3.3
18	1	18.3
F2	33	4.7
F4	24	6.5
F5	6	18.1
F6	2	20.7
F7	5	18.6
F8	1	18.5
P1	33	2.2
P3	31	10.3
P4	8	12.0
P5	6	17.1
P6	6	19.2
P7	2	22.8
P8	1	25.7
P9	1	28.8
Overall Average		10.1

Source: Evergreen Solutions, May 2013.



Some pay grades with the most significant average tenure are 9 (police), 13 (general), and 8 (police), where average tenure is 28.8, 28.6, and 25.7 years, respectively. The employees in these classifications undoubtedly possess a wealth of institutional knowledge which if lost without preparation, could leave the City with knowledge gaps that could significantly affect the quality of services provided in the future. Lower than average tenure is also important to evaluate because it can identify positions with significant turnover or retention issues. The pay grades with the lowest tenure are 16 (general), 1 (police), and 17 (general), with an average tenure of 1.5, 2.2, and 3.3 years, respectively. Further analysis should be done to assess if lower tenure in these classifications is compensation-related.

In the Quartile Analysis, some grades were identified as having an unusually high percentage of employees in the lower or upper parts of their respective pay grades. Grades 1 (police), and 2 (fire) were all identified as grades with potential compression in the lower half of their half of their ranges, and **Exhibit 3G** shows that these grades all have average tenure of less than five years. Similarly, grades 4 through 9 of the police plan showed compression in the upper half of their pay ranges, and these grades all have average tenure that is above the overall City average tenure of 10.1 years. This means that tenure may help explain some of the compression seen in these pay grades. However, other grades identified in the Quartile Analysis as compressed in the lower part of their ranges show relatively high average tenure. Grade 6 (general) in particular had over half of employees in the first quartile and has average tenure of 13.5 years. This indicates that tenure may not fully explain the compression that was observed in some pay grades.

Overall, the City's compensation plan has a solid structure on which to grow. Further information gained from market analysis and employee feedback will assist in this analysis. The City has the potential and is well equipped to take the next step in becoming a more competitive employment force in their labor market.



Chapter 4 - Market Summary

One of the best and most direct methods of determining the relative competitive position of an organization in the market place is to conduct a market comparison study. A study of this nature focuses on the average salaries and salary ranges offered by the market. This methodology is used to provide an overall analysis and not to evaluate salaries for individual positions. Market comparisons do not translate well at the individual level because individual pay is determined through a combination of factors, including demand for the type of job, performance, prior experience, and, in some cases, an individual's negotiation skills during the hiring process. Therefore, a market comparison is not the only tool used to determine pay levels by classification nor can it provide quantifiable salary recommendations for individual positions. As a result, market data can be used to evaluate overall market competitiveness.

Market comparison analysis is best thought of as a snapshot of current market conditions, as the data is collected at the time of the study and provides the most up to date market information. It should be noted that market conditions can change, and in some cases change quickly. Therefore, although market surveys are useful for making updates to a salary structure, they must be done at regular intervals if the organization wishes to stay current with the marketplace.

Evergreen Solutions consultants conducted a comprehensive market survey for the City. A sample of 49 job classifications was surveyed. Market relevant matches were made for all 49 positions. When seeking to compare the City to its peers, a number of factors were taken into account, such as location and relative population. Data was collected from the following list of 26 market peers:

Town of Ocean City, MD
City of Cambridge, MD
Salisbury University, MD
Town of Easton, MD
City of Annapolis, MD
City of Hagerstown, MD
City of Cumberland, MD
Wicomico County, MD
Talbot County, MD
Pocomoke City, MD

Maryland State Police
Delaware State Police
City of Laurel, MD
Town of Georgetown, DE
City of Seaford, DE
City of Milford, DE
Annapolis PD, MD
Dorchester County, MD
Worcester County, MD
Town of Snow Hill, MD

Sussex County, DE
Maryland Department of
Transportation, MD
Virginia Department of
Transportation, VA
City of Dover, DE
State of Maryland
Town of Berlin, MD

The averages for the salary minimums, midpoints, and maximums for the survey targets are presented in **Exhibit 4A** for classifications at the City.



**Exhibit 4A
Market Summary Differentials**

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg
		Average	% Diff	Average	% Diff	Average	% Diff	Range Spread
1	Utility Technician I (Water/Sewer)	\$ 31,141.73	-38.8%	\$ 38,836.07	-32.7%	\$ 46,530.40	-29.0%	49.4%
2	Utility Technician II (Water/Sewer)	\$ 33,610.00	-28.4%	\$ 41,817.40	-22.5%	\$ 50,024.80	-18.8%	48.8%
3	Utility Technician III (Water/Sewer)	\$ 36,401.60	-28.8%	\$ 45,931.20	-24.6%	\$ 55,460.80	-22.0%	52.4%
4	Plant Mechanic (Wastewater)	\$ 35,694.25	-36.4%	\$ 46,336.75	-35.7%	\$ 56,979.00	-35.3%	59.6%
7	WWTP Operator I	\$ 30,235.16	-15.5%	\$ 39,312.30	-15.1%	\$ 48,389.44	-14.9%	60.0%
8	WWTP Operator II	\$ 32,997.80	-17.1%	\$ 42,562.23	-15.6%	\$ 52,126.65	-14.6%	58.0%
9	WWTP Operator III	\$ 35,472.87	-16.2%	\$ 45,670.73	-14.7%	\$ 55,868.60	-13.8%	57.5%
10	Water Treatment Plant Operator I	\$ 31,309.89	-2.5%	\$ 40,397.93	-1.4%	\$ 49,485.97	-0.8%	58.1%
11	Water Treatment Plant Operator II	\$ 35,473.60	-7.6%	\$ 45,085.95	-4.8%	\$ 54,698.30	-3.1%	54.2%
13	WWWTP Shift Supervisor	\$ 41,175.00	-24.9%	\$ 53,845.00	-25.2%	\$ 66,515.00	-25.4%	61.5%
14	Lab Technician (Wastewater)	\$ 31,501.80	-20.3%	\$ 40,574.73	-18.8%	\$ 49,647.65	-17.9%	57.6%
15	Pretreatment Technician I	\$ 23,796.00	1.8%	\$ 30,362.00	4.0%	\$ 36,928.00	5.3%	55.2%
16	Pretreatment Technician II	\$ 26,783.00	5.3%	\$ 34,299.50	7.0%	\$ 41,816.00	8.0%	56.1%
17	Project Engineer	\$ 47,721.48	-6.4%	\$ 63,406.98	-8.4%	\$ 79,092.48	-9.6%	65.7%
18	Motor Equipment Operator I	\$ 27,428.87	-22.2%	\$ 35,590.10	-21.6%	\$ 43,751.33	-21.3%	59.5%
19	Motor Equipment Operator II	\$ 29,044.56	-19.8%	\$ 37,730.12	-19.4%	\$ 46,415.68	-19.1%	59.8%
20	Motor Equipment Operator III	\$ 30,082.72	-14.9%	\$ 39,452.88	-15.6%	\$ 48,823.04	-16.0%	62.3%
21	Zoo Keeper I	\$ 24,986.00	-3.1%	\$ 32,941.33	-4.2%	\$ 40,896.67	-4.9%	63.7%
22	Zoo Keeper II	\$ 29,347.33	-12.1%	\$ 39,374.67	-15.3%	\$ 49,402.00	-17.3%	68.3%
24	Zoo Keeper IV	\$ 32,713.33	-7.1%	\$ 43,436.50	-9.1%	\$ 54,159.67	-10.3%	65.6%
34	Assistant Superintendent of WWTP	\$ 48,491.28	-16.7%	\$ 63,421.18	-17.1%	\$ 78,351.08	-17.3%	61.6%
35	Water Treatment Plant Superintendent	\$ 51,009.80	-5.3%	\$ 67,420.40	-6.7%	\$ 83,831.00	-7.6%	64.3%
36	Superintendent of WWTP	\$ 58,655.97	-12.1%	\$ 76,980.90	-12.8%	\$ 95,306.17	-13.2%	62.5%
44	Maintenance Supervisor (Wastewater)	\$ 41,224.60	-15.8%	\$ 54,103.80	-16.5%	\$ 66,983.00	-16.9%	62.5%
50	Bio-solids Manager	\$ 40,390.00	-13.4%	\$ 55,927.50	-20.4%	\$ 71,465.00	-24.8%	76.9%

Source: Evergreen Solutions, May 2013.

**Exhibit 4A (Continued)
Market Summary Differentials**

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range Spread
		Average	% Diff	Average	% Diff	Average	% Diff	
25	Assistant City Administrator	\$ 62,686.50	-29.4%	\$ 84,490.00	-33.7%	\$ 106,293.25	-36.4%	69.6%
26	Executive Office Associate	\$ 34,956.30	-14.5%	\$ 46,344.78	-16.4%	\$ 57,733.25	-17.6%	65.2%
27	Administrative Office Associate	\$ 29,241.03	-11.7%	\$ 38,492.35	-12.7%	\$ 47,743.55	-13.4%	63.3%
28	Housing Supervisor	\$ 38,327.40	-7.6%	\$ 51,924.10	-11.8%	\$ 65,520.80	-14.4%	71.0%
29	Community Development Director	\$ 45,374.33	-1.1%	\$ 54,676.33	6.6%	\$ 63,978.33	11.3%	41.0%
30	Code Enforcement Officer	\$ 33,549.76	-9.9%	\$ 46,098.64	-15.8%	\$ 58,647.52	-19.4%	74.8%
31	Human Resources Associate	\$ 32,305.73	-5.8%	\$ 42,054.84	-5.6%	\$ 51,803.95	-5.5%	60.4%
32	Human Resources Manager	\$ 40,166.83	-12.8%	\$ 53,681.83	-15.6%	\$ 67,196.83	-17.3%	67.3%
33	Chief Operator of WWTP	\$ 42,431.60	-19.1%	\$ 55,516.60	-19.5%	\$ 68,603.80	-19.8%	61.7%
45	Network Technician	\$ 36,526.63	-19.6%	\$ 48,880.16	-22.7%	\$ 61,233.69	-24.7%	67.6%
47	Account Clerk I	\$ 26,026.44	-17.0%	\$ 34,121.36	-17.0%	\$ 42,216.28	-17.0%	62.2%
48	Account Clerk II	\$ 29,072.67	-11.1%	\$ 38,430.33	-12.6%	\$ 47,788.00	-13.5%	64.4%
51	Accountant	\$ 40,557.83	2.4%	\$ 54,332.67	-0.3%	\$ 68,107.50	-1.9%	67.9%
52	Chief Accounts Clerk	\$ 35,587.80	-16.6%	\$ 46,067.70	-15.7%	\$ 56,547.60	-15.1%	58.9%
53	Payroll Clerk	\$ 32,073.20	-13.4%	\$ 42,184.40	-14.4%	\$ 52,295.60	-15.0%	63.1%
54	Assistant Director IS – Finance	\$ 56,764.00	-26.5%	\$ 75,830.57	-29.6%	\$ 94,897.00	-31.5%	67.2%
55	Assistant Director IS – Procurement	\$ 55,488.40	-14.5%	\$ 72,982.10	-15.5%	\$ 90,475.60	-16.1%	63.1%
37	Captain (Fire Department)	\$ 53,498.95	-10.8%	\$ 70,419.35	-12.2%	\$ 87,339.75	-13.0%	63.3%
38	Deputy Fire Chief	\$ 59,301.75	2.5%	\$ 79,232.38	-0.2%	\$ 99,163.00	-1.9%	67.2%
39	Firefighter/Paramedic	\$ 41,160.35	1.8%	\$ 53,916.65	-2.6%	\$ 66,672.94	-5.5%	62.0%
40	Firefighter/EMT	\$ 38,415.35	-10.6%	\$ 50,305.02	-11.3%	\$ 62,194.69	-11.8%	61.9%
41	Police Officer	\$ 40,882.94	-12.1%	\$ 53,194.20	-14.8%	\$ 65,504.89	-16.5%	60.2%
42	Captain (Police Department)	\$ 63,707.26	-11.6%	\$ 81,984.91	-12.0%	\$ 100,262.29	-12.2%	57.4%
43	Police Communications Officer I	\$ 31,485.00	-4.7%	\$ 42,249.08	-17.1%	\$ 53,013.17	-25.9%	68.4%
46	Colonel Police	\$ 74,176.17	-14.8%	\$ 97,085.00	-15.2%	\$ 119,993.50	-15.5%	61.8%
			-13.3%		-14.1%		-14.6%	61.8%

Source: Evergreen Solutions, May 2013.

4.1 SALARY SURVEY RESULTS

As **Exhibit 4A** illustrates, the average actual salaries for the 49 benchmarked positions at the City are on average about 14.0 percentile below the market ranges at midpoint. While a couple classifications fall in the and above market range, most positions fall below their respective market ranges.

Within Market Classifications

As **Exhibit 4B** illustrates, seven of the benchmarked classifications at the City have “average” range midpoints within 10 percent of the market, which represents 12.7 percent of the total count. From **Exhibit 4B**, the following observations can be drawn about the within market classifications:

- The seven classifications within the market range are, on average are almost within their respective market range.

Exhibit 4B
At Market Classifications

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range
		Average	% Diff	Average	% Diff	Average	% Diff	
10	Water Treatment Plant Operator	\$ 31,309.89	-2.5%	\$ 40,397.93	-1.4%	\$ 49,485.97	-0.8%	58.1%
11	Water Treatment Plant Operator	\$ 35,473.60	-7.6%	\$ 45,085.95	-4.8%	\$ 54,698.30	-3.1%	54.2%
17	Project Engineer	\$ 47,721.48	-6.4%	\$ 63,406.98	-8.4%	\$ 79,092.48	-9.6%	65.7%
29	Community Development Direct	\$ 45,374.33	-1.1%	\$ 54,676.33	6.6%	\$ 63,978.33	11.3%	41.0%
31	Human Resources Associate	\$ 32,305.73	-5.8%	\$ 42,054.84	-5.6%	\$ 51,803.95	-5.5%	60.4%
38	Deputy Fire Chief	\$ 59,301.75	2.5%	\$ 79,232.38	-0.2%	\$ 99,163.00	-1.9%	67.2%
51	Accountant	\$ 40,557.83	2.4%	\$ 54,332.67	-0.3%	\$ 68,107.50	-1.9%	67.9%
			-2.7%		-2.0%		-1.6%	59.2%

Source: Evergreen Solutions, May 2013.

Below Market Classifications

As **Exhibit 4C** illustrates, the City is below the market range at midpoint for 47 benchmarked positions, which represents over 90 percent of the 50 surveyed positions with City matches. **Exhibit 4C** shows these 47 classifications and the percentage that these positions fall below the market average minimum, midpoint and maximum on average.

Three classifications are more than 30.0 percent “below market” at the midpoint. Midpoint is often compared because it represents an employee that is proficient in job performance due to experience in current job classification. These classifications are listed below with their differentials:

- Plant Mechanic Wastewater, 35.7 percent below market
- Assistant City Administrator, 33.3 percent below market
- Utility Technician I (Water/Sewer), 32.7 percent below market



Exhibit 4C
Below Market Classifications

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Range Spread
		Average	% Diff	Average	% Diff	Average	% Diff	
4	Plant Mechanic (Wastewater)	\$ 35,694.25	-36.4%	\$ 46,336.75	-35.7%	\$ 56,979.00	-35.3%	59.6%
25	Assistant City Administrator	\$ 62,686.50	-29.4%	\$ 84,490.00	-33.7%	\$ 106,293.25	-36.4%	69.6%
1	Utility Technician I (Water/Sewer)	\$ 31,141.73	-38.8%	\$ 38,836.07	-32.7%	\$ 46,530.40	-29.0%	49.4%
54	Assistant Director IS – Finance	\$ 56,764.00	-26.5%	\$ 75,830.57	-29.6%	\$ 94,897.00	-31.5%	67.2%
13	WWWTP Shift Supervisor	\$ 41,175.00	-24.9%	\$ 53,845.00	-25.2%	\$ 66,515.00	-25.4%	61.5%
3	Utility Technician III (Water/Sewer)	\$ 36,401.60	-28.8%	\$ 45,931.20	-24.6%	\$ 55,460.80	-22.0%	52.4%
45	Network Technician	\$ 36,526.63	-19.6%	\$ 48,880.16	-22.7%	\$ 61,233.69	-24.7%	67.6%
2	Utility Technician II (Water/Sewer)	\$ 33,610.00	-28.4%	\$ 41,817.40	-22.5%	\$ 50,024.80	-18.8%	48.8%
18	Motor Equipment Operator I	\$ 27,428.87	-22.2%	\$ 35,590.10	-21.6%	\$ 43,751.33	-21.3%	59.5%
50	Bio-solids Manager	\$ 40,390.00	-13.4%	\$ 55,927.50	-20.4%	\$ 71,465.00	-24.8%	76.9%
33	Chief Operator of WWTP	\$ 42,431.60	-19.1%	\$ 55,516.60	-19.5%	\$ 68,603.80	-19.8%	61.7%
19	Motor Equipment Operator II	\$ 29,044.56	-19.8%	\$ 37,730.12	-19.4%	\$ 46,415.68	-19.1%	59.8%
14	Lab Technician (Wastewater)	\$ 31,501.80	-20.3%	\$ 40,574.73	-18.8%	\$ 49,647.65	-17.9%	57.6%
43	Police Communications Officer I	\$ 31,485.00	-4.7%	\$ 42,249.08	-17.1%	\$ 53,013.17	-25.9%	68.4%
34	Assistant Superintendent of WWTP	\$ 48,491.28	-16.7%	\$ 63,421.18	-17.1%	\$ 78,351.08	-17.3%	61.6%
47	Account Clerk I	\$ 26,026.44	-17.0%	\$ 34,121.36	-17.0%	\$ 42,216.28	-17.0%	62.2%
44	Maintenance Supervisor (Wastewater)	\$ 41,224.60	-15.8%	\$ 54,103.80	-16.5%	\$ 66,983.00	-16.9%	62.5%
26	Executive Office Associate	\$ 34,956.30	-14.5%	\$ 46,344.78	-16.4%	\$ 57,733.25	-17.6%	65.2%
30	Code Enforcement Officer	\$ 33,549.76	-9.9%	\$ 46,098.64	-15.8%	\$ 58,647.52	-19.4%	74.8%
52	Chief Accounts Clerk	\$ 35,587.80	-16.6%	\$ 46,067.70	-15.7%	\$ 56,547.60	-15.1%	58.9%
8	WWTP Operator II	\$ 32,997.80	-17.1%	\$ 42,562.23	-15.6%	\$ 52,126.65	-14.6%	58.0%
32	Human Resources Manager	\$ 40,166.83	-12.8%	\$ 53,681.83	-15.6%	\$ 67,196.83	-17.3%	67.3%
20	Motor Equipment Operator III	\$ 30,082.72	-14.9%	\$ 39,452.88	-15.6%	\$ 48,823.04	-16.0%	62.3%
55	Assistant Director IS – Procurement	\$ 55,488.40	-14.5%	\$ 72,982.10	-15.5%	\$ 90,475.60	-16.1%	63.1%
22	Zoo Keeper II	\$ 29,347.33	-12.1%	\$ 39,374.67	-15.3%	\$ 49,402.00	-17.3%	68.3%
46	Colonel Police	\$ 74,176.17	-14.8%	\$ 97,085.00	-15.2%	\$ 119,993.50	-15.5%	61.8%
7	WWTP Operator I	\$ 30,235.16	-15.5%	\$ 39,312.30	-15.1%	\$ 48,389.44	-14.9%	60.0%
41	Police Officer	\$ 40,882.94	-12.1%	\$ 53,194.20	-14.8%	\$ 65,504.89	-16.5%	60.2%
9	WWTP Operator III	\$ 35,472.87	-16.2%	\$ 45,670.73	-14.7%	\$ 55,868.60	-13.8%	57.5%
53	Payroll Clerk	\$ 32,073.20	-13.4%	\$ 42,184.40	-14.4%	\$ 52,295.60	-15.0%	63.1%
36	Superintendent of WWTP	\$ 58,655.97	-12.1%	\$ 76,980.90	-12.8%	\$ 95,306.17	-13.2%	62.5%
27	Administrative Office Associate	\$ 29,241.03	-11.7%	\$ 38,492.35	-12.7%	\$ 47,743.55	-13.4%	63.3%
48	Account Clerk II	\$ 29,072.67	-11.1%	\$ 38,430.33	-12.6%	\$ 47,788.00	-13.5%	64.4%
37	Captain (Fire Department)	\$ 53,498.95	-10.8%	\$ 70,419.35	-12.2%	\$ 87,339.75	-13.0%	63.3%
42	Captain (Police Department)	\$ 63,707.26	-11.6%	\$ 81,984.91	-12.0%	\$ 100,262.29	-12.2%	57.4%
28	Housing Supervisor	\$ 38,327.40	-7.6%	\$ 51,924.10	-11.8%	\$ 65,520.80	-14.4%	71.0%
40	Firefighter/EMT	\$ 38,415.35	-10.6%	\$ 50,305.02	-11.3%	\$ 62,194.69	-11.8%	61.9%
24	Zoo Keeper IV	\$ 32,713.33	-7.1%	\$ 43,436.50	-9.1%	\$ 54,159.67	-10.3%	65.6%
17	Project Engineer	\$ 47,721.48	-6.4%	\$ 63,406.98	-8.4%	\$ 79,092.48	-9.6%	65.7%
35	Water Treatment Plant Superintendent	\$ 51,009.80	-5.3%	\$ 67,420.40	-6.7%	\$ 83,831.00	-7.6%	64.3%
31	Human Resources Associate	\$ 32,305.73	-5.8%	\$ 42,054.84	-5.6%	\$ 51,803.95	-5.5%	60.4%
11	Water Treatment Plant Operator II	\$ 35,473.60	-7.6%	\$ 45,085.95	-4.8%	\$ 54,698.30	-3.1%	54.2%
21	Zoo Keeper I	\$ 24,986.00	-3.1%	\$ 32,941.33	-4.2%	\$ 40,896.67	-4.9%	63.7%
39	Firefighter/Paramedic	\$ 41,160.35	1.8%	\$ 53,916.65	-2.6%	\$ 66,672.94	-5.5%	62.0%
10	Water Treatment Plant Operator I	\$ 31,309.89	-2.5%	\$ 40,397.93	-1.4%	\$ 49,485.97	-0.8%	58.1%
51	Accountant	\$ 40,557.83	2.4%	\$ 54,332.67	-0.3%	\$ 68,107.50	-1.9%	67.9%
38	Deputy Fire Chief	\$ 59,301.75	2.5%	\$ 79,232.38	-0.2%	\$ 99,163.00	-1.9%	67.2%
			-14.3%		-15.4%		-16.1%	61.8%

Source: Evergreen Solutions, May 2013.



Above Market Classifications

As **Exhibit 4D** illustrates, the City is above market range at the midpoint for three benchmarked positions, which represents six percent of surveyed positions.

From **Exhibit 4D**, the following observations can be drawn about the “above market” classifications:

- The three above market classifications are an average of 5.8 percent above their respective market average at midpoint.
- One of them, the Community Development Director, is just slightly below market at minimum; 1.1 percent in this case.

Exhibit 4D Above Market Classifications

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range
		Average	% Diff	Average	% Diff	Average	% Diff	Range Spread
15	Pretreatment Technician I	\$ 23,796.00	1.8%	\$ 30,362.00	4.0%	\$ 36,928.00	5.3%	55.2%
29	Community Development Director	\$ 45,374.33	-1.1%	\$ 54,676.33	6.6%	\$ 63,978.33	11.3%	41.0%
16	Pretreatment Technician II	\$ 26,783.00	5.3%	\$ 34,299.50	7.0%	\$ 41,816.00	8.0%	56.1%
			2.0%		5.8%		8.2%	50.8%

Source: Evergreen Solutions, May 2013.

Salary Survey Conclusion

From the analysis of the data gathered in the external labor market assessment, the following major conclusions can be reached:

- The City’s salary ranges are below the market ranges 13.3 percent for minimum, 14.1 percent for midpoint, and 14.6 for maximum.
- Forty-five benchmarked classifications have salary ranges that fall below the market range at the midpoint.
- Three classifications have salary ranges that fall slightly above the market range.
- The City is no longer competitive with its overall ranges and structure.

The survey results indicate that the City’s pay ranges have slipped below market average for the majority of classifications included in the benchmark sample. This is not necessarily an indication that employees themselves are underpaid, rather that the City has the potential to struggle with recruitment or retention due to market pressure. Discussion of potential recommended changes to the pay plan can be found in **Chapter 5** of this report.

4.2 BENEFITS SURVEY RESULTS

As a component of this study, Evergreen Solutions, LLC conducted a benefits market analysis in addition to a compensation market analysis. A benefits analysis, much like a salary evaluation, represents a snapshot in time of what is available in peer organizations and can provide the City 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 market survey alone. Total compensation refers to the total dollar amount an employee receives from their organization, and is generally calculated as the employee’s salary plus all benefits, expressed as a dollar amount. Therefore, benefits as a percentage of total compensation is calculated by dividing benefits expressed as a dollar amount by the amount of total compensation.

Full or partial data was collected from 10 peer organizations, which represents 40.0 percent of the peers who responded to the compensation and benefits survey. This is slightly below normal response rate, yet can provide fairly detailed insight into benefit options provided to employees at peer organizations.

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 usually negotiated and acquired through third parties, so one-to-one comparisons can be difficult. The analysis below highlights aspects of the benefits survey that provide pertinent information and had high completion rates by target peers.

General Benefits

Benefits as a percentage of total compensation are a common broad indicator that organizations use to assess how generous benefits are at individual organizations. As **Exhibit 4E** shows, the market average for benefits as a percentage of total compensation is approximately 49.5 percent based on the information provided. Benefits as a part of total compensation values over 30.0 percent are considered high. However, this atypically high average may be due to geographic location. It is not uncommon for this number to range widely from low to high depending on the compensation philosophy adopted by an organization and the relative cost of health benefits. The benefits as percentage of total compensation for the City are 55.0 percent.

Exhibit 4E Overall Benefits Policy

General Benefits Policy - All		Average Percentage	Salisbury
A1	Benefits as percentage of total compensation	49.5%	55.0%
A2	Average Number of Plans Offered	2.40	2.00

Source: Evergreen Solutions June 2013.

Although most organizations offer HMO and PPO plans, they may offer various options for each provider. Benefits data was collected from 6 peer organizations, which represents 24.0 percent. **Exhibit 4F** shows that the average number of health plans offered (any combination of HMO, PPO, or other options) was 2.40 based on the market data. The number of health plans at the City is two.

Health Plans

As displayed in **Exhibit 4F**, 83.8 percent of responding peers offer at least one type of HMO plan, 83.3 percent offer at least one PPO plan, 16.7 percent offer a Health Savings Account (HSA), and 50.0 percent offer some other type of health plan. The City offers a PPO plan and an EPO plan, which the PPO is offered by more than half of the market peers and the EPO/other type of insurance is offered by half of their peers. **Exhibit 4G** indicates that 20.0 percent of responding peers offer health coverage to only full-time employees, and 80.0 percent offer health coverage to all employees. The City offers health coverage to full-time employees, which was the most uncommon practice among responding peers.

**Exhibit 4F
Type Of Health Plans**

Employee Health Coverage		HMO	PPO	Health Savings Account	Other	Salisbury
A3	Type of health plans offered	83.3%	83.3%	16.7%	50.0%	PPO and EPO

Source: Evergreen Solutions June 2013.

**Exhibit 4G
Health Coverage**

Employee Health Coverage		Full-time	Retiree	All Employees	Part Time Employees	Salisbury
A4	Which employees are covered by this group	20.0%	0.0%	80.0%	0.0%	Full-time

Source: Evergreen Solutions June 2013.

Exhibits 4H through **4K** display the average insurance premiums paid by the peers for PPO, HMO, HSA, and other insurance plans. The average percentages paid by employer for the PPO, HMO, HSA, and other insurance plans individual premiums are comparable among the peers, with the three averages all nearly 90 percent. The City offers a PPO and an EPO plans. The City pays 90% of the entire cost of the premium for the PPO and EPO Plan for individuals. Employees at the City only pay \$41.09 of the monthly insurance premium for the PPO and \$34.94 for the EPO plans. The City pays 77% of the entire cost of the premium for the PPO and 82% of the EPO Plan for dependents. Employees at the City only pay \$150.33 of the monthly insurance premium for the PPO and \$106.57 for the EPO plan.

All four exhibits (**4H** through **4K**) show that the percentage paid by employer for dependent insurance premiums is slightly higher than the percentage paid for individual premiums and dependents across similar health plan types. The City does not offer an HMO plan or a HSA. Peer information was included as a reference and the City’s information was entered as zero for non-comparable health plans.

Exhibit 4H PPO Plan Premiums

		Peer Responses		Salisbury	
PPO - Individual Health Insurance Premium (Monthly)		Percentage	Dollar	Percentage	Dollar
A5	Percentage paid by employer	84.4%		90.0%	
A6	Dollar amount paid by employer		\$ 380.18		\$ 410.93
	Percentage paid by employee	15.6%		10.0%	
	Dollar amount paid by employee		\$ 83.91		\$ 41.09
		Peer Responses		Salisbury	
PPO - Dependent Health Insurance Premium (Monthly)		Percentage	Dollar	Percentage	Dollar
A7	Percentage premium paid by employer	83.0%		77.0%	
A8	Dollar amount paid by employer		\$ 882.9		\$ 653.59
	Percentage paid by employee	17%		23.0%	
	Dollar amount paid by employee		\$ 172.5		\$ 150.33

Source: Evergreen Solutions June 2013.

Exhibit 4I HMO Plan Premiums

		Peer Responses		Salisbury	
HMO - Individual Health Insurance Premium (Monthly)		Percentage	Dollar	Percentage	Dollar
A5	Percentage paid by employer	84.2%		Not Offered	
A6	Dollar amount paid by employer		\$ 376.37		\$ -
	Percentage paid by employee	15.8%		Not Offered	
	Dollar amount paid by employee		\$ 79.40		\$ -
		Peer Responses		Salisbury	
HMO - Dependent Health Insurance Premium (Monthly)		Percentage	Dollar	Percentage	Dollar
A7	Percentage premium paid by employer	83.3%		Not Offered	
A8	Dollar amount paid by employer		\$ 799.3		\$ -
	Percentage paid by employee	16.7%		Not Offered	
	Dollar amount paid by employee		\$ 155.0		\$ -

Source: Evergreen Solutions June 2013.

Exhibit 4J Health Savings Account Plan Premiums

		Peer Responses		Salisbury	
HSA - Individual Health Insurance Premium (Monthly)		Percentage	Dollar	Percentage	Dollar
A5	Percentage paid by employer	91.0%		Not Offered	
A6	Dollar amount paid by employer		\$ 366.12		\$ -
	Percentage paid by employee	9.0%		Not Offered	
	Dollar amount paid by employee		\$ 35.10		\$ -

Source: Evergreen Solutions June 2013.



Exhibit 4K Other Health Plan Premiums

		Peer Responses		Salisbury	
Other - Individual Health Insurance Premium (Monthly)		Percentage	Dollar	Percentage	Dollar
A5	Percentage paid by employer	80.0%		90.0%	
A6	Dollar amount paid by employer		\$ 331.44		\$ 349.37
	Percentage paid by employee	20.0%		10.0%	
	Dollar amount paid by employee		\$ 82.86		\$ 34.94
		Peer Responses		Salisbury	
Other - Dependent Health Insurance Premium (Monthly)		Percentage	Dollar	Percentage	Dollar
A7	Percentage premium paid by employer	81.7%		82.0%	
A8	Dollar amount paid by employer		\$ 700.39		\$ 592.04
	Percentage paid by employee	18.3%		18.0%	
	Dollar amount paid by employee		\$ 154.48		\$ 106.57

Source: Evergreen Solutions June 2013.

Deductibles

Exhibit 4L displays the average annual deductible for individuals and families among peer respondents. The average dollar amount is displayed separately for PPO plans, HMO, and HSA plans. The City's PPO plan does not have a deductible provided the individual or family stay with a preferred provider of services. The City's EPO plan does not allow the individual or family to see an out-of-network provider and it does not have a deductible as well. As expected, the deductibles for PPO the plan are considerably lower than the deductibles for PPO plans.

Exhibit 4L PPO HMO and HSA Annual Deductibles

		Peer Responses				Salisbury	
Deductible		PPO	HMO	H S A	Other	PPO	EPO
		Dollar	Dollar	Dollar	Dollar	Dollar	Dollar
A9-A10	Individual Plan	\$ 90.0	\$ 100.0	\$ 1,625.0	-	\$ -	\$ -
	Family Plan	\$ 190.0	\$ 300.0	\$ 3,750.0	-	\$ -	\$ -

Source: Evergreen Solutions June 2013.

Other Benefits Offerings

Exhibit 4M displays the percentage of responding peers who offer dental, long-term disability and short term disability insurance plans and displays whether the City offers these types of benefits. Both dental plans and long-term disability insurance are offered to employees of 83.3 percent of responding peers. The City does offer an employer paid dental plan which is included with the health plan. The City does not offer long-term or short-term disability insurance. Over 80 percent of peers offer long-term disability insurance, while only half offer short-term disability insurance.

Exhibit 4N summarizes the offering of vision plans, Employee Assistance Programs (EAP), and tuition reimbursement among peers and at the City. Vision plans are offered by the City in the health plans, but not supplemented by the City. Vision plans are included in the health

plans of 50.0 percent of the City’s peers. EAP is offered by less than half, 40.0 percent, of responding peers and is also available to employees of the City. For peers who offer EAP to employees, an average of 5.5 visits is offered annually. Tuition reimbursement is offered by 50.0 percent of responding peers and is also offered by the City. For some peers tuition is only covered based upon degree pursued and if the degree is related to the current position held by the incumbent. The City offers tuition reimbursement for specific certifications and training costs only. The conditions of tuition reimbursement vary among the peers, but most tuition reimbursement programs offered have limits on the number of courses allowed and/or the annual dollar amount of reimbursement.

**Exhibit 4M
Dental and Disability Insurance**

Dental (Monthly)		Yes	No	Salisbury
A11	Does organization provide employer paid dental?	83.3%	16.7%	Yes

Long-term Disability (Monthly)		Yes	No	Salisbury
A12	Does organization provide employer paid long-term disability?	83.3%	16.7%	No

Short-term Disability (Monthly)		Yes	No	Salisbury
A13	Does organization provide employer paid long-term disability?	50.0%	50.0%	No

Source: Evergreen Solutions June 2013.

**Exhibit 4N
Supplemental Benefits**

Additional Benefits Options		Vision		EAP		Tuition Reimbursement	
A14		Yes	No	Yes	No	Yes	No
	Do you provide additional benefits options?	100.0%	0.0%	40.0%	60.0%	80.0%	20.0%
Salisbury		Yes		Yes		Yes	No

Source: Evergreen Solutions June 2013.

Retirement

Exhibit 4O displays the findings regarding retirement options of peer organizations and at the City. Almost all, 80.0 percent, of the responding peers participate in the State Retirement System, and 100.0 percent provide additional retirement options. Of the respondents who offer additional retirement options, 83.3 percent offer a 401k, 401a, 403(b), or 457(b) retirement plan; 66.7 percent offer D.R.O.P. (Deferred Retirement Option Program); and 16.7 percent have some other type of additional retirement plan. Of the respondents who offer additional retirement options, only 66.7 percent contribute to the additional retirement; the remaining 33.3 percent do not contribute to the additional retirement plans. Some peers contributed to additional retirement plans based upon the classification such as public safety. The City participates in the State Retirement System, and also offers D.R.O.P.



Exhibit 4O Retirement Options

Retirement		Yes	No	Salisbury					
A15	Does organization participate in State Retirement System?	80.0%	20.0%	Yes					
Additional Retirement Options		Yes	No	Peer Responses				Salisbury	
A16	Do you provide additional retirement options?	100.0%	0.0%	D.R.O.P	401k, 401a	Social Security	Other	D.R.O.P	401k, 401a
	Percentage of Peers that Offer			66.7%	83.3%	0.0%	16.7%	Yes	Yes

Source: Evergreen Solutions June 2013.

Life Insurance

Exhibit 4P summarizes the life insurance offerings of responding peers and at the City. All peers who responded offer some type of life insurance plan to employees. The death benefit amount ranges from an average minimum of \$25,000 to an average maximum of \$250,000. Over half, 66.7 percent, of respondents indicated that the dollar amount of death benefit depends on the employee’s salary; the death benefit for these respondents’ retirement plans ranged from 66.67 percent to 200 percent of the employee’s annual salary. The City provides employees with life insurance that pays \$10,000. Two peers also paid a fixed dollar amount for life insurance that ranged from \$20,000 to \$25,000.

Exhibit 4P Life Insurance

Life Insurance		Yes	No	Salisbury		
A17	Does organization provide employer-paid life insurance?	100.0%	0.0%	Yes	Maximum	Salisbury
	Dollar amount of death benefit				\$225,000.0	\$10,000.00

Source: Evergreen Solutions June 2013.

Employee Leave and Holidays

Exhibit 4Q provides the average minimum and maximum accrual rates and average maximum amount accruable for Personal Leave, Sick Leave, and Annual/Vacation Leave for respondents. The average minimum and maximum annual accrual rates for Personal Leave among peers are 28.00 hours and 31.92 hours, respectively, with an average maximum amount accruable of 44.71 hours among market peers. Several respondents indicated that Personal Leave was deducted from an employee’s Sick Leave. Personal leave at the City is deducted from an employee’s sick leave with a maximum of four days. On average, the minimum and maximum annual accrual rates for Sick Leave are 92.5 hours and 98.6 hours, respectively, with an average maximum amount accruable of 516 hours for market peers. The City’s Sick Leave accrual rate is 96 hours per year. Employees’ Sick Leave at the City can accrue indefinitely. On average among market peers, the minimum and maximum annual accrual rates for Annual/Vacation Leave are 91.2 hours and 147.5 hours, respectively, with an average maximum amount accruable of 381.8 hours. Vacation Leave at the City varies depending on an employee’s classification, with a minimum accrual rate of

96 hours per year and a maximum amount accrable rate of 240 hours per year. The maximum amount accrable is 210 hours for employees with a 35 hour work week or 240 hours for employees with a 40 hour work week at the City.

Exhibit 4R summarizes respondents' policies regarding leave time payout.

Exhibit 4Q Leave Time Accrual

		Peer Responses		Salisbury	
Personal Leave		Minimum	Maximum	Minimum	Maximum
A18(a)	Accrual Rate Yearly (Hours)	28.00	32.00	8.00	8.00
	Maximum Amount Accruable		32.00		8.00
		Peer Responses		Salisbury	
Sick Leave		Minimum	Maximum	Minimum	Maximum
A18(b)	Accrual Rate Yearly (Hours)	91.20	91.20	96.00	96.00
	Maximum Amount Accruable		475.00		Unlimited
		Peer Responses		Salisbury	
Annual/Vacation Leave		Minimum	Maximum	Minimum	Maximum
A18(c)	Accrual Rate Yearly (Hours)	72.00	198.00	96.00	192.00
	Maximum Amount Accruable		266.67		240.00

Source: Evergreen Solutions June 2013.

Sick Leave is paid out upon separation in 33.3 percent of responding peer organizations, with an average of 156.0 maximum hours paid out. Sick leave is paid out upon termination in 33.3 percent of responding peer organizations, with an average of 156 maximum hours paid out. At the City, sick leave is paid out up to 240 hours upon separation for employees at retirement only. Employees of the city do not receive sick leave paid out upon termination. Annual/Vacation Leave is paid out upon separation or termination in all responding peer organizations, with an average of 288 maximum hours paid out. One peer did not have a maximum number of hours accrued and was not included in the averages.

The percentage of peers offering various holidays and the holidays at the City are shown in **Exhibit 4S**. All peers recognize New Year's Day, Martin Luther King, Jr. Day, Memorial Day, and Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day. On average, peers offer 11.33 holidays to employees. There are eleven paid holidays offered at the City. The ten paid holidays at the City are all offered by at least 83.3 percent of peers.



Exhibit 4R Leave Time Payout

Sick Leave Pay Out		Yes	No	Salisbury
A19	Is unused sick leave paid out upon separation?	33.3%	66.7%	Yes
	Max Number of Hours	156.00		240.00
	Is unused sick leave paid out upon termination?	33.3%	66.7%	No
	Max Number of Hours	156.00		
Annual/Vacation Leave Pay Out		Yes	No	Salisbury
A20	Is unused annual/vacation leave paid out upon separation?	100.0%	0.0%	Yes
	Max Number of Hours	288.00		240.00
	Is unused annual/vacation leave paid out upon termination?	100.0%	0.0%	Yes
	Max Number of Hours	288.00		240.00

Source: Evergreen Solutions June 2013.

Exhibit 4S Recognized Holidays

Holidays		Peer Responses	Salisbury
A21	New Year's Day	100.0%	X
	New Year's Eve	0.0%	
	Martin Luther King, Jr. Day	100.0%	X
	Lincoln's Birthday	16.7%	
	Washington's Birthday	16.7%	
	Memorial Day	100.0%	X
	Independence Day	83.3%	X
	Labor Day	100.0%	X
	Veteran's Day	100.0%	X
	Thanksgiving Day	100.0%	X
	Day after Thanksgiving	83.3%	X
	Christmas Eve	50.0%	
	Christmas Day	100.0%	X
	Personal Holiday	0.0%	X
	President's Day	83.3%	X
	Good Friday	33.3%	X
	Other	50.0%	
	Other	16.7%	
	Average Number of Holidays	11.33	12

Source: Evergreen Solutions June 2013.

The City is slightly above market with respect to the benefits portion of total compensation. Annual/vacation Leave accrual is consistent with the region. Sick leave is more robust than the region in which the City offers unlimited accrual. Paid holidays are almost the same as the City's peers. Life insurance and long-term disability insurance benefits were slightly below the market average. However, some peers based life insurance benefits on employee's salaries which explain the difference in maximum death benefits. Overall, the City's benefits package is typical of the region and well



received by the City’s employees. All in all, the results are not surprising in that when single benefits are analyzed in isolation, some may appear more or less generous than those offered by peers. Taken as a whole however, the total package appears to be in alignment with the market as a whole.



Chapter 5 - Recommendations

INTRODUCTION

The analysis of the City's compensation and classification systems revealed a number of commendable practices as well as some opportunities for improvement that are common in the public sector. The main strengths of the organization are its involved and thoughtful management team, dedicated employees, and forward-thinking vision and flexibility with which the organization operates.

The primary strengths of the current compensation and classification systems are their foundational design elements and consistency of implementation; overall the system is reasonably sophisticated and well developed, it just seems to have not been kept up with as well over time, thus creating issues related to market competitiveness. The system has a significant number of classifications which are notably below market and adjustments to their grades will improve the overall effectiveness of the systems. This report should not be interpreted as an indictment of the plan or the City's leadership team. The market data reveals that despite the down economy over the recent few years and the prevalence of holding salaries constant in these tough times, many organizations appear to have kept the pay plan itself increasing in value at a slow but seemingly steady pace. These small changes over a period of a few years can compound to put the City in a less than desirable market position for some but not all classifications.

The recommendations in this chapter seek to build on the documented strengths of the plan and also alleviate the observed challenges. Internal factors influenced the recommendations such as the future direction for the City, their organizational culture, and availability of resources. Each recommendation has also been developed to address a specific need based on the collected information while taking into account the external environment.

Arriving at the overall recommended solution for the City is a detailed process involving all components of the research conducted. Research includes:

- *Outreach* - Evergreen consultants collected anecdotal data from the City staff and management throughout the outreach component of the study.
- *Current Environment Review* - Internal structure (i.e., compensation structure, practices, etc.) was analyzed on a very broad basis versus best practices. Market trends and a statistical assessment of current conditions were completed. This step included an assessment of the organizations' internal and external alignment.



- *Classification Analysis* – Employees of the City participated in the data collection process by completing Job Assessment Tool (JAT) and Management Issues Tool (MIT) surveys. These forms provide insight into organizational relationships, job complexity, leadership, working conditions and decision making impact of each job in the City.
- *Market Analysis* - External equity was analyzed based on market compensation data collected from peer organizations including overall benefits offerings. This analysis included a review of the City’s benefits vis-à-vis those available among market peers.

Evergreen solutions is proposing changes to the value of the pay plan and salary structures but philosophically, the City desires to maintain the style of pay plan it currently employs. Each classification was slotted into the proposed structures based on market equity data, internal equity relationships, and client feedback in order to provide incumbent-level recommendations and costing. Using this methodology, the Evergreen Solutions team developed a solution that improves the City’s competitive position relative to its market peers for while seeking to preserve and improve internal equity.

The remainder of this chapter presents the recommendations by the following categories:

- 5.1 Classification
- 5.2 Compensation
- 5.3 Administration
- 5.4 Summary

5.1 CLASSIFICATION

Classification is an important aspect of human resources management in that it describes how work is organized and how the job titles and job descriptions work together to define the work performed by employees. Accurate and strong classifications will reasonably and fairly describe the functions of employees and allow for them to be equitably valued across the organization. A strong classification system is fair, transparent, and as simple as possible. Salisbury should be commended for maintaining a system which largely accomplishes these goals. Some of the more common challenges to maintaining an organization’s classification system relate to changes in assigned job responsibilities, mandated regulatory requirements, common expectations for the job in the marketplace, and internal operational needs that occur in most organizations over time.

Through the Job Assessment Tool (JAT) and Management Issues Tool (MIT) analysis of the City’s job classifications, some jobs require consideration for revision or title alteration. There were also jobs that had been selected for possible reclassification before the system was frozen several years ago, those too were evaluated in this context. The recommendations are the result of observed differences or similarities in job functions performed. As a best practice, an organization needs structural flexibility in order to adapt to workforce changes that occur and remain a competitive employer.

JAT responses were helpful in presenting first-hand data which explained the jobs from the employee perspective and also provided point factoring data for developing a classification



hierarchy. The vast majority of City employees completed the JAT, however not all of them possessed the level of detail necessary to recommend reclassification or major changes. This is not uncommon and should not be viewed as a criticism of the City compared to other organizations who conduct studies such as this. The City’s classifications were assessed on their relative levels of Leadership, Working Conditions, Complexity, Decision Making and Relationships. Each of these five compensable factors came together to generate a numerical score which allowed Evergreen Solutions to determine appropriate values for each classification vis-à-vis its peers in the market as well as within the City. As a result of this analysis, nine classifications are recommended for revision and one, the Lead Zookeeper classification, is proposed for creation.

Exhibit 5A illustrates the reclassified positions and the newly created titles.

**Exhibit 5A
Proposed Class Title Changes**

CURRENT CLASS TITLE	PROPOSED CLASS TITLE
ACCOUNT CLERK I	ACCOUNT CLERK II
ADMIN. OFFICE ASSOCIATE	ADMIN SUPPORT TECHNICIAN
ADMIN. OFFICE ASSOCIATE	CODE ENFORCEMENT ADMINISTRATIVE RECORDS CLERK
ASST. DIR OF INTERNAL SVCS - FINANCE	ASST. DIR OF FINANCE
ASST. DIR OF INTERNAL SVCS - PROCURE	ASST. DIR OF PROCUREMENT
EXECUTIVE OFFICE ASSOCIATE	COMMUNICATIONS COORDINATOR
GIS TECHNICIAN	GIS ANALYST
HUMAN RESOURCES ASSOCIATE	HUMAN RESOURCES MANAGER
NUISANCE OFFICER	CODE ENFORCEMENT OFFICER
OFFICE ASSOCIATE III	ADMIN. OFFICE ASSOCIATE
OFFICE ASSOCIATE III (HR DEPT)	HR ASSOCIATE
PLANT MECHANIC	WWTP MECHANIC
	SENIOR PROJECT ENGINEER
	LEAD ZOOKEEPER

Source: Evergreen Solutions October 2011.

5.2 COMPENSATION

Compensation analysis involves assessing and improving external equity. Specifically, external equity deals with how well the City compensates similar work in comparison to its market peers. Based on Evergreen Solutions’ analysis, the compensation structure was below market by a significant amount at the minimum, midpoint and maximums of the respective pay ranges. In light of this, Evergreen Solutions is recommending an increase to the total value of the pay plan by 8.5 percent. The changes maintain the overall design themes of the plan while updating it slightly to match market conditions and improve consistency.



Salisbury has a series of 3 pay plans that feature individual grades that are broken into 25 steps of 2 percent each. In this system, range spreads (the distance from minimum to maximum of a grade) is a consistent 60 percent, which is excellent. Despite the fact that step-based pay plans are growing less popular in the market nationally, it represents a fundamentally sound approach and can be continued.

As a result of market analysis, Evergreen Solutions developed updated versions of the three unique pay plans

RECOMMENDATION: Revise current salary structure to reflect current market conditions by implementing pay plans shown in Exhibit 5B and place classifications in appropriate pay grades.

Based on the findings and best practices, previously discussed a seven percent increase to the structure of the existing plan is recommended. What is already in place is fundamentally sound and should be updated to reflect the time that has passed since it was originally implemented. **Exhibit 5B** shows the proposed pay plan, updated as described herein. Increasing the value of every grade by seven percent at each step will immediately impact the average market differential across the board in a positive way.

Another important factor of a compensation system is the manner in which employees move through the pay plan. There are predominately three approaches adopted by most public organizations:

- Step
- Cost of living
- Merit

In the past, most public organizations utilized a step approach which incorporated predetermined, percentage-based pay steps in each pay grade. In this approach, all employees at the same step in the same pay grade received the same compensation and an employee moved through the steps based on years of service until a maximum step was reached. Step plans also assume continual fiscal growth with the cost of payroll increasing each year a step is awarded which, as recent years prove, cannot always be counted on



**Exhibit 5B
City of Salisbury Proposed Pay Plans**

General Employees																										
Grade	Minimum Step 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Maximum Step 25	Range Spread
1	\$22,235	\$22,679	\$23,133	\$23,596	\$24,067	\$24,549	\$25,040	\$25,541	\$26,051	\$26,572	\$27,104	\$27,646	\$28,199	\$28,763	\$29,338	\$29,925	\$30,523	\$31,134	\$31,756	\$32,392	\$33,039	\$33,700	\$34,374	\$35,062	\$35,763	61%
2	\$24,013	\$24,493	\$24,983	\$25,483	\$25,992	\$26,512	\$27,042	\$27,583	\$28,135	\$28,698	\$29,272	\$29,857	\$30,454	\$31,063	\$31,685	\$32,318	\$32,965	\$33,624	\$34,296	\$34,982	\$35,682	\$36,396	\$37,124	\$37,866	\$38,623	61%
3	\$25,935	\$26,453	\$26,982	\$27,522	\$28,073	\$28,634	\$29,207	\$29,791	\$30,387	\$30,994	\$31,614	\$32,246	\$32,891	\$33,549	\$34,220	\$34,905	\$35,603	\$36,315	\$37,041	\$37,782	\$38,538	\$39,308	\$40,094	\$40,896	\$41,714	61%
4	\$28,009	\$28,570	\$29,141	\$29,724	\$30,318	\$30,925	\$31,543	\$32,174	\$32,817	\$33,474	\$34,143	\$34,826	\$35,523	\$36,233	\$36,958	\$37,697	\$38,451	\$39,220	\$40,004	\$40,804	\$41,620	\$42,453	\$43,302	\$44,168	\$45,051	61%
5	\$30,251	\$30,856	\$31,473	\$32,103	\$32,745	\$33,400	\$34,068	\$34,749	\$35,444	\$36,153	\$36,876	\$37,613	\$38,366	\$39,133	\$39,916	\$40,714	\$41,528	\$42,359	\$43,206	\$44,070	\$44,951	\$45,850	\$46,767	\$47,703	\$48,657	61%
6	\$32,670	\$33,324	\$33,990	\$34,670	\$35,363	\$36,071	\$36,792	\$37,528	\$38,278	\$39,044	\$39,825	\$40,621	\$41,434	\$42,263	\$43,108	\$43,970	\$44,849	\$45,746	\$46,661	\$47,594	\$48,546	\$49,517	\$50,508	\$51,518	\$52,548	61%
7	\$35,283	\$35,989	\$36,709	\$37,443	\$38,192	\$38,956	\$39,735	\$40,529	\$41,340	\$42,167	\$43,010	\$43,870	\$44,748	\$45,643	\$46,555	\$47,487	\$48,436	\$49,405	\$50,393	\$51,401	\$52,429	\$53,478	\$54,547	\$55,638	\$56,751	61%
8	\$38,107	\$38,869	\$39,647	\$40,439	\$41,248	\$42,073	\$42,915	\$43,773	\$44,648	\$45,541	\$46,452	\$47,381	\$48,329	\$49,295	\$50,281	\$51,287	\$52,313	\$53,359	\$54,426	\$55,515	\$56,625	\$57,757	\$58,913	\$60,091	\$61,293	61%
9	\$41,155	\$41,979	\$42,818	\$43,674	\$44,548	\$45,439	\$46,348	\$47,275	\$48,220	\$49,185	\$50,168	\$51,172	\$52,195	\$53,239	\$54,304	\$55,390	\$56,498	\$57,628	\$58,780	\$59,956	\$61,155	\$62,378	\$63,625	\$64,898	\$66,196	61%
10	\$44,447	\$45,336	\$46,242	\$47,167	\$48,111	\$49,073	\$50,054	\$51,055	\$52,076	\$53,118	\$54,180	\$55,264	\$56,369	\$57,497	\$58,647	\$59,819	\$61,016	\$62,236	\$63,481	\$64,750	\$66,046	\$67,366	\$68,714	\$70,088	\$71,490	61%
11	\$48,003	\$48,963	\$49,943	\$50,942	\$51,960	\$53,000	\$54,060	\$55,141	\$56,244	\$57,369	\$58,516	\$59,686	\$60,880	\$62,098	\$63,339	\$64,606	\$65,898	\$67,216	\$68,561	\$69,932	\$71,331	\$72,757	\$74,212	\$75,697	\$77,210	61%
12	\$51,844	\$52,881	\$53,938	\$55,017	\$56,117	\$57,240	\$58,384	\$59,552	\$60,743	\$61,958	\$63,197	\$64,461	\$65,750	\$67,065	\$68,407	\$69,775	\$71,170	\$72,594	\$74,045	\$75,526	\$77,037	\$78,578	\$80,149	\$81,752	\$83,387	61%
13	\$55,991	\$57,111	\$58,253	\$59,418	\$60,606	\$61,819	\$63,055	\$64,316	\$65,602	\$66,914	\$68,253	\$69,618	\$71,010	\$72,430	\$73,879	\$75,356	\$76,864	\$78,401	\$79,969	\$81,568	\$83,200	\$84,864	\$86,561	\$88,292	\$90,058	61%
14	\$60,470	\$61,679	\$62,913	\$64,171	\$65,455	\$66,764	\$68,099	\$69,461	\$70,850	\$72,267	\$73,713	\$75,187	\$76,691	\$78,224	\$79,789	\$81,385	\$83,012	\$84,673	\$86,366	\$88,093	\$89,855	\$91,652	\$93,485	\$95,355	\$97,262	61%
15	\$65,309	\$66,615	\$67,947	\$69,306	\$70,692	\$72,106	\$73,548	\$75,019	\$76,519	\$78,050	\$79,611	\$81,203	\$82,827	\$84,484	\$86,173	\$87,897	\$89,655	\$91,448	\$93,277	\$95,142	\$97,045	\$98,986	\$100,966	\$102,985	\$105,045	61%
16	\$70,532	\$71,943	\$73,382	\$74,849	\$76,346	\$77,873	\$79,431	\$81,019	\$82,640	\$84,293	\$85,978	\$87,698	\$89,452	\$91,241	\$93,066	\$94,927	\$96,826	\$98,762	\$100,737	\$102,752	\$104,807	\$106,903	\$109,041	\$111,222	\$113,447	61%
17	\$76,174	\$77,698	\$79,252	\$80,837	\$82,454	\$84,103	\$85,785	\$87,500	\$89,250	\$91,035	\$92,856	\$94,713	\$96,608	\$98,540	\$100,510	\$102,521	\$104,571	\$106,663	\$108,796	\$110,972	\$113,191	\$115,455	\$117,764	\$120,119	\$122,522	61%
18	\$82,269	\$83,914	\$85,593	\$87,305	\$89,051	\$90,832	\$92,648	\$94,501	\$96,391	\$98,319	\$100,286	\$102,291	\$104,337	\$106,424	\$108,552	\$110,723	\$112,938	\$115,197	\$117,501	\$119,851	\$122,248	\$124,692	\$127,186	\$129,730	\$132,325	61%

Fire Employees																										
Grade	Minimum Step 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Maximum Step 25	Range Spread
1	\$35,441	\$36,149	\$36,872	\$37,610	\$38,362	\$39,129	\$39,912	\$40,710	\$41,524	\$42,355	\$43,202	\$44,066	\$44,947	\$45,846	\$46,763	\$47,698	\$48,652	\$49,625	\$50,618	\$51,630	\$52,663	\$52,430	\$53,479	\$54,548	\$55,639	57%
2	\$37,178	\$37,922	\$38,680	\$39,454	\$40,243	\$41,048	\$41,869	\$42,706	\$43,560	\$44,431	\$45,320	\$46,226	\$47,151	\$48,094	\$49,056	\$50,037	\$51,038	\$52,058	\$53,100	\$54,162	\$55,245	\$56,349	\$57,220	\$58,364	\$59,529	57%
3	\$39,147	\$39,930	\$40,729	\$41,543	\$42,374	\$43,221	\$44,086	\$44,968	\$45,867	\$46,784	\$47,720	\$48,674	\$49,648	\$50,641	\$51,654	\$52,687	\$53,740	\$54,815	\$55,912	\$57,030	\$58,170	\$57,887	\$59,045	\$60,226	\$61,430	57%
4	\$42,275	\$43,120	\$43,983	\$44,862	\$45,759	\$46,675	\$47,608	\$48,560	\$49,531	\$50,522	\$51,533	\$52,563	\$53,614	\$54,687	\$55,780	\$56,896	\$58,034	\$59,195	\$60,379	\$61,586	\$62,818	\$62,488	\$63,738	\$65,013	\$66,313	57%
5	\$46,328	\$47,254	\$48,199	\$49,163	\$50,147	\$51,150	\$52,173	\$53,216	\$54,280	\$55,366	\$56,473	\$57,603	\$58,755	\$59,930	\$61,129	\$62,351	\$63,598	\$64,870	\$66,167	\$67,491	\$68,841	\$68,480	\$69,850	\$71,247	\$72,672	57%
6	\$51,655	\$52,688	\$53,742	\$54,817	\$55,913	\$57,032	\$58,173	\$59,336	\$60,522	\$61,733	\$62,968	\$64,227	\$65,511	\$66,822	\$68,158	\$69,521	\$70,912	\$72,330	\$73,777	\$75,252	\$76,757	\$76,398	\$77,926	\$79,484	\$81,074	57%
7	\$57,911	\$59,069	\$60,250	\$61,455	\$62,684	\$63,938	\$65,217	\$66,521	\$67,851	\$69,208	\$70,593	\$72,004	\$73,445	\$74,913	\$76,412	\$77,940	\$79,499	\$81,089	\$82,711	\$84,365	\$86,052	\$85,600	\$87,312	\$89,058	\$90,839	57%
8	\$65,091	\$66,393	\$67,721	\$69,075	\$70,457	\$71,866	\$73,303	\$74,769	\$76,265	\$77,790	\$79,346	\$80,933	\$82,552	\$84,203	\$85,887	\$87,604	\$89,356	\$91,144	\$92,966	\$94,826	\$96,722	\$96,193	\$98,117	\$100,079	\$102,081	57%

Police Employees																										
Grade	Minimum Step 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Maximum Step 25	Range Spread
1	\$39,026	\$39,721	\$40,430	\$41,153	\$41,891	\$42,643	\$43,410	\$44,192	\$44,990	\$45,805	\$46,635	\$47,482	\$48,347	\$49,227	\$50,126	\$51,043	\$51,978	\$52,933	\$53,906	\$54,898	\$55,911	\$56,943	\$57,997	\$59,071	\$60,167	54%
3	\$42,660	\$43,427	\$44,210	\$45,008	\$45,824	\$46,654	\$47,502	\$48,366	\$49,248	\$50,148	\$51,065	\$52,000	\$52,954	\$53,928	\$54,921	\$55,934	\$56,967	\$58,021	\$59,096	\$60,192	\$61,310	\$62,451	\$63,615	\$64,801	\$66,012	55%
4	\$45,725	\$46,555	\$47,400	\$48,262	\$49,142	\$50,040	\$50,954	\$51,888	\$52,840	\$53,811	\$54,802	\$55,812	\$56,843	\$57,894	\$58,967	\$60,060	\$61,176	\$62,314	\$63,475	\$64,658	\$65,866	\$67,098	\$68,354	\$69,636	\$70,942	55%
5	\$49,699	\$50,608	\$51,534	\$52,479	\$53,443	\$54,427	\$55,430	\$56,453	\$57,496	\$58,561	\$59,646	\$60,754	\$61,883	\$63,035	\$64,211	\$65,409	\$66,631	\$67,879	\$69,151	\$70,448	\$71,771	\$73,121	\$74,498	\$75,902	\$77,334	56%
6	\$54,923	\$55,935	\$56,969	\$58,023	\$59,097	\$60,194	\$61,312	\$62,453	\$63,616	\$64,803	\$66,014	\$67,248	\$68,508	\$69,792	\$71,103	\$72,439	\$73,802	\$75,192	\$76,611	\$78,058	\$79,533	\$81,038	\$82,572	\$84,138	\$85,736	56%
7	\$61,054	\$62,191	\$63,348	\$64,530	\$65,734	\$66,964	\$68,218	\$69,497	\$70,801	\$72,131	\$73,488	\$74,872	\$76,284	\$77,724	\$79,193	\$80,691	\$82,220	\$83,778	\$85,368	\$86,990	\$88,644	\$90,332	\$92,052	\$93,807	\$95,598	57%
8	\$68,095	\$69,371	\$70,672	\$72,000	\$73,355	\$74,736	\$76,145	\$77,582	\$79,049	\$80,544	\$82,070	\$83,626	\$85,213	\$86,832	\$88,489	\$90,166	\$91,884	\$93,636	\$95,423	\$97,246	\$99,106	\$101,002	\$102,936	\$104,909	\$106,922	57%
9	\$69,137	\$70,520	\$71,930	\$73,369	\$74,836	\$76,333	\$77,859	\$79,417	\$81,005	\$82,625	\$84,278	\$85,963	\$87,682	\$89,436	\$91,225	\$93,049	\$94,910	\$96,808	\$98,745	\$100,720	\$102,734	\$104,789	\$106,884	\$109,022	\$111,202	61%

Many public organizations have now moved away from the step plan approach and adopted a “cost of living” centered approach. The City can consider this moving forward but does not desire, at this time, to change pay plan styles. Therefore, the best recommendation to make is to upgrade the current pay plan for market competitiveness. Some organizations are taking the step of adding merit-based elements to their step plans whereby employees receive a step each year if they meet certain predetermined levels of job performance.

Merit-based approaches arose in response to concerns with differentiating the performance of public employees and the desire to emulate the reward approaches of the private sector. However, once adopted, it is common for the merit-based approaches to function more like the cost of living approach since many employees receive such similar merit-raises in today’s environment during the evaluation process (based on budget constraints) and thus there is little differentiation in the increases given.

At times when compression is an issue or concern, compression adjustments may be recommended as well. Compression adjustments are typically given to restore the pay spread between employees that have been moved as a result of an adjustment to minimum and those that were not affected. Compression is normally an issue in larger organizations in which each classification has multiple incumbents and multiple levels of positions.

RECOMMENDATION: Place classifications in the proposed pay plan utilizing the grade order list in Exhibit 5C, and consider the proposed 3-stage implementation plan.

Proposed **Stage One** of the implementation is to slot each classification into a proposed pay grade based on market and internal equity relationships. The result of this is a revised grade order list as displayed in **Exhibit 5C**. Once this is done, it is important to consider where in the steps an employee should fall.

In Stage One, the only action take is to bring employees up to the proposed minimum of their range. This affects approximately 129 employees at an approximate cost of **\$299,396**.

Proposed **Stage Two** of the plan is to assign employees a step based on their present salary. Employees are placed in the step closest to their current pay without going lower, for those employees who were brought up to minimum (Step 1) in the first stage, they are exactly on their step value and receive nothing additional in Stage Two. The total cost of Stage Two is approximately **\$122,404**. This stage is effectively taking the place of this year’s step increases. Some adjustments are relatively small, others are more sizeable. The important factor is that employees are being placed on steps that are reflective of the progress they have already made through the current step plan and adjustments to the plan based on market are being realized by employees.

Proposed **Stage Three** is where direct market differential observed in the salary survey comes into play. Classifications were divided into three groups; those who were 10 percent or more below market at the midpoint, those who were 7-10 percent or more below market at the midpoint, and those who were 5-7 percent below market at the midpoint. Salary adjustments in the form of additional steps were awarded as follows:

- employees in the 10 percent or more group are proposed to receive 3 additional steps;
- employees in the 7-10 percent group are proposed to receive 2 additional steps; and
- employees in the 5-7 percent group are proposed to receive 1 additional step.

These adjustments impact approximately 151 employees and come at a cost of approximately **\$326,668**. These adjustments are made in recognition of the fact that these classifications were most significantly below market and had the City had more competitive ranges from the start, they would have started higher and tracked through the step plans at the same speed, but at a higher level.

The total approximate cost of all stages is **\$748,467**. Without in depth analysis of the City's budget, it is fair to assume that multi-year implementation of these recommendations would be desirable. Should the City elect to phase in any potential implementation, it is recommended that the period of years not extend past three. A three year implementation at approximately **\$250,000** per year would ensure that the data being implemented remains relevant.

5.3 ADMINISTRATION

A strong compensation system meets an organization's needs by having strong administrative support. With proper maintenance, the compensation structure will maintain its effectiveness and market competitiveness over a period of three to five years.

RECOMMENDATION: Continue to select a small sample of classifications, targeting those with potential recruitment or retention concerns, and conduct a mini-survey of market values and benefit changes on a bi-annual basis, to determine market competitiveness and make appropriate adjustments.

The City should continue its efforts to keep pace with public sector growth in terms of employee salaries in order to maintain competitive with the local labor market by contacting peers directly as well as accessing available secondary salary survey data resources.

Through the Human Resources department (HR), the City should also continue administrative practices to maintain competitive and equitable compensation as well as classification over time. Bi-annual surveys will ensure that external equity is maintained. Any changes made to classifications should be separate from employee salary adjustments, unless changes in work performed move the employee outside of the proposed salary range.

Local salary survey peers provide a valid sample for comparison and adjustment purposes, coupled with data from the region's annual Public Employers Personnel Information Exchange (PEPIE) survey. To maintain market competitiveness between compensation and classification studies, HR should continue to monitor its pay plan on an ongoing basis, finding out what peer organizations in their relevant labor market are doing, and depending

on internal and external factors, potentially consider adjustments to preserve desired market position.

RECOMMENDATION: Continue to review the pay plan each year and adjust if necessary based on the results of the average movement of relevant local peer pay levels.

Human Resources should reevaluate this list of peer organizations on an ongoing basis, to ensure that it contains the most relevant competitors while making any necessary adjustments. This is a commendable, best practice and should be continued. HR should continue to contact the identified peers and request information regarding the amount each peer's pay plan is being increased including any changes to benefits. By determining the average percent change of peer pay plans and benefit offerings, the City can adjust its pay plan and other factors at the same relative speed as its peers.

Compensation is subject to changes in the external market and other trends for human resources management. Given this understanding, the City should ensure that its structure is up-to-date and reflective of best practices.

RECOMMENDATION: Conduct a comprehensive classification and compensation study every four-six years.

While annual surveys of identified classifications can provide a general idea of the City's market competitiveness, Human Resources should complete a comprehensive compensation and classification study every five years to maintain internal and external equity.

As the organization traverses these difficult economic times where employee raises may not be occurring, it is important to remain aware and proactive on issues that impact recruitment, retention, starting pay and compression prevention.

5.4 SUMMARY

Despite the findings of the market analysis, the City should be proud of its commitment to high quality public service. The project team working for the City on this engagement did a commendable job of providing information and specifically avoiding influence on the process or outcomes. This level of objectivity is key in a successful study. Evergreen Solutions' recommendations are intended to build upon the strengths of the current classification and compensation system identified by employees, management, and the consulting team, and to provide specific suggestions for how to address the challenges identified through this analysis.



Exhibit 5C Salisbury Proposed Grade Order List

Class Title	Proposed Title	Pay Plan	PROPOSED GRADE	Step 1 (MINIMUM)	Step 13 (MIDPOINT)	Step 25 (MAXIMUM)
OFFICE ASSOCIATE II		A	2	\$24,013	\$30,454	\$38,623
ACCOUNT CLERK I		A	3	\$25,935	\$32,891	\$41,714
BUYER ASSISTANT		A	3	\$25,935	\$32,891	\$41,714
ADMIN. OFFICE ASSOCIATE		A	4	\$28,009	\$35,523	\$45,051
OFFICE ASSOCIATE III	ADMIN. OFFICE ASSOCIATE	A	4	\$28,009	\$35,523	\$45,051
BUYER		A	4	\$28,009	\$35,523	\$45,051
ADMIN. OFFICE ASSOCIATE	ADMIN SUPPORT TECHNICIAN	A	5	\$30,251	\$38,366	\$48,657
ACCOUNT CLERK II		A	5	\$30,251	\$38,366	\$48,657
ACCOUNT CLERK I	ACCOUNT CLERK II	A	5	\$30,251	\$38,366	\$48,657
PAYROLL CLERK		A	6	\$32,670	\$41,434	\$52,548
OFFICE ASSOCIATE III	HR ASSOCIATE	A	6	\$32,670	\$41,434	\$52,548
NETWORK TECHNICIAN		A	6	\$32,670	\$41,434	\$52,548
ADMIN. OFFICE ASSOCIATE	CODE ENF. ADMIN. RECORDS CLERK	A	6	\$32,670	\$41,434	\$52,548
OFFICE MANAGER		A	6	\$32,670	\$41,434	\$52,548
SENIOR BUYER		A	6	\$32,670	\$41,434	\$52,548
ASST CITY CLERK		A	7	\$35,283	\$44,748	\$56,751
CODE ENFORCEMENT OFFICER		A	7	\$35,283	\$44,748	\$56,751
NUISANCE OFFICER	CODE ENFORCEMENT OFFICER	A	7	\$35,283	\$44,748	\$56,751
BUILDING INSPECTOR		A	8	\$38,107	\$48,329	\$61,293
PLUMBING INSPECTOR		A	8	\$38,107	\$48,329	\$61,293
EXECUTIVE OFFICE ASSOCIATE	COMMUNICATIONS COORDINATOR	A	8	\$38,107	\$48,329	\$61,293
HUMAN RESOURCES ASSOCIATE	HUMAN RESOURCES MANAGER	A	9	\$41,155	\$52,195	\$66,196
ACCOUNTANT		A	10	\$44,447	\$56,369	\$71,490
HOUSING SUPERVISOR		A	10	\$44,447	\$56,369	\$71,490
ZONING ADMINISTRATOR		A	11	\$48,003	\$60,880	\$77,210
CITY CLERK		A	11	\$48,003	\$60,880	\$77,210
COMMUNITY DEVELOPMENT DIRECTOR		A	12	\$51,844	\$65,750	\$83,387
UTILITIES SUPERINTENDENT		A	12	\$51,844	\$65,750	\$83,387
ASST. DIR OF INTERNAL SVCS - FINANCE	ASST. DIR OF FINANCE	A	13	\$55,991	\$71,010	\$90,058
ASST. DIR OF INTERNAL SVCS - PROCURE	ASST. DIR OF PROCUREMENT	A	13	\$55,991	\$71,010	\$90,058
BPI DIRECTOR		A	14	\$60,470	\$76,691	\$97,262
NSCC DIRECTOR		A	14	\$60,470	\$76,691	\$97,262
ASSISTANT CITY ADMINISTRATOR		A	15	\$65,309	\$82,827	\$105,045
INFORMATION TECH DIRECTOR		A	15	\$65,309	\$82,827	\$105,045
CHIEF OF POLICE		A	16	\$70,532	\$89,452	\$113,447
CITY ADMINISTRATOR		A	18	\$82,269	\$104,337	\$132,325
FIREFIGHTER/EMT		F	2	\$37,178	\$47,151	\$59,799
FIREFIGHTER/EMT GRANT		F	2	\$37,178	\$47,151	\$59,799
FIREFIGHTER/PARAMEDIC		F	4	\$44,862	\$56,896	\$72,158
CAPTAIN		F	5	\$46,328	\$58,755	\$74,515
LIEUTENANT		F	5	\$46,328	\$58,755	\$74,515
ASSISTANT FIRE CHIEF		F	7	\$57,911	\$73,445	\$90,839
DEPUTY FIRE CHIEF		F	8	\$65,091	\$82,552	\$102,081
FIRE CHIEF		F	15	\$65,309	\$82,827	\$105,045
POLICE OFFICER		P	1	\$39,026	\$48,347	\$60,167
POLICE OFFICER		P	1	\$39,026	\$48,347	\$60,167
POLICE OFFICER FIRST CLASS		P	3	\$42,660	\$52,954	\$66,012
CORPORAL		P	4	\$45,725	\$56,843	\$70,942
SERGEANT		P	5	\$49,699	\$61,883	\$77,334
MAJOR		P	8	\$68,095	\$85,213	\$106,922
COLONEL		P	9	\$69,137	\$87,682	\$111,202
PARKING MAINTENANCE WORKER		PA	1	\$22,235	\$28,199	\$35,763
PARKING ENFORCEMENT OFFICER		PA	2	\$24,013	\$30,454	\$38,623
OFFICE ASSOCIATE III		PA	3	\$25,935	\$32,891	\$41,714
PARKING SUPERVISOR		PA	6	\$32,670	\$41,434	\$52,548

Source: Evergreen Solutions June 2013.



Exhibit 5C (Continued)
Salisbury Proposed Grade Order List

Class Title	Proposed Title	Pay Plan	PROPOSED GRADE	Step 1 (MINIMUM)	Step 13 (MIDPOINT)	Step 25 (MAXIMUM)
CUSTODIAN		PS	1	\$22,235	\$28,199	\$35,763
RECORDS CLERK		PS	2	\$24,013	\$30,454	\$38,623
CHIEF RECORD CLERK		PS	3	\$25,935	\$32,891	\$41,714
PROPERTY CUSTODIAN I		PS	3	\$25,935	\$32,891	\$41,714
RECORD CLERK/SECRETARY		PS	3	\$25,935	\$32,891	\$41,714
POLICE COMM. OFFICER I		PS	4	\$28,009	\$35,523	\$45,051
ASSISTANT QUARTERMASTER		PS	4	\$28,009	\$35,523	\$45,051
CRIME DATA ANALYST		PS	4	\$28,009	\$35,523	\$45,051
INTELLIGENCE ANALYST		PS	4	\$28,009	\$35,523	\$45,051
ANIMAL CONTROL OFFICER		PS	5	\$30,251	\$38,366	\$48,657
POLICE COMM. OFFICER II		PS	5	\$30,251	\$38,366	\$48,657
POLICE COMM. OFFICER III		PS	6	\$32,670	\$41,434	\$52,548
CHIEF ADMIN. RECORDS CLERK		PS	6	\$32,670	\$41,434	\$52,548
SURVEY TECHNICIAN I		PW	2	\$24,013	\$30,454	\$38,623
PAINTER		PW	2	\$24,013	\$30,454	\$38,623
SUPPLY/RECORDS CLERK		PW	2	\$24,013	\$30,454	\$38,623
ASSISTANT PLANT MECHANIC		PW	2	\$24,013	\$30,454	\$38,623
SIGNS/PAVEMENT MARKING TECH I		PW	2	\$24,013	\$30,454	\$38,623
METER READER I		PW	3	\$25,935	\$32,891	\$41,714
AUTOMOTIVE MECHANIC II		PW	3	\$25,935	\$32,891	\$41,714
MOTOR EQUIPMENT OPERATOR I		PW	3	\$25,935	\$32,891	\$41,714
PARKS MAINTENANCE WORKER		PW	3	\$25,935	\$32,891	\$41,714
PRETREATMENT TECHNICIAN I		PW	3	\$25,935	\$32,891	\$41,714
METER TECHNICIAN I		PW	3	\$25,935	\$32,891	\$41,714
ZOO GROUNDSKEEPER		PW	3	\$25,935	\$32,891	\$41,714
ZOOKEEPER I		PW	3	\$25,935	\$32,891	\$41,714
ENGINEERING ASSOCIATE		PW	4	\$28,009	\$35,523	\$45,051
ADMINISTRATIVE OFFICE ASSOCIAT		PW	4	\$28,009	\$35,523	\$45,051
METER TECHNICIAN II		PW	4	\$28,009	\$35,523	\$45,051
UTILITY LOCATOR		PW	4	\$28,009	\$35,523	\$45,051
MOTOR EQUIPMENT OPERATOR II		PW	4	\$28,009	\$35,523	\$45,051
ADMIN OFFICE ASSOCIATE		PW	4	\$28,009	\$35,523	\$45,051
UTILITY TECHNICIAN I		PW	4	\$28,009	\$35,523	\$45,051
SIGNS/PAVEMENT MARKING TECH II		PW	4	\$28,009	\$35,523	\$45,051
UTILITY TECHNICIAN II		PW	5	\$30,251	\$38,366	\$48,657
AUTOMOTIVE MECHANIC III		PW	5	\$30,251	\$38,366	\$48,657
MOTOR EQUIPMENT OPERATOR III		PW	5	\$30,251	\$38,366	\$48,657
STREET CREW LEADER		PW	5	\$30,251	\$38,366	\$48,657
PRETREATMENT TECHNICIAN II		PW	5	\$30,251	\$38,366	\$48,657
ASSIST. SANITATION SUPER.		PW	5	\$30,251	\$38,366	\$48,657
LAB TECHNICIAN		PW	5	\$30,251	\$38,366	\$48,657
GROUNDSKEEPER WWTP		PW	5	\$30,143	\$38,229	\$48,483
SURVEY TECHNICIAN II		PW	5	\$30,251	\$38,366	\$48,657
QUALITY CONTROL/SAMPLER TECH		PW	5	\$30,251	\$38,366	\$48,657
CAD DRAFTER/DRAFTER		PW	6	\$32,670	\$41,434	\$52,548
CARPENTER SUPERVISOR		PW	6	\$32,670	\$41,434	\$52,548
UTILITY TECHNICIAN III		PW	6	\$32,670	\$41,434	\$52,548
HORTICULTURIST		PW	6	\$32,670	\$41,434	\$52,548
MATERIALS MANAGER		PW	6	\$32,670	\$41,434	\$52,548
SANITATION SUPERVISOR		PW	6	\$32,670	\$41,434	\$52,548
RECYCLING SUPERVISOR		PW	6	\$32,670	\$41,434	\$52,548
PLANT MECHANIC	WWTP MECHANIC	PW	6	\$32,670	\$41,434	\$52,548
WWTP-OPERATOR I		PW	6	\$32,670	\$41,434	\$52,548
WATER TREATMENT PLANT OPERA I		PW	6	\$32,670	\$41,434	\$52,548
ZOOKEEPER IV		PW	6	\$32,670	\$41,434	\$52,548

Source: Evergreen Solutions June 2013.



Exhibit 5C (Continued)
Salisbury Proposed Grade Order List

Class Title	Proposed Title	Pay Plan	PROPOSED GRADE	Step 1 (MINIMUM)	Step 13 (MIDPOINT)	Step 25 (MAXIMUM)
UTILITY SUPERVISOR		PW	7	\$35,283	\$44,748	\$56,751
STREET SUPERVISOR		PW	7	\$35,283	\$44,748	\$56,751
WWTP-OPERATOR II		PW	7	\$35,283	\$44,748	\$56,751
ELECTRICIAN		PW	7	\$35,283	\$44,748	\$56,751
WATER TREATMENT PLANT OPERA II		PW	7	\$35,283	\$44,748	\$56,751
VETERINARY TECHNICIAN		PW	7	\$35,283	\$44,748	\$56,751
CONSTRUCTION INSPECTOR		PW	8	\$38,107	\$48,329	\$61,293
DRAFTING SUPERVISOR		PW	8	\$38,107	\$48,329	\$61,293
ENGINEERING TECHNICIAN		PW	8	\$38,107	\$48,329	\$61,293
SECTION CHIEF W/S		PW	8	\$38,107	\$48,329	\$61,293
GARAGE SUPERVISOR		PW	8	\$38,107	\$48,329	\$61,293
PARK SUPERVISOR		PW	8	\$38,107	\$48,329	\$61,293
RESOURCE MANAGER		PW	8	\$38,107	\$48,329	\$61,293
BIO SOLIDS MANAGER		PW	8	\$38,107	\$48,329	\$61,293
WWTP-OPERATOR III		PW	8	\$38,107	\$48,329	\$61,293
CHEMIST		PW	8	\$38,107	\$48,329	\$61,293
ELECTRICIAN/MAINTENANCE SUPER.		PW	8	\$38,107	\$48,329	\$61,293
SHIFT SUPERVISOR		PW	8	\$38,107	\$48,329	\$61,293
WWTP OPERATOR III		PW	8	\$38,107	\$48,329	\$61,293
GIS TECHNICIAN	GIS ANALYST	PW	8	\$38,107	\$48,329	\$61,293
Utility Supervisor Grade 7		PW	8	\$38,107	\$48,329	\$61,293
TRAFFIC SUPERVISOR		PW	8	\$38,107	\$48,329	\$61,293
WATER PLANT MAINT OPERATOR		PW	8	\$38,107	\$48,329	\$61,293
	LEAD ZOOKEEPER	PW	8	\$38,107	\$48,329	\$61,293
MAINTENANCE SUPERVISOR		PW	9	\$41,155	\$52,195	\$66,196
ASST. SUPERINTENDENT UTILITIES		PW	9	\$41,155	\$52,195	\$66,196
WWTP-OPERATOR IV		PW	9	\$41,155	\$52,195	\$66,196
PROJECT MANAGER		PW	10	\$44,447	\$56,369	\$71,490
PRETREATMENT CORD/ASST. SUPT.		PW	10	\$44,447	\$56,369	\$71,490
O & M SUPERINTENDENT		PW	10	\$44,447	\$56,369	\$71,490
SANITATION SUPERINTENDENT		PW	10	\$44,447	\$56,369	\$71,490
WWWTP-SHIFT SUPERVISOR		PW	10	\$44,447	\$56,369	\$71,490
TRAFFIC SYSTEMS MANAGER		PW	10	\$44,447	\$56,369	\$71,490
PROJECT ENGINEER		PW	11	\$48,003	\$60,880	\$77,210
Admin Engineering		PW	11	\$48,003	\$60,880	\$77,210
CITY SURVEYOR		PW	11	\$48,003	\$60,880	\$77,210
CHIEF OPR WWTP		PW	11	\$48,003	\$60,880	\$77,210
DEPUTY DIRECTOR-OPERATIONS		PW	12	\$51,844	\$65,750	\$83,387
ASST. SUPERINTENDENT-WWTP		PW	12	\$51,844	\$65,750	\$83,387
WATER TREATMENT PLANT SUPT.		PW	12	\$51,844	\$65,750	\$83,387
	SENIOR PROJECT ENGINEER	PW	12	\$51,844	\$65,750	\$83,387
ZOO CURATOR		PW	13	\$55,991	\$71,010	\$90,058
UTILITIES DIVISION CHIEF		PW	14	\$60,470	\$76,691	\$97,262
SUPERINTENDENT WWTP		PW	14	\$60,470	\$76,691	\$97,262
DEPUTY DIRECTOR ENGINEERING PW		PW	15	\$65,309	\$82,827	\$105,045
DIRECTOR PUBLIC WORKS		PW	16	\$70,532	\$89,452	\$113,447
CASHIER		S	2	\$24,013	\$30,454	\$38,623
CHIEF ACCOUNT CLERK		S	8	\$38,107	\$48,329	\$61,293
DIRECTOR OF INTERNAL SERVICES (MGR)		S	16	\$70,532	\$89,452	\$113,447
ZOOKEEPER II		Z	5	\$30,251	\$38,366	\$48,657
EDUCATION TECHNICIAN		Z	5	\$30,251	\$38,366	\$48,657
MARKETING/DEVELOPMENT ASSOC		Z	8	\$38,107	\$48,329	\$61,293
EDUCATION CURATOR		Z	9	\$41,155	\$52,195	\$66,196

Source: Evergreen Solutions June 2013.



51 | 4. The project does not ~~qualify for~~receive the capacity fee waiver for public sponsored or
52 | affordable housing.

53 |

54 | C. If eligible, the developer shall comply with the following requirements and submit the
55 | required documentation to the Director of Public Works.

56 |

57 | 1. Written requests for EDU allocations will be submitted to the Director of Public Works
58 | for review. After review, Public Works shall submit the allocation request to the Mayor
59 | for approval. With the Mayor's approval, a Resolution will be forwarded to City Council
60 | for ~~their-its~~ approval.

61 | 2. The Resolution for each property will specify that the EDU allocation is valid for two
62 | years, with the option to extend the allocation for two one-year terms ~~at the discretion of~~
63 | approved in writing by the Public Works Director prior to expiration of the term. The
64 | Public Works Director may refuse to grant a requested extension ~~if where~~ the Public
65 | Works Director, ~~at their sole discretion,~~ finds that the property owner is not making good
66 | faith efforts to complete the project.

67 | 3. The ~~two-year allocation time frame is defined as~~begins to run from the time ~~from of~~ the
68 | signing of the Resolution ~~awarding the EDU allocation to when the comprehensive~~
69 | ~~connection fees are paid~~.

70 | 4. Allocated EDUs are assigned to a project and to the property on which the project is
71 | located, and cannot be transferred by the ~~developer to another property recipient~~.

72 |

73 | BE IT FURTHER ORDAINED that this ordinance shall take effect from the date of its final
74 | passage.

75 |

76 | THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury
77 | held on the ___ day of _____, 2013, and thereafter, a statement of the substance of the
78 | Ordinance having been published as required by law, was finally passed by the Council on the
79 | ___ day of _____, 2013.

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81 |

82 | ATTEST

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86 | _____
Kimberly R. Nichols, City Clerk

87 |

88 |

Jacob R. Day, President
Salisbury City Council

89 | Approved by me this ___ day of _____, 2013

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91 |

92 | _____

93 | James Ireton, Jr. Mayor

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CLEAN VERSION

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF SALISBURY TO REDUCE WATER OR SEWER CHARGES FOR EDUs IN ACCORDANCE WITH CHAPTER 13.02 OF THE CITY CODE TO ENCOURAGE DEVELOPMENT IN CERTAIN AREAS OF THE CITY.

WHEREAS, Chapter 13.00.070 states that the Council may allow discounts for the comprehensive connection charges established in this chapter; and

WHEREAS, the City seeks to encourage development and redevelopment in the Downtown Development District, the Central Business District, the Riverfront Redevelopment Area, and the Enterprise Zone; and

WHEREAS, the City seeks to reduce the capacity fees for eligible development and redevelopment in the Downtown area by means of an Equivalent Dwelling Unit (EDU) Incentive Area; and

WHEREAS, the Director of Public Works made due diligence efforts to notify as many developers as practical that may be potentially impacted by an EDU Incentive Area; and

WHEREAS, the Director of Public Works provided the City Council with a recommendation of the proposed EDU Incentive Area at the May 20, 2013 and June 17, 2013 City Council work sessions, and the July 22, 2013 City Council legislative meeting.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND that Chapter 13.04 be amended by the addition of Section:

13.04.110 EDU Incentive Area

A. An Equivalent Dwelling Unit (EDU) Incentive Area is established for a period of five years from the date of final passage of the ordinance. The incentive shall be reevaluated prior to the end of the five year period. Three hundred (300) EDUs are available to be allocated.

B. A developer may submit written documentation to the Director of Public Works to establish eligibility for a project within the EDU Incentive Area if the project meets all of the following criteria:

1. The project is within the Downtown Development District, the zoning district entitled the Central Business District, the Riverfront Redevelopment Area, or in the Enterprise Zone.
2. In the downtown area, the project must be either new development or revitalization of an existing building. Outside of the downtown area and in the Enterprise Zone, the project must be a revitalization of an existing building.
3. The project meets the zoning criteria at the time of application.
4. The project does not receive the capacity fee waiver for public sponsored or affordable housing.

50 C. If eligible, the developer shall comply with the following requirements and submit the
51 required documentation to the Director of Public Works.

- 52
- 53 1. Written requests for EDU allocations will be submitted to the Director of Public Works
54 for review. After review, Public Works shall submit the allocation request to the Mayor
55 for approval. With the Mayor's approval, a Resolution will be forwarded to City Council
56 for its approval.
 - 57 2. The Resolution for each property will specify that the EDU allocation is valid for two
58 years, with the option to extend the allocation for two one-year terms if approved in
59 writing by the Public Works Director prior to expiration of the term. The Public Works
60 Director may refuse to grant a requested extension if the Public Works Director finds that
61 the property owner is not making good faith efforts to complete the project.
 - 62 3. The two-year allocation begins to run from the time of the signing of the Resolution
63 awarding the EDU allocation.
 - 64 4. Allocated EDUs are assigned to a project and to the property on which the project is
65 located, and cannot be transferred by the recipient.
- 66

67 BE IT FURTHER ORDAINED that this ordinance shall take effect from the date of its final
68 passage.

69
70 THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury
71 held on the ___ day of _____, 2013, and thereafter, a statement of the substance of the
72 Ordinance having been published as required by law, was finally passed by the Council on the
73 ___ day of _____, 2013.

74
75

76 ATTEST

77
78

79 _____
80 Kimberly R. Nichols, City Clerk

Jacob R. Day, President
Salisbury City Council

81
82

83 Approved by me this ___ day of _____, 2013

84
85

86 _____
87 James Ireton, Jr. Mayor

Memo

To: City Council
From: Tom Stevenson
Date: August 14, 2013
Re: Merritt Mill Road/Smith Annexation

Attached are the following materials related to the proposed annexation known as the Merritt Mill Road/Smith Annexation:

- Annexation Agreement
- Concept Development Plan
- County Zoning Map

cc: Mayor Ireton
Jack Lenox
Keith Hall
Kim Nichols
Chris Jekubiak

DRAFT

(For July 15, 2013 City Council Work Session)

ANNEXATION AGREEMENT

Merritt Mill Road / Smith Annexation

THIS AGREEMENT is made this ___ day of _____, 2013, by and between the City of Salisbury, a municipal corporation of the State of Maryland (hereinafter, “the City”), the Estate of Marian H. Smith (hereinafter, “the Owner”) represented by Thomas F. Johnson, Jr. Personal Representative of the Estate of Marian H. Smith at 128 E. Main Street, Salisbury, Maryland 21801.

RECITALS

WHEREAS, the Owner is the record owner of certain real property located in Wicomico County, Maryland, (hereinafter, “the Property”), and more particularly described in Attachment A attached hereto and made a part hereof; and

WHEREAS, the Owner/Assignee desires to construct upon the Property a residential development project;

WHEREAS, the Property is not presently within the corporate boundaries of the City and is therefore ineligible to receive certain municipal services, including municipal water and wastewater service, that the Owner desires to obtain for the Property; and

WHEREAS, the Owner desires that the City annex the Property and the City desires to annex the Property, provided that certain conditions are satisfied; and

WHEREAS, pursuant to the authority contained in Article 23A of the Annotated Code of Maryland, Sections 19(b) and (n), the Owner and the City have agreed that the following conditions and circumstances will apply to the annexation proceedings and to the Property.

WITNESSETH:

1. WARRANTIES AND REPRESENTATIONS OF CITY:

- A. The City of Salisbury, the Salisbury-Wicomico County Planning Commission and staff will be guided by this Agreement throughout the review of any development plans submitted for the Property to ensure that the provisions of this Agreement are specifically implemented and the Property is developed in substantial conformance with the concept development plan which is made part of this Agreement. Any approval granted to a development plan by any commission, board, body, or agent of the City shall be in substantial conformance with the terms and conditions of this Agreement and the appurtenant concept development plan.
- B. The parties understand and agree that the City's herein provided covenant of support is not intended, nor could it be construed, to legally prohibit the City from enacting such future ordinances or charter provisions or engineering standards or amendments deemed necessary to protect the public health, safety and welfare of the residents of the City, nor from applying such ordinances or charter provisions to the development of the Property, provided such application does not operate to divest prior approvals, nor interfere with the Owner/Assignee's vested rights to any greater extent than the impact of such ordinances and charter resolutions upon other similarly-situated properties within the City's boundaries.

2. WARRANTIES AND REPRESENTATIONS OF THE OWNER:

A. This Agreement constitutes the formal written consent to annexation by the Owner as required by Article 23A, Section 19(b). The Owner acknowledges that it will receive a benefit from annexation and agrees, as a bargained-for condition and circumstances applicable to the annexation, that it waives and completely relinquishes any right to withdraw its consent to annexation from the date of execution of this Agreement by all parties. The Owner further agrees that it will not petition the Annexation Resolution to referendum and that, in the event of a referendum in which it is permitted to vote, that it shall vote in favor of the Annexation Resolution.

B. The Owner warrants and represents that it has full authority to sign this Agreement and that it is in fact the sole owner of the real property encompassed in the Property and more particularly described in Attachment A, and that there is no action pending against it or involving it that would in any way affect its right and authority to execute this Agreement.

C. The Owner warrants and represents that it has the full power and authority to sign this Agreement and is, in fact, the sole owner of not less than Twenty-five Percent (25%) of the assessed valuation of the real property within the Property.

3. **APPLICATION OF CITY CODE AND CHARTER**

From and after the effective date of the Annexation Resolution implementing this Agreement, all provisions of the Charter and Code of the City shall have full force and effect within the Property except as otherwise specifically provided herein.

4. **MUNICIPAL ZONING**

Upon the effective date of the Annexation Resolution implementing this Agreement, the Property will be zoned "R-8A" and the density of housing units on the Property shall not exceed 6.5 units per acre.

5. **MUNICIPAL SERVICES**

Upon the effective date of the Annexation Resolution implementing this Agreement, the City will make the Property eligible to receive all applicable municipal services to the extent that the necessary public facilities exist to provide such services. Any allocation of capacity and/or services will be made by the City according to adopted allocation plans which may be in effect at the time the Owner/Assignee makes request for such capacity and/or services.

6. **STANDARDS AND CRITERIA**

Should any environmental, engineering, or other similar standard or criteria specifically noted in this Agreement be exceeded by any local, State, or Federal standard, criteria, or regulation, which may be adopted subsequent to the execution of this Agreement, the newer stricter standard, criteria or regulation shall apply.

7. **CITY BOUNDARY MARKERS**

The Owner/Assignee will fund and install City of Salisbury survey boundary markers at the boundary lines to the newly enlarged City boundaries and will provide receipt of such work completed to the City within one year of the expiration of the 45-day referendum period. The Owner/Assignee agrees that failure to comply with this provision will subject the Owner/Assignee to payment of a fee to the City of Salisbury made payable prior to any development plan approval of \$10,000.00 plus the cost for the City's surveyor to complete the work.

8. **DEVELOPMENT CONSIDERATIONS:**

A. **Costs and Fees:** The Owner agrees that it will pay costs of annexation to the City, including but not limited to the City's costs for legal fees, planning, and other consulting fees in connection with the preparation of this Agreement and/or the necessary annexation resolution and related documents, for publication of any required notices, and for any other cost or expense reasonably related, in the City's sole judgment, to the annexation.

B. The Owner and City agree that the Property will be developed consistent with the regulations of the zoning district classification referenced in the Annexation Resolution and in substantial conformance with the concept development plan, shown as Attachment B.

C. **Contribution to Area Improvement:** The parties acknowledge that the proposed development of the Property will need to be reviewed and approved by the Salisbury-Wicomico County Planning Commission which will assess the development's impacts on area facilities and services prior to granting final approval(s) and may therefore place additional specific requirements on the project to address its impacts. Notwithstanding this and as a condition of annexation, the Owner/Assignee agrees to:

- i. Pay an assessment to the City in the amount of \$1,800.00 per dwelling unit prior to the issuance of a building permit as a contribution to municipal park, police, and fire facilities. This development assessment is understood by the parties to be in addition to and independent of the City's water and sewer comprehensive connection charges, any impact fees imposed by Wicomico County or the City, and any assessments or construction requirements that may be required to be paid or made under paragraphs D and E of this section or elsewhere.
- ii. To design, construct and install at the Owner's/Assignee's sole expense curbs, gutters, sidewalks, street lights, and street trees along the Property's frontage with Merritt Mill Road to City standards and specifications as part of the development of the Property and under the terms and conditions of a Public Works Agreement to be made between the Owner/Assignee and the City and/or County Department of Public Works.
- iii. To design and construct public sanitary sewer facilities as needed to serve the development on the Property. The parties acknowledge that connection to the existing public sewer system will need to be approved by the Department of Public Works. The parties acknowledge that the City Department of Public Works may require the Owner/Assignee to install at Owner/Assignee expense oversized pipes to accommodate future development. Owner/Assignee will be reimbursed these costs upon future development which utilizes this system.
- iv. Design and construct a public water distribution main as needed to serve development on the Property. Connection to the existing public water system will need to be approved by the Department of Public Works. A loop connection of the proposed water main to the existing water main in Merritt Mill Road will be required to be provided by the Owner/Assignee.

- v. Prior to making any connection to the sanitary sewer system, pay a pro-rata share of the cost of upgrading the Parkside Sewage Pump Station as to be determined by the Department of Public Works and consistent with other developments tying into this pump station.
- vi. As part of the development of the property, design and construct all offsite storm drainage facilities needed by the development. The parties acknowledge that the City Department of Public Works may require the Owner/Assignee to install at Owner/Assignee expense oversized pipes to accommodate future development. City shall reimburse the Owner/Assignee the additional costs as others tie-in.
- vii. When developed, dedicate right-of-way for all public streets, including acceleration and deceleration lanes on Merritt Mill Road, and a separate pedestrian/bicycle lane along the full length of the Property's frontage with Merritt Mill Road. Provide a 10-foot City of Salisbury utility easement adjoining all public streets on the Property and along the Property's frontage with Merritt Mill Road, for City utility locations.

D. Re-investment in Existing Neighborhoods: The Owner/Assignee agrees to pay a development assessment to the City in the amount of \$3,090.00 for each dwelling unit to be constructed prior to the issuance of a building permit. This development assessment is understood by the parties to be intended for use by the City in its sole discretion for beautification, restoration, and revitalization improvements to existing neighborhoods in the City and which development assessment is understood by the parties to be in addition to and independent of the City's water and sewer comprehensive connection charges, any impact fees imposed by the County or the City, and any assessments that may be required to be paid under paragraphs C and E of this section or elsewhere.

E. Contribution to Housing Affordability-Workforce/Affordable Housing: The Owner/Assignee agrees to pay a development assessment of \$2,000.00 per residential dwelling unit to the City of Salisbury prior to the issuance of a building permit. This development assessment is understood by the parties to be intended for use by the City in promoting the implementation of workforce or affordable housing programs to help close the gap between the market rate price of dwelling units in the City and the actual price that a prospective purchaser could afford, as determined by the City.

F. Escalation of Development Assessments: The per unit assessments set forth in paragraphs Ci, D, and E are subject to adjustment to reflect inflation. Beginning on January 1, 2014, the per unit assessments shall be subject to adjustment for inflation and this adjustment shall take place annually on the first day of January and continue until all assessments are paid. The assessments shall be adjusted by the percent change in the CPI during the previous 12-month period. The CPI to be used is the Consumer Price Index-U, All City Average, Unadjusted, published by the Bureau of Labor Statistics.

G. Community / Environmental Design:

- i. At time of development, the Owner/Assignee agrees to accommodate pedestrian and bicycle access from Merritt Mill Road through the Property to the southernmost property line. Pursuant to this agreement and as contemplated on the concept development plan, the Owner/Assignee agrees to install, improve, and dedicate an 8-foot wide pedestrian/bicycle trail through the Property at time of development approval and to provide a 15-foot wide perpetual public use easement over the trail to the City of Salisbury.
- ii. The Owner/Assignee agrees to submit for Salisbury-Wicomico County Planning Commission approval, architectural and landscaping design standards that will guide and promote a unified appearance to the development on the Property.
- iii. The Owner/Assignee agrees to arrange the layout of walkways so as to connect these walkways to existing walkways or mutually agreed proposed walkways of the east side; and to arrange the layout of internal streets and walkways as indicated on the concept development plan for possible future connection to the undeveloped parcel adjoining the west side.
- iv. The Owner/Assignee agrees to achieve LEED credit points in collaboration with the Planning Commission for the project using the rating system established by the United States Green Building Council's 2009 LEED for Neighborhood Development Rating System (as Updated in 2011). The City and Owner/Assignee acknowledge that certain points under the rating system are unattainable because of the project's location, its context, existing available services and established City criteria. Understanding this, and in order to establish a baseline, the City and Owner/Assignee will first agree to the total sum of LEED points unattainable due to these factors that are beyond the control of the Owner/Assignee. The sum of these points will then be deducted from the total points possible; the difference then divided by the total points possible to arrive at a baseline quotient. Prior to development approval, the Owner/Assignee shall submit specific findings, accepted by the Director of Planning, to demonstrate to the satisfaction of the Salisbury/Wicomico Planning Commission that the project has achieved, or would achieve upon development, the credit points needed for LEED Silver Certification when multiplied by the baseline quotient. In keeping with this provision, the Owner/Assignee agrees specifically to adhere to the following energy and environmental performance standards:
 - Site lighting fixtures shall be energy efficient and, where possible, shall utilize LED lamps for energy efficiency and long lamp life. Any streetlights shall also be selected for highest efficiency but recognizing that they will ultimately be owned and maintained by the City of Salisbury, the selection of streetlights shall be made in conjunction with the City of Salisbury Department of Public Works.

- The Property's entire stormwater management system will be designed in collaboration with a Maryland Registered and LEED certified design professional with utmost and demonstrated consideration given to the following: substantial limitations on impervious surfaces, stormwater infiltration, bio-retention, open channel conveyance, and other best management practices. At time of development, the Owner/Assignee agrees to plant at least two shade trees on the Property for each residential dwelling unit proposed for the Property.
- Roadway and parking lot construction shall be accomplished using recycled aggregates and base material where available from local sources.
- The HVAC systems in all building(s) on the Property shall be high-efficiency units. Air conditioning compressors for all dwelling units on the Property will be 17 SEER, minimum unless and until higher federal, state, or local standards are required.
- No HOA covenants or declaration shall prevent the use of solar panels for individual residences.
- Water-saving plumbing fixtures shall be used in all buildings on the Property.
- Building roofing materials on the Property shall be selected for energy efficiency and to minimize the heat island effect of dark roof coverings.

H. Prior to development, the Owner/Assignee agrees to undertake a traffic study of the impact of development of the Property to area roadways and intersections and to design and construct improvements found by the Department of Public Works to be needed to mitigate negative impacts of the development which is to be set forth in a Public Works Agreement with the City and/or County to effectuate those improvements.

I. The Owner/Assignee represents that it will establish and incorporate a Homeowners' Association (HOA) covering all dwelling units on the Property and such Association shall take ownership, control, and responsibility of and for the maintenance and upkeep of any common areas and public amenities to be provided within the proposed development, other than streets and/or other facilities to be accepted and maintained by the City.

J. The parties acknowledge and agree that the obligations set forth herein on the part of both parties pertain to the Property, unless otherwise expressly stated herein.

8. **RECORD PLAT:**

When the property is developed, the Owner/Assignee will provide the City with a copy of the final record plat for the development.

9. **MISCELLANEOUS:**

A. The obligations of the parties hereto set forth herein are contingent upon the adoption of an Annexation Resolution effecting the annexation of the Property by the Mayor and City Council of the City of Salisbury and shall be void in the event the City fails to effect such annexation or such annexation is invalidated by referendum or otherwise.

B. The use of singular verb, noun and pronoun forms in this Agreement shall also include the plural forms where such usage is appropriate; the use of the pronoun "it" shall also include, where appropriate "he" or "she" and the possessive pronoun "its" shall also include, where appropriate, "his" "hers" and "theirs."

C. From time to time after the date of this Annexation Agreement, the parties, without charge to each other, will perform such other acts, and will execute, acknowledge and will furnish to the other such instruments, documents, materials and information which either party reasonably may request, in order to effect the consummation of the transactions provided for in this Agreement.

D. Upon annexation, this Agreement, which includes all exhibits, schedules and addenda hereto, each of which is incorporated in this Agreement by this reference, shall be recorded among the Land Records of Wicomico County and shall run with the land and be binding upon and inure to the benefit of the parties, their heirs, successors and assigns, and embodies and constitutes the entire understanding, representations, and statements, whether oral or written, are merged in this Annexation Agreement. The parties may renegotiate the terms hereof by mutual agreement, subsequent to the effective date of any Annexation Resolution adopted by the City pursuant hereto, provided that neither this Agreement nor any provisions hereof may be waived, modified or amended unless such modification is in writing and is signed by the party against whom the enforcement of such waiver, modification or amendment is sought, and then only to the extent set forth in such instrument.

E. The parties hereto acknowledge that, in entering into this Agreement, neither party has been induced by, nor has relied upon, nor included as part of the basis of the bargain herein, any representations or statement, whether express or implied, made by any agent, representative or employee, which representation or statement is not expressly set forth in this Agreement.

F. This Agreement shall be construed according to its plain meaning without giving regard to any inference or implication arising from the fact that it may have been drafted in whole or in part by or for any one of the parties hereto.

G. This Agreement, its benefit and burden, shall be assignable, in whole or in part, by the Owner without the consent of the City or of its elected officials, employees or agents, to any purchasers or contract purchasers of the property or any party thereof. However, the Owner will not transfer or pledge as security for any debt or obligation, any interest in all or part of the Annexation Area, without first obtaining the written consent and acknowledgement of the transferee or pledgee to the Annexation Agreement and to the complete observance hereof. The Owner shall provide the City with copies of all documents of transfer or assignment, including exhibits when the documents are fully executed, regardless of recordation.

H. The captions in any Agreement are inserted for convenience only, and in no way define, describe or limit the scope of intent of this Agreement or any of the provisions hereof.

I. The laws of the State of Maryland shall govern the interpretation, validity, and construction of the terms and provisions of this Agreement. If any term or provision of this Agreement is declared illegal or invalid for any reason by a court of competent jurisdiction, the remaining terms and provisions of this Agreement shall, nevertheless, remain in full force and effect. Any suit to enforce the terms hereof or for damages or other remedy for the breach or alleged breach hereof shall be brought exclusively in the Courts of the State of Maryland in Wicomico County and the parties expressly consent to the jurisdiction thereof and waive any right that they might otherwise have to bring such action in or transfer or remove such action to the courts of any other jurisdiction.

J. All notices and other communications under this Agreement shall be in writing. Such notice shall be deemed to have been given when personally delivered to the party or parties or when enclosed in an envelope having the proper postage, addressed to the party or parties to receive such and deposited, as certified mail, return receipt requested, at a United States Post Office. The date at which such notice shall be deemed to have been given shall be the date of such deposit in the mail.

IF TO THE CITY: Thomas Stevenson, City Administrator
125 North Division Street
Salisbury, Maryland 21801

WITH A COPY TO: S. Mark Tilghman, City Attorney
1185 Broad Street
P.O. Box 910
Salisbury, Maryland 21803

IF TO THE OWNER: Thomas F. Johnson, Jr., Pers. Representative
128 East Main Street
Salisbury, Maryland 21801

The parties hereto shall be responsible for notifying each other of any change of address.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

WITNESS: THE CITY OF _____, MARYLAND

_____ By: _____

WITNESS/ATTEST: **OWNER: Estate of Marian H. Smith**

_____ By: _____
Thomas F. Johnson Jr., Personal Representative

APPROVED AS TO FORM:

_____, City Attorney

STATE OF MARYLAND
COUNTY OF _____, to wit:

I HEREBY CERTIFY, that on this _____ day of _____, _____, before me, a Notary Public in and for the State aforesaid, personally appeared _____, who has been satisfactorily proven to be the person whose name is subscribed to the within instrument, who acknowledged himself to be a duly elected official of the **City of Salisbury**, a municipal corporation of the State of Maryland, and that said official, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the municipal corporation as such official.

WITNESS my hand and notarial seal.

_____(SEAL)
Notary Public

My Commission Expires: _____

I HEREBY CERTIFY, that on this _____ day of _____, _____, before me, a Notary Public in and for the State aforesaid, personally appeared **Thomas F. Johnson, Jr.**, who has been satisfactorily proven to be the person whose name is subscribed to the within instrument, who acknowledged himself to **the Personal Representative of the Estate of Marian H. Smith**, and that, being duly authorized so to do, he executed the foregoing instrument for the purposes therein contained, by signing his name.

WITNESS my hand and notarial seal.

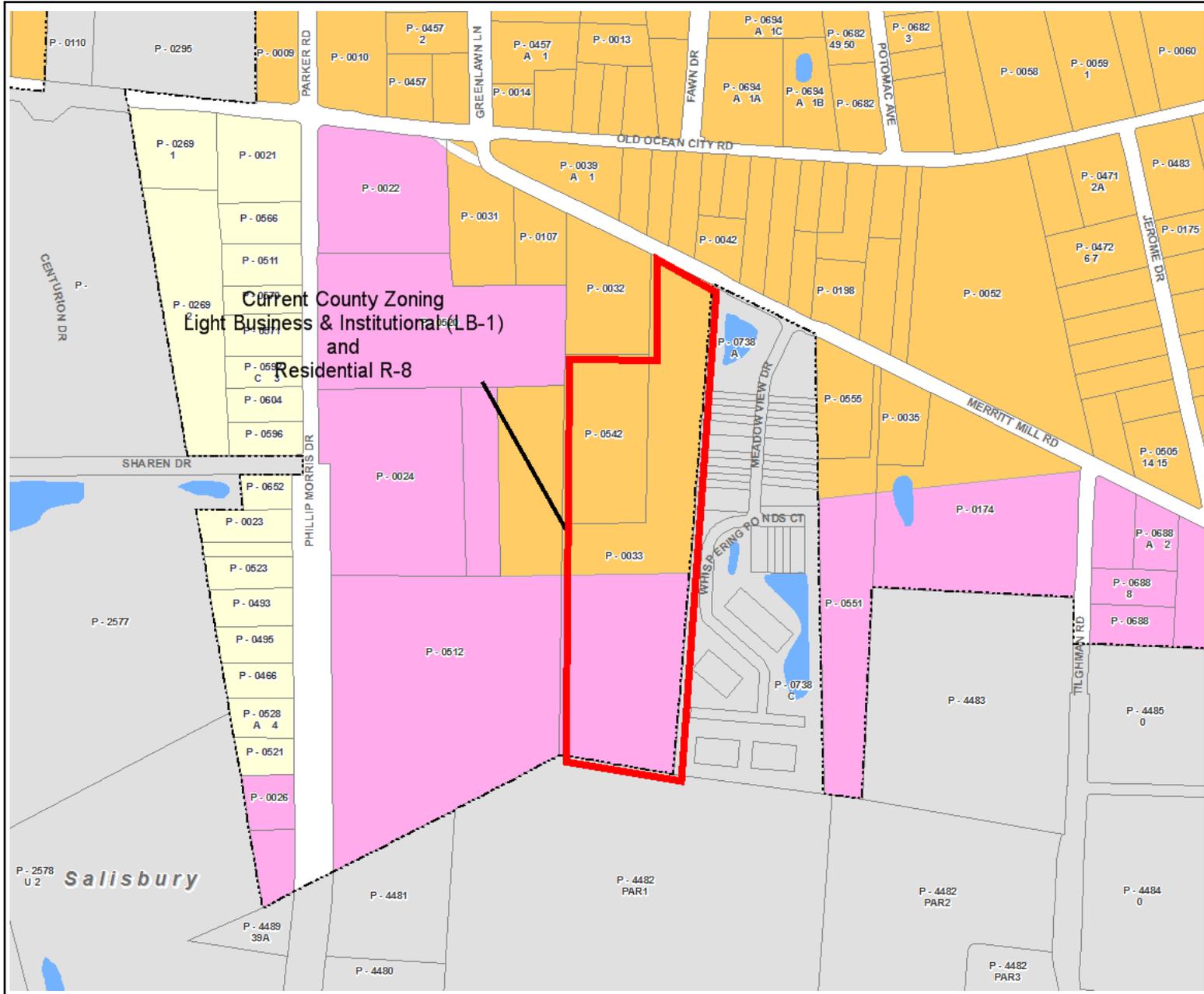
_____(SEAL)
Notary Public

My Commission Expires: _____

I HEREBY CERTIFY that the foregoing instrument was prepared by or under the supervision of an attorney duly admitted to practice before the Court of Appeals of Maryland.

_____, City Attorney

WICOMICO COUNTY ZONING MAP



Current County Zoning
Light Business & Institutional (LB-1)
and Residential R-8

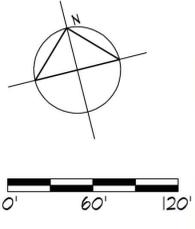
- Railroads
- Wicomico.SDE.Airfields_Poly
- TYPE
 - Runway
 - Taxiway
- Bridges
- Chesapeake Bay Critical Area
- Historic Districts
- 9000 ft Turning Radius
- Airport Overlay District
- Neighborhood Preservation District
- Salisbury Critical Area
- WicomicoCounty Boundary
- Wicomico.SDE.Municipal_Areas
- Parcels
- Municipal Names
- Street Centerlines
- Water Bodies
- Wicomico.SDE.WicoZoning_sept19_2011
- Zone_Long
 - A - 1 Agricultural - Rural
 - Airport Business Park
 - C - 1 Select Commercial
 - C - 2 General Commercial
 - C - 3 Regional Commercial
 - CID Corporate Industrial District
 - I - 1 Light Industrial
 - I - 2 Heavy Industrial
 - LB - 1 Light Business & Institutional
 - LB - 2 Light Business & Residential
 - R - 8 Residential
 - R - 15 Residential
 - R - 20 Residential
 - R - 30 Residential
 - REC Residential, Educational & Cultural
 - TT Town Transitional
 - VC Village Conservation
 - Municipality

119 ft

Smith Annexation / Merritt Mill Rd - County Zoning Map



PROPOSED DEVELOPMENT
 ZONING: R-8A
 11.21 ACRES
 OPEN SPACE: 3.34 ACRES
 OPEN SPACE %: 30
 DUPLEXES: 8 (16 UNITS)
 FEE SIMPLE TOWNHOUSES: 16
 TOWNHOUSE APARTMENTS: 40 UNITS
 TOTAL UNITS: 72
 DENSITY: 6.5 UNITS PER ACRE
 OFF STREET PARKING FOR TOWNHOUSE APARTMENTS: 2.75 SPACES PER UNIT



SMITH ESTATE ANNEXATION CONCEPT PLAN

SALISBURY, MARYLAND

DBF# 1954A001.001

August 5, 2013

dbf DAVIS
 BOWEN &
 FRIEDEL, INC.

ARCHITECTS, ENGINEERS & SURVEYORS
 SALISBURY, MARYLAND ■ MILFORD, DELAWARE
 410.543.9091 302.424.1441

CITY OF SALISBURY
PETITION FOR ANNEXATION

To the Mayor and Council of the City of Salisbury

I/We request annexation of my/our land to the City of Salisbury.

Parcel 542 & 33

Map 39

Conditions:

1. Petitioner shall pay the advertising costs and associated annexation costs as required by City policy.
2. Petitioner shall sign an Annexation Agreement and/or submit Development Plans, which provide for compliance with City Code requirements and policies, including, but not limited to, the following:
 - A. A development assessment of \$3,000.00 per dwelling unit for beautification, restoration and revitalization improvements to existing neighborhoods;
 - B. A development assessment of \$2,000.00 per residential dwelling unit for implementation of a workforce housing program; and
 - C. A development assessment of \$1,800.00 per dwelling unit to pay for capital improvements to parks, fire, police, and other municipal facilities.

Signature of Petitioner/Property Owner:

Thomas F. Johnson, Jr.

Thomas F. Johnson, Jr., P.R. of
Marian Smith Estate # 16,425

3-13-07

Date

CITY OF SALISBURY
PETITION FOR ANNEXATION

To the Mayor and Council of the City of Salisbury:

I/We request annexation of my/our land to the City of Salisbury:

Parcel : 33 and 542

Map: 39

Conditions:

1. Petitioners shall be granted an exemption from City Real Property Tax until the property is sold, transferred, or requests water and / or sewer service.
-

SIGNATURES:

Marian H. Smith
MARIAN H. SMITH

4/27/06
DATE

DATE

Memo

To: Tom Stevenson
From: Susan Phillips 
Date: August 14, 2013
Re: Habitual Offender (Legislative Enhancements)

Attached you will find an ordinance that will have the effect of modifying the current Habitual Offender law. The original legislation was adopted in 2005 and was intended to provide the housing official with the necessary tools to prevent repeated calls for service to challenging properties.

Because the conditions to become a habitual offender are so uncommon; to date no property owner has received the designation. In actuality the lofty requirements have rendered the statute ineffective.

The proposed changes will address the issue by eliminating the requirement for the property owner to:

- Pay a citation issued by Neighborhood Services and Code Compliance (NSCC) on three separate occasions over a 24 (twenty four) month period; or
- Be found guilty in Wicomico County District Court on three separate occasions over a 24 (twenty four) month period

And lower the threshold to require any combination of 5 (five) of the following, during a twelve month period:

- A verified call for service from NSCC; or
- Payment of 1 (one) citation issued by NSCC; or
- Being found guilty in Wicomico County District Court

While we experience an exceptionally high voluntary compliance rate, plus or minus ninety five percent (+/- 95%), we often return to the same properties over and over again. These repeated visits are costly and use up valuable resources.

The attached draft has had multiple revisions and improvements. Please accept this draft as the most recently updated version.

Unless you or the mayor has any questions please forward this information to the city council for review and consideration.

1 **CITY OF SALISBURY**

2 **ORDINANCE NO.**

3 **DRAFT**

4
5 AN ORDINANCE OF THE CITY OF SALISBURY AMENDING CHAPTER 15.27
6 PROPERTY MAINTENANCE HABITUAL OFFENDER OF THE SALISBURY MUNICIPAL
7 CODE. THESE AMENDMENTS ARE INTENDED TO STRENGTHEN THE ORIGINAL
8 OBJECTIVE OF LEGISLATION BY LOWERING THE THRESHOLD BY WHICH A
9 PROPERTY OWNER CAN BE DESIGNATED AN HABITUAL OFFENDER.
10

11 **WHEREAS**, the Mayor and City Council have requested that the Department
12 Neighborhood Services and Code Compliance periodically review Chapter 15.27; and

13 **WHEREAS**, the ongoing application, administration and enforcement of Chapter 15.27,
14 demonstrates a need for its periodic review, evaluation and amendment to keep the chapter
15 current; and

16 **WHEREAS**, the Department of Neighborhood Services and Code Compliance does
17 recommend approval of these proposed code changes.

18 **NOW, THEREFORE**, be it enacted and ordained by the Council of the City of
19 Salisbury, Maryland, that Chapter 15.27 be amended as follows:

20 **Chapter 15.27**

21 **PROPERTY MAINTENANCE HABITUAL OFFENDER**

22
23
24 Sections:

25
26 **15.27.010 Scope.**

27
28 **15.27.020 Definitions.**

29
30 **15.27.030 Nonrental dwelling units.**

31
32 **15.27.040 Rental dwelling units.**
33

34 **15.27.050 Transfer of ownership.**

35

36 **15.27.060 Civil offense.**

37

38 **15.27.070 Violations – penalties.**

39

40

41 **15.27.010 Scope.**

42

43 The provisions of this chapter govern procedures for owners of dwelling units in the city
44 who violate provisions of the Housing Code repetitively in a ~~twenty-four (24)~~ twelve (12) month
45 period.

46 (Ord. 1900 (part), 2004)

47

48 **15.27.020 Definitions.**

49

50 As used in this chapter, the following terms shall have the meanings indicated:

51

52 “Call for Service” means an inspection (upon receipt of a complaint or discovered during
53 routine patrol) performed by the Department of Neighborhood Services and Code Compliance
54 (NSCC) which results in the issuance of a notice of violation, corrective action letter or
55 municipal citation.

56

57 "Dwelling unit" means a single unit providing living facilities for one or more persons,
58 including permanent provision for living, sleeping and sanitation.

59

60 "Habitual offender" means any person owning a dwelling unit, ~~who shall pay a fine~~
61 ~~assessed by the department of building, housing and zoning or be found guilty of violating~~
62 ~~Chapter 15.24 or Title 17 on three separate occasions within a twenty four (24) month period.~~
63 that generates five (5) or more calls for service from the Department of Neighborhood Services
64 and Code Compliance (NSCC) within a twelve (12) month period or who shall pay a fine
65 assessed by NSCC or be found guilty of violating Chapter 15.24, 15.26 or Title 17 on two (2)
66 separate occasions within a twelve (12) month period with regard to that one dwelling unit.

67

68 "Person" means any individual, partnership, firm, corporation, association or other legal
69 entity ~~of whatsoever kind and nature.~~

70

71 “Property” means the owner’s legal interest in the real property on which the dwelling
72 unit is located.

73

74 “Nonrental dwelling unit” means a dwelling unit that is either owner occupied or for
75 which an affidavit under the penalty of perjury has been provided indicating that the unit is a
76 nonrental.

77

78 "Rental" means leasing or allowing occupancy or usage of a dwelling unit, either directly
79 or by an agent, in consideration of value, including personal services, paid or tendered to or for
80 the use or benefit of the lessor.

81 (Ord. 1900 (part), 2004)

82
83 **15.27.030 Nonrental dwelling units.**

84
85 A. The owner of a nonrental dwelling unit who becomes an habitual offender shall be
86 ~~subject to inside and outside inspection of the dwelling unit by the housing official required to~~
87 ~~permit the housing official to perform a full comprehensive inspection of the nonrental unit at~~
88 ~~least two (2) times during the twelve (12) months following the habitual offender designation~~
89 ~~and shall be assessed a fee to be set by ordinance. The dwelling unit shall receive an annual~~
90 ~~inspection, at a minimum, during each of the next five years for a fee to be determined by~~
91 ~~resolution of the council from time to time.~~

92
93 B. After an owner of a nonrental dwelling unit becomes an habitual offender for a
94 particular dwelling unit, all fines levied under Chapter 15.24, 15.26 or Title 17 for that dwelling
95 unit ~~shall~~ may be tripled until the habitual offender designation is removed.

96
97 C. After completion of ~~five consecutive annual~~ two (2) inspections with no violations
98 under Chapter 15.24, 15.26 or Title 17, the habitual offender designation shall terminate for the
99 owner of that nonrental dwelling unit. If violations under Chapter 15.24, 15.26 or Title 17
100 continue, the habitual offender designation shall continue for the owner of the nonrental dwelling
101 unit until such time as a twelve (12) month period with no violations occurs.

102
103 D. If ownership of the dwelling unit changes during the period when the owner has been
104 designated as an habitual offender, the designation will be removed after the new owner corrects
105 all violations of Chapter 15.24, 15.26, and Title 17 of the City code, and the dwelling unit is
106 inspected and found to have no violations. The new owner must also pay the inspection fee set
107 by ordinance.

108
109 E. If the full amount of the inspection fees due to the city regarding a particular property
110 are not paid by the owner within thirty (30) days after billing, the housing official shall cause to
111 be recorded in the finance office for the city a sworn statement showing the amount of fees due.
112 All fees shall be a lien on the property, collectible in the same manner as city taxes.
113 (Ord. 1974 (part), 2005; Ord. 1900 (part), 2004)

114
115 **15.27.040 Rental dwelling units.**

116
117 A. 1. After an owner of a rental dwelling unit becomes an habitual offender, all fines
118 levied under Chapter 15.24, 15.26 or Title 17 for that dwelling unit shall be tripled until the
119 habitual offender designation is removed.

120
121 2. After an owner of a rental dwelling unit becomes an habitual offender, the occupancy
122 of that dwelling unit by unrelated persons shall be limited to the number generally applicable to

123 the zoning district in which the dwelling unit is located, and any additional occupancy
124 (previously permitted as a legal pre-existing use) will be prohibited.

125
126 B. 1. An habitual offender license shall be required for a rental dwelling unit owned by an
127 habitual offender for a fee of two hundred and fifty dollars (\$250.00) which is the subject of the
128 habitual offender designation for a fee of five hundred dollars (\$500.00). The license and license
129 fee shall be required for ~~five~~ two (2) consecutive years, unless the rental dwelling unit changes
130 ownership to another person which is not owned or controlled by the habitual offender or by an
131 immediate family member of the habitual offender and the new owner corrects all violations of
132 Chapter 15.24, 15.26 and Title 17. The habitual offender designation terminates for the owner of
133 a rental dwelling unit after the dwelling unit receives ~~five~~ two (2) annual inspections with no
134 violations of Chapter 15.24, 15.26 or Title 17. If violations under Chapter 15.24, 15.26 or Title
135 17 continue past the date of the first annual inspection, the habitual offender designation shall
136 continue for the owner of that rental dwelling unit until the dwelling unit receives ~~five~~ two (2)
137 annual inspections with no violations of Chapter 15.24, 15.26 or Title 17.

138
139 2. If violations under Chapter 15.24, 15.26 or Title 17 continue for one year after the
140 habitual offender designation, the owner's ~~license~~ rental unit registration under Section 15.26.040
141 shall be revoked. for the subject rental dwelling unit, The housing official shall issue an order to
142 vacate the subject rental unit(s), and the owner shall give sixty (60) days' notice to vacate to the
143 tenants of that rental dwelling unit. Any security deposit shall be returned pursuant to the
144 provisions of Real Property Article, Title 8, Annotated Code of Maryland. The owner of the
145 rental dwelling unit may correct all violations of Chapter 15.24, 15.26 and Title 17 and, after
146 inspection and payment of a ~~one thousand dollars (\$1,000.00)~~ five hundred dollars (\$500.00) fee
147 to the city, the owner's license for that rental dwelling unit shall be reinstated.

148
149 C. The owner of a rental dwelling unit who becomes an habitual offender shall be subject to
150 inside and outside inspection of the dwelling unit by the housing official. The dwelling unit shall
151 receive an annual inspection during each of the next ~~five~~ two (2) years for a fee to be determined
152 by ~~resolution~~ ordinance of the council from time to time.

153
154 D. If the full amount of the inspection and license fees due to the city are not paid by the
155 owner within thirty (30) days after billing, the housing official shall cause to be recorded in the
156 finance office for the city a sworn statement showing the amount of fees due. All fees shall be a
157 lien on the property, collectible in the same manner as city taxes.
158 (Ord. 1974 (part), 2005; Ord. 1960, 2005; Ord. 1900 (part), 2004)

159
160 **15.27.050 Transfer of Ownership.**
161
162 In the event the habitual offender transfers ownership of the subject dwelling unit(s) to
163 another person , the habitual offender shall inform the housing official, in writing, within five (5)
164 business days after the transfer has occurred.

165
166 **15.27.060 Civil offense.**
167

168 Designation as an habitual offender shall be a civil offense and not a criminal offense.
169 (Ord. 1900 (part), 2004)

170

171 **15.27.070 Violations – Penalties.**

172 Any person found in violation of the provisions of this chapter shall be guilty of a
173 municipal infraction and shall be subject to a fine not to exceed five hundred dollars (\$500.00)
174 per violation. Each day a violation remains uncorrected is a separate violation subject to an
175 additional citation and fine.
176 (Ord. No. 2163, 7-25-11)

177

178

179 AND BE IT FURTHER ENACTED AND ORDAINED BY THE CITY OF SALISBURY,
180 MARYLAND, that the Ordinance shall take effect upon final passage.

181

182 THIS ORDINANCE was introduced and read at a meeting of the Council of the City of

183 Salisbury held on the _____ day of _____, 2013 and thereafter, a statement of the

184 substance of the ordinance having been published as required by law, in the meantime, was

185 finally passed by the Council on the ___ day of _____, 2013.

186 ATTEST:

187

188

189 _____

190 Kimberly R. Nichols, City Clerk

191

192

193

194 Approved by me, this _____
195 day of _____, 2013.

196

197

198

199

200 _____
201 James Ireton, Jr.,
Mayor of the City of Salisbury

Jake Day, President of the
of the City of Salisbury Council

City of Salisbury



MARYLAND

Jacob R. Day
Council President
jday@ci.salisbury.md.us

125 N. Division St., Room 305
Salisbury, MD 21801
410-548-3140

MEMORANDUM

August 2, 2013

To: All City Council Members

From: Jacob R. Day, Council President

Subject: AmeriCorps Member for Youth Civics Council

Friends,

I believe that great cities grow and keep talent by fostering a sense of ownership and civic pride in their young people. It can be embedded in young minds through education about local government process, mentorship by local officials, and critical thinking and discussion about community challenges.

This Spring I spent a great deal of time thinking about, discussing with others and writing about a Youth Civics Council – a small body of young people who have the seeds of interest in their city – whose interest can be nurtured into a deeper commitment through mentorship, civics education and ultimately through discourse about community issues.

I have received warm responses from Wicomico County Council President Matt Holloway and the Wicomico County Board of Education to the concept and I hope to formally request their participation. I believe that our participation as mentors could be incredibly meaningful to the young people we engage.

The greatest barrier to moving this forward is the identification of a talented individual to manage the project for the City. I was made aware by Dr. George Whitehead of the ShoreCorps program of the AmeriCorps program which includes full-time, half-time and

quarter-time fellowships for selected host sites. The Youth Civics Council could succeed with a half-time fellow building and managing it.

I wanted to make everyone aware of the opportunity and that there may be a site match cost to us of \$6,100 if we are to consider this. The first step is for us to be considered by AmeriCorps to be a host site. This is a request I have submitted today. The impact we can have for that investment in young people could be very meaningful. Before we discuss this as a body, I wanted to give everyone this background and open up the opportunity for questions.

Thank you all for your consideration and I hope to bring this to Work Session in early September for discussion.

memo

Salisbury City Council

To: Members of the City Council
From: Laura Mitchell
CC: Mayor Jim Ireton, Kim Nichols, Tom Stevenson
Date: 8/14/2013
Re: City Attorney & Clerk Evaluations

Comments: Now that the City Attorney and City Clerk have been in their current positions for more than a year, it seems appropriate to do performance evaluations on each. A summary of the proposed process will be presented for discussion at the work session.

Because both positions serve a wide range of City Officials, both elected and appointed, it is appropriate to use a 360° approach. As such, the Mayor, each Council member, the City Administrator, and each Department Head will be asked to anonymously complete a survey using a numeric rating scale. Chairs of City Boards and Committees that interact with or rely on the attorney will also be asked to participate as well.

The statistics for each question (average, median, mode, and range) will be compiled confidentially and provided to the Council for review and discussion with the City Attorney to aid in setting goals for the future.