



City of Gunnison Compensation Plan

Updated April 1, 2019

**** Administration Guidelines ****

COMPENSATION PHILOSOPHY: The City of Gunnison recognizes that employees are critical to the success of our mission and goals. We must attract and retain competent, professional and results-oriented staff. Therefore, our total compensation system matches, within our ability to pay, other comparable governmental employers.

HIRING RANGE: Supervisors may hire up to the midpoint, based on education, training, certifications, and specific work experience. New hires, possessing the minimum qualifications specified in the job duties, will be hired at minimum. Department directors may be hired up to the maximum salary range at the discretion of the City Manager.

WAGE INCREASES:

- o Employees may, at the discretion of their supervisor, be eligible to receive a step increase at the implementation date (typically January 1).
- o Employees who are hired at entry level must complete a full year of employment to be eligible for a step increase at the next implementation date (typically January 1). They are eligible for a market adjustment during the first year of employment at the implementation date (typically January 1).
- o Employees not recommended for a step increase on their Employee Performance Appraisal Form may be eligible to receive a wage increase once the Performance Improvement Plan has been completed, and the supervisor recommends a step increase.
- o Any wage increase for employees who exceed their maximum salary range will be treated as a bonus wage (paid over the full year) and will not be added to their base wage for future wage calculations.
- o Any step increase at the implementation date (typically January 1) that becomes effective during the pay period will affect the wage earnings during the entire pay period. The date of pay does not have any bearing on the wage earnings.

MINIMUM WAGE INCREASE: The 2019 minimum wage increase for full-time regular employees is \$318. An attempt is made to offset any health insurance cost increases with this minimum increase. Any wage increases for employees who exceed their maximum salary range will be treated as a bonus wage (paid over the full year) and will not be added to their base wage for future wage calculations.

MAXIMUM WAGE INCREASE: Depending upon budget availability, a maximum wage increase may be established.

MERIT BONUS: When approved and appropriated, merit bonuses will be awarded to employees who, at the discretion of their supervisors, are recommended for such bonus on the Employee Performance Appraisal Form. The merit bonus will not be added to an employee's base wage. Merit bonuses will be paid on the first pay date after the implementation date.

LATERAL TRANSFERS: Employees making a lateral position change will retain the current step in the newer position. The annual evaluation will reflect performance in both positions. An evaluation should be completed by the previous supervisor at the time of the transfer.

PROMOTIONS: Employees receiving a promotional position change will move to the step in the new position's salary range that provides a 10% increase or the maximum of the new promotional position's salary range, whichever is lower. If the resulting salary exceeds the salary for other employees in the same position who have more experience, the City Manager may modify the salary of the more experienced employee(s) or reduce the promoted employee's salary.

RECLASSIFICATIONS: Employees whose job title is changed as a result of a corrected job description or movement to a more appropriate job description will retain the current step in the new salary range, provided the increase is no more than a 10% increase. If the resulting salary exceeds the salary for other employees in the same position who have more experience, the City Manager may modify the salary of the more experienced employee(s) or reduce the reclassified employee's salary.

MARKET ADJUSTMENTS: Per the approval and direction of City Council, wage markets will be reviewed on an annual basis, according to that position's relevant labor market.

RELEVANT LABOR MARKET: The City of Gunnison will determine the relevant labor market, e.g., who they will compete with, based on the following continuum depending on available data for each position.

- 1) Colorado Municipal League Salary Survey Data, based on criteria that includes jurisdiction population, organization size (number of full-time equivalents), and budget size. For 2018, the 55 comparable communities include:

| | | |
|----------------------|-------------------|-------------------|
| Alamosa | Evans | Manitou Springs |
| Aspen | Federal Heights | Montrose |
| Avon | Firestone | Mountain Village |
| Berthoud | Fort Lupton | Parker |
| Black Hawk | Fort Morgan | Rifle |
| Breckenridge | Fountain | Salida |
| Brighton | Frederick | Silverthorne |
| Brush | Frisco | Snowmass Village |
| Canon City | Fruita | Steamboat Springs |
| Carbondale | Glendale | Sterling |
| Cherry Hills Village | Glenwood Springs | Superior |
| Cortez | Greenwood Village | Telluride |
| Craig | Gypsum | Trinidad |
| Cripple Creek | Johnstown | Vail |
| Delta | La Junta | Wheat Ridge |
| Durango | Lafayette | Windsor |
| Erie | Lamar | Woodland Park |
| Estes Park | Lone Tree | |

Gunnison County and Crested Butte are also included due to proximity to the City of Gunnison.

- 2) For positions with fewer than five comparable communities using the above data, comparable communities within Mountain States Employer Council survey data will be used.
- 3) For positions with fewer than five comparable communities in the Colorado Municipal League and Mountain States Employer Council, the Colorado Municipal League for the entire state of Colorado will be used.
- 4) For positions with fewer than five comparable communities in the Colorado Municipal League for the entire state of Colorado data and/or Mountain States Employer Council, other surveys will be utilized such as Colorado Association of Municipal Utilities (CAMU) or specific contacts with other employers.

- 5) If fewer than five comparable data points remain, other strategies may be used to determine the appropriate wage such as percentage spread between supervisor and the employee being supervised, etc.
- 6) For all of the above analyses, adjustments may be made if it is determined that the data creates a significant departure in internal equity (i.e. the person supervised has a higher mid-point than the supervisor, the employee has a higher mid-point than a position in another department that has similar minimum hiring requirements, or a mid-level manager has a higher mid-point than department heads, etc.) as approved by the City Manager in writing.

YEARS OF SERVICE: Wage increases are determined by targeting the step that correlates to the years of service for the current position. Employees that are hired at steps above entry level are credited for those years of service when calculating the appropriate step. The difference between the minimum step and the maximum step is a 35% spread.

| Hiring Range | | | | | | | | | | |
|--------------|----------|------|------|------|------|------|------|---------|------|------|
| Minimum | Midpoint | | | | | | | Maximum | | |
| Entry | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | 4.4% | 4.2% | 4.0% | 3.9% | 2.5% | 2.4% | 2.4% | 2.3% | 2.3% | 2.2% |

PART-TIME WAGE MARKET ADJUSTMENTS: Part-time wage adjustments will be made annually, based on the overall market adjustment for regular employees (not including step increases based on merit). They are eligible for a market adjustment during the first year of employment at the implementation date (typically January 1).

PART-TIME WAGE EXPERIENCE ADJUSTMENTS: If approved for the specific position, part-time employees may be eligible for an experience increase. Part-time employees must complete a full year of employment to be eligible for any experience adjustment as of the implementation date (typically January 1).

The maximum years of experience credited for part-time positions shall be five (5) years.