Report to Management on the Results

 **Of The 2020 Salary Study**

**Methodology**

From December 2019 through February 2020, Parilla & Associates conducted a salary study on behalf of the City of Ocala, Florida. The salary study was conducted by analyzing salary range data from 19 Central and South Florida public sector employers. Salary range data was received and analyzed from the following organizations:

Alachua County Board of County Commissioners

City of Clearwater

City of Daytona Beach

City of Deltona

City of Gainesville

City of Lakeland

City of Leesburg

City of Melbourne

City of Orlando

City of Ormond Beach

City of Palm Bay

City of Palm Coast

Fort Pierce Utilities Authority

Hillsborough County Board of County Commissioners

Marion County Board of County Commissioners

Orange County Board of County Commissioners

Pinellas County Board of County Commissioners

Seminole County Board of County Commissioners

Volusia County Board of County Commissioners

**Analysis**

After analyzing the data, Parilla & Associates compared the public sector data to the current City of Ocala data is reporting the following findings:

1. The current competitive position for City of Ocala jobs are as follows:

* On average, positions at the City of Ocala had salary ranges that are 14.9% low at the minimums.
* On average, positions at the City of Ocala had salary ranges that are 0.6% high at the maximums.

For the Electric Utility:

* On average, positions at the City of Ocala had salary ranges that are 16.8% low at the minimums.
* On average, positions at the City of Ocala had salary ranges that are 1.3% high at the maximums.

For Information Technology positions:

* On average, positions at the City of Ocala had salary ranges that are 14.3% low at the minimums.
* On average, positions at the City of Ocala had salary ranges that are 2.6% high at the maximums.

Parilla & Associates also conducted research to determine how Ocala’s technical positions compared to the private sector. We looked at engineers, skilled trades, information technology positions and fiber optics positions. The database that was used show median salaries rather that salary ranges. The consultants constructed ranges for the positions in question and compared them to the Coty’s salary ranges. The constructed ranges were 66% from minimum to maximum. This is a typical salary range design and is a narrower range that Ocala’s current 80% salary range spread.

Using this methodology, the City’s ranges as compared to the private sector were:

* On average, positions at the City of Ocala had salary ranges that are 14.7% low at the minimums.
* On average, positions at the City of Ocala had salary ranges that are 4.9% low at the maximums.

**Recommendations**

* The City should adjust its minimums by 15% to better align them to salary range minimums in both the public and private sectors. The salary range maximums are competitive with maximums in the public sector and need not be adjusted at this time. This situation has resulted from the practice of adjusting the salary range maximums but not the minimums over the past few years. This practice has also resulted in having the City’s salary ranges being very wide. The current ranges are approximately 80% from the minimums to the maximums. As noted above, typical salary ranges are 65% - 70% wide.
* Raising salary range minimums by 15% may not be feasible due to the costs associated with adjusting salaries to the new minimums and addressing the compression problems resulting from raising the minimums. As an alternative, the City could consider raising the minimums by 6% each year for the next three years. This approach is less drastic and would spread the associated costs over a longer period.
* The survey indicated that a few positions needed to be regraded. They are
	+ Payroll Manager – The maximum for this position was 15.7% below the average maximum in the survey. I recommend that the position be moved from its current grade of 50 to grade 51.
	+ CRA Manager – The maximum for this position was 12.2% below the average maximum in the survey. I recommend that the position be moved from its current grade of 51 to grade 52.
	+ Parking Enforcement Specialist – The maximum for this position was 22.8% higher than the average maximum in the survey. I recommend that the position be moved from its current grade of 46 to grade 45.
	+ School Crossing Guard – The maximum for this position was 16.8% below the average maximum in the survey. Paul Furia conducted an extensive analysis on this position in 2019 and his data was confirmed by this study. I recommend that the position be moved from its current grade of 43 to grade 44. As an alternative, the organization may wish to consider using a flat job rate for this position. Mr. Furia’s analysis showed that the average salary paid for this position is $15.94 per hour. A flat rate of $16.00 may be a good target rate to use as a benchmark.
	+ Senior Assistant City Auditor – The maximum for this position was 11.2% below the average maximum in the survey. I recommend that the position be moved from its current grade of 50 to grade 51. A new position of IT Auditor was recently added to the Audit Department. If the recommendation is accepted to increase the grade of the Senior Assistant City Auditor to grade 51, the IT Auditor should also be increased to the same grade level.
	+ Sign Technician II – The maximum for this position was 12.2% below the average maximum in the survey. I recommend that the position be moved from its current grade of 45 to grade 46. The Lead Sign Technician should be moved to grade 47.
	+ Staff Development & Training Manager – The maximum for this position was 11.3% below the average maximum in the survey. I recommend that the position be moved from its current grade of 49 to grade 50.

Please let me know if you have any questions regarding any of the analyses or these recommendations.

Sincerely,

 Ralph M. Parilla Jr.