

CENTERVILLE CITY SALARY ADMINISTRATION GUIDELINES – FY 2014

The City's compensation program is designed to compensate employees fairly, to maintain a pay position which is competitive, and to reward for performance. To carry out this philosophy, the City seeks to establish salaries that are fair externally, internally, and individually.

External Fairness

External fairness means employees will be paid fairly compared to people doing comparable work in the local job market area. The City determines fairness by comparing its salaries for certain jobs, such as police officer or secretary, with the salaries other employers pay for those jobs. Those jobs are grouped into levels of pay called salary grades. Each salary grade is assigned a pay range. In order to achieve a competitive advantage in the job market, the City generally bases the midpoint of pay ranges on the third quartile of the midpoints of pay ranges for related jobs in the job market, although this is subject to change by the City Council.

To keep salaries in line with its job market target, the City adjusts its salary ranges using data from local market salary surveys. The salary ranges (i.e., the minimum and maximum of each pay range) that were in effect for FY 2013 will be increased for FY 2014 by 1.5 percent.

Internal Fairness

Internal fairness means that jobs equivalent in value to the City are assigned similar salary grade levels, regardless of the department involved. Each position's salary grade level is based on the job description for that position, so accurate job descriptions are essential. Supervisors should update job descriptions when job duties change significantly and should review them at least annually in conjunction with performance appraisals. If there is a significant difference between the job description and current duties, the supervisor and the employee should normally rewrite the description for review so the City Manager can determine if the job is assigned the correct salary grade level, subject to Council approval. A revised job description does not mean that the assigned salary grade will change, only that it will be reviewed.

Individual Fairness

Individual fairness means an employee will be rewarded for individual performance relative to that of his/her peers. Based on that performance, an employee can move to higher positions in the current salary range or, if the employee earns a promotion, a higher salary range.

Salary Ranges

The City has assigned each job a salary range, with a minimum, midpoint, and maximum salary. The salary range allows employees to receive different salaries based on performance appraisals, levels of experience, and labor market conditions.

Note the following features of salary ranges:

1. Currently the Council’s intent is to base the midpoints of salary ranges on the third quartile of the midpoints of pay ranges for related jobs in the job market. This will not be an exact match due to the need to maintain internal equity in the compensation plan.
2. Salary ranges are divided into four equal parts, called quartiles. The lowest salaries are in the first quartile, and the highest salaries are in the fourth quartile. For example, if a job has a minimum annual salary of \$30,000 and a maximum of \$42,000, the first quartile would range from \$30,000 to \$33,000; the second quartile would range from \$33,000 to \$36,000 and so on.
3. Salary ranges overlap extensively, so an experienced, high-performing employee in one grade level can earn the same as or more than a less-experienced or lower-performing employee in a higher grade level.
4. Normally salary ranges move higher each year to keep in line with conditions in the job market.

Merit Increases

At the beginning of the Fiscal Year, an employee may receive a merit increase, or raise. This increase is based on the employee’s performance and is affected by the quartile that the employee’s salary is in, market salary conditions, and budget availability. The chart below shows the potential raise available in Fiscal Year 2014 (effective with the payroll period beginning July 7, 2013), depending on the employee’s performance and where the employee’s current salary falls within the pay range assigned to his/her position. **The percentages in this chart are likely to change from year to year. An employee’s base pay cannot exceed the maximum of the pay range for his position. Therefore, employees at or near the maximum may not be eligible for the percentages shown in the 4th quartile below.**

	1 st Quartile	2 nd Quartile	3 rd Quartile	4 th Quartile
Consistently Exceeds Expectations (“sustained outstanding performance”)	>3.0%	>2.5%	>2.0%	>1.5%
Meets or Exceeds Expectations	2.5 – 3.0%	2.0 – 2.5%	1.5 – 2.0%	1.0 – 1.5%
Needs Improvement	<2.5%	<2.0%	<1.5%	<1.0%
Seriously Deficient (at risk of Termination)	0%	0%	0%	0%

“Consistently Exceeds Expectations” is funded with a sum equal to 0.5% of the department’s salaries (not including the department head). This 0.5% can be used to increase the amount of raise for one or more employees within the department, subject to approval of the City Manager and Mayor and limited by the funding made available by the 0.5%. This means an employee could possibly receive more than a 0.5% additional increment. The 0.5% can also be used to give lump sum bonuses. Bonuses could be given, for example, for the following purposes:

- to recognize sustained outstanding performance by an employee who is at the top of the pay range (i.e., “maxed out”)
- to compensate an employee for significant additional responsibility undertaken for a limited period, for which the employee was not otherwise adequately compensated
- to recognize significant efforts by employees to upgrade their knowledge and skills

When using the 0.5% for additional base pay increases, normally this would be for the purpose of rewarding employees who consistently or significantly exceed expectations (i.e., “sustained outstanding performance”), or who have significantly increased their value to the City through education or training beyond that required for their position. However, the 0.5% might also be used to address a salary inequity within a department. A department head may also request permission from the City Manager to use up to 10% of the 0.5% sum for minor incentive awards throughout the fiscal year.

Any part of an employee’s pay raise may be delayed or postponed as an incentive to improve performance. Likewise, the 0.5% departmental pool may be used at any time during the fiscal year to fund an additional increase in base pay or to award a lump sum bonus. However, base pay raises given later in the fiscal year and funded by the 0.5% pool would be annualized when determining how much of the 0.5% pool is consumed to fund that raise.

Department heads will be considered as a “department” under the City Manager and Mayor in regard to the guidelines above. In other words, the City Manager and Mayor will decide the amount of raise for each department head, subject to the guidelines and funding limitations. Any base pay increase or lump sum bonus for the City Manager will be determined by the Mayor and City Council.

EXHIBIT "B"

CENTERVILLE CITY POSITION PAY GRADE SCHEDULE

**Centerville City
Position Pay Grade Schedule
8/21/2012**

Index Code	Department	Job Title	Pay Grade
100	Administration	City Manager	28
105		City Attorney	27
110		City Prosecutor	NC
115		City Engineer	NC
120		Finance Director/Asst. City Manager	25
122		Management Assistant	15
125		City Treasurer	14
130		City Recorder	12
131		Accountant III	14
132		Accountant II	12
133		Accountant I	10
135		Accounting Technician	7
145		Office Technician	3
150		Administrative Secretary	9
151		Secretary III	8
152		Secretary II	6
153		Secretary I	5
200	Community Development	Community Development Director	23
203		Planner II	13
206		Planner I	11
216		Planning & Zoning Technician	9
205		Chief Building Official	17
300	Justice Court	Justice Judge	NC
305		Court Clerk Supervisor	11
310		Court Clerk III	8
311		Court Clerk II	7
312		Court Clerk I	5
400	Parks & Recreation	Parks & Recreation Director	20
405		Parks Supervisor	14
410		Parks Maintenance Specialists III	10
411		Parks Maintenance Specialists II	9
412		Parks Maintenance Specialists I	7
415		Recreation Coordinator	10
420		Building Custodian	5
421		Recreation Instructor	NC

Centerville City
Position Pay Grade Schedule
8/21/2012

Index Code	Department	Job Title	Pay Grade
500	Police	Police Chief	25
505		Assistant Chief/Lieutenant	21
510		Sergeant	17
515		Police Officer III	15
516		Police Officer II	13
517		Police Officer I	12
519		Records/IT Technician	11
518		Records/IT Specialist	13
520		Dispatcher III	10
521		Dispatcher II	8
522		Dispatcher I	6
524		Court Technician/Dispatcher	5
525		Crossing Guard	N/A
600	Public Works	Public Works Director	23
610		Water Supervisor/Deputy Public Works Director	17
611		Drainage Utility Supervisor	14
615		Street Supervisor	15
617		GIS Specialist	13
621		Journey Mechanic	11
622		Apprentice Mechanic	10
625		Water Maintenance Operator III	12
626		Water Maintenance Operator II	10
627		Water Maintenance Operator I	8
630		Street Maintenance Operator III	12
631		Street Maintenance Operator II	10
632		Street Maintenance Operator I	8
640		Meter Reader	7
645		Laborer	6

EXHIBIT "C"
CENTERVILLE CITY SALARY SCHEDULE

**Centerville City Salary
Schedule
7/1/2013**

Grade	First Quartile		Second Quartile		Third Quartile		Fourth Quartile	
	Min	Midpoint	Midpoint	MAX	MAX	MAX	MAX	MAX
1	\$21,269.20	to \$23,660.58	\$23,660.59	to \$26,051.96	\$26,051.97	to \$28,443.34	\$28,443.35	to \$30,834.72
2	\$22,338.29	to \$24,851.58	\$24,851.59	to \$27,364.87	\$27,364.88	to \$29,878.17	\$29,878.18	to \$32,391.46
3	\$23,482.40	to \$26,122.30	\$26,122.31	to \$28,762.19	\$28,762.20	to \$31,402.08	\$31,402.09	to \$34,041.98
4	\$24,664.02	to \$27,439.90	\$27,439.91	to \$30,215.77	\$30,215.78	to \$32,991.65	\$32,991.66	to \$35,767.52
5	\$25,901.91	to \$28,813.77	\$28,813.78	to \$31,725.62	\$31,725.63	to \$34,637.48	\$34,637.49	to \$37,549.33
6	\$27,214.83	to \$30,276.73	\$30,276.74	to \$33,338.63	\$33,338.64	to \$36,400.53	\$36,400.54	to \$39,462.44
7	\$28,602.76	to \$31,819.40	\$31,819.41	to \$35,036.04	\$35,036.05	to \$38,252.68	\$38,252.69	to \$41,469.32
8	\$30,046.97	to \$33,427.72	\$33,427.73	to \$36,808.48	\$36,808.49	to \$40,189.23	\$40,189.24	to \$43,569.98
9	\$31,566.20	to \$35,115.75	\$35,115.76	to \$38,665.31	\$38,665.32	to \$42,214.87	\$42,214.88	to \$45,764.42
10	\$33,160.45	to \$36,892.88	\$36,892.89	to \$40,625.30	\$40,625.31	to \$44,357.73	\$44,357.74	to \$48,090.16
11	\$34,848.48	to \$38,768.47	\$38,768.48	to \$42,688.45	\$42,688.46	to \$46,608.44	\$46,608.45	to \$50,528.42
12	\$36,611.54	to \$40,728.46	\$40,728.47	to \$44,845.38	\$44,845.39	to \$48,962.31	\$48,962.32	to \$53,079.23
13	\$38,449.62	to \$42,777.54	\$42,777.55	to \$47,105.47	\$47,105.48	to \$51,433.40	\$51,433.41	to \$55,761.32
14	\$40,400.23	to \$44,943.85	\$44,943.86	to \$49,487.47	\$49,487.48	to \$54,031.09	\$54,031.10	to \$58,574.71
15	\$42,444.63	to \$47,218.01	\$47,218.02	to \$51,991.39	\$51,991.40	to \$56,764.76	\$56,764.77	to \$61,538.14
16	\$44,601.56	to \$49,618.76	\$49,618.77	to \$54,635.97	\$54,635.98	to \$59,653.18	\$59,653.19	to \$64,670.38
17	\$46,852.27	to \$52,122.68	\$52,122.69	to \$57,393.09	\$57,393.10	to \$62,663.50	\$62,663.51	to \$67,933.91
18	\$49,215.51	to \$54,753.19	\$54,753.20	to \$60,290.88	\$60,290.89	to \$65,828.56	\$65,828.57	to \$71,366.24
19	\$51,710.05	to \$57,529.07	\$57,529.08	to \$63,348.09	\$63,348.10	to \$69,167.11	\$69,167.12	to \$74,986.13
20	\$54,335.87	to \$60,450.30	\$60,450.31	to \$66,564.73	\$66,564.74	to \$72,679.16	\$72,679.17	to \$78,793.58
21	\$57,074.24	to \$63,493.45	\$63,493.46	to \$69,912.66	\$69,912.67	to \$76,331.87	\$76,331.88	to \$82,751.08
22	\$59,962.65	to \$66,710.09	\$66,710.10	to \$73,457.53	\$73,457.54	to \$80,204.96	\$80,204.97	to \$86,952.40
23	\$63,001.11	to \$70,090.84	\$70,090.85	to \$77,180.57	\$77,180.58	to \$84,270.31	\$84,270.32	to \$91,360.04
24	\$66,189.61	to \$73,635.71	\$73,635.72	to \$81,081.80	\$81,081.81	to \$88,527.90	\$88,527.91	to \$95,974.00
25	\$69,546.92	to \$77,372.82	\$77,372.83	to \$85,198.73	\$85,198.74	to \$93,024.63	\$93,024.64	to \$100,850.53
26	\$73,074.52	to \$81,297.37	\$81,297.38	to \$89,520.23	\$89,520.24	to \$97,743.08	\$97,743.09	to \$105,965.93
27	\$76,781.05	to \$85,420.98	\$85,420.99	to \$94,060.92	\$94,060.93	to \$102,700.86	\$102,700.87	to \$111,340.80
28	\$80,675.58	to \$89,753.76	\$89,753.77	to \$98,831.94	\$98,831.95	to \$107,910.11	\$107,910.12	to \$116,988.29

Annual amounts based on 2080 hours.

**Centerville City Salary
Schedule
7/7/2013**

Grade	First Quartile		Second Quartile		Third Quartile		Fourth Quartile	
	Min	Midpoint	Midpoint	Midpoint	Third Quartile	Fourth Quartile	MAX	MAX
1	\$10.23 to	\$11.38	\$11.39 to	\$12.52	\$12.53 to	\$13.67	\$13.68 to	\$14.82
2	\$10.74 to	\$11.95	\$11.96 to	\$13.16	\$13.17 to	\$14.36	\$14.37 to	\$15.57
3	\$11.29 to	\$12.56	\$12.57 to	\$13.83	\$13.84 to	\$15.10	\$15.11 to	\$16.37
4	\$11.86 to	\$13.19	\$13.20 to	\$14.53	\$14.54 to	\$15.86	\$15.87 to	\$17.20
5	\$12.45 to	\$13.85	\$13.86 to	\$15.25	\$15.26 to	\$16.65	\$16.66 to	\$18.05
6	\$13.08 to	\$14.56	\$14.57 to	\$16.03	\$16.04 to	\$17.50	\$17.51 to	\$18.97
7	\$13.75 to	\$15.30	\$15.31 to	\$16.84	\$16.85 to	\$18.39	\$18.40 to	\$19.94
8	\$14.45 to	\$16.07	\$16.08 to	\$17.70	\$17.71 to	\$19.32	\$19.33 to	\$20.95
9	\$15.18 to	\$16.88	\$16.89 to	\$18.59	\$18.60 to	\$20.30	\$20.31 to	\$22.00
10	\$15.94 to	\$17.74	\$17.75 to	\$19.53	\$19.54 to	\$21.33	\$21.34 to	\$23.12
11	\$16.75 to	\$18.64	\$18.65 to	\$20.52	\$20.53 to	\$22.41	\$22.42 to	\$24.29
12	\$17.60 to	\$19.58	\$19.59 to	\$21.56	\$21.57 to	\$23.54	\$23.55 to	\$25.52
13	\$18.49 to	\$20.57	\$20.58 to	\$22.65	\$22.66 to	\$24.73	\$24.74 to	\$26.81
14	\$19.42 to	\$21.61	\$21.62 to	\$23.79	\$23.80 to	\$25.98	\$25.99 to	\$28.16
15	\$20.41 to	\$22.70	\$22.71 to	\$25.00	\$25.01 to	\$27.29	\$27.30 to	\$29.59
16	\$21.44 to	\$23.86	\$23.87 to	\$26.27	\$26.28 to	\$28.68	\$28.69 to	\$31.09
17	\$22.53 to	\$25.06	\$25.07 to	\$27.59	\$27.60 to	\$30.13	\$30.14 to	\$32.66
18	\$23.66 to	\$26.32	\$26.33 to	\$28.99	\$29.00 to	\$31.65	\$31.66 to	\$34.31
19	\$24.86 to	\$27.66	\$27.67 to	\$30.46	\$30.47 to	\$33.25	\$33.26 to	\$36.05
20	\$26.12 to	\$29.06	\$29.07 to	\$32.00	\$32.01 to	\$34.94	\$34.95 to	\$37.88
21	\$27.44 to	\$30.53	\$30.54 to	\$33.61	\$33.62 to	\$36.70	\$36.71 to	\$39.78
22	\$28.83 to	\$32.07	\$32.08 to	\$35.32	\$35.33 to	\$38.56	\$38.57 to	\$41.80
23	\$30.29 to	\$33.70	\$33.71 to	\$37.11	\$37.12 to	\$40.51	\$40.52 to	\$43.92
24	\$31.82 to	\$35.40	\$35.41 to	\$38.98	\$38.99 to	\$42.56	\$42.57 to	\$46.14
25	\$33.44 to	\$37.20	\$37.21 to	\$40.96	\$40.97 to	\$44.72	\$44.73 to	\$48.49
26	\$35.13 to	\$39.09	\$39.10 to	\$43.04	\$43.05 to	\$46.99	\$47.00 to	\$50.95
27	\$36.91 to	\$41.07	\$41.08 to	\$45.22	\$45.23 to	\$49.38	\$49.39 to	\$53.53
28	\$38.79 to	\$43.15	\$43.16 to	\$47.52	\$47.53 to	\$51.88	\$51.89 to	\$56.24