VILLAGE OF INDIANTOWN, FLORIDA
AGENDA MEMORANDUM

MEETING DATE: June 26, 2025

MEETING TYPE: Regular Village Council Meeting

AGENDA ITEM TITLE: Approval to Implement Paypoint HR Compensation and Classification Study Including Salary Adjustments and 2025 Pay Plan and Pay Grade Table

SUMMARY OF ITEM: Late last year, the Village Council agreed to piggyback a contract from the City of Stuart for a Compensation and Classification Study (Study) to be performed by Paypoint HR. The Study was to include job and salary analysis, recommended pay plan, and identification of status of positions based upon Fair Labor Standards Act (FLSA) which determines exempt versus non-exempt positions within the Village (determines positions eligible for overtime). An analysis of the positions within the Village had not been performed for more than five years.

The consultants submitted their Compensation and Classification Study which identifies the basis of their analysis, comparators, benchmark positions, salary distribution by department and grade, external market comparison, proposed salary schedules, and FLSA review. As stated within the Study, the desired result is to have a pay structure that is competitive and improves the Village's ability to attract and retain quality staff to meet the growing demands of the community.

In determining the entities that were used for comparison, the consultants review and identify those entities that have similar demographics and population, 25 surveys were sent out with 15 entities returning surveys. The benchmark positions are those positions within the Village that have a job title and description that are most similar to other positions within various governmental entities. When analyzing the Village's existing salary schedule, it has an inconsistent spread, which limits advancement opportunities for employees and does not provide the necessary salary spread between ranges to encourage advancement.

Using the external market comparisons, the consultants developed market percentiles and the average (mean) for

each position, a proposed salary schedule, and a grade table. The consultants are recommending the Village consider bringing all positions up to the 50th percentile. The 50th percentile is recommended to have the Village's pay structure reflect a pay plan that when compared to others, is not the lowest paid employer, nor the highest. The cost associated with placing all positions into the 50th percentile far exceeds what the Village can manage within the existing budget, so other alternatives are being recommended for consideration by the Council. Employees would be close to the 50th percentile given the level of complexity of their job, experience, and tenure, therefore, to move all employees to the 50th percentile, is not only too costly, but not justified, given the age of the Village.

To begin moving positions closer to the mid-range, the Village Manager is recommending a 3% across the board increase for all employees beginning the next possible pay period for implementation. After the 3% increase, those positions that remain below the 25th of the market percentile (9 employees), would be brought to the 25th market percentile or minimum of 2025 pay plan (2 positions), whichever is greater, unless the position is on probation (5 employees). Positions on probation will remain at their adjusted salary (after the 3% increase) until their probation ends, at which time they will be entitled to an additional 2% increase (employees currently receive a 5% increase when their probation ends) or the minimum of the 2025 pay plan, whichever is greatest. One position was significantly below the market and is considered to be reclassified and will be placed 5% above 2025 Pay Plan minimum. Presently, there are 34 positions filled within the Village and 4 positions that are vacant. The cost to implement the above recommendations will be roughly $88,306, which will be covered by utilizing lapsed salaries from the vacancies to date.

The Fiscal Year (FY) 2025-2026 (FY26) budget development has begun, and millage rate considerations will be brought to the Council on July 10, 2025. Any further salary adjustments that would be across the board and provided to all employees will be addressed accordingly. None of the recommended adjustments are to interfere with each employee's annual evaluation and possible increase associated with that.

The consultant's recommendation is based solely on data, not monetary constraints or the age of an entity. Realizing all of the comparable entities have been established for many years, and their salary structures are based upon years of history as well as what their tax base can support, places the Village in a non-traditional and more unique situation. It would be appropriate for the Village to re-assess the salary structure in two years, as the dynamics within the Village begin to change with new growth and development and will provide planning for future funding.

FISCAL IMAPCT STATEMENT: The fiscal impact is roughly $88,306, plus benefits. Funding will be split between the various funds and is available through existing lapsed salary funding due to vacant positions.

RECOMMENDATION: The Village Council approve the recommendations provided by the Village Manager to implement the Paypoint HR Compensation and Classification Study and salary adjustments as deemed necessary based upon the data provided in the Study. The Village Council approve the implementation of the 2025 Pay Plan and Position Grade Table.

PREPARED BY: Taryn Kryzda DATE: 06/20/25

ATTACHMENTS:
Description
Pay and Class Paypoint 250626.pdf
Proposed Village Positions Grade Table 2025 Pay Plan and Market Percentile 2025.pdf