



Peter R.
& Johnson
Company

CITY OF WILMINGTON
Executive & Managerial
2023 SALARY ADMINISTRATION PROGRAM
FINAL

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Strategic Compensation Solutions. Valuable Results

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METHODOLOGY

Introduction

Peter R. Johnson & Company (PRJ), specialists in compensation consulting, was retained by the City of Wilmington for the purpose of conducting a compensation review for its Executive & Managerial (E&M) positions. The following information details the project methodology.

- Initially, Peter R. Johnson & Company (PRJ) gathered organizational information in the form of base compensation, and other data, as necessary.
- Conducted interviews with key senior leaders.
- Reviewed published surveys for competitive labor market comparisons.
- “Matched” positions to survey job descriptions to ensure appropriate comparisons.
- Competitive labor market has been defined to include organizations of a similar size (operating budget, number of employees), geographic region and industry.
- Data was extracted and tabulated from the published surveys based upon the cluster comparisons noted above. Percentiles and medians were also utilized in the analysis.
- The data was adjusted econometrically from the date of the data collection to July 2023.
- The survey data utilized and resulting average rates of base compensation are displayed for all positions.

Once competitive labor market rates were identified, the consultant developed the salary structure which reflects the trend of data. Average rates of pay for the positions provide the foundation for the grade midpoint, or average market rate for the position.

After updating the salary ranges, a financial analysis (or compa-ratio) was developed to determine the competitive compensation posture of the City of Wilmington’s E&M employees. The compa-ratio analysis compares the current rate of pay for the incumbent to the proposed grade midpoint.

If the employee makes \$70,000, and the grade midpoint is \$70,000, a compa-ratio of 100% would result. This could be interpreted that the employee is receiving 100% of the current market rate for the position.

Peter R. Johnson & Company consultants recommend utilizing the first third of the proposed salary structure as a targeted hiring range for most positions.

METHODOLOGY

The Development of a Salary Administration Program



EXECUTIVE SUMMARY

This section highlights top level findings and results from the Salary Administration program review.

KEY FINDINGS	COMMENT
Position Levels <ul style="list-style-type: none">• 11 Levels – 01 – 11	
Range Spreads <ul style="list-style-type: none">• 40 – 60%	Range spreads of between 40% to 60% are common in salary administration programs
Compa-Ratio <ul style="list-style-type: none">• 84.0%	A compa-ratio of 84.0% suggests that in the aggregate, employees are paid 16% below market.
Employees Under Range Minimum <ul style="list-style-type: none">• 15 Employees - \$88,037	
Compa-ratio After Minimum Adjustment <ul style="list-style-type: none">• 84.8%	We recommend bringing all employees to the range minimum.
Employees Over Range Maximum <ul style="list-style-type: none">• None	

EXTERNAL SALARY SOURCES

PRJ utilized the following external resources throughout the compensation project. All our research is based on an appropriate array of current and validated data sources to access the most relevant market data by industry, geography, and organization size, thus ensuring the necessary levels of source integrity and objectivity.

- 1) Economic Research Institute - Salary Assessor
 - Cluster 1 – Wilmington + 100 miles, Government and Municipal Workers
 - Cluster 2 – Wilmington + 100 miles, All Industries

- 2) Economic Research Institute - Executive Assessor
 - Cluster 1 – Wilmington + 100 miles, Government and Municipal Workers, \$300 mm Budget
 - Cluster 2 – Wilmington + 100 miles, All Industries, \$300 mm Budget
 - Cluster 3 – Wilmington + 100 miles, Government and Municipal Workers, 1200 Employees
 - Cluster 4 – Wilmington + 100 miles, All Industries, 1200 Employees

- 3) CompAnalyst
 - Cluster 1 - Philadelphia Region, Government and Municipal Workers, \$200-\$500 mm Budget
 - Cluster 2 - Philadelphia Region, All Industries, \$200-\$500 mm Budget
 - Cluster 3 - Philadelphia Region, Government and Municipal Workers, 1000-1500 Employees
 - Cluster 4 - Philadelphia Region, All Industries, 1000-1500 Employees
 - Cluster 5 – Mid-Atlantic Region, Government and Municipal Workers, \$200-\$500 mm Budget
 - Cluster 6 – Mid-Atlantic Region, All Industries, \$200-\$500 mm Budget
 - Cluster 7 – Mid-Atlantic Region, Government and Municipal Workers, 1000-1500 Employees
 - Cluster 8 – Mid-Atlantic Region, All Industries, 1000-1500 Employees

- 4) Peter R. Johnson & Company Confidential Client Files

2023 POSITION LEVEL SUMMARY

This page illustrates the Position Levels and the placement of each position/title. Placement is based on market-based compensation similarities, and relative value among positions within this structure.

<u>Level</u>	<u>Job Title</u>
01	Administrative Assistant I
02	Administrative Assistant II
02	Constituent Services Officer
02	Cultural /Arts Program Assistant
03	Events Permitting & Special Projects Assistant
03	Marketing and Special Projects Coordinator
03	Senior Constituent Services Officer
03	Special Assistant for Community Engagement
04	Best Practices/Innovation Specialist
04	Digital & Social Media Manager
04	Legal Office Administrator
04	Office Manager/Administrative Assistant
05	311 Administrator
05	Director of Communications
05	Economic Development Project Manager I
05	Senior Program Director
05	Superintendent of Maintenance, Parks & Recreation
05	Superintendent of Recreation
05	Youth & Families Manager
06	Director of Cultural Affairs
06	Director of Compliance & Development
06	Director of Grants & Rehabilitation
06	Occupational Health, Safety & Loss Prevention Program Manager
06	Planning Manager
06	Principal Analyst
06	Small & Minority Business Development Manager
06	Water Quality Manager

2023 POSITION LEVEL SUMMARY

Level **Job Title**

07	Administrative Services Director
07	Assistant Budget Director
07	Assistant City Solicitor
07	Assistant Water Division Director
07	Customer Service Manager
07	Deputy Director - Land Use
07	Deputy Director - Planning
07	Deputy Director of Parks & Recreation
07	Director of Employee Benefits
07	Director of Employment Services
07	Emergency Management Director
07	Operations Director
07	Procurement Manager
07	Special Assistant to the Mayor
08	Accounting Manager
08	Auditing Manager
08	Budget Director
08	City Engineer
08	Commissioner of Licenses & Inspections
08	Deputy Chief of Fire
08	Director of Classification & Compensation
08	Director of Real Estate & Housing
08	Deputy Chief of Staff for Policy and Communications
08	Deputy Chief of Staff of Operations
08	Director of Transportation
08	Neighborhood Development Director
08	Police Policy & Communications Director
08	Senior Assistant City Solicitor
08	Senior Financial Officer
08	Tax Manager
08	Water Division Director

2023 POSITION LEVEL SUMMARY

<u>Level</u>	<u>Job Title</u>
09	Chief of Fire
09	City Auditor
09	Deputy City Solicitor
09	Deputy Commissioner of Public Works
09	Deputy Director of Finance
09	Deputy Director of Human Resources
09	Director of Economic Development
09	Director of Information Technologies
09	Director of Land Use & Planning
09	Director of Parks & Recreation
10	City Solicitor
10	Commissioner of Public Works
10	Director of Finance
10	Director of Human Resources
11	Chief of Police
11	Mayor's Chief of Staff

2023 EXTERNAL SALARY COMPARISONS

This analysis highlights key pieces of comparative information for each Position Level:

- 1) External Survey Data: reports the average salary data per our market research
- 2) Middle Third: the majority of survey data will fall within the “middle third” of the proposed salary range.

<u>Level</u>	<u>Job Title</u>	<u>Market Data</u>	<u>Middle Third of Range</u>	<u>Min-Max of Range</u>
01	Administrative Assistant I	\$53,900	\$51,944 - \$58,056	\$45,833 - \$64,167
02	Administrative Assistant II	\$62,700	\$58,083 - \$64,917	\$51,250 - \$71,750
03	Senior Constituent Services Officer	\$71,425	\$65,714 - \$74,286	\$57,143 - \$82,857
03	Special Assistant for Community Engagement	\$72,100		
04	Best Practices/Innovation Specialist	\$82,120	\$74,200 - \$84,800	\$63,600 - \$95,400
04	Digital & Social Media Manager	\$74,300		
04	Legal Office Administrator	\$80,134		
04	Office Manager/Administrative Assistant	\$83,100		
05	311 Administrator	\$84,516	\$83,529 - \$96,471	\$70,588 - \$109,412
05	Economic Development Project Manager I	\$84,000		
05	Senior Program Director	\$92,600		
05	Superintendent of Maintenance, Parks & Recreation	\$86,591		
05	Superintendent of Recreation	\$87,925		
05	Youth & Families Manager	\$84,200		
			\$94,667 - \$109,333	\$80,000 - \$124,000
06	Director of Cultural Affairs	\$105,281		
06	Occupational Health, Safety & Loss Prevention Program Manager	\$103,620		
06	Principal Analyst	\$107,200		
06	Small & Minority Business Development Manager	\$102,150		
06	Water Quality Manager	\$96,082		

2023 EXTERNAL SALARY COMPARISONS

<u>Level</u>	<u>Job Title</u>	<u>Market Data</u>	<u>Middle Third of Range</u>	<u>Min-Max of Range</u>
07	Administrative Services Director	\$116,066	\$107,382 - \$124,018	\$90,745 - \$140,655
07	Assistant Budget Director	\$114,342		
07	Assistant City Solicitor *	\$98,200		
07	Assistant Water Division Director	\$110,447		
07	Customer Service Manager	\$112,282		
07	Deputy Director of Parks & Recreation	\$113,974		
07	Director of Employee Benefits	\$120,534		
07	Director of Employment Services	\$120,050		
07	Operations Director +	\$126,746		
07	Procurement Manager	\$118,521		
07	Special Assistant to the Mayor	\$110,300		
	* Market data suggests level 06; however, level 07 was requested by COW leadership.			
	+ Market data suggests level 08; however, level 07 was requested by COW leadership.			
08	Accounting Manager	\$125,648	\$121,754 - \$142,046	\$101,462 - \$162,338
08	Auditing Manager	\$131,200		
08	Budget Director	\$137,800		
08	City Engineer *	\$120,506		
08	Deputy Chief of Staff for Policy and Communications	\$126,800		
08	Deputy Chief of Staff of Operations	\$126,746		
08	Director of Classification & Compensation	\$130,013		
08	Director of Parks & Recreation	\$131,789		
08	Director of Real Estate & Housing	\$135,547		
08	Director of Transportation	\$128,350		
08	Police Policy & Communications Director	\$128,500		
08	Senior Assistant City Solicitor	\$126,100		
08	Senior Financial Officer	\$129,100		
08	Tax Manager	\$132,594		
08	Water Division Director	\$129,800		
	* Market data suggests level 07; however, level 08 was requested by COW leadership.			
09	City Auditor	\$150,489	\$140,308 - \$163,692	\$116,923 - \$187,077
09	Deputy City Solicitor	\$153,000		
09	Deputy Director of Finance	\$148,000		
09	Deputy Director of Human Resources	\$150,700		
09	Director of Economic Development	\$149,200		
09	Director of Information Technologies	\$162,891		
09	Director of Land Use & Planning	\$159,973		

2023 EXTERNAL SALARY COMPARISONS

<u>Level</u>	<u>Job Title</u>	<u>Market Data</u>	<u>Middle Third of Range</u>	<u>Min-Max of Range</u>
10	City Solicitor	\$179,300	\$161,538 - \$188,462	\$134,615 - \$215,385
10	Director of Finance	\$172,600		
10	Director of Human Resources	\$167,700		
11	Mayor's Chief of Staff	\$217,408	\$198,462 - \$231,538	\$165,385 - \$264,615

2023 BASE SALARY STRUCTURE

<u>Level</u>	<u>Minimum</u>	<u>1/3</u>	<u>Midpoint</u>	<u>2/3</u>	<u>Maximum</u>	<u>Spread</u>
01	\$45,833	\$51,944	\$55,000	\$58,056	\$64,167	40.0%
02	\$51,250	\$58,083	\$61,500	\$64,917	\$71,750	40.0%
03	\$57,143	\$65,714	\$70,000	\$74,286	\$82,857	45.0%
04	\$63,600	\$74,200	\$79,500	\$84,800	\$95,400	50.0%
05	\$70,588	\$83,529	\$90,000	\$96,471	\$109,412	55.0%
06	\$80,000	\$94,667	\$102,000	\$109,333	\$124,000	55.0%
07	\$90,745	\$107,382	\$115,700	\$124,018	\$140,655	55.0%
08	\$101,462	\$121,754	\$131,900	\$142,046	\$162,338	60.0%
09	\$116,923	\$140,308	\$152,000	\$163,692	\$187,077	60.0%
10	\$134,615	\$161,538	\$175,000	\$188,462	\$215,385	60.0%
11	\$165,385	\$198,462	\$215,000	\$231,538	\$264,615	60.0%

COMPA-RATIO ANALYSIS BASED ON 2023 BASE SALARY STRUCTURE

This page illustrates the Compa-Ratio for each level, by comparing current pay to the midpoint of newly proposed salary range. This is useful for identifying market-competitiveness issues.

<u>Position Level</u>	<u>Current Salary</u>	<u>Number of Incumbents X Midpoint</u>	<u>Compa- Ratio</u>
01	\$101,774	2 X \$55,000	= 92.5%
		<u>\$101,774</u> \$110,000	
02	\$402,514	7 X \$61,500	= 93.5%
		<u>\$402,514</u> \$430,500	
03	\$199,381	3 X \$70,000	= 94.9%
		<u>\$199,381</u> \$210,000	
04	\$365,389	5 X \$79,500	= 91.9%
		<u>\$365,389</u> \$477,000	
05	\$529,502	7 X \$90,000	= 84.0%
		<u>\$529,502</u> \$630,000	
06	\$685,813	8 X \$102,000	= 84.0%
		<u>\$685,813</u> \$816,000	
07	\$1,863,333	19 X \$115,700	= 84.8%
		<u>\$1,863,333</u> \$2,198,300	
08	\$2,299,695	21 X \$131,900	= 83.0%
		<u>\$2,299,695</u> \$2,769,900	
09	\$1,207,337	10 X \$152,000	= 79.4%
		<u>\$1,207,337</u> \$1,520,000	
10	\$544,931	4 X \$175,000	= 77.8%
		<u>\$544,931</u> \$700,000	
11	\$374,755	2 X \$215,000	= 87.2%
		<u>\$374,755</u> \$430,000	
		Total: \$8,574,423 \$10,212,200	= 84.0%

GLOSSARY OF SALARY ADMINISTRATION TERMS

Base Compensation:	The wages/salary paid to an employee without bonus or overtime.
Benefit:	Generally, non-cash compensation paid to an employee. Some are mandated by law (social security, unemployment compensation, and workers' compensation); others vary by firm or industry (health/medical insurance, life insurance, medical plan, paid vacation, pension/retirement, etc.)
Compa-ratio:	An employee's annual salary divided by the job range midpoint. The compa-ratio illustrates an employee's pay as a percentage of the market rate for that position.
Compensation:	A general term describing the full spectrum of wages and benefits, both current/direct and deferred, that workers receive out of their employment.
Equity:	A policy of being fair and impartial when determining employee compensation, taking into consideration individual ability, performance, and tenure.
Exempt:	A salaried employee who is not entitled to overtime pay according to the Fair Labor Standards Act.
Incumbent:	An existing employee who holds a specific position within an organization.
Internal Equity:	A policy of fairly and impartially considering the individual ability and performance of a newly appointed employee while taking internal/departmental wage levels into account. Internal equity is the reconciliation or balancing of "market" compensation levels with actual internal wage levels.
Job Description:	A formal record of the principal functions, duties, and responsibilities of a position.

GLOSSARY OF SALARY ADMINISTRATION TERMS

Maximum Salary:	The highest salary that may be paid to any individual in a position within a position level or grade.
Midpoint:	The salary midpoint is the middle point of a salary range's minimum and maximum. The "market-rates" provide the foundation for midpoints.
Minimum Salary:	The lowest salary that may be paid to any individual who demonstrates satisfactory performance in an assigned level.
New Hire:	A newly hired employee of the organization.
Non-exempt:	An hourly employee who is entitled to overtime pay according to the Fair Labor Standards Act.
Performance Management / Performance Appraisal:	Concepts and tools used to clarify expectations, measure employee effectiveness, identify actions for development or improved performance, and to provide a means of communicating overall performance with the employee.
Position Level: (aka "Job Grade")	A grouping of positions whose internal responsibilities and/or external labor market rates fall within a similar range.
Range Spread:	The distance between the minimum and the maximum salary range. The width of the range may vary when greater or lesser flexibility is required.
Salary Administration:	A system of practices to guide consistent, fair, and defensible compensation decisions which are made during normal business operations: new hires, promotions, transfer, changes in the labor market, etc. A salary administration program ensures overall integrity of the structure.
Salary Range:	Displays the amount of compensation paid for a specific position. A salary range includes a low, mid-point, and maximum salary that could be paid for a specific position.

GLOSSARY OF SALARY ADMINISTRATION TERMS

Salary Structure:	A series of salary ranges which progress in an orderly alignment from the lowest level to the highest level of positions covered.
Salary Survey:	A standard method of finding out what other organizations are paying for specific jobs, or job classes. Typically, salary data is compared for representative positions drawn by industry, geography, and organization size.
Salary:	Earnings of an employee for services performed during a specific period of time.
Starting Salary:	The salary normally paid to an individual hired in or promoted to a given position.
Total Compensation:	Employee's base salary plus bonus compensation.