

PERE MARQUETTE CHARTER TOWNSHIP



CLASSIFICATION AND COMPENSATION STUDY

MUNICIPAL CONSULTING SERVICES LLC

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September 21, 2020

Mr. Gerald A. Bleau
Township Supervisor
Pere Marquette Charter Township
1699 S. Pere Marquette Highway
Ludington, MI 49431

Dear Mr. Bleau,

We have completed the classification and compensation study for Pere Marquette Charter Township. This final report presents the results of the study as well as the documentation required to implement and maintain a classification and compensation system on an ongoing basis.

The report is organized in a series of sections and appendices as follows:

- Section I: Overview of the classification and compensation study;
- Section II: Results of the study for non-elected employees;
- Section III: Non-elected classification and compensation system maintenance;
- Section IV: Results of the study for elected officials.
- Section V: Employee benefits comparison;
- Appendix A: Job analysis questionnaire;
- Appendix B: Market survey and survey results;
- Appendix C: Suggested grade and salary structure with additional information;
- Appendix D: Matrix of employee benefits comparison.

In summary, the study has resulted in a comprehensive pay system analysis based on fundamental principles of wage and salary administration. Major tasks in the study process have included:

- Development of a list of comparable employers;
- Interviews with incumbents from the classifications included in the study;
- Development of new job descriptions for all positions;
- Development of a market survey and analysis of the resulting survey data;
- Development of a pay grade structure and corresponding suggestions for implementation of a new compensation system.

Primary components of the completed pay system include:

- Pay ranges that provide a basis for evaluating the current pay levels of employees;
- A sample progression schedule for moving employees through pay ranges;
- Comparative summary analysis of employee benefits;

- The data and information necessary for informed decision-making regarding pay and benefit levels for affected employees;
- A final report developed as a system that can be used for ongoing pay system administration.

We have appreciated the opportunity to assist Pere Marquette Charter Township in this important study. Should you have any questions related to this report please contact me at 734.904.4632.

Very truly yours,

A handwritten signature in black ink that reads "Mark Nottley". The signature is written in a cursive style with a large, looped "M" and "N".

Mark W. Nottley, Principal
Municipal Consulting Services LLC

SECTION I

OVERVIEW OF THE CLASSIFICATION AND COMPENSATION STUDY

SECTION I

OVERVIEW OF THE CLASSIFICATION AND COMPENSATION STUDY

The classification and compensation analysis contained in this report has been designed specifically for employees of Pere Marquette Charter Township. It encompasses fundamental principles related to wage and salary administration and the proper evaluation of internal and external pay factors.

In the following subsections we provide information concerning the project approach, the results of the study and the components of the classification and compensation system that we are suggesting for the Township's employees.

JOB ANALYSIS: THE FIRST MAJOR TASK

To accurately evaluate compensation, it is necessary to gain a strong working knowledge of each affected position. To accomplish this, we performed the following tasks:

- A variety of data was requested and reviewed including job descriptions, the current pay schedule, benefit information and other information related to compensation and pay practices.
- Employees completed a job analysis questionnaire concerning their respective duties and positional requirements (see Appendix A) as a supplement to the job descriptions.
- Following review of the above information, employees from each classification were interviewed regarding the job duties of their positions as well as those of employees under their direction.
- New job descriptions were then developed and forwarded to the Township Supervisor.

MARKET SURVEY: DETERMINING PAY COMPARABILITY

As a next step in the process, we proceeded to design and conduct a salary and employee benefits survey. This included the following tasks:

- A list of possible comparable employers was developed based on discussion with the Township Supervisor as well as our knowledge of townships and cities in Michigan. This list included local area townships and cities as well as other townships of similar geographic location and/or taxable valuation. (The list of market comparables is presented in Appendix B with supporting demographic data.)

- A survey instrument was then developed and distributed to the selected market comparables. It provided a description of each studied position and elicited information concerning wage levels and employee benefits.
- Survey responses were received from thirteen city and township governments including:
 - Chikaming Township
 - City of Alpena
 - City of Ferrysburg
 - City of Frankfort
 - City of Hart
 - City of Ludington
 - City of Manistee
 - Fruitport Charter Township
 - Lake Charter Township
 - Oronoko Charter Township
 - Saugatuck Township
 - St. Joseph Charter Township
 - Village of Spring Lake.

The primary survey noted above provided comprehensive feedback on employee benefits. However, in reviewing the wage data we concluded that additional feedback was needed for the salaries of administrative elected officials as well as several other professional positions for which Pere Marquette competes on a state-wide basis. To address this need, wage data (only) was also solicited for like positions from the following municipalities:

- Allendale Charter Township
- Bath Charter Township
- Bridgeport Charter Township
- Brighton Township
- Byron Charter Township
- DeWitt Charter Township
- Green Oak Charter Township
- Hamburg Township
- Hartland Township
- Highland Charter Township
- Lyon Charter Township
- Kalamazoo Charter Township
- Milford Charter Township
- Oshtemo Charter Township
- Park Township
- Texas Township
- Tittabawassee Township
- Scio Township
- Union Charter Township.

It should be mentioned that each organization surveyed in this study is unique in its own regard, with different sizes of organizational structures and alternative allocations of duties among employees. Further, not every employer delivers the same mix of services found in Pere Marquette Charter Township. Consequently, we have carefully scrutinized the assembled data and used only the information that is applicable to the Township's positional pool. Essentially, the focus of our market analysis was to determine the likely job market for each of the Township's positions. This is further discussed in Section II of the report for non-elected positions and Section IV for elected officials.

All information pertaining to the market surveys is included in Appendix B. Some Township positions allow for a relatively straightforward comparison to the survey data, while several are unique positions that have several primary areas of responsibilities and do not compare easily to the labor market. Notes are included on both Appendices B-2 and C that describe the market process for particular positions.

PAY STRUCTURE: DEVELOPING PAY GRADES AND SALARY RANGES AS AN OPTION FOR THE BOARD TO CONSIDER

Currently, Pere Marquette Charter Township does not have a pay range system for non-elected employees. Rather, salary adjustments are considered annually by the Board and awarded accordingly. An optional approach using pay ranges for each of Pere Marquette Charter Township's non-elected positions is illustrated in the following Section II of the report as well as Appendix C. Related to this:

- Pay ranges have been developed for each individual job classification based on the evaluation of the market data.
- The ranges are designed to have midpoint values that approximate the reported average market levels. The widths of the pay ranges (i.e. 20%) are consistent with typical municipal range widths and are constant for all the non-elected positions.
- Approaches for implementation of the pay system have also been illustrated and discussed in Section II of the report.

PAY INFORMATION FOR THE ELECTED POSITIONS

Ideally, a comparison of market data for elected positions would be focused on the regional labor market. However, in reality there are no townships in the immediate area that have an organizational structure as large and complex as Pere Marquette Charter Township. Surrounding townships and most townships generally, have part-time administrative elected officials.

In this situation, it was necessary to draw market data from different regions of the state. This wage data is discussed in greater detail in Section IV of the report as well as our suggestions concerning future wage levels.

EMPLOYEE BENEFITS COMPARISON

As noted above, both wage and employee benefit information was collected from thirteen primary market sources. These thirteen municipalities include townships from western Michigan as well as cities in geographic proximity. The benefit information and comparisons are discussed in Section V of the report and are also presented in spreadsheet form in its entirety in Appendix D of the report

OVERVIEW OF THE FOLLOWING SECTIONS OF THE REPORT

The suggested pay ranges are discussed in greater detail in the following Section II of the report along with approaches for implementation of the pay grade structure and related pay system for non-elected employees.

Section III of the report focuses on techniques for maintaining the pay system for ongoing use in the event that the Township elects to adopt a formal pay system.

Section IV of the report is concerned with wage comparisons for administrative elected officials including the Township Supervisor, Township Clerk and Township Treasurer.

Lastly, as noted above, Section V provides discussion regarding the comparison of employee benefits. The Township may find this information to be useful in evaluating the impact of employee benefits on total compensation or in comparing particular benefit levels. All employee benefit survey results are summarized in a matrix in Appendix D of the report.

SECTION II

RESULTS OF THE STUDY FOR NON-ELECTED EMPLOYEES AND SUGGESTIONS FOR IMPLEMENTATION

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RESULTS OF THE STUDY FOR NON-ELECTED EMPLOYEES AND SUGGESTIONS FOR IMPLEMENTATION

In regard to implementing the compensation study results, it is our policy to provide suggestions and supporting data for consideration, but not attempt to establish compensation policies for our clients. Adoption of the study's findings is a policy matter to be decided by the Township Board who must consider financial and other policy constraints. Within this context we offer the following.

SUGGESTED PAY GRADES AND RANGES

As discussed in Section I, job analysis and market survey provide the basis for the suggested pay grades and ranges contained in Exhibit 1 below. Midpoints are structured to reflect market averages, as determined by the market survey. The suggested grade and salary structure is also illustrated in Appendix C with additional information.

Exhibit 1
Pere Marquette Charter Township
Suggested Pay Grades and Ranges

Position	Recommended Pay Ranges		
	Minimum	Midpoint	Maximum
Administrative Assistant to the Supervisor	\$18.02	\$19.82	\$21.62
Deputy Clerk	\$18.69	\$20.56	\$22.43
Deputy Treasurer	\$16.41	\$18.05	\$19.69
Building Official (full-time)	\$54,131	\$59,544	\$64,957
Building Inspector (full-time)	\$45,125	\$49,637	\$54,150
Zoning Administrator	\$48,917	\$53,809	\$58,700
Parks Manager	\$42,473	\$46,720	\$50,967
DPW Superintendent	\$56,600	\$62,260	\$67,920
DPW Assistant Superintendent	\$20.75	\$22.82	\$24.90
DPW Operator II	\$16.77	\$18.44	\$20.12
Assessor	\$67,003	\$73,703	\$80,404

In regard to the above salary ranges, incumbent employees have salaries that are below or within the suggested salary ranges. These situations are discussed separately below.

Employees with current wage below the range minimum

An employee with a current wage level below the minimum of the suggested range is referred to as a “green circle” in human resources terminology. There are six green-circled employees in four job titles including Deputy Treasurer, Parks Manager, DPW Assistant Superintendent and DPW Operator II.

It is suggested that that the green-circled positions be moved to at least the minimum of the range, thereby assuring consistent application of the developed pay system. Ultimately, the timing of this action (if at all) will be a Board decision considered within the context of the Board’s compensation philosophy and ability-to-pay. The cost to move the incumbents to the minimum of the suggested ranges would be \$473 for the Parks Manager and \$4.25 per hour for positions that are paid hourly.

***Exhibit 2
Pere Marquette Charter Township
Cost to Achieve Minimum Pay Range for Hourly Positions***

Position	Current Salary	Range Minimum	Cost to Achieve Range Minimum
Deputy Treasurer	\$ 15.30	\$ 16.41	\$1.11
DPW Assistant Superintendent	\$ 20.00	\$ 20.75	\$0.75
DPW Operator II (BH)	\$ 15.92	\$ 16.77	\$0.85
DPW Operator II (LB)	\$ 16.00	\$ 16.77	\$0.77
DPW Operator II (TS)	\$ 16.00	\$ 16.77	\$0.77
TOTAL COST TO ACHIEVE			\$4.25

Employees with salaries falling within the range

The salaries of the other employees fall within the suggested salary ranges. Whether the wages of these employees should, or should not be adjusted, is an issue that the Township must consider within the larger context of compensation philosophy. In our experience, organizations have widely differing philosophies concerning pay levels. As examples:

- Some organizations choose to maintain employee wages low in relation to the market; this approach typically encourages turnover.

Exhibit 3
Pere Marquette Charter Township
Compa-Ratio Analysis

Position	Current Wage	Recommended Mid-Point	Compa-Ratio
Administrative Assistant to the Supervisor	\$18.36	\$19.82	0.93
Deputy Clerk	\$20.64	\$20.56	1.00
Deputy Treasurer	\$15.30	\$18.05	0.85
Zoning Administrator	\$50,850	\$53,809	0.95
Parks Manager	\$42,000	\$46,720	0.90
DPW Superintendent	\$60,696	\$62,260	0.97
DPW Assistant Superintendent	\$20.00	\$22.82	0.88
DPW Operator II	\$16.00	\$18.44	0.87
Assessor	\$70,000	\$73,703	0.95
PERCENTAGE OF LABOR MARKET			0.92

Note: Full-time Building Official and Building Inspector positions are not staffed and consequently are not included above.

A compa-ratio of less than one is below the range midpoint, or market average, and a number greater than one indicates a salary exceeding the midpoint. Exhibit 3 shows that the Township's employees are paid, on average, 92% of what their counterparts in comparable communities earn, or roughly 8% below the market average.

MOVING EMPLOYEES THROUGH THE RANGE OVER TIME

As previously discussed, with market competitive pay ranges in place, the Township will need to establish a plan for moving employees through the pay ranges over time. The Township currently uses adjustments to an established base wage as opposed to a definitive procedural process such as a pay range or a pay range with a step system. It is our understanding that the Township might consider other options after review and adoption of the pay grade structure. Our discussion of this issue is intended to provide background information that may assist the Township in its deliberations. Toward this end, several common approaches to implementation are discussed below.

The Option of a Traditional Step System

A traditional step system provides a rational basis for determining salary adjustments and moving employees through the ranges over time, thereby acknowledging time on the job and increased proficiency. Should the Township desire such a system, Exhibit 4 (or some variation) could be utilized.

Exhibit 4
Pere Marquette Charter Township
Classification and Compensation Study
Traditional Step System – 9 Step Example

Position	Minimum Step 1	Step 2	Step 3	Step 4	Midpoint Step 5	Step 6	Step 7	Step 8	Maximum Step 9
Administrative Assistant to the Supervisor	\$18.02	\$18.47	\$18.92	\$19.37	\$19.82	\$20.27	\$20.72	\$21.17	\$21.62
Deputy Clerk	\$18.69	\$19.16	\$19.63	\$20.09	\$20.56	\$21.03	\$21.50	\$21.96	\$22.43
Deputy Treasurer	\$16.41	\$16.82	\$17.23	\$17.64	\$18.05	\$18.46	\$18.87	\$19.28	\$19.69
Building Official (full-time)	\$54,131	\$55,484	\$56,838	\$58,191	\$59,544	\$60,897	\$62,251	\$63,604	\$64,957
Building Inspector (full-time)	\$45,125	\$46,253	\$47,381	\$48,509	\$49,637	\$50,765	\$51,893	\$53,021	\$54,150
Zoning Administrator	\$48,917	\$50,140	\$51,363	\$52,586	\$53,809	\$55,032	\$56,255	\$57,478	\$58,700
Parks Manager	\$42,473	\$43,535	\$44,597	\$45,658	\$46,720	\$47,782	\$48,844	\$49,905	\$50,967
DPW Superintendent	\$56,600	\$58,015	\$59,430	\$60,845	\$62,260	\$63,675	\$65,090	\$66,505	\$67,920
DPW Assistant Superintendent	\$20.75	\$21.27	\$21.79	\$22.31	\$22.82	\$23.34	\$23.86	\$24.38	\$24.90
DPW Operator II	\$16.77	\$17.19	\$17.61	\$18.03	\$18.44	\$18.86	\$19.28	\$19.70	\$20.12
Assessor	\$67,003	\$68,678	\$70,353	\$72,028	\$73,703	\$75,378	\$77,053	\$78,728	\$80,404

The example step system shown in Exhibit 4 contains nine steps within a 20% wide range (note: any number of steps could be used). This nine step example allows for the reflection of range midpoints at Step 5 and provides a logical pattern of increases based on the suggested range width. This step structure can be used with longevity or merit-based systems, or some combination of the two. Further, increases can be applied based on half- or quarter-step progression; full step increases are an option but certainly not required.

When considering a step system, it may be helpful to think of it as a way to join job performance and competency in a position with the appropriate pay levels or step placement (as depicted previously in the continuum shown in Chart 1). For example, a new employee could be hired at the range minimum (Step 1), assuming labor market conditions permit. New hires will typically need time to become familiar with the organization and learn the nuances of the position. During this period a salary at or near the range minimum may be appropriate (Steps 1, 2 or 3).

Ideally, employees would then move one step higher each year (presuming adequate performance and budgetary wherewithal) until midpoint is achieved. As illustrated in the previous Chart 1, at this point in the employment cycle, the employee will presumably have gained full competence in the job and related duties. In this situation, a salary at midpoint (market average) may be considered appropriate and range movement could cease. Some public employers (including a large number of Michigan municipalities) allow employees to move

further upward, often as high as maximum – in some cases dependent on employee performance evaluation results. This issue is discussed below.

Placement Above Range Midpoint Based on Performance Evaluation

As discussed above, over time an employee can be expected to master the job duties of the particular position and perform with competency (or leave the Township's employ). If the former is the case, an appropriate salary level will be at or near the range midpoint (Step 5). The range midpoint approximates market averages; therefore, competent employees with a sound working knowledge of the position should be able to command competitive salaries near this level. Related, the Township may ultimately need to compensate employees near this level to remain competitive with the labor market – or higher in times of full employment, such as the current environment.

The most exceptional performers, who have taken on additional duties, expanded their responsibilities, increased their knowledge through additional training and education or other factors deemed important by the Township could potentially be rewarded with salaries above prevailing market rates, closer to, or at, the range maximum (Steps 6, 7, 8 or 9). The criteria for this additional range movement should be clearly articulated by the Township either through performance evaluation or concurrence on achievements to be considered for higher placement.

An Open Range System

An alternative to the traditional step system is an open range approach. This is similar to the system currently utilized by the Township, albeit without established pay range parameters. This approach uses less formalized salary increases and is sometimes viewed as more flexible. With an open range system, salaries can be established or adjusted at any level within the appropriate salary range for individual position incumbents.

It should be noted that this increased flexibility can result in less consistent decision-making regarding salary levels. The Township should weigh its desire for flexibility against its need for accountability and consistency in deciding which system, traditional step or open range, would best meet organizational needs.

INTEGRATING A PERFORMANCE EVALUATION SYSTEM

Frequently, a performance evaluation process is integrated with the compensation plan to provide a more structured system for awarding salary increases beyond the annual cost of living increase.

With an evaluation tool, the Township could assess each employee's level of job performance. Well-grounded compensation decisions could then follow. Examples of such integration are provided below using the implementation options presented above.

Using Performance Evaluation With a Traditional Step System

Should the Township decide to use a traditional step system, an annual performance evaluation process could be incorporated to promote a merit-based range progression to achieving step increases. Using this approach, the Township would need to determine the number of steps to be awarded based on each evaluation ranking.

For example:

Excellent:	1 step
Above Average:	3/4 step
Satisfactory:	1/2 step
Below Average:	0 step
Unsatisfactory:	0 steps

Using Performance Evaluation With an Open Range System

Should the Township choose an open range approach, it is suggested that performance levels be assigned a percentage increase. Employees achieving a particular evaluation ranking would then have their base wage increased by the appropriate percentage.

For example:

Excellent:	2.00%
Above Average:	1.50%
Satisfactory:	1.00%
Below Average:	0.00%
Unsatisfactory:	0.00%

A Combined System

The Township may wish to use a range progression system that rewards both longevity and merit. One way to achieve this would be to use automatic step increases initially (assuming satisfactory performance), with merit based progression after midpoint has been achieved (as discussed previously).

For example:

New Hire	Step 1 (Range Minimum)
1 st Anniversary	Step 2

2 nd Anniversary	Step 3
3 rd Anniversary	Step 4
4 th Anniversary	Step 5 (Range Midpoint)

After year four, employees could then earn additional pay increases based on merit and performance factors, with the level of funding determined by the Township in budget deliberations.

PLACING NEW EMPLOYEES IN THE STEP SYSTEM

Original appointment to any position will ideally be made at the minimum rate of the suggested pay range. Advancement can then proceed through successive increases. However, each new hire will inevitably be unique, and may in fact represent a situation in which greater experience and expertise are objectives in recruitment. Moreover, a shortage may exist in the labor pool for some positions, thus dictating the need to offer a higher salary. Therefore, each new hire should be assessed individually and placed at a range level consistent with the Township's needs and market demands. In light of the competitive environment for some professional positions, we would suggest that the Township retain a high level of latitude in assessing individual situations and new hires.

SECTION III

NON-ELECTED CLASSIFICATION AND COMPENSATION SYSTEM MAINTENANCE

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NON-ELECTED CLASSIFICATION AND COMPENSATION SYSTEM MAINTENANCE

A classification and compensation program, once designed and implemented, is not self-sustaining. It needs proper maintenance to continue to serve its purpose. Maintaining the program requires reviewing, adjusting and controlling salary structures so they continue to be effective. Key points are discussed below.

MAINTAINING THE PAY GRADE STRUCTURE

As a result of reorganization, new programs or changes in management procedures, new jobs may be established and the complexity of existing jobs may change.

For new positions, the Township should define the particular duties of the position and create an accurate job description. For altered positions, differences like increased requirements for education and/or experience, an increase in the technical nature of the job, new requirements for a specialized skill, additional supervisory responsibilities or other significant changes could warrant a re-evaluation of the pay range. A wage survey should then be used to gather related information – ideally using the same market comparables surveyed for this study.

UPDATING THE COMPENSATION PLAN

Economic conditions, the availability of people, and the prevailing labor market rates will all impact salary structures. To accurately reflect the labor market, the compensation plan must be reviewed and adjusted annually.

In this sense, pay adjustments will be a two-step process:

1. A general “across the board” adjustment to each pay range should be made to reflect inflationary or cost of living increases;
2. Individual-level adjustments based on satisfactory performance or greater contributions to the organization should then be considered.

To adjust the pay plan, the Township could consider utilizing the Consumer Price Index (CPI). Related, there are a number of CPI indices that are reported. The Township should consider the CPI-U for the Midwest Region for the annual update. The first adjustment to the salary ranges should be made at the beginning of fiscal year 2021. It should be noted that range increases do not necessarily equate to pay increases; this latter point is a matter to be decided by the Township Board.

As the system ages and operations and duties continue to evolve, the pay system will eventually need major update and revision. When this becomes apparent, a full study should be conducted to check the adequacy of pay rates and the appropriateness of job descriptions. The typical life cycle of a pay plan is seven years if properly maintained.

SECTION IV

RESULTS OF THE STUDY FOR ELECTED POSITIONS

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RESULTS OF THE STUDY FOR ELECTED POSITIONS

The compensation study has also included the study of wage levels for elected officials including the Township Supervisor, Township Treasurer and Township Clerk. Initially, the market study of these positions was limited to smaller townships that are either regional or located along the western Michigan corridor. However, many of these townships do not have full-time elected officials. In this situation, it was necessary to expand the market survey to larger townships across the state. (Note: See Appendices B-1 and B-2 for a full listing of market comparables used.)

Pere Marquette Charter Township currently compensates its elected officials with a combination of base salary and stipends. More specifically, the three incumbents are compensated as follows:

- Township Supervisor: Base salary of \$62,337 and \$4,000 for Building Official duties.
- Township Clerk: Base salary of \$46,921 and \$12,276 for Grants and Loans Administrator duties.
- Township Treasurer: Base salary of \$45,817 and \$12,276 for Water/Sewer Administrator duties.

In collecting data from the labor market, we found that the use of stipends is rare. More specifically, of fifteen townships that were surveyed only three a stipend including:

- Chikaming Township has monthly meeting pay of \$30-\$40 for all elected officials presuming they attend.
- Fruitport Charter Township pays \$6,000 additional to the Supervisor as a car allowance.
- Lyon Charter Township's Clerk receives an added \$10,000 every presidential election year.

In Pere Marquette Charter Township, the stipend for the Township Supervisor is related to the Supervisor's continuation of his former responsibility of Building Official. This would appear to be a mutually beneficial agreement for continuation of a professional service that is unrelated to the duties of a Township Supervisor - statutorily or otherwise.

However, the stipends for the Township Clerk and Township Treasurer are more closely related to their respective duties. In the case of the Township Clerk, grant administration can generally be linked to financial accountability – a primary responsibility. Similarly, the Township Treasurer's responsibility for utility billing and collections can be seen as an extension of the billing and accounts receivable statutory functions of treasury.

While one could quibble over the limits of statutory duties for Township Clerk and Township Treasurer, a more logical and equitable approach would be to pay a fair market wage that is consistent with the (no stipend) approach utilized by other Michigan townships included in the study.

Related to this, for purposes of comparison we have included Pere Marquette Charter Township’s stipends in the base wages of each of the three incumbent elected officials. As discussed above, this may be less equitable for the Township Supervisor since the stipend-based portion of compensation for that position is totally unrelated to a Township Supervisor’s typical duties. With all elected stipends included for Pere Marquette Charter Township, the Township’s wages compare to the market as seen in Exhibit 5.

***Exhibit 5
Pere Marquette Charter Township
Elected Officials Wage Comparison***

Positions	Pere Marquette Charter Township	Market Average for 15 Michigan Townships	Pere Marquette Charter Township as a Percentage of the Market
Township Supervisor	\$66,337	\$71,179	93%
Township Treasurer	\$58,147	\$68,851	84%
Township Clerk	\$59,197	\$69,674	85%

Note: All stipends are included in Pere Marquette Charter Township’s listed salaries.
Source: Reference Appendix B-2.

Exhibit 5 compares the market data to the full cash compensation of each of Pere Marquette Charter Township’s three administrative elected officials. As seen in the exhibit, the Township Clerk and Township Treasurer are 15% and 16% below the market average respectively. The Township Supervisor is 7% lower.

CONCLUSIONS AND SUGGESTIONS ON ELECTED OFFICIALS WAGES

Due to a lack of full-time elected officials in the region, it was necessary to define the labor market broadly, to include townships with larger populations from across the state. While size and regional differences are certainly factors to be considered, the reality is that these positions have responsibilities that are very similar to those of Pere Marquette Charter Township. The vast majority of listed Township Clerks have responsibility for elections, accounting and finance, Township Treasurers have responsibility for taxes, investments and accounts receivable and full-time Township Supervisors function as administrators. Staff levels may differ but the level of expertise required is not dissimilar.

In consideration of the above, our conclusions and suggestions are as follows:

- The wages of elected officials are low in relation to the labor market. The Board should use the market data to determine an equitable level of compensation. While regional salary differences may be a factor in the Board's deliberation, it should be recognized that the percentage difference between Pere Marquette Charter Township and the market is significant and likely not equitable.
- Stipends for the Township Treasurer and Township Clerk should be eliminated. Instead, one equitable base wage should be paid. Current duties are not realistically outside the bounds of finance or fiduciary responsibilities and the stipend-specific duties add only to workload, not professional job complexity. The added workload does serve to narrow the size-gap between Pere Marquette and the market survey – a factor that the Board should consider in wage adjustment.
- The stipend given to the Township Supervisor for acting as Building Official is provided for a responsibility that is well outside the expected duties of a full-time Township Supervisor, City Manager or other similar administrative position. It should be continued if the Board feels that the current arrangement is beneficial to the Township. In actuality, it does appear to be a cost-efficient arrangement for oversight of the regulatory/permitting function. If the stipend is removed from the wage comparison, the Township Supervisor's wage is 12% below the market average. Similar to the Township Clerk and Township Treasurer, the market data should serve as a source for wage adjustment.

SECTION V

EMPLOYEE BENEFITS COMPARISON

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EMPLOYEE BENEFITS COMPARISON

In addition to pay data, employee benefit information was also solicited from the cities and townships included in our primary survey grouping. The collected information (summarized in Appendix D) has not been utilized in developing the pay structure. Essentially, it is provided as supplementary information, which may assist Pere Marquette Charter Township in determining relative comparability. Benefits can generally be viewed as a compliment to the base salary. If benefit levels are generous, an organization may choose to maintain employees at a lower level of the pay range. In contrast, lower benefit levels may be offset by higher salaries.

For the benefits comparison, we have requested the surveyed cities and townships administrative non-union offerings. In reviewing the benefits data (contained in Appendix D), we have noted the following:

PAID TIME OFF

"Paid time off" typically includes holidays, vacation leave, personal days and sick time. Findings include the following:

- A ten-year employee at Pere Marquette Charter Township receives 42.5 combined (potential) off-days per annum while the average ten-year employee in the other municipalities receives approximately 39 days (note: all data averaged including any differing levels reported within the group, City of Alpena excluded due to upfront sick-time) .
- Pere Marquette Charter Township allows for 30 days of sick time buyback at retirement at 100% of value. Among the thirteen market comparables that have sick time or PTO:
 - Five have no sick time or PTO payout.
 - Of the eight remaining municipalities, payouts at retirement range from 50% of value to 100% of value up to 60 days, or 75% of value up to 105 days.

With no sick time payout, five of the municipalities avoid a future liability that increases annually both through sick time accumulation and added value resulting from pay increases. Lowering or eliminating this liability is also the objective of several of the municipalities that have converted to all purpose time off (PTO). This is a growing practice in the public sector intended to simplify off-time and minimize or eliminate banked payouts and related future liabilities.

INSURANCE BENEFITS

Health, life and disability insurance offerings are addressed below. The specifics of health care coverage differ widely among employers making comparison of health plans a difficult task. However, there are cost and program features that can be readily summarized or quantified and may be of interest to Pere Marquette Charter Township. These are summarized below:

- In the past townships commonly provided full-family health coverage to employees at little or nominal cost. Rising costs have since made health care cost containment a priority. With the passage of PA 152, municipalities that have not opted out are now required to share costs either through an 80/20 cost split or the institution of premium caps. Five of the thirteen market comparables have adopted the PA 152 provisions. Pere Marquette Charter Township did not adopt the PA 152 caps, and employee cost sharing is not required.
- In regard to the total cost for single/family coverage for the core health care plan, Pere Marquette Charter Township is individually rated. Consequently, the cost of a single or family plan cannot be compared to our sample. This data has been collected however, and is available to the Township in Appendix D of the report.
- In regard to employee contributions to health care premiums, eleven of the thirteen municipalities do require premium cost sharing on the base plan, with three as high as 20% of premium cost. In contrast, Pere Marquette Charter Township does not require employee cost sharing.
- Eleven of the thirteen municipalities, like Pere Marquette Charter Township, provide a dental plan with most having 100% of premium cost paid by the employer. Several in our sample require cost sharing but in at least one case this is the result of the coverage being offered as part of the health care policy.
- Eleven of the thirteen municipalities, like Pere Marquette Charter Township, provide some level of optical coverage paid by the employer.
- Pere Marquette Charter Township does not provide employer-paid long-term disability coverage (LTD) or employer-paid short-term disability insurance (STD). Among the surveyed municipalities, six of the thirteen provide LTD, and nine provide STD. In some public institutions, STD is used progressively as an option to sick-time accruals and banks. Typically, this would involve conversion to a system of (all purpose) personal time off (PTO) and the elimination of sick-time and related banks. The disability coverage would then serve as the compensatory method for extended sick-time occurrence. This would appear to be the case for several of the market comparables that have converted to all purpose days.
- In regard to life insurance, public sector employers often cover employees at dollar amounts lower than their private sector counterparts. This is not readily explainable since term life insurance is a relatively modest cost portion of any benefit package. Pere

Marquette Charter Township provides term life insurance at \$10,000. Some of the townships used in the comparison link life insurance amount to annual salary while others offer a flat dollar amount. Due to the variances in how the benefit is computed it is not possible to calculate an accurate average. Generally speaking, Pere Marquette Charter Township's benefit is lower than most of the survey group.

RETIREMENT BENEFITS

Retirement plans are classified as either defined contribution (investment-based, variable) or defined benefit (traditional pension, fixed). Key findings pertaining to retirement benefits include the following:

- Five of the thirteen surveyed municipalities provide a defined benefit (DB) retirement program that is active for new hires. This traditional plan pays a fixed pension to eligible retirees.
- Seven of the thirteen municipalities as well as Pere Marquette Charter Township utilize a defined contribution (DC) plan option. The DC plan is a “pay as you go” approach in which accrued liability and future pension obligations are avoided. As such, it represents a transparent and portable retirement option. The employer contribution averages approximately 8.7 % for the seven municipalities providing a DC plan. Pere Marquette Charter Township is at 12%.
- One other municipality has converted to a hybrid retirement system. This option combines the DB and DC features into a single plan with a lower multiplier and DC contribution.
- In addition to its retirement plan, the City of Ludington contributes 3% - 5% to its employees' IRS 457 plan.
- Retiree health care coverage is a significant benefit offering due to the uncertainty surrounding future health care costs. With these costs increasing at double-digit rates, many communities have eliminated this benefit for new hires. Pere Marquette Charter Township does not provide this benefit. Three of the thirteen municipalities do provide this benefit though two of the three have eliminated retiree health care for new hires.
- An emerging trend involves replacing retiree health care with Health Savings Plans (HSP). Pere Marquette Charter Township does not provide this benefit and only one of the thirteen municipalities provides an HSP - but it is entirely employee funded. This benefit provides some assurance of health care assets being available following retirement and allows the employee to utilize the accumulated balance pre-tax for related expenditures.

LONGEVITY AND OTHER BENEFIT ISSUES

Longevity payments are found primarily in the public, as opposed to the private sector. The rationale for this compensation component is simply that tenure in the job increases job knowledge and capability and should be compensated. In this sense, longevity is closely linked to organized labor's philosophical position that pay should be based on seniority as opposed to the more discretionary notion of merit. As municipalities have become more budget conscious over the prior two decades, elimination of longevity payments has been a frequent management objective.

Pere Marquette Charter Township provides longevity at a level of \$500 for a five-year employee up to \$2,000 at twenty years. Four of the thirteen municipalities also provide longevity pay. Two provide a lump sum similar to Pere Marquette with one higher and one lower than Pere Marquette. The other two use a percentage of pay approach that effectively has a built-in cost escalator. One of the four has eliminated longevity for new hires and one has modified the benefit for new hires to result in a much lower payout.

We have also collected data concerning pay for water certification and CDL. In regard to the former, the municipalities use different approaches. Some pay an hourly increment while others pay an annual amount similar to the approach used by Pere Marquette Charter Township. Additionally, some pay for multiple certifications or just the highest. For CDL, no surveyed municipality other than Pere Marquette Charter Township provides an annual perquisite.

CLOSING AND SUMMARY

Considered in total, Pere Marquette Charter Township, like the others in the market group provides a well-balanced and generous benefit package. In regard to the specific benefit areas discussed above, some key points from the benefits comparison include the following:

- Off-time is higher in Pere Marquette Charter Township by approximately 3.5 days and sick-time payout is higher than the group average since a number of the surveyed municipalities have eliminated this practice. Pere Marquette is near the middle of those that do allow payouts.
- As noted earlier, PTO is a growing concept in the public sector. For Pere Marquette Charter Township, it could provide a method of off-time that is administratively simpler than sick time, vacation and personal. Additionally, the sick-time payout at retirement could be eliminated or modified to a lower number of PTO days. However, it would ideally be accompanied by short-term disability coverage which would pose an added expense.
- Pere Marquette Charter Township does not require an employee contribution to health care premiums. Eleven of the thirteen surveyed municipalities do, with some as high as

20% of cost. The trend in government and elsewhere is toward cost sharing. Lacking this, Pere Marquette employees have a decided advantage in take-home pay.

- Pere Marquette Charter Township does not offer retiree health care coverage, a huge liability that three of the municipalities carry. The Township also does not have a Health Savings Plan (HSP). This is a growing benefit offering in the public sector that may warrant future investigation – even if 100% employee funded.
- Pere Marquette Charter Township’s contribution to the defined contribution plan is 12% which is approximately 3.3% higher than the average of the other municipalities.
- In our opinion, longevity pay is a benefit generally associated with the past. Pere Marquette Charter Township provides this benefit, as do four of the surveyed municipalities - adding a component to total compensation that shouldn’t be ignored. Also, it should be noted that if the Township were to adopt a step system, longevity pay would be redundant considering the fact that the rationale for steps and longevity are the same (i.e. award employee for increased experience and time on the job).
- Pere Marquette Charter Township does not offer short- or long-term disability coverage paid by the employer. A number of the surveyed municipalities do offer one or both.
- Pere Marquette Charter Township is lower than the average for life insurance dollar amount.

Summarily, there are differences in coverage among the surveyed municipalities. Pere Marquette Charter Township is higher on some benefit offerings but lower on others. In considering changes to base wage rates, the Township, should consider the fact that Pere Marquette Charter Township is comparatively more generous in certain benefit categories that result in additions to cash compensation. These include longevity pay, the lack of cost sharing for health care premiums and a higher employer contribution to the defined benefit retirement offering.

As noted, benefits can generally be viewed as a compliment to the base salary. If benefit levels are generous, an organization may choose to maintain employees at a lower level of the pay range. In contrast, lower benefit levels may be offset by higher salaries.

There are always continuing opportunities to tailor a benefit package to achieve cost savings. The Township has taken advantage of some and will undoubtedly continue on this path. Related to this, the comparative data may be useful in revealing some trends that are of interest to the Township.

Appendix D also summarizes other items that may be of interest to the Township. Many benefit offerings are relatively uniform between the municipalities. However, there are differences. In considering total compensation or possible areas for change, the Township may wish to consider focusing on those areas of greatest interest.

APPENDIX A

JOB ANALYSIS QUESTIONNAIRE

PERE MARQUETTE CHARTER TOWNSHIP

JOB ANALYSIS QUESTIONNAIRE

The purpose of this questionnaire is to obtain accurate information concerning the duties and responsibilities associated with your job. The information will be used to assist us in understanding your position for purposes of compensation analysis.

Name: _____ Date: _____

Job Title: _____ Department: _____

Supervisor's Name/Title: _____

Years of Experience on this job: _____

INSTRUCTIONS

This questionnaire covers many aspects of your job. Each of the following sections contains instructions specific to the questions being asked in that section. Some questions require a written response, others only a checkmark next to a printed answer. If no answer is exactly accurate, please check the answer that you feel is closest to being correct for your position.

Your responses are important in helping us to better understand your position. Please answer all questions to the best of your ability. **When completed, make two copies of the completed questionnaire with your marked-up job description stapled to them. We will review these jointly when we meet. This should be done by July 23, 2020.** Thank you!

Section 1: Position Summary

Briefly describe the major purpose or primary function of your position in several sentences.

Section 3: Knowledge and Education

Consider the extent to which your job requires knowledge normally gained through formal education. Place an [X] next to the minimum education level required for your job.

- Equivalent to a high school diploma
- Equivalent to one year of college or specialized training through a technical, vocational, trade or business school*
- Equivalent to an Associate’s Degree or two to three years of training through a technical, vocational, trade or business school*
- Equivalent to a Bachelor’s Degree*
- Equivalent to a Master’s Degree*
- Equivalent to a doctorate Degree*

*Provide the curriculum or program of study (e.g., accounting, construction management, law, business education, communications, etc.).

Section 4: Work Experience

Consider the extent to which your job requires related experience and training in addition to any formal education that might be required for the job. Check the box below that most accurately reflects the additional experience required.

- Less than one year of experience in related jobs
- One year of experience
- Two years of experience
- Three years of experience
- Four years of experience
- Five years of experience
- Six years of experience
- Seven years of experience
- More than seven years of experience

Is previous supervisory or management experience required of this position? Yes No

If yes, please describe:

Describe the nature and specific type of work experience required for your job. (e.g. law, accounting, general labor, secretarial, etc.)

Section 5: Special Employment Requirements

Please list any licensure or certifications that are required before you can be employed in this position? (i.e. state certifications or licenses required by either the governing agency or your employer.)

Section 6: Supervisory or Management Responsibility

List below the titles and number of positions you manage, supervise, or serve as a working supervise for. Please indicate if you supervise these individuals directly or through subordinate supervisors. Specify how many positions are full-time and how many are part-time.

<u>Position Title</u>	Number Supervised:		Number in position who are:	
	<u>Directly</u>	<u>Indirectly</u>	<u>Full-Time</u>	<u>Part-Time</u>

Section 7: Computer and Equipment Usage and Knowledge

Please indicate which of the following types of automated equipment you are required to use in performing the essential functions of your job:

- Basic office equipment such as telephones, calculators, photocopiers, fax and similar equipment
- Computer programs:
 - word processing
 - spreadsheet
 - database (basic data entry and report generation)
 - database (data manipulation, research, report creation)
 - financial applications (general data entry at department level)
 - financial applications (sophisticated usage as in accounting)
 - computer-aided design
 - GIS/mapping
 - audio/visual/technical equipment (advanced)
 - other specialized computer programs or specialized electronics

If the last box is checked, please specify the type of program or specialized equipment.

- Automobile or other motorized equipment

If yes, please specify the type of motorized equipment and special licenses required (such as CDL).

Does your position involve training others on a regular basis in the use of any of the above software?

Does your job require troubleshooting particular software applications or computer hardware, beyond the level expected of an average user? If yes, please explain.

APPENDIX B

MARKET SURVEY AND RELATED MATERIALS

Appendix B-1
Pere Marquette Charter Township
Classification and Compensation Study
Market Sources Used for the Study

LISTING OF REGIONAL AND OTHER PRIMARY SURVEY TARGETS
INCLUDING FULL EMPLOYEE BENEFITS SURVEY

Municipality	County Location
Pere Marquette Charter Township	Mason
Chikaming Township	Berrien
City of Alpena	Alpena
City of Ferrysburg	Ottawa
City of Frankfort	Benzie
City of Hart	Oceana
City of Ludington	Mason
City of Manistee	Manistee
Fruitport Charter Township	Muskegon
Lake Charter Township	Berrien
Oronoko Charter Township	Berrien
Saugatuck Township	Allegan
St. Joseph Charter Township	Berrien
Village of Spring Lake	Ottawa

LISTING OF OTHER TOWNSHIP SURVEY
TARGETS FOR PARTICULAR POSITIONS

Municipality	County Location
Allendale Charter Township	Ottawa
Bath Charter Township	Clinton
Bridgeport Charter Township	Saginaw
Brighton Township	Livingston
Byron Charter Township	Kent
DeWitt Charter Township	Clinton
Green Oak Charter Township	Livingston
Hamburg Township	Livingston
Hartland Township	Livingston
Highland Charter Township	Oakland
Lyon Charter Township	Oakland
Kalamazoo Charter Township	Kalamazoo
Milford Charter Township	Oakland
Oshtemo Charter Township	Kalamazoo
Park Township	Ottawa
Texas Township	Kalamazoo
Tittabawassee Township	Saginaw
Scio Township	Washtenaw
Union Charter Township	Isabella

Appendix B-2
Pere Marquette Charter Township
Classification and Compensation Study
Market Comparison of Wage Levels

Position Title	Pere Marquette Charter Township	Average of Others**	Pere Marquette as a Percentage of the Market	Chikaming Township	City of Alpena	City of Ferrysburg	City of Frankfort	City of Hart	City of Ludington	City of Manistee	Fruitport Charter Township	Lake Charter Township	Oronoko Charter Township	Saugatuck Township	St. Joseph Charter Township	Village of Spring Lake
Township Supervisor*	\$66,337	\$71,179	93%	\$71,196	-	-	-	-	-	-	\$59,538	\$55,000	-	-	-	-
Administrative Assistant to the Supervisor	\$18.36	\$20.59	89%	-	-	\$19.60	\$19.91	-	-	\$24.02	\$20.18	\$19.23	-	-	-	-
Township Treasurer*	\$58,147	\$68,851	84%	-	-	-	-	-	\$55,167	-	\$56,713	\$50,000	-	-	-	-
Township Clerk*	\$59,197	\$69,674	85%	\$45,900	-	-	-	-	\$65,019	-	\$56,713	\$50,000	-	-	-	-
Deputy Clerk	\$20.64	\$21.36	97%	-	-	-	\$21.39	\$19.94	\$20.04	\$23.42	\$20.18	\$21.00	\$20.49	\$22.58	-	\$23.16
Deputy Treasurer	\$15.30	\$18.75	82%	\$16.50	-	\$18.00	\$19.04	\$17.70	-	\$20.12	\$20.18	\$15.00	-	\$18.38	\$19.38	\$23.16
Building Official	-	\$61,864	-	-	\$75,031	-	-	-	-	\$56,923	-	\$54,000	-	\$300/mo. and \$40 per inspection	\$61,500	-
Building Inspector**	-	\$51,571	-	-	\$39,656	-	-	-	\$150/month and 50% of fees and 100% of plan review	-	-	-	\$50,774	\$40 per inspection	-	-
Zoning Administrator**	\$50,850	\$55,905	91%	-	-	-	-	-	\$47,573	-	-	\$54,000	-	-	-	-
Parks Manager	\$42,000	\$48,540	87%	-	-	-	-	-	45,240	-	-	\$45,500	\$51,730	-	\$51,688	-
DPW Superintendent	\$60,696	\$64,686	94%	\$49,920	\$69,325	\$70,990	\$54,662	\$63,342	\$66,571	-	\$71,400	\$69,160	-	-	\$66,800	-
DPW Assistant Superintendent	\$20.00	\$23.71	84%	-	\$19.32	\$23.92	\$23.96	\$25.15	\$21.75	\$23.12	\$27.60	-	-	-	\$24.85	-
DPW Operator II	\$16.00	\$19.16	84%	\$16.00	\$18.01	-	\$19.59	-	\$19.64	\$19.01	\$21.00	\$22.00	-	-	\$18.02	-
Assessor – Level 3**	\$70,000	\$76,575	91%	-	-	-	-	-	-	-	-	-	\$57,886	-	\$72,350	-

* Salary includes any annual stipend currently paid for extra duties.

**Average includes salaries listed in supplemental surveys included in appendices C-3, C-4.

Appendix B-2

Pere Marquette Charter Township Classification and Compensation Study Market Comparison of Wage Levels (cont'd)

Methodology:

Hourly data or annual salary has been converted to hourly or annual salary to match the Pere Marquette Township position.

Wage data for Pere Marquette Township are all actual salaries.

Listed wage for DPW Operator II is the highest for any incumbent.

Collected wage data is almost exclusively actual salary for the particular position. This is considered in salary range development.

Dash indicates no comparable position reported for that particular job.

In a number of cases surveyed title differs from actual Pere Marquette Township title. This has been done to make the title more recognizable to survey respondents.

Some data have been eliminated due to differences in job complexity and scope of responsibilities.

Survey data is effective August 1, 2020 unless indicated otherwise.

Notes for Pere Marquette Charter Township:

Zoning Administrator wage includes \$4,000 stipend for extra duties.

Township Clerk wage includes \$12,276 for grants and loans administrator

Township Treasurer wage includes \$12,276 for water/sewer administrator.

Township Supervisor wage includes \$4,000 for Building Official responsibility.

DPW supervision and workers are compared to all municipal public works departments included in the study though cities differ in scope of responsibility (i.e. roads).

Building Inspectors and Zoning Administrators are not common positions in smaller or moderately-sized governments. Many building inspectors perform routine zoning administration companies and are contracted through private companies. Survey has been expanded to capture additional positions. Additionally, some research has been completed to differentiate Building Inspectors from Building Officials.

The DPW Operator I position is a more senior position that is currently vacant. It is expected that the position will not be filled. Market data for the job was inconclusive.

Should the Township decide to resurrect this job in the future, a new job description has been developed. The pay level, in our opinion, should be no higher than 7.5% above DPW Operator II.

Notes for the labor market:

City of Alpena: Mid-level accountant used for Deputy Clerk comparison. DPW Superintendent comparison is titled Supervisor.

Cities of Ferrysburg and Frankfort: These cities have combined clerk/treasurers - not used in the comparison. Deputies' salaries have been reversed to account for more complexity in Pere Marquette's operation.

Deputy Treasurer has also been compared to utility billing clerk - listed salary is whichever is higher unless other duties are significantly different.

Building Official and Building Inspector have been surveyed separately. A number of communities report contracted services through a private company.

Fruitport Charter Township: Treasurer rather than Clerk has general ledger responsibilities. Other less significant tradeoffs between duties exist for other townships as well.

Fruitport Charter Township: Parks Manager is a nine month position extrapolated to annual salary based on 2080 hours.

Lake Charter Township: Comparable used for Deputy Clerk is higher-paid clerical with responsibility for utility accounting.

Source: Survey of referenced municipalities, effective date of July, 2020

Appendix B-3
Pere Marquette Charter Township
Classification and Compensation Study
Extended Market Comparison of Full-Time Elected Officials' Wages

Position Title	Allendale Charter Township	Brighton Township	Byron Charter Township	DeWitt Charter Township	Green Oak Township	Hamburg Township	Highland Charter Township	Lyon Charter Township	Milford Charter Township	Oshtemo Charter Township	Texas Township	Scio Township
Township Supervisor	\$76,299	-	\$74,287	-	\$76,907	-	\$73,388	-	\$83,995	\$70,000	-	-
Township Clerk	\$69,898	\$68,560	\$74,287	\$78,583	\$76,907	\$67,587	\$73,388	\$79,954	\$83,995	\$70,000	\$70,000	\$84,000
Township Treasurer	-	\$68,560	\$74,287	\$71,098	\$76,907	-	\$73,388	\$79,954	\$83,995	\$70,000	\$70,000	\$65,000
ADDITIONAL STIPENDS	No	No	No	No	No	No	No	Yes: \$10,000 for Clerk in a presidential election year	No	No	No	No

Methodology:

Dash indicates no comparable full-time position reported for that particular job.

Sources: Survey of referenced municipalities, effective date of 2020 fiscal year.

Appendix B-4
Pere Marquette Charter Township
Classification and Compensation Study
Extended Market Comparison for Township Assessor, Building Inspector and Zoning Administrator

Position Title	Bath Charter Township	Bridgeport Charter Township	Brighton Township	DeWitt Charter Township	Fenton Charter Township	Genoa Charter Township	Hamburg Township	Hartland Township	Kalamazoo Charter Township	Park Township	Tittabawassee Township	Union Charter Township
Township Assessor Michigan Advanced Assessing Officer (MAAO)	\$67,181	-	\$79,014	\$84,086	\$67,000	\$86,757	\$86,992	\$67,814	\$81,847	\$87,011	-	\$80,963
Building Inspector	-	\$59,480	-	-	-	-	-	-	-	-	\$56,375	-
Zoning Administrator	-	\$55,591	-	-	-	-	-	-	-	-	\$63,960	\$58,399

Methodology:

Dash indicates no comparable position reported for that particular job.

In a number of cases surveyed title differs from actual Pere Marquette Township title. This has been done to make the title more recognizable to survey respondents.

Bath, Kalamazoo, Park, Tittabawassee and Union Townships are 2019 wages increased by 2.5% to account for temporal difference.

All other townships are effective date of 2020 fiscal year.

APPENDIX C

SUGGESTED GRADE AND SALARY STRUCTURE

Appendix C
Pere Marquette Charter Township
Classification and Compensation Study for Non-Elected Employees
Suggested Grade and Salary Structure

Position	Pere Marquette Charter Township Actual Wage	Average of Market Data	Recommended Pay Ranges		
			Minimum	Midpoint	Maximum
Administrative Assistant to the Supervisor	\$18.36	\$20.59	\$18.02	\$19.82	\$21.62
Deputy Clerk	\$20.64	\$21.36	\$18.69	\$20.56	\$22.43
Deputy Treasurer	\$15.30	\$18.75	\$16.41	\$18.05	\$19.69
Building Official (full-time)	-	\$61,864	\$54,131	\$59,544	\$64,957
Building Inspector (full-time)	-	\$51,571	\$45,125	\$49,637	\$54,150
Zoning Administrator	\$50,850	\$55,905	\$48,917	\$53,809	\$58,700
Parks Manager	\$42,000	\$48,540	\$42,473	\$46,720	\$50,967
DPW Superintendent	\$60,696	\$64,686	\$56,600	\$62,260	\$67,920
DPW Assistant Superintendent	\$20.00	\$23.71	\$20.75	\$22.82	\$24.90
DPW Operator II	\$16.00	\$19.16	\$16.77	\$18.44	\$20.12
Assessor	\$70,000	\$76,575	\$67,003	\$73,703	\$80,404

Pay ranges are intended to compensate incumbents with varying skill sets and productivity levels. Less skilled or motivated workers could be placed or retained between minimum and midpoint with no further range movement. More skilled or motivated workers could be hired, and or moved to higher levels of the salary range over time, possibly to maximum. Pay ranges are 20% wide. In Exhibit 4, the range is divided into nine steps as an example of a step system. In actuality, the Township could use any number of steps in its system depending on the Board's preference.

Pay ranges are built from the maximum downward. The maximum is based on the average of the labor market for each individual position with an additional 5% added. The additional 5% recognizes that the data collected from the labor market are actual salaries and not range maximums. It recognizes that there are salaries included in the sample that are above average. Also, that some of the surveyed municipalities have pay ranges with range maximums that are attainable and are above the reported actual salary.

Wage for DPW Operator II is the highest for any incumbent.

Green indicates that at least one incumbent's current wage is below the suggested range minimum.

Building Official is currently staffed by the Township Supervisor. Salary range is presented for evaluative purposes.

Building Inspector is a potential position for the future. Salary range is presented for evaluative purposes.

APPENDIX D

MATRIX OF EMPLOYEE BENEFITS COMPARISON

Appendix D
Pere Marquette Charter Township
Classification and Compensation Study
Comparison of Key Benefits

Category of Benefits	Pere Marquette Charter Township	Chikaming Township	City of Alpena	City of Ferrysburg	City of Frankfort	City of Hart	City of Ludington	City of Manistee	Fruitport Charter Township	Lake Charter Township	Oronoko Charter Township	Saugatuck Township	St. Joseph Charter Township	Village of Spring Lake
Paid Time Off and Longevity														
Number of annual holidays	12.5	10	9	9	11	11	10	12	12	12	12	11	12	10
Annual personal days	3	PTO	5	3	10	PTO	2	0	3	3	0	0	1	3
Annual sick time (days)	12	PTO	Receive 90 upon hire	8	PTO	PTO	12	12	12	5	6	5	12	96
Maximum sick-time accrual (days)	120	0	90	92	16 (PTO)	105	180	No limit	12	60	120	0	130	87.5
Is there a sick-time buyback option annually or at retirement?	yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes
If yes, max time that can be sold back and value awarded to each day:														
annually?	No	-	-	Any over 1,040 hours at 100%	10 days at 100%	50% of value over 840 hours	No	No	No	5 days at 100% value	-	-	-	40% value up to 96 hours
at retirement?	30 days at 100% value	-	-	50% value of one-half of accumulated sick pay	No	105 days at 75% value	50% value with \$2,000 max	12 days at 100% value	12 days at 100% value	Up to 60 days at 100% value	-	-	-	No
Do you use PTO days rather than sick time?	No	Yes	No	No	Yes	Yes	No	No	No	No	No	No	No	No
Total vacation days earned (including PTO if applicable and not listed above):														
at 1 year	7	12	5	10	5	27	10	5	10	5	5	10	10	10
at 5 years	10	15	10	15	15	33	15	10	15	10	15	12	15	10
at 10 years	15	21	15	15	20	39	17	15	20	15	20	15	20	15
at 20 years	20	24	20	25	20	48	22	20	25	20	20	20	25	20
Longevity payment?	Yes	No	No	No	Yes	Yes	No	No	Yes	No	No	No	Yes	No
at 5 years	\$500	-	-	-	-	\$250	-	-	2%	-	-	-	2.5%	-
at 10 years	\$1,200	-	-	-	\$1,250	\$500	-	-	4%	-	-	-	5%	-
at 20 years	\$2,000	-	-	-	\$2,500	\$1,000	-	-	8%	-	-	-	10%	-

Appendix D
Pere Marquette Charter Township
Classification and Compensation Study
Comparison of Key Benefits (cont'd)

Category of Benefits	Pere Marquette Charter Township	Chikaming Township	City of Alpena	City of Ferrysburg	City of Frankfort	City of Hart	City of Ludington	City of Manistee	Fruitport Charter Township	Lake Charter Township	Oronoko Charter Township	Saugatuck Township	St. Joseph Charter Township	Village of Spring Lake
If have longevity, has it been eliminated for new employees?	No	-	-	-	Yes	No	-	-	Modified: \$600 per annum after 5 years	-	-	-	No	-
Insurance														
Adopted PA 152 caps or 80/20?	No	No	Yes	No	No	Yes	No	Yes	No	No	Yes	No	No	Yes
Total monthly cost for the core/base health care plan (Single/Family) for administrative employees	Individually rated	Individually rated	\$1,188	Single: \$686 Family: \$1,920	Single: \$713 Family: \$1,466	Varies	Single: \$616 Family: \$1,707	Single: \$506 Family: \$1,518	Varies by age	Single: \$1,000 Family: \$1,900	\$321	-	Varies by age	Single: \$549 Family: \$1,537
Do employees contribute to health care premium on the core/base plan?	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes
If yes, per pay amount or % (single and family)	-	Single: \$61 Family: \$186	20%	15%	7%	20%	-	Single: \$91 Family: \$250	\$50.77 per pay	11%	5%	-	10%	20%
Monthly payment in lieu of health care coverage ?	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes		No	Yes	Yes
If yes, monthly amount	\$196	-	Single: \$167 Family: \$500	50% of premium	\$160	40% of premium	50% of premium	\$400	Single: \$200 Family: \$400	\$500	\$300	-	Varies by policy	50%
Employer-paid dental coverage (premium percentage)?	100%	100% minus health care cost sharing	80%	100%	100%	100%	No	100%	No	50%	No	100%	90%	100%
Employer-paid optical coverage (premium percentage)?	100%	100% minus health care cost sharing	100%	\$300 max	100%	100%	100%	100%	No	50%	No	100%	90%	100%
Is a Flex Benefit Plan available for pre-tax reimbursement?	No	No	No	No	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No
Short-term disability insurance provided?	No	Yes	No	No	Yes	No	No	Yes	No	Yes	Yes	No	Yes	No
Long term-disability insurance provided?	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	No	Yes	Yes

Appendix D
Pere Marquette Charter Township
Classification and Compensation Study
Comparison of Key Benefits (cont'd)

Category of Benefits	Pere Marquette Charter Township	Chikaming Township	City of Alpena	City of Ferrysburg	City of Frankfort	City of Hart	City of Ludington	City of Manistee	Fruitport Charter Township	Lake Charter Township	Oronoko Charter Township	Saugatuck Township	St. Joseph Charter Township	Village of Spring Lake
Employee life insurance amount	\$10,000	\$20,000	\$25,000	\$15,000 - \$50,000	\$50,000	\$25,000	\$25,000	\$40K, 1.5x salary for dept. heads	\$50,000	\$40,000	\$25,000	\$10,000	\$10,000	1 x salary
Employer-paid retiree health insurance?	No	No	Yes	No	Yes	Yes	No	No	No	No	No	No	No	No
If yes, % or amount premium paid by employer	-	-	Varies	-	93%	75%	-	-	-	-	-	-	-	-
Is spouse also covered at employer cost?	-	-	No	-	No	Yes	-	-	-	-	-	-	-	-
Supplement after 65 paid by employer?	-	-	Yes	-	\$200/month	Yes	-	-	-	-	-	-	-	-
Prescriptions after 65 paid by employer?	-	-	Yes	-	No	Yes	-	-	-	-	-	-	-	-
Has the public entity eliminated retiree health care for new employees ?	-	-	Yes	-	No	No	-	-	-	-	-	-	-	-
Is there a Retiree Health Savings Plan provided (or similar health care funding mechanism)?	No	No	No	No	No	No	Yes	No	No	No	No	No	No	No
If yes, what is annual employer contribution?	-	-	-	-	-	-	Employee funded only	-	-	-	-	-	-	-
Is the Retiree Health Savings Plan just for new hires?	-	-	-	-	-	-	No	-	-	-	-	-	-	-
Primary Pension Retirement Plan														
Defined Contribution Plan?	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	No	No	No
Employer maximum contribution	12%	-	6%	10%	-	5%	-	10%	10%	8%	12%	-	-	-
Is plan for new hires only?	No	-	Yes	Yes	-	No	-	Yes	No	No	Yes	-	-	-
Defined Benefit Plan?	No	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	Yes	No	Yes	Yes
Current employee required contribution	-	6.75%	Yes	5%	2.20%	-	5%	4%	-	-	4%	-	0%	6.75%
Multiplier	-	2.0%	2.5%	1.5% - 2.25%	2.25%	-	2.25%	2.0%	-	-	No response	-	1.84%	1.5% to 2.25%

Appendix D
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Classification and Compensation Study
Comparison of Key Benefits (cont'd)

Category of Benefits	Pere Marquette Charter Township	Chikaming Township	City of Alpena	City of Ferrysburg	City of Frankfort	City of Hart	City of Ludington	City of Manistee	Fruitport Charter Township	Lake Charter Township	Oronoko Charter Township	Saugatuck Township	St. Joseph Charter Township	Village of Spring Lake
Extra Stipends for Full-time Elected Officials	Supervisor, Clerk, Treasurer and Zoning Administrator stipends included in base wages listed in this report	\$360-\$480 annual meeting pay minus \$30-\$40 for each meeting not attended	-	-	-	-	-	-	Supervisor: \$6,000 annual for car and phone. Clerk and Treasurer: \$240 annual phone	No stipends	Part-time elected officials	Part-time elected officials	-	-

Source: Survey of referenced municipalities, effective date of July, 2020