



City of Jacksonville Beach

Briefing Notice

City Council

11 North Third Street
Jacksonville Beach, Florida

Wednesday, October 8, 2025

5:00 PM

Council Chambers

City Manager Mike Staffopoulos will conduct a Special Council Briefing to update the City Council about ongoing items in the City. The Special Briefing will include, but not be limited to, the following topic:

- A. Non-Union Pay Plan

Council Members in attendance may include:

Mayor:	Christine Hoffman		
Council Members:	Sandy Golding	Bill Horn	Dan Janson
	Greg Sutton	John Wagner	Bruce Wouters

Please note: Council Members in attendance may vary according to their schedules.

No public comments are taken at the City Manager's Council Briefing.

If you are a person with a disability who needs an accommodation to participate in a meeting, you are entitled, at no cost to you, to the provision of certain assistance. Please contact the ADA Coordinator by phone 904-712-6297 or submit an [Accommodation Request](#) to the ADA Coordinator as far in advance of the meeting as possible; preferably 7 days but no less than 2 business days, before the meeting. If you are hearing or voice impaired, please call Florida Relay at 711 for assistance.

Executive Summary

PURPOSE AND METHODOLOGY

The City of Jacksonville Beach (“City”) engaged Evergreen Solutions, LLC (“Evergreen”) in May 2025 to conduct a comprehensive Classification and Compensation Study. The purpose of the study was to evaluate the City’s existing systems, ensure internal and external equity, and strengthen its ability to attract and retain a qualified, highly motivated workforce while aligning compensation practices with the City’s strategic goal of organizational sustainability and relevance.

Evergreen employed a data-driven methodology combining quantitative analysis and qualitative input from City leadership and employees. Key components included:

- Review of current classification structures, pay plans, and personnel data.
- Job Assessment Tool (JAT) evaluation of internal relationships and equity.
- External market salary survey of 20 peer organizations representing local and regional competition.
- Benefits comparison with peer organizations to assess total compensation competitiveness.
- Development of actionable recommendations that align with the City’s compensation philosophy and fiscal capacity.

This comprehensive approach ensured that recommendations were based on both empirical data and the organizational context of Jacksonville Beach.

ASSESSMENT OF CURRENT CONDITIONS

Evergreen’s review of the City’s classification and pay structures provided several key observations:

- The City maintains multiple pay plans, General, Energy Services, Ocean Rescue, and School Crossing Guards, each with varying range spreads and progression methods.
- Pay range spreads ranged from 17 percent to 58 percent, consistent with public-sector standards but with opportunity to standardize around best practices of 40 percent to – 60 percent for small to medium sized cities.
- Approximately one-third of employees are in the first quartile of their pay grade, indicating recent hiring activity and turnover, consistent with average tenure of less than three years in that quartile.



- Many employees have progressed well into their pay ranges, even when step-plan positions are excluded.
- Some compression is evident where starting salaries for new hires approach those of experienced staff, particularly in hard-to-fill operational classifications.

These findings indicate that while the City's system is structurally sound, targeted adjustments may be needed to enhance internal alignment and market responsiveness.

EMPLOYEE OUTREACH

Input from department leadership provided valuable insight into both the strengths and challenges of the City's workforce environment.

Strengths Identified:

- Strong sense of teamwork and collaboration across departments.
- Dedicated, service-oriented employees who take pride in their work.
- Competitive benefits package that supports retention and morale.

Concerns Raised:

- Compensation levels lagging behind peer organizations.
- High turnover in certain technical and utility classifications.
- Need for updates to job descriptions to better reflect current duties and responsibilities.

Overall, City leadership values its employees and recognizes the importance of maintaining competitive compensation to ensure continued workforce stability.

MARKET SUMMARY

Evergreen compared the City's compensation levels for 79 benchmark classifications across 20 peer organizations, using cost-of-living adjustments to normalize regional differences.

Key Results (at the 60th percentile target):

- Minimum salaries: 3.2 percent below market
- Midpoints: 3.9 percent below market
- Maximums: 4.8 percent below market
- Average range spread: 55.6 percent (peer average: ~ 60 percent)

When compared to the 13 municipal peers (excluding utility authorities), the City ranked 6th, equivalent to the 58th percentile, lagging behind its desired competitive market position.



These results demonstrate that while Jacksonville Beach is generally competitive at the 50th percentile of the market, it falls short of its desired market position and specific departments face pay gaps that may impact retention and recruitment.

Benefits Summary

Evergreen's benefits survey of 11 peer organizations found Jacksonville Beach's benefits package to be strong overall and highly competitive in several areas:

- Health Insurance: City covers 100 percent of employee-only premiums (peer average: 96 percent).
- Retirement: City contributes 15.53 percent to the 401(a) plan; well above peer averages.
- Employee Assistance Program (EAP): Unlimited visits offered to employees and families.
- Leave and Holidays: Generous vacation rollover limits and 12 paid holidays, aligning with or exceeding peer norms.

Areas for Improvement:

- Higher dependent coverage costs compared to peers.
- Tuition reimbursement below market (\$2,600 vs. peer average of \$3,562).
- No employer-paid short-term disability coverage.

Overall, Jacksonville Beach's benefits position the City well to attract and retain employees, particularly when viewed as part of a comprehensive total compensation package.

Strategic Recommendations

Evergreen developed a series of recommendations to enhance the City's compensation and classification systems, focusing on alignment, competitiveness, and sustainability.

1. Adopt an Updated Classification Plan

- Update and standardize titles and job descriptions to reflect current duties, ensure FLSA compliance, and maintain equity across departments.

2. Implement a Market-Responsive Compensation Structure

- Apply an average of a 5 percent adjustment to the pay plans to align with the 60th percentile of the market while maintaining the City's fundamental structure and consistency with compensation philosophy.

3. Adopt Revised Pay Grade Assignments

- Adjust 45 of 188 positions, primarily upward by one to two grades, reflecting targeted market corrections rather than structural overhaul.



4. Develop an Implementation Strategy

- Create cost estimates and implementation plans based on executive and City Council direction.
- Ensure transition methodology aligns with the City’s compensation philosophy, fiscal capacity, and strategic priorities.

5. Conduct Targeted Market Reviews as Needed

- Perform small-scale salary surveys for hard-to-fill classifications or those with recruitment and retention challenges.

6. Undertake Comprehensive Studies Every 3–5 Years

- Maintain alignment with evolving market conditions and prevent pay compression over time.

7. Maintain Transparent Pay Administration Policies

- Continue consistent procedures for salary placement, promotions, and pay adjustments to reinforce equity and accountability.

Conclusion

The City of Jacksonville Beach is commended for its proactive commitment to maintaining fair, competitive, and sustainable compensation practices. Evergreen’s findings confirm that the City’s systems are fundamentally sound but would benefit from targeted updates to ensure continued alignment with market conditions.

By implementing these recommendations, the City will:

- Strengthen its ability to recruit and retain high-performing employees.
- Maintain internal equity and external competitiveness.
- Support organizational sustainability and long-term fiscal responsibility.

These efforts will position Jacksonville Beach as a model employer within Northeast Florida’s public sector, reinforcing its commitment to service excellence and a thriving, motivated workforce.





City Council Briefing
October 8, 2025

Position Classification and Pay Plan

Position Classification and Pay Plan

The City's Position Classification and Pay Plan is a formal document, adopted by City Council, that establishes a compensation system for all non-union positions.

- **Classification System:** A systematic way to evaluate and group jobs based on their duties, responsibilities, and required knowledge, skills, and abilities

- **Pay Grades:** Based on the classification system, each position is assigned to a specific pay grade with a defined salary range, which includes a minimum, midpoint, and maximum.

- **Administration Rules:** Guidelines detailing how the pay plan is managed, how employees are placed in pay grades, processes for adjusting salaries over time, and other provisions for overtime, incentive pay, qualification advancement, etc.



Why is a Pay Plan Important?



Strategic Plan

P4.G3.02-Develop policies and processes that attract and retain a qualified and highly motivated workforce

Objectives

Competitiveness

It helps the City attract and retain qualified staff by setting compensation at competitive market rates.

Performance Management

It is used to link employee performance to pay increases and provides guidance for advancement.

Internal Equity

It promotes consistent treatment of employees by providing a standardized method for classifying work and setting pay.

Budget Control

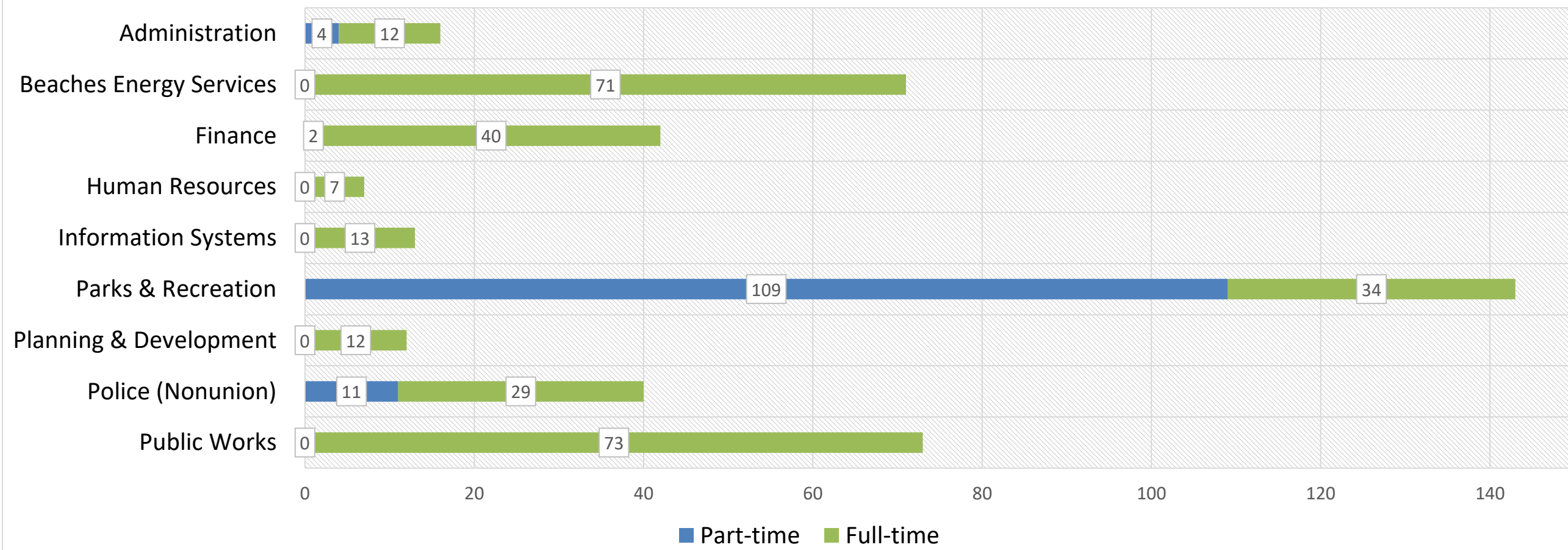
It provides a framework for managing compensation costs and budgets.

Who is covered by the Plan?

417 Non-union employees across all City departments:
291 Full-time & 126 Part-time



Non-Union Employees by Department



Not covered by the Plan:
Police Officers, Police Corporals, and Police Sergeants - those positions are covered under a Collective Bargaining Agreement

Covered by the Plan:
Chief of Police, Police Commanders, all civilian employees in the Police Department



Pay Plan Amendments

The City typically conducts a pay study every three years to ensure that the Plan remains competitive and aligned with the Strategic Plan

Administration may periodically recommend changes to the Plan outside of the pay study cycle based on operational needs, changes to job descriptions, internal equity issues, etc.

The current plan amendments will be presented to City Council by Resolution on October 20, 2025

Resolution No. 2198-2025

01

Implement pay study results and recommendations

Adjust pay grades to remain competitive within the market and reclassify some positions to better align with job duties and responsibilities

02

Add new positions approved in the FY2026 budget

Although new positions were authorized in the budget adoption, those positions cannot be advertised until the job titles and pay grades are defined in the pay plan

03

Amend certain policies within the plan

Policies are reviewed periodically and revised to reflect best practices and/or adjust to changing operational needs

04

Revise language to facilitate administration of the plan

Some language is updated to provide clarity or remove references that are no longer relevant



CITY OF JACKSONVILLE BEACH

COMPENSATION & CLASSIFICATION STUDY

Stasey Whichel, Senior Consultant
October 2025



EVERGREEN SOLUTIONS, LLC

AGENDA

01

Study Goals

02

Internal Review

03

External Review

04

Recommendations

05

Next Steps

06

Questions

STUDY GOALS

Internal Review

Review current classification and compensation system to ensure internal equity

- Assessment of Current Conditions
- Employee Outreach
- Job Assessments (JAT)

External Review

Survey peer organizations to ensure external equity

- Market Survey
- Benefits Survey

Recommendations

Produce recommendations to provide the City with a system that is equitable, both internally and externally

INTERNAL REVIEW

ASSESSMENT OF CURRENT CONDITIONS

Compensation Plans Included in the Study

- Three open range pay plans and three step plans
- 38 pay grades across all plans
- 200 classifications representing ~ 341 employees
- Average range spreads (distance between minimum starting rate and maximum earning rate) fall between 17 to 57.9 percent

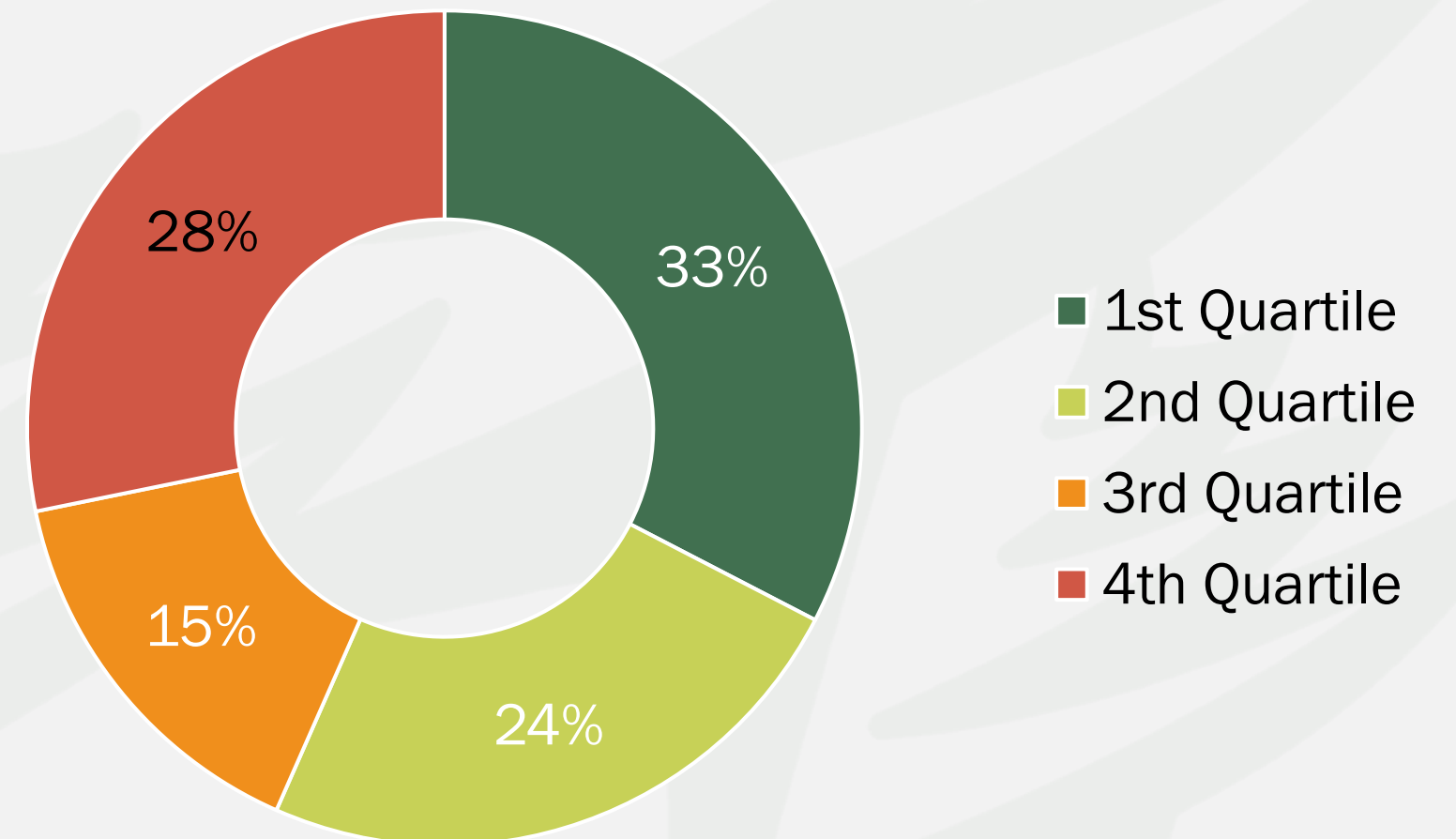
INTERNAL REVIEW

ASSESSMENT OF CURRENT CONDITIONS

Salary Distribution

- The average tenure for included employees is 7.9 years; median is 5.19 years.
- 56.6% of employees are compensated below the midpoint of their pay ranges.
- Tenure tends to increase throughout pay range quartiles (breaking pay ranges into 4 equal parts)

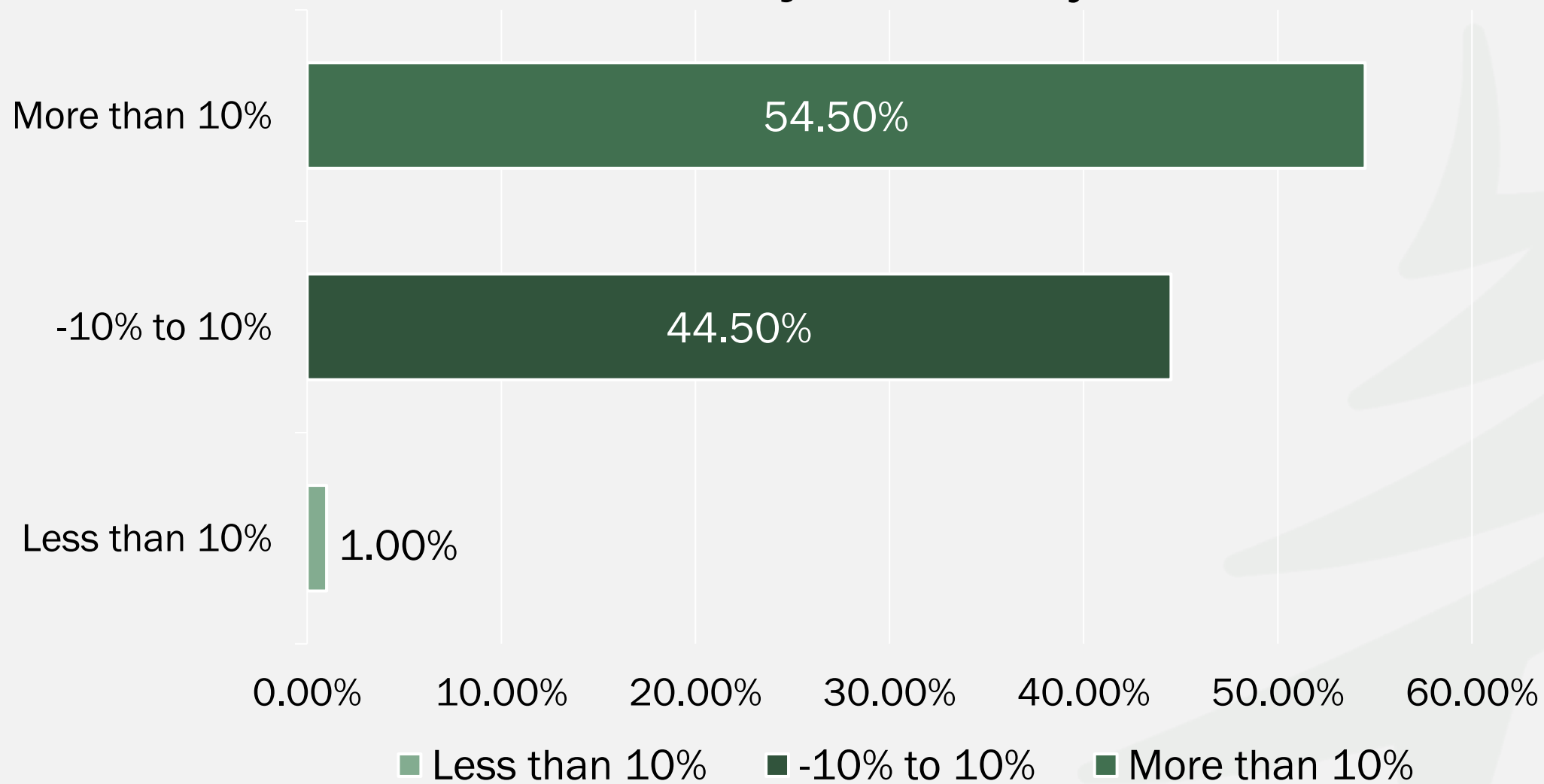
Quartile Analysis



INTERNAL REVIEW

ASSESSMENT OF CURRENT CONDITIONS

Actual vs. Projected Salary



Compression Analysis

- The majority of employees are making more than 10 percent of expected placement in the salary range based on time in their current classification
- 44.8 percent of employees earning more than 10 percent of what would be expected are concentrated between tenure years 0 to 5.

INTERNAL REVIEW

EMPLOYEE OUTREACH - FOCUS GROUPS

What is Working Well?

- Responsive Administration
- Retention is increasing overall
- Peer relationships

Areas of Concern

- Benefits should be compared against local market
- Pay plans should be evaluated for internal equity
- Placement of some positions in pay plans should be updated to reflect current roles and responsibilities

INTERNAL REVIEW

Job Assessment Tool (JAT)

The Job Assessment Tool allows for a better understanding of each position and its relative level within the organization.

Data collected in the JAT is used to inform pay grade assignments relative to positions' scope of responsibilities in the organization.

Factors Reviewed in JAT Analysis:

Management

Processes

Resources

Technology

Errors and
Risk

Knowledge
and
Experience

EXTERNAL REVIEW

Market Survey Goals

Purpose of Market Survey

- Check for competitive compensation by comparing the City's positions with market peers
- Identify and address any inconsistencies or disparities in pay across similar positions

Cost of Living Factor

- Provides the ability to align the proposed compensation system with the cost of living in the Jacksonville area

EXTERNAL REVIEW

Market Peers

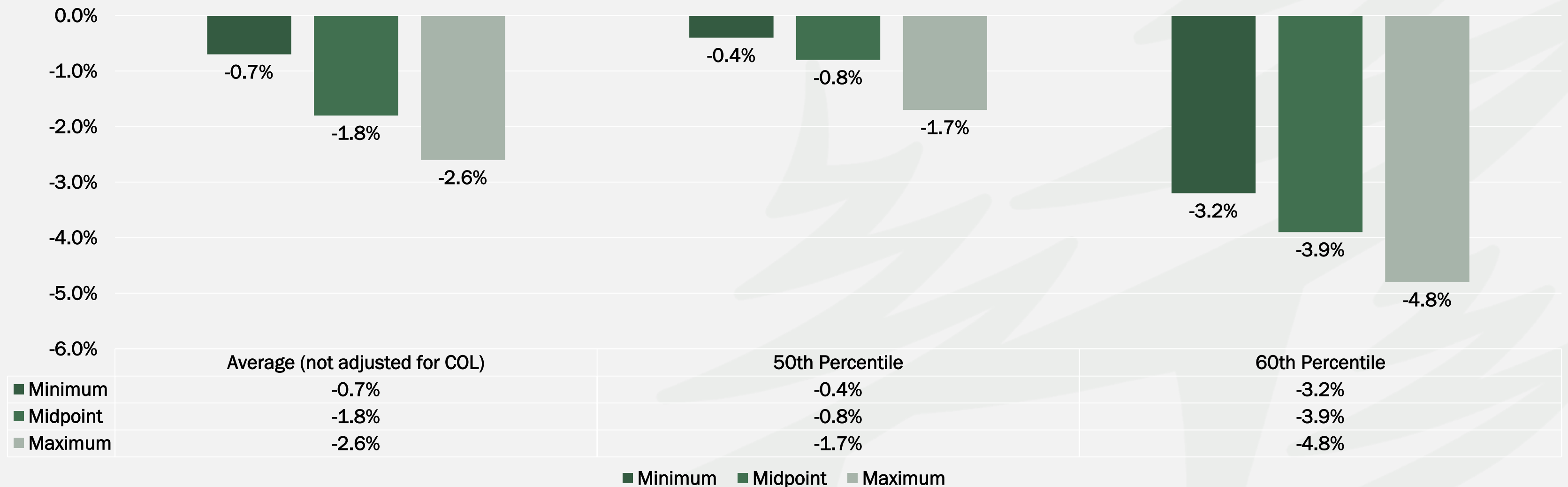
City of Atlantic Beach	City of Daytona Beach	City of Fernandina Beach	City of Green Cove Springs	City of Jacksonville	City of Neptune Beach	City of New Smyrna Beach
City of Ocala	City of Ormond Beach	City of St. Augustine Beach	St. Johns County	Town of Orange Park	Clay County Utility Authority	Fort Pierce Utilities Authority
	Gainesville Regional Utilities	Jacksonville Electric Authority	Keys Energy	Kissimmee Utility Authority	Orlando Utilities Commission	

EXTERNAL REVIEW

Summary of Metrics	
Number of Peers	20
Number of Respondents	19
Percentage Received	95.0%
Number of the City Positions Included	100
Positions with Limited Matches	21
Percentage of Positions with Sufficient Data for Inclusion	79.0%
Total Quality Matches	625+
Average Match Count	7.4

EXTERNAL REVIEW

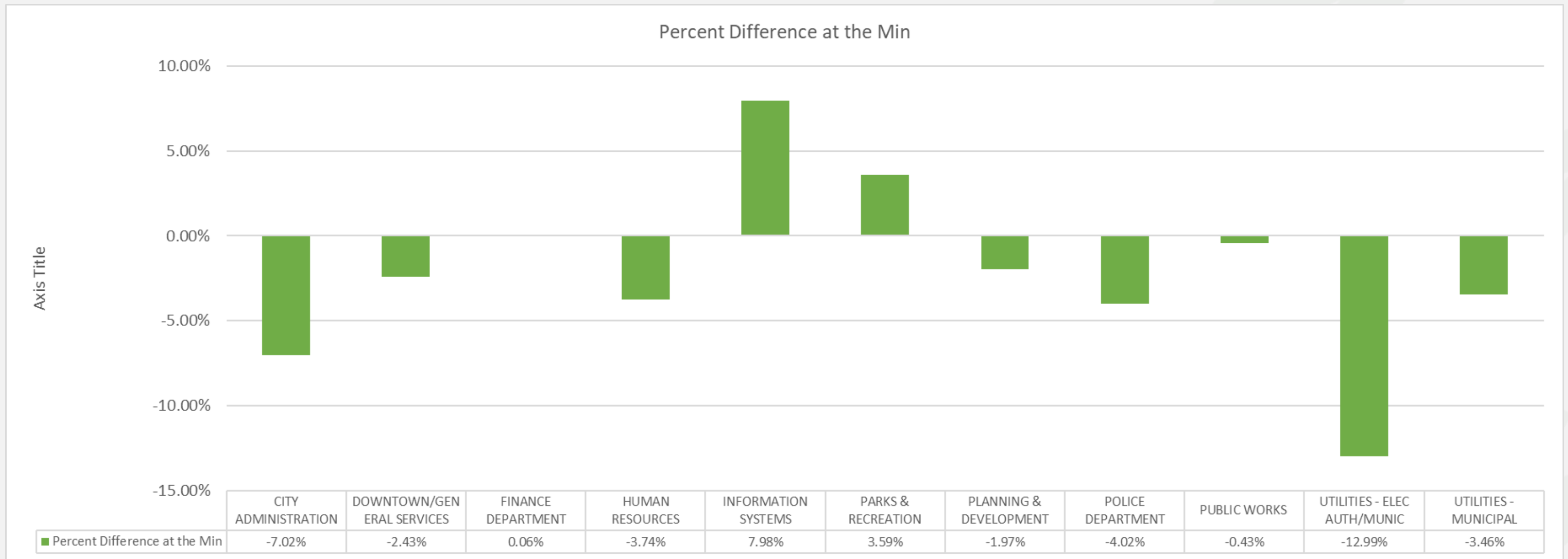
Market Results



The City is competitive at the minimum starting salaries of pay ranges on average and at the midpoint (50th percentile). Due to smaller range spreads than market peers, the City is less competitive toward the maximum of the published range on average.

EXTERNAL REVIEW

Market Results at 60th Percentile: Pay Range Minimum for Functional Areas



The 60th percentile was selected as the primary comparison point for consistency with previous studies and to best align with the competitive landscape in which the City operates, particularly within the Jacksonville area, where attracting and retaining high-quality employees requires offering compensation that is slightly above the market median.

While the City remains competitive with other municipalities in several areas of electric utility operations, certain job classifications lag the market. Evergreen would anticipate that the City will seek to enhance its overall market position while maintaining fiscal sustainability in both the current and future fiscal years. Considering the two identified market differentials, 13% below the broader peer group (authorities and municipalities) and 3.5% below municipal peers, the City is recommending a percentage adjustment that exceeds the municipal differential and improves competitiveness relative to the larger authorities.

EXTERNAL REVIEW

Average Benefits Survey Results

Strengths for the City:

- Covers 100% of employee premiums for health coverage
- Offers competitive retirement plans
- Offers unlimited EAP benefits
- Offers retiree insurance (health, dental, life)

Considerations:

- Higher dependent costs for health and dental coverage
- No Short-Term Disability (STD) offerings
- Majority of peers offer PTO versus Annual/Sick

RECOMMENDATIONS

Implement updated pay plans based at the 60th percentile

Assign all classifications to pay grades based on internal and external equity

Implement revised plans using a defined implementation strategy

RECOMMENDATIONS

Proposed Pay Plan – General Staff

Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression
308	\$ 16.71	\$ 21.52	\$ 26.32	58%	-
309	\$ 17.55	\$ 22.60	\$ 27.64	57%	5.0%
310	\$ 18.43	\$ 23.73	\$ 29.02	57%	5.0%
311	\$ 19.35	\$ 24.91	\$ 30.47	57%	5.0%
312	\$ 20.32	\$ 26.16	\$ 31.99	57%	5.0%
313	\$ 21.34	\$ 27.47	\$ 33.59	57%	5.0%
314	\$ 22.41	\$ 28.84	\$ 35.27	57%	5.0%
315	\$ 23.53	\$ 30.28	\$ 37.03	57%	5.0%
316	\$ 24.71	\$ 31.80	\$ 38.88	57%	5.0%
317	\$ 25.95	\$ 33.39	\$ 40.82	57%	5.0%
318	\$ 27.25	\$ 35.06	\$ 42.86	57%	5.0%
319	\$ 28.61	\$ 36.81	\$ 45.00	57%	5.0%
320	\$ 30.04	\$ 38.65	\$ 47.25	57%	5.0%

RECOMMENDATIONS

Proposed Pay Plan – General Staff (cont.)

Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression
321	\$ 31.54	\$ 40.58	\$ 49.61	57%	5.0%
322	\$ 33.12	\$ 42.61	\$ 52.09	57%	5.0%
323	\$ 34.78	\$ 44.74	\$ 54.69	57%	5.0%
324	\$ 36.52	\$ 46.97	\$ 57.42	57%	5.0%
325	\$ 38.35	\$ 49.32	\$ 60.29	57%	5.0%
326	\$ 40.27	\$ 51.79	\$ 63.30	57%	5.0%
327	\$ 42.28	\$ 54.38	\$ 66.47	57%	5.0%
328	\$ 44.39	\$ 57.09	\$ 69.79	57%	5.0%
329	\$ 46.61	\$ 59.95	\$ 73.28	57%	5.0%
330	\$ 48.94	\$ 62.94	\$ 76.94	57%	5.0%
331	\$ 51.39	\$ 66.09	\$ 80.79	57%	5.0%
332	\$ 53.96	\$ 69.40	\$ 84.83	57%	5.0%
333	\$ 55.90	\$ 71.89	\$ 87.88	57.2%	3.6%
334	\$ 59.11	\$ 76.02	\$ 92.93	57.2%	5.75%
335	\$ 62.51	\$ 80.39	\$ 98.27	57.2%	5.75%
336	\$ 66.10	\$ 85.01	\$ 103.92	57.2%	5.75%

RECOMMENDATIONS

Proposed Pay Plan – Energy Services Step Plan

Grade	Minimum	Midpoint	Maximum	Range Spread	Grade Progression	Step Progression
200	\$ 26.72	\$ 31.63	\$ 36.54	36.75%	-	11.0%
201	\$ 27.00	\$ 31.96	\$ 36.91	36.70%	1.0%	11.0%
202	\$ 38.75	\$ 38.75	\$ 38.75	0.00%	43.5%	-

RECOMMENDATIONS

Proposed Pay Plan – Energy Services

Grade	Minimum	Midpoint	Maximum	Range Spread	Grade Progression
203	\$ 40.59	\$ 46.68	\$ 52.76	30.0%	-
204	\$ 40.99	\$ 47.19	\$ 53.38	30.2%	1.0%
205	\$ 42.62	\$ 49.01	\$ 55.40	30.0%	4.0%
206	\$ 43.04	\$ 49.55	\$ 56.05	30.2%	1.0%
207	\$ 44.33	\$ 51.04	\$ 57.74	30.3%	3.0%

RECOMMENDATIONS

Proposed Pay Plan – Ocean Rescue Part Time

Grade	Minimum	Midpoint	Maximum	Range Spread	Grade Progression	Step Progression
600	\$ 17.97	\$ 19.50	\$ 21.02	17.0%	-	4.0%
601	\$ 21.21	\$ 23.01	\$ 24.81	17.0%	18.0%	4.0%
602	\$ 24.40	\$ 26.48	\$ 28.56	17.0%	15.0%	4.0%

RECOMMENDATIONS

Proposed Pay Plan – Ocean Rescue Full Time

Grade	Minimum	Midpoint	Maximum	Range Spread	Grade Progression
701	\$ 21.21	\$ 25.87	\$ 30.52	43.9%	-
702	\$ 24.41	\$ 29.76	\$ 35.10	43.8%	15.1%
703	\$ 25.56	\$ 31.16	\$ 36.76	43.8%	4.7%
704	\$ 26.83	\$ 32.72	\$ 38.60	43.9%	5.0%

RECOMMENDATIONS

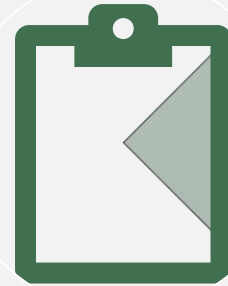
Proposed Pay Plan – Crossing Guards

Grade	Minimum	Midpoint	Maximum	Range Spread	Step Progression
901	\$ 16.71	\$ 18.52	\$ 20.33	21.7%	4.0%

IMPLEMENTATION STRATEGIES

Implementation Option	Description
Bring to Minimum	Realigns employees who are below the minimum of their recommended pay range by bringing them up to the minimum, with no further adjustments made. This is the foundation of all other strategies. City may elect to apply additional adjustments to ensure alignment with compensation strategies and available budget.
Class Parity	Realigns employees along their salary range based on how long they have been serving in their current classification. This is done on a total 30-year basis for General employees, meaning employees with 30 or more years of experience in their current classification would be placed at maximum, whereas employees with 15 years would be placed at the midpoint of the range.
Maintain Step Placement	Places employees on the updated pay plans at the same step as they are currently. This ensures that all employees are aligned in the same relative placement and no one loses a tenure based step.

RECOMMENDATIONS



Continue to conduct annual small scale market surveys



Conduct classification and compensation studies every 3-5 years



Review compensation guidelines annually – revise as needed

FUTURE CONSIDERATIONS

Florida Wages (and COLA increases) are expected to stay high:

- Inflation has increased the cost of living
- Employees are demanding higher pay to keep up with rising costs
- Employers are competing to attract and retain talent

Projected Cost-of-Living (COLA) in Florida

Fiscal Years	Projected COLA
2025-2026	4.5%
2026-2027	4.0%
2027-2028	3.8%-4.0%

Sources: Office of Economic & Demographic Research (EDR) in Florida

QUESTIONS



A large, stylized evergreen tree graphic in a light green color, positioned in the background of the page. The tree has a thick trunk and several layers of branches with pointed, needle-like leaves.

EVERGREEN SOLUTIONS, LLC

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Tallahassee, Florida 32308

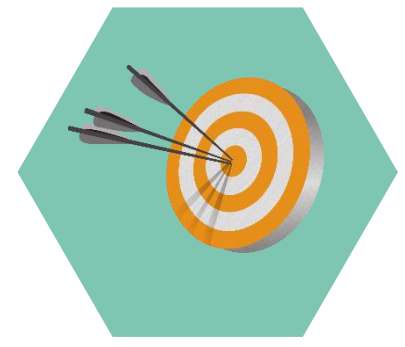
Implementation Considerations and Strategies



Factors in Choosing our Implementation



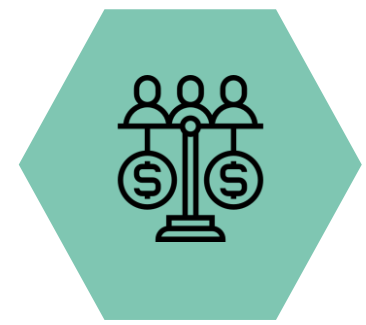
Approach



Strategic Priorities



Core Values



Internal Equity



Trends / COLA





City of Jacksonville Beach's Strategic Plan

Priority 4: Sustainability

Goal 3: Demonstrate Organizational sustainability and relevance.

Objective 2: Develop policies and processes that attract and retain a qualified and highly motivated work force.



EPIC Team

Preferred Implementation Method

Adjust employees' pay in step with range increases to preserve their current position within the new range

Implementation

Why Employee Pay Should Be Adjusted When Grade Ranges Increase



Preserves Employee Position Within Pay Grade

Employees should move accordingly to maintain their current placement. This protects the integrity of the structure and preserves performance-based advancement.

Prevents Pay Compression

Employees with more experience may end up making close to or the same as new hires. Adjusting pay helps maintain meaningful separation between tenure and experience levels.

Keeps Us Competitive

Failure to move employees with the range weakens our ability to retain talent and makes us less competitive with surrounding cities.



Implementation

Why Employee Pay Should Be Adjusted When Grade Ranges Increase



Supports Retention and Morale

Employees may view unadjusted pay as falling behind. Adjusting pay demonstrates we value our workforce and want to keep them motivated in a highly competitive market.

Delivers on the Intent of the Study

Pay studies aren't just about structure, they are about real people. If we only move the ranges and not the employees, we miss the purpose of investing in a compensation study.

It's a Common Best Practice

According to SHRM and other compensation experts, moving employees with their grade is a widely accepted strategy to implement structural pay adjustments fairly and consistently.

Expert Voices on Pay Alignment

Experts agree: move employees with ranges – and Florida and Finance voices stress competitive pay is essential to retention.

SHRM

Recommends maintaining employee positioning within adjusted pay grades to avoid compression.

“Best practice recommends adjusting employee pay when ranges are increased to preserve internal equity and prevent compression with new hires.”

IPMA-HR

Advocates for pay structure integrity by maintaining employee placement in bands.

“Public sector agencies should consider equitable upward adjustments when ranges move, particularly to maintain pay relationships among positions.”

Gallagher

Supports proactive market alignment when ranges change; highlights risk of morale decline if compression isn't addressed when adjusting grades.

“To maintain relative position within a newly adjusted pay range and avoid compression, many employers move employees in-step with the pay structure adjustment.”

World at Work

Endorses aligning employee pay to maintain grade positioning when ranges shift; warns against salary compression impacting engagement and retention.

“When salary ranges are updated, aligned adjustments to employee pay help retain top talent and ensure fair market positioning.”

Florida League of Cities

Supports the use of compensation studies as a best practice among Florida municipalities, ensuring pay remains competitive statewide.







“The League conducts independent compensation studies to ensure competitive pay scales for municipal employees.”

Government Finance Officers Association (GFOA)

Links compensation directly to retention and budget stability; falling behind market often costs more in turnover than it saves in payroll.

“Uncompetitive compensation is a top driver of turnover in local government.”

Why These Expert's Opinions Matter

Organization	Why Their Opinion Matters
	<p>National authority on HR standards; sets legally sound and widely adopted best practices.</p>
	<p>Public-sector HR benchmark; guidance tailored for cities and government entities.</p>
	<p>Leading compensation consultants; deliver real-time market pay data. Their methodologies are widely trusted.</p>
	<p>Sets the gold standard in compensation research and administers credentialing for compensation professionals.</p>
	<p>Florida's municipal association; models competitive pay practices and provides statewide workforce data.</p>
	<p>National voice in public finance; links competitive compensation directly to employee retention and budget stability.</p>

Considerations



**Budget
Impact**

**Policy
Alignment**

**Payroll &
Systems
Readiness**

Communication

**Other
Associated
Adjustments**

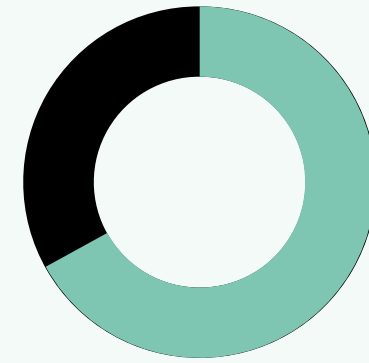
**Ongoing
Maintenance**



Questions?



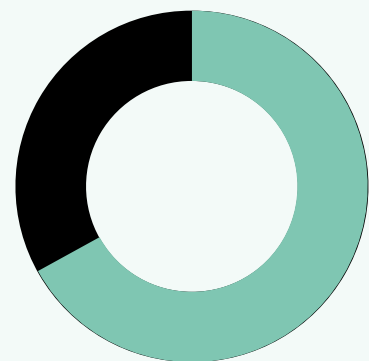
How the Pension Plans Pay Benefits



General Pension Plan Benefit

Formula:

$2.5\% \times \text{Yrs of Service} \times \text{Avg Compensation (5-YR)}$
Capped at 75% of average compensation, **or**
\$100,000, whichever is less



Police Pension Plan Benefit

Formula:

$3.0\% \times \text{Yrs of Service} \times \text{Avg Compensation (5-YR)}$
Capped at 90% of average compensation, **or**
\$100,000, whichever is less

How the Annual Benefit is Calculated

An employee with 30 years of service with the City who has earned \$130,000, \$125,000, \$120,000, \$115,000 and \$110,000 in 5 of the last 10 years.

Annual Pension Benefit:

General Employee: $2.5\% \times 30 \text{ yrs of service} \times \$120,000 = \$90,000$

Police Employee: $3.0\% \times 30 \text{ yrs of service} \times \$120,000 = \$108,000$

An employee with 20 years of service with the City who has earned \$90,000, \$85,000, \$80,000, \$75,000 and \$70,000 in 5 of the last 10 years.

Annual Pension Benefit:

General Employee: $2.5\% \times 20 \text{ yrs of service} \times \$80,000 = \$40,000$

Police Employee: $3.0\% \times 20 \text{ years of service} \times \$80,000 = \$48,000$

Proposed Ordinance Changes

Raise the annual hard cap on pension benefits for General and Police

From \$100,000 to \$110,000 on Oct 1, 2025 → \$111,000 on Oct 1, 2026 → \$112,000 on Oct 1, 2027 (cap still subject to the 75% of pay limit for General and 90% for Police)

Back-DROP interest: from 3.0% to 3.5% For General and Police

General Plan only - service purchase option

Allow members to buy up to 3 years of prior public/military service at full actuarial cost (counts for benefit, not vesting). No City cost.

*A similar option already exists for Police

General Employees' Plan Comparison



Plan	Multiplier	Annual Benefit Cap %	Annual Benefit Cap \$	Compensation Cap
City Of Jacksonville Beach	2.5%	75%	\$100,000	N/A
City of Jacksonville	2.5%	80%	N/A	N/A
City of St. Augustine	2.5%	87.5%	N/A	N/A
City of Leesburg	2.0%	90%	N/A	N/A
Ft. Pierce	3.0%	100%	\$115,000	N/A
Fla. Retirement System	1.6% – 3.33%	100%	N/A	\$345,000
City of Atlantic Beach	2.5%	100%	N/A	N/A
City of Ocala	1.3% - 2.55%	100%	N/A	N/A
City of Winter Park	3.0%	100%	N/A	N/A

Police Officers' Plan Comparison



Plan	Multiplier	Annual Benefit Cap %	Annual Benefit Cap \$	Compensation Cap
City Of Jacksonville Beach	3.0%	90%	\$100,000	N/A
City of Jacksonville	2.0% - 3.0%	100%	N/A	N/A
Ft. Pierce	3.0%	100%	\$115,000	N/A
Fla. Retirement System	1.6% - 3.33%	100%	N/A	\$345,000
City of Atlantic Beach	2.0% - 3.0%	100%	N/A	N/A

Why make the proposed cap increase?

Retention of Key Employees

Once an employee approaches the current \$100,000 cap, there's less financial incentive to continue working for the City. Raising the cap provides continued pension growth, which encourages long-tenured, experienced employees to stay on rather than leaving early.

Recruitment & Competitiveness

High-caliber candidates considering public service roles often weigh the retirement benefit as part of total compensation

The Sooner the Better

These changes are going to need to be made at some point. The sooner the changes are made, the less in total dollars it will cost the City.

Why make the service purchase change?

Military & Public Service Appeal

Veterans and employees with prior government service often value the ability to “carry” their years of service into a new retirement system. Offering this makes the City more competitive compared to other municipalities and public employers.

Retention Benefits

Once an employee invests significant money to purchase service credit, they are more likely to remain employed until retirement to realize the value of that investment.

Employer Cost Neutrality

The proposed ordinance requires members to pay the full actuarial cost of the service credit. That means neither the Plan Sponsor, nor the Plan, is subsidizing the purchase.



Questions?

