



450 S. Parish Avenue
Johnstown, CO 80534
970-587-4664
JohnstownCO.gov

Town Council Work Session
450 S. Parish, Johnstown, CO
Wednesday, September 3, 2025 at 6:00 PM

Mission Statement: Enhancing the quality of life of our residents, businesses, and visitors through community focused leadership.

Agenda

Call to Order

Agenda Items

1. Compensation Study Informational Review

Adjourn

Americans with Disabilities Act Notice

In accordance with the Americans with Disabilities Act and other applicable laws, persons who need accommodation in order to attend or participate in this meeting should contact Town Hall at 970-587-4664 no later than 48 hours before the meeting in order to request such assistance. De conformidad con la Ley de Discapacitados Estadounidenses y otras leyes vigentes, los individuos que necesitan adaptaciones funcionales para asistir o participar en esta reunión deberán comunicarse con la Municipalidad marcando el 970 587- 4664 a lo más tardar 48 horas antes de dicha reunión para solicitarla.

THE COMMUNITY THAT CARES



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Town Council Work Session Communication

Agenda Date: September 3, 2025

Subject: Compensation Study Informational Review

Attachments: 1. Compensation Study Results Presentation
2. Compensation Study Final Report

Presented by: Laura Stephens, Human Resources Director

Work Session Item Description:

In January of this year, a request for proposal (RFP) was created to solicit consultants with expertise in our area and sector to assist the Town in updating our compensation structure to reflect the current market. We also included a pay equity analysis to ensure there are no discriminatory pay practices within our organization. It has been the Town's practice to complete this overall compensation structure and market analysis update every two years. We believe it is valuable to work with an external consultant on this compensation study to obtain independent review and validation of our internal practices.

We received responses from twenty-one consultants interested in assisting the Town with this review. All vendors were evaluated based on the scope of their RFP response, the capability and reputation of their organization, the cost of their proposal, and the estimated timeline. Graves Consulting was selected. Laurie Graves not only has prior experience working with the Town, but also possesses extensive knowledge of the Northern Colorado area. She comes highly recommended by a significant number of Northern Colorado municipalities that regularly use her services to research market data and recommend compensation guidelines for their organizations. Her proposal was also among the most cost-effective responses received.

The purpose of conducting a compensation study is to gather statistically valid data from a defined market to provide a framework for setting internal rates that are sufficient to attract and retain excellent employees. This supports the Town's strategic pillar of Organizational Excellence.

The attached presentation describes this process in detail and will be presented by Laurie Graves.

Reviewed and Approved for Presentation,

Town Manager

9.3.25



Compensation Study Results
Council Presentation
September 2025



Johnstown
— — — **COLORADO**

SECTION 1

Introduction



About Us

Graves Consulting is a Human Resources consulting firm specializing in the Public Sector. We work with organizations throughout Colorado, Oklahoma, Wyoming and North Dakota on a variety of projects, including compensation, employee retention, organizational culture, leadership development and performance management.



Our Team



Laurie Graves
FOUNDER / PRINCIPAL



Shelly Holden
MANAGEMENT CONSULTANT



Eric Marburger
HR CONSULTANT



Helen Pile
PROJECT MANAGEMENT
CONSULTANT



Wendy Ecklund
HR CONSULTANT



Tom Graves
DIRECTOR OF ANALYTICS

SECTION 2

The Project



Agenda

- Project Intent & Scope
- Pay Structures
- Deliverables
- Recommendations for 2026
- Overview of Process
- Implementation & Next Steps
- Defined Market

Project Scope & Intent

Scope

- Ensure employees are paid competitively to market
- Allow the Town to continue to recruit and retain top talent
- Maintain internal equity
- Allow for career progression and sustainable wage growth

Intent

- Gather current compensation data from valid survey sources that reflect the Town's labor market
- Provide recommendations to revise Town pay structures based on this data
- Provide recommendations for implementation and ongoing structure maintenance
- Provide internal pay equity analysis



Project Deliverables

Review and analyze current wage structure and classification system

Gather current, relevant market data for each position from the Town’s defined market from existing survey sources

Recommend updates to the Town’s pay structures to keep pace with market

Recommend position upgrades and placement for new positions that ensure alignment to market

Process Overview/Data Sources

- Met with HR Team to ensure we understand any positions that have been added or changed since the last study
- Match Town positions to benchmark positions in the Town's Defined Market from Colorado Municipal League and PayFactors (EC)
- Data pulled represents actual wages being paid to others doing similar work – not just comparing pay ranges
- Scrub the data to ensure alignment to uniqueness of Town's positions
- Slot the few without external benchmarks based on internal relative value



Defined Market

Cities & Towns			Counties/Districts
Arvada	Federal Heights	Longmont	Adams County
Aurora	Firestone	Loveland	Jefferson County
Boulder	Fort Collins	Milliken	Larimer County
Brighton	Frederick	Northglenn	Weld County
Broomfield	Golden	Parker	Hyland Hills P&R
Centennial	Greeley	Superior	South Suburban P&R
Commerce City	Greenwood Village	Thornton	
Englewood	Lafayette	Wellington	
Erie	Lakewood	Westminster	
Evans	Lone Tree	Wheat Ridge	
		Windsor	

Current Pay Structures

- Two current pay structures:
- General Gov't Structure:
 - 18 pay grades (10-27)
 - 35%-45% wide; 10% apart
- Police Step Plan
 - 6 Officer steps
 - 5 Sergeant/Detective steps

SECTION 3

Results



Proposed Pay Structures

-
- General Government
 - No structure changes
 - Increasing structure by 3%
 - Police Step Plan
 - No Structure changes
 - Increasing each step by 10%

Gen Gov’t Pay Structure



Johnstown - Proposed 2026 Gen Gov't Pay Structure								
Grade	Annualized			Hourly			Design	
	Min	Mid	Max	Min	Mid	Max	Width	Distance
10	\$42,953	\$50,470	\$57,987	\$20.65	\$24.26	\$27.88	35%	
11	\$47,249	\$55,517	\$63,785	\$22.72	\$26.69	\$30.67	35%	10%
12	\$50,891	\$61,069	\$71,247	\$24.47	\$29.36	\$34.25	40%	10%
13	\$55,980	\$67,176	\$78,371	\$26.91	\$32.30	\$37.68	40%	10%
14	\$61,578	\$73,893	\$86,209	\$29.60	\$35.53	\$41.45	40%	10%
15	\$67,735	\$81,282	\$94,830	\$32.57	\$39.08	\$45.59	40%	10%
16	\$74,509	\$89,411	\$104,312	\$35.82	\$42.99	\$50.15	40%	10%
17	\$81,960	\$98,352	\$114,744	\$39.40	\$47.28	\$55.17	40%	10%
18	\$90,156	\$108,187	\$126,218	\$43.34	\$52.01	\$60.68	40%	10%
19	\$99,171	\$119,006	\$138,840	\$47.68	\$57.21	\$66.75	40%	10%
20	\$106,862	\$130,906	\$154,950	\$51.38	\$62.94	\$74.50	45%	10%
21	\$117,548	\$143,997	\$170,445	\$56.51	\$69.23	\$81.94	45%	10%
22	\$129,303	\$158,396	\$187,490	\$62.17	\$76.15	\$90.14	45%	10%
23	\$142,234	\$174,236	\$206,239	\$68.38	\$83.77	\$99.15	45%	10%
24	\$156,457	\$191,660	\$226,863	\$75.22	\$92.14	\$109.07	45%	10%
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26	\$189,313	\$231,908	\$274,504	\$91.02	\$111.49	\$131.97	45%	10%
27	\$208,244	\$255,099	\$301,954	\$100.12	\$122.64	\$145.17	45%	10%



Police Step Plan

Town of Johnstown 2026 Proposed Step Plan for Sworn, Non-Exempt Police						
<u>Position</u>						
Police Cadet Rate (Non-Sworn)	\$73,902 35.53					
Police Officer	<u>Entry</u> \$86,944 41.80	<u>Step 1</u> \$91,291 43.89 5.00%	<u>Step 2</u> \$95,856 46.08 5.00%	<u>Step 3</u> \$100,649 48.39 5.00%	<u>Step 4</u> \$105,681 50.81 5.00%	<u>Step 5</u> \$110,965 53.35 5.00%
Police Sergeant	<u>Entry</u> \$116,513 56.02	<u>Step 1</u> \$122,339 58.82 5.00%	<u>Step 2</u> \$128,456 61.76 5.00%	<u>Step 3</u> \$134,879 64.85 5.00%	<u>Step 4</u> \$141,623 68.09 5.00%	

Merit Pay Increases

-
- Structure increases covered on the previous slide are Market increases
 - In addition to Market increases, we are recommending a Merit pay increase budget of an additional 2%
 - This would make a total potential pay increase of 5% for all General Government positions (varies by step for Sworn Police)

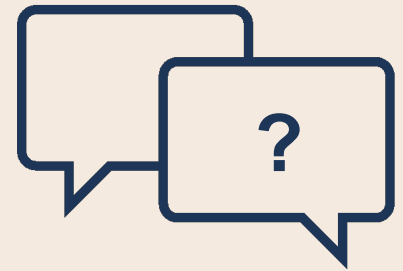
Position Upgrades

-
- In addition to the Market and Merit increase recommendations, we are also recommending position upgrades to 32 positions
 - These upgrades are based on market increases for those positions that have outpaced the overall labor market movement

Implementation

-
- These changes are all pending budget approval
 - If approved, merit increases and pay structure changes will be effective 1.4.26, reflected on check dated 1.23.26
 - Police step progressions occur after their service anniversary
 - All employees will be notified of their specific pay increase by their Manager prior to 1.4.26

Questions





August 21, 2025

Laura Stephens, HR Director
Town of Johnstown, CO
450 S Parrish Ave
Johnstown, CO 80534

Dear Laura,

Thank you for the opportunity to work with the Town again, updating the Compensation Study that was completed in 2023. This market analysis included a thorough review of the current pay structure and all positions within the Town, expanding the Town's defined market to ensure it is reflective of your labor market, and benchmarking all full and part-time positions using current market data.

The result includes recommendations for updates to the Town's pay structures and classification listing as well as recommendations for implementation and ongoing maintenance that we believe will serve the Town well for years to come.

In summary, the Town's pay structures continue to be structurally sound but need to be increased to align with market rates. We believe good internal processes for pay administration and maintenance exist. We were easily provided with all requested information in an organized fashion, provided all analysis that we needed and provided help in facilitating discussions as necessary to complete this analysis. We believe the Town has the infrastructure and systems that will allow for the smooth implementation of our recommendations and ongoing maintenance of the pay structure and systems.

This report covers our full scope of work and includes an overview of our process and methodology, as well as our findings and recommendations.

Sincerely,

Laurie Graves

Laurie Graves
President and Principal Consultant
Graves Consulting, LLC

Graves Consulting, LLC
laurie@graveshrconsulting.com – 918.639.6053

Background

Graves Consulting worked with the Town in 2023 to complete a comprehensive compensation study. Earlier this year, the Town contacted Graves Consulting to request a proposal for a market analysis to ensure all pay structures and position placements are aligned to market. We responded and were awarded the project. Work began in February of this year.

Scope of Work

Like the original compensation study, this market analysis included a comprehensive review of the Town's current pay structure, a review of all job descriptions for current full time and part time positions (including some newly created positions), revisions to the Town's defined market and data analyzing from multiple sources. After months of collaborative effort between Graves Consulting staff and the Town's HR Director, we have created the findings and recommendations outlined below.

Market

A foundational element for this project was reviewing the previously established market with which the Town would compare itself. The intent was to ensure a broad enough view of the labor market to provide statistically valid data and matches for the Town's positions. As the Town has grown and the labor market has continued to be tight, we recommended expanding the Town's defined market to include a few of the larger municipalities in the area. The list below shows the Town's full defined market, with the new additions for this year in blue.

Johnstown Defined Market - Revised for 2025			
Arvada	Federal Heights	Longmont	Adams County
Aurora	Firestone	Loveland	Jefferson County
Boulder	Fort Collins	Milliken	Larimer County
Brighton	Frederick	Northglenn	Weld County
Broomfield	Golden	Parker	Foothills P&R
Centennial	Greeley	Superior	Hyland Hills P&R
Commerce City	Greenwood Village	Thornton	South Suburban P&R
Englewood	Lafayette	Wellington	
Erie	Lakewood	Westminster	
Evans	Lone Tree	Wheat Ridge	
		Windsor	

**Private sector data for the same regions was also included for applicable positions*

Data Sources

Our primary data sources for this project were the most recent survey data from the Colorado Municipal League as well as PayFactors regional data. The information was aged forward to account for market movement from the time the data was collected until the beginning of 2026 when these recommendations are set to be implemented.

Job Matching

Job matching is the other foundational element of a comprehensive market analysis. Ensuring that we understand the Town's positions well enough to choose accurate benchmarks is critical. Graves Consulting collected information on the Town's positions through Job Description review and meetings with HR.

In comparing jobs, we match as many Town positions as possible to the data sources listed above. Between all the survey sources, we were able to match 91 of the Town's 104 current and proposed positions. The remaining positions were "slotted" based on internal equity. We believe this provides a very solid foundation for this Compensation study.

For available matches, we extract actual wages being paid for that job in the Town's defined market. For some positions, the survey pay ranges are reviewed as well.

We use standard "best practices" when matching jobs and extracting data from pay surveys. For example:

- It is common to blend job matches when a Town position matches more than one survey job. We may combine survey positions to reflect the most accurate job match(es) available.
- We review the survey data sample size and do not include some matches with a limited sample size or where we believe an anomaly exists.
- We adjust some job matches as appropriate. For example, we may believe that a Town position is a good match with a job, but we know that the Town's position has higher requirements or licensures than the survey job. We may add a percentage to the survey result to reflect the complexity of the Town's position. We also trend a result downward if we feel the Town's position is at a slightly lower level than the survey position.

Pay Structures and Classification – Current State and Recommended

General Government Pay Structure

Currently, the Town has one open range pay structure for all general government positions. The current structure has 18 pay grades and ranges that vary from 35% to 45% wide. The grades are uniformly distanced from each other, with a midpoint distance of 10% between grades.

Graves Consulting does not propose any structural changes. However, based on the market analysis, we are recommending a 3% increase to the General Government pay structure. We believe this structure will allow the Town the flexibility to adjust maintain alignment to market for all positions over time.

Below is our proposed pay structure:

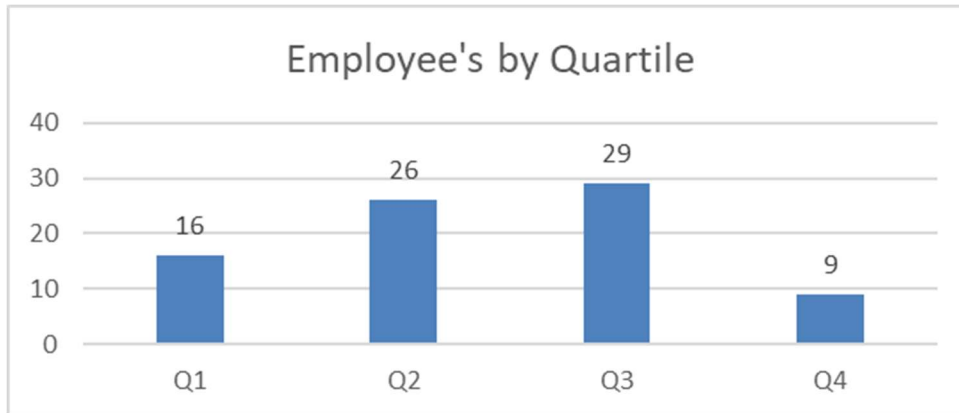
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27	\$208,244	\$255,099	\$301,954	\$100.12	\$122.64	\$145.17	45%	10%

In addition to the structure increase, we are recommending 32 positions be upgraded based on market data. They are as follows:

Position	Current Grade	Proposed Grade
Backflow and Water Quality Technician	13	14
Communications and Engagement Specialist	13	14
Community Service Officer	13	15
Construction Inspector	15	16
Economic Development Specialist	13	14
Engineer II	18	19
IT Manager	20	21
Municipal Court Clerk	13	14
Parks Maintenance Crew Lead	15	16
Planner II	15	16
Senior Center Aide Coordinator	15	16
Senior GIS Analyst	18	19
Streets Maintenance Crew Lead	15	16
Utility Billing Supervisor	15	16
Wastewater Treatment Chief Operator	17	18
Wastewater Treatment Operator I	12	13
Wastewater Treatment Operator II	13	14
Wastewater Treatment Operator III	14	15
Wastewater Treatment Operator IV	15	16
Water and Sewer System Crew Leader Supervisor	17	18
Water and Sewer System Operator I	12	13
Water and Sewer System Operator II	13	14
Water and Sewer System Operator III	14	15
Water and Sewer System Operator IV	15	16
Water Efficiency Coordinator	14	15
Water Meter Technician	13	14
Water Resources Engineer/Manager	19	21
Water Treatment Chief Operator	17	18
Water Treatment Operator I	12	13
Water Treatment Operator II	13	14
Water Treatment Operator III	14	15
Water Treatment Operator IV	15	16

When positions are being upgraded based on market, we typically recommend an additional pay increase for employees in those positions to recognize the fact that those roles have moved more rapidly in the market. To maintain the same placement in range (or compa-ratio) as current, the increase would need to be an additional 10%. However, we know that amount may not be affordable, so we typically recommend anywhere from 5-10% additional. Other factors may be considered as well, including the employee's current placement in their range, to determine if this increase is appropriate.

Further, we did an analysis of where all Town employees on the General Government pay structure are and found the following distribution:



This shows a very normal distribution and suggests that the Town is moving employees appropriately through their pay ranges.

In addition to the structure increase we previously recommended, we also recommend a merit increase of around 2% to ensure employees continue to move through their pay ranges to prevent pay compression.

Sworn Non-Exempt Police Step Plan

Currently, the Town has a separate step-based pay structure for Sworn Non-Exempt Police positions, as is customary. The structure includes Officer and Sergeant.

Graves Consulting is not recommending any structural changes, but we are proposing a 10% increase to each step to reflect the current public safety labor market.

The following shows our proposed structure for these positions:

Town of Johnstown 2026 Proposed Step Plan for Sworn, Non-Exempt Police						
Position						
Police Cadet Rate (Non-Sworn)	\$73,902 35.53					
Police Officer	<u>Entry</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>
	\$86,944	\$91,291	\$95,856	\$100,649	\$105,681	\$110,965
	41.80	43.89	46.08	48.39	50.81	53.35
		5.00%	5.00%	5.00%	5.00%	5.00%
Police Sergeant	<u>Entry</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	
	\$116,513	\$122,339	\$128,456	\$134,879	\$141,623	
	56.02	58.82	61.76	64.85	68.09	
		5.00%	5.00%	5.00%	5.00%	

With a step-based pay structure, the merit increase is already built in. We are not recommending any changes to the amount of each step increase going forward.

Summary

The Town's pay structures have been well maintained over time and good internal controls exist. With the following recommendations, we believe the pay structures for the Town are structurally intact and aligned to the external labor market.

- Increase of 3% to the General Government pay structure
- 32 position upgrades
- Upgrade increase of 5-10%
- A Merit pool of 2% for General Government employees
- Increase of 10% to the Police Sworn, Non-Exempt step plan

We are available to discuss this report in further detail with you or any other members of the leadership team or Town Council, as is appropriate.