



City of Apache Junction Human Resources

DATE: June 30, 2025
TO: Honorable Mayor and City Councilmembers
THROUGH: Bryant Powell, City Manager
FROM: Anna McCray, Human Resources Director
SUBJECT: Fiscal Year 2025-2026 Classification and Compensation Study

As part of the city's proposed Fiscal Year 2025–2026 budget, \$150,000 is included for a comprehensive classification and compensation study. The city conducted a compensation study in 2023 and a comprehensive classification and compensation study in 2015. While compensation studies compare titles and pay to the market comparators, full classification and compensation studies provide a more in-depth review which includes job titles, job descriptions and duties, pay structure and policies, promotional guidelines, and benefits, relative to market comparators.

It is best practice for an organization to regularly evaluate their classification and compensation programs to ensure market competitiveness, transparency and equity in how positions are defined, and employees are compensated.

Specifically, these studies help the city to:

- Ensure that positions are appropriately classified based on duties and job descriptions.
- Maintain market competitiveness in attracting and retaining quality employees.
- Outline clear career paths to incentivize employees to stay with the organization and strive for advancement.
- Promote equity by aligning roles, responsibilities, and compensation across like positions.
- Support transparency and consistency in pay practices, job descriptions, and promotional opportunities.
- Identify gaps and emerging trends in employee benefits that could enhance the city's overall value proposition as an employer.

A Request for Proposals (RFP) was issued on March 13, 2025, and closed on April 17, 2025. The city received 11 responses, which were independently reviewed and scored by a cross-departmental panel of city employees.

Responses were received from:

Bidder	Amount
AutoSolve Inc	\$97,125
Evergreen Solutions LLC	\$74,500
Flaherty & Hood PA	\$135,100
Gallagher Benefit Services	\$68,915
HR Now Consulting	\$84,750
Logic Compensation Group	\$145,250
Management Impact Solutions	\$155,546
McGrath Human resources Group	\$87,675
Paypoint HR LLC	\$92,750
Public Sector personnel Consultants Inc	\$67,000
Segal Group	\$180,000

After the initial assessment, the following four finalists were selected and interviewed:

- Evergreen Solutions
- Logic Compensation Group
- Public Sector Personnel Consultants
- McGrath Human Resources Group

Following interviews, the panel unanimously recommends awarding the contract to Public Sector Personnel Consultants Inc. (PSPC). PSPC submitted the lowest-cost proposal and was determined to be the most responsive vendor. The contract is for an amount not to exceed \$67,000, which includes a two-year survey update through 2027.

The 2025 study will include:

- A comprehensive review of job titles, job duties, and pay across the city's nine designated comparator organizations.
- An assessment of the city's salary schedule structure, pay policies and promotional guidelines.

- A high-level review of total compensation to identify any competitive benefits the city may wish to consider that are not currently offered.

PSPC previously conducted the city's last compensation update in 2023, and the last full classification and compensation study in 2015, bringing valuable institutional knowledge and continuity to this next study. In addition, they are an Arizona based company that is very familiar with Arizona cities and towns.

The proposed contract with PSPC will be placed on the Consent Agenda for the July 15, 2025, City Council Meeting for formal consideration.