



Agenda Abstract

BOARD OF COMMISSIONERS

| | |
|-------------------------|-------------------------|
| Meeting Date: | Sept. 12, 2022 |
| Department: | Administrative Services |
| Agenda Section: | Regular |
| Public hearing: | No |
| Date of public hearing: | N/A |

PRESENTER/INFORMATION CONTACT

Town Manager Eric Peterson
Human Resources Manager Haley Bizzell
Administrative Services Director Jen Della Valle

ITEM TO BE CONSIDERED

Subject: Compensation and Classification Study

Attachments:

Current Classification and Pay Plan

Summary:

Throughout the last couple of years, organizations throughout the nation have had a harder time recruiting and retaining key talent and Hillsborough has certainly not been immune. We are in a very competitive employment market right now. As a small town, we don't have the staffing or redundancy in place that larger organizations often have. Therefore, losing just 1 or 2 critical positions can have devastating impacts on our operations. In the last year, we have had at least 10 job offers declined even after offering what we consider a competitive salary. Prospective candidates are finding employment elsewhere or having our offer countered by their current employer.

One area that we lag some of our neighbors is dependent health care. We're surrounded by jurisdictions that make substantially greater contributions to dependent coverage, which often costs us candidates as well. While our individual coverage is as good or better than others, the cost of dependent care continues to be an issue.

Many of our peers regionally and across the state have either recently conducted a pay study or are in the process of completing one. Earlier this calendar year, we contracted with Piedmont Triangle Regional Council (PTRC) to conduct a pay study of all town positions. Our market comparisons include local governments in the Triad and Triangle area, but our primary market is the Triangle. That's where we're located and who we often lose employees to, other than Mebane. The last pay study we conducted was in 2018, and although we have done salary adjustments since then to reflect merit, reclassifications, compression, etc., we were overdue for a comprehensive analysis of all positions.

Using information provided by departments regarding each position and evaluating market comparison, PTRC has developed proposed implementation options for the board to consider. PTRC Assistant Director Matt Reece will provide a presentation that outlines the methodology used and the different options.

Financial impacts:

The town budgeted \$335,000 across all three funds for implementation of the compensation and classification study (includes \$75,000 for police reclassifications).

The various options that PTRC presents will have varying financial impacts.

Staff recommendation and comments:

Receive update and consider approval of a revised classification and pay plan.

Action requested:

Consider approval of revised classification and pay plan.