

DATE: August 14, 2017
TO: Board of Selectmen
FROM: Human Resources Board (HRB)
SUBJECT: Town Compensation Plan Analysis

In light of the elapsed 15 year period between Compensation Plan reviews, and in recognition of the perception of some that Chilmark wages were not within range of comparable positions in other towns, and that there was some inconsistency between positions, in July 2014 the Board of Selectmen charged the HRB to perform an independent analysis of Chilmark's Compensation Plan. The attached provides the recommendations of the Human Resources Board for your consideration.

We would be happy to attend your August 22 meeting to answer any questions.

RECOMMENDATIONS TO THE BOARD OF SELECTMEN

CHILMARK WAGE ANALYSIS VS. OTHER TOWNS

August 14, 2017

Background

Section 4.1 of the Town's Human Resources Bylaw regarding Classification and Compensation Plans charges the Human Resources Board (HRB) "to review and revise the Town's voter-approved compensation plan as needed from time to time in order to maintain a fair and equitable compensation system for the Town". The current plan has not been reviewed in over 15 years. Staff input suggested the compensation of some positions is not competitive with like positions in other towns on the island.

On July 1, 2014 the Board of Selectmen charged the HRB to perform an independent analysis of the Town's compensation plan. The HRB prepared a brief for a comparative analysis of Chilmark's job descriptions and pay versus the other island towns that have similar job descriptions and responsibilities to Chilmark's positions. Over the past three years three outside firms were hired to perform this analysis. The first was not completed for various technical reasons.

The second, Vineyard Tax Matters (VTM) developed a methodology of comparing the mean of Chilmark's hourly wage range (the average of Step 1 and Step 8 of a grade) to the wage range mean of other towns' for the same position (the average of other towns' step 1 and the highest step for their grades). We employed this methodology with corrected data. The data for analysis was changed as the following deficiencies were found in the VTM report. Some Chilmark positions were assigned the incorrect pay grade; the other towns mean included one or more towns whose job description and responsibilities were not comparable to Chilmark's position. In these instances the other towns included in the mean calculation was refined to those that are closest to Chilmark's position definition.

The third report from UMASS pointed out Chilmark's wage scale is inconsistent among the higher grades (grades 7-12) versus grades 1-6. It found Chilmark's higher grades had a significantly lower difference and hourly wage increase from one grade and step to the next highest grade and same step i.e. Grade 8 Step 1 versus Grade 9 Step 1. The grades 7-12 hourly wage increase from one grade to the next highest grade varied from + 8 % to + 10%. This created a disparity among the pay levels for several positions. By contrast, Chilmark's grades 1-6 had a consistent + 14 % increase from one grade to the next highest grade.

New wage scale and job descriptions:

After reviewing several different wage scale options versus Chilmark's current wage scale, the HRB is recommending a new wage scale that has minor adjustments among grades 1 – 6 to equalize the percent increase between steps to + 3.5% among all 6 grades. It also has a + 11 % hourly wage increase from one grade to the next highest grade among grades 7-12 (see attached FY 2018 comparison of the current versus the new wage scale).

The analysis of Chilmark's positions versus the other towns was subsequently done using both the current wage scale and the proposed new wage scale.

Separately, we found Chilmark's wage grading manual and job descriptions across various positions do not equitably consider the more "professional" positions requiring a specific skill and higher level of education. An example is the seasonal beach superintendent is a grade 9 and the year-round assistant library director/children's librarian is a grade 8. The library position requires the assistant director to become certified by the Commonwealth as a Library Director—the close equivalent of a Master's Degree in Library Science.

Changes made to the sample used for comparable positions in other towns

The sample composition and mean of the other towns for the following Chilmark positions was revised as outlined below:

Tax Collector:	Mean excludes Tisbury (has Tax Coll. + Treasurer in one job).
Treasurer:	Mean excludes Tisbury (has Tax Coll. + Treasurer in one job).
Superintendent of Streets:	Mean excludes Oak Bluffs and Tisbury (do not have comparable jobs).
Maint. Super. of Bldings:	Mean is vs. Tisbury only (the only comparable position).
Admin. Ass't. to BOS:	Mean excludes Oak Bluffs (does not have this position).
Ass.t. Lib. Dir./Child. Lib.:	Mean is vs. Edgartown only (the only town that combines the two responsibilities).

Recommendations for FY 2018:

1. Seek town meeting approval at the planned fall Special Town Meeting of the new wage scale for grades 1-12.
2. Seek town meeting approval at the planned fall Special Town Meeting to add \$35,000 to the approved FY 2018 town salary budget. This will enable the new wage scale to be implemented and funded retroactive to July 1, 2017. For example, if an employee is at grade 8 step 5 of the current FY 2018 wage scale (\$30.17/hour), this employee would go to Grade 8 Step 4 of the new wage scale (\$30.83) for FY 2018—an increase of + 66 cents/hour.

The goal of this analysis was to have Chilmark's hourly pay competitive with the other towns with like positions. The new wage scale places the mean hourly pay of the 23 Chilmark positions analyzed versus the other towns with comparable jobs as follows:

Chilmark positions with equal to or higher compensation versus like positions in other towns

Old Wage Scale: 11 Positions: the mean hourly wage is equal to or higher than the other comparable towns. 5 of these 11 positions are in grades 7-12.

New Wage Scale: 14 Positions: the mean hourly wage is equal to or higher than the other comparable towns' positions. 8 of these 14 positions are in grades 7-12.

Chilmark positions with lower compensation versus like positions in other towns

Old Wage Scale: 12 Positions: the mean hourly wage is below the mean of the other comparable towns. 11 of these 12 positions are in grades 7-12.

New Wage Scale: 9 Positions: the mean hourly wage is below the mean of the other comparable towns. 8 of these 9 positions are in grades 7-12. The recommended actions for 6 of the positions that have significant deficiencies are included in the recommendations for FY 2019.

Recommendations for FY 2019:

The foregoing analysis identified six positions that require a re-grading analysis to ensure equity. This will be done before the end of October for the Selectmen's consideration to meet the FY 2019 budget planning schedule. The positions are:

1. Town Accountant
2. Tax Collector
3. Town Clerk
4. Superintendent of Streets
5. Cert. Admin. Assist./Health Inspector
6. Assistant Library Director/Children's Librarian

Current Wage Scale FY 2018

Grade	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	Step 8 % Incr.
1	\$11.72	\$12.11	\$12.54	\$12.98	\$13.44	\$13.92	\$14.39	\$14.89	
2	\$13.36	\$13.81	\$14.31	\$14.80	\$15.31	\$15.85	\$16.40	\$16.98	14%
3	\$15.20	\$15.75	\$16.29	\$16.87	\$17.45	\$18.06	\$18.70	\$19.35	14%
4	\$17.34	\$17.95	\$18.59	\$19.23	\$19.90	\$20.60	\$21.32	\$22.06	14%
5	\$19.77	\$20.47	\$21.18	\$21.92	\$22.70	\$23.50	\$24.25	\$25.13	14%
6	\$22.54	\$23.31	\$24.13	\$24.96	\$25.83	\$26.71	\$27.66	\$28.69	14%
7	\$24.34	\$25.19	\$26.06	\$26.99	\$27.92	\$28.92	\$29.92	\$30.94	8%
8	\$26.29	\$27.22	\$28.15	\$29.12	\$30.17	\$31.20	\$32.27	\$33.46	8%
9	\$28.92	\$29.92	\$30.97	\$32.04	\$33.13	\$34.29	\$35.51	\$36.79	10%
10	\$31.51	\$32.62	\$33.76	\$34.95	\$36.18	\$37.45	\$38.78	\$40.11	9%
11	\$34.04	\$35.22	\$36.41	\$37.71	\$39.02	\$40.37	\$41.85	\$43.30	8%
12	\$36.76	\$38.05	\$39.40	\$40.77	\$42.20	\$43.66	\$45.16	\$46.78	8%

New Wage Scale FY 2018

Grade	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	
1	\$11.72	\$12.13	\$12.55	\$12.99	\$13.45	\$13.92	\$14.41	\$14.91	
2	\$13.36	\$13.83	\$14.31	\$14.81	\$15.33	\$15.87	\$16.42	\$17.00	14%
3	\$15.23	\$15.76	\$16.32	\$16.89	\$17.48	\$18.09	\$18.72	\$19.38	14%
4	\$17.36	\$17.97	\$18.60	\$19.25	\$19.93	\$20.62	\$21.34	\$22.09	14%
5	\$19.79	\$20.49	\$21.20	\$21.95	\$22.71	\$23.51	\$24.33	\$25.18	14%
6	\$22.57	\$23.36	\$24.17	\$25.02	\$25.89	\$26.80	\$27.74	\$28.71	14%
7	\$25.05	\$25.92	\$26.83	\$27.77	\$28.74	\$29.75	\$30.79	\$31.87	11%
8	\$27.80	\$28.78	\$29.78	\$30.83	\$31.91	\$33.02	\$34.18	\$35.37	11%
9	\$30.86	\$31.94	\$33.06	\$34.22	\$35.41	\$36.65	\$37.94	\$39.26	11%
10	\$34.26	\$35.46	\$36.70	\$37.98	\$39.31	\$40.69	\$42.11	\$43.58	11%
11	\$38.02	\$39.36	\$40.73	\$42.16	\$43.63	\$45.16	\$46.74	\$48.38	11%
12	\$42.21	\$43.68	\$45.21	\$46.80	\$48.43	\$50.13	\$51.88	\$53.70	11%

\$ Difference New vs. Current

Grade	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
1	\$0.00	\$0.02	\$0.01	\$0.01	\$0.01	\$0.00	\$0.02	\$0.02
2	\$0.00	\$0.02	\$0.00	\$0.01	\$0.02	\$0.02	\$0.02	\$0.02
3	\$0.03	\$0.01	\$0.03	\$0.02	\$0.03	\$0.03	\$0.02	\$0.03
4	\$0.02	\$0.02	\$0.01	\$0.02	\$0.03	\$0.02	\$0.02	\$0.03
5	\$0.02	\$0.02	\$0.02	\$0.03	\$0.01	\$0.01	\$0.08	\$0.05
6	\$0.03	\$0.05	\$0.04	\$0.06	\$0.06	\$0.09	\$0.08	\$0.02
7	\$0.71	\$0.73	\$0.77	\$0.78	\$0.82	\$0.83	\$0.87	\$0.93
8	\$1.51	\$1.56	\$1.63	\$1.71	\$1.74	\$1.82	\$1.91	\$1.91
9	\$1.94	\$2.02	\$2.09	\$2.18	\$2.28	\$2.36	\$2.43	\$2.47
10	\$2.75	\$2.84	\$2.94	\$3.03	\$3.13	\$3.24	\$3.33	\$3.47
11	\$3.98	\$4.14	\$4.32	\$4.45	\$4.61	\$4.79	\$4.89	\$5.08
12	\$5.45	\$5.63	\$5.81	\$6.03	\$6.23	\$6.47	\$6.72	\$6.92