To: Selectboard
From: Ellie Russell
Date: 7/31/2015
Subject: Mary Mead's criticisms

Mary's criticisms of the Town wage administration plan center primarily on the plan's relationship to the market. **It is important to understand that the primary goal of the program is to establish equity between positions in the Town of Charlotte through the job evaluation process. Our market data was used only to determine if our grid placed us in a reasonable position with regard to the market**. The important goal in the job evaluation process was to establish a solid salary program that resulted in a salary program based on job value. The value of jobs and their relationship to each other was established through a system that measures each job based on various components recognized by professional human resources consultants as significant in determining job value. Each job is placed in a pay grade based on this value.

A second goal of the program is to create a salary schedule that is competitive in the market from which the Town recruits applicants. In order to accomplish this, reliable data regarding salaries paid for similar jobs is necessary. Unfortunately, due to small numbers in the data we could obtain, our market data is not statistically valid. The only data available was that from a VLCT annual survey of salaries in those towns in Vermont that chose to submit data. The data is unreliable because there is insufficient data and no information regarding length of service of the individuals whose salary was reported. **The data was useful only in judging whether our pay schedule, as determined by job values, was in the ball park with regard to market.** In addition to the VLCT data Selectboard members visited six similar Vermont towns and obtained salary information that included length of service and the nature of each job. Putting all of this together, we determined that we were reasonably placed somewhere between towns with a population of 3-5000 and towns in Chittenden County (meaning somewhat higher than the 3-5000 population towns and somewhat lower than Chittenden County). With advice from our consultant we chose to identify our market as towns with a population of 3000-5000. In fact for some jobs we may need to compete with Chittenden County and for other jobs a more meaningful market value is that of jobs in towns of a size similar to Charlotte.

Our pay grade grid primarily resolved existing inequities with the relationship of jobs in the Town of Charlotte and established a process for recognizing continued experience of Town employees. It also established a guide for the determination of appropriate salaries when experienced applicants are employed and that market adjustments may be necessary for any particular jobs for which we experience recruitment difficulties due to the salary we offer.

With regard to Mary's issue with her own salary, there is almost always a salary range for all positions in any place of employment. **When an employee reaches the maximum no further increases are typically given unless the entire range is adjusted**. This could be increased to a longer time frame, but that would result in smaller increases each year. After working with various configurations the Selectboard chose the 15 year maximum with increases of 1% for the first 5 years, .75 for the second five years, and .5 for the final five years. This is based on industry research that confirms that an employee's growth in the same job slowly decreases over time.

It is unfortunate that Mary did not come to me with her most recent criticisms. Had she done so, perhaps her understanding of the process and my role in it and could have been clarified and at least one error in her data could have been corrected. This I deeply regret.