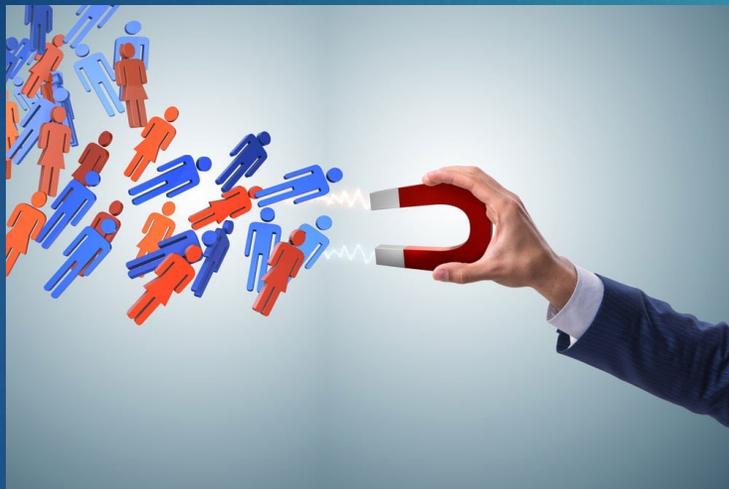




Town of Preston



Compensation and Classification Study Information

The Study



- ▶ We partnered with the Town of Brooklyn and engaged an independent firm—Randi Frank Consulting LLC (RFC).
- ▶ RFC was established in 2000 in Connecticut—Randi and her associate who worked on the study have a combined 50 years of experience with public and private entities.
- ▶ RFC has worked with over 60 municipalities to conduct studies and executive searches.
- ▶ By partnering we saved on the associated costs in completing this study.
- ▶ Communities surveyed:
 - ▶ Brooklyn
 - ▶ Griswold
 - ▶ Lebanon
 - ▶ Ledyard
 - ▶ North Stonington
 - ▶ Norwich
 - ▶ Preston
 - ▶ Putnam
 - ▶ Salem
 - ▶ Thompson
 - ▶ Willington
 - ▶ Woodstock



The Legalize

Implementation and required actions have been reviewed and approved by our Town Attorney.

No Action Required—For Informational Purposes Only

Salary increases, as a result of the study, for employees are factored into the approved 2023-2024 budget. With the exception of the part-time firefighters. Further action will be required.

Action Required

Action was taken at a Town Meeting on December 7, 2023 to adjust elected officials wages in accordance with the recommendation of the Board of Finance.

What is a Classification and Compensation Study?*



- ▶ These studies are conducted to re-examine the responsibilities, salary and work performed by various positions.
- ▶ The study's purposes are to develop new job descriptions, classify the positions according to a uniform factor point analysis standard, survey the market of comparable communities to determine representative rates of compensation and to develop and recommend a pay plan.
- ▶ As a result of these studies each position is classified and assigned a pay plan grade according to its relative economic job worth in relation to the marketplace and other similarly classified positions within the Municipality. The end result is a Classification Plan (pay grades) and Compensation Plan (salary schedule) along with new job descriptions.

*Excerpted from Randi Frank Consulting LLC



What does a Classification and Compensation Study Involve?*

- ▶ Compensation means the salary paid to an employee.
- ▶ Classification is a system which identifies which jobs are classified together in a separate grade. For example a Custodian may be a Grade 1 and an Administrative Assistant Grade 2.
- ▶ When RFC conducts a Classification and Compensation study they start by reviewing all job descriptions. Employees are provided with a questionnaire so they can tell RFC about the specific and general responsibilities, qualifications, physical requirements, knowledge, skills and abilities that relate to their position. Each employee is interviewed by RFC so that they can prepare a draft Job Description.
- ▶ The second major step is to conduct a salary survey of similar organizations to determine the market rate (average of other salaries) for similar type positions.
- ▶ The third step is to assign points to each Job Description based on job factors such as authority, autonomy, impact, scope, working environment, complexity and qualifications. This creates the classification system. For example all positions at 300 points would be at the same classification grade, and therefore the same pay opportunities. Everyone is not paid the same in a grade. Equal pay for equal work.
- ▶ The last process is to combine the external market data with the internal classification system to determine the new Compensation and Classification Plan with updated salary grades, based on a fair and equitable system.



Why a Compensation and Classification Study?

- ▶ A Compensation and Classification Study is a useful tool to help retain and attract talent in an employee-centric market ¹.
- ▶ Consistent and documented job descriptions as well as salary schedules that **ensure internal equity** are essential as a municipality in transparency to our citizens and in fairness to our employees.
- ▶ It determines the market value of each job, benchmarks salary ranges, proposes equitable salary ranges and ensures internal equity ¹.
- ▶ Organizations can benefit from conducting regular compensation analyses to see if they are paying a fair salary or if they need to reevaluate pay to keep and attract talented employees ².
- ▶ The result of a compensation analysis is a formal pay structure organizations should use as a guide in hiring or adjusting pay ².
- ▶ A good compensation study can allow an organization to make better decisions when building or updating the salary schedule ³.

Excerpted from 1-exudehc.com, 2-indeed.com and 3-hm.cpa



The Process—Step 1

- ▶ Employees completed a Knowledge, Skills and Abilities Plus questionnaire that provided them with the opportunity to detail the roles and responsibilities of their position
- ▶ The questionnaire asked employees to provide:
 - ▶ Minimum qualifications for their position along with their years of experience.
 - ▶ Details regarding their special knowledge/abilities.
 - ▶ Their level of interaction with the public, staff and others.
 - ▶ The amount of supervision they receive or give.
 - ▶ The consequences if they made an error performing their duties.
 - ▶ Their work environment and physical requirements.
 - ▶ Detailed information of the essential functions of their position.



The Process —Step 2

- ▶ Employees and department managers were individually interviewed by a representative of RFC to review their questionnaire responses and for the consulting firm to gain a greater understanding of each position.
- ▶ New job descriptions were prepared for each position that were reviewed by each employee, Department Managers and the First Selectperson.
- ▶ Salary surveys were received by the ten towns, plus Brooklyn and Preston and evaluated by RFC
- ▶ Salary schedules were established for review by both Brooklyn and Preston and were reviewed with each community.
- ▶ The salary schedules classified positions based on responsibilities, risks and knowledge, skills and abilities.



Employee Classification Study Results

*Exempt



| Class | Title | Minimum | Midpoint | Maximum |
|-------|--|---------|----------|---------|
| 4 | Assistant to Treasurer Nutrition Senior Center Assistant (2) Recreation Assistant Transfer Station Attendant | \$19.55 | \$22.00 | \$24.44 |
| 5 | Parks Maintainer Assessor Assistant Land Use Assistant Administrative Floaters Assistant Town Clerk/Tax Collector (2) Assistant Building Department | \$21.77 | \$24.50 | \$27.22 |
| 6 | Firefighter/EMT Full-Time (2) Firefighter/EMT Part-Time (13) Public Works Maintainer (4) | \$23.11 | \$26.00 | \$28.89 |
| 7 | Executive Assistant to First Selectperson Public Works Mechanic/Transfer Station Supervisor Zoning Enforcement Agent (currently contracted) | \$24.00 | 27.00 | \$30.00 |
| 8 | Inland Wetlands Agent Public Works Crew Leader | \$24.88 | \$28.00 | \$31.11 |
| 9 | Municipal Agent for Elderly* Fire Captain/Deputy Fire Marshal* | \$26.66 | \$30.00 | \$33.33 |
| 11 | Treasurer/Accountant* | \$31.11 | \$35.00 | \$38.88 |
| 12 | Parks and Recreation Director/YSB Coordinator* | \$32.98 | \$37.00 | \$41.22 |
| 13 | Town Clerk/Tax Collector* Public Works Manager | \$34.66 | \$39.00 | \$43.33 |
| 15 | Assessor (currently contracted) Building Official (currently contracted) Town Planner | \$38.22 | \$43.00 | \$47.78 |
| 16 | Fire Chief/EMD* | \$39.11 | \$44.00 | \$48.89 |
| 20 | Director of Finance and School Business Operations* First Selectperson* | \$58.88 | \$64.00 | \$71.12 |

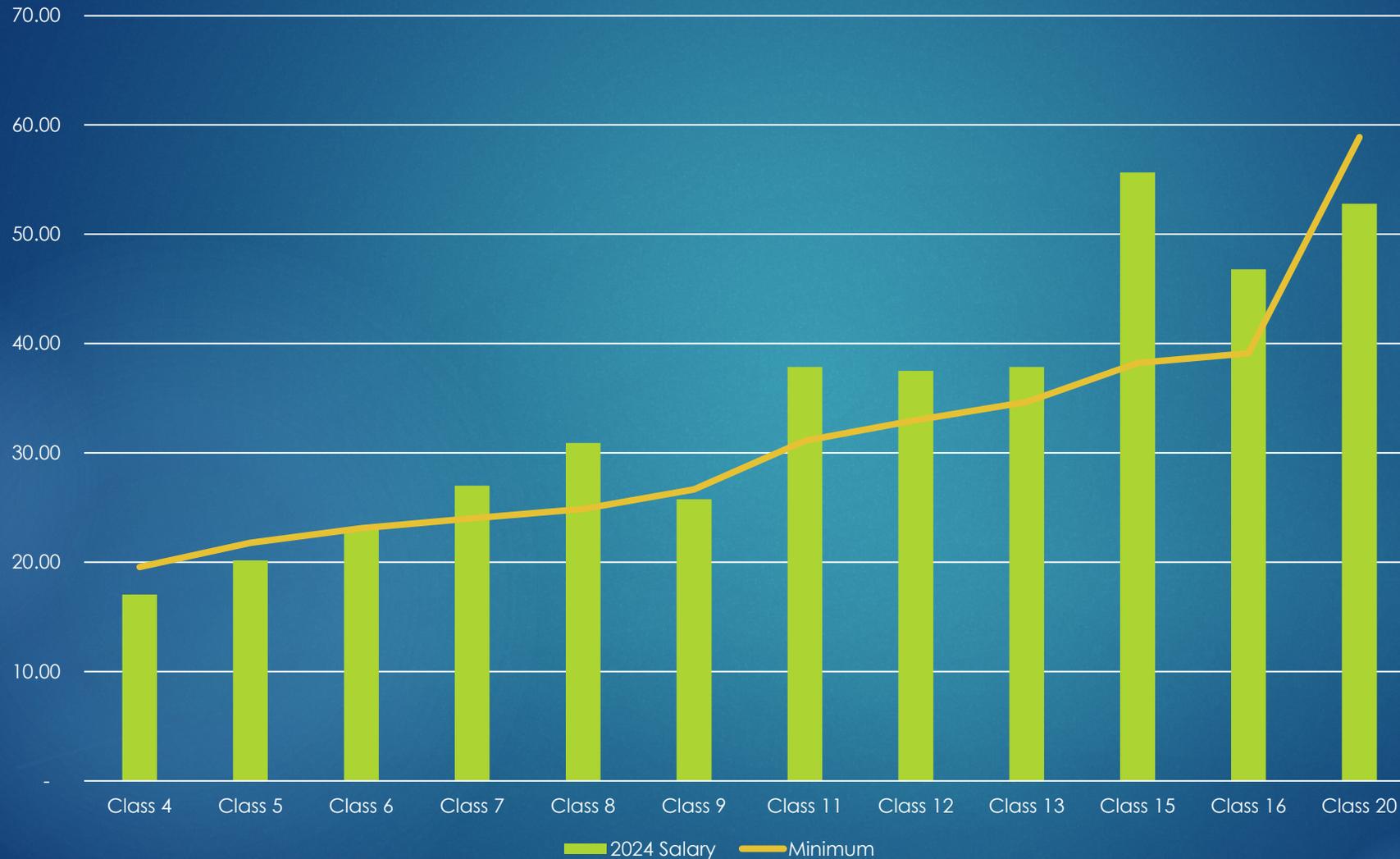


Implementing the Compensation Study

- ▶ The compensation study provided us with recommended wages for employees based on a minimum, maximum and midpoint.
- ▶ The initial goal was to achieve the minimum wage recommendation for all employees. We have achieved that with the exception of the part-time firefighters and First Selectperson
- ▶ Once all employees are at least the minimum, we will look to do additional adjustments based on years of service and/or experience.
- ▶ We have approximately 44 employees (full and part time), prior to the implementation of the study:
 - ▶ 61% of our workforce was below the minimum recommendation.
 - ▶ 23% of our workforce are below the midpoint recommendation
 - ▶ 7% of our workforce are above midpoint recommendation
 - ▶ 5% of our workforce are above the maximum recommendation
- ▶ RFC recommends that placement within range once at minimum should be based on years of service/experience. For example individuals with five years of service/experience should be above minimum and individuals with 10 years of service/experience should be close to midpoint. Individuals with continued exemplary performance may move to maximum. Placement on compensation scale for new hires may be impacted by market conditions.
- ▶ We recognize we cannot make all of these adjustments in one step and that we will be need to be planful and deliberate to achieve internal equity and to continue to attract new employees when we need to.



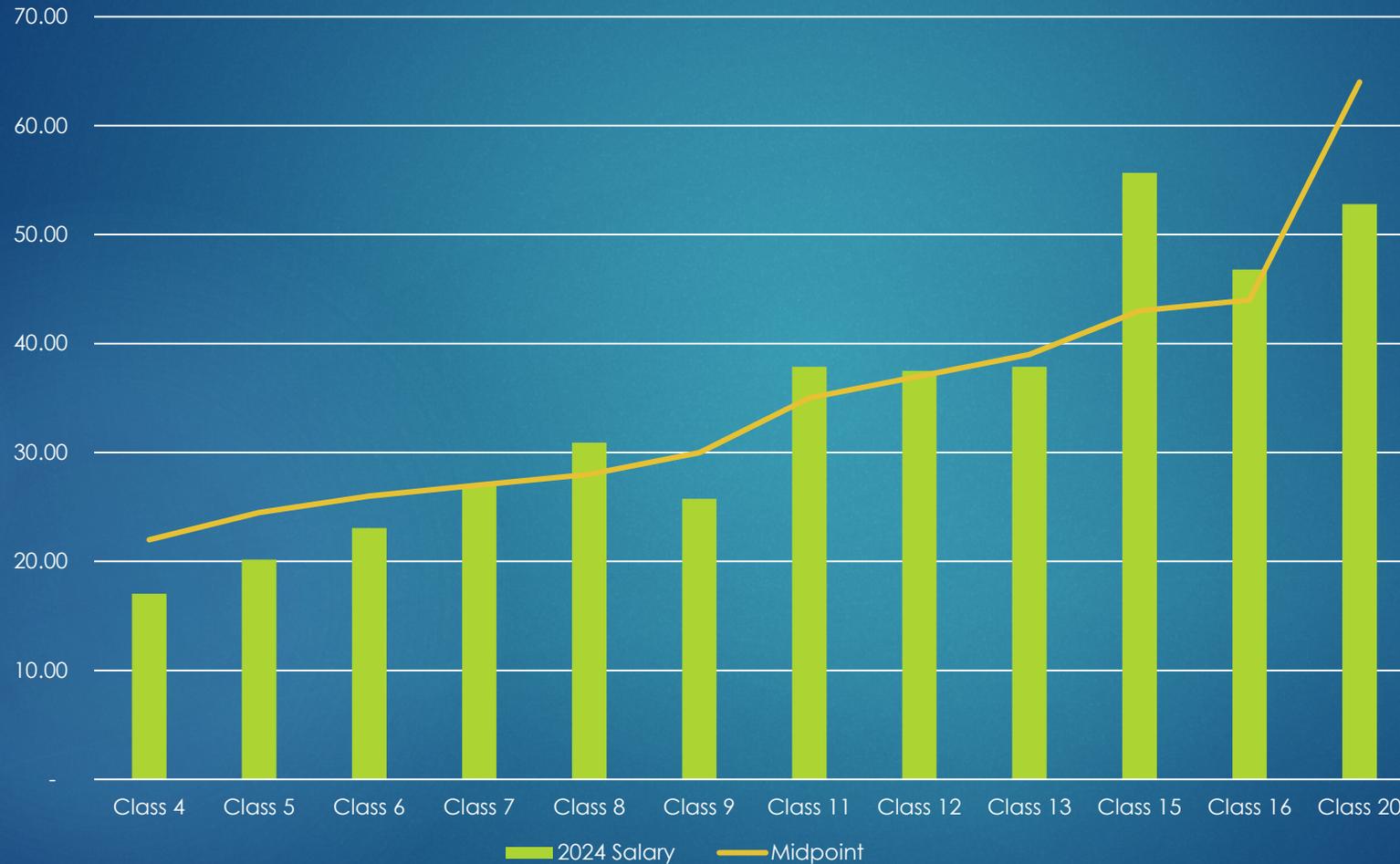
Comparison Survey Minimum to Preston Salaries



Each pay class reflects the average of the employees in that class.



Comparison Survey Midpoint to Preston Salaries



Each pay class reflects the average of the employees in that class.



The Cost to Implement at Minimum Recommendation (not elected positions)

| Position Classification | Additional Cost |
|-------------------------|-----------------|
| Class 4 | \$9,452 |
| Class 5 | \$8,522 |
| Class 9 | \$4,823 |
| Class 12 | \$12,204 |
| Total | \$35,001 |
| Budgeted Adjustment | \$50,000 |
| Variance | \$14,999 |
| Class 6* | \$39,959 |
| Variance** | (\$24,960) |

*Firefighters/EMTs part-time.

There is opportunity to absorb the additional cost within the budget. We budgeted for the state pension rate at 19.57% and the state reduced that to 15.75%. This reduction passed via legislation and was not approved at the time of our budget process. The reduction resulted in a savings of approximately \$41,000.

Request of Selectmen



Prior to the finalization of the study, the Selectmen made this request to the Board of Finance on March 15, 2023.

John Moulson
Chair Preston Board of Finance
3/15 2023

Good day,

We both would like to request a pay raise to the Selectman line item for the 2023-2024 fiscal year. We are asking for a 10% raise for the First Selectman/woman only. The other selectman salaries would remain the same. If you so desire this raise could happen after municipal elections occur in November. The BoF controls this line item.

The First Select position requires a person to wear multiple hats. The office has definitely evolved over the years, especially during and in the wake of the Pandemic. The First Select person is required to be an expert in human resources, grant writing, as witnessed by our recent bridge funding, police chief, and the first person residents go to with complaints. It has really turned into more than a thirty-two hour per week job. The compensation should be adjusted accordingly.

Thank you all for the time you put in to make our town a better community.

Sincerely,

Jerry Grabarek

Ken Zachem



Elected Officials

At Town Meeting on December 7, 2023 the Board of Finance recommendations were overwhelmingly approved.

As a result:

- The Town Clerk/Tax Collector is at midpoint.
- The First Selectperson's salary was increased by 10%, but is still not at the recommended minimum for that position. To bring that position to minimum is an additional \$26,707.

| Class | Title | Minimum | Midpoint | Maximum | Current |
|-------|--------------------------|---------|----------|---------|---------|
| 13 | Town Clerk/Tax Collector | \$34.66 | \$39.00 | \$43.33 | \$38.77 |
| 20 | First Selectperson | \$58.88 | \$64.00 | \$71.12 | \$41.85 |



First Selectperson Salary Historical Perspective

| Years and Historical Salary Increase | Former First Selectperson Annual Salary (all wages combined) | Hourly Wage at 40 hours per week | Hourly Wage at 32 hours per week | Current First Selectperson Annual Salary | Hourly Wage at 40 hours per week | Hourly Wage at 32 hours per week | Difference |
|--------------------------------------|--|----------------------------------|----------------------------------|--|----------------------------------|----------------------------------|------------|
| 2018-2019 | \$92,194 | \$44.32 | \$55.41 | n/a | n/a | n/a | n/a |
| 2019-2020 | \$94,038 | \$45.21 | \$56.51 | n/a | n/a | n/a | n/a |
| 2020-2021 @ 1% increase | \$95,449 | \$45.89 | \$57.36 | \$79,300 | \$38.13 | \$47.66 | (\$16,149) |
| 2021-2022 @ 2.0% increase | \$97,357 | \$46.81 | \$58.51 | \$80,490 | \$38.70 | \$48.37 | (\$16,867) |
| 2022-2023 @ 4% increase | \$101,252 | \$48.68 | \$60.85 | \$83,710 | \$40.25 | \$50.31 | (\$17,542) |
| 2023-2024 @ 4% increase | \$105,302 | \$50.63 | \$63.28 | \$87,057 | \$41.85 | \$52.32 | (\$18,244) |



What's Next?

- ▶ We will be continuing our work with Randi Frank Consulting LLC to establish and implement a performance evaluation system.
- ▶ We believe it is essential that we conduct annual performance evaluations.
- ▶ We are proud to be implementing the Compensation and Classification Study to bring about internal equity and to create greater transparency to our citizens and employees.

**THE FUTURE
DEPENDS ON WHAT
YOU DO TODAY.**

- MAHATMA GANDHI