



February 18, 2020
COUNCIL WORKSHOP
9:00 A.M.-PITTS CENTER

1. Opening
 - A. Call Meeting to Order
 - B. Pledge of Allegiance
 - C. Moment of Silence
 - D. Approval of Agenda
2. General Public Comment (Limit: 3 minutes per speaker)
3. Business Items
 - A. Pay Study Report (*Piedmont Triad Regional Council*) David Hill **TAB 1**
 - B. Public Hearing- Town Manager Search Process & Timeline (*The Mercer Group, Inc.*) Ellis Hankins **TAB 2**
4. Council Comments
5. Adjourn



PIEDMONT TRIAD REGIONAL COUNCIL

1398 CARROLLTON CROSSING DRIVE
KERNERSVILLE, NC 27284
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MATTHEW L. DOLGE • EXECUTIVE DIRECTOR



Pay Plan and Position Classification Study Town of Southern Shores, North Carolina

February 10, 2020



**Prepared and Presented By:
Piedmont Triad Regional Council**



PIEDMONT TRIAD REGIONAL COUNCIL

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Mr. Wes Haskett, Interim Manager/Planning Director
Town of Southern Shores
5375 N. Virginia Dare Trail
Southern Shores, North Carolina 27949

February 10, 2020

RE: Pay Plan and Position Classification Study

Dear Mr. Haskett,

Thank you very much for the opportunity and privilege of presenting this Pay Plan and Position Classification Study Report conducted and presented by Piedmont Triad Regional Council. The report presents an analysis of Southern Shores present position classification system and pay plan and presents the methodology and data used to review and update the present job descriptions and introduces a new Pay Plan. Additionally, the report contains the results of our data analysis and presents recommendations regarding class and pay elements.

The effectiveness of Local Government is measured in several ways but, perhaps, the two most important measurements are the stewardship of public dollars and the delivery of services to its citizens. The information contained in this report is based on a comprehensive review and comparable analysis of Southern Shores classification system to those of previously identified local government entities. The analysis provides the data necessary to ensure Southern Shores geographic market competitiveness and to assist in attracting new employees as well as retaining current employees needed to meet Southern Shores service requirements.

We sincerely appreciate the hospitality you and your staff have extended to us as well as the cooperation we received from everyone during the completion of the Position Analysis Questionnaire and the follow-up employee interviews and meetings.

Respectively Submitted,

David Hill

Bob Carter

Management Analysts
Piedmont Triad Regional Council

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I. Initial Workforce Analysis

Employment

- 37.5% of employees have been employed 5 years or less
- 58.3% of employees have been employed 10 years or less
- Average number of years employed: **8.2 Years**

Time in Position

- 54.2% of employees have been in their current positions 5 years or less
- 83.3% of employees have been in their current positions 10 years or less
- Average number of years employed in current position: **5.4 Years**

Salaries in Relation to Pay Grade Minimums

- 38.1% of employees have salaries 5% or less above their salary grade minimum
- 38.1% of employees have salaries 10% or less above their salary grade minimum
- 71.4% of employees have salaries **below** the market value (midpoint) for their salary grade

Salary Averages

- Average percentage above salary grade minimum: 16.3%
- Average Salary Grade: 16.2
- Average annual base salary: \$62,622
- Average annual base salary of identified market local governments: \$50,237

II. Initial Workforce Summary

From the initial analysis, Southern Shores has a relatively mature workforce as it pertains to overall average length of service. However, the Town as a relatively immature workforce based on length of service in their current positions.

Approximately 37% of the Town's workforce has been employed 5 years or less and 58.3% have been working in their current position 5 years or less. We believe a mature workforce would reflect an average of 8 to 10 years employment as well as time working in their current position.

With a relatively mature workforce an employee with 8+ years' experience in their job role, and performing the job with demonstrated proficiencies and competencies, would be expected to be earning between 24% - 26% above the minimum of their salary grade. While the average salary is 16.3% above minimum, 38.1% of Southern Shores employees have salaries less than 5% above their salary grade minimum and 71.4% of employees have salaries less than the market value (midpoint) for their salary grade. These percentages are indicative of a workforce that is marginally mature and where salaries are not significantly compressed at the lower end of the salary range.

The information provided is based solely on the workforce demographics at the beginning of the pay and position classification study and contains no information based on or derived from any data collected for that study.

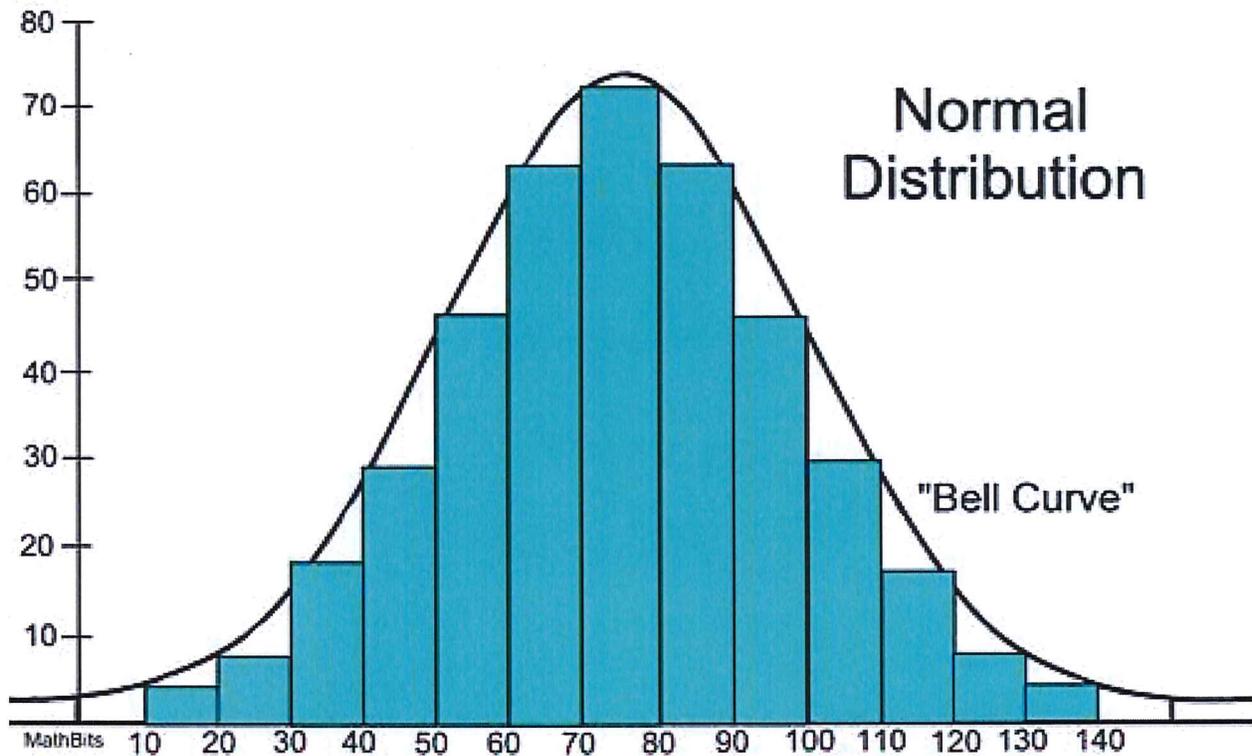
The following charts provide a graphical representation of Southern Shores workforce as to salary grade assignment, original employment date, date employed in current position, as well as other workforce data.

III. Comparative Charts

The “Bell Curve”

The following workforce charts should be viewed against the backdrop of the standard deviation “Bell Curve”. All workforce measurements should be considered in relation to standard deviation (normal distribution) where a relatively few employees will be found on the extreme left and right sides of the scale while the majority of employees would be expected to appear at, or near, the midpoint of the scale, whether measuring length of employment, salaries, employee performance or any other workforce metric

In a mature workforce, two-thirds of the employees should be in the middle one-third of standard deviation. We use an average of 8 to 10 years employed by the Town as a mature workforce. Southern Shores average years of employment is 8.2 years.



We have a technical inability to reproduce an exact Bell Curve on the following charts and have substituted the Bell Curve with an arc to compare the Town’s workforce data to the normal distribution.

CHART ONE

Pay Grade Distribution

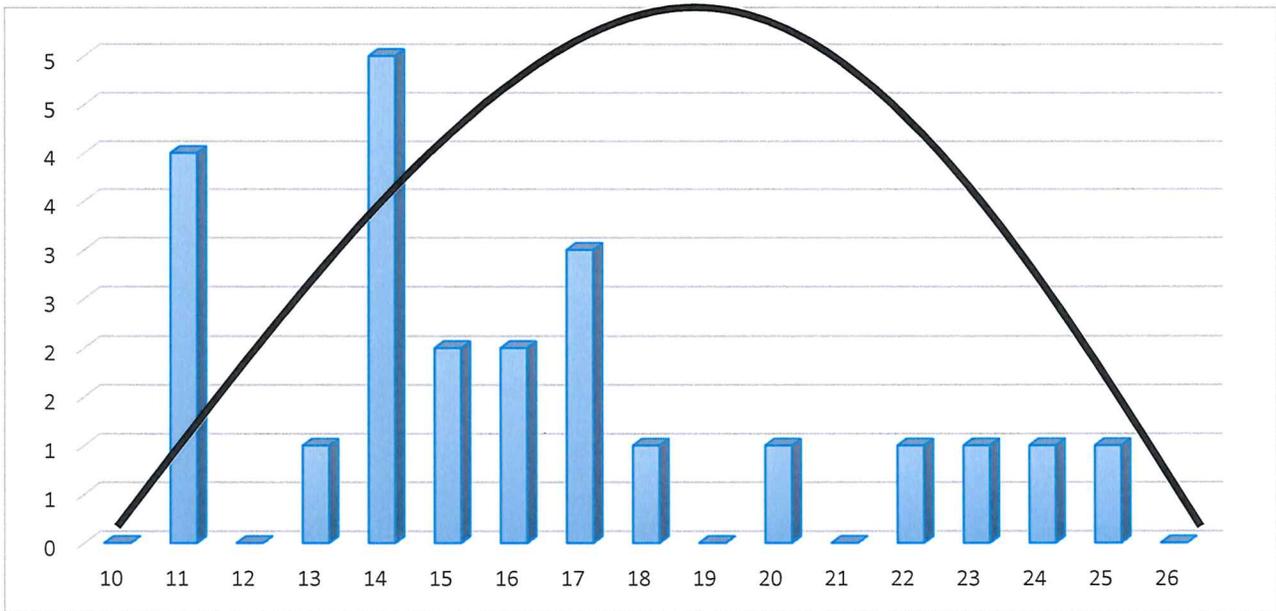


Chart One:

Southern Shores current Pay Plan has 16 salary grades 10 through 26. The majority of employees (5) are in job roles assigned to grade 14 followed by assignment to grades 11 and 17. This listing of employees, by pay grade assignment, reflects a typical employee distribution with less skilled classifications being assigned to the lower pay grades, technical and para professional classifications being assigned to the middle grades, and professional and management classifications being assigned to the higher pay grades.

The average pay grade assignment is 16.2.

CHART TWO

Employees by Year Employed

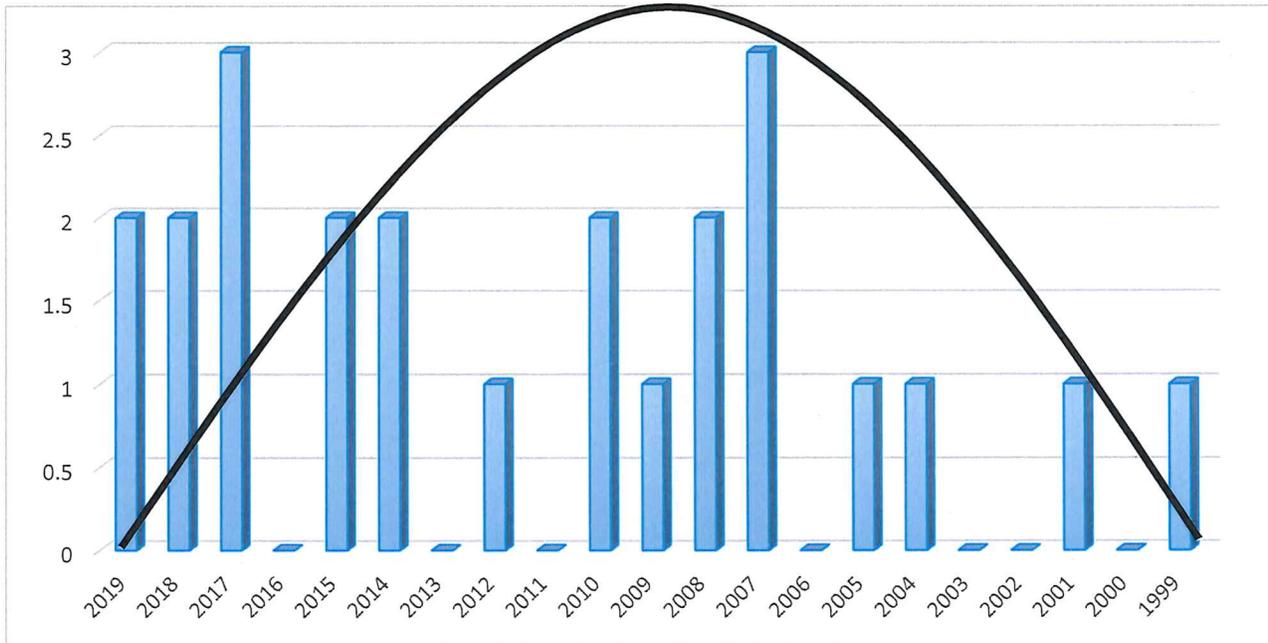


Chart Two:

This chart provides the graphical representation of the distribution of employees by years of employment.

Southern Shores has a marginally mature workforce with 8.2 average years of employment. The longest serving employee has been working with the Town for 21 years. Not available for this chart are the number of employees employed each year. The data represents the number of employees employed each of the shown years and who were still employed at the beginning of the study. In 2019 there were two Public Works Maintenance Technicians employed and in 2018 there were two Public Works Maintenance Technicians and one Police Officer employed. Also, 37.5% of the workforce has been employed five years or less, and 58.3% have been employed ten years or less.

CHART THREE

Employees by Year in Current Position

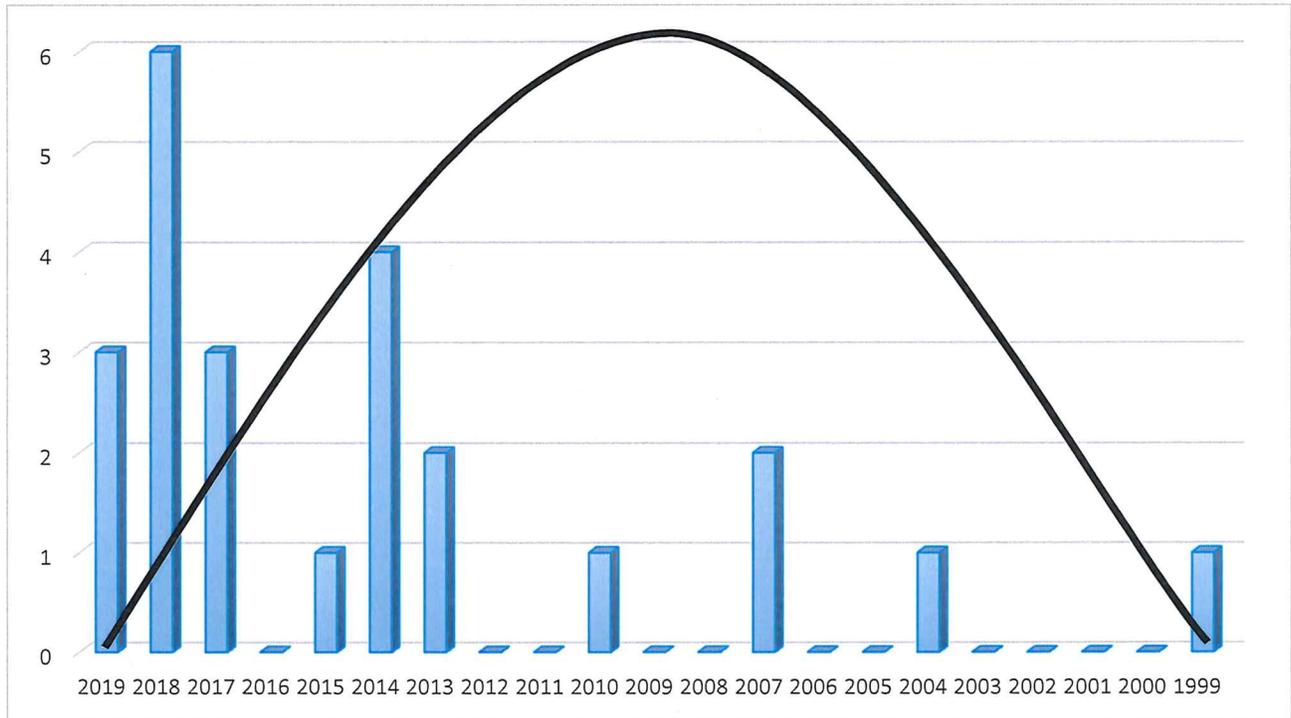


Chart Three:

This chart provides a graphical representation of the distribution of employees by the year employed in their current position. The Town's workforce is relatively young with 5.4 average years employed in their current positions. Also, 54.2% of employees have been in their current position five years or less while 83.3% have been in their current positions ten years or less.

CHART FOUR

Employee Salaries as Percentage Above Their Grade Minimum Salary

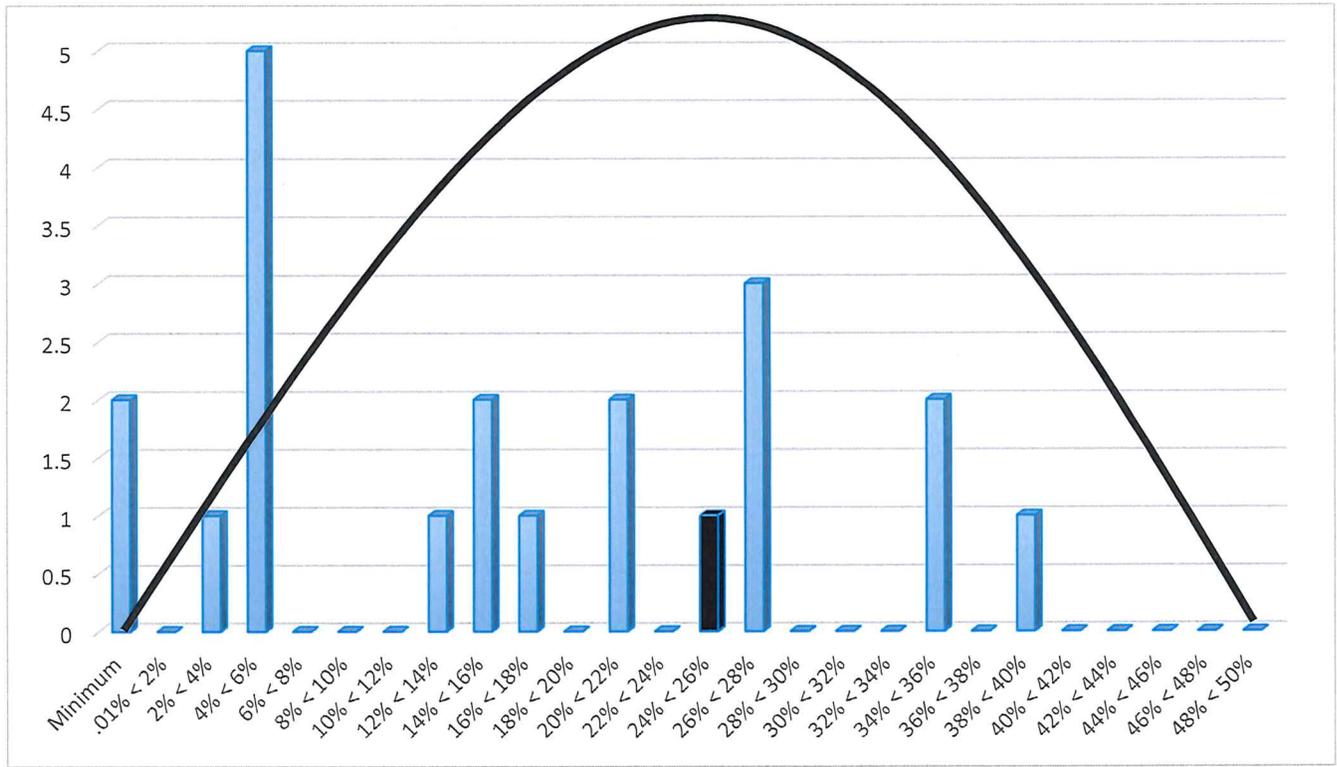


Chart Four:

This chart provides a graphical distribution of salaries as measured by the percentage above their pay grade minimum salary. For example, the first bar represents employees whose salaries are at the minimum of their pay grade. The highest bar has five employees (20.8%) whose salaries are less than 5% above minimum. In accordance with the Town's personnel policies, a new or current employee whose salary is at the pay grade minimum, shall have their salaries adjusted 5% upon successful completion of the six month's probationary period of employment.

The Town's pay grade range is 50% (from minimum to maximum salary) which is common among smaller local governments in North Carolina. A 50% range places the midpoint (the desired market value) of each pay range at 25% above the minimum. In this chart, the midpoint is represented by the black bar.

CHART FIVE

Average Salaries Comparison

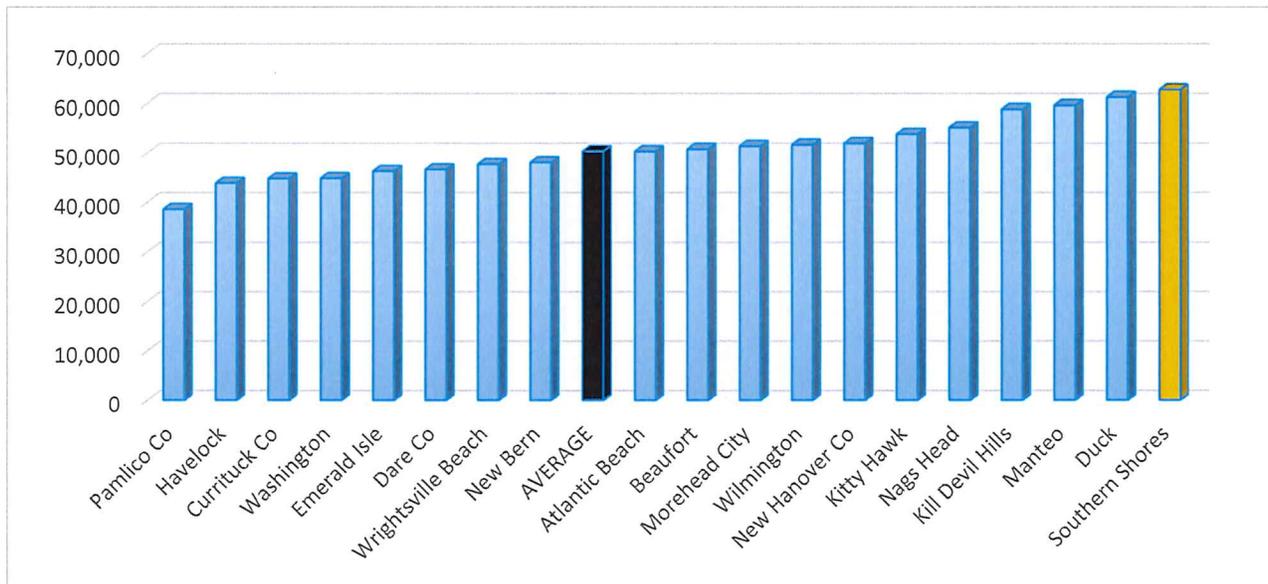


Chart Five:

This chart provides a graphical comparison of the average base salaries for all full-time regular employees of the selected market local governments. Southern Shores average salary of \$62,622 is 24.7% above the \$50,237 average salary of the 18 compared local governments.

These 18 local governments provide a geographical representation of the average salaries when compared with other local governments in the study.

The following chart provides a comparison of local governments geographically closest to Southern Shores which can be viewed as a competitor for employees.

CHART SIX

Average Salaries Comparisons Refined

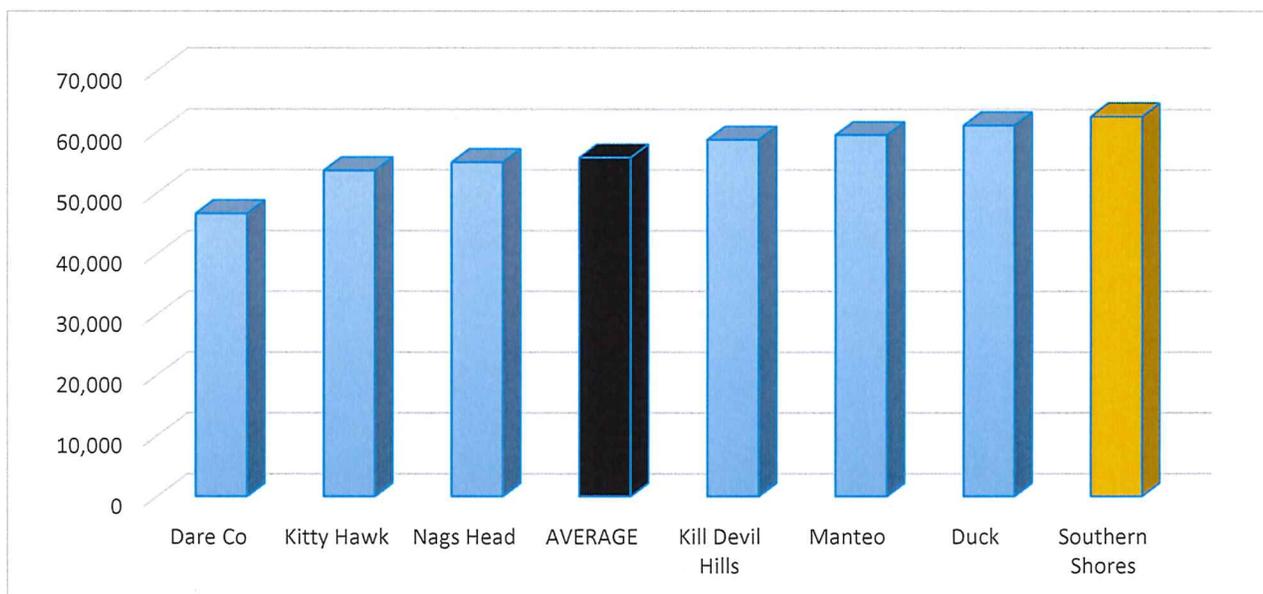


Chart Six:

This data reflects the average salaries paid to employees as compared to local governments geographically the closest to Southern Shores. The average salary for this smaller group is \$55,796 and 11.1% higher than the previous Chart Five average. Although Southern Shores average salary is still the highest of the local comparisons, the difference is reduced from the 24.6% in Chart Five to 12.2% in this more direct comparison.

Charts Five and Six provides comparisons with other local governments without regard as to whether the positions compare with Southern Shores workforce. As an example, Dare County has many positions within the departments of Health, Social Services, Board of Elections, Register of Deeds, Tax, etc, that are specific to county governments without any comparison to Southern Shores.

The following two charts compares the position of Police Officer with respect to all governments.

CHART SEVEN

Police Officer Comparisons Pay Grade Minimum

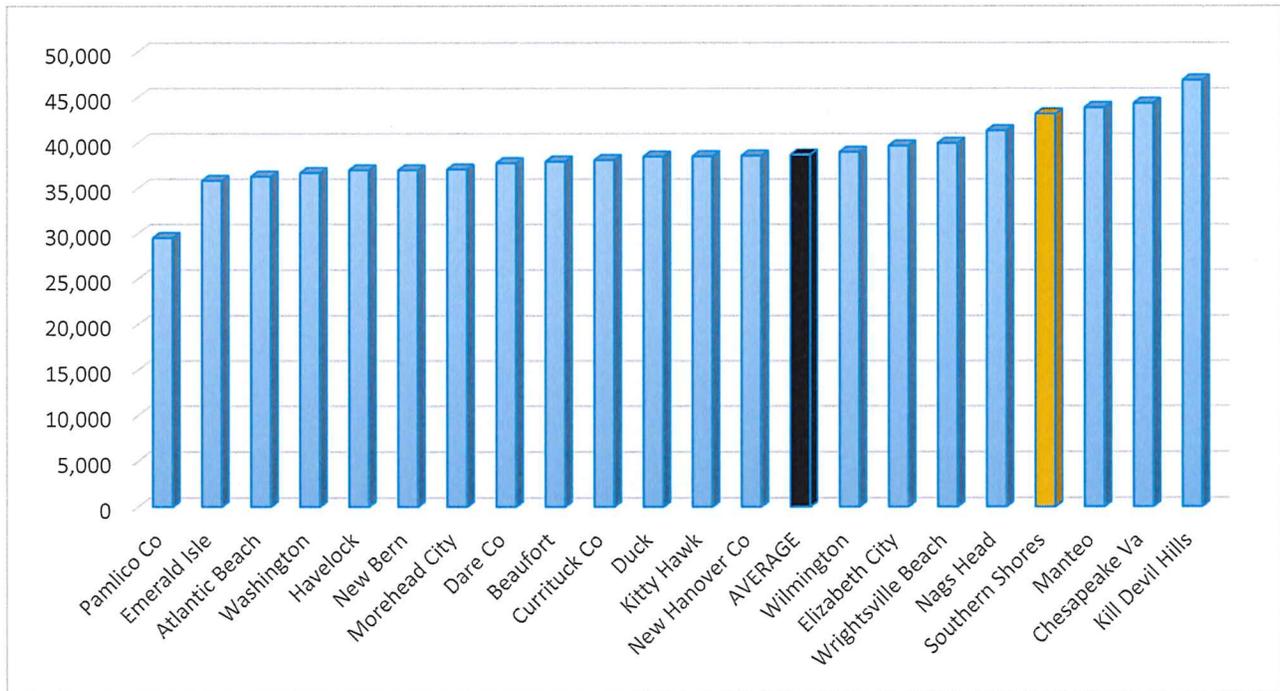


Chart Seven:

The comparisons in this chart are for the pay grade minimum salaries for Police Officer. Southern Shores minimum pay grade salary for Police Officer is \$43,854 which is 13.4% greater than the overall average of \$38,678. This pay grade assignment for Police Officer places Southern Shores in a market competitive position.

CHART EIGHT

Police Officer Average Salary Comparisons

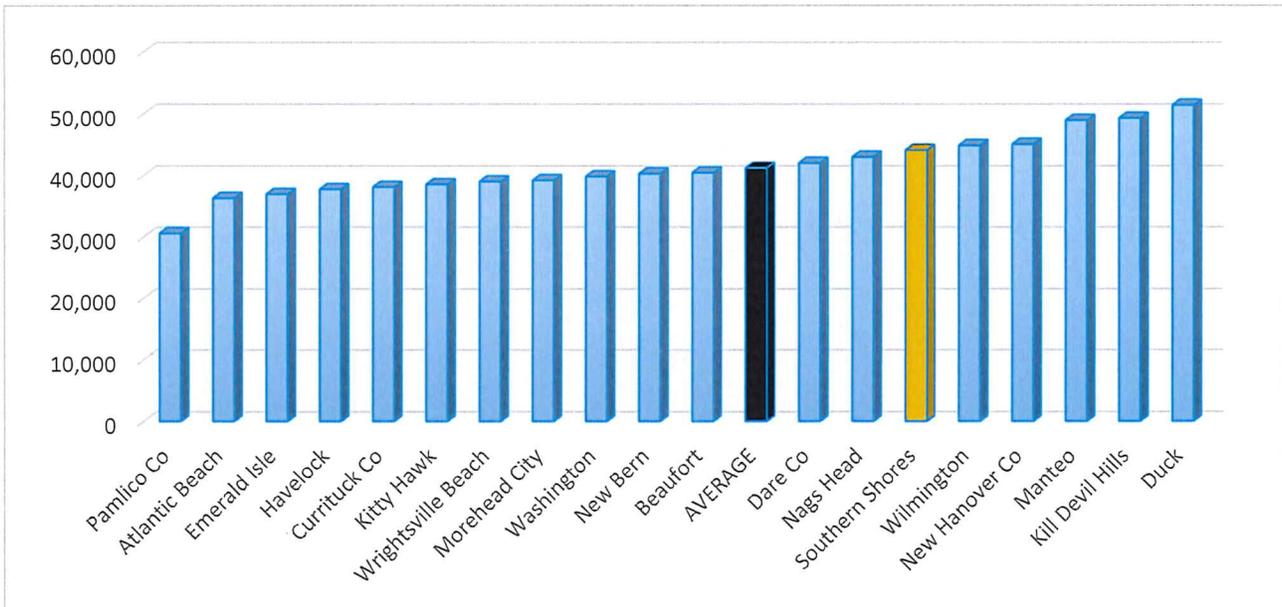


Chart Eight:

The data in this chart provides the comparison of the average salaries for Police Officers in each of the local governments. Southern Shores average Police Officer salary of \$44,084 is 7% greater than the overall average of \$41,187.

CHART NINE

Police Officer Average Salaries Comparison Refined

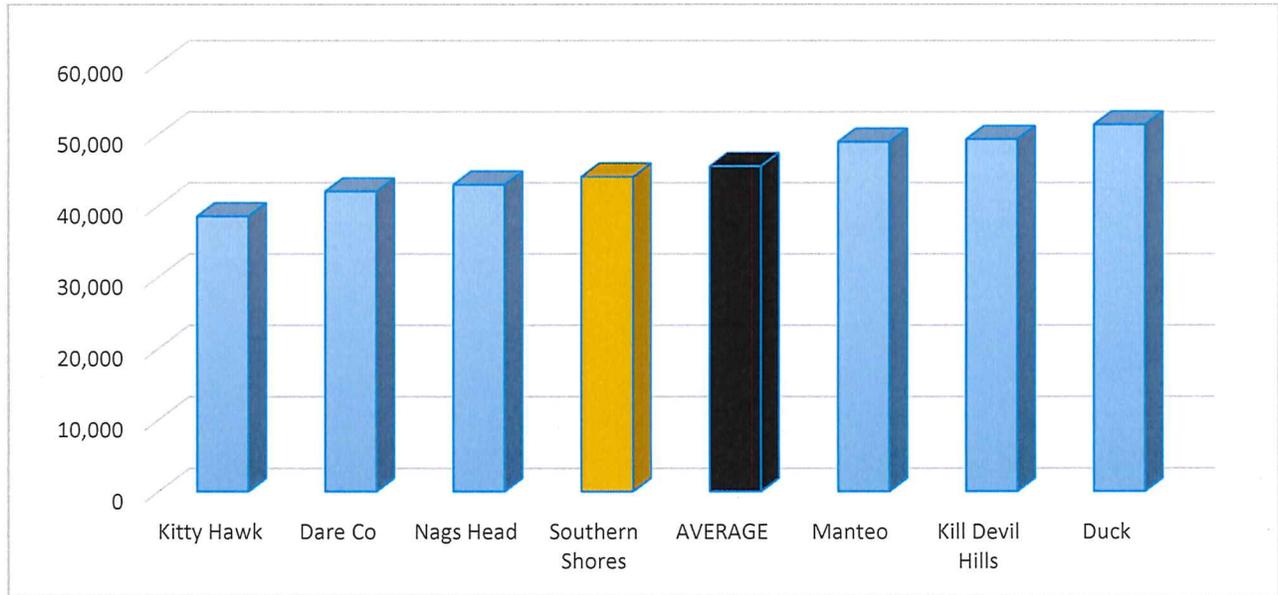


Chart Nine:

When compared to governments geographically closest to Southern Shores, the average Police Officer salary of \$44,084 is 3.3% below the refined average of \$45,533.

TABLE ONE

Department Summary

Department	Average Salary	Average Salary Grade	Average % Above Min Salary	Average Years in Position	Average Years Employed
Administration	\$87,488	19.3	13.2%	9.2	10.4
Planning	\$68,080	17.3	25.7%	3.1	5.9
Police	\$60,107	16.4	21.6%	6.7	10.5
Public Works	\$46,080	13.7	2.9%	1.6	3.7

Table One: This data provides the department summary of several of the above listed data points.

Reminder: The data contained within Section II is based on the data received at the beginning of the pay plan and position classification study for Southern Shores.

IV. Overview

Piedmont Triad Regional Council (PTRC) was contracted to conduct a Pay and Classification study for each approved and budgeted position to determine the effectiveness of the Southern Shores pay plan and analyze each position for correct placement within the pay plan.

A pay plan and position classification system establish the basis by which employees are compensated and periodic studies will ensure external competitiveness and internal equity. The external competitive analysis focused on those geographically located similar peer entities that were identified as being 1) similar in size or services provided, 2) similar in job functions, and 3) competitors for talent. Those identified and surveyed local government entities were:

Atlantic Beach	Emerald Isle	New Hanover County
Beaufort	Havelock	Pamlico County
Chesapeake, Va.	Kill Devil Hills	Washington
Dare County	Kitty Hawk	Wilmington
Duck	Manteo	Wrightsville Beach
Elizabeth City	Morehead City	

A formal job analysis of each Southern Shores position was completed to obtain a thorough understanding of the scope of responsibilities and the major job functions associated with each job. The analysis process began with each employee completing a Position Description Questionnaire (PDQ) which was then reviewed by the employee's supervisor before being forwarded to PTRC staff. The PDQ review was followed by a comprehensive analysis of the data and information contained within each PDQ. Individual interviews were conducted providing the opportunity for each employee to become engaged in the process to ensure we had a full appreciation and understanding of the uniqueness of each position. After submission of the preliminary data a meeting was held with the Interim Town Manager/Planning Director and Finance/Human Resources Officer to provide an overview of the study findings and preliminary recommendations.

The relevancy of an effective market-based pay plan lies within the administration and methodology of establishing starting salaries for new employees and the systematic means by which experienced employees may advance across the salary range. Without an approved Pay Plan, and associated salary administration methodology, there will always be a lack of consistency in salary administration as it relates to the establishment of new employee salaries as well as the systematic advancement of experienced employees. To that end, a recommended Pay Plan with established pay grades and pay ranges is included in this report.

As Southern Shores continues to grow, it will be imperative for the Town to offer competitive salaries to attract and retain the best possible talent to serve the citizens. In order to remain geographically competitive and ensure all jobs are properly classified and employees compensated, the pay and classification system must be maintained on an annual basis. To ensure currency, a periodic and ongoing process is needed to review job responsibilities of employees to ensure each job role has an appropriate pay grade assignment. This, as well as an effective employee performance evaluation system, will provide overall performance management for the Town, the departments, and each individual employee.

V. Methodology

The following methodology was established and utilized to arrive at the stated and recommended outcomes contained herein:

Methodology for Position Classification:

- A. Met with Assistant Town Manager/Planning Director and Finance/Human Resources Officer to clarify any issues regarding the full scope of work and established the study schedule, procedures, goals and project deliverables.
- B. The Finance/Human Resources Officer provided timely and necessary reports and documentation to assist in developing a full understanding of the Town's present classification structure.
- C. Employee kickoff meetings were held in the Council Chambers to provide employees with an overview of the study process as well as instructions about the importance of completing the Position Description Questionnaire (PDQ).
- D. Employee position information was gathered using PDQs supplemented by employee and supervisor interviews to ensure complete and accurate information regarding each position.
- E. Collected data was analyzed to identify job families as well as the scope and different levels of work within each job family. Typical duties, knowledge, skills, abilities, and other job-related characteristics required to perform the work were identified. Based on this analysis, initial classification concepts and recommendations were produced that were designed to appropriately describe the body of work currently being performed by Southern Shores employees.
- F. PTRC utilizes the whole job comparison method of job evaluation. The duties and responsibilities of individual positions are evaluated to determine their relative level of difficulty and responsibility. The factors used are generally accepted principles in human resources position analysis and classification. The following are among the classification factors used in determining the level of each position:
 - 1. Working conditions
 - 2. Nature and significance of public contacts
 - 3. Variety and complexity of work
 - 4. Decision making
 - 5. Consequence of error
 - 6. Supervision given
 - 7. Supervision received
 - 8. Knowledge, skills, and abilities
- G. Each position was analyzed to ensure that content and titles were current, accurate and consistent with FLSA, EEO and ADA considerations.
- H. A meeting was held with the Interim Town Manager/Planning Director and the Finance/Human Resources Officer to review and discuss the study findings and recommendations to solicit review and comments.

- I. Issues or concerns expressed in the preliminary meeting were reviewed and discussed.
- J. Finalized study results and recommendations are contained within this report and are scheduled for presentation to the Town Council.

Methodology for Pay Plan:

- A. Identified the relevant job market to base the comparative pay plan analysis. Primary emphasis was on those similarly sized and comparatively staffed municipalities or who are natural competitors for local workforce.
- B. Conducted the customized market salary survey focusing on identified benchmark positions within the workforce.
- C. Analyzed survey data and recommended a pay plan structure including pay grades and pay grade ranges as well as placement of individual classes within each pay grade.

VI. Recommendations

A. Adopt a Salary Administration Philosophy

The following *italicized* information was prepared by the Society for Human Resource Management (SHRM)

A Salary Administration/Compensation Philosophy is similar to a Mission and Vision Statement. It creates and supports a methodology of horizontal and vertical movement of employee compensation toward the Midpoint (Market Value) of an employee's salary range.

The philosophy is simply a formal statement documenting the employer's position about employee pay and total compensation. It essentially explains the "why" behind employee pay and creates a framework for consistency. Employers can benefit from being transparent about their compensation philosophy and having an official pay strategy.

The philosophy is based on many factors, including the employer's financial position, the size of the organization, the industry, business objectives, salary survey information, and the level of difficulty in finding qualified talent based on the economy, as well as the unique circumstances of the business. It is important for the compensation philosophy to be reviewed periodically and modified based on how well it is working and current factors affecting recruitment and retention. For example, market conditions may make it really difficult to find qualified talent in a particular specialization, and an employer may need to pay a premium for these candidates. If the employer's current compensation philosophy does not support this value, then the employer may need to change its philosophy to meet its current needs.

A well-designed compensation philosophy supports the employer's strategic plan and initiatives, business goals, competitive outlook, operating objectives, and compensation and total reward strategies.

As such, most compensation philosophies seek to:

- *Identify the organization's pay programs and total reward strategies*
- *Identify how the pay programs and strategies support the organization's business strategy, competitive outlook, operating objectives and human capital needs*
- *Attract people to join the organization*
- *Motivate employees to perform at the best of their competencies, abilities and skill sets*
- *Retain key talent and reward high-performing employees*
- *Define the competitive market position of the organization in relation to base pay, variable compensation and benefits opportunities*
- *Define how the organization plans to pay and reward competitively, based on business conditions, competition and ability to pay*

An effective compensation philosophy should pass the following quality test:

- *Is the overall program equitable?*
- *Is the overall program defensible and perceived by employees as fair?*
- *Is the overall program fiscally sensitive?*
- *Are the programs included in the compensation philosophy and policy legally compliant?*

- *Can the organization effectively communicate the philosophy, policy and overall programs to employees?*
- *Are the programs the organization offers fair, competitive and in line with the compensation philosophy and policies?*

While HR is clearly in the lead in developing an organization's compensation philosophy and policy, success lies in close collaboration with the leadership team to obtain valuable input, direction, concurrence, and continuous funding.

Philosophy Model Statement for Consideration:

The philosophy behind Southern Shores compensation program is to ensure it supports the mission and values of the Town. We believe the program is an essential management tool that, when aligned with an effective communication plan, is designed to support, reinforce, and align our values, service delivery strategy, as well as operational and financial needs with a goal of superior customer service.

The Town of Southern Shores compensation program is designed to attract, motivate, and retain talented employees who drive our success. We strive to provide a base salary which meets the market when employees are fully proficient and meeting expectations. We believe that when employees are consistently performing above expectations and are proficient in their role, they should be rewarded with a higher base pay. Employees who are new to their role and/or not meeting expectations would be paid below the established market range. In addition to base salary, Southern Shores will utilize incentives, longevity, and/or career development pay as a means to meet our strategic goals. Incentive pay for employees will be based on a number of factors including individual goals that relate to the Town's objectives.

In alignment with our transparency culture and our vision statement, Southern Shores will strive to communicate openly about the goals of the Town and the design of the compensation program. The compensation process will be transparent and designed so that all employees and managers fully understand the process. The Town of Southern Shores will administer the compensation program in a manner that is consistent and free of actual or perceived discrimination.

B. Administer Market-Based Salary Administration Practices

1. The proposed Salary Schedule:

- Establishes a minimum to maximum salary range of 50% with a 5.0% differential between each pay grade.
- Should be annually monitored and adjusted to maintain favorable market competitiveness. A comprehensive pay plan and position classification study is recommended approximately every 3 to 5 years with interim adjustments in certain classes and/or class series, at minimum, every 2 to 3 years.

2. The Town should use the recommended practice of reclassification (change in grade level) for individual classifications or specific job roles of employees (or job series) to ensure competitive salaries without the need to revise the entire Salary Schedule.

3. The focus of salary administration should not only be on the competitive minimum salaries, but, also on the midpoint (market value/job rate) of each job classification. With a 50% range (from Minimum to Maximum) the midpoint/market value is typically established at the 25% mark of the 50% range. The market rate can also be established as a plus/minus value to the midpoint such as 3% or 5% of the salary grade midpoint.
4. Salary Schedule adjustments should not necessarily coincide with employee compensation but should be amended when the entry level salaries of a significant portion of the benchmark classifications are no longer competitive. For example, after the adoption and implementation of these market pay and classification study recommendations the salary grade ranges could remain unchanged even though the Town may have implemented a Cost of Living adjustment (COLA). The Town could adjust employee salaries by the amount of the COLA but not move the salary grade ranges. This is effective in the first year after the adoption of the recommendations and assists in addressing salary compression.
5. Effective salary administration should be to advance employee salaries toward the market value with employee salaries +/- 5% of the midpoint, but also to provide methodologies in which employees may continue to advance across their salary grade range depending on employer salary administration policies. These methodologies could include salary adjustments for attainment of additional certifications, education, experience or other objectively identified position related criteria. A written and Council approved career development policy and plan should be considered to provide consistent objective administration of employee compensation.

VII. Implementation Process

- A. Adopt the Recommended Market-Based Pay Plan (see Section VII. - Proposed Pay Plan); and,
- B. Adopt the Following Implementation Recommendation

Implementation Recommendation

Several strategies and recommendations for implementation were reviewed and considered. We believe the following recommendation provides the best strategy to implement an updated market-based pay plan and place employee salaries in a competitive position in relation to the labor market for their job roles.

The recommendation assigns each position to the appropriate market supported pay grade and places the salary of each employee in the new grade at the same relative position (Compa-ratio) as they have in their current pay grade. Additionally, when there are two or more employees in a classification the implementation places their salaries at 5% above the minimum. This is to ensure a future new employee's salary, after receiving a 5% probationary increase, would not exceed an existing employee's salary.

Recommendation	Salary Adjustments	21% Benefits (FICA, Retirement, etc)	Required Funding
	\$58,218.83	\$12,225.95	\$70444.79

With the adoption of the Implementation Recommendations, the average salary of Southern Shores employees will be \$63,314 (1.1% greater than the current \$62,622 average).

The recommendations for implementing changes to individual employees is provided in a separate spreadsheet submitted to the Interim Town Manager.

- C. We recommend the current Salary Schedule be maintained (with minor adjustments to correct rounding up/down over the years) and move to an Open Range schedule. The "hiring rate" in the current schedule would become the salary grade minimum salary.
- D. Salary Schedule adjustments should not coincide with employee compensation and should only be amended when the entry level salaries of a significant portion of the benchmark classifications are no longer competitive. The Town should rely on individual reclassifications of certain job roles to ensure competitive salaries without the need to revise the entire Salary Schedule. A full Salary Schedule review should be conducted every 2 - 4 years.
- E. The focus of salary administration should be on the midpoint (market value) of each pay grade with a compa-ratio established at, for example, .95 to 1.05 relative to the midpoint. Employees with compa-ratios greater than 1.1 or 1.15 should have future salary adjustments given as lump-sum payments.

VIII. Proposed Pay Plan

<u>Proposed Job Title</u>	<u>Grade</u>	<u>FLSA</u>	<u>Minimum</u>	<u>Midpoint</u>	<u>Maximum</u>
Not Assigned	10	N	35,600	44,500	53,400
Maintenance Technician	11	N	37,380	46,725	56,070
Not Assigned	12	N	39,299	49,061	58,874
Police Administrative Assistant	13	N	41,211	51,514	61,817
Administrative Specialist	13	N	41,211	51,514	61,817
Building Inspector	14	N	43,272	54,090	64,908
Community Resource Officer	14	N	43,272	54,090	64,908
Master Police Officer	14	N	43,272	54,090	64,908
Police Officer	14	N	43,272	54,090	64,908
School Resource Officer	14	N	43,272	54,090	64,908
Permit Officer	15	N	45,436	56,795	68,153
Police Corporal	15	N	45,436	56,795	68,153
Not Assigned	16	N	47,707	59,634	71,561
Police Sergeant	17	N	50,093	62,616	75,139
Public Works Supervisor	17	N	50,093	62,616	75,139
Town Clerk	18	N	52,597	65,747	78,896
Not Assigned	19	E	55,227	69,034	82,841
Not Assigned	20	E	57,989	72,486	86,983
Not Assigned	21	E	60,888	76,110	91,332
Deputy Police Chief	22	E	63,932	79,916	95,899
Public Works Director	23	E	67,129	83,911	100,694
Not Assigned	24	E	70,486	88,107	105,728
Not Assigned	25	E	74,010	92,512	111,015
Finance/Human Resources Director	26	E	77,710	97,138	116,566
Police Chief	26	E	77,710	97,138	116,566
Not Assigned	27	E	81,596	101,995	122,394
Deputy Town Manager/Planning Director	28	E	85,676	107,095	128,513
Not Assigned	29	E	89,959	112,449	134,939
Not Assigned	30	E	94,457	118,072	141,686

Notes:

1. Employees in classifications with FLSA status “N” are subject to the overtime provisions of the Federal Fair Labor Standards Act which requires the payment of time and one-half overtime (or equivalent compensatory time) after the employee has worked more than 40 hours in the employer’s official work week, not the employee’s work schedule.
2. Employees in classifications with FLSA status “E” are exempt from the overtime provisions of the Federal Fair Labor Standards Act.
3. Law Enforcement Officers who are subject to the overtime provisions of the FLSA may be paid on the basis of a work period ranging from 7 to 28 days and not the Town’s official work week.

Under the Fair Labor Standards Act (FLSA), effective January 1, 2020, the salary threshold designating a position as Non-Exempt will be set at an annual salary of \$35,568. The entire pay plan for Southern Shores exceeds this salary threshold; therefore, each classification will have their FLSA designation based on the appropriate duties test.

IX. Updated Job Descriptions

All job descriptions were updated utilizing Position Description Questionnaire responses as well as individual employee interviews. After updating each job description was reviewed by the Department Director and any noted modifications were made prior to final submission.

X. Definitions of Salary Survey Terms

<u>Terms</u>	<u>Description</u>
<u>Average</u>	The arithmetic mean of several reported salaries for a specific job classification (e.g., average salaries of all Firefighters as a class)
<u>Median</u>	The median is the middle value of a series of values in numerical order. For employee salaries in a given job classification, it is the middle point of all salaries of employees in a given classification. In effect, half the employees would make less than the middle value (median) and half would make more than the middle value (median)
<u>Compa-Ratio</u>	The relationship (expressed as a decimal) between an employee's actual annual salary and the midpoint (market value) of the assigned pay grade (the salary divided by the range's midpoint). The midpoint is represented as 1.00. Employee salaries below the midpoint are shown as a lower decimal (e.g., .80, .95, etc.) and salaries above the midpoint are shown as a higher value (e.g., 1.05, 1.10, etc.) indicating a higher value to the midpoint
<u>Grade Differential</u>	The percentage increase from a lower pay grade to the next highest pay grade. Typically, 5% from one pay grade to the next highest pay grade.
<u>Minimum</u>	The beginning or entry salary for each salary grade. Typically, this is 25% less than the Midpoint on a 50% salary range
<u>Midpoint</u>	The arithmetic average of the minimum salary and maximum salary for each salary grade. Typically represents the "Market Value" of the positions assigned to each salary grade
<u>Maximum</u>	The last or ending salary for each salary grade. Typically, this is 20% greater than the Midpoint on a 50% salary range
<u>Range Spread</u>	The percentage increase in value from the minimum to the maximum salary of each salary grade

**TOWN OF SOUTHERN SHORES
TOWN MANAGER SEARCH
PROPOSED/DRAFT TIMELINE FOR SEARCH PROCESS
Revised Draft 2-7-2020**

(Highlighted bolded events indicate meetings of the Council)

Proposal Accepted, Contract Executed	Feb. 2020
Consultant Send Revised Proposed/Draft Timeline & Job Ad for Council Consideration	Feb. 7
Consultant Meet Individually with Mayor & Commissioners, & with Department Heads as a Group, to Discuss Desired Background, Qualifications, Experience & Characteristics	~Feb. 17-18
Council Meeting & Public Hearing to Discuss & Approve Search Timeline & Job Ad, & Discuss the Town Manager Job Responsibilities, Search Process & Desired Background, Qualifications, Experience & Characteristics	~Feb. 18
Consultant Place Job Ads (stating that “first review of applications begins on April 6”), Formally Begin Search Process	Feb. 19-20
Draft Recruitment Brochure/Position Profile to Council for Review and Approval	Feb. 21
Mayor, Council or Designees Approve Draft Recruitment Brochure (with requested revisions by individual email messages)	Feb. 25
Consultant Begin Phone Calls To and About Potential Candidates, Aggressively Recruit Qualified Candidates	Feb. 26
Formatted Color Recruitment Brochure to Council for Final Review and Approval	Feb. 28
Begin Disseminating Brochure and Consideration/Invitation Letters and E-mail Messages	~March 2
Report to Council on Search Progress	Bi- Weekly
Phone Conversations w/ Strong Candidates, Preliminary Reference & Background Checks	March 3-April 8
Soft Application Deadline (“first review of applications begins on April 6”)	April 6

Consultant Deliver 8-12 (or more) Applications & Summaries to Council By E-mail &/or FedEx	April 13
Council Meeting to Consider Recommended Candidates (8-12 or more), Select 5-7 Semifinalists to Interview (closed session meeting, 1 ½ - 2 hours)	~April 16
Consultant Invites/Schedules Semifinalists for Council Interviews, Sends Supplemental Questions, Begins Preliminary Reference & Background Checks	April 16-17
Consultants Complete Final Reference and Background Checks on Selected Semifinalists	~April 30
Council Interviews ~5-7 Semifinalists —Determines Preferred Candidate or Selects 1-2 Finalists for Second Interview	~May 1
Consultants Talk with Additional References, Other Due Diligence	After initial interviews
Council Second Interview(s) if Desired, Council Decision	~May 8
Negotiate with Selected Candidate	Early May
Council Votes to Appoint Town Manager in Open Meeting (and probably approve employment agreement)	~Early to mid-May
Announce Appointment of New Town Manager	~Early to mid-May
New Town Manager Reports to Work, Transition Work With Interim Town Manager (2-3 days)	Mid to late-June (earlier if internal candidate)
Search Completed, Consultants Assist with Transition	After start date

Note: This is a sound and realistic timeline designed to bring the availability of the position to the attention of a significant number and diversified range of well qualified potential candidates. The timeline could be shortened some, but not much without running the risk that well qualified, experienced managers who might be interested do not learn of the opening by the deadline. This gives the consultants adequate time to check references and complete thorough background checks. We always counsel clients to allow adequate time for a successful process, with the opportunity to review strong candidate applications and deliberate carefully. Once the Town Council approves this detailed timetable, with desired changes, the consultant and Mayor and Council will need to follow it faithfully.

The job ad will run in and on carefully targeted publications and websites for **about six and one-**

half weeks, an adequate length of time to help bring the availability of the position to the attention of many well qualified potential applicants (particularly important because of varying publication dates). The consultants will supplement the job advertising with targeted calls and email messages to well qualified city managers and other well qualified potential candidates to encourage them to consider applying for the position.

The timeline also allows the consultants to deliver applications and summaries about well qualified candidates in advance of the proposed semifinalist selection meeting, so the Mayor and Council Members will have a few days to review the information before the Council discussion with us about which candidates to invite for interviews. The consultants will provide full support to the Council in your interview process, toward the goal of appointing a new Town Manager who is a good match with the desired background, qualifications, experience and characteristics identified by the Council and interested citizens at the beginning of the process. We also will assist with an orderly transition as an important part of our scope of services.