



# Compensation and Position Classification Plan

Town of Cape Charles, Virginia

August 13, 2014

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### *Mission Statement*

Springsted provides high quality, independent financial and management advisory services to public and non-profit organizations, and works with them in the long-term process of building their communities on a fiscally sound and well-managed basis.



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## **LETTER OF TRANSMITTAL**

August 13, 2014

The Honorable George Proto, Mayor  
And Members of the Town Council  
Town of Cape Charles  
2 Plum Street  
Cape Charles, Virginia 23310

### **Re: Compensation and Position Classification Plan**

Dear Mayor Proto and Members of the Town Council:

Springsted Incorporated is pleased to provide the Town of Cape Charles with the Town's completed Compensation and Position Classification Plan. The study provides an overview of the Town's current classification and compensation system as it relates to specific positions, revised and updated classification descriptions, and our final report including the methodology used to develop the classification and compensation system, options for implementing the compensation system, and for addressing issues related to salary compression.

The study represents a thorough and comprehensive review of all aspects of the Town's classification and compensation system as related to the positions included in the study. The recommendations offered, we believe, will increase the market competitiveness of the Town's compensation program within the regional marketplace and provide increased internal equity among Town positions. Implementation of these recommendations will help the Town attract new employees, when necessary, and retain current employees needed to meet the Town's service demands.

Springsted expresses its thanks to the Town of Cape Charles staff who completed Springsted's Position Analysis Questionnaires as we worked to verify their current job responsibilities. We particularly want to thank the members of the Town's Management Team and staff who supplied us with data and answered numerous questions throughout the study. We also express our gratitude to Heather Arcos, your Town Manager, for providing direction and feedback through all the phases of the study. Springsted appreciates the privilege of serving The Town of Cape Charles and hope that we may be of assistance to you in the future.

Respectfully submitted,

*John Anzivino*

John Anzivino, Senior Vice President  
Client Representative to the Town of Cape Charles, Virginia

## 1. Executive Summary

Springsted Incorporated completed a Compensation and Position Classification Plan for the Town of Cape Charles, Virginia in July 2014. The study represents a comprehensive review of the components that affect an organization's compensation program for specific positions – a review of class (position) descriptions, current compensation structure, the Town's pay philosophy, regional market competitiveness of Town salaries, the internal equity of salaries paid to comparable Town positions, employee benefits and ongoing maintenance and administration of the compensation system.

The Town has faced many situations that could be addressed by conducting a comprehensive classification and compensation study and implementing a compensation system. Difficulty in recruiting and hiring new employees in certain departments, candidate pools lacking the skill sets required for the position being recruited for and employee turnover in certain positions are all indications that the Town's classification and compensation program has not been competitive within the regional market.

A classification and compensation system provides the framework for determining how employees will be paid. As a general rule, most organizations conduct new and comprehensive classification and compensation studies every five to seven years ensuring their ability to hire and retain qualified employees and maintain equitable internal relationships. The external market focus is important because it ensures that the compensation plan is adequate to attract new employees and retain existing employees. If compensation levels fall below those in the regional marketplace, the organization will experience difficulty hiring people and increased employee turnover as employees seek jobs with other organizations that will pay the market rates for their skills and abilities.

Organizations should expect some employee turnover, typically in the 5% to 10% range annually, but when it becomes excessive, turnover has a serious impact on the organization's overall effectiveness. Advertising costs are a significant measurable cost of turnover, and as the Town moves through the selection process, the time spent by current employees covering the void left by the departing employee often diverts their attention from their day to day responsibilities creating overtime demands and often frustration on the part of the remaining employees as they attempt to meet deadlines and maintain acceptable levels of service. These are some of the hidden and non-quantifiable costs associated with turnover. There is also a substantial cost for turnover that comes with training of new employees. Employees in well managed organizations receive significant on-the-job training which diverts the attention of other employees from their primary and regular duties to assist in training. In some recent analyses we have participated in, recruitment and training costs for public safety (police) employees exceed \$20,000 per recruitment when considering full costs of training and equipping an officer.

Organizational effectiveness is affected as current employees train new employees and as those new employees endeavor to become proficient in their job. While these costs are not necessarily visible in Town expenditure reports, they will show up in performance data in the form of reduced service outcomes.

As the Town continues to experience change and some members of the workforce approach retirement, it will also be important to offer competitive salaries to attract the best staff possible to serve the citizens of the Town of Cape Charles in the future. Competition for a wide range of professions in the local government marketplace becomes more intense each year as the business community works to attract workers to higher paying jobs in the private sector, local government curriculums are decreased at the college level, standards for hiring at the local level remain constant and increase, benefit levels drop for local government employees and other competing organizations systematically increase their salaries to remain competitive and to meet demands for service in their communities.

The periodic review, which comes with completion of a comprehensive classification and compensation update, also enables an organization to account for changes in use of technology, changes in work processes, tools and equipment, and other factors that can affect job responsibilities. In today's fast paced world of technological change, this is especially important as almost every governmental process is affected by advancements in technology and, as this occurs, employee's skills, knowledge and abilities, as well as their proficiency in the use of required tools and equipment, changes. Changes in job requirements, such as addition of new programs or assumption of duties for a vacated position, sometimes results in a new pay grade assignment. In order to properly maintain the compensation system, an ongoing process is needed to review job responsibilities and job class assignment to pay grades to ensure jobs are properly compensated.

The following study documents the findings of a comprehensive review and evaluation of the Town's existing classification and compensation program and the methodology used to develop a new classification and compensation system. The study was conducted with extensive participation and input from Town employees. Department heads were interviewed concerning the nature of their operations and discussed particular issues they were having with employee recruitment and retention. Town employees supplied information about the work they perform and participated in job audits. New class descriptions were created based on employee and supervisors input. The new class descriptions and Position Analysis Questionnaires (PAQ's) were then evaluated by Springsted using the Systematic Analysis and Factor Evaluation (SAFE®) system. The SAFE system provides a consistent and objective approach to evaluating jobs by applying standard criteria to the training and experience needed to perform the job, the level of complexity of the work performed, working conditions, the impact of end results and the consequences of errors, and other factors that relate to the type and level of the work performed.

A compensation and benefits survey was developed and comprehensive wage data was collected from comparable regional employers. The results of the job evaluation and the salary survey data were used to create a salary curve which served as the foundation for creating a revised compensation program.

The compensation program structure relied upon a review of pay philosophy concepts that included:

- Providing fair and equitable compensation to employees in a highly competitive and changing labor market
- Maintaining a competitive pay structure that takes into consideration the Town's fiscal resources
- Ensuring that employee compensation is based on individual performance that meets or exceeds expectations and reflects changing economic conditions
- Providing consistent administration of pay policies and procedures among all Town departments

Major findings of the study can be summarized as follows:

The salary ranges for the Town of Cape Charles positions are significantly lower than the average salary ranges paid in comparable regional organizations. Because salaries are below average market rates, the Town of Cape Charles may experience difficulty hiring and retaining employees in the future as vacancies occur and the labor market tightens. The Town also has experienced turnover in a few positions that are paid at a higher rate by comparable organizations with which the Town competes for employees. Based on the recommended salary schedule developed as part of this study, we found that 54% of the Town's workforce are paid at a rate below the minimum salary rate of their newly assigned pay grade.

Internal pay relationship inequities exist within the Town. Positions that require similar minimum qualifications and have comparable responsibilities should be compensated at comparable levels. We evaluated each Town job classification against standard criteria. Each job class was assigned to a pay grade that reflected its internal relationship to other Town positions thereby ensuring equitable pay relationships.

The study offers a recommended Fiscal Year 2014 - 2015 compensation plan and recognizes an implementation schedule, which would be effective on July 1, 2015. This may be adjusted in a number of ways for implementation during the fiscal year. The implementation schedule provides a strategy that ensures that all employees are paid at least at the minimum of their assigned pay grade. The proposed salary schedule ensures that new employees are recruited and hired at a more competitive wage, expanding the pool of qualified candidates. The implementation plan ensures that current employees, who fall within the recommended salary grade, are adjusted from the minimum wage rate and also recommends ways to progress employees on the new pay scale in regard to years of service in the current position with the Town of Cape Charles. These options provide the Town with a way to ensure new employees are not compensated at the same or higher level than current employees and serves to address existing compression issues.

## 2. Introduction

The Town of Cape Charles, Virginia retained Springsted Incorporated to conduct a Compensation and Classification study in March 2014. Completion of this study reflects a significant effort by Town staff to supply policies and human resources data during a busy period of budget preparation.

The primary purposes of the study that were identified included:

- Evaluate the accuracy of current classification descriptions for Town employees
- Evaluate competitiveness of the salary and benefit package compared to external market value
- Develop a compensation strategy and salary structures that are fair internally and externally
- Evaluate the internal ranking of current positions, based on job responsibilities and salaries

A comprehensive salary survey was also conducted as part of this update with the Town reviewing and approving the proposed jurisdictions to be surveyed. Survey recipients were selected based on demographics, comparable levels of services provided and geographic proximity. Twenty-five (25) benchmark positions were included in the survey of market area entities. In addition, one (1) benchmark position for the Town Manager was included in the study and will be addressed under separate cover due to the non-classified nature of the position. The fourteen public entities listed below, were invited to participate in the survey:

1. Accomack County
2. Northampton County
3. Chesapeake Bay Bridge Tunnel Authority
4. City of Franklin
5. Town of Chincoteague
6. Town of Colonial Beach
7. Town of Kilmarnock
8. Town of Onancock
9. Town of Smithfield
10. Town of Warsaw
11. Town of West Point
12. Town of Windsor
13. Town of Crisfield, MD
14. Pocomoke City, MD

Information from some entities was difficult to obtain. Repeated requests by Springsted staff to some localities and organizations resulted in a strong representation of information being utilized from eight (8) localities. Springsted was not able to obtain information from the cities of Franklin, Virginia and Pocomoke City, Maryland, and the towns of Chincoteague, Colonial Beach, and Onancock, Virginia and Crisfield, Maryland.

Survey respondents were asked to provide information on only those benchmark positions which they considered to be comparable to positions in their organizations. Therefore, survey respondents did not provide data for every position surveyed.

### 3. Methodology

Springsted Incorporated used the following methodology to develop a new and revised classification system and compensation program for the Town of Cape Charles:

1. Springsted met with the Town Manager and other relevant personnel to establish working relationships, review current policies and practices relating to the Town's existing pay practices, and obtain data on the programs and materials currently in use. This meeting also provided an opportunity to discuss the Town's goals in adopting a classification system and compensation plan for Town employees.
2. All department heads were also provided information explaining the purpose of the study and Springsted's approach to conducting the study. Individual meetings were conducted with each department head in April 2014 to collect data on department structure, operations, and staffing along with identifying any specific departmental needs and concerns related to this study.
3. Two (2) employee orientation sessions were conducted by Springsted in late April 2014 explaining the study process and answering questions. These meetings also provided an opportunity for employees to voice concerns and have input into the study.
4. All employees received Position Analysis Questionnaires (PAQ's) and instruction sheets and were encouraged to participate in the study by completing the PAQ. General government employees were asked to describe their job duties and responsibilities and all employees were asked to respond to questions on characteristics applicable to each position including information which would ensure that relevant information was available to develop new position descriptions, which would also meet the federal requirements under the Americans with Disabilities Act. Each employee's supervisor then reviewed the completed questionnaires for completeness and accuracy and provided any additional information they felt was relevant to the position.
5. The Springsted consultant team reviewed each PAQ upon receipt and made preliminary classification decisions. At this initial stage of the process, any apparent discrepancies, conflicts or omissions were noted. Job audits were conducted with employees to expand, clarify or confirm available information.
6. Position descriptions were updated and preliminary class assignments were made.
7. Springsted developed a comprehensive wage and benefits survey which included requests for general information on compensation policies, such as whether an open range or step system was utilized, years to maximum of the assigned pay grade, number of steps, if utilized, and percentage between steps and grades. This information was requested from fourteen public



agencies identified in consultation with the Town to determine the market for certain benchmark positions.

8. Salary data for twenty-five (25) benchmark positions was collected. Information was gathered on minimum, maximum, and actual salaries for all positions surveyed, additional compensation such as longevity pay, pay for performance, bonuses, and a wide variety of fringes benefits, including holidays, vacation, sick leave, insurances, deferred compensation, uniform allowance and any other additional compensation.
9. All Town positions were evaluated using the Systematic Analysis and Factor Evaluation (SAFE<sup>®</sup>) system to assist in assuring that the internal relationships of positions within the Town were equitable. Positions were evaluated based on information provided by employees and their supervisors in the Position Analysis Questionnaire's.
10. Utilizing the salary data supplied by comparable organizations and the results of the Systematic Analysis and Factor Evaluation (SAFE<sup>®</sup>) job evaluation system, each position was assigned to an appropriate salary grade in the Town's compensation plan.
11. Guidelines for implementation and ongoing administration of the compensation program were developed. These guidelines provide for annual adjustments to the salary schedule ensuring that the Town's pay scales stay current with changing economic and market conditions. The guidelines also provide for annual salary adjustments for employees based on employee performance that meets or exceeds job expectations. The implementation options and the estimated costs are provided as part of this study.

## 4. Findings and Recommendations

A compensation system is made up of four major components: a series of classification descriptions, a pay scale, an assignment of classes to pay grades using an unbiased and logical system of evaluation, and associated fringe benefits. Comments and recommendations on each of these components as they relate to this update are presented below.

### A. Evaluation of the Current Compensation Program

Discussions with Town personnel and review of compensation data indicate that employees of the Town of Cape Charles are under-compensated in relation to other comparable regional organizations. Other findings discussed earlier in the study indicate a wage problem demonstrated by:

- Concerns about future employee turnover and difficulty in hiring and retaining quality staff as vacancies occur due to relatively low salaries and an improving job market
- Town job classes with comparable responsibilities requiring comparable education and experience that are assigned to different pay grades resulting in significant pay differences
- A need to update classification descriptions for some positions to ensure consistency throughout the organization

### B. Pay Philosophy

A pay philosophy guides the design of a pay plan and answers key questions regarding pay strategy. It generally takes a comprehensive, long term focus and explains the compensation program's goals and how the program supports the employer's long-range strategic goals. Without a pay philosophy, compensation decisions tend to be viewed from a short-term standpoint apart from the organization's overall goals.

Market competitiveness and internal equity are among the most important areas addressed in a pay philosophy. An organization's desired market position involves defining the market and identifying where the organization wants to be positioned within that market. Market position should balance what it takes to attract new employees and to retain skilled employees (in other words, eliminating higher pay as the reason employees leave the organization) with the organization's financial resources. Internal equity expresses an organization's desire to provide comparable pay to job classes with comparable duties and responsibilities.

In consultation with the Town's Management Team, the Springsted team developed a pay philosophy framework guiding the compensation program development and the direction of this study. As part of this study, we recommend that the Town consider these concepts in the adoption of a formal pay philosophy:

- Providing fair and equitable rates of pay to employees
- Developing a system of pay grades that state the minimum and maximum rates that the Town will pay individuals within a job class and identify the midpoint of the range as the "market" rate

- Defining the Town's market area based on the nature of the job class requirements and the availability of potential candidates locally, state-wide, or regionally
- Establishing rates of pay that allow the Town to compete successfully for new employees within its market area
- Establishing a market position that is fiscally responsible with public resources
- Ensuring that pay rates for employees are based on individual performance that meets or exceeds expectations and reflects changing economic conditions
- Developing pay administration policies and procedures that ensure their consistent application between departments
- Ensuring that the compensation program is understandable to employees, managers, the Town Manager and the public

### C. Evaluating Job Classes

Town employees completed individual Position Analysis Questionnaires (PAQs). Supervisors reviewed the PAQs and provided information for each position. Employees and supervisors both responded to questions regarding education and experience, various factors affecting positions, working conditions and the physical requirements of each job in compliance with the Americans with Disabilities Act (ADA).

Employees also provided information regarding essential duties and responsibilities. Based on the information provided in the PAQ's, updated position and class descriptions were developed for all employees. We examined the PAQ's carefully to review the type of work performed and the qualifications of positions. Position and class descriptions provide a broad description of the essential functions, examples of work performed, and minimum requirements for each job class, but they do not provide an exhaustive list of tasks performed by each position. In this way, descriptions can cover a group of positions, some of which may be in different departments that share comparable levels of responsibility, perform comparable work, and have comparable minimum requirements. For example, an administrative assistant job class could include administrative assistant positions assigned to different departments. While the subject matter of each position may be different, there are many similarities in the work performed, which may include answering the phone, greeting visitors, preparing and filing documents and entering data.

All positions were reviewed to determine those positions that qualify as exempt from the overtime provisions of the federal Fair Labor Standards Act (FLSA) consistent with the regulations which took effect on August 23, 2004.

With the completion of the descriptions, we utilized the SAFE<sup>®</sup> job evaluation system, to review and rate each Town job class. The factors considered in determining the relative value of positions are:

- Training and Ability
- Level of Work
- Physical Demands
- Independence of Actions
- Supervision Exercised
- Experience Required
- Human Relations Skills
- Working Conditions/Hazards
- Impact on End Results

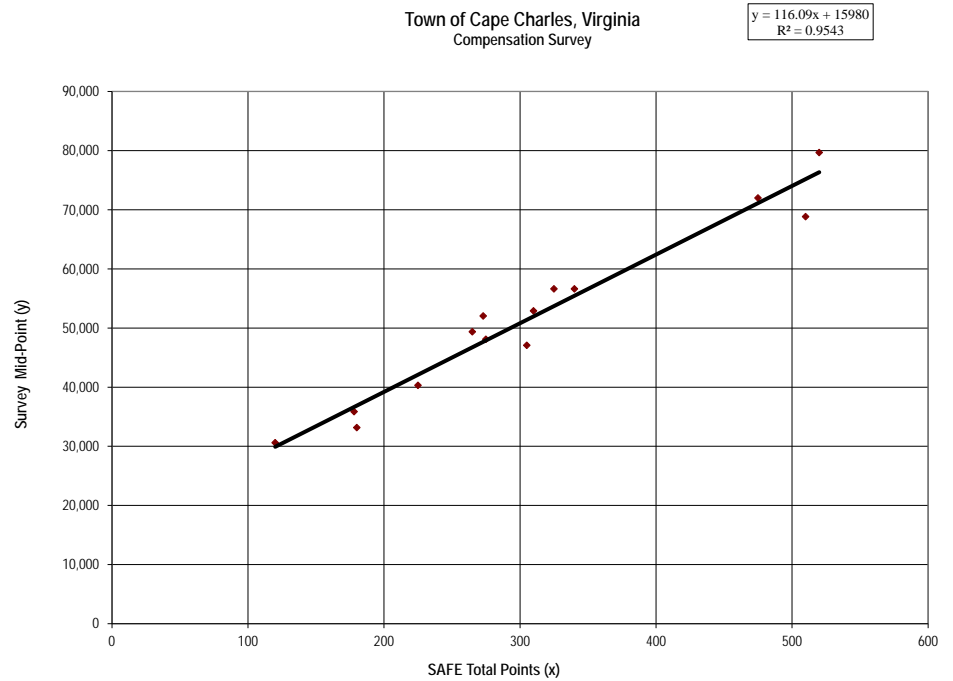
#### D. Developing A Salary Schedule

The process of developing a salary schedule draws substantially from market data obtained in a compensation and benefits survey. This data is obtained by conducting a comprehensive survey of other comparable employers within the Town's defined market. Respondents are asked to provide information about the structure of their pay plans and the minimum, maximum, and actual salary rates of their corresponding benchmark positions, years to maximum, number of steps (if applicable), and information on additional compensation.

**Survey Results.** A salary survey was conducted and data obtained from eight (8) public agencies. The salary survey included a series of questions designed to obtain information on a variety of pay practices. Six (6) respondents provided information on their pay plans. On average, survey respondents indicated that the spread of the pay grades, or the difference between the minimum and the maximum of the pay grade, was 50%, with a low of 45% and a high of 55%. The distance between pay grades varied from 4% to 5%, with an average of 5%. Four (4) respondents with a defined compensation and classification system in place reported using an open range system, which provides a minimum, mid-point, and maximum level of pay for each pay grade.

The survey included twenty-five (25) benchmark positions covering a full range of job classes from administrative support and maintenance positions to professional employees and department heads. Since pay ranges were not available for some positions, Springsted staff compared the average actual salaries to market data obtained in the survey. A general summary of survey results appears in Appendix B. Job titles marked 'DNU' on the Salary Survey Summary were not used in developing the salary curve because positions did not match the position being surveyed or data received was inconsistent or inadequate.

**Designing the Salary Schedule.** The first step in designing a compensation plan is to create a salary curve using the salary survey data for the Town's benchmark positions and the corresponding job evaluation point factors for each benchmark job. This data produced the salary curve shown in Figure 1. Any given point on the salary curve identifies where the market salary rate and the job evaluation point factors intersect.



(Figure 1)

The Town of Cape Charles is utilizing a pay scale that contains approximately seventeen pay ranges and is a step system. The current pay ranges have a spread from the minimum to maximum that varies from 17% to 70% and the distance between the pay grades varies from 3% to 24%. The current plan also contains five (5) steps that vary from 3% to 14% between each step for each grade. Utilizing survey data in order to develop consistency for the Town and to maintain competitiveness with the regional labor market, a new salary schedule was developed. The Town’s proposed pay plan contains thirty-eight pay grades that are 5% apart with a minimum to maximum spread of 50%, consistent with the market data. An open range system provides many opportunities for local governments to provide flexible salary increases based upon performance and to establish policies which allow for acceleration of pay to the mid-point level. The new pay plan is an open range system and the recommended Fiscal Year 2014-15 compensation plan for the Town can be found in Appendix C of this report.

The consultant then assigned each position to the appropriate salary grade in the FY 2014-2015 salary schedule. The List of Classes and Assignment to Salary Grade is shown in Appendix D.

The recommended pay plan is the result of the analysis of the data received and obtained and reflects the market ranges of salaries as reflected by competitors in the area.

## 5. Implementing the Recommended Salary Plan

To estimate implementation costs, we used current Fiscal Year 2013-14 employee salaries supplied by the Town for all departments and calculated three (3) levels of implementation ranging from identification of those positions which fall below the required market minimum to resolving issues of concern identified such as compression of salaries within the established ranges. Each is explained in the options below.

There were twenty employees who were identified as being below the recommended pay range and include the following positions: Accounting Clerk, Assistant Harbor Master, Chief of Police, Code Official, Harbor Assistant, Harbor Master, Librarian, Library Assistant, Maintenance Specialist, Police Officer, Public Works Supervisor, Recreation and Community Event Coordinator, Town Clerk, Town Planner, and Treasurer.

Consistent with staff’s direction, we have estimated implementation costs using Town personnel data as of April 2014, making the following assumptions:

- Recommended compensation program will be effective July 1, 2015.
- Implementation will address internal equity by making sure that no employee is paid below the minimum rate of their assigned salary grade.

All implementation options include moving employees to the minimum of the new pay scale or Option 1 as shown below, but do not include increased benefit costs to the Town for those benefits affected by rate of pay.

**Option 1 – Minimum of the Grade.** Under this option all employee salaries were raised to the minimum of their proposed grade on the proposed pay scale. Of the Town’s thirty-seven employees, twenty (20) employees, or 54%, of the Town’s workforce are being paid below the minimum salary rate of their proposed pay grade. The annual cost of bringing each of the employees to the minimum salary rate of their pay grade is estimated to be \$61,760. This amount is equivalent to 5.29% of the Town’s approximate \$1.1 million annual payroll for employees. Implementing this option and bringing employee salaries up to the minimum salary rate of their proposed pay grade will address internal equity and increase market comparability for the Town and is the minimum level of implementation required to ensure competitiveness of salaries.

Option 1 - Move to Min					
	# of Staff	Current Salary	Proposed Salary	Difference	% Increase
Totals	37	\$ 1,167,144.44	\$ 1,228,904.77	\$ 61,760.33	5.29%
Employee Below Min	20	\$ 554,646.84	\$ 616,407.17	\$ 61,760.33	11.14%
Employee Within Range	17	\$ 612,497.60	\$ 612,497.60	\$ -	-
Employee Above Max	0	\$ -	\$ -	\$ -	-

**Option 2 – 2% Salary Increase.** In this option, all employee salaries are brought to the minimum of the proposed pay grade or given a 2% increase, whichever is greater. To apply this strategy, we first brought all employees with salaries below their proposed minimum salary rate up to the minimum rate of the proposed pay grade. Those employees who fell naturally within the proposed pay grade were

placed within the range and given a 2% increase, moving them away from the minimum level of pay unless this increase brought them above the maximum, in which case they were moved to the maximum or remained at their current salary, whichever was greater. The estimated annual cost of this option is \$74,010. This is equal to 6.34% of the Town’s \$1.1 million annual payroll for employees. Implementation of this option will increase market comparability for the Town and begin to address the issue of wage compression.

Option 2 - Min or 2%					
	# of Staff	Current Salary	Proposed Salary	Difference	% Increase
Totals	37	\$ 1,167,144.44	\$ 1,241,154.72	\$ 74,010.28	6.34%
Employee Below Min	20	\$ 554,646.84	\$ 616,407.17	\$ 61,760.33	11.14%
Employee Within Range	17	\$ 612,497.60	\$ 624,747.55	\$ 12,249.95	2.00%
Employee Above Max	0	\$ -	\$ -	\$ -	

**Option 3 – Years of Service.** Individual employee salaries were also placed within the proposed pay grade based on the number of years of service times a rate of 0.5% per year of service reflecting a more accurate picture of market based increases for the employee and the experience they have gained with the Town. On average, the tenure for a The Town of Cape Charles employee is three years of service. For example, if an employee has been serving the Town for three years, the employee would receive a 1.5% increase based on the three years of service in the employee’s current position (3 years x .005 = 1.5%). This option rewards employees for longevity in their current position and recognizes the value of length of service and the development of skills and abilities in regard to performing the tasks of the position. The estimated cost of providing a .5% increase for each year of service in the employee’s current position for those employees that fell within the new pay grade is \$11,727 and \$71,895 for those employees that fell below the minimum of the new grade for a total implementation cost of \$83,713, which is equivalent to 7.17% of the Town’s \$1.1 million annual payroll. Implementation of the full plan via Option 3 would allow the Town to provide salaries that meet current market conditions based upon the market survey and recognizes the value of employees experience and past salary increases thus reducing the opportunity for compression of salaries.

Option 3 - Min + .5%/YOS					
	# of Staff	Current Salary	Proposed Salary	Difference	% Increase
Totals	37	\$ 1,167,144.44	\$ 1,250,857.65	\$ 83,713.21	7.17%
Employee Below Min	20	\$ 554,646.84	\$ 626,632.21	\$ 71,985.37	12.98%
Employee Within Range	17	\$ 612,497.60	\$ 624,225.44	\$ 11,727.84	1.91%
Employee Above Max	0	\$ -	\$ -	\$ -	

**Ongoing Administration**

After initial implementation is achieved, the Town should develop administrative procedures that provide for annual market analyses and salary adjustments based on market and economic conditions, the Town’s ability to pay and adjustments that recognize individual performance. It should be recognized that as the market shifts, employee’s base salaries should shift with adjustments in the Town’s compensation schedule to maintain market competitiveness. In addition, employees demonstrating higher levels of performance should be recognized and advanced through the salary range on an appropriate and consistent basis. Increases in compensation are typically provided by the means which follow.

**Base adjustments.** In Fiscal Year 2015-2016, and subsequent years it will be necessary for the Town to adjust the salary schedule and grades based on market adjustments and other factors such as recruitment. The Town can establish a guideline for determining annual base adjustments. For example, the Town could base its adjustment on the Consumer Price Index (CPI). The Town could also contact comparable jurisdictions to find out what percentage adjustment they are making to their pay scales as a second level of verification of the pay range adjustment. This would also ensure that the Town maintains marketability among comparable regional organizations.

If the CPI, for example, is 2.5, a 2.5% increase would be applied to the wage rates of each pay grade. In addition, all employees with performance that meets or exceeds job expectations would receive the 2.5% increase applied to their base salary.

**Performance adjustments and progressing through the salary ranges.** Employees typically move through their salary grade at a more rapid pace early in their career as opposed to the latter stages of their employment with an organization or community. This occurs because employees are typically hired by an organization at the minimum or near the minimum of their pay grade because they lack certain knowledge, skills and abilities that an employee who has been with an organization for eight to ten years may have gained through training and immersion in the work force and community. Consequently, the mid-point of the salary range is recognized as the 'market rate' at which employees have gained the knowledge, skills and abilities to perform at a level commensurate with those of their more experienced peers. For that reason, many communities and organizations typically experience a more rapid growth in employee salaries toward the mid-point of the salary range during the first eight to ten years of employment as they recognize the employee's growth in their job. As a result, employees often progress at a slower rate of salary growth once they have attained the mid-point and until their retirement. We would suggest that the Town develop a formal policy and performance evaluation system that establishes a goal of having employees reach the mid-point of their salary grade during the initial eight to ten year period of employment utilizing well defined performance evaluation criteria. This could be accomplished by recognizing employee's performance in a range of 1 to 3% over the initial period and then adjusting annual performance based increases into the 1 to 2% range for the duration of the employee's career, which is typically calculated to be twenty-five years.

As noted an employees' progression through the pay grade should be based on individual performance. Supervisors can recognize an employee's contribution to department and organizational goals through performance adjustments. With the ability to recommend performance adjustments, supervisors will have an important role in linking pay and performance.

When compensation is based on performance, employees look for assurance that managers will objectively evaluate performance and not inflate ratings in order to obtain a higher salary for particular employees. Generally, such systems provide for a review by the Town Manager's Office to provide a mechanism that assists managers in applying performance standards consistently for all employees.



When pay is based on performance, the evaluation system often provides for reviews at six or twelve month intervals, so employees know how supervisors view their performance and have the opportunity to improve performance and their prospect for a pay increase.

The Town of Cape Charles should develop a well-balanced evaluation system, which should be funded when resources permit, with adjustments to accommodate the Town's goal to move employees to the mid-point or market rate more quickly. By recognizing the value of employee performance on a consistent basis, the Town will encourage productivity and reward those demonstrating a higher level of skills, effort and ability.

### Review of Fringe Benefits and Other Policies

Fringe benefits are an important component of the total compensation package provided by employers both in the public and private sector. The Town of Cape Charles recognizes that fringe benefits also provide the organization with an opportunity to be competitive in the market place and that a well-rounded program is important in retaining that competitiveness. The various organizations that responded to the salary survey also provided information about their fringe benefit programs. Several observations can be made based on a review of the survey data.

Benefit findings include:

- Holiday leave varies from eleven to fifteen days per year with an average of thirteen days of paid holiday leave. The Town of Cape Charles provides employees with twelve to thirteen days of paid holiday leave, which is consistent with the survey average.
- Floating holidays were not provided by any respondents. The Town of Cape Charles also does not offer their employees floating holidays and is consistent with respondents.
- When holidays fall on regular days off, five respondents indicated that they provide employees with either the Friday before the holiday off or the Monday after the holiday. The Town of Cape Charles pays the employee eight hours of straight time plus payment for actual hours worked including overtime if the employee works over forty hours in the week, which is inconsistent with the survey responses.
- When employees are required to work on an official holiday observed by the organization, the majority of respondents indicate that they provide the employee with time and a half pay. One organization provides employees with double time pay and another organization pays time and a half pay for hours worked plus eight hours of pay. The Town of Cape Charles compensates employees with straight pay for hours worked plus eight hours of holiday pay.
- Annual leave offered by The Town of Cape Charles is above the averages as compared to the survey respondents. Our analysis indicates that the Town provides an average of twelve days for years of service from six months to four years, fifteen days for five to nine years, and eighteen days for more than nine years of service.

- Annual leave that can be carried over from year to year by employees was also an important question raised in the benefits section of the survey. Respondents indicated that an average of twenty-three days of annual leave could be carried from year to year. Employees of The Town of Cape Charles are allowed to carry over an unlimited amount of days, which is above the average.
- The average maximum accumulation of annual leave is thirty-one days. Employees of The Town of Cape Charles are allowed to carry over an unlimited number of days, which is well above the survey average. Only one respondent indicated that they provide compensation for annual leave lost after exceeding the maximum accrual. The Town of Cape Charles does not provide compensation after maximum accumulation of twenty-four days and is consistent with the survey responses in this practice.
- Sick leave days earned per year among survey respondents averaged thirteen days. The Town currently offers employees twelve to eighteen days of sick leave per year depending on their years of service, which is above the survey respondents.
- The number of sick leave days that can be carried over from year to year by employees was surveyed. Four respondents indicated that an unlimited number of days of sick leave time that the employee has accumulated could be carried over on an annual basis. Employees of The Town of Cape Charles are also allowed to carry over an unlimited number of sick leave days, which is consistent with the survey average. The average maximum accumulation of sick leave is also unlimited. The Town of Cape Charles allows employees to accumulate a maximum of an unlimited number of sick leave days, which is consistent with the survey average.
- Four of the responding organizations indicated that they currently do not pay out all, or a portion, of an employees' sick leave at the employees' termination, voluntary separation or retirement. The Town also does not pay employees for leave at termination, voluntary separation or retirement, which is consistent with the survey average.
- On average, respondents indicated that employees might use their sick leave for medical appointments, dental appointments and for caring for a family member who is ill. The Town also allows leave to be used for these purposes and is consistent with the survey average in this practice.
- Only two of the respondents have provisions for establishment and use a sick leave bank. The Town does provide a sick leave bank for employee utilization, which is above the survey average.
- All of the organizations responding to the survey provide employees with a retirement plan other than social security and provide this benefit through the Virginia state-sponsored system. The Town provides employees with the State's retirement plan and contributions vary because they are dependent on the State setting those amounts. It is important to note that the contributions are based upon actuarial assigned rates of contribution and those rates are established by the plan sponsor. Six of the organizations also provide a death benefit as a portion of the program and The Town of Cape Charles is consistent with the survey respondents in this practice.
- All of the responding municipalities offer life insurance to employees and contribute an average of 75% towards the cost of coverage for employees.

The Town also offers life insurance to employees and contributes 100% towards the cost of coverage, which is above the survey average.

- All of the organizations responding to the survey provide accidental death and dismemberment insurance with a double indemnity plan and pay an average of 100% of the cost of coverage. The Town of Cape Charles does not offer this benefit which is below the survey average.
- Four organizations offer short-term disability insurance and typically contribute 52% towards the cost of coverage. The Town also provides short-term disability insurance and pays 100% towards the cost, which is above the survey average. Four organizations also offer long-term disability insurance and cover 40% of the cost on average. The Town of Cape Charles also provides this benefit and contributes 100%, which is above the survey average.
- All of the responding organizations offer medical insurance to their eligible employees. The Town also provides medical insurance to their eligible employees, which is consistent with the survey average. The average monthly cost for medical insurance provided by survey respondents for an employee only is \$541.84, \$1,178.66 for the employee and their spouse, \$734.35 for the employee and one child, and \$1,657.67 for family coverage. For employee only and employee and one child coverage, the Town pays below the average monthly cost for insurance. For employee and spouse and family coverage, the Town pays above the survey average.
- On average from those responding to the survey, the employer pays 93% of the cost of employee coverage and 48% of the cost for employee and spouse, 59% for employee and one child, and 38% for family coverage. For employee only and employee and one child coverage, the Town pays above the average monthly contribution towards the cost for insurance. For employee and spouse and family coverage, the Town contributes less than the survey average.
- Three of the responding organizations offer medical insurance to their retirees. Two of those respondents require a certain number of years of service in order to be eligible to receive this benefit. The respondents pay an average of 13% toward the cost of premiums for their retirees. The Town of Cape Charles currently does not offer medical insurance to retirees, which is below the survey average.
- Six responding organizations indicated that they currently provide employees with a deferred compensation plan with only three of those organizations contributing to the plan on the employees' behalf. The Town of Cape Charles currently offers employees access to a deferred compensation plan as part of the VRS Plan and contribute to the plan, which is consistent with the survey respondents.
- Five of the organizations responded that they provide other benefits to their employees including employee assistance programs, AFLAC insurance, and wellness programs. The Town of Cape Charles offers tuition reimbursement for job related courses and provides a Town-owned vehicle for some workers in several departments.

- All of the responding organizations do not offer a post-retirement health care savings plan. The Town also does not offer this benefit and is consistent with the survey average.
- Four of the organizations do not offer employees call back pay and two organizations do not provide on call/stand by pay. Four organizations do not offer a clothing allowance. The Town does provide call back pay, but does not provide on call/stand by pay to employees. The Town does offer a service for uniforms and cleaning for the employees in the Public Utilities Department and provides uniforms for Police Officers, which is consistent with the survey respondents in this practice.

A summary of the fringe benefits survey appears in Appendix F.

## Appendix A

## Glossary

**Annual Salary Adjustment** – A salary increase based on changes in a price index, such as the Consumer Price Index (CPI), designed to help salaries keep pace with market changes. Other factors may be considered in annual salary adjustments, including the anticipated increases in the salary schedules of comparable employers. The adjustments are applied to the minimum, midpoint, and maximum rate of each pay grade and to employee salaries so their position within their assigned pay grades is maintained.

**Benchmark Jobs** – A group of jobs used as reference points for making pay comparisons with other organizations.

**Class Description** – A summary of the essential duties performed within a job class and examples of the specific tasks and employee knowledge, skill and abilities required to perform the job.

**Classification** – The assignment of positions to appropriate job classes and pay grades based on the results of a job evaluation.

**Internal Equity** – Fair and consistent pay relationships among jobs or skill levels within a single organization that establishes equal or comparable pay for jobs involving comparable work and utilization of comparable skills.

**Job Class** – A grouping of jobs that is considered to be substantially similar for pay purposes.

**Job Evaluation** – A systematic procedure designed to make classification decisions by applying standard criteria to a review of all job classes.

**Line of Best Fit** – In regression analysis, the line fitted to a scatter plot of coordinates measuring pay and job evaluation factors. The line is used to develop the salary structure.

**Occupational Group** – Jobs involving work of the same nature but requiring different skill and responsibility levels.

**Pay Grade** – A level within a salary schedule into which job classes with similar job evaluation factors are placed for compensation purposes. Pay grades have a minimum rate, a midpoint rate, and a maximum rate and define what an employer is willing to pay for a particular job. The midpoint of the pay grades approximates the market salary rate which would be paid for satisfactory performance.

**Pay Philosophy** – Decisions about employee compensation that address the relative importance of internal equity, external competitiveness, employee contributions or performance, and administration of the pay system.

**Performance Evaluation** – The process of determining the extent to which a worker's assigned task outcomes meet employer performance expectations and performance standards.

**Position Analysis Questionnaire (PAQ)** – A structured job analysis technique that classifies job information based on such factors as information input, mental processes, work output, relationships with other persons, job context, and other job characteristics. The PAQ analyzes jobs in terms of worker-oriented data.

**Progression through Pay Grades** – Strategies that move employees through the pay grade by merit progression based on performance, by automatic progression through designated steps, or some combination thereof.

**Salary Survey** – The systematic process of collecting information and making judgments about the compensation paid by other comparable employers. Salary data are useful in designing pay grades and salary structures.

## Appendix B

## Town of Cape Charles, Virginia Salary Survey - Results

Sheet	Position Surveyed	Number of Respondents	Average FTES	Weighted Avg Sal	Minimum Salary			Midpoint Salary		Maximum Salary			Client Information								
					Lowest	Highest	Weighted	Lowest	Highest	Lowest	Highest	Weighted	Min	Diff	%	Mid	Diff	%	Max	Diff	%
1	Code Official	3	1.00	71,988.83	46,978.00	68,006.00	57,731.00	59,897.50	83,307.50	72,817.00	98,609.00	86,246.67	48,030.00	(9,701.00)	-20.20%	60,029.00	(11,959.83)	-19.92%	68,027.00	(18,219.67)	-26.78%
2	DNU - Utility Billing/Administrative Assistant												27,040.00			27,040.00			27,040.00		
3	Accounting Clerk	5	1.40	35,835.78	24,976.00	33,516.00	28,439.53	31,220.00	41,058.00	37,464.00	48,600.00	43,232.04	22,470.00	(5,969.53)	-26.57%	27,187.00	(8,648.78)	-31.81%	30,332.00	(12,900.04)	-42.53%
4	Accountant	4	1.00	56,604.25	36,476.00	54,384.00	44,902.50	46,072.50	69,339.50	55,669.00	84,295.00	68,306.00	35,869.00	(9,033.50)	-25.18%	45,516.00	(11,088.25)	-24.36%	51,948.00	(16,358.00)	-31.49%
5	Treasurer	4	1.00	68,837.67	35,144.00	67,558.00	54,220.00	43,930.00	86,136.50	52,716.00	104,715.00	83,455.33	42,301.00	(11,919.00)	-28.18%	51,948.00	(16,889.67)	-32.51%	58,380.00	(25,075.33)	-42.95%
6	DNU - Harbor Assistant												18,720.00			18,720.00			18,720.00		
7	DNU - Assistant Harbor Master												27,350.00			32,574.00			36,600.00		
8	DNU - Harbor Master												29,301.00			37,697.00			43,292.00		
9	DNU - Library Assistant												17,662.00			19,414.00			20,581.00		
10	DNU - Librarian												25,727.00			28,844.00			30,921.00		
11	Recreation & Community Event Coordinator	3	1.00	59,550.17	37,524.00	57,576.00	47,704.00	46,903.50	70,531.50	56,283.00	83,487.00	71,396.33	33,092.80	(14,611.20)	-44.15%	33,092.80	(26,457.37)	-79.95%	33,092.80	(38,303.53)	-115.75%
12	Town Planner	4	1.00	56,624.13	36,427.00	54,384.00	44,992.00	44,622.00	69,339.50	52,817.00	84,295.00	68,256.25	37,106.00	(7,886.00)	-21.26%	44,527.00	(12,097.13)	-27.17%	49,474.00	(18,782.25)	-37.96%
13	Police Officer	6	4.83	40,307.85	28,214.00	38,136.00	32,832.57	31,741.00	48,169.50	35,268.00	58,203.00	47,783.14	24,737.00	(8,095.57)	-32.73%	35,127.00	(5,180.85)	-14.75%	42,053.00	(5,730.14)	-13.63%
14	Police Corporal	4	1.75	52,028.11	33,470.00	45,566.00	40,993.76	41,837.50	57,554.50	50,205.00	69,543.00	63,062.46	38,334.40	(2,659.36)	-6.94%	38,334.40	(13,693.71)	-35.72%	38,334.40	(24,728.06)	-64.51%
15	Chief of Police	5	1.00	76,479.92	44,853.00	70,936.00	60,593.00	56,066.50	90,443.00	67,280.00	109,950.00	92,366.83	39,366.00	(21,227.00)	-53.92%	52,852.00	(23,627.92)	-44.71%	61,843.00	(30,523.83)	-49.36%
16	Maintenance Specialist	8	2.13	30,598.50	19,096.00	34,121.00	24,273.28	23,870.50	43,504.50	28,645.00	52,888.00	36,923.72	18,553.00	(5,720.28)	-30.83%	22,263.00	(8,335.50)	-37.44%	24,737.00	(12,186.72)	-49.27%
17	Public Works Supervisor	5	1.20	49,371.03	32,661.00	41,475.00	37,521.42	46,126.00	52,880.50	55,351.00	64,286.00	60,541.70	22,690.00	(14,831.42)	-65.37%	32,194.00	(17,177.03)	-53.35%	38,529.00	(22,012.70)	-57.13%
18	Director of Public Works and Public Utilities	6	1.00	79,672.70	43,437.00	77,727.00	63,337.20	54,295.50	98,177.50	65,154.00	118,628.00	96,008.20	48,030.00	(15,307.20)	-31.87%	56,635.00	(23,037.70)	-40.68%	62,371.00	(33,637.20)	-53.93%
19	Assistant Town Clerk	3	1.67	33,139.17	25,462.00	27,220.00	26,245.72	32,464.00	33,353.00	39,466.00	40,547.00	40,032.61	30,160.00	3,914.28	12.98%	30,160.00	(2,979.17)	-9.88%	30,160.00	(9,872.61)	-32.73%
20	Town Clerk	4	1.00	47,060.63	32,496.00	45,609.00	37,302.00	41,432.50	57,011.00	50,369.00	68,413.00	56,819.25	33,395.00	(3,907.00)	-11.70%	40,816.00	(6,244.63)	-15.30%	45,764.00	(11,055.25)	-24.16%
21	DNU - Assistant Town Manager												37,106.00			44,528.00			49,475.00		
22	Wastewater Treatment Plant Operator	2	1.00	33,876.50	26,667.00	27,536.00	27,101.50	33,333.00	34,420.00	39,999.00	41,304.00	40,651.50	22,690.00	(4,411.50)	-19.44%	35,050.00	1,173.50	3.35%	43,290.00	2,638.50	6.09%
23	Utilities Maintenance Supervisor	4	1.00	48,079.63	31,532.00	48,012.00	38,111.75	40,408.50	61,215.50	49,285.00	74,419.00	58,047.50	22,690.00	(15,421.75)	-67.97%	32,194.00	(15,885.63)	-49.34%	38,529.00	(19,518.50)	-50.66%
24	Wastewater Plant Operator in Charge	1	1.00	52,880.50	41,475.00	41,475.00	41,475.00	52,880.50	52,880.50	64,286.00	64,286.00	64,286.00	45,593.60	4,118.60	9.03%	45,593.60	(7,286.90)	-15.98%	45,593.60	(18,692.40)	-41.00%
25	Water Plant Operator	3	1.33	36,670.52	26,667.00	30,949.00	29,083.24	33,333.00	139,460.00	39,999.00	47,971.00	44,257.80	22,690.00	(6,393.24)	-28.18%	35,050.00	(1,620.52)	-4.62%	43,290.00	(967.80)	-2.24%
	<b>Averages</b>	<b>4</b>	<b>1.41</b>	<b>51,644.77</b>	<b>33,530.83</b>	<b>48,010.33</b>	<b>40,936.64</b>	<b>42,246.33</b>	<b>60,487.89</b>	<b>50,726.28</b>	<b>73,024.39</b>	<b>62,315.19</b>	<b>31,925.88</b>	<b>(8,281.20)</b>	<b>-27.36%</b>	<b>38,808.42</b>	<b>(11,724.28)</b>	<b>-29.68%</b>	<b>43,417.38</b>	<b>(17,551.42)</b>	<b>-40.55%</b>
	DNU - did not use survey information																				



## Town of Cape Charles, Virginia Salary Survey Comparison

Department	Title	Grade	Proposed Range			Salary Survey vs Proposed						Current vs Proposed					
			Min	Mid	Max	Min	% Diff	Mid	% Diff	Max	% Diff	Min	% Diff	Mid	% Diff	Max	% Diff
Public Works	Maintenance Specialist	15	23,016.70	30,688.94	38,361.17	24,273.28	-5.46%	30,598.50	-0.30%	36,923.72	3.89%	18,553.00	24.06%	22,263.00	37.85%	24,737.00	55.08%
Town Clerk	Assistant Town Clerk	18	26,644.71	35,526.28	44,407.85	26,245.72	-1.52%	33,139.17	7.20%	40,032.61	10.93%	30,160.00	-13.19%	30,160.00	17.79%	30,160.00	47.24%
Finance	Accounting Clerk	19	27,976.95	37,302.60	46,628.25	28,439.53	-1.65%	35,835.78	4.09%	43,232.04	7.86%	22,470.00	24.51%	27,187.00	37.21%	30,332.00	53.73%
Police	Police Officer	22	32,386.82	43,182.42	53,978.03	32,832.57	-1.38%	40,307.85	7.13%	47,783.14	12.96%	24,737.00	30.92%	35,127.00	22.93%	42,053.00	28.36%
Town Clerk	Town Clerk	28	43,401.43	57,868.57	72,335.72	37,302.00	16.35%	47,060.63	22.97%	56,819.25	27.31%	33,395.00	29.96%	40,816.00	41.78%	45,764.00	58.06%
Public Works	Public Works Supervisor	25	37,491.79	49,989.05	62,486.31	37,521.42	-0.08%	49,371.03	-1.25%	60,541.70	3.21%	22,690.00	65.23%	32,194.00	55.27%	38,529.00	62.18%
Utilities	Utilities Maintenance Supervisor	25	37,491.79	49,989.05	62,486.31	38,111.75	-1.65%	48,079.63	-3.97%	58,047.50	7.65%	22,690.00	65.23%	32,194.00	55.27%	38,529.00	62.18%
Police	Police Corporal	24	35,706.46	47,608.62	59,510.77	40,993.76	-14.81%	52,028.11	-9.28%	63,062.46	-5.97%	38,334.40	-7.36%	38,334.40	24.19%	38,334.40	55.24%
Wastewater	Wastewater Plant Operator in Charge	27	41,334.69	55,112.93	68,891.16	41,475.00	-0.34%	52,880.50	-4.22%	64,286.00	7.16%	45,593.60	-10.30%	45,593.60	20.88%	45,593.60	51.10%
Finance	Accountant	25	37,491.79	49,989.05	62,486.31	44,902.50	-19.77%	56,604.25	-13.23%	68,306.00	-9.31%	35,869.00	4.52%	45,516.00	9.83%	51,948.00	20.29%
Planning & Zoning	Town Planner	28	43,401.43	57,868.57	72,335.72	44,992.00	-3.66%	56,624.13	-2.20%	68,256.25	5.98%	37,106.00	16.97%	44,527.00	29.96%	49,474.00	46.21%
Finance	Treasurer	32	52,754.71	70,339.61	87,924.52	54,220.00	-2.78%	68,837.67	-2.18%	83,455.33	5.36%	42,301.00	24.71%	51,948.00	35.40%	58,380.00	50.61%
Code Enforcement	Code Official	32	52,754.71	70,339.61	87,924.52	57,731.00	-9.43%	71,988.83	-2.34%	86,246.67	-1.95%	48,030.00	9.84%	60,029.00	17.18%	68,027.00	29.25%
Public Works	Director of Public Works and Public Utilities	32	52,754.71	70,339.61	87,924.52	63,337.20	-20.06%	79,672.70	-13.27%	96,008.20	-9.19%	48,030.00	9.84%	56,635.00	24.20%	62,371.00	40.97%

## Appendix C

## Town of Cape Charles, Virginia Pay Scale

% Between Grades:	5%		
Range:	50.0%		
Starting midpoint:	15,500		
<b>Salary Range</b>			
Grade	Min	Mid	Max
1	11,625.00	15,500.00	19,375.00
2	12,206.25	16,275.00	20,343.75
3	12,816.56	17,088.75	21,360.94
4	13,457.39	17,943.19	22,428.98
5	14,130.26	18,840.35	23,550.43
6	14,836.77	19,782.36	24,727.96
7	15,578.61	20,771.48	25,964.35
8	16,357.54	21,810.06	27,262.57
9	17,175.42	22,900.56	28,625.70
10	18,034.19	24,045.59	30,056.98
11	18,935.90	25,247.87	31,559.83
12	19,882.70	26,510.26	33,137.83
13	20,876.83	27,835.77	34,794.72
14	21,920.67	29,227.56	36,534.45
15	23,016.70	30,688.94	38,361.17
16	24,167.54	32,223.39	40,279.23
17	25,375.92	33,834.56	42,293.20
18	26,644.71	35,526.28	44,407.85
19	27,976.95	37,302.60	46,628.25
20	29,375.80	39,167.73	48,959.66
21	30,844.59	41,126.11	51,407.64
22	32,386.82	43,182.42	53,978.03
23	34,006.16	45,341.54	56,676.93
24	35,706.46	47,608.62	59,510.77
25	37,491.79	49,989.05	62,486.31
26	39,366.38	52,488.50	65,610.63
27	41,334.69	55,112.93	68,891.16
28	43,401.43	57,868.57	72,335.72
29	45,571.50	60,762.00	75,952.50
30	47,850.08	63,800.10	79,750.13
31	50,242.58	66,990.11	83,737.63
32	52,754.71	70,339.61	87,924.52
33	55,392.44	73,856.59	92,320.74
34	58,162.07	77,549.42	96,936.78
35	61,070.17	81,426.89	101,783.62
36	64,123.68	85,498.24	106,872.80
37	67,329.86	89,773.15	112,216.44
38	70,696.36	94,261.81	117,827.26

## Appendix D

**Town of Cape Charles, Virginia**  
**Sorted by Department then Grade; Showing Title and Range Schematic**

Department	Title	FLSA	Grade	Proposed Range		
				Min	Mid	Max
Code Enforcement	Code Official	Exempt	32	52,754.71	70,339.61	87,924.52
Finance	Utilities Billing/Administrative Assistant	Non-Exempt	18	26,644.71	35,526.28	44,407.85
Finance	Accounting Clerk	Non-Exempt	19	27,976.95	37,302.60	46,628.25
Finance	Accountant	Non-Exempt	25	37,491.79	49,989.05	62,486.31
Finance	Treasurer	Exempt	32	52,754.71	70,339.61	87,924.52
Harbor	Harbor Assistant	Non-Exempt	15	23,016.70	30,688.94	38,361.17
Harbor	Assistant Harbor Master	Non-Exempt	22	32,386.82	43,182.42	53,978.03
Harbor	Harbor Master	Exempt	32	52,754.71	70,339.61	87,924.52
Library	Library Assistant	Non-Exempt	16	24,167.54	32,223.39	40,279.23
Library	Librarian	Exempt	28	43,401.43	57,868.57	72,335.72
Parks & Recreation	Recreation and Community Event Coordinator	Exempt	26	39,366.38	52,488.50	65,610.63
Planning & Zoning	Town Planner	Exempt	28	43,401.43	57,868.57	72,335.72
Police	Police Officer	Non-Exempt	22	32,386.82	43,182.42	53,978.03
Police	Police Corporal	Non-Exempt	24	35,706.46	47,608.62	59,510.77
Police	Police Sergeant	Non-Exempt	27	41,334.69	55,112.93	68,891.16
Police	Chief of Police	Exempt	32	52,754.71	70,339.61	87,924.52
Public Works	Maintenance Specialist	Non-Exempt	15	23,016.70	30,688.94	38,361.17
Public Works	Public Works Supervisor	Non-Exempt	25	37,491.79	49,989.05	62,486.31
Public Works	Director of Public Works and Public Utilities	Exempt	32	52,754.71	70,339.61	87,924.52
Town Clerk	Assistant Town Clerk	Non-Exempt	18	26,644.71	35,526.28	44,407.85
Town Clerk	Town Clerk	Exempt	28	43,401.43	57,868.57	72,335.72
Town Manager	Assistant Town Manager	Exempt	33	55,392.44	73,856.59	92,320.74
Utilities	Utilities Maintenance Technician	Non-Exempt	19	27,976.95	37,302.60	46,628.25
Utilities	Utilities Maintenance Supervisor	Non-Exempt	25	37,491.79	49,989.05	62,486.31
Wastewater	Wastewater Plant Operator	Non-Exempt	19	27,976.95	37,302.60	46,628.25
Wastewater	Wastewater Plant Operator in Charge	Non-Exempt	27	41,334.69	55,112.93	68,891.16
Waterworks	Water Plant Operator	Non-Exempt	20	29,375.80	39,167.73	48,959.66

**Town of Cape Charles, Virginia**  
**Sorted by Grade; Showing Title and Range Schematic**

Department	Title	FLSA	Grade	Proposed Range		
				Min	Mid	Max
Harbor	Harbor Assistant	Non-Exempt	15	23,016.70	30,688.94	38,361.17
Public Works	Maintenance Specialist	Non-Exempt	15	23,016.70	30,688.94	38,361.17
Library	Library Assistant	Non-Exempt	16	24,167.54	32,223.39	40,279.23
Finance	Utilities Billing/Administrative Assistant	Non-Exempt	18	26,644.71	35,526.28	44,407.85
Town Clerk	Assistant Town Clerk	Non-Exempt	18	26,644.71	35,526.28	44,407.85
Finance	Accounting Clerk	Non-Exempt	19	27,976.95	37,302.60	46,628.25
Utilities	Utilities Maintenance Technician	Non-Exempt	19	27,976.95	37,302.60	46,628.25
Wastewater	Wastewater Plant Operator	Non-Exempt	19	27,976.95	37,302.60	46,628.25
Waterworks	Water Plant Operator	Non-Exempt	20	29,375.80	39,167.73	48,959.66
Harbor	Assistant Harbor Master	Non-Exempt	22	32,386.82	43,182.42	53,978.03
Police	Police Officer	Non-Exempt	22	32,386.82	43,182.42	53,978.03
Police	Police Corporal	Non-Exempt	24	35,706.46	47,608.62	59,510.77
Finance	Accountant	Non-Exempt	25	37,491.79	49,989.05	62,486.31
Public Works	Public Works Supervisor	Non-Exempt	25	37,491.79	49,989.05	62,486.31
Utilities	Utilities Maintenance Supervisor	Non-Exempt	25	37,491.79	49,989.05	62,486.31
Parks & Recreation	Recreation and Community Event Coordinator	Exempt	26	39,366.38	52,488.50	65,610.63
Police	Police Sergeant	Non-Exempt	27	41,334.69	55,112.93	68,891.16
Wastewater	Wastewater Plant Operator in Charge	Non-Exempt	27	41,334.69	55,112.93	68,891.16
Library	Librarian	Exempt	28	43,401.43	57,868.57	72,335.72
Planning & Zoning	Town Planner	Exempt	28	43,401.43	57,868.57	72,335.72
Town Clerk	Town Clerk	Exempt	28	43,401.43	57,868.57	72,335.72
Code Enforcement	Code Official	Exempt	32	52,754.71	70,339.61	87,924.52
Finance	Treasurer	Exempt	32	52,754.71	70,339.61	87,924.52
Harbor	Harbor Master	Exempt	32	52,754.71	70,339.61	87,924.52
Police	Chief of Police	Exempt	32	52,754.71	70,339.61	87,924.52
Public Works	Director of Public Works and Public Utilities	Exempt	32	52,754.71	70,339.61	87,924.52
Town Manager	Assistant Town Manager	Exempt	33	55,392.44	73,856.59	92,320.74

## Appendix E

## Town of Cape Charles, Virginia Comparison of Major Fringe Benefits

		Least Reported Yes (0)	Most Reported No (2)	Average Reported No	Town of Cape Charles
	Multiple sets of fringe benefits?				
	What groups are there?				
	Which group was used to complete the questionnaire?				
1	a) Holidays (Days/Year)	11	15.5	13	13
	b) Floating Holidays	Yes (0)	No (5)	No	No
	If yes, how many?			0	
	c) Holiday on Regular Days Off	Other (0)	Fri-Mon (5)	Fri-Mon	Other
	d) Comp on Holidays Worked		T&½ (4)		
	Time and a ½	T&½ (4)	4	T&½ (4)	Other
	Double Time	Dbl (1)	1		
	Double Time and a ½	DT&½ (0)	0		
	Other	Other (1)	1		
2	Annual Leave (Days/Year)				
	a) Vacation/Sick or PTO	PTO (0)	Vac-Sick (4)	Vac-Sick	Vac-Sick
	b) Vacation - days or hours?				
	6 months	2.50	12.00	7.25	12.00
	1 year	5.00	12.00	8.50	12.00
	2 years	10.00	12.00	11.00	12.00
	3 years	10.00	12.00	11.50	12.00
	4 years	10.00	12.00	11.50	12.00
	5 years	10.00	15.00	13.00	15.00
	6 years	10.00	15.00	13.75	15.00
	7 years	15.00	15.00	15.00	15.00
	8 years	15.00	15.00	15.00	15.00
	9 years	15.00	15.00	15.00	15.00
	10 years	15.00	18.00	15.75	18.00
	11 years	15.00	18.00	17.25	18.00
	12 years	15.00	18.00	17.25	18.00
	13 years	15.00	18.00	17.25	18.00
	14 years	15.00	21.00	18.00	18.00
	15 years	15.00	21.00	18.00	18.00
	16 years	15.00	21.00	19.50	18.00
	17 years	15.00	21.00	19.50	18.00
	18 years	15.00	21.00	19.50	18.00
	19 years	15.00	21.00	19.50	18.00
	20 years	15.00	21.00	19.50	18.00
	20+ years	15.00	24.00	21.00	18.00
	c) Carried into Next Year	10.00	Unltd (3)	23	Unltd
	d) Max Accumulation	10.00	Unltd (1)	31	Unltd
	e) Comp after Max Accumulation	Yes (1)	No (5)	No	No
3	a) Sick Leave (Days/Year)	12.00	15.00	13	12 to 18
	b) Carried into Next Year	-	Unltd (4)	Unltd	Unltd
	c) Max. Accumulation	-	Unltd (1)	Unltd	Unltd
	d) Paid at Termination/Retirement	Yes (2)	No (4)	No	No
	e) Use for Medical Appointments	No (0)	Yes (6)	Yes	Yes
	f) Use for Dental Appointments	No (0)	Yes (6)	Yes	Yes
	g) Use for Family Illness	No (0)	Yes (6)	Yes	Yes
	h) Sick Leave Bank	Yes (2)	No (4)	No	Yes
4	Pension and Retirement				
	a) Other Than Social Security	No (0)	Yes (6)	Yes	Yes
	b) State Sponsored	No (0)	Yes (6)	Yes	Yes
	c) Employer Paid	0%	13%	8%	5%
	d) Employee Paid	0%	9%	5%	5%
	e) Death Benefit	No (0)	Yes (6)	Yes	Yes
5	Life & Disability Insurance				
	a) Life Insurance				
	Employer Paid	1%	100%	75%	100%
	b) AD&D	No (0)	Yes (5)	Yes	No
	AD&D Double Indemnity	No (0)	Yes (5)	Yes	No
	Employer Paid	100%	100%	100%	0%
	c) Short Term Disability	No (1)	Yes (4)	Yes	Yes
	Employer Paid	0%	100%	52%	100%
	d) Long Term Disability	No (1)	Yes (4)	Yes	Yes
	Employer Paid	0%	100%	40%	100%



## Town of Cape Charles, Virginia Comparison of Major Fringe Benefits

	<u>Least Reported</u>	<u>Most Reported</u>	<u>Average Reported</u>	<u>Town of Cape Charles</u>
<b>6 a Health Insurance</b>	No (0)	Yes (6)	Yes	Yes
b Different Types of Coverage?	Yes (1)	No (4)	No	Yes
c 100% FTE participation required	Yes (1)	No (4)	No	No
d Not participating	Yes (0)	No (5)	No	Yes
e Employee Only	\$ 402.00	\$ 697.52	\$ 541.84	\$ 535.32
Employer Paid	80%	100%	93%	100%
Employee Paid	0%	20%	7%	0%
Max out of pocket	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Standard Office Visit Co-pay	\$ 15.00	\$ 30.00	\$ 21.25	\$ 25.00
f Employee/Spouse	\$ 1,044.30	\$ 1,395.04	\$ 1,178.66	\$ 1,202.11
Employer Paid	42%	54%	48%	44%
Employee Paid	46%	58%	52%	56%
Max out of pocket	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 3,000.00
Standard Office Visit Co-pay	\$ 15.00	\$ 30.00	\$ 21.25	\$ 25.00
g Employee/Child	\$ 738.68	\$ 1,064.00	\$ 877.66	\$ 734.75
Employer Paid	45%	83%	59%	73%
Employee Paid	17%	55%	41%	27%
Max out of pocket	\$ 1,000.00	\$ 2,000.00	\$ 1,500.00	\$ 3,000.00
Standard Office Visit Co-pay	\$ 15.00	\$ 30.00	\$ 21.25	\$ 25.00
h Employee/Family	\$ 1,085.00	\$ 2,022.80	\$ 1,544.29	\$ 1,657.67
Employer Paid	29%	45%	38%	32%
Employee Paid	55%	71%	62%	68%
Max out of pocket	\$ 1,000.00	\$ 2,000.00	\$ 1,500.00	\$ 3,000.00
Standard Office Visit Co-pay	\$ 15.00	\$ 30.00	\$ 21.25	\$ 25.00
m Supplemental program for HDP?	Yes (0)	No (4)	No	No
n Type of Program				No
o Employer Paid	0%	0%	0%	0%
p Retirees	No (2)	Yes (3)	Yes	No
Years of Service Required	No (0)	Yes (2)	Yes	
If yes, how many?	5.00	15.00	10.00	
Employer Paid	0%	50%	13%	
q Dental Insurance	No (0)	Yes (6)	Yes	Yes
Part of Health Plan	Yes/No (3/3)	Yes/No (3/3)		No
Employee Only	\$ 17.04	\$ 29.14	\$ 21.75	\$ 36.96
Employer Paid	80%	100%	88%	100%
Employee/Family	\$ 51.12	\$ 72.73	\$ 60.99	\$ 93.89
Employer Paid	0%	40%	23%	39%
r Vision Insurance	No (0)	Yes (6)	Yes	Yes
Part of Health Plan	No (0)	Yes (6)	Yes	Yes
Employee Only	\$ -	\$ 11.84	\$ 5.92	
Employer Paid	80%	80%	80%	
Employee/Family	\$ 35.52	\$ 35.52	\$ 35.52	
Employer Paid	40%	40%	40%	
<b>7 a Deferred Compensation</b>	No (0)	Yes (6)	Yes	Yes
b Available to all Employees	No (1)	Yes (5)	Yes	Yes
c Type of Plan	457	ICMA	ICMA	VRS
d Employer Contribution	Yes/No (3/3)	Yes/No (3/3)		Yes
<b>8 Other Benefits Program</b>				
a Other Benefits	No (1)	Yes (5)	Yes	Yes
b Post Retirement Hlth Care Svcs	Yes (0)	No (6)	No	No
c Call Back Pay	Yes (1)	No (4)	No	Yes
d On Call/Stand By Pay	No (2)	Yes (3)	Yes	No
e Clothing Allowance	Yes (1)	No (4)	No	No