

**STOKES COUNTY,  
NORTH CAROLINA**

**COMPENSATION AND  
CLASSIFICATION STUDY**

**DRAFT FINAL REPORT  
FOR REVIEW BY MANAGEMENT  
19 AUGUST 2020**

**THE MERCER GROUP, INC.**

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**DRAFT FINAL REPORT FOR REVIEW BY MANAGEMENT 8.19.2020**

**I. BACKGROUND**

Stokes County engaged the services of the Mercer Group, Inc. to conduct a classification and compensation study in order to update the County's current pay structure to ensure that the County is competitive with the market at the level they choose.

**II. METHODOLOGY**

The Mercer Group, Inc. methodology for this classification and compensation study employed a combination of specific internal and external data which places the salary schedule into parity with the market and each position into parity with all other positions. From this internal and external data, pay levels are determined, positions are classified and placed into the salary schedule, and ongoing methods of maintaining the system are developed.

Detailed descriptions of the methodologies are described below.

**A. Compensation/Market Survey Methodology**

The Compensation/Market Survey is a data-collection process which ensures a fair and equitable comparison of the pay structure.

The core of this process is the comparison of the County's pay plan with the pay plans of comparable organizations. The primary objective of the market survey and analysis is to determine how the compensation levels for the County's job classes compare to that of similar employers with whom the County must compete for employees.

The results of the market survey were used to construct a pay plan that will ensure the ability of the County to recruit and retain qualified employees and to provide an effective basis for managing salary costs.

***Market Survey Employer Selection***

The employers selected for the market survey were defined as accurately as possible the "Labor Market" within which the County competes. Organizations were selected using the following criteria:

*Geographic Proximity* - Comparison organizations located within a reasonable commuting distance were selected. Selecting employers in relatively close geographic proximity ensures that the market will reflect the area's cost of living, growth rate and other demographic characteristics.

*Nature of Services Provided* – Organizations were selected which provide a similar range of services, these organizations are most likely to compete with each other for employees, likely to have comparable jobs, and are likely to have similar organizational structures.

Each of these factors was taken into consideration in the identification of an appropriate labor market for the County. County management assisted in the identification of market organizations.

The organizations from which data was obtained are:

- **DAVIE COUNTY**
- **FORSYTH COUNTY**
- **GREENSBORO**
- **GUILFORD COUNTY**
- **KERNERSVILLE**
- **KING**
- **REIDSVILLE**
- **ROCKINGHAM COUNTY**
- **RURAL HALL**
- **SURRY COUNTY**
- **WALNUT COVE**
- **WINSTON-SALEM**
- **YADKIN COUNTY**

#### *Survey Benchmark Position Selection*

The second step in preparing for the market survey is the identification and selection of Benchmark positions. The Benchmark positions are positions contained in the County's classification system for which adequate market matches can be found. Benchmark positions provide a reference point for developing salary recommendations for all non-Benchmark positions.

Benchmark positions are those which meet the following criteria:

- Well-defined positions presumed to exist within the local government and private organizations which are to be surveyed;
- Encompass a variety of skill levels within the organization;
- Reasonably well known and understood positions which are clearly and concisely described; and,
- Represent a variety of pay levels within the organization.

The Benchmark positions (current position titles) selected for the comparison market survey are listed below:

- ACCOUNTING TECHNICIAN I
- ADMINISTRATIVE ASSISTANT I
- ADVANCED EMERGENCY MEDICAL TECHNICIAN
- ANIMAL CONTROL OFFICER
- ASSISTANT FINANCE DIRECTOR
- BUILDING MAINTENANCE SUPERVISOR
- CHIEF CODE ENFORCEMENT OFFICER
- CHILD SUPPORT AGENT II
- CODE ENFORCEMENT I/ZONING ENFORCEMENT OFFICER
- CUSTODIAN
- DEPUTY II/SERGEANT
- DEPUTY SHERIFF II
- DEPUTY SHERIFF-CAPTAIN
- DSS DIRECTOR
- EMERGENCY MEDICAL SERVICES DIRECTOR
- EMERGENCY MEDICAL TECHNICIAN PARAMEDIC
- EMERGENCY MEDICAL TECHNICIAN PARAMEDIC SHIFT SUPERVISOR
- FINANCE ACCOUNTING TECHNICIAN I
- FINANCE ACCOUNTING TECHNICIAN II
- FINANCE DIRECTOR
- FIRE MARSHAL
- GIS SPECIALIST
- HUMAN RESOURCES OFFICER
- INFORMATION TECHNOLOGY DIRECTOR
- INFORMATION TECHNOLOGY SYSTEM ANALYST
- JAILER
- LICENSED PRACTICAL NURSE II
- MAINTENANCE TECHNICIAN I
- MAINTENANCE WORKER/PARKS
- OFFICE ASSISTANT II
- PERMITTING TECHNICIAN I
- PUBLIC HEALTH NURSE II
- REAL PROPERTY APPRAISER I
- REAL PROPERTY APPRAISER II
- RECORDS CLERK
- SANITATION TRUCK DRIVER
- SERGEANT
- SOCIAL WORKER III
- SOCIAL WORKER SUPERVISOR III
- TAX/EMS COLLECTIONS CLERK
- TELECOMMUNICATOR
- VEHICLE MAINTENANCE MECHANIC

It is not possible to conduct an adequate market survey for all positions within the County. No organization is structured the same way the County is structured. Therefore, the County will have unique positions that cannot be found in the market; tying classifications only to market does not take into account the priorities of the County. By combining the market survey data with the point factor system described below, both external equity and internal salary relationships are reflected in the resulting salary setting process.

## **B. Classification Methodology**

The classification process began with an orientation for all employees. County management had an individual orientation session to review the overall structure, discuss areas of concern, and review the positions.

The position description questionnaires completed by each employee and followed by interviews, discussions with management, and insight from human resources were used to ensure a thorough understanding of each position. That understanding is critical, as it becomes the basis for the rating of each position using the Factor Evaluation System.

The Mercer Group, Inc. Factor Evaluation System (FES) is used to provide a numerical rating for all positions within the County that were included in the study.

Factor evaluation systems provide a method of classifying positions based on the work performed. The systems generally are easy to understand and apply and can be used to classify and re-classify both permanent and part-time positions.

In developing the factor system used by the Mercer Group, Inc. the following principles were applied:

- Important elements of each job should be measured by consistent factors.
- The factors must be explainable and clearly defined.
- Factors should relate to observable and measurable aspects of the job.
- Factors should relate to the business of the organization, i.e. local government.
- The number of factors should be limited for administrative ease but should reflect all aspects of the positions rated.

The factors used in the Mercer FES are:

### **Factor 1 - Knowledge Required:**

Assigns points based on skills, knowledge, and educational level required by the job.

### **Factor 2 - Supervisory Controls:**

Points are assigned based on the nature and extent of direct supervision required over the position.

**Factor 3 - Supervision Exercised:**

Measures the amount of supervision or management exercised by the position.

**Factor 4 - Guidelines:**

Measures the nature of existing guidelines and the judgment needed to apply them.

**Factor 5 - Complexity:**

Measures the nature, number, variety and intricacy of tasks, steps or processes in the work performed by the position.

**Factor 6 - Scope and Effect:**

Measures the nature of the work and its effect both inside and outside the organization.

**Factor 7 - Personal Contacts:**

Measures contacts with co-workers, the public and others required in performing the duties of the position.

**Factor 8 - Purpose of Contacts:**

Measures the level and purpose of informational exchange in the personal contacts identified in Factor 7.

**Factor 9 - Physical Demands:**

Includes physical characteristics and abilities needed as well as the level of exertion required in performing the duties of the position.

**Factor 10 - Work Environment:**

Considers the risks and discomforts in the physical surroundings.

Every position included in the study for the County was rated using this system. Those ratings were then used to determine where each position fits in the salary schedule. This process provided for internal equity.

**III. FINDINGS**

Through analysis and consultation with management, an extensive list of comparable organizations was chosen to be surveyed regarding the minimum, midpoint, and maximum salary offered for the Benchmark positions. The Mercer Group, Inc. was able to obtain information from 10 comparable organizations.

*No individual employee's pay is determined by this survey data, nor is it accurate to compare an employee's actual salary with individual or aggregate salary information obtained for a particular Benchmark position.*

The total cost to implement the new pay structure, that is to move employees whose current salary is below their new minimum up to the new minimum for their pay grade, will be \$332,980.50 (This amount may change depending on further review and discussion of positions with the County and pending clarification of ongoing staffing changes, annualized salaries for part-time positions, and other factors.)

<b>RECOMMENDED PAY PLAN</b>			
<b>Grade</b>	<b>Minimum</b>	<b>Midpoint</b>	<b>Maximum</b>
23	\$23,372.40	\$30,384.12	\$37,395.84
24	\$24,424.15	\$31,751.40	\$39,078.65
25	\$25,523.24	\$33,180.22	\$40,837.19
26	\$26,671.79	\$34,673.32	\$42,674.86
27	\$27,872.02	\$36,233.62	\$44,595.23
28	\$29,126.26	\$37,864.13	\$46,602.01
29	\$30,436.94	\$39,568.02	\$48,699.10
30	\$31,806.60	\$41,348.58	\$50,890.56
31	\$33,237.90	\$43,209.27	\$53,180.64
32	\$34,733.61	\$45,153.70	\$55,573.78
33	\$36,296.62	\$47,185.61	\$58,074.59
34	\$37,929.97	\$49,308.96	\$60,687.95
35	\$39,636.82	\$51,527.87	\$63,418.91
36	\$41,420.48	\$53,846.63	\$66,272.77
37	\$43,284.40	\$56,269.72	\$69,255.04
38	\$45,232.20	\$58,801.86	\$72,371.52
39	\$47,267.65	\$61,447.95	\$75,628.24
40	\$49,394.69	\$64,213.10	\$79,031.50
41	\$51,617.45	\$67,102.69	\$82,587.92
42	\$53,940.24	\$70,122.31	\$86,304.38
43	\$56,367.55	\$73,277.82	\$90,188.08
44	\$58,904.09	\$76,575.32	\$94,246.54
45	\$61,554.77	\$80,021.20	\$98,487.63
46	\$64,324.73	\$83,622.15	\$102,919.57
47	\$67,219.34	\$87,385.14	\$107,550.94

Once all positions were analyzed and factored and the pay plan was developed, the positions were grouped into pay grades as indicated by total factor scores and market analysis.

**RECOMMENDED POSITION TITLES  
BY PAY GRADE**

<u>Grade</u>	<u>Minimum</u>	<u>Midpoint</u>	<u>Maximum</u>
<u>23</u>	<u>\$23,372.40</u>	<u>\$30,384.12</u>	<u>\$37,395.84</u>
24 CUSTODIAN	\$24,424.15	\$31,751.40	\$39,078.65
<u>25</u>	<u>\$25,523.24</u>	<u>\$33,180.22</u>	<u>\$40,837.19</u>
26 ANIMAL SHELTER ATTENDANT MAINTENANCE TECHNICIAN PROCESSING SPECIALIST SENIOR CUSTODIAN WIC SPECIALIST	\$26,671.79	\$34,673.32	\$42,674.86
<u>27</u>	<u>\$27,872.02</u>	<u>\$36,233.62</u>	<u>\$44,595.23</u>
ACCOUNTING TECHNICIAN COMMUNITY SOCIAL SERVICES ASSISTANT DEPUTY REGISTER OF DEEDS HEAVY EQUIPMENT OPERATOR OFFICE ASSISTANT TAX/EMS COLLECTIONS TECHNICIAN UNCERTIFIED REAL PROPERTY APPRAISER VETERANS SERVICE OFFICER	\$27,872.02	\$36,233.62	\$44,595.23
<u>28</u>	<u>\$29,126.26</u>	<u>\$37,864.13</u>	<u>\$46,602.01</u>
ARTS COUNCIL ASSISTANT INCOME MAINTENANCE CASEWORKER PERSONAL PROPERTY APPRAISER SENIOR MAINTENANCE TECHNICIAN TELECOMMUNICATOR	\$29,126.26	\$37,864.13	\$46,602.01
<u>29</u>	<u>\$30,436.94</u>	<u>\$39,568.02</u>	<u>\$48,699.10</u>
ARTS PLACE MANAGER NUTRITION SITE MANAGER PERMITTING TECHNICIAN RECORDS TECHNICIAN SANITATION EQUIPMENT OPERATOR SENIOR OFFICE ASSISTANT	\$30,436.94	\$39,568.02	\$48,699.10



<u>Grade</u>	<u>Minimum</u>	<u>Midpoint</u>	<u>Maximum</u>
<b><u>30</u></b>	<b><u>\$31,806.60</u></b>	<b><u>\$41,348.58</u></b>	<b><u>\$50,890.56</u></b>
ADMINISTRATIVE ASSISTANT			
ANIMAL CONTROL OFFICER			
DRC WORK PROGRAM COORDINATOR			
MOTOR VEHICLE APPRAISER			
SENIOR ACCOUNTING TECHNICIAN			
SENIOR PROCESSING ASSISTANT			
SHOP FOREMAN			
VEHICLE MAINT MECHANIC			
<b><u>31</u></b>	<b><u>\$33,237.90</u></b>	<b><u>\$43,209.27</u></b>	<b><u>\$53,180.64</u></b>
ACCOUNTING SPECIALIST			
ADVANCED EMERGENCY MEDICAL TECHNICIAN			
DEPUTY ELECTION DIRECTOR			
DETENTION OFFICER			
MAPPING SPECIALIST			
PROCESSING TECHNICIAN			
REAL PROPERTY APPRAISER			
SENIOR INCOME MAINTENANCE CASEWORKER			
TRANSPORT OFFICER			
WALNUT COVE SENIOR CENTER COORDINATOR			
<b><u>32</u></b>	<b><u>\$34,733.61</u></b>	<b><u>\$45,153.70</u></b>	<b><u>\$55,573.78</u></b>
ASSISTANT HUMAN RESOURCES DIRECTOR			
ASSISTANT REGISTER OF DEEDS			
BUILDING MAINTENANCE SUPERVISOR			
CHILD SUPPORT AGENT			
DEPUTY TAX COLLECTOR			
FTCC FACILITIES SUPERVISOR			
LISTING APPRAISER			
NUTRITIONIST			
OFFICE MANAGER			
SENIOR ACCOUNTING SPECIALIST			
SOCIAL SERVICES INVESTIGATOR			
WATER & SEWER MAINTENANCE TECHNICIAN			
<b><u>33</u></b>	<b><u>\$36,296.62</u></b>	<b><u>\$47,185.61</u></b>	<b><u>\$58,074.59</u></b>
ADMINISTRATIVE OFFICER			
DEPUTY SHERIFF			
DETENTION SUPERVISOR			
SOCIAL WORKER			

<u>Grade</u>	<u>Minimum</u>	<u>Midpoint</u>	<u>Maximum</u>
<b><u>34</u></b>	<b><u>\$37,929.97</u></b>	<b><u>\$49,308.96</u></b>	<b><u>\$60,687.95</u></b>
ADMINISTRATIVE AIDE DISTRICT SOIL/WATERSHED CONSERVATIONIST ECONOMIC DEVELOPMENT ANALYST PARAMEDIC REAL PROPERTY APPRAISER			
<b><u>35</u></b>	<b><u>\$39,636.82</u></b>	<b><u>\$51,527.87</u></b>	<b><u>\$63,418.91</u></b>
ASSISTANT TAX COLLECTOR CORPORAL DETECTIVE GIS SPECIALIST SENIOR ADMINISTRATIVE OFFICER SENIOR SOCIAL WORKER SOCIAL SERVICES COUNSELOR			
<b><u>36</u></b>	<b><u>\$41,420.48</u></b>	<b><u>\$53,846.63</u></b>	<b><u>\$66,272.77</u></b>
BUSINESS PROPERTY APPRAISER CHIEF ANIMAL CONTROL OFFICER CODE/ZONING ENFORCEMENT OFFICER GIS SUPERVISOR HEALTH EDUCATION SPECIALIST LICENSED PRACTICAL NURSE SENIOR PROGRAM DIRECTOR SENIOR SOCIAL WORKER TELECOMMUNICATOR SUPERVISOR			
<b><u>37</u></b>	<b><u>\$43,284.40</u></b>	<b><u>\$56,269.72</u></b>	<b><u>\$69,255.04</u></b>
APPRAISAL SUPERVISOR ASSISTANT FIRE MARSHAL ELECTIONS DIRECTOR INCOME MAINTENANCE SUPERVISOR PUBLIC HEALTH NURSE SENIOR CODE ENFORCEMENT OFFICER SERGEANT SYSTEM ANALYST			
<b><u>38</u></b>	<b><u>\$45,232.20</u></b>	<b><u>\$58,801.86</u></b>	<b><u>\$72,371.52</u></b>
CHIEF CODE ENFORCEMENT OFFICER EMS SHIFT SUPERVISOR EMS TRAINING OFFICER HEALTH SPECIALIST TRAINEE SUPPORT SERVICE SUPERVISOR VEHICLE MAINTENANCE SUPERVISOR			

<u>Grade</u>	<u>Minimum</u>	<u>Midpoint</u>	<u>Maximum</u>
<u>39</u>	<u>\$47,267.65</u>	<u>\$61,447.95</u>	<u>\$75,628.24</u>
CHILD SUPPORT SUPERVISOR DETECTIVE SERGEANT SENIOR SYSTEM ANALYST SOCIAL WORKER SUPERVISOR			
<u>40</u>	<u>\$49,394.69</u>	<u>\$64,213.10</u>	<u>\$79,031.50</u>
ASSISTANT FINANCE DIRECTOR INCOME MAINTENANCE ADMINISTRATOR SENIOR PUBLIC HEALTH NURSE SOIL/WATER CONSERVATION DIRECTOR			
<u>41</u>	<u>\$51,617.45</u>	<u>\$67,102.69</u>	<u>\$82,587.92</u>
<u>42</u>	<u>\$53,940.24</u>	<u>\$70,122.31</u>	<u>\$86,304.38</u>
DISTRICT RESOURCE DIRECTOR LIEUTENANT SENIOR NUTRITIONIST SENIOR PUBLIC HEALTH NURSE			
<u>43</u>	<u>\$56,367.55</u>	<u>\$73,277.82</u>	<u>\$90,188.08</u>
SOCIAL WORK PROGRAM MANAGER			
<u>44</u>	<u>\$58,904.09</u>	<u>\$76,575.32</u>	<u>\$94,246.54</u>
CAPTAIN FIRE MARSHAL			
<u>45</u>	<u>\$61,554.77</u>	<u>\$80,021.20</u>	<u>\$98,487.63</u>
ARTS COUNCIL DIRECTOR CHIEF DEPUTY EMERGENCY COMMUNICATIONS DIRECTOR ENVIRONMENTAL HEALTH SPECIALIST PUBLIC HEALTH NURSE SUPERVISOR			
<u>46</u>	<u>\$64,324.73</u>	<u>\$83,622.15</u>	<u>\$102,919.57</u>
HUMAN RESOURCES DIRECTOR			

<u>Grade</u>	<u>Minimum</u>	<u>Midpoint</u>	<u>Maximum</u>
<u>47</u>	<u>\$67,219.34</u>	<u>\$87,385.14</u>	<u>\$107,550.94</u>
ASSISTANT COUNTY MANAGER/CLERK OF THE BOARD			
EMERGENCY MEDICAL SERVICES DIRECTOR			
FINANCE DIRECTOR			
HEALTH DIRECTOR			
INFORMATION TECHNOLOGY DIRECTOR			
PLANNING AND DEVELOPMENT DIRECTOR			
PUBLIC WORKS DIRECTOR			
SOCIAL SERVICES DIRECTOR			
TAX ADMINISTRATOR			

#### **IV. SPECIAL PROVISIONS AND RECOMMENDATIONS**

The Mercer Group, Inc., offers the following provisions and recommendations:

##### **A. Hiring Offer**

We recommend allowing hiring for applicants, with qualifications exceeding the stated minimum for the position, up to the Mid-point of the salary grade with a recommendation from the affected manager that is endorsed by the County Manager.

##### **B. Annual Market Adjustment**

We recommend the County make annual adjustments to the Pay Plans and employee salaries based on an annual analysis of the Consumer Price Index or other indices most reflective of the true cost of living for the Stokes County area.

##### **C. Reclassification**

When a new position is created or there is a need for a reclassification of an existing position, a Position Questionnaire (as used in the Study) should be completed. The Position questionnaire should then be evaluated using the Factor Evaluation System to determine the Pay Grade, thus continuing to maintain the internal equity of position array.

##### **D. Salaries for Non-Classified Positions**

“Non-classified positions” are positions that are compensated by the County but were not part of the study such as those positions under contract (e.g. County Manager and Economic Development Director [recommended, above]) and positions elected by County voters (Sheriff, Register of Deeds). Salaries and salary ranges for those and other such positions should be set by the Board of Commissioners or other appropriate NC general statutes.

“Classified positions” are those positions for which a pay grade may be determined and recommended using the Factor Evaluation System through the interview and questionnaire process as described above. That process is the sole method employed in recommending a pay grade for each position included in the study; thereby ensuring that all position pay grades were recommended in the same way.

This complies with an over arching federal mandate referred to as internal equity, i.e. all pay grades are recommended in the same manner using the same process. The manner in which contract positions are compensated is determined solely by the contract. Similarly there are no minimum requirements across these ten classification factors that voters must take into consideration for the elected positions.

#### **E. Turnover Rate of Employees**

Employee turnover can have numerous causes, some predictable, such as retirement, but most are not. It is recommended that the County track the turnover of its employees through exit interviews and post departure interviews to identify to the point possible (some employees are uncomfortable with an exit or other departure related interview) what the causes of turnover are and what may be done to retain employees.

One industry rule of thumb regarding the cost of replacing a fully trained and functioning employee is two to three times that employee’s annual salary.

#### **F. Movement Through the Pay Range**

The pay structure recommended by the study has a range from minimum to maximum for each pay grade that is structured to reflect the average ranges in your competitive market. It is recommended that the County establish policies that will move employees though this range based on time with the county, performance, or other criteria that can be applied fairly to all classified employees. As a reminder, the Annual Market Adjustment recommended in “B.”, above (often referred to as a Cost of Living Adjustment) does not move employees though their pay range as it adjusts the pay plan in the same per centage as the employee’s increase.

#### **G. One-time Salary Adjustment Based on Time in Position (Compression Adjustment)**

It is recommended that when funding becomes available the County make possible adjustments to employee’s positions in their new pay range based on the amount of time each employee has been in their current position. This adjustment is normally referred as a “Compression Adjustment” and identifies the same maximum percentage of the pay range that no employee will be placed beyond.