



JACKSON COUNTY
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Pay Administration Philosophy

Our current pay administration philosophy is captured in the Human Resources Manual and other varying policy revisions, salary study implementations and other source documents. Jackson County strives to administer pay in a fair and equitable manner and the pay structure should be market competitive, maintain internal relationships among all positions, based on relative duties and responsibilities and recognize performance as the basis for pay increases within the established range.

Current Hiring Rate/Starting Salary

Currently employees are hired at the minimum of the assigned salary grade. Appointments above the minimum have occurred for department heads, hard to fill/critical positions, and already certified staff with recommendation from the department head and approval of the County Manager. This practice makes it difficult to recruit quality and experienced talent to fill vacancies within the county.

Recommendations for Hiring Rate/Starting Salary Policy Revision

As the need to hire quality talent is imperative in building an efficient and thriving workforce the County should consider adopting a pay practice at setting a starting salary commensurate with education and experience while ensuring that hiring above the minimum does not create internal inequities. Ensuring internal equity may be difficult due the compression of salaries over the last five years. Prior to adopting a new hiring rate/starting salary policy, addressing internal inequities would be recommended.

Each of the recommendations would include coordination with Human Resources to determine if hiring above the minimum would not create internal inequities and ensure compliance with equal pay laws.

Recommendation One: Provide Year for Year Credit for Experience – All Positions

Hiring rate/starting salary of new hires would take into consideration years of comparable service in a comparable jurisdiction for all County positions. Provided, that this policy shall not apply to person who have retired from public service with full retirement benefits.

Recommendation Two: Provide Year for Year Credit for Experience – Specific Positions

Hiring rate/starting salary of new hires would take into consideration years of comparable service in a comparable jurisdiction for identified positions that are certification specific, difficult to recruit, exempt, and/or otherwise identified as critical to operations of the County. Provided, that this policy shall not apply to person who have retired form public service with full retirement benefits.

Specific Positions Included: *List to be finalized to identify each position; inclusive of County Manager, Department Heads, Assistant Directors, Supervisors, Exempt Level Positions, Environmental Health, Public Health Nurses, Physician Extenders, Accounting Technician III, GIS, Certified Building Inspectors, Certified Real Property/Personal Property Appraisers, Sworn Law Enforcement Officers, Certified Detention Officers, IMC II, III, IV, Social Worker I, II, III, and IAT, Veteran Service Officers, and Program Coordinators.*

Recommendation Three: Provide Credit for Experience – 5 Year Increments – Specific Positions

Hiring rate/starting salary of new hires would take into consideration years of comparable service in a comparable jurisdiction for identified positions that are certification specific, hard to recruit, exempt, and/or otherwise identified as critical to operations of the County. Credit will be given in increments of five years.

- <5 years, 1 Step for each year of comparable service
- 5 years - <10 years, Step 5
- 10 years - <15 years, Step 10
- 15 years - <20 years, Step 15
- 20+ years, Step 20

Provided, that this policy shall not apply to person who have retired form public service with full retirement benefits.

Specific Positions Include: *Same as above.*

Recommendation Four: Department Head Recommendation – Specific Positions

- A. The minimum rate established for the class is the lowest rate of the first quantile on the salary schedule.
- B. Appointment may be made anywhere within the first or second quantile upon recommendation of the Department Head and Human Resources Director and approval by the County Manager.

- C. Appointment within the third and fourth quantile may be made upon the recommendation of the Department Head and Human Resources Director and approval by the County Manager and the Board of County Commissioners.
- D. Above the first quantile, appointment shall be based on such factors as the qualifications of the applicant being higher than the minimum education and/or training for the class, and/or a shortage of qualified applicants to accept employment within the first quantile on the salary schedule.

Salary Compression

Compression is a pay management issue that is characterized by inequitable pay. Such inequitable pays mean that differences in pay are disproportionate to job, performance, and/or tenure differences, in Jackson County’s case – inequities exist based on tenure/experience differences. There are many reasons to address salary compression including employee moral, retention, internal equity and fairness, legal compliance, and motivated and engaged employees.

Salary compression has occurred based on the time period from the implementation of Mercer until this fiscal year and a lack of step increases due to economic conditions. During these years COLA adjustments, general adjustments, were given but this only perpetuates the existing pay inequities as another year of no adjustment above the minimums were made for newly hired staff. As these practices were sustained over several years it has led to dissatisfaction and voluntary turnover as salaries are not differentiated at the lower end of the range by experience and tenure.

Category (Count of Employees)		1 st Quantile	2 nd Quantile	3 rd Quantile	4 th Quantile
Total Employee Count		269	85	27	6
Percentage of Employees		69.5%	22.0%	7.0%	1.5%
Years in Position	0 to <5	136	8	2	0
	5 to <10	81	10	3	0
	10 to <15	43	17	1	0
	15 to <20	7	39	3	1
	20 to <25	2	8	10	0
	25+	0	3	8	5

It is important to differentiate from the minimum of the salary when administering a pay policy. Employees should have the opportunity to earn a wage above the minimum after completion of training and gained experience based on service to the County, thus differentiating their pay from newly hired employees with no experience. Recommendations are suggested below to address the salary compression realized over the last five years (7/1/10-6/30/15).

Recommendation One: 100% of Steps

Full implementation of step adjustments missed over the past four fiscal years would include:

- Employees hired on or before 7/1/10: 4 Steps (8% increase)
 - 60% of employees

- Employees hired between 7/1/10-6/30/11: 3 Steps (6% increase)
 - 5% of employees
- Employees hired between 7/1/11-6:30/12: 2 Steps (4% increase)
 - 5% of employees
- Employees hired between 7/1/12-6/30/13: 1 Step (2% increase)
 - 8% of employees

The projected cost to do a full catch-up and reinstate all steps from 7/1/10-6/30/15 would total approximately \$882,800 exclusive of applicable fringe benefit payments.

Recommendation Two: Partial Reinstatement of Steps

Partial implementation of step adjustments missed over the past four fiscal years would include:

- Employees hired on or before 7/1/10: 3 Steps (6% increase)
 - 60% of employees
- Employees hired between 7/1/10-6/30/11: 2 Steps (4% increase)
 - 5% of employees
- Employees hired between 7/1/11-6:30/12: 1 Step (2% increase)
 - 5% of employees
- Employees hired between 7/1/12-Present: no increase
 - 30% of employees

The projected cost to do a partial catch-up and reinstate all steps from 7/1/10-6/30/15 would total \$634,900 exclusive of applicable fringe benefit payments.

Recommendation Three: Provide Steps for Years of Service up to Step 5, 10% Above Minimum

As a full catch-up of Step adjustments may not be feasible, the County could decide to provide adjustments up to a specific level to reward employees who have completed minimum training and to differentiate between future staff hired at the entry level rate. The recommendation is to provide Step Adjustments for years of service since hire that were not received and to limit those adjustments to cap at Step 5, or 10% above the minimum salary. The reason for using this figure is that at five years, an employee is considered to be fully trained and should be performing their duties with minimal direct supervision.

The projected cost to provide step adjustments for years of service up to Step 5 would total approximately \$155,900 and would positively impact 146 employees (37.7%).

CertificatioCon Pay

Over the last year how to reward employees who complete state and national certifications has been discussed but no action has been taken. Employees who seek and obtain specific state and national certifications that are related to their position/department add value to the organization and should be recognized if the certification is not part of the pay plan i.e. building inspectors.

Other local entities provide salary increases upon receipt of such certifications ranging from 2-5% based on the type of certification. Recommend providing monetary incentive in the form of a bonus and/or salary increase to reward employees for their achievements that will positively impact their work and provision of services to County citizens.