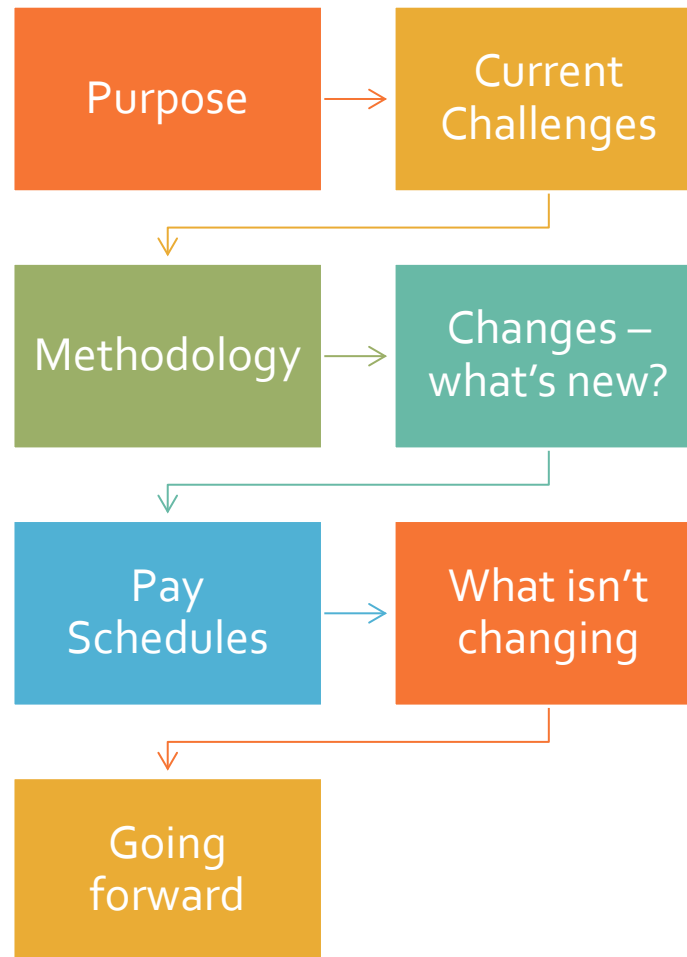


Human Resources Board

Town of Wellesley

Classification and Compensation

Key Objectives





Why Conduct a Classification and Compensation Study?

Evaluated Needs

A complete study hadn't been done in over 20 years.

The need for a complete Classification and Compensation study had been discussed for the last several years.

The Executive Director applied for and received a grant for \$50k to conduct the study.

A procurement process consistent with M.G.L. Ch. 30B was conducted and MTG was the successful bidder.



Katy Yee, Project Manager

Classification and Compensation Study

Over 25 years of experience in the public sector, focusing on human resources and administrative management.

The cornerstone of Katy's career is with DuPage County, IL where she coordinated several agency-wide compensation studies utilizing and applying the Korn-Ferry (formally Hay Group) methodology.

Classification and Compensation Study

Attract and Retain Strong Talent

Appropriate
Classifications

Externally
Competitive

Internal
Equity

Attract High
Quality
Candidates

Retain High
Performers

Become an
Employer of
Choice

Wellesley as an Employer of Choice

Competitive wages allow:

- Recruitment of Top Candidates
- Fill Vacancies in less time
- Retain High Performers
- Maintain a Productive Environment
- Keep an Engaged and Efficient Workforce

Current Challenges

Turnover

- In Wellesley, turnover was 13% in 2024
- Average turnover for government employees nationwide was 7.6% in 2022*
- Cost of turnover in 2024 = 1/3 of employees' salaries
- Cost of Wellesley turnover for 2024 was \$973,092

* Partnership for Public Service, 2022

Factors Contributing to Turnover

- Non-competitive compensation compared to our comparable communities and the private sector, particularly Finance and Information Technology.
- Limited opportunities for advancement, small departments, only one senior manager. More opportunities in larger departments.
- Work-life balance – irregular schedules, customer facing staff, lack of flexibility with schedules.

Current Challenges

Hiring

- Starting pay ranges are too low
- Low unemployment – 3.9% (Norfolk County)
- Since January of 2024, 13 of 19 non-union, full-time, permanent employees, or 68.4%, were hired at or above the midpoint
- This required HR Board approval, delaying hiring and potential loss of the candidate

Featured Job Opportunities

Benefits Coordinator (HR)

Posted February 12, 2025 8:00 AM | Open Until Filled

Benefits Coordinator | Human Resources This position qualifies for our Sign-On Bonus The Town of Danvers welcomes applicants for the full-time, benefited... [Full Description](#)

Current Challenges

Succession Planning

- Difficult to promote from within due to compression of salary schedules:

Supervisory Union

Step 1 to Step 10

\$71,994 to \$103,009

Assistant Superintendent

Min

Midpoint

Max

\$72,175

\$91,369

\$109,633

- Current union members are on high steps earning \$96,153 to \$103,009 and can earn overtime. In a management position there is no overtime but work similar hours with significantly more responsibilities.

Impact on Local Government

- Reduced service delivery - staff shortages cause delays and may reduce quality of service.
- Increased staff turnover – other staff covering vacancies
- become overworked and leave.
- Increased cost – generally paying more for the new employee who needs to be trained.
- Loss of institutional knowledge – loss of valuable knowledge and expertise.

Where Have Our Employees Gone?

Exit Interviews over the last 18 months reveal:

Arlington

Brookline

Dover

Franklin

Needham

Bolton

Newton

Reading

Whitinsville

Sudbury

Commonwealth of Massachusetts

Focus on Retention

- Maintain competitive compensation and benefits to attract and retain talent.
- Consider work-life balance whenever possible to be flexible.
- Identify career development opportunities and encourage participation.
- Engage employees by creating a positive and supportive work environment.

Classification & Compensation Study Methodology

A consultant spearheaded the compensation survey:

- 40 plus Benchmark positions were used for comparison
- 22 comparable communities identified - 18 responded
- Change in method – market is the **lower third** of the range
- Hiring range depends on education and experience or equivalent combination of the two
- Hiring ranges had fallen behind market range
- Midpoint had become equal to the hiring range
- Lower end of the ranges had become \$6,000 to \$10,000 too low to hire

FY 25 Comparable Communities

Municipality	Population	DOR Income	DOR Income Per Capita	EQV	EQV Per Capita
Arlington	45,522	4,037,248,000	88,688	13,535,163,100	297,332
Belmont	26,710	3,763,630,000	140,907	10,384,380,400	388,782
Burlington	25,966	1,715,507,000	66,067	9,008,541,100	346,936
Concord	17,954	4,071,649,000	226,782	7,337,635,800	408,691
Dedham	24,997	1,947,076,000	77,892	6,593,838,900	263,785
Foxborough	18,488	1,381,591,000	74,729	3,825,226,800	206,903
Framingham	70,963	3,380,098,000	47,632	12,640,216,800	178,124
Franklin	33,656	2,160,179,000	64,184	6,739,455,100	200,245
Milton	28,364	2,853,979,000	100,620	7,603,573,400	268,071
Natick	36,272	2,912,473,000	80,295	10,516,104,300	289,923
Needham	32,114	5,455,217,000	169,870	12,307,796,200	383,253
Newton	87,381	20,914,273,000	239,346	36,300,210,300	415,425
Norwood	31,317	1,654,999,000	52,847	7,062,039,200	225,502
Sudbury	18,965	2,949,482,000	155,522	5,513,521,800	290,721
Waltham	64,065	3,212,439,000	50,143	17,215,737,300	268,723
Watertown	35,022	2,188,001,000	62,475	11,132,886,300	317,883
Wayland	13,664	3,111,517,000	227,716	4,401,061,600	322,092
Wellesley	30,524	10,216,671,000	334,709	14,471,634,900	474,107
Weston	11,661	6,431,334,000	551,525	7,192,996,000	616,842
Westwood	16,231	2,527,880,000	155,744	5,479,184,600	337,575
Winchester	22,640	3,980,223,000	175,805	9,544,700,800	421,586
Woburn	41,248	2,222,985,000	53,893	10,155,637,600	246,209

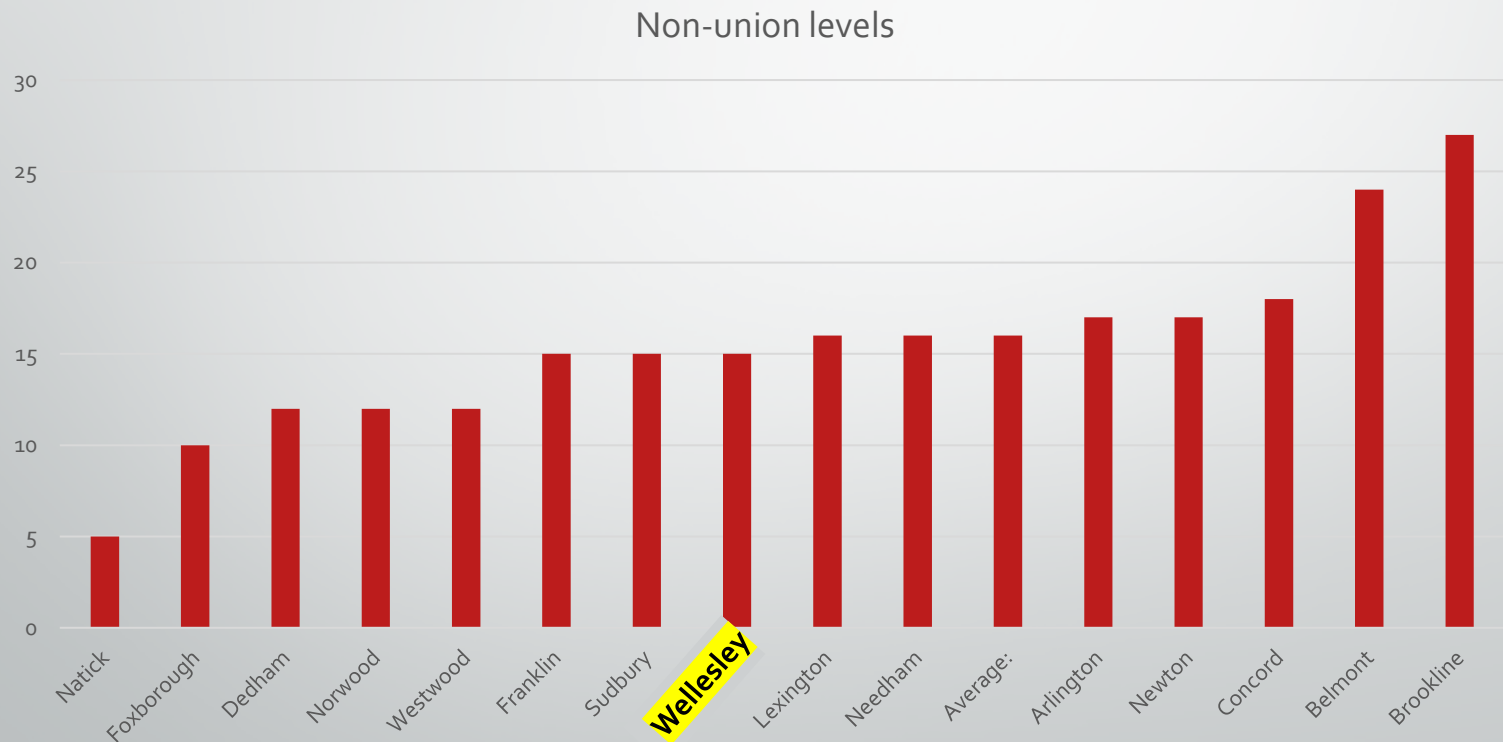
Comparable Communities

Total Assessed Values FY 25

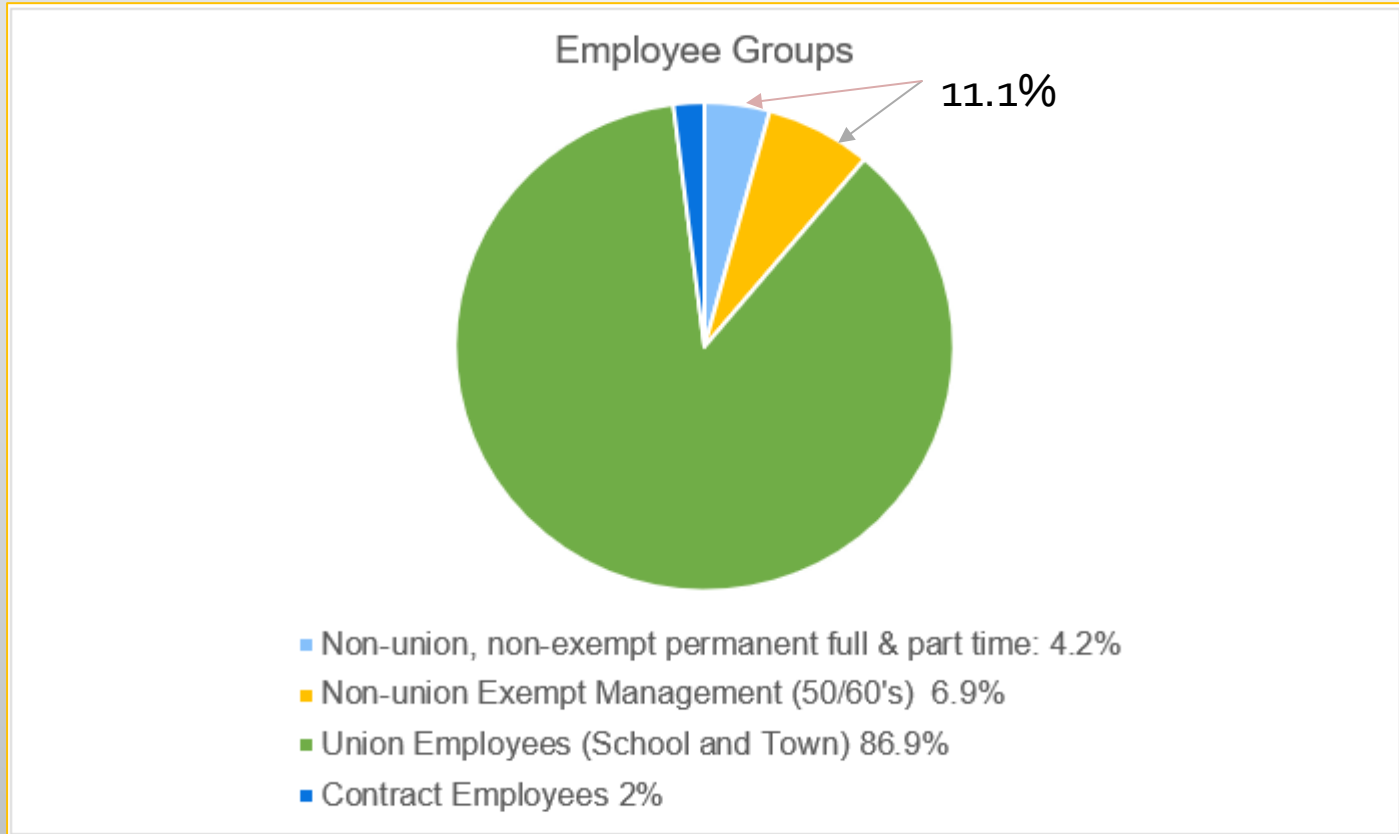
Municipality	Residential	Commercial	Industrial	Personal Property	Total
Newton	38,643,809,347	2,556,400,353	231,494,300	608,274,200	42,039,978,200
Brookline	29,951,077,622	2,609,331,135	20,916,000	410,196,417	32,991,521,174
Waltham	13,073,469,020	5,354,230,429	1,016,065,734	742,711,330	20,186,476,513
Lexington	15,977,353,073	847,945,410	1,255,775,000	406,689,050	18,487,762,533
Wellesley	15,677,785,000	1,673,322,000	8,530,000	172,881,960	17,532,518,960
Needham	14,002,216,972	1,499,785,024	174,726,704	429,826,950	16,106,555,650
Framingham	12,568,817,087	2,091,401,624	486,688,490	500,953,570	15,647,860,771
Arlington	14,620,586,615	558,650,253	29,121,000	225,953,800	15,434,311,668
Watertown	9,192,683,019	1,033,281,083	2,248,030,588	408,961,360	12,882,956,050
Natick	10,089,106,457	1,735,967,243	66,654,000	272,232,070	12,163,959,770
Woburn	8,784,546,184	1,222,396,948	1,207,951,089	708,113,200	11,923,007,421
Belmont	11,010,749,600	472,850,888	31,370,000	118,884,880	11,633,855,368
Winchester	10,878,761,569	328,565,531	43,189,700	118,393,770	11,368,910,570
Burlington	6,383,275,340	3,043,316,176	293,327,424	295,621,930	10,015,540,870
Concord	8,741,097,979	533,969,063	29,985,204	74,664,390	9,379,716,636
Weston	8,336,321,555	218,901,545	11,414,500	128,812,500	8,695,450,100
Chelmsford	7,387,480,005	544,650,949	515,328,800	244,853,180	8,692,312,934
Franklin	6,815,474,305	549,397,557	786,260,180	260,129,870	8,411,261,912
Norwood	5,892,565,082	1,205,831,005	510,784,021	186,768,390	7,795,948,498
Dedham	6,371,804,025	1,024,307,835	59,891,990	249,599,520	7,705,603,370
Sudbury	6,790,843,084	276,917,020	41,374,300	183,553,167	7,292,687,571
Westwood	6,104,197,147	618,896,464	139,991,600	138,351,370	7,001,436,581
Wayland	5,473,686,856	160,110,739	5,321,900	74,590,400	5,713,709,895
Foxborough	3,595,707,092	664,065,519	84,694,200	183,434,340	4,527,901,151

Comparable Communities

FY 26 New Levels/Grades



Positions Reviewed in Classification Study



Total Town and School: 1398 employees
155 employees in study

Current salary ranges start too low

Example: M 55

\$59,284 to \$89,859

Employee A

- DOH: 1/02/2024
- Limited experience
- Starting Salary: \$70,999
- Resigned: 9/13/2024
- Ending Salary: \$72,212

Employee B

- DOH: 1/27/2025
- Newer graduate
- Starting salary: \$69,000
- Midpoint \$74,572

Old vs. New Salary Ranges

Hay System Ranges:

Level 55		
Min	Midpoint	Max
\$59,285	\$74,572	\$89,859

MGT System Ranges:

Level 8	
Min	Max
\$70,000	\$94,500

Director of Veterans Services

Old Pay Schedule

Level: 55

Pay Schedule: \$59,285 to
\$89,859

Hiring Range: \$59,285 to
\$74,572

Hired at \$89,859

FY 26 2% COLA \$1,797

FY 26 Cost \$91,656

New Pay Schedule

Level: 8

New Schedule \$81,034 to
\$109,396

Hiring Range: \$81,034 to
\$90,488

Hired at \$89,859

FY 26 2% COLA \$1,797

FY 26 Cost \$91,656

Advantages of a Cost of Living Adjustment (COLA)

Counteracts the effects of inflation for employees



```
graph TD; A[Counteracts the effects of inflation for employees] --> B[Increases employee retention]; B --> C[Boosts employee morale]; C --> D[Maintains market competitiveness]; D --> E[Not giving a COLA is equivalent to a pay cut];
```

Increases employee retention

Boosts employee morale

Maintains market competitiveness

Not giving a COLA is equivalent to a pay cut

FY 26 Cost of Living Increases

Comparable Communities

Municipality	County	Population	Cost of Living Increase FY 26
Arlington	MIDDLESEX	45,617	3.0%
Belmont	MIDDLESEX	26,838	3.0%
Brookline	NORFOLK	62,726	2.0%
Dedham	NORFOLK	25,240	3.0%
Dover	NORFOLK	6,279	3.0%
Foxborough	NORFOLK	16,693	2.0%
Franklin	NORFOLK	31,635	3.0%
Lexington	MIDDLESEX	34,071	2.0%
Medfield	NORFOLK	12,904	3.0%
Milton	NORFOLK	28,388	2.5%
Natick	MIDDLESEX	36,426	2.0%
Needham	NORFOLK	32,048	3.0%
Newton	MIDDLESEX	87,453	3.0%
Sudbury	MIDDLESEX	19,059	3.0%
Walpole	NORFOLK	25,209	2.0%
Wayland	MIDDLESEX	13,724	3.0%
Westwood	NORFOLK	16,213	2.5%
Average:			2.69%

**Average COLA for
FY 2026 2.69%**

Town and School Union

Cost of Living Increases

Town:		7/1/2023	7/1/2024	7/1/2025
Police		6%	3%	3%
Fire		4%	3%	3%
Public Works	Production	5%	3%	2%
	Supervisors	5%	3%	1%
Library		4%	3%	3%
MLP			4%	4%
FMD		4%	3%	2%
40 series		3%	4%	3%
50-60 series		2%	2.50%	2%
Average:		4.13%	3.17%	2.56%
School:		7/1/2023	7/1/2024	7/1/2025
Unit A Teachers/Nurses		2.50%	2.75%	3.00%
Unit B: Administrators		2.50%	2.75%	3.00%
Unit C: Instructional Support		2.50%	2.75%	3.00%
Unit D: Administrative Support		2.50%	2.75%	3.00%
Average:		2.50%	2.75%	3.00%

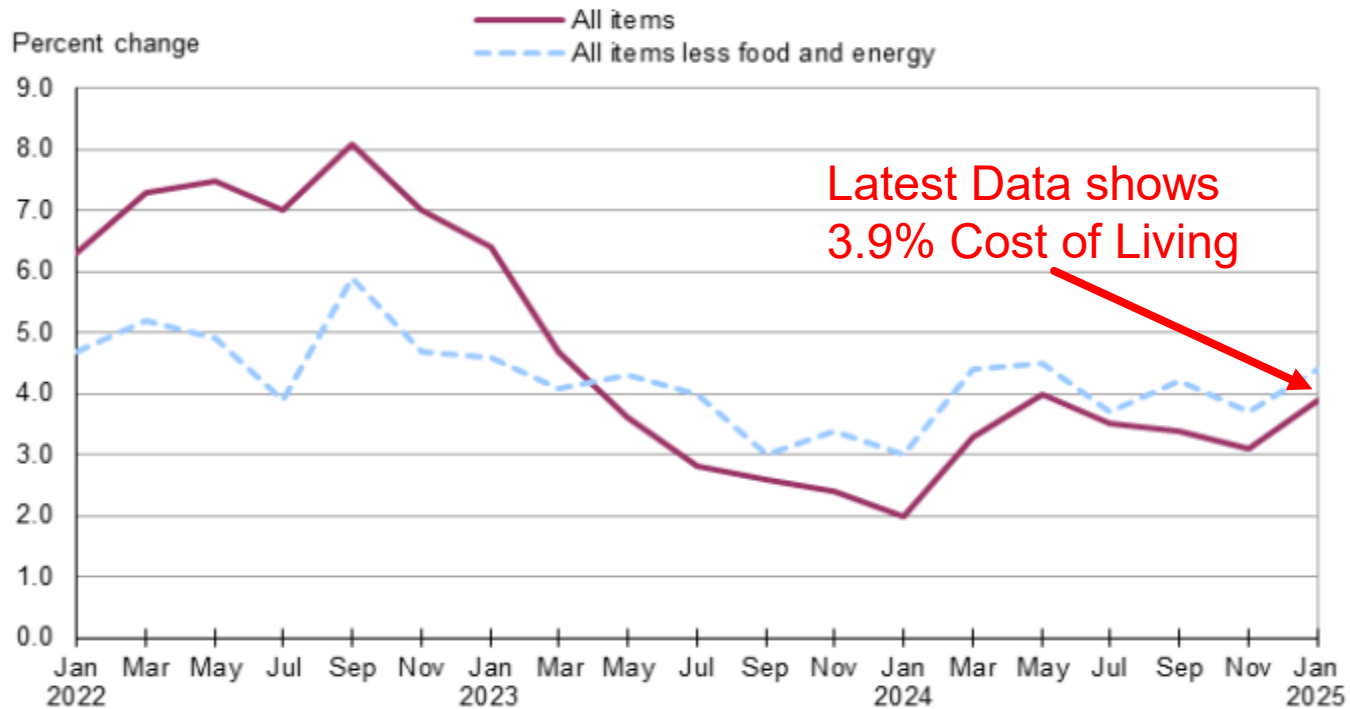
**Town Average
COLA 2.56%**

**School Average
COLA 3.00%**

Cost of Living

Boston-Cambridge-Newton

Chart 1. Over-the-year percent change in CPI-U, Boston-Cambridge-Newton, MA-NH, January 2022–January 2025



Source: U.S. Bureau of Labor Statistics.

New Class and Comp System

Bottom third is new hiring range for employee with limited experience, learning on the job, and requires supervision; starting rate \$70,000 to \$78,167

Middle of range is for experienced in field, familiar with municipal processes, works independently, fine tuning skills; starting rate of \$78,167 to \$86,333

Maximum for expert in field, recognized by peers in other towns, mentor for others in field and in town, demonstrated knowledge; starting range \$86,333 to \$94,500

Compensation Percentile used by our Comparable Communities

- New pay schedule is the 75th percentile of the minimum of the average survey range and 75th percentile of the maximum of the average survey range.

Community	Percentile
Arlington	75
Belmont	75
Brookline	75
Burlington	75
Concord	85
Foxborough	60
Franklin	75
Needham	75
Norwood	75
Sudbury	75
Watertown	75
Wayland	75
Weston	75
Westwood	75
Average	74.6

ARTICLE: 5

MOTION: 1

That the Salary Plan as established at the 1950 Annual Town Meeting as amended, be further amended effective July 1, 2025, as recommended by the Human Resources Board, by striking the existing pay schedule for the non-bargaining unit, non-management personnel (Job Groups 40-49) and inserting the new schedule as follows:

Non-Exempt Pay Ranges (formerly the 40 series)

Level	Min Step One	Two	Three	Four	Five	Six	Seven	Eight	Nine	Ten	Eleven	Max Step 12
1	43,260	44,450	45,672	46,928	48,219	49,545	50,907	52,307	53,745	55,223	56,742	58,302
	23.77	24.42	25.09	25.78	26.49	27.22	27.97	28.74	29.53	30.34	31.18	32.03
2	47,586	48,895	50,239	51,621	53,040	54,499	55,998	57,538	59,120	60,746	62,416	64,133
	26.15	26.87	27.60	28.36	29.14	29.94	30.77	31.61	32.48	33.38	34.29	35.24
3	52,345	53,784	55,263	56,783	58,344	59,949	61,597	63,291	65,032	66,820	68,658	70,546
	28.76	29.55	30.36	31.20	32.06	32.94	33.84	34.78	35.73	36.71	37.72	38.76
4	57,579	59,162	60,789	62,461	64,179	65,944	67,757	69,621	71,535	73,502	75,524	77,601
	31.64	32.51	33.40	34.32	35.26	36.23	37.23	38.25	39.31	40.39	41.50	42.64
5	63,337	65,079	66,868	68,707	70,597	72,538	74,533	76,583	78,689	80,853	83,076	85,361
	34.80	35.76	36.74	37.75	38.79	39.86	40.95	42.08	43.24	44.42	45.65	46.90
6	72,100	74,083	76,120	78,213	80,364	82,574	84,845	87,178	89,576	92,039	94,570	97,171
	39.62	40.70	41.82	42.97	44.16	45.37	46.62	47.90	49.22	50.57	51.96	53.39
7	75,705	77,787	79,926	82,124	84,382	86,703	89,087	91,537	94,054	96,641	99,299	102,029
	41.60	42.74	43.92	45.12	46.36	47.64	48.95	50.30	51.68	53.10	54.56	56.06
8	79,490	81,676	83,922	86,230	88,602	91,038	93,542	96,114	98,757	101,473	104,263	107,131
	43.68	44.88	46.11	47.38	48.68	50.02	51.40	52.81	54.26	55.75	57.29	58.86

New Classification

Non-Exempt Wage Schedule

The 40 Series employees are now the non-exempt employees:

- Non-union Town support and administrative staff
- Non-exempt hourly employees subject to overtime rules
- Compensation using a “step” system, with each job group having “steps”
 - **Examples:**
 - Senior Office Assistant
 - Assessor Technician
 - Administrative Assistant
 - **Changes:**
 - Increase from 6 steps to 12 steps
 - 2.75% between steps

ARTICLE: 5

MOTION: 2

That the Salary Plan as established at the 1950 Annual Town Meeting as amended, be further amended effective July 1, 2025, as recommended by the Human Resources Board, by striking the existing pay schedule for the exempt managerial, professional and technical employees who are in the Merit Pay Plan (Job Groups 50-69) and inserting the new schedule as follows:

SCHEDULE B

SALARY PLAN – NEW PAY SCHEDULES

Salary rates effective as of July 1, 2025

FY 26 Managers, Supervisors & Advanced Technical			
Level	Minimum		Maximum
7E	74,970		101,210
8E	78,719		106,270
9	82,654		111,583
10	86,787		117,163
11	91,127		123,021
12	95,683		129,172
13	110,160		148,716
14	126,684		171,023
15	145,687		196,677

Information Technology Employees Wage Schedule

HR Board is proposing a
2% COLA increase –
similar to results from
compensation study

Add 2.5% to the midpoint

Given the current
demands in the IT
market, it is more
effective to continue a
separate pay schedule

Job Group	Minimum	Midpoint	Maximum	Range
61	102,428.87	130,068.40	157,707.94	78.75% - 121.25%
60	96,248.50	121,833.55	147,418.60	79% - 121%
59	89,826.38	113,704.28	137,582.17	79% - 121%
58	86,078.19	108,959.73	131,841.28	79% - 121%
57	81,090.18	102,000.23	122,910.28	79.5% - 120.5%
56	75,989.63	95,584.44	115,179.25	79.5% - 120.5%
55	72,185.82	90,799.78	109,413.73	79.5% - 120.5%
54	68,814.26	86,558.82	104,303.38	79.5% - 120.5%
53	65,941.30	82,426.63	99,324.08	79.5% - 120.5%
52	62,896.52	78,620.65	94,737.88	79.5% - 120.5%
51	59,938.73	74,923.41	90,282.71	79.5% - 120.5%

New Exempt Employees Pay Schedules

No Change to Merit Pay and Matrix:



Performance Merit pay plan remains in place.



Cost of Living increase remains in place.

Human Resources Board continues to recommend a COLA and the Performance Matrix for:

- Professional, non-union Town Department Heads, including Directors and specialized/technical employees
- Salaried / FLSA Exempt employees
- Performance-based merit increases

Advantages of Merit Pay Plan Matrix

- Allows the Town to keep current and competitive in the municipal job market.
- Retains employees in a tight labor market with low unemployment.
- Rewards employees with high levels of performance.
- Guidelines limit “performance inflation” or employees receiving high marks regardless of performance.
- Annual comparable community surveys to include cost of living increases to prevent falling behind in the future.

ARTICLE 5, MOTION 3 - Merit pay and Salary adjustments for Exempt employees, (includes IT) moved to Article 8, Motion 2.

Minimum Cost to Implement New Classification Plan Non-union

Title:	(Exempt Staff 50-60's)	Hay Level	MGT Level	FY 25 Annual	New Minimum	Total Cost	FY 26 Budgeted COLA	Cost of new Level
Director of Information Technology		61	15	140,652	145,686	5,034	2,824.00	2,210.00
Director of Assessing		60	14	110,956	126,684	15,728	2,228.00	13,500.00
Planning Director		60	14	115,241	126,684	11,443	2,314.00	9,129.00
Deputy Director of Recreation		58	12	89,730	95,683	5,953	1,808.00	4,145.00
Deputy Director of Recreation		58	12	90,038	95,683	5,645	1,801.00	3,844.00
Principal Assessor		53	7	72,960	74,970	2,010	1,684.00	326.00
Recreation Program Coordinator		53	7	69,168	74,970	5,802	1,389.00	4,413.00
Workers' Compe & Leave Manager		53	7	70,993	74,970	3,977	1,389.00	2,588.00
Title:	(Non-exempt Staff 40's)							
Envi. Ed/Outreach Compliance Coordinator		53	6	67,559	72,100	4,541	1,356.00	3,185.00
Executive Secretary, ZBA		51	6	66,801	72,100	5,299	1,341.00	3,958.00
Licensing & Elections Administrator		49	5	60,479	63,337	2,858	1,821.00	1,037.00
Administrative Assistant		48	5	60,697	63,337	2,640	1,537.00	1,103.00
Senior Activities Coordinator		47	5	51,032	63,337	12,305	1,748.00	10,557.00
						83,235	23,240.00	59,995.00

Implementation of New Schedules Service Adjustment Non-union

Years of Service as of 7/1/2025	Percent Adjustment
0 - less than 1 years	0.00%
1 - less than 5 years	0.50%
5 - less than 10 years	1.00%
10 - less than 15 years	1.50%
15 - less than 20 years	2.00%
20 - less than 30 years	2.50%
30 plus years	3.00%

Cost of Service Adjustments for Non-union Employees

Employee Group:	Total Employees:	Cost:
Adjustments for the Non-Exempt (40's)		
Full-time permanent	35	64,200.00
Part-time permanent	24	10,800.00
Adjustments for the Exempt (50-60's)		
Full-time permanent	96	122,000.00
Total COLA Cost:	155	<u>197,000.00</u>

Covered in
Article 8



Thank you!