

Town of Chapel Hill, NC

May 2025



# Evergreen Solutions, LLC

Compensation and Classification Study





# NORTH CAROLINA HR EXPERIENCE

Evergreen Solutions brings a wealth of experience in partnering with various cities and local governments across North Carolina, demonstrating our deep understanding of and capability to navigate the unique HR landscapes and competitive market within the region. Our proven track record ensures we are exceptionally equipped to deliver tailored, effective solutions for **the Town of Chapel Hill**



Alamance-Burlington School System  
Alliance Health  
Ashe County  
Beaufort County Schools  
Buncombe County  
Brunswick County  
Burke County  
Cabarrus County Schools  
CAHEC  
Cape Fear Public Utility Authority  
Chapel Hill-Carrboro City Schools  
Charlotte Water  
Chatham Public Schools  
City of Burlington  
City of Fayetteville  
City of Goldsboro  
City of Hendersonville  
City of High Point  
City of Rocky Mount  
City of Raleigh  
City of Southport  
City of Wilmington Housing Authority  
County of Davie  
County of Halifax  
County of Harnett  
Currituck County Schools  
Dare County  
Duplin County  
Duplin County School District  
Durham County  
Franklin County  
Gaston County  
Guilford County  
Halifax Community College  
Harnett County  
Haywood County  
Housing Auth of Winston Salem  
Jackson County  
Land-of-Sky Regional Council  
Lincoln County Schools  
Lee County  
Nash-Rocky Mount Schools  
New Hanover County  
NC League of Municipalities  
Onslow County  
Raleigh Housing Authority  
Research Triangle Regional Transportation Authority  
Robeson Community College  
Rowan County  
State Employees Association of North Carolina  
Town of Carolina Beach  
Town of Clayton  
Town of Huntersville  
Transylvania County  
Union County  
Vance County  
Wake Technical Community College  
Wayne County Schools  
Yadkin County  
Wayne County Schools



# COLLABORATIVE PROJECT APPROACH

## STEP ①

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PROJECT  
INITIATION  
OCT

- Introduce team members
- Kick off Call
- Finalize project planning
- Finalize work plan
- Collect data
- Assessment of Current Conditions

## STEP ②

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OUTREACH &  
EMPLOYEE  
PARTICIPATION  
OCT/NOV

- Conduct employee orientation sessions and focus groups
- Launch/ Administer JATs and MITs (Job Assessment Tool & Management Issues Tool)
- Perform job analysis
- Analyze results



# OUTREACH

## ORIENTATIONS

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UNLIMITED  
ATTENDANCE

## FOCUS GROUPS

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SUPERVISORS (20)

## FOCUS GROUPS

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NON-SUPERVISOR  
EMPLOYEES (20)

## INTERVIEWS

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DEPARTMENT  
DIRECTORS (3-5)

## RECAP

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HR & PROJECT  
STAFF



# OUTREACH - MAIN THEMES

## Issue #1

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Base Pay

## Issue #2

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Cost of Living/Housing  
Affordability

## Issue #3

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Staffing Levels

## Issue #4

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Rising Benefits  
Costs





# PROJECT APPROACH

## STEP ③

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JOB  
CLASSIFICATION  
ANALYSIS  
NOV/DEC

- Review JAT results
- Review essential functions performed by classifications
- Evaluate and build projected classification plan
- Develop internal job classification hierarchies
- Review w/ Town Project Leadership Team

## STEP ④

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CONDUCT MARKET  
SALARY SURVEY  
NOV/DEC

- Identify benchmark positions and peer organizations
- Conduct a labor market salary survey
- Collect and analyze market salary survey data
- Prepare draft summary of Town's market position
- Review and Approve of Market Results



# EMPLOYEE SURVEY PARTICIPATION

*Conducted a Job Assessment Tool survey offered to all Town employees and participation exceeded the national average.*

Employee Summary		Supervisor Summary	
# Of Employee Surveys Complete	# Of Employee Surveys Incomplete	# Of Supervisor Reviews Complete	# Of Supervisor Reviews Incomplete
614	124	616	14
% Complete	% Incomplete	% Complete	% Incomplete
83.20%	16.80%	97.77%	2.28%

Classification Summary	
# of Classifications with a JAT	# of Classifications without a JAT
258	8
% Complete	% Incomplete
96.99%	3.01%



# COMPENSATION OUTLOOK NATIONAL

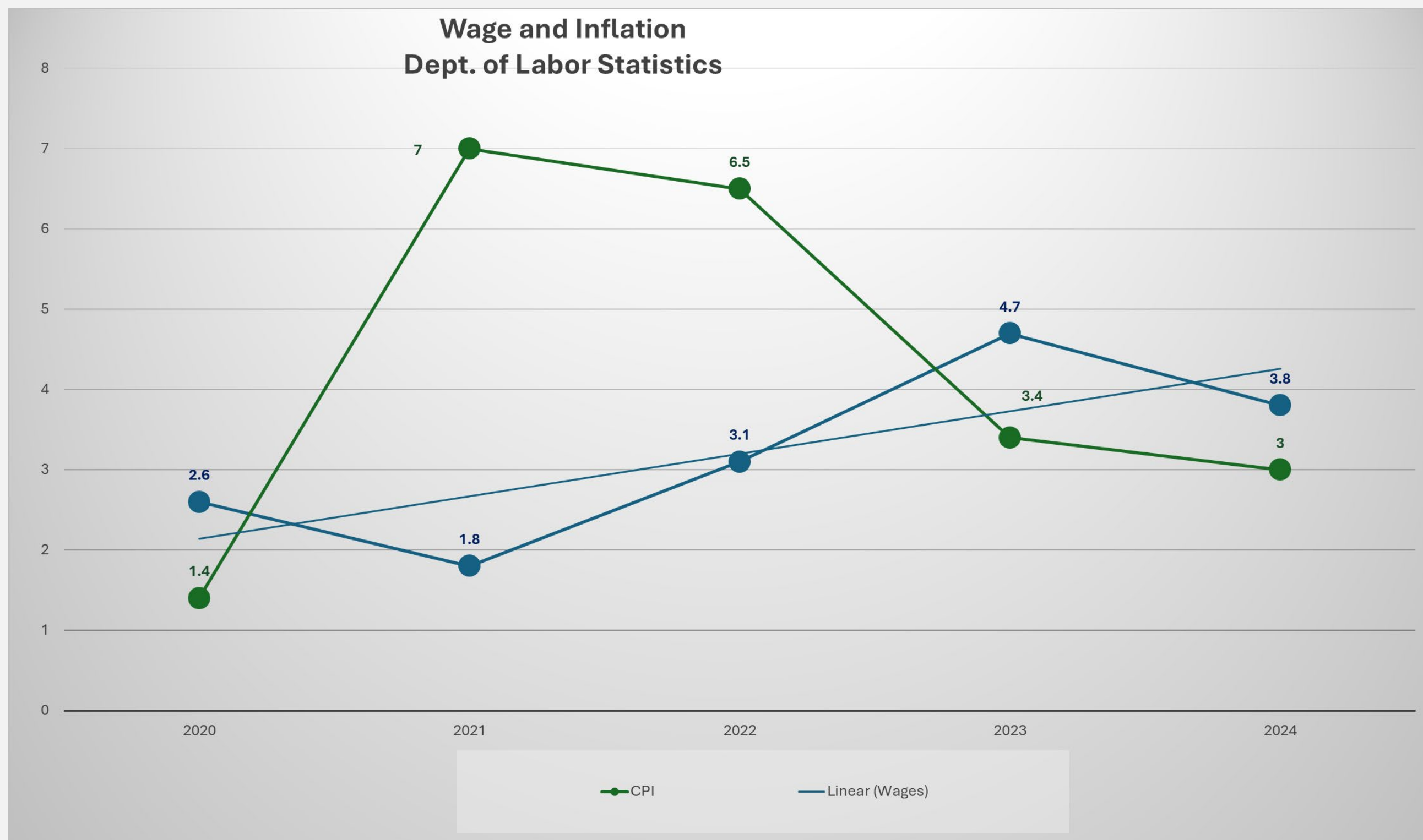
## *National Economic Forces and shifts in post-election Policy Priorities will continue to impact Public Sector Labor Market*

- *Most recent Dept. of Labor report shows wages still increasing slightly, hiring slowing and inflation decreasing but remaining “sticky” placing continued pressure on employee earnings.*
- *Dept of Labor - Year over year wage increases averaging 3.8% (Q1/2025). More than 28% of Americans are searching for new jobs – highest rate in 10 years. Pool of applicants for Public Sector increasing slightly.*
- *Consumer price inflation rose 3.0% between January 2024 and January 2025 down from peak inflation of 9% in June 2022. (2.7 March)*





# COMPENSATION OUTLOOK NATIONAL





# COMPENSATION OUTLOOK NATIONAL/ STATE

## *Public Sector Labor Market Trends*

- Shift in policy (D.O.G.E.) impacting staffing levels in Federal Government could see trickle down to State and Local. (North Carolina is home to approx. 82,000 federal employees or 2% of the total workforce.)
  - *\*Predict local governments will see more qualified applicants/Less Federal Support w/ more services absorbed by State/Local Gov't.*
- 2024 saw the first decrease in # of open jobs in public sector since 2019.
  - Is the Labor Market Frozen? Don't want to layoff, Don't want to change jobs, Don't want to leave home...
- Agencies across the United States battling burnout, short staffing, and low engagement. (*Succession planning, culture, work/life balance, career development, retention more important.*)





# MARKET SURVEY APPROACH

## MARKET SURVEY

- 18 of 22 peers provided data
- Received 7.8 responses per benchmark classification
- Overall average 7.6% below market midpoint

### Market Peers

Chapel Hill, NC
Alamance County, NC
Apex, NC
Birmingham, AL
Cary, NC
Charlottesville, VA
Chatham County, NC
Durham County, NC
Durham, NC
Franklin, TN
GoTriangle (Transit Only)
Greenville, NC
Holly Springs, NC
Lexington, KY
Madison, WI
Morrisville, NC
Orange County, NC
Raleigh Housing Authority
Raleigh, NC
University of North Carolina
Wake County, NC
Wake Forest, NC
Wilmington, NC



# MARKET POSITIONING PAY RANGES

Average Not Adjusted w/ COLI Differential			Average Adjusted w/ COLI Differential		
Minimum	Midpoint	Maximum	Minimum	Midpoint	Maximum
-6.0%	-3.0%	-1.3%	-11.0%	-7.9%	-6.1%

Classification	Survey Minimum	Survey Midpoint	Survey Maximum	# Resp.
	Average	Average	Average	
Overall Average	-10.5%	-7.6%	-5.9%	8
Overall Average @ 65th Percentile	-14.8%	-11.1%	-9.5%	8
Overall Average @ 75th Percentile	-17.8%	-14.1%	-12.8%	8

- Differentials from market averages are based on pay ranges not actual employee salary.
- Variation in differentials result from broader or narrower pay ranges in the market.
- Market midpoint is the most statistically stable point of comparison.





# MARKET POSITIONING SAMPLE

Classification	Survey Minimum	% Diff	Survey Midpoint	% Diff	Survey Maximum	% Diff	# Resp.
ADMINISTRATIVE ASSISTANT	\$43,111.29	-16.5%	\$55,429.41	-11.2%	\$67,747.52	-8.1%	14
CODE ENFORCEMENT OFFICER	\$54,305.24	-26.8%	\$68,937.41	-21.0%	\$83,569.58	-17.5%	10
CONSTRUCTION WORKER I	\$44,321.29	-38.7%	\$55,787.56	-31.8%	\$67,253.83	-27.6%	5
FIRE CAPTAIN	\$73,128.71	-22.0%	\$93,407.25	-19.7%	\$113,685.79	-18.3%	11
FIREFIGHTER LEVEL I	\$53,173.38	-21.7%	\$67,238.31	-18.3%	\$81,303.23	-16.1%	9
GIS ANALYST	\$63,372.38	-5.2%	\$81,432.42	-2.0%	\$99,492.46	-0.1%	11
MECHANIC I-BUS	\$49,659.01	-10.4%	\$63,679.77	-4.9%	\$77,700.54	-1.6%	7
PARK MAINTENANCE SPECIALIST	\$44,316.41	-25.8%	\$56,012.00	-20.0%	\$67,707.59	-16.5%	8
POLICE OFFICER I	\$58,124.71	-16.2%	\$74,410.93	-37.2%	\$90,697.15	-55.0%	11
SOLID WASTE COLLECTOR	\$41,275.79	-23.0%	\$51,958.06	-15.2%	\$62,640.33	-10.6%	10



# PROJECT APPROACH

## STEP ⑤

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SOLUTION  
ANALYSIS &  
DEVELOPMENT  
JAN/MAR

- Conduct compensation analysis
- Develop new/revised pay grades and ranges
- Slot classifications into pay plans
- Conduct solution analysis
- Review and Approve Recommendations

## STEP ⑥

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FINALIZE  
PROJECT  
MAR/MAY

- Develop draft/final reports
- Present the Study Findings, Recommendations & Costs
- Develop a communication plan for employees
- Develop recommendations for the continued administration of plans
- Update job descriptions
- Provide Job Force Manager training





# KEY RECOMMENDATIONS

- Adopt the proposed pay plan structure.
- Reassign classification paygrades based on internal and external equity. (Fair and Competitive Pay Plan)
- Align employee salaries within their assigned, market competitive pay range consistent with compensation philosophy and implementation methodology. *\*Adjustments include pay equity study evaluation.*
- Evergreen recommends Hybrid Year Parity implementation.
  - Key components:
    - Provides value for time in current classification
    - Provides value for time in organization in any classification
    - Reduces salary compression
    - Reestablishes a competitive market position and internal equity



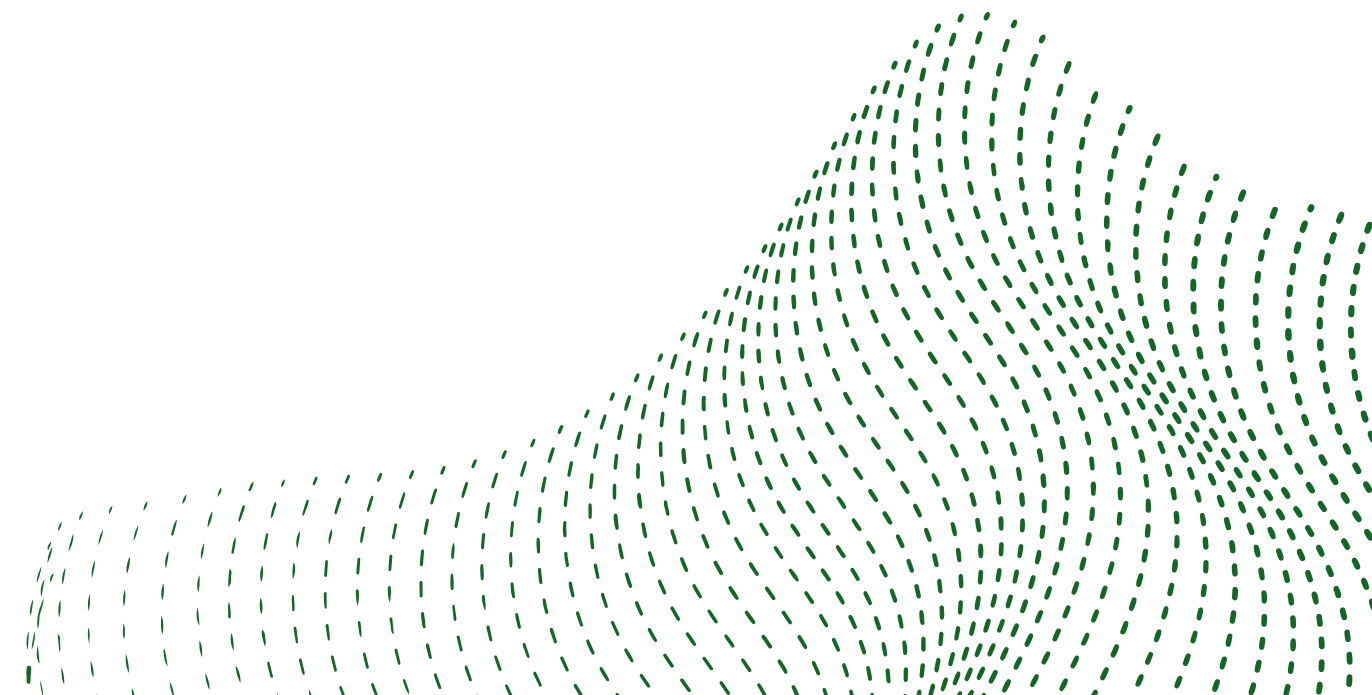
# NEXT STEPS

- Job Description Updates
- Job Force Manager
  - Provides post-project administration and maintenance of adopted plan.
- Finalize Project Report
- Project Close-out





QUESTIONS







# Thank You!

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