

Town of Leyden

Classification/Compensation Administrative Policies

Approved September 15, 2025

This document is intended to serve as a guideline explaining the administration of the Town's classification and compensation plan.

I. Classification/Compensation Policy:

It is the policy of the Town of Leyden (“Town”) to provide a logical, objective, and uniform process to make job classification and salary compensation decisions, which:

- Places and administers the compensation of a position primarily based on the “comparable value” of a position as measured by the application of a uniform position rating system. Employees are to be placed within a classification range/pay band based upon experience, qualifications, years of service, competitiveness, and performance;
- Recognizes individual job responsibilities, performance levels and contributions to the Town;
- Considers trends and comparable salaries within the public sector marketplace-alongside the Town's funding capability.

II. Administration of Classification/Compensation Plan:

The Select Board serves as the administrator of the Town’s Classification/Compensation Plan to determine who, when and how much an employee is to be compensated. It is the joint responsibility of the Select Board and Town Department Heads to administer and communicate the classification and compensation process including the administration of employee appeals.

III. Classification/Compensation Structure

Positions are assigned to specific classification levels within the compensation structure based upon the following criteria:

- 1. Internal Comparison of Positions:** The Town uses a point rating evaluation method for classifying and ranking managerial, professional, technical, clerical, and labor positions. This process establishes the "internal value", and relative importance of each position based upon:
 - Level of independent decision-making of the position
 - Management responsibility
 - Professional and/or technical qualifications associated with the position
 - Certifications required and trainings completed relevant to the position
 - Level of responsibility for critical town functions
- 2. External Market Data:** External salary data is to be collected on an annual or as needed basis. The market area to be surveyed is to be done on a position-by-position basis and comparable communities selected based on both operational and demographic criteria. Based upon the survey, average midpoint of data

collected for positions within each grade level a benchmark number (i.e., survey average mid-point) will serve as a guide to establish both a minimum and a maximum competitive salary range as a percentage of the benchmark. The collection of new survey data and specifically the survey average midpoint for each grade level will enable the Town to determine when and if so, how much to adjust each min/max salary range by a dollar amount and not a percentage.

3. **Annual Salary Plan Adjustments:** Annual salary plan guidelines are used to administer individual employee salaries throughout the year. Based upon external market data, budget parameters, and the Town's ability to pay, funds are provided for employee compensation purposes throughout the year. It is the general policy of the Town of Leyden to make salary adjustments at the beginning of each fiscal year as determined by the Select Board.
4. **New Employee Salary Compensation:** It is the policy of the Town to hire new employees within the “hiring pay band” of each position’s grade level salary range (i.e., 1st quadrant) with the understanding that the Town reserves the right to hire a new employee beyond the hiring pay band based on the qualifications of an applicant and/or changes in the marketplace.
5. **Employee Retention Salary Compensation:** Current employees are eligible for an annual market rate of adjustment to be determined by the Town. It is the administrative policy of the Town to pay employees competitively (i.e., within a “market equity pay band”) within three (3) years of employment in their current position subject to appropriation. It is the administrative compensation policy of the Town to pay employees who are paid competitively a salary adjustment based on years of service in accordance with the step plan structure. Employees who reach the maximum of their equity pay band are eligible for additional compensation based on “accomplishment” to be administered by the Town Administrator.
6. **Salary Structure:** The Town's current salary structure currently consists of five (5) grade levels for regular general government positions. Each grade level salary range represents the current market value for all positions that are classified at each grade level. Each salary range or pay band has a lower, middle (i.e., benchmark) market equity pay band and an excess market pay band or quadrant.

Lower Market Quadrant (1st quartile): reflects the salary level paid to employees who meet the minimum qualifications for a position, and who are required to perform basic duties and responsibilities after normal training.

Market Quadrant (2nd and 3rd quartile): is the pay band that reflects the market "going rate" for a position. Employees in this quadrant are experienced and fully qualified to perform all of the position's required duties and responsibilities.

Excess Quadrant) 4th quartile): reflects the upper pay band of an employee’s salary typically paid in a competitive manner for employees performing the duties and

responsibilities of the position. Additional employee compensation within the 4th quadrant greater than a “market rate of adjustment” should not be considered a natural, automatic progression based on competitiveness or years of service but instead must be earned by the employee based on performance or accomplishment as measured by the Town’s employee performance rating system.

5. Appeal Process: Employees may appeal a position's classification or compensation level. The employee appeal process is to be administered by the Select Board in accordance with the Town’s grievance procedure that is contained in the Town’s Personnel Manual. In accordance with the grievance procedure currently in effect, an employee is required to file an appeal letter and to notify their department head or Select Board of any concern regarding what they feel is a significant change to their job description and as a result the position’s classification and/or compensation level should be changed. It is the responsibility of the Department Head in conjunction with the Select Board to attempt to resolve any concerns regarding the classification or compensation of a position in a timely manner.

It is understood that the basis for an appeal is a change(s) that is proposed or has occurred to an employee's job description (either job duties or minimum qualifications) that should result in an adjustment to a position’s rating and thus classification or compensation level. Based on the internal comparison of positions, the Select Board will determine whether a change(s) is significant enough to warrant a change in classification or compensation level. It is the responsibility of the Department Head to notify the Select Board or designee, if possible, prior to making a significant change to a position that is not *similar*, *related*, or a *logical assignment* to the position.

Upon notification and receipt of an employee appeal letter, the Select Board will conduct a hearing with the employee and his/her department at a time and place convenient to all parties. Upon further review, the Select Board will then notify the Department Head and employee whether a change in a position’s classification or compensation level is approved and if so, what the financial impact will be to the employee.