

ATTACHMENT A

**A RESOLUTION ACCEPTING STAFF'S RECOMMENDATION
TO DEVELOP A COMPENSATION PHILOSOPHY
FOR THE TOWN OF CARRBORO
Resolution No. 128/2003-04**

BE IT RESOLVED that the Carrboro Board of Aldermen accepts staff's recommendation to develop a compensation philosophy for the Town.

This the 9th day of March 2004.

Actual Municipal Compensation Philosophies

#1

"The City of _____ will attract and retain qualified, productive and motivated employees who will provide efficient and effective services to the citizens.

All types of employee pay, whether base pay, incentives or benefits, will be used to encourage employees to attain measurable performance goals/targets that support the City's mission. Pay will be based on performance while considering market conditions.

Base pay is the primary type of pay used to maintain market competitiveness; incentive pay will be the primary pay method used to communicate the changing goals of the City and to encourage teamwork. Employees will also be rewarded for attaining skills which make them more flexible and useful in helping Business Units meet their goals."

#2

To adopt a market-based pay plan structure and a performance awards chart which allows for market competitiveness, flexibility with new hire salaries, and employee performance award flexibility to ensure the most accurate compensation based on an employee's knowledge, skills, abilities, and accomplishments; to promote a hiring practice that attracts and reflects a team of qualified, capable, and valued individuals; to ensure that the pay plan structure and the performance awards program are reviewed annually to ensure their competitiveness and cost effectiveness.