



**City of Biddeford
Personnel Committee**

May 20, 2025 at 4:00 PM
City Hall Council Chambers & Zoom

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Or call in by phone: +1 312 626 6799

Meeting ID: 999 2675 9771

Passcode:041201

1. Call to Order
2. Approval of Minutes
3. Discussion
 - 3.a Non-Union Wage Discussion
 - 3.b City Hall Hours Discussion
4. Other Business
5. Adjourn

AGENDA BRIEF

To: Personnel Committee

From: Diana DePaolo, Director of Human Resources

Date: May 20, 2025, 4pm

Subject: Review and Discussion of Non-Union Wage Scale and Consideration of Compensation Study

Background:

The City of Biddeford has an opportunity to evaluate and enhance its current non-union wage scale. The last comprehensive wage study conducted by an external consultant was completed in 2016. Since that time, the City has made limited updates—primarily through annual cost-of-living adjustments (COLAs) and discretionary merit increases that were historically determined by the City Manager. However, there has been no formal mechanism for evaluating individual performance for compensation purposes or for ensuring equity and market competitiveness across all non-union positions.

Current Challenges:

Recent concerns have been raised by both employees and department heads, particularly among staff at the lower end of the wage scale. These concerns include:

- **Market Competitiveness:** Some staff have learned that their current wages are not aligned with those of peers in surrounding municipalities, particularly in comparable roles.
- **Hiring and Placement Inequities:** The City has faced challenges in placing new hires appropriately within the scale. Candidates with more experience may be placed higher on the scale but may not meet performance expectations once in the role. Conversely, less experienced hires may exceed expectations but are placed at the lower end of the scale with no path for early adjustment.
- **Lack of Merit-Based Flexibility:** Department heads currently lack the authority or mechanism to adjust wages for employees who significantly exceed performance expectations or who assume additional responsibilities—such as in the case of the Codes Department managing additional workloads due to natural disasters.
- **Subjective Decision-Making:** In the past, decisions regarding merit increases and salary adjustments were handled directly through the City Manager's office, often without detailed explanation or a transparent process, leading to concerns about fairness and clarity.
- **Roles and Responsibilities:** The City has expanded and become more complicated to serve over the past several years. Almost no department has seen an increase in staff as the workload has expanded. The increased task related demands is evident to staff, and

there has been no increase to staffing or adjustment to wages despite increasing work demands.

Recent Actions:

In recent years, the City has implemented a COLA adjustment each July 1. Prior to that, the City Manager determined various increases based on individual merit assessments. Currently, however, there is no formal merit-based structure in place, nor is there a clear methodology for internal equity review.

Recommended Options for Consideration:

1. Approve an External Compensation and Classification Study:
 - This would provide an objective assessment of market competitiveness, internal equity, and position classification.
 - Although a study could not be completed before the July 1, 2025, fiscal year deadline, the City could consider retroactive implementation of any adjustments based on the study's findings.
2. Implement a COLA Effective July 1, 2025:
 - Proceed with a standard cost-of-living adjustment while awaiting the results of a compensation study.
 - Adjustments recommended in the study could then be layered on as needed following completion.
3. Introduce Non-Wage-Based Compensation:
 - Consider stipends, bonuses, or other forms of temporary compensation for high-performing employees or those assuming additional duties in the interim. One particular program that could be leveraged to be more effective is student loan reimbursement.
4. Establish a Formal Merit-Based Pay Structure:
 - Explore mechanisms for department heads to recommend pay adjustments based on documented performance or increased responsibility, ideally tied to objective criteria or performance evaluations.

Conclusion:

A comprehensive review of the City's non-union compensation structure is both timely and necessary. Engaging an external consultant to conduct a classification and compensation study would lend credibility to the City's pay practices and help establish a more equitable, transparent, and performance-based system. In the short term, a COLA and/or other interim

compensation options should be considered to address immediate equity concerns and support retention efforts.