

MINUTES
JOINT MEETING OF THE GREENVILLE CITY COUNCIL
AND THE GREENVILLE UTILITIES COMMISSION
BOARD OF COMMISSIONERS
MONDAY, APRIL 25, 2022

Having been properly advertised, a joint session of the Greenville City Council and the Greenville Utilities Commission Board of Commissioners (GUC Board) was held on Monday, April 25, 2022, at 6:09 p.m. in City Council Chambers located at 200 West Fifth Street, Greenville NC.

Mayor Connelly called the meeting to order for the City Council and ascertained that a quorum was present via roll call by Valerie Shiuwegar.

Chair Stoughton called the meeting to order for the GUC Board and ascertained that a quorum was present via roll call by Amy Wade.

Those present from the City Council:

Mayor P.J. Connelly, Mayor Pro-Tem Rose H. Glover, and Council Members Will Bell, Monica Daniels, Rick Smiley, and Brian V. Meyerhoeffer

Those absent from the City Council:

William F. Litchfield, Jr.

Also present from the City of Greenville:

Ann E. Wall, City Manager; Michael Cowin, Deputy City Manager; Ken Graves, Assistant City Manager; Emanuel McGirt, City Attorney; Valerie Shiuwegar, City Clerk; Camillia Smith, Deputy City Clerk; Krystal Roebuck, Administrative Assistant; Leah Futrell, Director of Human Resources; Steven Brewington, Human Resources Manager; Travis Tallent, Human Resources Manager; and Brock Letchworth, Public Information Officer

Those present from the GUC Board:

Chair Tommy Stoughton, Commissioners Minnie J. Anderson, Kelly L. Darden, Jr., Lindsey Griffin, Peter Geiger, Kristin Braswell, Ferrell L. Blount III, and Ann E. Wall

Those absent from the GUC Board:

None

Also present from the Greenville Utilities Commission:

Tony Cannon, General Manager/CEO; Jeff McCauley, Chief Financial Officer; Phillip R. Dixon, General Counsel; Richie Shreves, Director of Human Resources; Lena Previll, Senior Human Resources Manager; Amy Wade, Executive Assistant to the General Manager/CEO; and Lou Norris, Secretary to the General Manager/CEO

Other guests included Ed Carter, Scott Wiseman, and Bobby Weatherly.

APPROVAL OF THE AGENDA

Upon motion by Council Member Bell and seconded by Council Member Smiley, the Greenville City Council unanimously approved the agenda as presented.

Upon motion by Commissioner Darden and seconded by Commissioner Anderson, the GUC Board unanimously approved the agenda as presented.

PUBLIC COMMENT PERIOD

Mayor Connelly opened the public comment period at 6:11 p.m. and explained the procedures to be followed by anyone who wished to speak.

Ed Carter: 104 Fireside Road, Greenville, NC

Mr. Ed Carter is the Chair of the North of the River Association. Mr. Carter discussed his concern with a crypto mining business coming to Greenville and Pitt County. He believes the City should require outside reports on the financial and environmental concerns of crypto mining and its impacts on the community before any contracts are signed.

He wants to bring good businesses that are respectful of the community and that bring more than a handful of jobs. They would like to see transparency and would like a moratorium until there is community engagement.

Mr. Carter stated that the studies that he has read show that communities are suffering for lack of oversight. He asks for an environmental and economic impact study be performed for the best interest of Greenville.

Scott Wiseman: 404 Treybrooke Circle, Apartment 34, Greenville, NC

Mr. Scott Wiseman is with the Friends of Greenville Greenway and also representing the Sierra Club Cypress Group with over 700 members in the Pitt County and 18 other counties in North Eastern and Eastern North Carolina. He supports the concerns of the North of the River Association about crypto mining coming to Pitt County and how it will affect the community. As the Sierra Club's regional member group, the Cypress Group shares the concerns and supports the North of the River Association to mitigate the adverse or environment impacts of crypto mining and wants to educate the public on the environmental impact of crypto mining. Mr. Wiseman provided detailed information on the report findings of adverse effects on other communities where there is crypto mining and how it could potentially affect our community. He added that there are few jobs and benefits to the community.

Bobby Weatherly: 407 Raintree Drive, Greenville, NC

Mr. Bobby Weatherly stated that he is a city taxpayer, utility consumer, and supporter of the North of the River Association. He is concerned of the lack of transparency with respect to Greenville Utilities Commission. He referenced a recent article in the Daily Reflector whereby a proposed project was to build a 7.2-mile 115kw transmission line at a cost of \$8.9 million and would likely increase due to the price of steel increasing. He stated that although the price of steel did increase for over 18 years up to November 2020, he reviewed the Producer Price Index by commodity that indicated that beginning November 2021, the price index fell 30% and continues to fall. He feels it is reasonable to expect prices to fall back into the normal range which would substantially lower the cost of the structures and transformers.

He added that the major issue he brings forth is the cost and forecasted increase will be borne by the rate payers which are those people who have to make decisions when deciding what bills to pay on any given month. He reported the negative impact this type of business has had on other communities that have a data mining facility and he would like the assurance that citizens will not be exposed to the excessive noise and higher electric bills as those communities have suffered.

There being no other guests who wished to speak during the Public Comment period, Mayor Connelly closed the public comment period at 6:22 p.m.

APPROVAL OF PROPOSED MINUTES- SEPTEMBER 20, 2021

Upon motion by Council Member Smiley and seconded by Mayor Pro-Tem Glover, the Greenville City Council unanimously approved the September 20, 2021 Joint Minutes as presented.

Upon motion by Commissioner Braswell and seconded by Commissioner Anderson, the GUC Board unanimously approved the September 20, 2021 Joint Minutes as presented.

CONSIDERATION OF MARKET ADJUSTMENT/MERIT ALLOCATION FOR FY 2022-23

City Manager/GUC Commissioner Ann Wall called both Directors of Human Resources, Leah Futrell and Richie Shreves, forward to present the next items.

Ms. Futrell reminded the group that the Joint Pay and Benefits Committee meets each spring to evaluate market data and make recommendations to the GUC Board of Commissioners and the Greenville City Council.

Ms. Futrell stated the objective is to maintain an effective pay system for our employees that is internally equitable and compatible and is as competitive as possible in relation to the external marketplace. She added, as in previous years, data is collected from various sources to provide the Committee information related to the market, so an informed decision on the merit allocation and market adjustment can be determined for the upcoming year.

Survey Groups:

This year, data was collected from 7 reputable survey groups consisting of Catapult, Economic Research Institute (ERI), Korn Ferry, Mercer, The Conference Board, Willis Towers Watson and WorldatWork. Ms. Futrell noted that ERI and The Conference Board are new sources that were added and are well-respected and represent public and private organizations. Aon Hewitt was used in previous years and was removed as they provide mostly international survey data. The wage projections and trends of these survey groups for 2022 are relatively consistent, collectively averaging 3.6%.

Survey Company	Projection
Catapult (fka CAI)*	2.8%
Economic Research Institute (ERi)	4.4%
Korn Ferry	3.4%
Mercer	3.35%
The Conference Board	3.9%
Willis Towers Watson	3.4%
WorldatWork	4.0%

**COG and GUC have traditionally used CAI (now Catapult) as the primary benchmark guide*

Public-sector and Private-sector benchmarks:

Staff also surveyed established public-sector benchmark organizations and local private-sector employers to determine their plans related to compensation decisions.

- Twenty-four of the 26 public-sector organizations, comprised of municipalities and utilities, responded with an average increase of 3.9% (market and/or merit) in FY 2021-22. Most entities are still developing their FY 2022-23 budgets; however, three of these public-sector employers provided their projections, with an average pay increase of 3.8% (market and/or merit) for FY 2022-23.
- Ten of the 19 local private-sector employers responded and reported an average increase of 2.7% (market and/or merit) for FY 2021-22 and projections averaging 3.0% for FY 2022-23.

GUC/COG Combined Market and Merit Benchmark History:

Fiscal Year	Private Sector	Public Sector	City/GUC
2020-21	2.1%	2.2%	2.0%
2021-22	2.7%	3.9%	2.0%
2022-23	3.0%*	3.8%*	TBD

•The private & public sector data represents projections collected during the Spring of each year as part of the Pay & Benefits planning process.

"Due to the Pandemic, no public or private sector data was collected in 2020; however, actuals for 2020 were collected in early 2021 as part of the Pay & Benefits planning process.

Ms. Futrell stated the recommendation of the Joint Pay and Benefits Committee from their March 22 meeting is to fund an employee market/merit adjustment of 4.0% for FY 2022-23, to be applied as deemed appropriate by each entity, in order to improve market competitiveness of salaries.

There was discussion and comments from City Manager Ann Wall and General Manager/CEO Cannon about the challenges that staff are seeing with recruitment and retention of employees.

Council Member Smiley moved to fund an employee market/merit adjustment of 4.0% for FY 2022-2023, to be applied as deemed appropriate. Council Member Bell seconded the motion, which passed by unanimous vote.

Commissioner Griffin moved to fund an employee market/merit adjustment of 4.0% for FY 2022-2023, to be applied as deemed appropriate. Commissioner Darden seconded the motion, which passed by unanimous vote.

CONSIDERATION OF SALARY STRUCTURE ADJUSTMENT FOR FY 2022-23

Ms. Shreves reminded the City Council and GUC Board that Segal, the City's and GUC's classification and compensation consultant, recommends reviewing salary structures annually to ensure they remain competitive in the market. Segal uses and recommends WorldatWork data because their Salary Budget Survey is the largest and most trusted resource of salary structure adjustment data used by compensation professionals nationally and internationally. WorldatWork projects salary structures to increase by 2.1% for 2022. City and GUC salary structures were not updated for FY's 2020-21 or 2021-22. In order to maintain market competitiveness, it is recommended that salary structures be adjusted by 2.1% for 2022-23.

Ms. Shreves stated this means that effective July 1, 2022, the minimum and maximum ranges of each pay grade will be increased by 2.1% and the mid-point recalculated accordingly.

There was discussion from Mayor Pro-Tem Glover about employees' reviews/evaluations and how merit increases are applied for the City. City Manager Ann Wall stated that the City Manager's office does review each merit pay increase during the review process.

Council Member Smiley made a motion to approve a 2.1% salary adjustment to salary structures for FY 2022-23. Council Member Bell seconded the motion, which passed by unanimous vote.

Commissioner Geiger made a motion to approve a 2.1% salary adjustment to salary structures for FY 2022-23. Commissioner Braswell seconded the motion, which passed by unanimous vote.

UPDATE ON COMPENSATION STUDY

Ms. Shreves stated that similar to other public and private sector organizations nationwide, the City and GUC are experiencing issues with the recruitment and retention of qualified staff and have, therefore, embarked upon a True Up Market Study with Segal. Over the course of the next several months, Segal will survey peer organizations to collect compensation data related to approximately 130 positions within the City and GUC. The peer organizations and benchmark positions were collectively identified by the City and GUC. Segal will also use published survey data in order to consider relevant private sector market data. Once all data has been collected, reviewed, and analyzed, Segal will prepare a report detailing their methodology, findings, and recommendations. Results from the Study are expected to be reported by mid-summer.

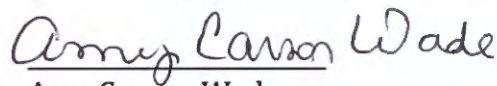
There is funding included in the FY 2022-23 budget for when the study is received so that findings can be implemented.

ADJOURNMENT

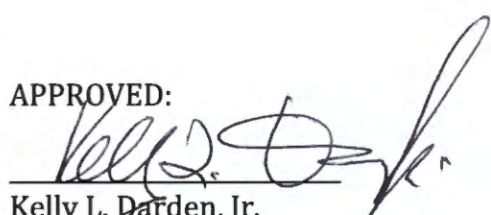
There being no further discussion, Commissioner Braswell moved to adjourn the meeting, and Commissioner Geiger seconded the motion, which passed by unanimous vote. Chair Stoughton adjourned the meeting for the GUC Board at 6:51 p.m.

There being no further discussion, Council Member Bell moved to adjourn the meeting, and Council Member Daniels seconded the motion, which passed by unanimous vote. Mayor Connelly adjourned the meeting for the City Council at 6:51 p.m.

Respectfully submitted,


Amy Carson Wade
Executive Secretary

APPROVED:


Kelly L. Darden, Jr.
Secretary

--This page is intentionally left blank--