MINUTES

JOINT MEETING OF THE GREENVILLE CITY COUNCIL AND GREENVILLE UTILITIES COMMISSION BOARD OF COMMISSIONERS

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 14, 2025, at 6:00 p.m. in City Council Chambers located at 200 West Fifth Street, Greenville, N.C.

City Council Members Present

Mayor Pro-Tem Monica Daniels

Council Member Marion Blackburn

Council Member Matthew Scully

Council Member Portia Willis

Council Member Tonya Foreman

City Council Members Absent

Mayor P.J. Connelly

City Staff Members Present

Deputy City Manager Ken Graves
City Attorney Emanuel McGirt
City Clerk Valerie Shiuwegar
Director of Human Resources Leah Futrell
Human Resources Manager Glen Buck
Communications Manager/PIO Brock Letchworth
Assistant City Attorney Scott Dixon
Deputy City Clerk Danaille Petro
Human Resources Manager Steven Brewington
Assistant City Manager Dene' Alexander

Greenville Utilities Commission Members Present

Chair Lindsey Griffin
Chair-Elect Mark Garner
Chair-Elect Mark Garner
Commissioner Dillon Godley
Commissioner Ferrell Blount
Commissioner Justin Fuller

Commissioner Peter Geiger

Greenville Utilities Commission Members Absent

City Manager Michael Cowin

Greenville Utilities Commission Staff Present

General Manager/CEO Tony Cannon Assistant General Manager/CAO Chris Padgett General Counsel Phil Dixon Executive Assistant to the General Manager/CEO Amy Wade

Secretary to the General Manager/CEO Lou Norris Director of Human Resources Richie Shreves

Others Present:

Ginger Livingston, The Daily Reflector; Greg Rubel and Don Cavellini, Community Members; and Yoshi Newman, Environmental Advisory Commission.

I. Call to Order

Mayor Pro-Tem Daniels called the meeting to order for the City Council and ascertained that a quorum was present via roll call by Deputy City Clerk Petro.

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

II. Approval of the Agenda

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

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

III. Public Comment Period

The Public Comment Period is a period reserved for comments by the public. Items that were or are scheduled to be the subject of public hearings conducted at the same meeting or another meeting during the same week shall not be discussed. A total of 30 minutes is allocated with each individual being allowed no more than 3 minutes. Individuals who are registered with the City Clerk to speak will speak in the order registered until the allocated 30 minutes expires. If time remains after all persons who registered have spoken, individuals who did not register will have an opportunity to speak until the allocated 30 minutes expires.

Mayor Pro-Tem Daniels opened the Public Comment Period up at 6:07 p.m.

Mr. Don Cavellini:

Mr. Don Cavellini, Co-Chair of Pitt County Coalition Against Racism, shared his concern of accessibility of information and transparency regarding an economic development project in the fall of 2021 and winter of 2022 when a Minnesota based crypto company was looking at a site in Pitt County close to Belvoir Elementary School. He distributed a copy of an article from October 2022 related to this project and hopes that Greenville Utilities Commission and the City of Greenville will learn from this and not repeat it. He felt the public was not informed. He noted that the project was paused due to the company going bankrupt.

Mr. Greg Rubel:

Mr. Greg Rubel is a customer and community citizen who shared that communication with the Greenville Utilities Commission and the City of Greenville has been cumbersome when a community member discovers a problem and help is required to solve it. He would like contact information to be easily available on the websites. In addition, he asked for more oversight with communications companies that are subcontractors that do not comply with line attachment standards and asked to strengthen the agreements between the communications companies, Greenville Utilities Commission, and the City of Greenville to include penalties to obtain responsiveness from them.

Dr. Yoshi Newman:

Dr. Yoshi Newman, Vice Chair of the City of Greenville Environmental Advisory Commission (EAC) and interested community member, commended GUC for the Environmentally Responsible Pamphlet that was available about water and infrastructure that have been put in place. She shared her concern for development in flood prone areas as there is a risk of having increased sediment, nutrient load, and other pollutants not good for high quality standard for water quality. In addition, she addressed some concerns of EAC about increased transparency from Greenville Utilities Commission.

After hearing from all speakers wishing to speak, Mayor Pro-Tem Daniels closed the Public Comment Period at 6:16 p.m.

IV. New Business

1. <u>Approval of Minutes from the September 23, 2024, Joint City Council-Greenville Utilities Commission Board Meeting</u>

Upon motion by Council Member Blackburn and seconded by Council Member Robinson, the Greenville City Council unanimously approved the September 23, 2024, Joint Minutes as presented.

Upon motion by Commissioner Geiger and seconded by Commissioner Garner, the GUC Board unanimously approved the September 23, 2024, Joint Minutes as presented.

2. Consideration of Market Adjustment & Merit Allocation for FY 2025-2026

Deputy City Manager Graves called upon City Director of Human Resources Leah Futrell and GUC Director of Human Resources Richie Shreves to present the next items.

Director Shreves reminded the group that the Joint Pay and Benefits Committee meets each spring to evaluate market data and make recommendations to the GUC Board and the Greenville City Council. Published surveys and public and private sector benchmarks are reviewed. Director Shreves 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 with 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 organizations as shown on the chart. The wage projections and trends of these survey groups for 2025 are relatively consistent, collectively averaging 3.8%.

Survey	Projected Wage Increase	
Catapult*	3.7%	
Economic Research Institute (ERI)	3.9%	
Korn Ferry	3.5%	
Mercer	3.7%	
The Conference Board	3.9%	
Willis Towers Watson	3.9%	
WorldatWork	3.8%	
AVERAGE	3.8%	

^{*}COG and GUC have traditionally used Catapult (formerly CAI) as the primary benchmark.

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.

- Nineteen of 26 <u>public-sector organizations</u>, comprised of municipalities and utilities, responded with an average increase of 4.6% (market and/or merit) in FY 2024-25. Most entities are still developing their FY 2025-26 budgets: however, three of these reported projections averaging 4.0% for FY 2025-26.
- Four of 19 <u>local private-sector employers</u> responded and reported an average increase of 3.4% (market and/or merit) for FY 2024-25 and projections averaging 3.0% for FY 2025-26.

GUC/COG Combined Market and Merit Benchmark History:

	Actual %				
FY	Catapult (fka CAI)	Public Sector	Private Sector	City / GUC	
20/21	2.5%	2.2%	2.1%	2.0%	
21/22	3.1%	3.9%	2.7%	2.0%	
22/23	3.8%	5.2%	4.8%	4.0%	
23/24	4.2%	5.5%	3.7%	2.0%	
24/25	3.9%	4.6%	3.4%	4.0%	

Projections:

FY	Catapult	Public Sector	Private Sector	City/GUC	
25/26	3.7%	4.0%	3.0%	TBD	

Director Shreves stated the recommendation of the Joint Pay and Benefits Committee from their March 25th meeting is to fund an employee pay adjustment of 4.0 % for FY 2025-26 to be applied as deemed appropriate by each entity.

Council Member Blackburn moved to fund an employee pay adjustment of 4.0% for FY 2025-26, to be applied as deemed appropriate. Council Member Willis seconded the motion, which passed by unanimous vote.

Commissioner Godley moved to fund an employee pay adjustment of 4.0% for FY 2025-26, to be applied as deemed appropriate by each entity. Commissioner Garner seconded the motion, which passed by unanimous vote.

3. CONSIDERATION OF SALARY STRUCTURE ADJUSTMENT FOR FY 2025-2026

Director 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.

In 2022 Segal was contracted to conduct a Compensation Study and data showed that pay structure was lagging and adjustments were made.

WorldatWork projects salary structures to increase 2.5% for 2025. Given the current market conditions, coupled with the recommendations from the Compensation Study, the Joint Committee recommends that the City and GUC adjust the salary structure by 2.5% for FY 2025-26.

Director Shreves stated this means that effective July 1, 2025, the minimum and maximum ranges of each pay grade will be increased by 2.5% and the-mid-point of each grade will be recalculated accordingly.

Council Member Blackburn made a motion to approve a 2.5% salary adjustment to salary structures for FY 2025-2026. Council Member Robinson seconded the motion, which passed by unanimous vote.

Commissioner Geiger made a motion to approve a 2.5% salary adjustment to salary structures for FY 2025-2026. Commissioner Carr seconded the motion, which passed by unanimous vote.

4. CONSIDERATION OF 401(k) EMPLOYER CONTRIBUTION

Director Futrell shared that currently the City and GUC contribute 3% to 401(k) plan for employees. The chart below shows how the City and GUC compare to the 20 Largest N.C. Municipalities.

401k - Employer Contributions Survey (updated January 2025)

20 Largest NC Municipalities

	Municipality	Employer Contribution to 401k	Annual Contribution - \$35,000	Annual Contribution - \$50,000	Annual Contribution - \$65,000	Annual Contribution - \$80,000
			Salary	Salary	Salary	Salary
1	Charlotte	3%	\$1,050.00	\$1,500.00	\$1,950.00	\$2,400.00
2	Raleigh	3%	\$1,050.00	\$1,500.00	\$1,950.00	\$2,400.00
3	Greensboro	3.25% (401a)	\$1,137.50	\$1,625.00	\$2,112.50	\$2,600.00
4	Durham	5%	\$1,750.00	\$2,500.00	\$3,250.00	\$4,000.00
5	Winston-Salem	2% (401a)	\$700.00	\$1,000.00	\$1,300.00	\$1,600.00
6	Fayetteville	1%	\$350.00	\$500.00	\$650.00	\$800.00
7	Cary	5%	\$1,750.00	\$2,500.00	\$3,250.00	\$4,000.00
8	Wilmington	4.5%	\$1,575.00	\$2,250.00	\$2,925.00	\$3,600.00
9	High Point	Up to 3%	\$1,050.00	\$1,500.00	\$1,950.00	\$2,400.00
10	Concord	3.5%	\$1,225.00	\$1,750.00	\$2,275.00	\$2,800.00
11	Asheville	Up to 6%	\$2,100.00	\$3,000.00	\$3,900.00	\$4,800.00
12	Greenville	3%	\$1,050.00	\$1,500.00	\$1,950.00	\$2,400.00
13	Gastonia	5%	\$1,750.00	\$2,500.00	\$3,250.00	\$4,000.00
14	Jacksonville	2%	\$700.00	\$1,000.00	\$1,300.00	\$1,600.00
15	Apex	5%	\$1,750.00	\$2,500.00	\$3,250.00	\$4,000.00
16	Huntersville	5%	\$1,750.00	\$2,500.00	\$3,250.00	\$4,000.00
17	Chapel Hill	5%	\$1,750.00	\$2,500.00	\$3,250.00	\$4,000.00
18	Burlington	5%	\$1,750.00	\$2,500.00	\$3,250.00	\$4,000.00
19	Kannapolis	Up to 5%	\$1,750.00	\$2,500.00	\$3,250.00	\$4,000.00
20	Rocky Mount	3%	\$1,050.00	\$1,500.00	\$1,950.00	\$2,400.00
	AVERAGE	3.86%	\$1,351.88	\$1,931.25	\$2,510.63	\$3,090.00
	Greenville vs. Average		(\$301.88)	(\$431.25)	(\$560.63)	(\$690.00)

In recognition of retention and recruitment advantages, Joint Boards approved an adjustment to the 401(k) contributions for 2024-2025 from \$40 per pay period to 3% per pay period for all full time and select designated part-time employees (except law enforcement who, by N.C. General Statute, receive 5%). The approved plan was to have an additional incremental 1/4% increase each fiscal year until reaching 3.75% with funding permitted and to reassess market competitiveness once the 3.75% threshold was met.

She shared that the increase in employer contribution has had such a positive outcome. And, in today's highly competitive labor market, it is imperative that the City and GUC offer market competitive benefits, in addition to pay, to attract and retain talent. At the March Joint Pay and Benefits Committee meeting it was recommended to change the 401(k) employer contribution for its general employees to closely align the contribution to that of sworn law enforcement officers, which is the practice of most North Carolina municipalities. Therefore, increasing the 401(k) employer contribution by a full percentage point until it reaches 5%. Increasing from 3% to 4% for FY 2025-26 and from 4% to 5% for FY 2026-27.

After discussion, Council Member Blackburn made a motion to approve changing the 401(k) employer contribution from 3% per pay period to 4% per pay period effective FY 2025-26 for full-time and select designated part-time employees (excluding sworn law enforcement officers who receive a 5% 401(k) contribution) and to 5% per pay period effective FY 2026-27, funding permitting. Council Member Robinson seconded the motion, which passed by unanimous vote.

Commissioner Godley made a motion to approve changing the 401(k) employer contribution from 3% per pay period to 4% per pay period effective FY 2025-26 for full-time and select designated part-time employees and to 5% per pay period effective FY 2026-27, funding permitting. Commissioner Justin Fuller seconded the motion, which passed by unanimous vote.

5. 2025-2026 Pay Study

Director Futrell reminded the Joint Boards that the City and GUC typically conduct a comprehensive pay study every 10 years and a true up 5 years after each comprehensive study.

The last comprehensive study was scheduled for 2020. However, due to the pandemic the study was paused. In March 2022 a limited true up market study was conducted due to the issues both organizations were experiencing with recruitment and retention. Those results were implemented January 1, 2023. This study showed the City and GUC were behind market.

She noted that the overall goal is to ensure alignment of job classifications with current market rates, allowing the City and GUC to attract and retain talent. The staff recommendation is for the City and GUC to conduct a comprehensive classification and compensation study for implementation July 1, 2026. The cost of the study will be split between both organizations.

After discussion, Council Member Blackburn made a motion to approve staff's recommendation to conduct a comprehensive classification and compensation study for implementation July 1, 2026. Council Member Scully seconded the motion, which passed by unanimous vote.

Commissioner Geiger a motion to approve staff's recommendation to conduct a comprehensive classification and compensation study for implementation July 1, 2026. Commissioner Carr seconded the motion, which passed by unanimous vote.

Council Member Willis stated that she would like to revisit the comments made during the public comment period concerning public perception and accountability. She proposed a motion to direct that Greenville Utilities Commission develop a strategic plan related to transparency and was seconded by Council Member Blackburn. General Manager/CEO Cannon noted that Greenville Utilities Commission has a strategic plan, and that GUC's Charter says that the Board of Commissioners has full control and supervision of the utility. GUC holds public meetings whereby the agenda and approved minutes are available on GUC's website. GUC's General Counsel Dixon stated that the City Council has no authority to direct GUC to develop such a plan but could request such a plan. After discussion, City Attorney Emanuel McGirt indicated that the motion is not in order at this time and to proceed to adjournment.

V. Adjournment

There being no further discussion, Council Member Robinson moved to adjourn the meeting, and Council Member Blackburn seconded the motion, which passed by unanimous vote and Mayor Pro-Tem Daniels adjourned the meeting for the City Council at 6:47 p.m.

There being no further discussion, Commissioner Godley moved to adjourn the meeting, and Commissioner Garner seconded the motion, which passed by unanimous vote and Chair Griffin adjourned the meeting for the GUC Board at 6:47 p.m.

Respectfully submitted,

Amy Carson Wade Executive Secretary

APPROVED:

Ferrell L. Blount III

Secretary