

Minutes
Joint Pay & Benefits Committee Meeting
March 25, 2025

The Joint Pay & Benefits Committee met on Tuesday, March 25, 2025, at 3:00 p.m. in the GUC Board Room, located at 401 S. Greene Street, Greenville, North Carolina.

Committee Members Present

Commissioner Peter Geiger, Greenville Utilities Commission
Commissioner Justin Fuller, Greenville Utilities Commission
Council Member Portia Willis, City of Greenville
Council Member Marion Blackburn, City of Greenville

Committee Members Absent

None

GUC Staff Present

Tony Cannon, General Manager/Chief Executive Officer, Greenville Utilities Commission
Chris Padgett, Assistant General Manager/Chief Administrative Officer, Greenville Utilities Commission
Richie Shreves, Director of Human Resources, Greenville Utilities Commission
Lena Previll, Senior HR Manager, Greenville Utilities Commission
Leah Herring, HR Business Partner, Greenville Utilities Commission
Cortney Bazemore, HR Business Partner, Greenville Utilities Commission
Juanita Sims, HR Business Partner, Greenville Utilities Commission
Amy Wade, Executive Assistant to the General Manager/CEO, Greenville Utilities Commission
Lou Norris, Secretary to the General Manager/CEO, Greenville Utilities Commission
Paige Wallace, Staff Support Specialist I, Greenville Utilities Commission
Steve Hawley, Communications Manager/PIO, Greenville Utilities Commission

COG Staff Present

Michael Cowin, City Manager, City of Greenville
Ken Graves, Deputy City Manager, City of Greenville
Dené Alexander, Assistant City Manager, City of Greenville
Leah Futrell, Director of Human Resources, City of Greenville
Steven Brewington, Human Resources Manager, City of Greenville
Glen Buck, Human Resources Manager, City of Greenville
Valerie Shiuwegar, City Clerk, City of Greenville

I. Call to Order

City Manager Michael Cowin called the meeting to order at 3:00 p.m.

II. Approval of the Agenda

Commissioner Geiger made a motion to approve the agenda as presented. Council Member Willis seconded the motion, and it carried unanimously.

Safety Brief

Mr. Tony Cannon, General Manager/CEO of Greenville Utilities Commission, provided a safety brief and explained the plan of action should there be an emergency at today's meeting.

III. Approval of the Minutes

Council Member Willis made a motion to approve the minutes from the March 18, 2024, Joint Pay & Benefits Committee meeting. Commissioner Geiger seconded the motion, and it carried unanimously.

IV. Consideration of Market Adjustment/Merit Program for FY 2025-2026

Greenville Utilities Commission Director of Human Resources Richie Shreves announced that the City and GUC annually review the competitive pay posture of the joint pay plan with the objective to maintain an effective pay system that is internally equitable and compatible and is as competitive as possible in relation to the external marketplace. Staff analyzed data from 7 national surveys from well-known compensation consultant companies, including Catapult, a survey largely focused on North Carolina. She presented data from these 7 surveys showing an average projected 3.8% increase in pay. In addition, 26 public sector benchmark organizations were surveyed. Nineteen of the 26 responded with average 4.6% actual increase for FY 2024-2025. Three of those responded with a 4.0% average projected increase for FY 2025-2026.

There were 19 local private sector employers surveyed with only 4 responding with a 3.4% average increase for FY 2024-2025. Four of those that responded projected a 3.0% increase for FY 2025-2026.

Ms. Shreves reviewed the City/GUC pay increases compared to market along with the projections for FY 2025-2026 as follow:

	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

Ms. Shreves stated that based on the analysis, staff recommends a 4.0% pay adjustment for FY 2025-2026, applied as deemed appropriate by each entity, to better mirror the market and to pay competitively.

After discussion, Council Member Blackburn made a motion to approve staff's recommendations. Commissioner Geiger seconded the motion, and it carried unanimously.

V. Consideration of Salary Structure Adjustment

Greenville Utilities Commission Director of Human Resources Richie Shreves stated that during the 2022 Compensation Study, Segal Consulting recommended that in addition to market/merit adjustments, the salary structure should be reviewed annually to ensure our structure remains market competitive. Based on WorldatWork projections for 2025, staff recommends to increase the salary structure by 2.5% to remain competitive.

After discussion, Council Member Blackburn made a motion to approve the salary structure adjustment of 2.5% for FY 2025-2026. Commissioner Geiger seconded the motion, and it carried unanimously.

VI. 401(k) Adjustment

City of Greenville Director of Human Resources Leah Futrell distributed a copy of the North Carolina Municipalities 20 Largest Municipalities 401(k) Employer Contribution survey. She stated that to improve employee retention and market competitiveness, last year the City and GUC Joint Boards approved a 401(k) contribution adjustment increasing the employer contribution from a flat rate of \$40 per pay period to 3% for this current fiscal year with an adjustment increase of a quarter percent each fiscal year for general employees (not sworn employees) depending on funding available, until the contribution rate reaches 3.75%. The plan was to then reassess for market competitiveness. Ms. Futrell noted that both organizations have already seen the positive impact of this change on employee retention and recruitment. Therefore, staff believes increasing the 401(k) employer contribution by a full percentage point until it reaches 5% instead of by a quarter percent as originally approved, will maintain momentum and allow the City and GUC to reach market competitiveness sooner as it relates to the 401(k) contribution for its general employees.

Ms. Futrell announced that the employer contribution proposal is 4% for FY 2025-2026 and 5% for FY 2026-2027, funding permitting. In addition, increasing the 401(k) contribution for its general employees to 5% aligns the contribution to that of sworn law enforcement officers, which is the practice of most North Carolina municipalities.

After discussion, Council Member Willis made a motion to approve staff's recommendation to change the 401(k) employer contribution from 3% per pay period to 4% per pay period effective FY 2025-2026 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 2026-2027, funding permitting. Council Member Blackburn seconded the motion, and it carried unanimously.

VII. 2025-2026 Pay Study

Ms. Futrell reminded the Committee members 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. So, 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.

Commissioner Gieger made a motion to approve staff's recommendation to conduct a comprehensive classification and compensation study for implementation July 1, 2026. Council Member Blackburn seconded the motion, and it carried unanimously.

VIII. Next steps

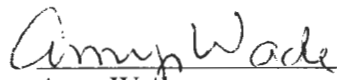
Council Member Blackburn made a motion to cancel the April 9, 2025, Joint Committee meeting. Council Member Willis seconded the motion, and it carried unanimously.

Mr. Cowin reminded the Committee members that these recommendations will be presented to the City Council and the GUC Board of Commissioners at the Joint Board meeting scheduled for Monday, April 14, 2025, at 6:00 p.m. in the City Hall Council Chambers.

IX. Adjournment

Commissioner Blackburn made a motion to adjourn the meeting at 3:48 p.m. Council Member Willis seconded the motion, and it carried unanimously.

Respectfully Submitted,


Amy Wade
Acting Secretary