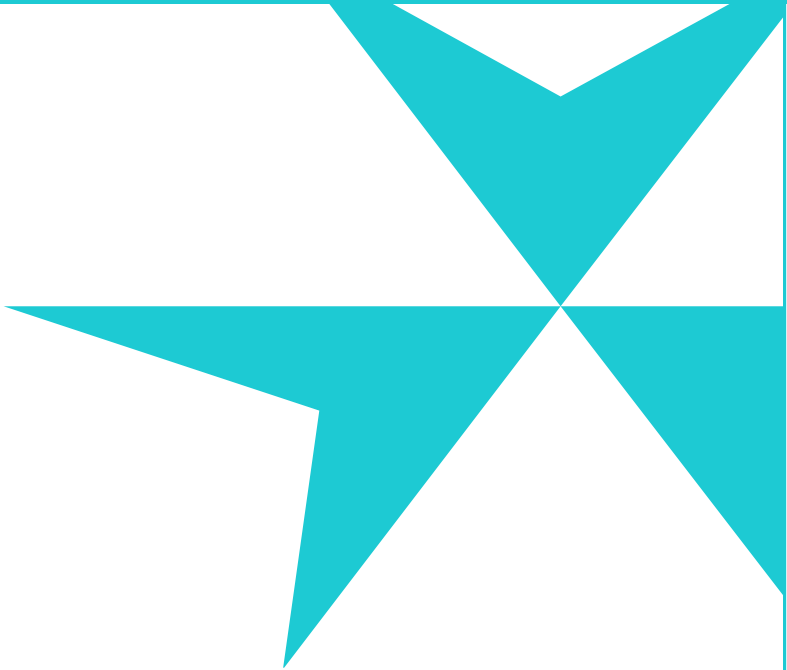


Joint City/GUC Pay & Benefits Committee

Monday, September 12, 2022, 3:00 p.m.

GUC Board Room

- I. Call to Order
- II. Approval of the Agenda
- III. Segal Presentation: Recommendation on 2022 Compensation Study
- IV. Discussion of Joint Committee Recommendations
- V. Next Steps
- VI. Adjournment



Greenville Utilities Commission and City of Greenville, NC

Five-Year True-Up Market Study

Findings and Recommendations

September 12, 2022 / Ruth Ann Eledge / Mary Ann Edwards

Agenda

- Study Goals & Objectives
- Methodology
- Recommended Pay Schedules
- Next Steps
- Questions and Discussion
- Appendix

Study Goals & Objectives

Goals and Objectives

City of Greenville & Greenville Utilities Commission Compensation Program

Goal #1



Market Competitive and Internally Equitable

Goal #2



Opportunities for Career/Pay Growth

Goal #3



Financially Sustainable

Objective

Successful recruitment and retention of highly qualified and talented leaders and staff who serve our customers and our community

Project Phases



1

Measure market position for base pay, supplemental pay and pay practices.

2

Align pay schedules with current market pay levels and our market philosophy.

3

Develop implementation strategy to improve our competitive position in a fiscally responsible manner

4

Adopt pay structure that applies to both organizations and implement using method that aligns to the unique goals and objectives of GUC & CoG

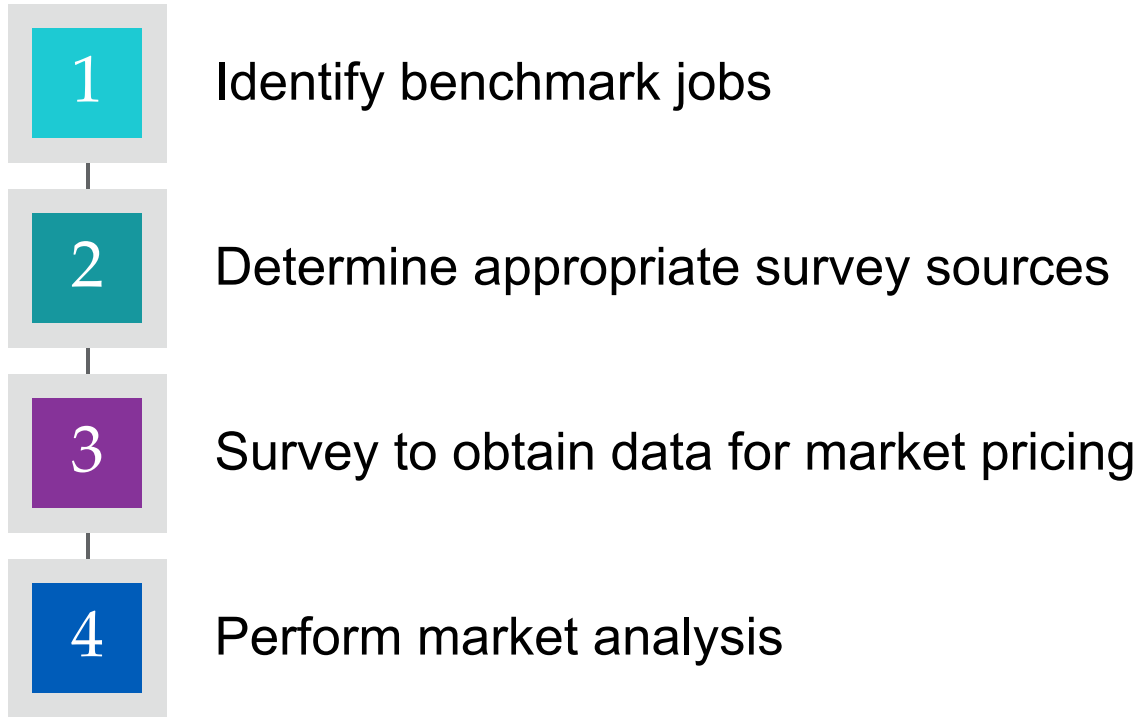
Guiding Principles

- Consistent with organizational structure
- One unified pay structure covering both organizations
- Complimentary to the management style and objectives
- Internally equitable
- Externally competitive
- Easily understood
- Flexible to meet the changing needs of the City and GUC
- Financially sound
- Effectively and efficiently administered

Methodology

Methodology

Market Assessment Process



Methodology

Benchmark Job Families

• Administrative Support	• Finance	• Public Works
• Animal Protective Services	• Fire/Rescue	• Risk and Safety
• Accounting	• Fleet Maintenance	• Road/Street Maintenance
• Billing & Collections	• Gas Systems Workers	• Sanitation
• Building Facilities Maintenance	• GIS	• Telecommunications
• City Clerk	• Grounds Maintenance	• Traffic Services
• City Management	• Human Resources	• Transit Driver
• Communications/Public Info	• Information Technology	• Tree Trimming / Arborist
• Customer Relations	• Legal & Compliance	• Utility Locator
• Electric Lineworkers	• Marketing	• Utility Metering
• Electric Substation	• Parks and Recreation	• Warehouse
• Electric Control Room	• Planning & Development	• Wastewater Treatment
• Engineering	• Police	• Water Treatment
• Environment	• Procurement	• Water Operations

134 benchmark jobs were selected from a variety of occupations, grade levels, and departments. 57 City jobs / 20 Shared jobs / 57 Utility jobs

Methodology

Market Comparisons *

Three market segments were included in one custom survey, with each segment representing a key aspect of the City’s and/or the Utility’s competitive market:

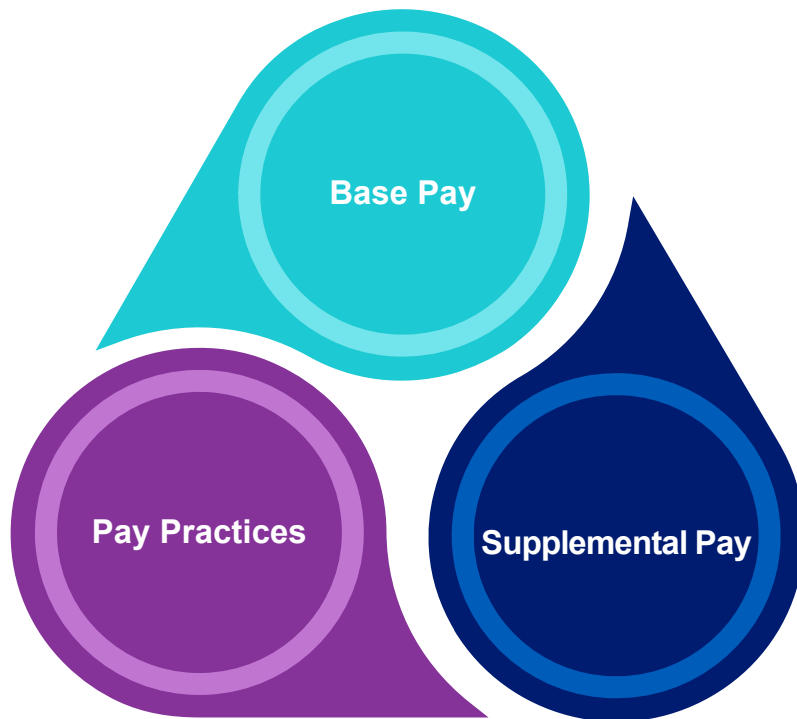
- 15 public sector employers
- 7 utility service providers to capture full-spectrum of services
- 6 published survey data sources - 1 municipal, 3 utility, 2 private sector data sources

Public Sector Employers		Utility Service Providers		Published Surveys
• City of Asheville	• City of Tallahassee	• Cape Fear Public Utility Authority		6 published data sources, collectively representing thousands of employers
• City of Concord	• City of Wilmington	• Electricities		
• City of Fayetteville	• City of Wilson	• Fayetteville PWC		
• City of Gastonia	• Guilford County (EMS jobs)	• Gainesville Regional Utilities		
• City of High Point	• Pitt County	• Jacksonville Electric Authority		
• City of Kissimmee (EMS jobs)	• Town of Cary	• Knoxville Utility Board		
• City of Monroe (Utility jobs)	• NC DOT (roads/streets jobs)	• Santee Cooper		
• City of Raleigh (Public Safety jobs)				

* Pay rates for other organizations were geographically adjusted to the Greenville area cost of labor using ERI’s national index

Methodology

Market Survey



Base Pay

- Benchmark jobs
- Range minimums and maximums

Supplemental Pay Practices

- Sign-On bonus
- Retention bonus
- Bilingual Pay
- Tool Allowance
- Employee Referral bonus

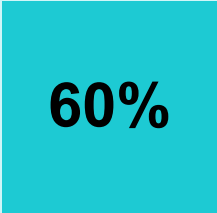
Pay Practices

- Salary structure design
- Pay progression process
- Structure adjustments

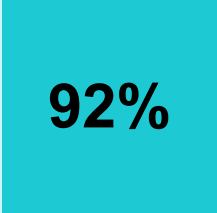
Market Analysis Results

Summary of Findings

Market assessment

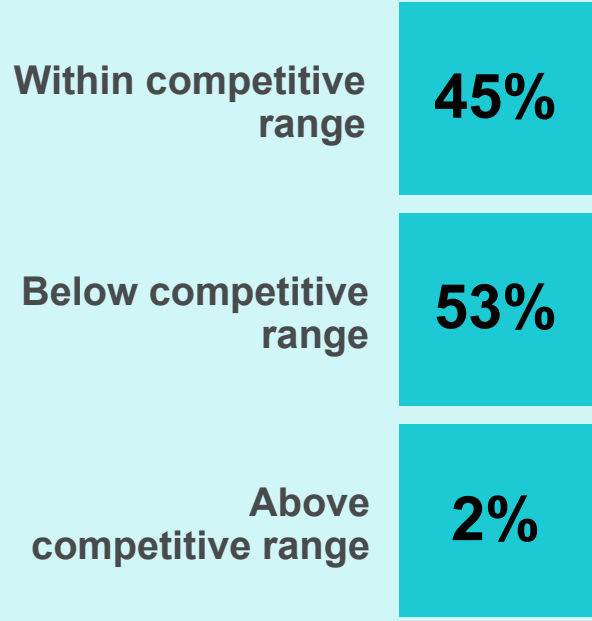


Benchmarked incumbents
(% of Total Population)



Aggregate competitiveness
to market median

Competitive range¹ Distribution of incumbents



¹ Competitive range defined as 90% - 110% of market 50th percentile

Recommended Pay Schedules

Salary Structure Design Foundations

The Purpose of a Salary Structure

Effective Salary Structures:

- Balance the **total rewards philosophy** and pay practices
- Help manage pay within the organization by providing compensation guidelines through **ranges of pay**
- Maintain **competitiveness** with the external market in order to attract and retain employees
- Ensure **internal equity** among compensation for jobs and individuals at the organization
- Allow for **flexibility** to adjust pay based on the external market for the job, as well as an individual's skills, experience, and performance
- Provide employees with a line of sight to **career progression**, as they advance through the salary structure
- Ensure **compliance** with state laws

Proposed New Pay Structures

To better align GUC & CoG's pay structure with the market and maintain a competitive position, we recommend updating the unified general pay structure using the following approach:

General Pay Structure

- Combine the first two pay ranges and maintain 22 open ranges
- Adjust current range structure by 10.1%
 - 8% market adjustment based on market survey in Spring of 2022
 - 2.1% structure adjustment based on World@Work 2022 projected average structure adjustment
- Adjust range width from Minimum to Maximum to 55% to better reflect market (currently 50%)
- Midpoint progression (i.e., the change in range Midpoints from one grade to the next) increases gradually from 5% to 10% through the pay structure
- Change the grade placement of 133 jobs (~31%) to better reflect their market value

Grade structure methodology emphasizes market competitiveness

Proposed New Pay Structures

To better align GUC & CoG's pay structure with the market and maintain a competitive position, we recommend updating the sworn pay structures using the following approach:

Police Pay Structure

- Retain 8 pay ranges in the Sworn Police pay structure based on market average rates
- *Average Survey Minimums* to determine Range Minimum for each grade and aligning Maximums to *Average Survey Maximums*
- Range width varies from 19% to 58%, depending on rank, and based on matching the average range width among peers by rank (current range width varies from 19% to 50%)
- The change in range Minimum from old to new structure averages 3.35%

Fire/Rescue Pay Structure

- Retain 12 pay ranges in the Sworn Fire/Rescue pay structure based on market average rates
- *Average Survey Minimums* to determine Range Minimum for each grade and aligning Maximums to *Average Survey Maximums*
- Range width varies from 5% to 50%, depending on rank, and based on matching the average range width among peers by rank (same as current)
- The change in range Minimum from old to new structure averages 4.25%

Current and Proposed New Pay Structures can be found in the Appendix

Next Steps

Salary Structure Development & Implementation



Paying for the Job

Determined by the correct grade in the structure

Takes into consideration:

- Peer markets
- Pay position relative to the market
- Balance of external vs. internal factors



Paying for the Individual

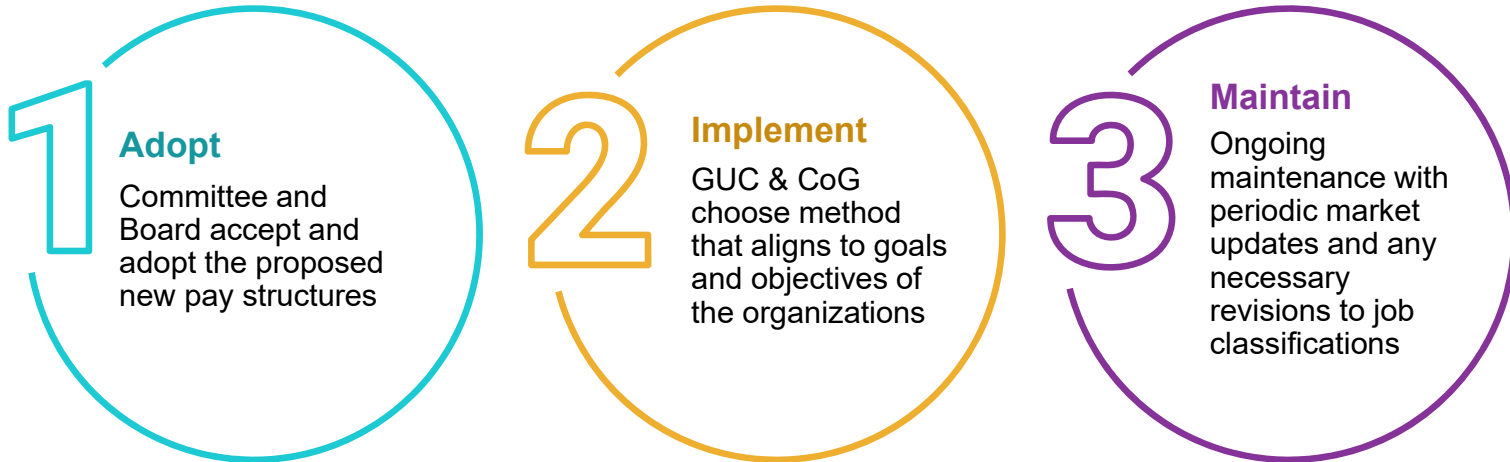
Determined through pay guidelines and organization's policies

Takes into consideration:

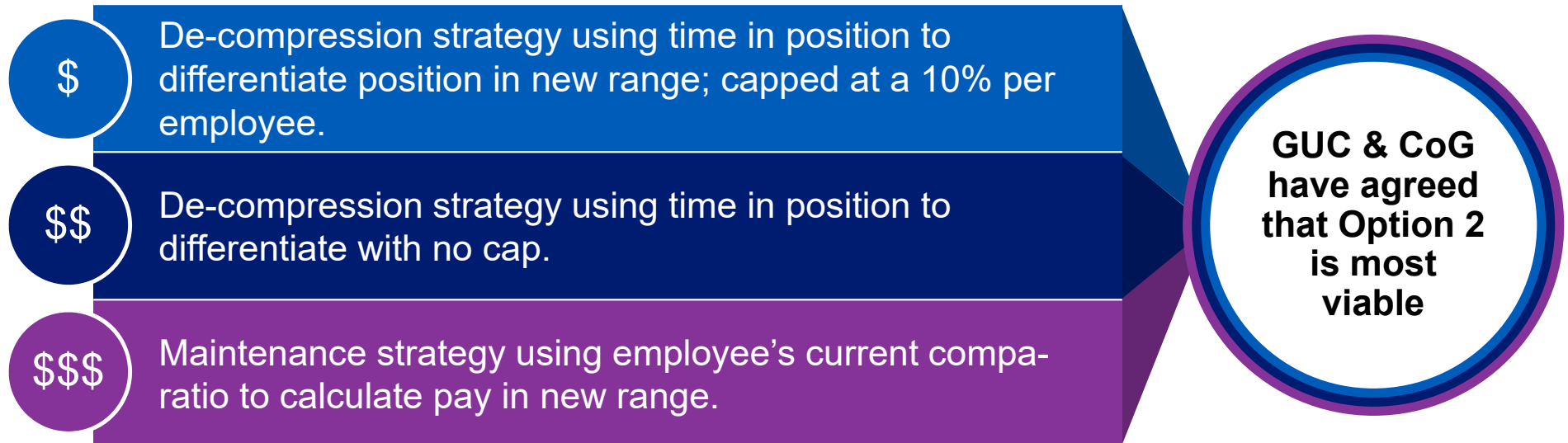
- Skills, knowledge, and experience
- Length of service and/or time in role
- Internal equity
- Performance (if employer offers merit increases)

Finding the organization's sense of balance between these two is key.

Next Steps



Implementation Options



Implementation

- Replace the current pay schedules with the new schedules
- Adjust employee salaries to 5% above Minimum to create differentiation with new hires after implementation
- Place each employee at a position in range based on time in position or current salary, whichever is greater
- Each year is “worth” 3% above Minimum for plan implementation

Number of Completed Years in Position	Implementation Placement
0	Minimum
1	Minimum + 3%
2	Minimum + 6%
3	Minimum + 9%
↓	↓
17	Minimum + 51%
18	Minimum + 54%

This is a “decompression” approach to implementation.

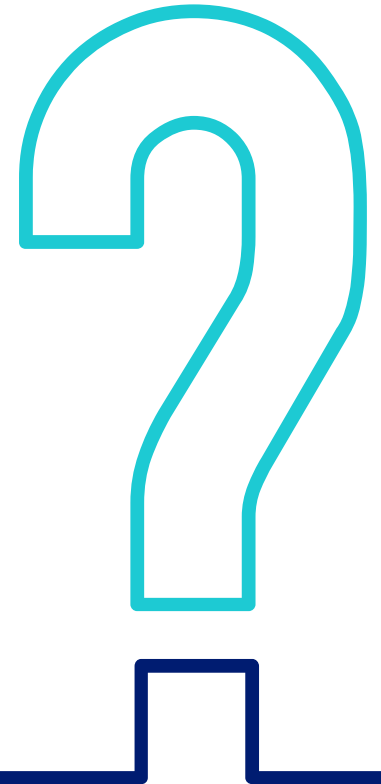
Employee salaries move into the new pay range based on their length of time in the job.

Most adjustments impact employees in the lower and middle pay ranges.

Implementation Cost Summary

CITY OF GREENVILLE, NC AND GREENVILLE UTILITIES COMMISSION						
PAY PLAN IMPLEMENTATION COST SUMMARY						
ADJUSTMENT TO 5% ABOVE NEW RANGE MINIMUM AND COMPRESSION ADJUSTMENT						
Time-in-Position Adjustment Based on 3.0% Above New Range Minimum For Each Full Year in Position						
	COG				GUC	Overall Total
	General	Fire	Police	COG Total		
Current Base Salary	\$21,304,545.60	\$8,288,359.04	\$10,209,868.00	\$39,802,772.64	\$30,486,549.38	\$70,289,322.02
Number of Employees	365	158	174	697	452	1,149
Adjustment to 5% Above Proposed Range Minimum	\$676,185.87	\$293,277.88	\$51,364.70	\$1,020,828.45	\$638,023.58	\$1,658,852.03
Adjustment Percent	2.09%	3.54%	0.50%	2.56%	2.09%	2.36%
Number of Employees Receiving Adjustments	116	70	15	201	89	290
Percent Receiving Adjustments	31.78%	44.30%	8.62%	28.84%	19.69%	25.24%
Time-in-Position Adjustment	\$776,713.89	\$138,561.11	\$248,104.45	\$1,163,379.45	\$315,960.45	\$1,479,339.90
Adjustment Percent	3.65%	1.67%	2.43%	2.92%	1.04%	2.10%
Number of Employees Receiving Adjustments	159	35	86	280	68	348
Percent Receiving Adjustments	43.56%	22.15%	49.43%	40.17%	15.04%	30.29%
Total Adjustments	\$1,452,899.76	\$431,838.99	\$299,469.15	\$2,184,207.90	\$953,984.03	\$3,138,191.93
Total Adjustment Percent	6.82%	5.21%	2.93%	5.49%	3.13%	4.46%
Number of Employees Above Range Maximum						
Current Structure	0	0	0	0	1	1
Proposed Structure	0	0	0	0	0	0

Questions and Discussion



Appendix

Pay Structure Comparison

Current Pay Structure to Proposed Pay Structure*

Pay Grade	Minimum	Midpoint	Maximum
105	\$29,182.40	\$36,483.20	\$43,784.00
106	\$30,638.40	\$38,292.80	\$45,988.80
107	\$32,198.40	\$40,206.40	\$48,276.80
108	\$33,758.40	\$42,244.80	\$50,668.80
109	\$35,796.80	\$44,740.80	\$53,726.40
110	\$37,980.80	\$47,444.80	\$56,929.60
111	\$40,227.20	\$50,315.20	\$60,340.80
112	\$43,056.00	\$53,809.60	\$64,584.00
113	\$46,092.80	\$57,616.00	\$69,097.60
114	\$49,732.80	\$62,171.20	\$74,630.40
115	\$53,747.20	\$67,142.40	\$80,600.00
116	\$58,011.20	\$72,529.60	\$87,068.80



Pay Grade	Minimum	Midpoint	Maximum
106	\$33,067	\$42,160	\$51,254
107	\$34,719	\$44,267	\$53,815
108	\$36,480	\$46,512	\$56,543
109	\$38,635	\$49,260	\$59,884
110	\$40,970	\$52,237	\$63,503
111	\$43,449	\$55,397	\$67,345
112	\$46,466	\$59,244	\$72,023
113	\$49,753	\$63,435	\$77,117
114	\$53,687	\$68,450	\$83,214
115	\$57,979	\$73,924	\$89,868
116	\$62,631	\$79,855	\$97,079

GUC & City General Pay Structure

* Reflects pay structure at start of engagement

Pay Structure Comparison

Current Pay Structure to Proposed Pay Structure (continued)*

Pay Grade	Minimum	Midpoint	Maximum
117	\$62,649.60	\$78,332.80	\$93,995.20
118	\$67,704.00	\$84,614.40	\$101,504.00
119	\$73,091.20	\$91,353.60	\$109,636.80
120	\$78,936.00	\$98,716.80	\$118,414.40
121	\$86,049.60	\$107,556.80	\$129,084.80
122	\$93,787.20	\$117,249.60	\$140,691.20
123	\$102,252.80	\$127,795.20	\$153,358.40
124	\$111,467.20	\$139,297.60	\$167,148.80
125	\$121,472.00	\$151,840.00	\$182,187.20
126	\$132,412.80	\$165,526.40	\$198,577.60
127	\$145,620.80	\$182,062.40	\$218,483.20



Pay Grade	Minimum	Midpoint	Maximum
117	\$67,643	\$86,244	\$104,846
118	\$73,067	\$93,160	\$113,254
119	\$78,887	\$100,580	\$122,274
120	\$85,245	\$108,687	\$132,130
121	\$92,878	\$118,420	\$143,962
122	\$101,248	\$129,092	\$156,935
123	\$110,355	\$140,703	\$171,050
124	\$120,288	\$153,367	\$186,446
125	\$131,118	\$167,176	\$203,233
126	\$142,937	\$182,245	\$221,552
127	\$157,216	\$200,451	\$243,685

GUC & City General Pay Structure

* Reflects pay structure at start of engagement

Pay Structure Comparison

Current Pay Structure to Proposed Pay Structure*

Pay Grade	Minimum	Midpoint	Maximum
300	\$35,060	\$35,934	\$36,808
305	\$36,005	\$41,850	\$48,693
310	\$39,283	\$48,718	\$58,735
320	\$47,174	\$56,609	\$67,995
325	\$47,986	\$60,112	\$71,573
330	\$52,096	\$63,598	\$75,130
335	\$54,484	\$66,073	\$78,595
340	\$56,697	\$68,403	\$80,255
350	\$65,607	\$82,031	\$98,309
370	\$81,740	\$102,182	\$122,624
380	\$91,832	\$114,837	\$137,717



Pay Grade	Minimum	Midpoint	Maximum
300	\$37,951	\$38,710	\$39,848
305	\$39,089	\$45,930	\$52,770
310	\$42,607	\$53,259	\$63,911
320	\$48,185	\$58,786	\$69,387
325	\$49,149	\$61,112	\$73,076
330	\$53,190	\$64,949	\$76,707
335	\$55,628	\$67,937	\$80,245
340	\$60,306	\$72,970	\$85,634
350	\$66,985	\$83,731	\$100,478
370	\$83,456	\$104,328	\$125,199
380	\$93,760	\$117,201	\$140,641

City Fire/Rescue Pay Structure

* Reflects pay structure at start of engagement

Pay Structure Comparison

Current Pay Structure to Proposed Pay Structure*

Pay Grade	Minimum	Midpoint	Maximum
500	\$37,045	\$37,981	\$43,950
510	\$46,509	\$58,136	\$69,763
520	\$48,547	\$60,653	\$72,738
530	\$58,032	\$69,139	\$80,246
540	\$66,581	\$82,472	\$98,301
545	\$74,589	\$92,331	\$110,115
550	\$81,744	\$102,190	\$122,616
560	\$91,832	\$114,837	\$137,717



Pay Grade	Minimum	Midpoint	Maximum
500	\$37,988	\$39,128	\$45,206
510	\$47,700	\$59,357	\$71,228
520	\$49,567	\$61,916	\$74,265
530	\$59,251	\$76,097	\$92,942
540	\$71,114	\$87,599	\$104,084
545	\$76,155	\$96,127	\$116,100
550	\$83,461	\$107,084	\$130,708
560	\$98,241	\$126,508	\$154,775

City Police Pay Structure

* Reflects pay structure at start of engagement