

Joint City/GUC Pay & Benefits Committee

Tuesday, March 25, 2025

3:00 p.m.

Greenville Utilities Commission Board Room

- I. Call to Order
- II. Approval of the Agenda
- III. Approval of Minutes – March 18, 2024
- IV. Consideration of Market Adjustment/Merit Program for FY 2025-2026
- V. Consideration of Salary Structure Adjustment
- VI. 401(k) Adjustment
- VII. 2025-2026 Pay Study
- VIII. Next Steps
- IX. Adjournment

Minutes
Joint Pay & Benefits Committee Meeting
March 18, 2024

The Joint Pay & Benefits Committee met on Monday, March 18, 2024, 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 (via phone)
Commissioner Lindsey Griffin, Greenville Utilities Commission
Council Member Portia Willis, City of Greenville
Council Member Marion Blackburn, City of Greenville

Committee Members Absent

None

Others in Attendance

Commissioner Dillon Godley
Commissioner Mark Garner

Staff Present

Tony Cannon, General Manager/Chief Executive Officer, Greenville Utilities Commission
Michael Cowin, City Manager, City of Greenville
Phil Dixon, General Counsel, Greenville Utilities Commission
Leah Futrell, Director of Human Resources, City of Greenville
Steven Brewington, Human Resources Manager, City of Greenville
Ken Graves, Deputy City Manager, City of Greenville
Steve Hawley, Public Information Officer/Communications Manager, Greenville Utilities Commission
Amy Wade, Executive Assistant to the General Manager/CEO, Greenville Utilities Commission
Paige Wallace, Staff Support Specialist I, Greenville Utilities Commission
Chris Padgett, Assistant General Manager/Chief Administrative Officer, Greenville Utilities Commission
Valerie Shiuwegar, City Clerk, City of Greenville
Richie Shreves, Director of Human Resources, Greenville Utilities Commission
Lena Previll, 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
Dene' Alexander, Assistant City Manager, City of Greenville
Danaille Petro, Assistant City Clerk, City of Greenville

I. Call to Order

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

II. Approval of the Agenda

Commissioner Griffin made a motion to approve the agenda as presented. Council Member Marion Blackburn seconded the motion, and it carried unanimously.

III. Approval of the Minutes

Commissioner Griffin made a motion to approve the minutes from the August 24, 2023 Joint Pay & Benefits Committee. Council Member Blackburn seconded the motion and it carried unanimously.

IV. Consideration of Market/Merit – Leah Futrell

City of Greenville Human Resources Director Leah Futrell and GUC Human Resources Director Richie Shreves presented data from surveys showing a 5.5% increase in pay, with City and GUC wages currently lagging behind the market. Staff analyzed data from peers and 7 industry standard surveys, including Catapult, a survey largely focused on North Carolina. Based on that analysis, staff recommended a 4% pay adjustment to better mirror the market and stay competitive. Council Member Willis made a motion to approve staff's recommendations. Commissioner Griffin seconded the motion and it carried unanimously.

V. Salary Structure Adjustment

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, staff recommended to increase the salary structure by 2.6% to remain competitive. Council Member Blackburn made a motion to approve the salary structure adjustment. Council Member Willis seconded the motion and it carried unanimously.

VI. Review and Comparison of 401(k) benefits

To improve employee retention and market competitiveness, it was suggested to change the 401(k) contribution from a flat rate of \$40 per pay period to 3%, with gradual increases up to 3.75%. This change aims to make the City and GUC more competitive with local employers. Council Member Blackburn made a motion to approve staff's recommendation. Council Member Willis seconded the motion and it carried unanimously.

VII. Next steps

Recommendations will be presented to the City Council and the GUC Board of Commissioners at the Joint meeting scheduled for Monday, April 22, 2024, at 6:00 p.m. in the City Hall Council Chambers.

Further budget details are expected in May 2024.

Council Member Blackburn made a motion to cancel the April 11, 2024 Joint Committee meeting. Council Member Willis seconded the motion and it carried unanimously.

VIII. Adjourn

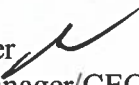

Commissioner Griffin made a motion to adjourn the meeting at 3:41p.m. Council Member Willis seconded the motion, and it carried unanimously.

Respectfully Submitted,

Amy Wade
Acting Secretary

MEMORANDUM

TO: Joint City/GUC Pay and Benefits Committee

FROM: Michael W. Cowin, City Manager 
Anthony C. Cannon, General Manager/CEO 

DATE: March 17, 2025

SUBJECT: Joint City/GUC Pay and Benefits Committee Meeting Items

The meeting of the Joint City/GUC Pay and Benefits Committee is scheduled for Tuesday, March 25, 2024, beginning at 3:00 p.m. in the GUC Board Room. A copy of the Meeting Agenda is enclosed for your review.

Pay Philosophy

In order to mitigate pay compression and to attract and retain high-performing employees, the City Council and Greenville Utilities Commission’s Board of Commissioners use an “at market” pay philosophy. As such, both organizations strive to pay at market and adjust the salary structures as needed to maintain market competitiveness. This enhances the City’s and GUC’s ability to recruit and retain qualified and high-performing employees. This is especially important in today’s increasingly competitive and tightening labor market.

Market Adjustment/Merit Allocation

The City and GUC have traditionally used Catapult’s (formerly CAI) annual *North Carolina and Regional Wage & Salary Survey* as the primary benchmark guide for establishing the market as it relates to wage growth. Catapult’s survey provides comprehensive pay practice and salary data for private and public-sector employers across North Carolina, with a small number of employers located in the bordering states of South Carolina, Tennessee, Virginia, and Georgia.

In order to make informed compensation decisions and to ensure that Catapult is truly representative of the market, the City and GUC have also used other reliable data sources such as reputable published surveys and wage data from public-sector benchmark organizations and local private-sector employers. Following is data collected from the published survey sources:

Survey Company	Projection
Catapult*	3.7%
Economic Research Institute (ERI)	3.9%
Korn Ferry	3.5%

Survey Company	Projection
Mercer	3.7%
The Conference Board	3.9%
Willis Towers Watson	3.9%
WorldatWork	3.8%

**COG and GUC have traditionally used Catapult as the primary benchmark guide*

As depicted in the chart above, 2025 wage projections and trends among all these surveys are relatively consistent, collectively averaging 3.8%.

As previously noted, in addition to gathering published survey projections, COG and GUC staff also surveyed our established benchmark public-sector organizations and several local private employers to determine their plans related to compensation decisions for FY 2025-2026.

- Public-sector benchmark organizations: The public-sector benchmark organizations are comprised of 26 municipalities and utilities. Of the organizations that responded, 19 gave their employees pay increases in FY 2024/25; the average actual increase was 4.6% (market and/or merit). Most of the benchmark organizations are in the process of developing their FY 2025/26 budgets and have not made a decision regarding pay increases. Of the 3 organizations that have responded, the average pay increase projection for FY 2025/26 is 4.0% (market and/or merit).
- Local private employers: For FY 2025/26, 19 private-sector employers were surveyed. Of the 4 employers that responded, they are projecting pay increases that average 3.0% (market and/or merit). Those same employers reported actual increases averaging 3.4% (market and/or merit) last year.

COG/GUC Combined Market and Merit Adjustment Benchmark History

Fiscal Year	Catapult	Private Sector	Public Sector	COG	GUC
20/21	2.5%	2.1%	2.2%	2.0%	2.0%
21/22	3.1%	2.7%	3.9%	2.0%	2.0%
22/23	3.8%	4.8%	5.2%	4.0%	4.0%
23/24	4.2%	3.7%	5.5%	2.0%	2.0%
24/25	3.9%	3.4%	4.6%	4.0%	4.0%
25/26	3.7%*	3.0%*	4.0%*	TBD	TBD

**Projections per Catapult's NC and Regional Wage & Salary Survey. The private & public sector data represents projections collected during the Spring of each year as part of the Pay & Benefits planning process.*

GUC/COG Combined Market and Merit Adjustment History

Fiscal Year	Annual		Combined
	Market	Merit	
20/21 (GUC)	.5%	1.5%	2.0%
(COG)	.5%	1.5%	2.0%
21/22 (GUC)	.5%	1.5%	2.0%
(COG)	.5%	1.5%	2.0%
22/23 (GUC)	2.5%	1.5%	4.0%
(COG)	1.0%	3.0%	4.0%

GUC/COG Combined Market and Merit Adjustment History			
Fiscal Year	Annual		Combined
	Market	Merit	
23/24 (GUC)	.5%	1.5%	2.0%
(COG)	.5%	1.5%	2.0%
24/25 (GUC)	2.5%	1.5%	4.0%
(COG)	3.0%	1.0%	4.0%

Recommendation

In order to maintain market competitiveness, staff recommends that the City and GUC fund an employee pay adjustment of 4% for FY 2025-2026, applied as deemed appropriate by each entity.

Salary Structure Adjustment

WorldatWork projects salary structures to increase by 2.5% for 2025. The City and GUC have historically used WorldatWork data because their Salary Budget Survey is the largest and most trusted resource of salary and structure adjustment data used by compensation professionals nationally and internationally.

Recommendation

In order to maintain market competitiveness, staff recommends that salary structures be adjusted by 2.5% for FY 2025-2026.

401(k) Employer Contribution

Recognizing the retention and recruitment advantages of a competitive 401(k) plan, last year the City and GUC Joint Boards approved an adjustment to 401(k) contributions, increasing the employer contribution from \$40 per pay period (\$1,040 per year) to 3% per pay period for the current fiscal year. This change impacted full-time and select designated part-time employees (i.e., general employees), except for sworn law enforcement officers employed by the City who, pursuant to North Carolina General Statute, receive a 5% 401(k) employer contribution. Additionally, the Joint Boards approved gradually increasing the employer contribution by a quarter percent each fiscal year for general employees, depending on available funding, until it reaches 3.75%. Once this threshold was reached, the employer contribution would be reassessed for market competitiveness.

Both organizations have already seen the positive impact of this change on employee retention and recruitment. Therefore, increasing the 401(k) employer contribution by a full percentage

point until it reaches 5%—from 3% to 4% for FY 2025/26 and from 4% to 5% for FY 2026/27—instead of by a quarter percent as originally approved, will maintain the momentum and allow the City and GUC to reach market competitiveness sooner as it relates to the 401(k) employer contribution for general employees. Additionally, increasing the 401(k) contribution for its general employees in this manner aligns the contribution to that of sworn law enforcement officers, which is the practice of most North Carolina municipalities.

Recommendation

In order to maintain market competitiveness, staff recommends changing the 401(k) employer contribution from 3% per pay period to 4% per pay period for full-time and select designated part-time employees (excluding sworn law enforcement officers), effective FY 2025/26 and to 5% effective FY 2026/27, funding permitting.

We look forward to seeing you at the upcoming Committee Meeting on March 25, 2025 at 3:00 p.m.

cc: Chris Padgett, GUC Assistant General Manager/Chief Administrative Officer
Ken Graves, COG Deputy City Manager
Dene' Alexander, COG Assistant City Manager
Leah Futrell, COG Director of Human Resources
Richie Shreves, GUC Director of Human Resources