

MINUTES

COUNCIL FINANCE & HUMAN RESOURCES COMMITTEE

Wednesday, April 17, 2019 – 9:00 AM
City Hall Administrative Conference Room

Members Present: Maureen Copelof, Chair, Council Member
Gary Daniel, Vice Chair, Council Member
Jim Fatland, City Manager
Kelley Craig, Human Resources Director

Absent: None

Staff Present: Denise Hodsdon, Executive Assistant

Guests: None

A. Welcome & Call to Order

Committee Chair Maureen Copelof called the meeting to order at 9:01 AM.

B. Certification of Quorum

Quorum was certified by Executive Assistant Denise Hodsdon.

C. Approval of Agenda

Motion by Mr. Daniel, seconded by Mr. Fatland to approve the agenda as presented.
Motion carried unanimously.

D. Approval of Minutes February 27, 2019 Meeting

Motion by Mr. Daniel, seconded by Mr. Fatland, to approve the February 27, 2019 meeting minutes as presented. Motion carried unanimously.

E. Classification and Compensation Study

Mr. Fatland noted that a review of salaries for the Police Department was done last year for retention and recruitment purposes. It was determined that those salaries were behind the market and adjustments were included in last year's budget. This year Human Resources Director Kelley Craig has completed a classification and compensation study for all other departments. Ms. Craig presented the findings from her study (copy attached). She explained that it has been seven years since the City last looked at classification and compensation as a whole and we want to make sure that we remain competitive to attract and retain employees. Her study

included a salary survey for comparable organizations and a review of the salary ranges for a number of benchmark positions. She looked at pay practices as well, such as on-call pay, whether other organizations give probationary increases like we do, and career ladders where there is a plan for growth in the organization. The organizations included in the survey were the City of Asheville, City of Hendersonville, City of Shelby, Henderson County, Town of Black Mountain, Town of Fletcher, Town of Forest City, Town of Waynesville, Town of Weaverville, Transylvania County and the Metropolitan Sewer District in a couple of the classifications where they had matches.

Ms. Craig reported that the findings were that a majority of our salary ranges were in line with market, but there were a few that fell below market resulting in a recommendation to increase the pay grade by one or two pay grades. She did find that distinct classification levels for treatment plant operators were very common and currently we only have one level. She explained that there are different levels of certifications that operators can get but we only have one pay grade level here. She is recommending that we create three different levels so they have some incentive to get those additional certifications and bump up in pay grade. She noted that there is one division in Public Works where there was some salary compression, so she has recommended some pay adjustments for a certain number of individuals in that division. She said there a couple of positions where duties and responsibilities have changed enough to warrant a change in their title. She also reviewed the director level positions and found that we fall substantially below on all the director level positions. She feels that we need to adjust the salaries for our executive ranges so they are in line with the market, but it doesn't necessarily mean that our directors are not being paid appropriately within that range. She is proposing that we create an executive pay band and put all the director level positions in that band with a new hiring rate and maximum rate. She said that would allow the City Manager some flexibility when we hire new employees for director level positions.

Mr. Fatland noted that if we had hired an outside consultant to conduct this study, it would have cost the City between \$20,000 and \$30,000. He thanked Ms. Craig for doing the study in-house and following through on a promise we made to the employees last year that we would take a look at this. Ms. Copelof commented that our employees are our most important resource and it is important for them to understand that we do want to make sure their salaries are equitable and in line with the area. Ms. Craig will present this information to the full City Council at the Budget Workshop.

F. Tax Collection

Mr. Fatland explained that the County has been behind this year on remitting taxes to the City. As of January we were \$2.2 million behind last year's pace. He met with the County Manager to discuss the situation and they have since delivered additional checks so we have now collected what we should have had as of this time. He noted that interest earnings have gone up considerably from .1% the last few years to 2.26% now. Pursuant to our agreement with the County, we pay them 3%

per year, currently \$175,000, to collect our taxes. Mr. Fatland said Staff has been investigating what it would take to collect City taxes ourselves. He said some cities do collect their own taxes and the advantage is that you immediately have cash in the bank earning interest, and given the current interest rates, this could be a major windfall to us. The software to add tax collection is \$17,000, which our current provider can do, and they will print and mail the tax bills for a fee of \$5,000. We currently have a part-time employee in the Finance Department who is willing to work full-time. The County is required by law to dump the data to our software provider at no cost. The pluses are that we would save \$175,000, we would earn interest income which should be great enough to cover the annual expenses, and it would improve our cash flow.

Mr. Fatland recognized that this is a change for taxpayers as they would now receive two tax bills, but he shared an idea that might make it easier for our constituents to accept and also improve our cash flow. He suggested that we could offer taxpayers a 2% discount if they pay their taxes early. He said the discount would be fully funded by the interest we would earn. It would give us cash in the bank sooner and we would start earning the higher interest rate immediately.

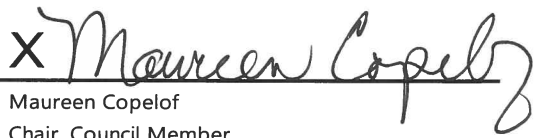
Mr. Fatland noted that we would have to give the County a 30-day notice if we want to terminate our agreement with them so he would like to include this on the agenda for City Council's consideration at the May meeting. There was consensus to make recommendation to the City Council that the City of Brevard proceed with collection of property taxes within the city limits. Mr. Fatland added that the recommendation in the proposed budget is for no tax increases in the general fund and a 4% rate increase for water and sewer.

G. Set Date For Next Meeting

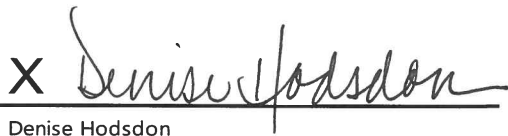
It was decided that the Committee would meet again when needed.

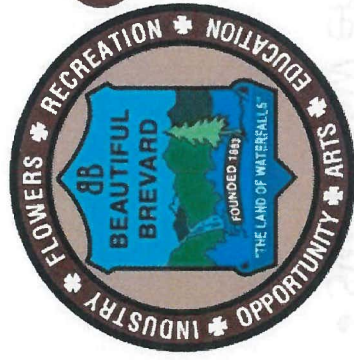
H. Adjourn

There being no further business, Mr. Daniel moved and Mr. Fatland seconded to adjourn the meeting at 9:49 AM. The motion carried unanimously.

X 
Maureen Copelof
Chair, Council Member

Minutes Approved: September 12, 2019

X 
Denise Hodsdon
Executive Assistant



The City of
Brevard
North Carolina

Classification and Compensation Study

April 2019

Why Review?

A

- 7 years since last study

B

- Ensure we remain competitive to attract and retain employees

C

- Sworn law enforcement salaries were reviewed last year

What was reviewed

A • Salary ranges for a number of benchmark positions

B • Pay practices (on-call pay, probationary increases, career ladders, etc.)

C • Job Classifications (individual position questionnaires were completed).

D • Salary Compression

Organizations included in survey

- City of Asheville
- City of Hendersonville
- City of Shelby
- Henderson County
- Town of Black Mountain
- Town of Fletcher
- Town of Forest City
- Town of Waynesville
- Town of Weaverville
- Transylvania County
- *Metropolitan Sewerage Dist.*

Compensation Study Findings

- The majority of the City’s salary ranges are in line with the market.
 - › A few classifications fell below the market resulting in a recommendation to increase the pay grade by 1 or 2 pay grades.
- Distinct Classification levels for Treatment Plant Operators based on certification level is common practice
 - › Thus a recommendation to establish levels I, II, and III is included.
 - › This will allow career growth and incentives for employees who obtain additional certification levels.
- One division in Public Works had noticeable salary compression.
 - › Recommending slight adjustments to move specific individuals up within the existing pay range – based off years of service.
- A couple of positions had changed duties and responsibilities substantial enough to warrant a classification change.

Results & Recommendations

Position	Current Grade	Current Hiring Rate	Market Average Minimum	Recommendation	New Grade Hiring Rate
Administrative Specialist	11	\$31,137	\$31,075	No Change	
Office Assistant	10	\$29,647	\$28,429	No Change	
City Clerk	22	\$53,243	\$44,040		
HR Specialist	14	\$36,037	\$37,239	No Change	
Telecommunicator	10	\$29,647	\$30,165	No Change	
Communications Supervisor	14	\$36,037	\$38,781	Move up 1 pay grade	\$37,839
Fleet Maintenance Supervisor	15	\$37,839	\$41,336	Move up 2 pay grades	\$41,718
Fleet Mechanic	13	\$34,321	\$33,629	No Change	

Results & Recommendations

Position	Current Grade	Current Hiring Rate	Market Average Minimum	Recommendation	New Grade Hiring Rate
Parks & Property Maint Worker	10	\$29,647	\$27,949	No Change	
Planner/Assistant Zoning Admin	18	\$43,803	\$41,776	No Change	
Sanitation Truck Driver	10	\$29,647	\$29,278	No Change	
Sanitation Worker	8	\$26,891	\$26,688	No Change	
Streets Maintenance Worker	9	\$28,236	\$27,766	No Change	
Streets Crew Leader	14	\$36,037	\$34,996	No Change	

Results & Recommendations

Position	Current Grade	Current Hiring Rate	Market Average Minimum	Recommendation	New Grade Hiring Rate
Dist/Collections Systems Operator	10	\$29,657	\$29,081	No Change	
Sr. Dist/Coll Systems Operator	12	\$32,687	\$33,245	No Change	
Lab Supervisor	16	\$39,731	\$38,821	No Change	
Plant Maintenance Supervisor	17	\$41,717	44,370	Move Up One Grade	\$43,803
Utility Accounts Supervisor	16	\$39,731	\$37,557	No Change	
Sr. Cust Service Rep	12	\$32,686	\$30,620	No Change	
Meter Technician	9	\$28,236	\$29,148	No Change	

Results & Recommendations

Position	Current Grade	Current Hiring Rate	Market Average Minimum	Recommendation	New Grade Hiring Rate
Treatment Plant Operator	12	32,687		Multiple Levels	
Treatment Plant Operator I			\$31,715	Grade 12	\$32,687
Treatment Plant Operator II			\$34,115	Grade 13	\$34,321
Treatment Plant Operator III			\$37,612	Grade 15	\$37,819

Results & Recommendations

CURRENT PLAN	Current Hiring Rate	Market Average Minimum	Current Maximum	Market Average Maximum
Human Resources Director	\$55,905	\$66,250	\$83,858	\$106,808
Fire Chief	\$61,636	\$66,960	\$92,454	\$101,327
Planning Director	\$61,636	\$61,718	\$92,454	\$96,442
Police Chief	\$64,717	\$70,676	\$97,076	\$106,816
Public Works Director	\$64,717	\$70,503	\$97076	\$106,672

PROPOSED PAY PLAN		Hiring Rate	Maximum
Human Resources Director		\$64,000	\$106,000
Fire Chief		\$64,000	\$106,000
Planning Director		\$64,000	\$106,000
Finance Director		\$64,000	\$106,000
Police Chief		\$64,000	\$106,000
Public Works Director		\$64,000	\$106,000

Classification Changes

Current Classification	Current Grade	New Classification	New Grade
Accounting Technician	14	Accountant	16
Accounting Supervisor	16	Accountant	16
Landscape Technician	11	Parks & Property Crew Leader	12

Questions??