

Cleveland County Board of Commissioners
October 17, 2017

The Cleveland County Board of Commissioners met in a regular session on this date, at the hour of 6:00 p.m. in the Commission Chamber of the Cleveland County Administrative Offices.

PRESENT: Eddie Holbrook, Chairman
Susan Allen, Vice-Chair
Johnny Hutchins, Commissioner
Ronnie Whetstine, Commissioner
Jeff Richardson, County Manager
Tim Moore, County Attorney
Phyllis Nowlen, Clerk to the Board
Brian Epley, Finance Director
Kerri Melton, Director of Community Services
Allison Mauney, Human Resources Director
Jason Falls, Interim County Manager

CALL TO ORDER

Chairman Eddie Holbrook called the meeting to order and Commissioner Ronnie Whetstine led the audience in the Pledge of Allegiance and provided the invocation for the meeting.

AGENDA ADOPTION

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Allen and unanimously approved by the Board to, *approve the agenda.*

SPECIAL RECOGNITION

Recognition of County Employee Education and Training in Fiscal Year 2016/2017: The Board recognized and congratulated County employees who have completed job related training or education over the past year. Professional development not only delivers benefits to the individual but it also delivers benefits to our organization and the public. Phyllis Nowlen, Clerk to the Board, read the following list, inviting employees to the front. Commissioners congratulated those employees on their accomplishments and a group photo was taken.

Board of Elections

- Dayna Causby – State-Certified North Carolina Election Administrator
- Clifton Philbeck – National Certification-Election Center-Certified Elections/Registration Administrator
CERA State Certified North Carolina Election Administrator
- Renee Bost – State Certified North Carolina Election Administrator

Building Inspection

- Colt Farrington – Level 2 Certifications in Plumbing and Electrical

Emergency Medical Services

- Caroline Cordell – Paramedic School Completion
- Jimmy Grigg – Paramedic School Completion
- Steven Hancock – Paramedic School Completion
- Ryan Bishop – Critical Care Paramedic Completion
- Megan Bradley – Critical Care Paramedic Completion
- Carrie Tate – American Heart Association Instructor Status
- Sammy Davis – UNC Charlotte EMS Management Institute

Emergency Management

- Josh Queen – Level 2 Fire Inspector with probationary Level 3 from the Code Officials Qualification Board

Economic Development

- Beth Norman – Basic Economic Development; UNC School of Government

Finance

- Brian Epley – Public Executive Leadership Academy Graduate; UNC Chapel Hill

Health Department

- Holly Wall – Certified Health Education Specialist (CHES)
- Lindsay Bralley – BSN Degree
- Heather Voyles – BSN Degree
- Alicia Green – Nationally Certified in School Nursing (NCSM)
- Amber Payne – Nationally Certified in School Nursing (NCSM)
- Sandra Satterfield – Nationally Certified in School Nursing (NCSM)
- Elizabeth Propst – Case Management Certification from the Commission for Case Management Certification

Planning/Zoning

- Chris Martin – Local Government Federal Credit Union Fellows Program

Social Services

- Allison Clark – UNC Local Government Federal Credit Union Fellows Program

SPECIAL PRESENTATION

Dr. Barringer Award: Chairman Holbrook recognized Joe Lord, Emergency Medical Services Director.

Mr. Lord read a brief biography on Dr. Michael Barringer, citing the many accomplishments and contributions he has made to Emergency Medical Services in Cleveland County. Dr. Barringer was presented with the following proclamation:



2016/2017 Strategic Plan Close Out: Chairman Holbrook called County Manager Jeff Richardson to the podium to present the Fiscal Year 2016/2017 Strategic Plan Close Out.

2016/2017 Strategic Goals Update

October 17, 2017

Top Priorities

- ½ Step Pay Adjustment
- 1.6% Cost of Living Adjustment
- July 1, 2017 (3% COLA)
- Pay and Classification study Presentation- October 17th

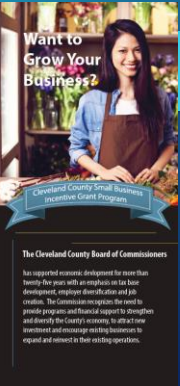
Create a sustainable Employee Pay Plan

Maintain Support for County Volunteer Fire Departments

- Volunteer Fire Department Strategic Plan Completed in March, 2016.
- 3.75 cent fire tax rate increase
- Blended paid/volunteer staffing to be implemented countywide 1/1/18

Creation and Implementation of Small Business Incentive Grant

- Small Business Incentive Program adopted in March, 2016
- Continuing to market the program throughout the community.
- First incentive grant approved by Commissioners in FY 16/17



The Cleveland County Board of Commissioners has supported economic development for more than twenty five years with an emphasis on tax base development, employer identification and job creation. The Commission recognizes the need to provide program and financial support to encourage and develop the County economy by offering financial incentives and assistance to existing businesses to expand and invest in their existing operations.

Phase 3- Public Shooting Complex (Education Center and Driving Pad)

- Partnership created with Cleveland Community College for renovated training center.
- Construction underway and scheduled to be completed by the end of October.



Focus Area: Public Safety

- Staff research completed
- Presentation to Board in budget planning worksession



Creation & Implementation of commercial dilapidated buildings ordinance (Need board direction)

Encourage Animal Control to find alternative ways to reducing unwanted birth of Animals

- Animal Control contracted with Target Zero to conduct a Shelter Assessment
- Low Cost Spay/Neuter services contract with Spartanburg Clinic
- Several renovations completed on the Animal Shelter.




Identify cost savings with consolidation of Health and Human Services Campus

- Consolidation of operational contracts (cleaning and landscaping)
- Assessment of facilities on Health and Human Services Campus to determine life of existing buildings
- Shared campus security presence for all Health and Human Services functions.



Focus Area: Economic Development

- 10** Total Economic Development Announcements
- 6** New Industry Projects
- 4** Existing Industry Projects
- 700** New Jobs Announced
- 764** Million in New Capital Investment

Grown County's tax base strategically to increase jobs locally

Manage Occupancy Tax to support synergetic partnerships, aimed at growing travel/tourism throughout Cleveland County.

- Increased Funding to Cleveland County Chamber to support Travel and Tourism
- County-wide occupancy tax grown 40 percent over a four-year period



Research availability of transportation funding for sidewalks, bike trails and Rails to Trails

Partnership underway with the City of Shelby for the Rails to Trails Project



Examine current Economic Development Partnership



Workforce Development and Sense of Place

Focus Area: Community Education and Customer Service Outreach

Explore opportunities to increase Veteran's support services

- Two Certified Veteran's Service Officers
- Veteran's Parade
- Veteran's Pantry
- Increased Community Engagement



Partnering 4 Community Prosperity: West-End Reach



Create a marketing strategy to include county re-branding

- Second set of logo designs ready to be presented to Commissioners
- Webpage Design reviewed and revisions sent to software company
- Two month turnaround once logo approved



Focus Area: Fiscal Sustainability

18.7%

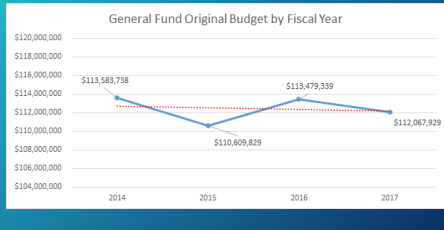
Grow unrestricted fund balance to a minimum of 18% to 20%

Continue partnership between county departments with a focus on re-engineering and cross-departmental support

Federal/State Funding Utilization	\$2,099,630
Process Re-design	\$ 455,000
Cross Departmental Collaboration	\$ 340,000
Total Annual	\$2,894,630

Creation of Central Collections Department	Total Number of Bills	5,178
	Total Revenue	\$3,173,474
	% Collected	67.4%
	Permitting Revenue	\$ 273,064

GENERAL FUND BUDGET HISTORY



Fiscal Year	Budget
2014	\$113,583,738
2015	\$110,609,829
2016	\$113,479,339
2017	\$112,047,929

Analyze the life and programming of existing county buildings through creation of Facilities Master Plan



- Space Needs Study completed
- Energy Audit currently underway

Questions?

Chairman Holbrook opened the floor to the Board for questions or comments. Chairman Holbrook also announced this meeting was Mr. Richardson's last Commissioners Meeting. Mr. Richardson has accepted a job in

Albemarle County, Virginia. The Commissioners thanked Mr. Richardson on his leadership in the organization and all that he has done in helping to move Cleveland County forward.

CITIZEN RECOGNITION

Richard Lovelace Sr. – Kings Mountain, N.C. - spoke of his concerns regarding biomedical and bioengineering. Mr. Lovelace stated he has numerous medical and legal issues and wanted the Board to be aware of the technology that is out there. Mr. Lovelace is hoping to have laws changed to protect people who may have the same condition.

CONSENT AGENDA

APPROVAL OF MINUTES

The Clerk to the Board included the Minutes of the **October 3, 2017 regular meeting**, in Board Members packets.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and passed unanimously by the Board to, **approve the minutes as written.**

TAX COLLECTOR'S MONTHLY REPORT

The Tax Collector provided Commissioners with the following detailed written report regarding taxes collected during **September 2017** (copy found on Page ____ of Minute Book ____).

TAX ABATEMENTS AND SUPPLEMENTS

The Tax Assessor provided Commissioners with a detailed written report regarding tax abatements and supplements during **September 2017**. The monthly grand total of tax abatements was listed as (\$119,929.54) monthly grand total for tax supplements was listed as \$2,329,554.18.

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #007)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, **approve the following budget amendment:**

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.540.4.310.00	10557-5403	WIC/Federal Grants	\$7,971.00	
012.540.5.422.00	10557-5403	WIC/Contracted Labor	\$7,971.00	

Explanation of Revisions: Budget Amendment request to budget additional DHHS WIC Client services funds for Contracted Labor.

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #008)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, **approve the following budget amendment:**

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.533.4.310.00	01120-5599	Adult Health/Fed. Gov't Funds	\$20,145.00	
012.533.5.490.00		Adult Health/Professional Services	\$20,145.00	

Explanation of Revisions: Budget Amendment request to budget additional funds from NC DHHS. Breast and Cervical Cancer Prevention Program, for reference labs, mammograms, biopsies, etc, as approved by the grant.

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #009)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.532.4.310.00	93940-981C	TB/STD/CD/Federal Gov't. Grants	\$592.00	
012.532.5.230.00	N/A	TB/STD/CD/Medicine & Supplies	\$300.00	
012.532.5.311.00	N/A	TB/STD/CD/Education Expense	\$192.00	
012.532.5.490.00	N/A	TB/STD/CD/Professional Services	\$100.00	

Explanation of Revisions: Budget STD Prevention Funds for educational materials, medical supplies, and reference labs.

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #010)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.540.4.310.00	10557-570X	WIC/Federal Grants		\$733.00
012.540.5.422.00	10557-570X	WIC/Contracted Labor		\$733.00

Explanation of Revisions: Budget Amendment for the approved allocation for the Breastfeed Peer Counselor Program was \$733 less than the original budget amount – decrease Contracted Labor to offset the difference.

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #011)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.543.4.410.00	N/A	Grants/Local & Other Grants	\$243.00	
012.543.5.121.00	N/A	Grants/Salaries-Regular	\$243.00	

Explanation of Revisions: Budget Amendment request to Budget Office for Rural Health, Medication Assistance Program funds for existing salaries.

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #012)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.548.4.410.00	PRILAZ-8548	CODAP/Local & Other Grants	\$1,878.00	
012.548.5.370.00	PRILAZ-8548	CODAP/Advertising-Promotions	\$1,350.00	
012.548.5.581.00	PRILAZ-8548	CODAP/Awards-Incentives	\$ 528.00	

Explanation of Revisions: Budget Amendment to budget funds received from North Carolina Disposal Initiative for brochures and supplies needed for disposal of drugs collected in medicine drop boxes.

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #013)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.537.4.310.00	93994-5745	Child Health/Federal Gov't. Grants		\$4,987.00
012.537.4.350.00	93994-5745	Child Health/State Gov't. Grants		\$3,739.00
012.537.5.121.00	N/A	Child Health/Salaries-Regular		\$8,726.00
012.537.4.350.00	06411-CHMA	Child Health/State Gov't Grants	\$8,726.00	
012.537.5.121.00	N/A	Child Health/Salaries-Regular	\$8,726.00	

Explanation of Revisions: Budget Amendment to adjust DHHS HMHC funds due to reallocation of funding as allocated per Senate Bill 257 and budget new Office of Rural Health grant to offset reduction in HMHC funds.

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #014)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.538.4.310.00	93994-5740	Maternal Health/Federal Gov. Grants		\$4,987.00
012.538.4.350.00	93994-5740	Maternal Health/State Gov't Grants		\$3,740.00
012.538.5.121.00	N/A	Maternal Health/Salaries-Regular		\$8,727.00
012.538.4.350.00	06411-CHMA	Maternal Health/State Gov't Grants	\$15,547.00	
012.538.5.121.00	N/A	Maternal Health/Salaries-Regular	\$ 8,727.00	
012.538.5.490.00	N/A	Maternal Health/Professional Services	\$ 6,820.00	

Explanation of Revisions: Budget Amendment to adjust DHHS HMHC funds due to reallocation of funding as allocated per Senate Bill 257 and budget new Office of Rural Health grant to offset reduction in HMHC funds and contract with Alliance for Health.

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #015)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.539.4.310.00	93994-5735	Family Planning/Fed Gov't Grants		\$8,727.00
012.539.4.350.00	93994-5735	Family Planning/State Gov't Grants-HMHC		\$6,547.00
012.539.4.350.00	93994-5735	Family Planning/State Gov't Grants-FP	\$6,547.00	
012.539.5.121.00	N/A	Family Planning/Salaries-Regular	\$6,547.00	\$15,274.00
012.539.4.350.00	06411-CHMA	Family Planning/State Gov't Grants	\$8,727.00	
012.539.5.121.00	N/A	Family Planning/Salaries-Regular	\$8,727.00	

Explanation of Revisions: Budget Amendment to adjust DHHA HMHC funds due to reallocation of funding as allocated per Senate Bill 257 and align with county budget. Also to budget new Office of Rural Health Grants Funds to offset reduction in HMHC funds.

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #016)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.542.4.810.42	N/A	Animal Control/Donations-Feral Cats	\$2,700.00	
012.542.4.991.00	N/A	Animal Control/Fund Balance Approp.	\$ 300.00	
012.542.5.790.42	N/A	Animal Control/Donations-Feral Cats	\$3,000.00	

Explanation of Revisions: Budget Amendment request to budget donations received to spay/neuter feral cats.

CAPITAL PROJECTS ECONOMIC DEVELOPMENT: BUDGET AMENDMENT (BNA #017)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
043.232.4.409.00		Cap Proj-Econ Dev/Local Revenues	\$21,922.00	
043.232.5.700.00		Cap Proj-Econ Dev/Grants	\$21,922.00	

Explanation of Revisions: Budget Amendment request to budget revenues rec'd from Rutherford Electric for easement of 5+/- acres on landfill property to build a needed substation. Agreement was for Rutherford Electric to pay \$21,921.94 for easement – then county to reimburse those funds back to them for lighting infrastructure work needed at the Shooting Complex.

PUBLIC HEARINGS

ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT FOR PROJECT CURTIN

Chairman Holbrook called Brian Epley, Finance Director, to the podium to present the Economic Development Incentive Agreement for Project Curtin. Mr. Epley stated Project Curtin currently has operations in

Charlotte, NC that will be maintained, but also has interest in expanding to Cleveland County, NC to support future projects. The company is interested in purchasing 28 +/- acres, at 1833 South Battleground Avenue, Kings Mountain for the existing Cleveland County property tax listed value of \$530,200. The property was purchased in late 2015 by Cleveland County for \$250,000 with the intent to market the property to manufacturing prospects for economic development purposes. Since the purchase of the property, CCEDP has been publicly marketing the property to industrial prospects for an advertised price of \$18,000/acre. Cleveland County proposes to grant back a one-time incentive grant payment of \$100,650 to Project Curtin.

The County proposes that within thirty (30) days after closing that they will bush hog the property at the County's expense at an estimated expense that is not to exceed \$1,000. Subtracting the one-time incentive grant payment of \$100,650 incentive grant from the \$530,200 sales price will equate to an approximate net sales price of \$15,125 per useable acre or net total of \$429,550 for the 28 +/- total tract. The County will also be responsible for a six percent realtor commission. This will result in an approximate \$153,777 net gain to Cleveland County on the sale of the property. The company would create 25 new full-time jobs within three years and the projected average wages would be \$43,200; which, exceeds the County's current average wage. The company proposes to invest \$2,200,000 in the construction of a new building, as well as machinery and equipment.



Chairman Holbrook opened the floor to the Board for any questions. Hearing no questions or comments from the Board, Chairman Holbrook opened the Public Hearing at 6:56 pm for anyone wanting to speak for or against the Economic Development Incentive Agreement for Project Curtin.

Beth Norman, Cleveland County Economic Development Associate, spoke in support of Project Curtin. She stated, for the last six months, she has been working with existing industries in Cleveland County and has come to appreciate the diversity of the manufacturing base, the work force and employee skill set the county has. Ms. Norman feels Project Curtin will complement the existing industry base and will provide new jobs and new tax base. She thanked the Board for their vision and continued support for the Cleveland County Economic Development Partnership.

Hearing no further comments, Chairman Holbrook closed the Public Hearing at 6:58 pm. (Legal Notice was published in the Shelby Star on Saturday, October 7, 2017).

Commissioner Hutchins commented on the continued Economic Development growth in Cleveland County. He continued by stating the growth is a “win-win” for the citizens with all of the new jobs being created with above average salaries and for the county with a larger tax base.

ACTION: Commissioner Allen made a motion, seconded by Commissioner Whetstine, and passed unanimously by the Board to, ***approve the Economic Development Incentive Agreement for Project Curtin.***

(copy found on Page ____ of Minute Book ____).

REGULAR AGENDA

CLASSIFICATION AND COMPENSATION

Chairman Holbrook called upon County Manager Jeff Richardson for the Classification and Compensation Study Presentation. Mr. Richardson introduced Ann Antonsen, Senior Vice President at Springsted, which specializes in public sector analysis pay study plans and classifications. Springsted is only one of two companies who are endorsed through the North Carolina Association of County Commissioners (NCACC). He reminded the Board, in 2016, one of their primary goals was to focus on employee pay plan and sustainability. Ms. Antonsen presented to the Board the findings of the research that was done for Cleveland County.

Cleveland County
Classification and Compensation Study

Ann Antonsen, Vice President
October 2017

Public Sector Advisors Springsted

Objectives

- Review and evaluate the County's current classification and compensation program
- Develop job descriptions to ensure accuracy
- Determine current relationship relative to the labor market
- Evaluate the internal ranking of all positions
- Develop a compensation system
- Review and develop administrative guidelines for implementation and maintenance

Public Sector Advisors Springsted

Methodology

- Discussions with County Manager, Human Resources Director and Department Heads
- Employee informational meetings
- Collection of data – Position Analysis Questionnaires
- Develop new job descriptions
- Evaluate positions based on job requirements
- Obtain market salary and benefits information
- Development of compensation plan
- Assignment of positions to pay grades
- Development of implementation options

Public Sector Advisors Springsted

Salary Survey - Benchmark Communities

- Burke County
- Cabarrus County
- Catawba County
- City of Kings Mountain
- City of Shelby
- Cleveland County Schools
- Craven County
- Gaston County
- Henderson County
- Iredell County
- Lincoln County
- McDowell County
- Moore County
- Nash County
- Polk County
- Rockingham County
- Rowan County
- Rutherford County
- Union County

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Salary Survey

- 85 job classifications surveyed – 40% of County Positions
- Current salary ranges are below the market
 - 5.82% below average minimum salaries
 - 7.91% below average midpoint salaries
 - 9.63% below average maximum salaries
- Complete survey data can be found in Appendix II
- Internal pay relationship inequities exist within the County

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Job Evaluation

Systematic Analysis and Factor Evaluation (SAFE®) System
Job Evaluation Factors

Training and Ability	Experience Required
Level of Work	Human Relations Skills
Physical Demands	Working Conditions
Independence of Actions	Impact on End Results
Supervision Exercised	

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Pay Philosophy

- Provide fair and equitable compensation to employees
- Balance external market and internal equity
- Maintain competitive pay structure with consideration of County's fiscal resources
- Develop an understandable compensation program

Public Sector Advisors Springsted

Salary Curve

Cleveland County, North Carolina
Compensation Survey

Public Sector Advisors Springsted

Development of Compensation Plan

The Proposed Pay Scale:

- Developed utilizing the respondents' survey data and is consistent with the other jurisdictions
- Is an open range system that provides a minimum, midpoint and maximum salary consistent with the survey responses
- Contains thirty (30) pay grades with a 6% separation between grades and a minimum to maximum spread of 60%

Public Sector Advisors Springsted

Proposed Pay Plan

% Between Grades: 6%
Range: 40.0%
Starting endpoint: 27,000

Salary Range			Salary Range		
Grade	Min	Max	Grade	Min	Max
1	20,769.33	27,000.00	16	49,774.07	64,707.07
2	22,015.38	28,620.00	17	52,761.15	68,589.50
3	23,136.31	30,137.20	18	55,926.82	72,704.87
4	24,736.69	32,177.41	19	59,282.41	77,071.16
5	26,230.68	34,086.38	20	62,879.37	81,691.19
6	27,793.92	36,132.09	21	66,692.74	86,592.66
7	29,401.53	38,300.00	22	70,698.33	91,788.23
8	31,129.34	40,598.02	23	74,843.70	97,285.51
9	33,033.00	43,033.00	24	79,133.26	103,133.24
10	35,089.18	45,615.93	25	83,699.26	109,321.24
11	37,194.53	48,352.96	26	88,438.83	115,868.51
12	39,436.30	51,254.04	27	93,348.18	122,833.34
13	41,791.77	54,329.30	28	98,436.42	130,203.34
14	44,259.28	57,589.04	29	103,716.30	138,015.54
15	46,837.24	61,044.41	30	109,193.75	146,266.47

Public Sector Advisors 1 Springsted

Implementation Options

Option 1 – Move to Minimum of the Recommended Pay Grade

- 35% of the County's employees are paid below the minimum of the proposed salary ranges
- Annual cost is \$654,845 which is equivalent to 1.97% of the County's approximate \$33.9 million annual payroll
- Increases market comparability

Public Sector Advisors 1 Springsted

Implementation Options (cont.)

Option 2 – Move to Minimum or 2% Increase Whichever is Greater

- Provides minimum level of funding to address compression issues
- Annual cost is \$1,132,435, which is equivalent to 3.41% of the County's annual payroll
- Includes Adjustments to Minimum
- Increases market comparability and addresses internal equity

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Implementation Options (cont.)

Option 3 – Years of Service in Position Adjustment

- Provides employees .5% increase for each year of service in their current position
- Addresses salary compression issues
- Annual cost is \$1,784,590 which is equivalent to 5.37% of the County's annual payroll
- Includes Adjustments to Minimum

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Recommendations

- Approve the proposed "Open Range" salary schedule
- Approve the position placement, which allows for establishment of internal equity among all County positions
- Approve Implementation Option 3 to establish more equitable compensation levels for all employees
 - addresses compression issues and brings those employees that are below the market up to market minimums
- Provide support for ongoing administration of the program via a system of market adjustments and wage increases awarded on the anniversary date of the employees hire or promotion

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On-going Administration

Annual Adjustments

- Establish guidelines for base adjustments
 - e.g. Comparable organizations, other economic indicators
- Adjust pay ranges and wages of employees

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Conclusions

Adoption of the report's recommendations will result in:

- Fair and equitable compensation to employees in a competitive and changing labor market
- Improved opportunities to reduce turnover among current employees and to recruit quality replacements, when needed
- Compensation that addresses internal equity and external market competitiveness
- Establishing a market position that is fiscally responsible with public resources
- Consistent administration of pay policies and procedures among all County staff

Public Sector Advisors 1 Springsted

Chairman Holbrook noted the qualifications and experience Springsted has and the expertise Ms. Antonsen brings to the pay study. Chairman Holbrook thanked the staff for all the long hours and hard work they put in to this project. He then opened the floor to the Board for questions. Commissioner Hutchins commented on the thoroughness and depth of the pay study. Each position was looked at and evaluated; implementing one of the three options will help the county maintain financial sustainability and decrease employee turnover. He remarked how the County has been trying to catch up with pay over the last several years and the implementation of Option 3 would level out the wage competitiveness in the surrounding area. Commissioner Hutchins asked for the record, "can the county afford to do this? If it is approved tonight, will it be on the employees first check in January? And lastly, is it sustainable?"

Finance Director Brian Epley approached the podium in response to Commissioner Hutchins' questions. Mr. Epley stated "yes, implementing Option 3 of the pay study is sustainable and yes the County can afford it." He added they have been planning for this for a while. Chairman Holbrook wanted to know specifically, for the record, how the county was going to pay the increased 1.8 million dollars to implement the pay study and how was it going to be sustained? Mr. Epley advised, "if approved this evening and the Board directed the effective date of January, it would only cost \$900,000 for the first-year effect." He continued by outlining some of the strategies staff has been working on. Mr. Epley also explained "the pay implementation was budgeted with money reserved specifically for this action. The reserve would be applied to this 2017/2018 fiscal year. We always conservatively

estimate revenue so we will have over collection in the current year budget. As we move forward into next year's budget, we would prepare to have very promising numbers on the growth of our tax base .”

Commissioner Allen echoed Commissioner Hutchins comments regarding the pay study. She also thanked the staff for their hard work, dedication and thoroughness of the report which will aid the Board in making their decision about implementation.

Commissioner Whetstine stated the findings of the pay study show Cleveland County is in a good position and can move forward with the implementation. This shows there have been good people in the organization and the management of the organization has allowed the opportunity to be able to financially carry out this pay study.

Commissioner Hutchins commented on the heavy task that will be set on staff if the study is approved and made effective January 1, 2018. He also spoke of the drive needed to continue to successfully grow the county's economic development.

ACTION: Commissioner Whetstine made a motion, seconded by Commissioner Hutchins, and passed unanimously by the Board to, *adopt the implementation of Option 3 – Years of Service in Position Adjustment of the Pay Study Classification to be effective January 1, 2018.*

COMMISSIONER REPORTS

Commissioner Whetstine – spoke of the community breakfasts they have recently attended. It is good to hear the positive growth that is happening in the local communities of Cleveland County. He also commented on the Cleveland Cup 5K that was held last week. This was Commissioner Whetstine's first race and he enjoyed the time and conversations with the participants.

Commissioner Hutchins – echoed Commissioner Whetstine's comments regarding the community breakfasts and the Cleveland Cup 5K. Commissioner Hutchins recently attended an MPO meeting. Several things were discussed at that meeting, including the progress with the Highway 74 Bypass project, and the Department of Transportation is working on the right of ways and relocating utilities on Highway 180. He also attended the North Carolina Association of County Commissioners Directors Meeting a few weeks ago representing District 15. Commissioner Hutchins is working on holding a District 15 meeting to discuss possibly joining the Class Action Law Suit against the manufacturers of opioids. After District 15 has meet, he will bring the information back to the Board for any possible further action. He gave an update on Animal Control. The number of animals in the shelter is at the lowest its ever been due to recent events promoting animal adoption.

Commissioner Allen – has attended several community meetings and ribbon cuttings. There was a kick off celebration for the West End Reach Transportation Project last night. This endeavor was made possible by businesses and community leaders coming together who recognize there was a great need for public transportation. This project has created a bus route that will run through the west end of the city three times a week with stops at the grocery store, Health Department, pharmacies, and various other stops. This will allow people in the community to have access to resources they need to promote and maintain a healthy lifestyle.

RECESS TO RECONVENE

There being no further business to come before the Board at this time, Commissioner Hutchins made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, *to recess to reconvene*. The next meeting of the Commission is scheduled for *Friday, November 3, 2017 at 9:00 a.m. at the LeGrand Center located at 1800 E. Marion St, Shelby for a Commissioners Work Session*.

*Eddie Holbrook, Chairman
Cleveland County Board of Commissioners*

*Phyllis Nowlen, Clerk to the Board
Cleveland County Board of Commissioners*