

TOWN OF SILER CITY

The Siler City Town Board of Commissioners met in budget workshop session on **Thursday, April 12, 2018** at 6:30 p.m. in the Courtroom with Mayor John Grimes presiding. Mayor Grimes gave the invocation with the recitation of the Pledge of Allegiance following.

ELECTED OFFICIALS PRESENT: Cindy Bray, Larry Cheek, Michael Constantino, Lewis Fadely, John Grimes, Bill Haiges, Chip Price, and Tony Siler

ELECTED OFFICIALS ABSENT:

TOWN STAFF PRESENT: Town Manager Bryan Thompson, HR Director Nancy Darden, Parks and Recreation Director Joseph Keel, and Town Clerk Jenifer Johnson.

AGENDA ADJUSTMENTS/ APPROVAL OF AGENDA

Thompson asked to add closed session 143-318.11(a)(4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations, or to discuss matters relating to military installation closure or realignment. Any action approving the signing of an economic development contract or commitment, or the action authorizing the payment of economic development expenditures, shall be taken in an open session.

A motion to approve the agenda as amended was made by Commissioner Haiges, seconded by Commissioner Fadely and unanimously approved.

OLD BUSINESS

Parks and Recreation Facilities Discussion

Keel stated after the discussion regarding the Parks and Recreation offices on March 29th at the Budget Workshop, staff was tasked to follow up with answers pertaining to questions from the Mayor and Board of Commissioners. Staff has found these answers and provided them. All information was provided by Scott Harris Realty.

What is the cost of this structure brand new?

-The estimated rebuild price for the Chatham Trades building is \$750,000. This estimated price is just for the building. It doesn't include the cost for clearing land, building a parking lot, etc.

What is the going rate for commercial property leasing with buildings similar to Chatham Trades?

-Scott Harris spoke with a couple of individuals while researching this number. They estimate the property at Chatham Trades to lease for \$3+/- a square foot. Currently Chatham Trades has discussed a lease with an option to buy at \$4 a square foot, \$46,400 annually for ten (10) years, then purchasing the building for \$1. The Board of Commissioners discussed the building.

NEW BUSINESS

Compensation Study and Pay For Performance

Darden stated that fifty-five employees are eligible for Pay for Performance pay increases for the 2018 – 2019 fiscal year. This is 10 more employees than last year.

The Pay for Performance increases total \$52,293. (This does not include pending results of the Town Manager's evaluation.)

Darden stated that the compensation study resulted in a proposal to reclassify fifteen positions in order to keep pace with market. The towns/cities/counties used in the compensation study are a combination of those agencies that participated in the Town's 2015 Springsted Classification and Compensation Study and/or the 2017 North Carolina League of Municipalities Salary Survey. The Town of Pittsboro was added this year due to their competitiveness in the position of Treatment Plant Operator. The agencies are as follows:

- | | |
|---------------------------|-------------------------|
| 1. Town of Aberdeen | 9. City of Greensboro |
| 2. Town of Carolina Beach | 10. City of High Point |
| 3. City of Clinton | 11. City of Raleigh |
| 4. City of Conover | 12. City of Sanford |
| 5. Town of Rolesville | 13. Town of Carrboro |
| 6. Town of Wendell | 14. Town of Chapel Hill |
| 7. City of Whiteville | 15. Chatham County |
| 8. City of Asheboro | 16. Town of Pittsboro |

The methodology used involved the following steps:

1. Compare the Town's current hiring salary to the compensation study hiring salary results.
2. Outlying hiring salaries greater than 20% were eliminated.
3. If the difference between our current hiring salary and the compensation study results fell within 10%, the compensation study hiring salary was deemed to be valid.
4. Hiring salaries for the Town that did not meet the minimum hiring salary determined in the compensation study have been proposed to be adjusted to keep pace with market.

Darden shared a detailed document. Darden stated if approved, and budget allows, implementation would be \$34,653. The cost of a COLA increase (2.4%) for all eligible employees would be \$55,513. The cost for the Pay for Performance and compensation study would be \$86,946. Adding the COLA would increase the cost to \$142,459.

The Board of Commissioners had the following questions:

Mayor Pro Tem Cheek asked if a six month mid-year review could be added so employees know where they are on performance. Darden stated that is a wonderful idea and she would be happy to add that.

Commissioner Bray asked why do we give raises to some but not all. Darden stated the pay increases are based on the employee's performance.

Commissioner Bray asked why do they think they should get a raise every year. Darden stated that the Board of Commissioners implemented the pay for performance program to help attract and maintain employees.

Mayor Grimes asked what the cost would be to give every person 2%. Darden shared that cost.

Commissioner Fadely stated that if an employee is doing the job and nothing more they shouldn't receive an increase. Darden stated that Staff can look at that for next year, but for this year staff has worked under the approved plan.

The consensus of the Board of Commissioners was to move forward with the pay for performance as presented.

Board of Commissioners and Planning Board Compensation Study

Thompson shared a comparison study for the Board of Commissioner and Planning Board. Thompson used the same agencies as in the Employee Compensation Study.

The Board of Commissioners review the study and discussed the following:

Commissioner Haiges stated that he was fine with it.

Commissioner Fadely stated that he didn't get on the Board to get rich.

Commissioner Bray stated I've been on here eight years and the meetings have increased and the head aches have increased and I think we deserve a raise. We are having more meetings and more calls.

Mayor Grimes asked what is the desire of the Board.

Commissioner Bray asked what is Pittsboro. Thompson shared the numbers.

Commissioner Fadely stated at the end of the day it's a public service position.

Thompson stated we could go back to the last time there was any type of increase and see what type it was and have another proposal.

Commissioner Fadely stated that he wouldn't spend that much time on it, because Staff has so much stuff that we need you to work on besides this.

Commissioner Bray stated if we are competing with Pittsboro on other jobs then we should go with Pittsboro.

Thompson stated that Staff will work out a methodology.

Thompson stated that it's the same for the Planning Board, but what's different about the Planning Board is that the majority of the towns were consistent at \$300 per year.

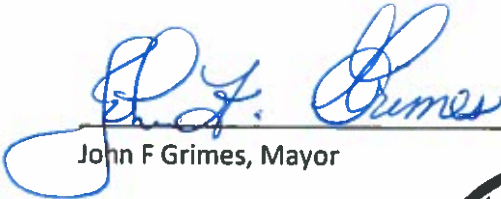
The consensus of the Board of Commissioner was to move forward with the \$300 per year for the Planning Board Members.

A motion to go into closed session 143-318.11(a)(4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations, or to discuss matters relating to military installation closure or realignment was made by Commissioner Haiges, seconded by Commissioner Price and unanimously approved.

A motion to come out of closed session was made by Commissioner, seconded by Commissioner and unanimously approved.

ADJOURNMENT

With no further business, the Board of Commissioners adjourned at 7:55pm.



John F Grimes, Mayor

ATTEST:



Jenifer K Johnson, Town Clerk

