

**March 22, 2017**

The Martin County Board of Commissioners met in a Special Called Session on Wednesday, March 22, 2017 at 7:00 p.m. in the Martin County Governmental Center, Commissioners' Boardroom at 305 East Main Street, Williamston, North Carolina.

**ASSEMBLY**

Those in Attendance: Chairman Elmo "Butch" Lilley, Vice Chairman Tommy Bowen, Commissioner Ronnie Smith, Commissioner Dempsey Bond, Jr., Commissioner Joe R. Ayers, County Manager David Bone, County Attorney J. Melvin Bowen, Clerk to the Board Marion B. Thompson, and Finance Officer/Deputy Clerk Cindy Ange.

Chairman Lilley called the meeting to order around 7:00 p.m. Commissioner Bond led the pledge of allegiance. Commissioner Bowen provided the invocation.

Chairman Lilley welcomed the many Martin County employees and others, who attended the meeting. Adding, he hoped something would be gained for those attending the meeting. Chairman Lilley acknowledged elected officials Register of Deeds Kimberly Griffin, Bear Grass Mayor Charlotte Griffin, and Sheriff Dan Gibbs, who were in attendance.

East Carolina Student Olivia Raglan was recognized by Chairman Lilley. Ms. Raglan, of Martin County, attended the meeting to observe parliamentary procedures, as part of her curriculum. Ms. Raglan's mother attended the meeting with her.

**AGENDA APPROVAL**

Vice Chairman Bowen made the MOTION to approve the agenda, with a SECOND by Commissioner Bond. The motion was unanimously APPROVED.

**PUBLIC COMMENTS**

**Ms. Susan Davenport, Martin County Social Services/Transit Director** thanked the Board of Commissioners for all that has been done and for all it is doing for the Department of Social Services and Martin County Transit. Director Davenport also thanked the Board for the pay study, as well as the effort, time and money spent to have it completed. Director Davenport asked the Board to look closely at an issue clearly documented in the pay study – compression.

After taking a closer look at salaries, Director Davenport gave the following comparisons in actual salaries between employees with years of experience and newly hired employees in Social Services and Transit departments, listed below is a demonstration of the disparities in salaries.

Position	Years Employed	Salary	Years Employed	Salary	Diff.
Child Support Agent	30	35,850	1 yr. or Less	30,478	5,372
Social Worker II	21	35,488	1 yr. or Less	33,098	2,390
Social Worker III	26	40,420	1 yr. or Less	35,959	4,463
Income Maintenance Caseworker	17	28,748	1 yr. or Less	28,094	654

Transit	19	23,704	1 yr. or Less	22,154	1,550
---------	----	--------	---------------	--------	-------

In addition to losing mostly newly hired employees, experienced employees are leaving for higher salaried jobs. Director Davenport stated morale was rather low because of discrepancies in salary and years of service not being compensated for. Adding, she knew there are many issues the Board had to consider; it was a tough struggle every day trying to do all that can be done for the Staff and the citizens of Martin County. Director Davenport requested the Board consider the compression issues, if possible.

**Mr. Frank Halsey, Martin County Social Services/Transit Deputy Director**, thanked the Commissioners for the efforts made in the pay classification study. Deputy Director Halsey commented on the perception of Transit drivers being merely drivers. Martin County Transit is a non-medical transport provider. The drivers are trained in CPR and First Aid, and received training eleven (11) out of twelve (12) months in a year. Deputy Director Halsey stated Transit drivers serve as Ambassadors for Martin County as they drive around with the Martin County Logo on the vans, cars, and buses.

Deputy Director Halsey also advocated for on call pay for Adult Protection Services and Child Protection Services employees. On call pay and call in pay was included in the Personnel Policy submitted by the MAPS Group.

### **Overview of Martin County’s Classification/Pay Study**

The purpose of a pay and classification study is to ensure that an organization has accurate job specifications and salaries that will help retain the best employees and attract qualified applicants. Pay and classification studies provide local governments with a customized salary structure for their organizations. The last pay study for Martin County government employees was conducted in 1999.

County Manager Bone recalled in 2015, the Board of Commissioners established a goal to create a pay strategy to improve employee retention. To that end, funding was included in the 2016-17 Budget for a pay/classification study. County Manager Bone stated staff will continue to work through the personnel Policy, which would be brought back to the Board for consideration hopefully, before July 1, 2017. Several items in the personnel policy, if adopted, would have an effect on the budget.

During the Commissioners’ December 14, 2016 meeting, Ms. Veazey distributed and presented the findings and recommendations of the pay/classification study.

For this second meeting, Ms. Veazey gave a brief overview of the classification and pay plan for Martin County. Ms. Veazey stated the study made recommendations concerning pay, classification and benefits, internal equity within the organization, management recommendations and a personnel policy (provided for free). Among the management recommendations was the inclusion of a new position, Human Resources Director. To avoid further compression, Ms. Veazey suggested a new pay study every 5 years.

Ms. Veazey explained compression as: “the grouping of employee salaries in the beginning positions of the range.” (As a result, new employees may be paid the same or sometimes more than employees who have been employed for several years.)

### Implementation Strategies

Three options were suggested as implementation strategies to place employees into the new recommended salary ranges in a consistent approach that treats all employees the same way.

#### Option I

This option would be very conservative and would place employees into the recommended salary range at least at the minimum of the range. This position would be the probation completion position of the range and all employees should move to this position, typically in six months unless there were performance issues. In addition, to keep from having excessive compression, employees would be above the minimum based on 1% per year of service in the current position. This placement would be merely a method of getting employees into the new range, not a strategy for movement in future years.

#### Option II

To reduce costs, Option II would be even more conservative. It would place employees at the minimum of the recommended range plus only ½% per year of service. Option II would mean more compression than Option I.

#### Option III

This option would be a year one phase with the goal of getting the implementation started in a cost effective way. Option III would be the same as Option II except it only gets starting salaries to 96% of market. It places employees at the minimum of the recommended range plus only ½ % per year of service.

Ms. Veazey explained the salary table recommended has a Hiring rate, a Minimum Rate that all employees should at least reach upon completion of probation, a Midpoint, and a Maximum amount for each range. The grades are 4.5% apart.

The salary ranges in the recommended pay table are approximately 55% from starting to maximum salary. This reflects the prevailing trend for Counties in the state. The salary ranges provide for employee advancement as a result of increased value to the County due to increased experience, and as an incentive and reward for increased performance.

### **Board Questions and Comments**

Listed below are several of the questions and comments the Board addressed:

- How or the need to provide equity between longtime employees, retiring employees and new hires to address the compression issues;
- The length of time it would take to implement the pay plan;

- Have a method/way already in place to apply pay increases and advancements in the system consistently;
- The desire to have a system in place to evaluate based on performance and training, rather than judgment;
- Difference between the current step/grade and the proposed range;
- Potential ways to have the market cost of living adjustment built into the pay scale;
- More investment being put into recruiting rather than retaining current employees;
- The reasons/causes for the current salary conditions/level of compression; and
- The cost of implementation

Ms. Veazey commented the compression issue would be the most difficult challenge to address. Ms. Veazey stated she had seen organization use one of three methods to get where they needed to be; stay on top of things, keep on schedule, establish a method to compensate within range, maybe every year.; do 2 or 3 things within the study; or wait until everything is a messed up, it costs 15% to 18% of payroll, and start digging out. Ms. Veazey stressed supervisory training would be an important component in this process.

Ms. Veazey stated currently, Martin County has an open range pay scale. A benchmark could be established with pay ranges. Points could be established at any point and compensation amounts could be limited every year. Currently, Martin County is missing the component of a systematic way to move up the pay scale.

Two ways Ms. Veazey suggested to make the method work consistently and apply to everyone were:

- COLA could be added in the budget for everyone; distribute the performance amount on the employee's anniversary evaluation; or
- The market adjustment (COLA) and performance adjustment could be distributed at the same time.

Some of the reasons/causes the Board and staff gave for the current salary conditions or level of compression were:

- A Cost of Living Adjustment (COLA) was not done consistently every year.
- No raises or a lump sum amount was given.
- To attract new hires the entire table changed, each step was increased by a percent or lump sum, employees did not move along the grade step.
- The last revaluation of classification has not been kept up; not reflecting on performance, CPI or anniversary date of employee.

The Board agreed this was a starting point, and things could not be corrected all at once. It would take time to balance things out, while being consistent. The importance of current and newly hired employees knowing what to expect by way of increases and potential advancement within the County was stated repeatedly.

County Manager Bone stated Martin County is a rural county, steadily losing population, losing sales tax revenue, and few opportunities to expand tax base. The County needs a 2% growth to maintain its current level of services. A lot has been accomplished. The pay plan will be reviewed during the budget process.

County Manager Bone thanked Ms. Veazey for the free personnel policy. Staff continues to tweet the personnel policy for the best fit for Martin County because many of the suggested additions would have ramifications on the budget. County Manager Bone added a committee of staff members had compiled a draft general performance evaluation form for use by all departments. The personnel policy and the performance evaluation form will be presented to the Board for consideration, in the near future.

## **ADJOURNMENT**

With no further business to discuss, Commissioner Smith made the MOTION to adjourn at 7:59 p.m., with a SECOND by Vice Chairman Bond. The motion was unanimously APPROVED.

---

Elmo "Butch" Lilley, Chairman

---

Marion B. Thompson, NCCCC  
Clerk to the Board