

CASWELL COUNTY BOARD OF COMMISSIONERS
MEMBERS PRESENT

March 11, 2022
OTHERS PRESENT

Rick McVey, Chairman
David Owen, Vice Chairman
William Carter
John D. Dickerson
Nathaniel Hall
Jeremiah Jefferies
Steve Oestreicher

Bryan Miller, County Manager
Carla Smith, Clerk to the Board
Jennifer Hammock, Finance Director

The Board of Commissioners for the County of Caswell, North Carolina, met in special session on Friday, March 11, 2022 at 3:30 pm in the Gunn Memorial Library.

WELCOME:

Chairman McVey called the meeting to order and paused for a moment of Silent Prayer. Then the Board of Commissioners and all the guest in attendance recited the Pledge of Allegiance.

Commissioner Nate Hall came into the meeting at 3:36 pm.

DISCUSSION ITEMS:

PAYROLL CLASSIFICATION STUDY:

County Manager Miller said before we begin this afternoon, I got a couple of things I want to go over. First and foremost, I would like to voluntarily remove myself or my position from the salary study. I would like to do this for 2 reasons. First my position is one of those positions that makes over \$60,000, so I don't want that to be a point of contention for anyone. Second my position being included in the salary study really hinders me from effectively advocating for all positions to receive 90% of the minimum. So after removing the county manager's position from the study, the 12 positions would be included in the study would be 4 positions that did not receive the 2.25% cost of living adjustment (COLA) the county gave a couple of years ago, and 7 positions that were front line employees vaccinating and testing the public at large during COVID. Many of these positions require a Master's degree, and many of the employees are still paying off student loans that they took out to receive their degrees. 5 of the 12 positions require a Master's degree, and those requirements are not requirements that the county set. They are required by the state for them to hold those positions. Two positions require a Bachelor's degree with advanced credentials.

The County Manager said I want to go back in time a little bit. The salary study was conducted because initially the Board felt uneasy about giving the COLA in the midst of COVID. We

didn't know how the economy would react, so the Board approved a salary study instead of an increase. This really raised the hopes and expectations of many employees. We have now completed the salary study. The study revealed inequities across many different departments, not just emergency services. The employees took the time to fill out very detailed surveys and questionnaires about their positions. Our employees have logged hundreds of hours associated with the study, not to mention the cost of the study. Now we are seeing unsettling news from across the world that has everyone worried about the economic pressures it will bring. Some of these pressures we are already noticing. The price of gas rising \$1 per gallon in the last year, groceries on average are up 3.5% since last year, and the overall CPI (consumer price index) has increased by 7.5%. Our employees are feeling the effects and many of our employees are hurting, especially those at the lower end of our salary scale. All variable amounts have been removed from the funding formula. The Enterprise funds, the revenue increases, and the anticipated budget cuts have all been removed. After the level of ARPA funding needed for a seven-year period was subtracted to sustain the adjustments, there's still at a minimum \$837,000 of available ARPA funds. The \$837,000 will be distributed into the general funds and will be available for any governmental purpose. By removing the county manager position and the physical therapy I position formerly located at Home Health drops the amount needed for the 12 employees to \$64,000 at 7% and \$19,000 at 2%.

So what you have in the packet I have provided you today is one salary study. This is the lowest cost option that we spoke about, and with the options that many of you spoke about included in this proposal. So the points of approval today are the minimal starting salary for any position, which would be moved to \$30,000. There is a 0.5% for every year of service with that blended rate we discussed. You would bring all employees to 90% of the minimal salary recommended for their job. You have the hiring rate, a minimum, a mid-point, and a maximum. This just brings them to 90% of the minimum. There would be 7% for all employees not receiving at least 7%, and that excludes those making over \$60,000. There would be a 2% increase for all employees making over \$60,000. I've included several of the employees that make over \$60,000, with the exception would be the clerk to the board. This board approves the tax director, county manager, and the clerk to the board's salary. If you choose to approve this today, I would take it that you would have approved the tax director's increase and the clerk to the board's increase at that point in time as well. The clerk to the board does not make over \$60,000. I just wanted to point out the increase that would be received. On the second page, you'll see there's one column that has no shading, and that's the column you're actually approving. You can see the hiring rate for 90% and the hiring rate for 100%. The hiring rate for 100% is in red, and the hiring rate for 90% is in green. The 90% of minimum is in green, the recommended minimum is in red, the 90% of midpoint is in green, the actual midpoint is in red, 90% of the maximum is in green, and the actual maximum is in red. Then the last page you have is the actual employee listing and the salaries. As I said the county manager position is receiving 2% at \$1,834, which you would mark off, and you would mark off one under public health.

March 11, 2022

Commissioner Carter said since you are the county manager I don't think you should be penalized. I think you should get the 2% also. The County Manager said I do appreciate that sentiment, but in order to move the salary study off go and to be able to effectively advocate for the employees of the county, I'm willing to voluntarily remove my position from the salary study. If the board wants to do something with that, I would suggest the board do it at a different time.

The other one is on page 8. About halfway down the page, there's a physical therapy position listed at \$92,202, and you can remove that position too. That position was formally located in Home Health. Commissioner Carter asked which one is that. The County Manager said I don't think it has any numbers, then he went around the room showing the commissioners which position he was referencing. So once again this study is 90% of the minimum, and there's a 7% minimum increase for all employees that didn't receive 7%, except those employees making more than \$60,000. For those employees making more than \$60,000, there would be a 2% increase. Commissioner Oestreicher said with a \$30,000 minimum. The County Manager said thank you Commissioner Oestreicher. All employees would be brought up to the minimum salary of \$30,000. Commissioner Oestreicher said so on this sheet it would need to be corrected. The County Manager said well I have spoken to the board before about salary compression, and this does exactly that. While I think it's an admirable and valiant effort to get every employee to \$30,000 and I would love to see the board do that, don't get me wrong with what I'm saying, but it does compress those salaries in the lower grades. But I still think it's a worthwhile effort. Then Commissioner Oestreicher said so where's the \$30,000 stand, yes or no. Yes, said the County Manager. Commissioner Oestreicher said so this would need to be revised bringing the minimum to \$30,000 for grades 50-60. The County Manager said that's correct. And that's built into the cost summary said Commissioner Oestreicher. The County Manager said grades 50 and 51 would need to be moved differently. Thirty thousand dollars still falls in the range of the minimum and the maximum for grades 52 on. So what you're effectively doing is moving grades 50 through 60 up through the scale or through the hiring range instead of actually changing their grades. That's what the County Manager would suggest because if you update the grades and have the minimum grade start at \$30,000 you're effectively changing every grade up through the scale and that could become very costly for the county. So if you're doing that, I would rather you move them laterally through their hiring range than adjust the scale. Commissioner Oestreicher said that basically affects 50 through 55. The County Manager said 50-61 I think you had it right the first time. Then The County Manager said he was happy to answer any questions the board has.

The County Manager then said Commissioner Jefferies would you like me to talk a little bit about the salary study. Commissioner Jefferies said this 2%, I guess you're wondering where it comes from. I thought about this and Commissioner Owen said he wanted to be fair. So I felt like if you're making over \$60,000 that you wouldn't generate a percent, but if it's passed they get 2%. We can use this same formula that he has to bring these people on a lower grade up. Also I

thought about it later, some people just using that example is going to come up over the \$60,000 with this study, but if I had it make a motion, I want you to understand it really good, that you go up to \$60,000. That's where I stopped because I don't want to be unfair to anyone. That was the idea that I had, said Mr. Jefferies. The County Manager said Commissioner Jefferies if I understand you correctly, what you're saying is if someone were making \$59,000 and 7% took them to \$62,000 or \$63,000, you would like to see that increase whatever percent it be moved to \$60,000 and stop there. Commissioner Jefferies said yes. Commissioner Carter said if you do that, it won't even be a 2% raise. The County Manager said we can make sure that those employees that fall into that level only make 2% or stop at \$60,000. Commissioner Jefferies said he just didn't want to move someone making \$59,000 getting a 7% raise over someone making \$60,000 and only getting a 2% raise. Commissioner Carter said someone making \$60,000 getting a 2% raise, that's going to be more than somebody making \$59,000 getting a 2% raise.

Commissioner Oestreicher said I'll just make a comment here that what we've got is surgical procedure. It's been well thought out, drafted, studied, and put together. What we've done is apply a whole bunch of band-aids rather than go through the procedure. So Commissioner Oestreicher said he was going to apply another band-aid. On here the very first line on this table is county commissioner. That represents a cost of about \$6,500, which is roughly one seventh of the impact of fiddling with the \$60,000 thing. My proposal is that the county commissioner salary not be moved up at all. Not by one cent. Rather than force a hardship on our employees and try to fix it, we're sure as hell not going to give ourselves a raise. Chairman McVey said in other words take them out of the equation entirely. Commissioner Oestreicher said absolutely. Commissioner Dickerson said the only problem I have with that is that it's hard enough as it is to find qualified people and people that are good solid citizens to get involved in this process, and you're taking one more approach to try and reign in financial spending. That's great. I like that, but at what cost does it affect bringing in people to fill these positions. I would a whole lot rather everybody in this room say we just won't take a salary at all this year than to affect future people coming into this role and trying to turn them away. I'd rather see everybody step up and take a sacrifice. If you all agree not to take the salary, obviously I'll do the same thing. But I don't think we need to penalize future people that are coming into this office. Commissioner Carter said I don't think commissioners have got a raise in the last two or three raises the county has given. I know they didn't the last salary study. The County Manager said that's always been up to the board's discretion. Commissioner Owen said there has been one since he has been on the board in seven years. Commissioner Carter said we're way behind other counties. Commissioner Dickerson said that's kind of common theme I hear people talking about. I've talked to several people that I would really like to have seen run for office, and they say man I wouldn't put up with that headache, that problem, or that trouble for that little that they compensate. If you continue down that road and talk about salary compaction, my gosh man what about salary destruction. There's nothing there, no incentive, to have anybody come in here and put their time and effort out there, unless they just genuinely want to serve this county and are willing to

sacrifice that. We need every incentive we can to get qualified people to come up and fill these roles. If we want to have any kind of sacrifice, like I said, take it out of our own skin, but don't sell the future commissioners down the road. I'm not for that.

Commissioner Oestreicher said I think it's delusional to think that anyone would take a position as county commissioner for any amount of money. Virtually, almost everybody in this room, does it as a sense of public service along with other organizations they belong to.

The County Manager said so commissioners the one thing that I'd really like us to focus on today, if we could, is this salary study. I think Commissioner Dickerson asked that I go over this funding formula, and I'm happy to do that. So once again this is the 90% of the minimum with a 7% minimum. I'll let you guys work out the details, if you want to take Commissioner Jefferies recommendation that we do only 2% or stop at \$60,000. I understand exactly what Commissioner Jefferies is saying. So the way the debt service falls off, you're looking at 1.1 million over the next six or seven years, at least 100,000 in lapsed salaries every year, the detention center refinancing that was refinanced earlier in the year is \$20,000, The health department home health savings of \$154,000, and the ARPA money that's needed to continue on. Then the far right column is the amount needed per year. So having said that, we took out the budget reduction because truthfully nobody knows what the price of gas is going to do. I will inform the board that I sent out an email to the department heads today saying we want to have a meeting Monday. Part of that meeting Monday will be to discuss restricting out of county travel, except essential out of county travel. We don't know what the future holds, but we can react to that. So the budget reduction was taken out of the formula altogether. The revenue increase was taken out, even though we're fairly certain we'll receive at least a 6% or 7% at a minimum revaluation. We took the revenue increase out, and we took the enterprise funds out. Those are the three areas that have been spoken about before that the board was concerned about.

Commissioner Dickerson said when you said the savings you said \$154,000, am I looking at the wrong column. The County Manager said that is the health department fund balance. The Health Department Home Health savings, the board appropriated on average \$250,000 to home health every year to keep that program running. So that's \$250,000 that will not have to be appropriated moving forward. Then through the sale of Home Health, the Health department built a fund balance, and out of that fund balance, they can pay for their department's salary increases. So there's \$154,000 in each line give or take a little bit of money depending on how much Home Health or the Health department is scheduled to receive.

The County Manager asked are there any questions I can answer for the board.

Commissioner Carter asked about what the commissioners would receive. Chairman McVey said it's on the front page Bill. The County Manager said so the chairman would go from receiving \$8,772 per year to \$10,500, which is a cost of \$1,728. The regular commissioner's salary of

\$7,704 per year would go to \$8,500 a year, and that's a \$796 difference. So on average it's a 20% increase for the chairman and a 10% increase for the commissioners.

Then Commissioner Carter said you gave the Sheriff road deputies. How many? The County Manager said seven, that's what I see for Deputy I positions. Commissioner Carter said that still don't get them up to that \$38,000. The County Manager said it gets them up to \$37,827.

Commissioner Carter asked what are the other counties paying? The County Manager said for a Deputy Sheriff in Rockingham is \$38,620, in Person it's \$36,884, in Durham it's \$40,523, and in Chatham County it's \$42,316. The average is \$38,537, and Caswell County currently is \$33,948. Commissioner Carter said I know you've got a couple of them on here at \$37,000 but some are \$36,000. Does that mean they have been here for a while? The County Manager said yes, it would be because of time and grade. That would be the difference. No, it would be because of their current salary, which is 35. Commissioner Carter said to get up to \$38,000 what would we need to do? Commissioner Carter said would we want to hire somebody and train them for 6 months before moving on. Commissioner Jefferies said we have helped these people. I have a copy of the salary study from 2006-2007. Commissioner Jefferies said my thing was to give somebody something. If you were over \$60,000 give them 2% and use this same formula and bring up the people under \$30,000.

Commissioner Owen said any more questions, if not I'm going to make a motion gentleman.

A **motion** was made by Commissioner Owen, seconded by Commissioner Carter to accept this salary increase that the County Manager has placed before us, which would be the minimum starting salary of \$30,000, the 0.5% for every year service blended rate, bring all employees to 90% of the minimum salary, 7% for all employees not receiving at least 7% excluding those over \$60,000, and 2% for all employees over \$60,000.

Chairman McVey said we have a motion and a second on the floor, any more discussion.

Commissioner Hall said I am concerned about a couple things. Number one, about the process. Over the years, we have made salary adjustments in the middle of the year because it was a preference of some of the board members. But to me it didn't make good budget sense. I applaud the fact that we're talking about this, but I think that at the minimum, we should wait till we get ready to do the budget before we start implementing everything. We still don't know what the economic environment is going to bring us. Personally depending on their salaries and other things to go away, I would not vote for salary increase of this magnitude.

Then Commissioner Oestreicher said I would like to ask Commissioner Owen, did you consider removing the county commissioner's increase in your motion. Commissioner Owen said no. Commissioner Oestreicher asked would you consider amending your motion to include it. Commissioner Owen said no, not at this time. Chairman McVey asked if there was any more discussion because there is a motion on the floor.

A **motion** was made by Commissioner Owen, seconded by Commissioner Carter and **carried 6-1** to accept this salary increase that the County Manager has placed before us, which would be the minimum starting salary of \$30,000, the 0.5% for every year service blended rate, bring all employees to 90% of the minimum salary, 7% for all employees not receiving at least 7% excluding those over \$60,000, and 2% for all employees over \$60,000. (Commissioners Dickerson, Jefferies, Owen, Oestreicher, Carter, and McVey voted in favor and Commissioner Hall voted against the motion)

RECESS

The board took a brief recess.

CLOSED SESSION:

A **motion** was made at 4:11 pm by Commissioner Owen and seconded by Commissioner Carter and **carried unanimously** to consider the qualifications, competence, performance, character, fitness, condition of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee, which privilege is hereby acknowledged NCGS 143-318.11 (a) (6). (Commissioners Dickerson, Hall, Jefferies, Owen, Oestreicher, Carter, and McVey voted in favor)

A **motion** was made by Commissioner Owen, seconded by Commissioner Jefferies and **carried unanimously** to return to open session at 4:35 pm. (Commissioners Dickerson, Hall, Jefferies, Owen, Oestreicher, Carter, and McVey voted in favor)

NEW POSITIONS:

County Manager Miller said commissioners the only other thing I have is with pulling all of the Munis input for invoicing back into the Finance Department, I'm asking the board to approve one additional position for the Finance Department. It is an accountant. So this does not need to be somebody that we have to train. This needs to be somebody with a financial mind, an accountant. So I'd ask the board to approve that position. Chairman McVey said this is in addition to what we have. County Manager Miller said yes a county employee.

Commissioner Oestreicher said this would be like invoice auditing. The County Manager said yes, running the invoices through the Munis system. So the departments bring the invoices to this position, and this position runs them through the Munis system making all the appropriate checks and balances. This position would make sure there's no conflicts. It's a true accounting position, and I'm sure there would be other duties assigned to the position as well.

Commissioner Carter asked is this an additional position from the one that just left. The County Manager said yes. So there's a payroll coordinator position open, and we would be looking, if the board approves it, for a payroll coordinator and an accountant. Chairman McVey said we also have one person out on maternity leave currently, and the County Manager said yes, she's expected to be back.

Commissioner Dickerson asked how many years has it ran with current staffing. The County Manager said 7 years. Then Commissioner Dickerson asked what has changed. The County Manager said Munis. Commissioner Dickerson said that was supposed to help streamline things. The County Manager said it will from the department level. It will help streamline things, but not necessarily in the Finance Department. But it will help streamline things overall. Commissioner Hall has said many times that we needed additional positions in the county that were accounting positions that knew accounting. We needed these kind of trained people in the Finance Department. I think what we're seeing is his premonitions come true with more sophisticated software. We're seeing that we need additional people. Right now the way Munis is operating is the department heads or someone in a department is entering the invoices into Munis. It's a very detailed process. Many times they're missing steps along the way, which makes the process extremely complicated. We need to bring that process back in-house. It's not because they haven't been trained, and truthfully it's not their fault. For this type of position, you need someone with accounting background. You need someone who knows what to look for. You need that professional person to be able to do it. You can't expect just an administrative position to do an accountant's job.

Commissioner Hall asked how much is this position going to cost us. The County Manager said the salary range for this position would be in the 68 range, so about \$41,000 would be the minimum. Then Commissioner Hall asked how many accountant positions do we have working for the County of Caswell. The County Manager said a position like this, if you approve it, one. Commissioner Hall said so the answer is right now none. The County Manager said that's correct. Commissioner Hall said I don't know what kind of difficulties we might run into. I worked in state government, and there were issues with positions reporting to lower level positions. In other words, if we have no accountant and if we hire an accountant, that accountant is going to be a higher level position than anybody in Finance. That could be a problem. The County Manager said I understand exactly what Mr. Hall was saying our HR department fills out charts that have to go to the state every year, but only for those agencies that have to report to DHHS and are covered under their human resources plans. So it's not surprising, Commissioner Hall since you have worked for the state, that you would know about that. That's not necessarily the case in county government. We don't have to do that same kind of reporting on the county level, but we do have to report that for the Health Department and DSS. Commissioner Hall said so notwithstanding that. I still think that at some point, we're going to have a problem with a classification grade reporting to a person of a lesser grade. The County Manager said well the finance director would not be a lesser grade, and this is who that position would report directly to. Commissioner Hall said okay.

Chairman McVey asked if there were any more questions. Commissioner Dickerson said not that your position may not be justified through the Munis system and the additional requirements it's imposing. We just approved a big expenditure on raises for the county. We've got a war going on in Ukraine, and we've got all these uncertainties. Gas is out of control with prices going up.

There is no telling what the future holds, and we have to be more mindful of adding positions and of spending more money that we can't be able to absorb in the future. Or else you will wind up at some point saying oops, we overspent. These people in the county are going to have to step up and pay more for taxes, and they are struggling with the same issues that we approved raises for the county employees. They're dealing with the same inflation rate, same high gas prices, etc., and I want to avoid at all costs raising taxes on people in this county. So at this point in time I cannot support adding another position. The County Manager said I understand completely.

Commissioner Hall made the comment before voting that before the promotion was made, again this is something I think that at the moment I would consider during budget time.

A **motion** was made by Commissioner Carter, seconded by Commissioner Owen to get the vote and **failed 3-4** to approve the County Managers new finance position. (Commissioners Oestreicher, Carter, and McVey voted in favor, and Commissioners Dickerson, Hall, Jefferies, and Owen voted against the motion)

Commissioner Owen said he would agree with Commissioner Hall that we need to revisit this during budget time.

ADJOURNMENT:

A **motion** was made at 4:45 pm by Commissioner Dickerson and seconded by Commissioner Owen and **carried unanimously** to adjourn the meeting. (Commissioners Dickerson, Hall, Jefferies, Owen, Oestreicher, Carter, and McVey voted for the motion)

Carla Smith
Clerk to the Board

Rick McVey
Chairman

2022 Salary Study – Points of Approval

- | | |
|---|--------------------------|
| 1. Minimum Starting Salary for any position | \$30,000 |
| 2. .5% for every year of service (blended rate)
<i>a. (excludes those making over \$60,000)</i> | Blended service rate .5% |
| 3. Bring all employees to 90% of minimum salary
<i>a. (excludes those making over \$60,000)</i> | 90% of Minimum |
| 4. 7% for all employees not receiving at least 7%
<i>a. (excludes those making over \$60,000)</i> | 7% Minimum |
| 5. 2% for all employees over \$60,000 | 2% over \$60,000 |

Title	Education	Increase	
1. Library Director	Masters	\$1,203	2%
2. Public Health Nursing Director I	Masters	\$1,329	2%
3. Environmental Health Director I	Bachelors/Technical	\$1,329	2%
4. Economic Development Director	Bachelors/Technical	\$1,333	2%
5. Building Codes Administrator	Technical	\$1,428	2%
6. Social Services Director	MSW	\$1,437	2%
7. Emergency Services Director	Technical	\$1,461	2%
8. Tax Administrator	Appointed	\$1,489	2%
9. Sheriff	Elected	\$1,584	2%
10. Public Health Director	Masters	\$1,698	2%
11. Physician Extender I	Masters	\$1,724	2%
12. Clerk to the Board	Appointed	\$3,761	7%
13. Physician Extender II	Masters	\$1,872	2%