

## Budget Meeting – April 1, 2016

The Graham County Board of Commissioners met Friday, April 1, 2016 for a budget meeting in the Graham County Community Building located at 196 Knight Street Robbinsville, NC. All board was present.

1. Chairman Nelms called the meeting to order.
2. Chairman Nelms asks Manager Mike Edwards and Finance Officer Rebecca Garland to proceed.
3. Manager Edwards stated that Ms. Garland has a power point presentation to show the board and further stated that the key things to look at today are the salary pay plan and capital projects. Commissioner Orr stated that she did read the letter that was presented by Manager Edwards on the administration building and had reached out to see if there are buildings available for the county to rent. Commissioner Orr stated that she inquired on the P&J building and the old Credit Union bank which belongs to Betty Phillips.
4. Ms. Garland stated that the biggest issue right now is the pay plan and this needed to be issued right so the county employees would know where they stand in the pay plan and this will aid in keeping quality staff. Manager Edwards stated that he first learned of the problems from Dominic from the state office. Manager Edwards stated that the pay plan had been submitted in the past with six or seven offices out of range and employees that are topped out which would result in their never receiving another increase. Manager Edwards stated that we need a more uniform plan and this has been a challenge but it is doable.
5. Ms. Garland stated that all the ACA Reporting had been finished and the report showed a 25% turnover in one year and this is too much. The board asks if the turnover has slowed down. Ms. Garland stated that it had at this time. Ms. Garland stated that for entry level employees, it cost between 30-50% of their annual salary to replace them; for mid-level employees it costs upwards of 150% of their annual salary to replace them and for high level or highly specialized employees you are looking at 400% of their annual salary. Ms. Garland stated that if we lose 12 employees in one year it can cost us \$782,400.00 for that loss. Ms. Garland stated that we need an effective pay plan to have staff recruitment and retention; better staff morale; provides budgetary predictability and stability for department managers and staff; and keeps county paying a living wage about 200% poverty level which allows employees from seeking public assistance. Ms. Garland stated that we did not need to reinvent the wheel but to use state grades and positions for local positions; Base County pay levels on some percentage of state levels; keep employees out of poverty and phase in overtime and work in going forward. Commissioner Cody stated that our biggest management problems is educating the staff on how the pay plan works and a valid pay plan will give them a guideline to follow. Ms. Garland stated that each scale has a minimum grade; mid-grade and a maximum grade. Commissioner Cody stated then the county can use the evaluation process as it should be. Ms. Garland stated that 75% of our positions are already listed in the state pay plan and we need to fit in the rest such as Sheriff and Register of Deeds. Ms. Garland stated that they have developed the pay plan to be 85% pay level of the state grades. Ms. Garland stated that we needed to be competitive to save on turnover. Manager Edwards stated that he is now hosting leadership team meetings quarterly and 111 employees out of 179 had responded to the survey monkey that had been sent out. Manager Edwards gave praise to the board for their succession planning and further stated that we will be having some managers retire out in the near future and we needed to train ahead. The board discussed the need for training ahead. The board discussed a raise across the board of 3% for all employees. The board discussed pay raises based on performance. The board all agreed that the pay plan can be overwhelming but they are committed in moving forward. The board wanted a wellness plan implemented to help with savings on our insurance premiums.
6. The board discussed capital outlay projects with an anticipated cost of \$236,000.00 for next year.
7. The board wanted to speak with the Sheriff on staffing at the next meeting.
8. The board discussed the large capital projects such as a new administration building, urgent care and new jail, courthouse, DSS building.
9. Manager Edwards stated that a donor has been found to pay for the new doors at the library which is good news.

10. The board discussed the roof at Stecoah Valley Center and the need to keep the shooting range idea alive.
11. The board learned that we have a 38% surplus at this time and this was very good news.
12. Commissioner Cody made the motion to approve the new pay plan which is 85% of the state grades. Commissioner Williams seconded this motion. Vote unanimous.
13. The board gave a directive to the county manager to hire Scott Donald to give us a plan design for a new administrative building. Commissioner Nelms made the motion to have Scott Donald give the board preliminary plans for a new administration building working with David Hyatt on site location. Commissioner Orr seconded this motion. Vote unanimous.
14. The board wanted Manager Edwards to review the conditions of ownership on the P&J building.
15. Commissioner Orr made the motion to adjourn. Commissioner Cody seconded this motion. Vote unanimous.

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Jacob Nelms, Chairman, Graham County Commissioner

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Keith Eller, Vice-Chairman, Graham County Commissioner

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Lynn Cody, Member, Graham County Commissioner

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Connie Orr, Member, Graham County Commissioner

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Raymond Williams, Member, Graham County Commissioner

ATTEST:

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Kim Crisp, Clerk to the Board