



Western North Carolina Managers

Author : Mike Smith

Categories : [Local Government](#), [Meetings with Managers](#)

Date : May 17, 2012



Last week Norma Houston and I attended a meeting in Asheville of city and county managers from western North Carolina. The meeting was organized by Vickey Wade, the Director of the Local Government Training Program at Western Carolina University. Norma was there because she has succeeded Fleming Bell as our liaison with Vickey for programs in that part of the state.

It was their annual budget roundtable and each manager gave a short report on the financial situation of his or her local government. The meeting was interesting. Each manager talked about the overall budget for next fiscal year and whether they would increase the property tax rate, award employees a cost of living increase, and whether the cost of providing health care coverage for their employees had changed. Not surprisingly, almost no units are proposing property tax increases.

One striking difference from the previous year was the number of local governments who are giving their employees cost-of-living increases (most in the 2-3% range). There were hardly any last year, but now at least three-fourths of those represented are giving them next fiscal year. Fewer will be giving merit increases? some are giving only merit increases, and some are giving merit raises in addition to cost-of-living increases.

A few also are giving one-time bonuses. Asheville's City Manager, Gary Jackson, described an innovative strategy that challenges departments to reduce spending by committing to use the savings for one-time bonuses. The savings might come from reduced spending on supplies, for



example, or from cutting back on service contracts.

The managers shared lots of variation in their experience with the cost of employee health care coverage. Folks are trying different options to manage those costs. One small community described consecutive annual increases of 15%, 13%, and 14%. The best outcomes seemed to come from jurisdictions that had managed the process aggressively?working with a broker or putting the health insurance contract out for bid. In a couple of cases they described holding the cost steady, but in a few cases they saved substantial amounts of money. A few also said they are promoting healthier lifestyles for their employees by moving to differential insurance rates based on health behaviors.

The mood of the group generally was more upbeat than the previous year, but it also was clear that the economic recovery across North Carolina is slow and uneven. I hope that the General Assembly will find a way to give some kind of salary increases for this coming year. You certainly deserve it.

Meeting with so many managers always generates praise for the work you do with them every day. I sat with a group at lunch that had recently been through the Municipal and County Administration Course. They had compliments for faculty and staff associated with the program, and especially for Greg Allison. It turned into a GregFest.

One of the managers, Jerry Church from Granite Falls, had been in the private sector before taking his current job. He said how grateful he is for our responsiveness to his questions, including how quickly you always respond. His most recent example involved Willow Jacobson, who answered his email while still on maternity leave, and who also attached a photo of her new twin boys. Is that great or what?