

Personnel Committee
5:00 p.m., Thursday, January 7, 2018
City Hall Conference Room
1207 Palm Boulevard, Isle of Palms, South Carolina

AGENDA

1. Call to order and acknowledgement that the press and public were duly notified of the meeting in accordance with the Freedom of Information Act.
2. **Approval of Previous Meetings' Minutes**
Regular meeting of December 6, 2018
3. **Citizens' Comments**
4. **Old Business**
 - A. Update on *ad hoc* committees for standing committees
 - B. Discussion of COLA and merit increases
 - C. Update on the hiring process for the City Administrator, Chief of Police and Assistant Public Works positions
 - D. Update on City Administrator's evaluation
5. **New Business**
 - A. Consideration of tasks to be completed in 2019
 - B. Discussion of FY20 operating budget and Capital Plan
6. **Miscellaneous Business**

Next Meeting Date: _____, _____, _____ ____, 2019
7. **Executive Session –**
Executive Session in accordance with S.C. Code Section 30-4-70(a)(1) for discussion of personnel and employment matters. Upon returning to open session, the Committee may take action on matters discussed in Executive Session.
8. **Adjournment**

PERSONNEL COMMITTEE

8:30 a.m., Thursday, December 6, 2018

The Personnel Committee met at 8:30 a.m., Thursday, December 6, 2018 in the City Hall Conference Room, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Moye and Rice, Chair Ferencz, Interim City Administrator Fragoso, Treasurer Suggs, Human Resources Officer DeGroot and Clerk Copeland; a quorum was present to conduct business.

1. Chair Ferencz called the meeting to order and acknowledged that the press and public were duly notified of the meeting in accordance with the Freedom of Information Act.

2. Approval of Previous Meetings' Minutes

MOTION: Councilmember Moye moved to approve the minutes of the regular meeting of November 1, 2018 and the Special Meeting of November 16, 2018 as submitted; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.

3. Citizen's Comments

Jim Raih, 3904 Cameron Boulevard, recalled that on July 24th he announced his interest in the job of City Administrator. He noted that he had met with Jim Mercer of The Mercer Group when he was in town and was pleased that the Committee had selected them as the search firm for the positions of City Administrator, Chief of Police and Assistant Public Works Director. He noted that the brochure for the Assistant Public Works Director was not in the meeting packet; he opined that the City should look at a candidate with more project management experience. He thought an opportunity for cost savings and reduction of project contingencies since the person would have this experience.

MOTION: Councilmember Moye moved to re-order the Agenda to take up item A under New Business next; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.

5. New Business

A. Review of 5-year history of personnel costs

Treasurer Suggs distributed updated schedules of a "5-Year History of Personnel Costs and Full-time FTE calculations;" the data included wages, overtime, part-time wages, health insurance costs, retirement fund contributions, and FICA. The information was presented in various ways, such as totals by departments, departmental totals as a percent of General Fund expenses and departmental totals as a percent of total expenses all funds. The Treasurer had updated the schedule with total terminations by year and the turnover rate; the terminations in 2014 stood out above all the others with a turnover rate of twenty percent (20%). She noted that the number of employees per department includes only the full-time employees and that they are the basis for calculating wages for the budget. In the FY19 budget, total payroll expenses are seventy-two percent (72%) of the General Fund operating budget, and not the eighty percent (80%) so frequently stated by members of City Council.

Councilmember Moye was interested in how the Isle of Palms compared to other local governments of a similar size in personnel costs and how the City spends in other areas of the budget. Interim Administrator Fragoso said that she had posed that question on the MASC Administrators' List-serve and received a couple of responses; Folly Beach has fifty-five (55) employees and payroll expense is sixty-two percent (62%) of their total budget. She saw payroll expenses as high as eighty-five percent (85%), but more municipalities were in the seventy to seventy-five percent (70% – 75%) range.

Chair Ferencz stated that she would like to know the tax burden that is on the backs of the island's full-time residents to accommodate the City's payroll expense; she continued by asking how behind the City would be in meeting the payroll requirements without the transfers-in of tourism funds. With the services the City employees provide to the island's residents, she wondered if they would be resistant to a tax increase to maintain the level of services they have.

Treasurer Suggs noted that the payroll increases over the past couple of years have been between four and five percent (4% - 5%), and, without a comparable increase in revenue, such generosity on the City's part was not sustainable.

After reviewing the recent history of significant wage increases, Treasurer Suggs stated that as the City has increased wages annually, the State has made changes to health and retirement benefits. She recalled that the State's retirement system is underfunded, and, to address that shortfall, the State Legislature chose to increase the employer contribution by one percent (1%) per year for the unforeseeable future while employee percentages increase at a slower rate. As to the State's health system, the Legislature has capped the employee portion of the health insurance premium, so that the increases in health care benefits also fall to the employer.

The Interim Administrator noted that thirty percent (30%) to total employee wage costs is attributed to fringes.

Additionally, Chair Ferencz said that she would like to see the payroll cost increases compared to the increases in annual revenue for the General Fund and tourism funds.

Another substantial increase to payroll expense was in 2016 when the City decided it needed ten (10) Beach Services Officers (BSOs) with the introduction of the Beach Parking Management Plan, but the Interim Administrator commented that the City has had a hard time hiring ten (10) BSOs. She thought that this past summer was the first time the City actually had a full complement of BSOs. She added that the BSOs are hired gradually; they do not all come to work on March 1st or stay until August 31st or September 15th. Since the parking plan is now being enforced twelve (12) months a year, three (3) BSOs have become full year part-time employees.

For the budget workshop planned for December 18th, the Treasurer will look at where the actual payroll expense is and forecast an anticipated year-end balance; with two (2) key positions unfilled for several months, the actual payroll expense should come in significantly under-budget.

In advance of the budget workshop, Councilmember Moye inquired about the recommendations staff would be proposing to Council.

Interim Administrator Fragoso stated that they would anticipate changing and streamlining the evaluation process, but, in addition, they thought that, since the payroll uses so much of the General Fund budget, opportunities might exist relative to the way and rate at which wages have increased over the years to reduce the impact on the General Fund.

With major projects looming in the next budget year, staff will bring possible new sources revenue and ways to reduce costs; the Interim Administrator and the Treasurer have been looking at ways other municipalities compensate their employees. The job for staff is to inform Council of anticipated expenses, to introduce ways of increasing revenue and possibly a reduction in the rate at which employees are paid the merit increase.

The Treasurer recalled that, for the past couple of years, wage increases are budgeted based on the February CPI rate for the COLA and with a two percent (2%) merit pool; she stated that those percentages could be tweaked.

Chair Ferencz explained that these standards were set so that every employee gets a wage increase through the COLA, no matter the score on the annual evaluation.

One (1) idea that the Treasurer has heard was that the two percent (2%) merit pool would apply to those employees who were at or near the middle of their wage range and the pool would be one percent (1%) for employees who were above the mid-point.

Councilmember Rice opined that the Treasurer's idea seemed to be punishing the long-term, faithful, loyal and experienced employees.

Councilmember Moyer stated that the presumption was that employees were being paid more because they know more and make a bigger contribution to the City.

According to the Treasurer, the lower paid employees needed the raise.

Chair Ferencz explained that she had added this item to the Agenda to insure that she understood the schedules; they will be presented to the balance of Council at the budget workshop. Now the issue was what Council was going to do about it.

Councilmember Rice asked whether the City really need ten (10) BSOs.

Councilmember Moyer took her comment one (1) step further by asking department managers if they needed to fill open positions. Could other employees split those responsibilities? Could the job be done on a part-time basis rather than fulltime? Was technology available that would free up time for employees allowing them to assume other duties?

The Interim Administrator informed the Committee that she had broached that subject to department managers in the staff meeting on Monday and intends to include it in a second department managers meeting on Friday. She said that she has impressed upon them that the pressure is on; they will be looking operationally at where costs can be reduced for the FY20 budget year.

Additional information the Chair would like to see at the workshop was what kind of millage increase would be necessary to fund payroll if Council decided to stay on the current path.

When Treasurer Suggs asked for clarification, the Chair replied that she was interested in the amount of millage increase necessary to fund payroll as it increases today. The Treasurer noted that the City has been able to manage the payroll increases to-date without a millage increase.

When the discussion of millage increases was held, it would be better received if the reasons for it were well-defined to the taxpayers, and the consensus of the group was that drainage would be

a much more compelling reason for the island's taxpayers to increase the millage than wages and benefits for employees.

The Chair reported being asked by several residents why they were going to be responsible to pay for drainage improvements when they did not have flooding in their home because they had paid the extra money to raise their home.

4. Old Business

A. Approval of brochures for City Administrator, Chief of Police and Assistant Public Works Directors positions

Councilmember Rice stated that Councilmember Moye had revised the brochures that the Committee looked at last month. She thanked him because the brochures were more concise and read smoothly without the awkwardness.

The Chair stated that the changes he had made to the Vision Statement were great. She did note that he had removed the statement "Other duties as may be assigned by City Council," and she thought it should be included.

Councilmember Moye agreed that it should be included in the job description, but it was not necessary in the brochures.

Councilmember Rice said that she was ready to let them go and to start the search process.

Councilmember Moye agreed that certain sections appeared in all of the brochures; he had done more customization to the brochure for the Chief of Police and the Public Works positions.

The Chair asked Councilmember Moye to work with HR Director DeGroot to revise the brochure for the Assistant Public Works Director since she worked with Director Pitts and Director Kerr to define the position.

Interim Administrator Fragoso asked that she be allowed to review the revised brochure as well as Director Kerr since some of the tasks he is performing will pass to the Assistant Public Works Director.

With the permission of the Committee, Chair Ferencz offered to sit with HR Director DeGroot to select the pictures to include or exclude for the final version of the brochures.

MOTION: Councilmember Rice moved to approve the brochures for the City Administrator, the Chief of Police and the Assistant Public Works Director as edited; Councilmember Moye seconded and the motion PASSED UNANIMOUSLY.

Councilmember Moye stated that he would like to see the final versions of the brochures; when the Committee members receive them will give the Committee an idea of when they begin to be distributed to possible candidates.

B. Update on *ad hoc* Committees for standing committees

Chair Ferencz recalled that this topic was touched on at the November Council meeting and at some of the November Committee meetings and that no one had any objections to them. She

noted that the Personnel Committee would now be charged with coming up with the process for bringing residents to the *ad hoc* committees, what they will do and how they will do it; she envisions those issues to be part of the strategic planning that will be done early in 2019.

Since the Agenda was posted to the website with this item on it, the Chair stated that she has received phone calls from residents asking how to apply.

The Interim Administrator reported that she has discussed the concept of *ad hoc* committees with Attorney Copeland, and, in researching the City Code, the City Attorney has determined that to have these committees would require a change to the Code. Currently it has no provision that would authorize standing committees or City Council to establish such citizens' groups; the Code does authorize the Mayor to establish a task force.

Since the Committee has expressed a desire to update sections of the City Code related to standing committees, an addition authorizing the establishment of *ad hoc* committees could be addressed along with this work.

For the January or February meeting, Chair Ferencz would like the Committee members to draw up a task list of assignments it would like to complete in 2019 along with the steps required to implement them. She added that simultaneously working with The Mercer Group on the employee searches, the Committee may need to meet more than once a month to complete the task list items.

The Interim Administrator suggested that the Committee concentrate its efforts on items on the list related to the FY20 budget first.

5. New Business

B. Considerations of topics for initial budget meeting

With the addition of a new person in the Public Works Department, the Chair wanted to know what kind of budget he would be given to accomplish his job functions successfully, for example, what would his budget be to perform maintenance on the City's buildings? Would the funds be in one (1) line in the Public Works budget or would it be spread throughout the Operating Budget?

In drafting the FY20 budget, additional funds have been put into the Public Works budgets for materials and equipment; the Treasurer and Interim Administrator have identified projects this person would oversee or manage, which total approximately two hundred fifty thousand dollars (\$250,000). One (1) of his tasks would be oversight of maintenance issues described in the Hill Report, and the cost associated with those repairs is budgeted in each department's maintenance line. Part of the reason for having these funds spread by department was that the position was not expected to be filled until some number of months into the new year, but the building must be maintained in the interim.

Councilmember Rice said that the management of the landscaping contract and Eadie's ditch maintenance contract would be essential parts of his job description.

Looking at the Fire and Police Departments that have shifts, the Chair wondered if one (1) shift received more calls for service than the other two (2) shifts and did the departments have sufficient manpower on-duty to handle those calls.

Councilmember Moyer would like to ask the Recreation Director to look into how access to the Rec Center is managed based on feedback from the residents. He thought a revenue opportunity might exist there. For an example, he stated that to be an instructor at the Rec, the instructor must be a resident of the island, rather than renting out space in the building for the class(es).

Chair Ferencz commented that Public Works has worked with the same staffing company for many years, and she wondered if the City had done any comparative shopping in recent years.

Councilmember Rice restated her stance that longevity can be an asset because of experience. She opined that the City could not base every decision on cost.

Councilmember Moyer said that Council wanted the data primarily for comparative purposes.

The Chair reiterated that some changes were going to have to be made or the citizens were going to be told that their property taxes were going to increase or the level of service would be reduced.

6. Miscellaneous Business

Next Meeting Date: 5:00 p.m., Thursday, January 3, 2018 in the Conference Room.

7. Executive Session – not needed

8. Adjournment

MOTION: Councilmember Rice moved to adjourn the meeting at 9:25 a.m., Councilmember Moyer seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk

City of Isle of Palms

Schedule of Historical and Forecast Payroll & Fringe Costs

					FORECAST SCENARIO A					FORECAST SCENARIO B					FORECAST SCENARIO C (Midpoint Analysis)				
	FY17 ACTUAL	FY18 ACTUAL	FY19 PROJECTED	% INCREASE FY14-FY19	USE 4.2% ANNUAL COMBINED COLA & MERIT FOR ALL EMPLOYEES <i>(Nov18 Annual CPI Increase + 2% Merit Pool)</i>			\$ Increase from FY19 to FY22	% Increase from FY19 to FY22	USE 2.1% ANNUAL COMBINED COLA & MERIT FOR ALL EMPLOYEES <i>(50% of Nov18 CPI + 1% Merit Pool)</i>			\$ Increase from FY19 to FY22	% Increase from FY19 to FY22	USE 2.2% COLA + 1% MERIT FOR EMPLOYEES BELOW THE MIDPOINT OF THEIR WAGE RANGE (72 EMPS) AND 1% COLA + 1% MERIT FOR EMPLOYEES ABOVE THEIR MIDPOINT (20 EMPS)			\$ Increase from FY19 to FY22	% Increase from FY19 to FY22
					FY20 FORECAST	FY21 FORECAST	FY22 FORECAST			FY20 FORECAST	FY21 FORECAST	FY22 FORECAST			FY20 FORECAST	FY21 FORECAST	FY22 FORECAST		
MAYOR AND COUNCIL																			
SALARIES & WAGES	17,000	17,000	17,000	0%	17,000	17,000	17,000	-	0%	17,000	17,000	17,000	-	0%	17,000	17,000	17,000	-	0%
FICA EXPENSE	1,301	1,301	1,301	-2%	1,301	1,301	1,301	-	0%	1,301	1,301	1,301	-	0%	1,301	1,301	1,301	-	0%
RETIREMENT EXPENSE	1,272	1,053	2,475	106%	2,645	2,671	2,698	223	9%	2,645	2,672	2,698	223	9%	2,645	2,672	2,698	223	9%
GROUP HEALTH INSURAN	42,633	72,222	80,000	101%	83,468	86,807	90,279	10,279	13%	83,468	86,807	90,279	10,279	13%	83,468	86,807	90,279	10,279	13%
WORKERS' COMPENSATI	399	379	475	98%	475	475	475	-	0%	475	475	475	-	0%	475	475	475	-	0%
	62,604	91,955	101,251	70%	104,889	108,254	111,753	10,502	10%	104,889	108,254	111,753	10,502	10%	104,889	108,254	111,753	10,502	10%
HEADCOUNT	9	9	9		9	9	9			9	9	9			9	9	9		
FTE	6,956	10,217	11,250		11,654	12,028	12,417			11,654	12,028	12,417			11,654	12,028	12,417		
% INCREASE FROM FY14			70%				87%					87%					87%		
GEN GOVT																			
SALARIES & WAGES	420,062	476,309	485,393	47%	486,286	506,710	527,992	42,599	9%	481,342	491,450	501,771	16,378	3%	482,991	496,546	510,495	25,102	5%
OVERTIME WAGES	11,073	16,562	4,030	-45%	4,580	4,772	4,973	943	23%	4,487	4,581	4,677	647	16%	4,513	4,635	4,760	730	18%
PART-TIME WAGES	337	619	0	0	-	-	-	-	0%	-	-	-	-	0%	-	-	-	-	0%
FICA EXPENSE	31,385	36,086	37,441	50%	37,551	39,128	40,772	3,331	9%	37,166	37,946	38,743	1,302	3%	37,294	38,340	39,417	1,976	5%
RETIREMENT EXPENSE	51,332	62,907	71,260	99%	76,379	84,701	93,589	22,329	31%	75,595	82,143	88,932	17,672	25%	75,856	82,996	90,479	19,219	27%
GROUP HEALTH INSURAN	32,743	44,251	42,247	47%	40,935	42,572	44,275	2,028	5%	40,935	42,572	44,275	2,028	5%	40,935	42,572	44,275	2,028	5%
WORKMEN'S COMPENSA	5,247	4,330	6,283	99%	6,483	6,755	7,039	756	12%	6,372	6,506	6,642	359	6%	6,399	6,533	6,671	388	6%
	552,178	641,064	646,654	50%	652,214	684,640	718,639	71,985	11%	645,897	665,199	685,041	38,387	6%	647,988	671,623	696,097	49,443	8%
HEADCOUNT	6	6	6		6	6	6			6	6	6			6	6	6		
FTE	92,030	106,844	107,776		108,702	114,107	119,773			107,649	110,866	114,174			107,998	111,937	116,016		
% INCREASE FROM FY14			25%				39%					33%					35%		
POLICE																			
SALARIES & WAGES	1,261,563	1,386,453	1,352,567	17%	1,512,795	1,576,332	1,642,538	289,971	21%	1,497,253	1,528,695	1,560,798	208,231	15%	1,504,148	1,549,762	1,596,786	244,219	18%
OVERTIME WAGES	138,565	161,481	146,488	55%	132,085	137,633	143,413	(3,075)	-2%	129,423	132,141	134,916	(11,572)	-8%	130,666	134,693	138,846	(7,642)	-5%
PART-TIME WAGES	3,861	-	-	0	-	-	-	-	0%	-	-	-	-	0%	-	-	-	-	0%
FICA EXPENSE	105,093	116,135	114,678	23%	125,833	131,118	136,625	21,947	19%	124,441	127,054	129,722	15,044	13%	125,063	128,861	132,776	18,098	16%
RETIREMENT EXPENSE	192,481	240,041	249,651	60%	291,680	306,847	322,803	73,152	29%	288,454	297,396	306,615	56,964	23%	289,889	298,876	308,141	58,490	23%
GROUP HEALTH INSURAN	177,128	196,336	195,989	10%	204,115	212,280	220,771	24,782	13%	204,115	212,280	220,771	24,782	13%	204,115	212,280	220,771	24,782	13%
WORKMEN'S COMPENSA	60,877	56,296	79,485	178%	77,425	80,677	84,065	4,580	6%	76,591	78,199	79,842	357	0%	76,953	78,569	80,219	734	1%
	1,939,567	2,156,742	2,138,858	25%	2,343,933	2,444,887	2,550,216	411,358	19%	2,320,277	2,375,765	2,432,664	293,806	14%	2,330,834	2,403,040	2,477,538	338,680	16%
HEADCOUNT	29	29	29		29	29	29			29	29	29			29	29	29		
FTE	66,882	74,370	73,754		80,825	84,306	87,938			80,010	81,923	83,885			80,374	82,863	85,432		
% INCREASE FROM FY14			16%				39%					32%					35%		

City of Isle of Palms

Schedule of Historical and Forecast Payroll & Fringe Costs

	FY17 ACTUAL	FY18 ACTUAL	FY19 PROJECTED	% INCREASE FY14-FY19	FORECAST SCENARIO A					FORECAST SCENARIO B					FORECAST SCENARIO C (Midpoint Analysis)				
					USE 4.2% ANNUAL COMBINED COLA & MERIT FOR ALL EMPLOYEES <i>(Nov18 Annual CPI Increase + 2% Merit Pool)</i>			\$ Increase from FY19 to FY22	% Increase from FY19 to FY22	USE 2.1% ANNUAL COMBINED COLA & MERIT FOR ALL EMPLOYEES <i>(50% of Nov18 CPI + 1% Merit Pool)</i>			\$ Increase from FY19 to FY22	% Increase from FY19 to FY22	USE 2.2% COLA + 1% MERIT FOR EMPLOYEES BELOW THE MIDPOINT OF THEIR WAGE RANGE (72 EMPS) AND 1% COLA + 1% MERIT FOR EMPLOYEES ABOVE THEIR MIDPOINT (20 EMPS)			\$ Increase from FY19 to FY22	% Increase from FY19 to FY22
					FY20 FORECAST	FY21 FORECAST	FY22 FORECAST			FY20 FORECAST	FY21 FORECAST	FY22 FORECAST			FY20 FORECAST	FY21 FORECAST	FY22 FORECAST		
FIRE																			
SALARIES & WAGES	1,600,542	1,632,793	1,669,274	24%	1,727,667	1,800,229	1,875,839	206,565	12%	1,709,917	1,745,825	1,782,488	113,214	7%	1,717,388	1,768,654	1,821,486	152,212	9%
OVERTIME WAGES	334,068	344,556	397,846	49%	309,857	322,871	336,432	(61,414)	-15%	303,612	309,988	316,498	(81,348)	-20%	306,579	316,078	325,876	(71,970)	-18%
PART-TIME WAGES	24,594	13,286	19,748	598%	19,958	20,796	21,670	1,922	10%	19,856	20,273	20,699	951	0%	19,909	20,546	21,204	1,456	7%
FICA EXPENSE	148,125	149,150	159,645	33%	157,397	164,008	170,896	11,251	7%	155,554	158,821	162,156	2,511	2%	156,357	161,054	165,895	6,250	4%
RETIREMENT EXPENSE	284,061	304,966	355,292	69%	374,333	412,486	452,149	96,857	27%	369,948	399,439	429,024	73,732	21%	371,856	405,055	438,918	83,626	24%
GROUP HEALTH INSURAN	242,054	261,888	276,564	29%	264,399	274,975	285,974	9,410	3%	264,399	274,975	285,974	9,410	3%	264,399	274,975	285,974	9,410	3%
WORKMEN'S COMPENSA	77,439	70,966	86,890	149%	90,160	93,947	97,892	11,002	13%	89,143	91,015	92,926	6,036	7%	89,581	91,462	93,383	6,493	7%
	2,710,884	2,777,606	2,965,259	35%	2,943,771	3,089,312	3,240,852	275,593	9%	2,912,429	3,000,336	3,089,764	124,505	4%	2,926,069	3,037,824	3,152,736	187,477	6%
HEADCOUNT	34	34	34		34	34	34			34	34	34			34	34	34		
FTE	79,732	81,694	87,214		86,582	90,862	95,319			85,660	88,245	90,875			86,061	89,348	92,728		
% INCREASE FROM FY14			35%				48%					41%					44%		
PUB WKS																			
SALARIES & WAGES	505,434	528,155	560,033	27%	625,947	652,237	679,631	119,598	21%	619,515	632,525	645,808	85,775	15%	620,540	635,657	651,163	91,130	16%
OVERTIME WAGES	14,437	17,031	10,837	120%	13,729	14,306	14,906	4,069	38%	13,657	13,944	14,237	3,400	31%	13,667	13,955	14,248	3,411	31%
PART-TIME WAGES	-	-	-	0%	-	-	-	-	0%	-	-	-	-	0%	-	-	-	-	0%
FICA EXPENSE	39,198	41,016	43,672	30%	48,935	50,990	53,132	9,460	22%	48,438	49,455	50,493	6,821	16%	48,517	49,695	50,904	7,232	17%
RETIREMENT EXPENSE	60,179	70,131	83,119	75%	99,534	110,379	121,961	38,842	47%	98,522	107,055	115,904	32,785	39%	98,683	107,576	116,846	33,727	41%
GROUP HEALTH INSURAN	66,112	69,077	75,836	23%	74,214	77,183	80,270	4,434	6%	74,214	77,183	80,270	4,434	6%	74,214	77,183	80,270	4,434	6%
WORKMEN'S COMPENSA	31,766	29,608	37,871	158%	43,280	45,098	46,992	9,121	24%	42,838	43,738	44,656	6,785	18%	42,908	43,809	44,729	6,858	18%
	717,126	755,017	811,368	34%	905,639	950,193	996,892	185,524	23%	897,184	923,899	951,368	140,000	17%	898,529	927,875	958,160	146,792	18%
HEADCOUNT	10	10	10		11	11	11			11	11	11			11	11	11		
FTE	71,713	75,502	81,137		82,331	86,381	90,627			81,562	83,991	86,488			81,684	84,352	87,105		
% INCREASE FROM FY14			34%				50%					43%					44%		
BUILDING																			
SALARIES & WAGES	240,650	244,862	240,408	16%	256,041	266,795	278,000	37,592	16%	253,463	258,786	264,220	23,812	10%	254,104	260,802	267,685	27,277	11%
OVERTIME WAGES	354	559	208	1676%	682	711	740	532	256%	668	682	696	488	235%	671	688	705	497	239%
PART-TIME WAGES	-	-	-	0%	-	-	-	-	0%	-	-	-	-	0%	-	-	-	-	0%
FICA EXPENSE	17,742	17,801	18,407	21%	19,639	20,464	21,324	2,917	16%	19,441	19,849	20,266	1,859	10%	19,490	20,004	20,532	2,125	12%
RETIREMENT EXPENSE	28,179	31,237	35,034	59%	39,946	44,299	48,947	13,913	40%	39,543	42,968	46,519	11,485	33%	39,643	43,303	47,129	12,095	35%
GROUP HEALTH INSURAN	34,279	40,790	42,368	39%	40,620	42,245	43,935	1,567	4%	40,620	42,245	43,935	1,567	4%	40,620	42,245	43,935	1,567	4%
WORKMEN'S COMPENSA	2,815	2,227	2,972	84%	3,090	3,220	3,355	383	13%	3,059	3,123	3,189	217	7%	3,068	3,132	3,198	226	8%
	324,018	337,476	339,397	23%	360,018	377,733	396,301	56,904	17%	356,794	367,653	378,825	39,428	12%	357,596	370,174	383,184	43,787	13%
HEADCOUNT	4	4	4		4	4	4			4	4	4			4	4	4		
FTE	81,005	84,369	84,849		90,005	94,433	99,075			89,199	91,913	94,706			89,399	92,543	95,796		
% INCREASE FROM FY14			23%				43%					37%					39%		

City of Isle of Palms

Schedule of Historical and Forecast Payroll & Fringe Costs

	FY17 ACTUAL	FY18 ACTUAL	FY19 PROJECTED	% INCREASE FY14-FY19	FORECAST SCENARIO A					FORECAST SCENARIO B					FORECAST SCENARIO C (Midpoint Analysis)				
					USE 4.2% ANNUAL COMBINED COLA & MERIT FOR ALL EMPLOYEES <i>(Nov18 Annual CPI Increase + 2% Merit Pool)</i>			\$ Increase from FY19 to FY22	% Increase from FY19 to FY22	USE 2.1% ANNUAL COMBINED COLA & MERIT FOR ALL EMPLOYEES <i>(50% of Nov18 CPI + 1% Merit Pool)</i>			\$ Increase from FY19 to FY22	% Increase from FY19 to FY22	USE 2.2% COLA + 1% MERIT FOR EMPLOYEES BELOW THE MIDPOINT OF THEIR WAGE RANGE (72 EMPS) AND 1% COLA + 1% MERIT FOR EMPLOYEES ABOVE THEIR MIDPOINT (20 EMPS)			\$ Increase from FY19 to FY22	% Increase from FY19 to FY22
					FY20 FORECAST	FY21 FORECAST	FY22 FORECAST			FY20 FORECAST	FY21 FORECAST	FY22 FORECAST			FY20 FORECAST	FY21 FORECAST	FY22 FORECAST		
REC																			
SALARIES & WAGES	345,866	347,796	363,188	21%	377,645	393,506	410,033	46,845	13%	373,765	381,614	389,628	26,440	7%	375,218	386,053	397,212	34,024	9%
OVERTIME WAGES	17,608	5,843	2,945	7%	19,197	20,003	20,843	17,898	608%	18,810	19,205	19,608	16,663	566%	19,013	19,621	20,249	17,304	588%
PART-TIME WAGES	184,353	195,657	198,353	1%	217,400	217,400	217,400	19,047	0%	217,400	217,400	217,400	19,047	0%	217,400	217,400	217,400	19,047	10%
FICA EXPENSE	39,804	40,800	44,640	17%	46,990	48,265	49,593	4,953	11%	46,663	47,294	47,938	3,298	7%	46,790	47,665	48,567	3,927	9%
RETIREMENT EXPENSE	42,493	47,593	53,309	57%	61,749	64,960	68,338	15,029	28%	61,085	62,979	64,931	11,622	22%	61,342	63,244	65,204	11,895	22%
GROUP HEALTH INSURAN	58,833	55,369	65,230	58%	62,503	65,003	67,603	2,373	4%	62,503	65,003	67,603	2,373	4%	62,503	65,003	67,603	2,373	4%
WORKMEN'S COMPENSA	12,391	10,929	13,699	136%	14,378	14,982	15,611	1,912	14%	14,280	14,580	14,886	1,187	9%	14,317	14,618	14,925	1,226	9%
	701,348	703,987	741,364	20%	799,862	824,119	849,422	108,058	15%	794,506	808,074	821,994	80,630	11%	796,583	813,604	831,160	89,796	12%
HEADCOUNT	7	7	7		7	7	7			7	7	7			7	7	7		
FTE (NO PARTTIME)	71,842	70,480	75,405		80,833	84,298	87,913			80,068	82,006	83,995			80,365	82,796	85,304		
% INCREASE FROM FY14			29%				51%					44%					46%		
COURT																			
SALARIES & WAGES	63,473	67,225	68,083	24%	70,132	73,078	76,147	8,064	12%	69,411	70,869	72,357	4,274	6%	69,377	70,764	72,180	4,097	6%
OVERTIME WAGES	7,426	5,344	1,945	-18%	3,219	3,354	3,495	1,550	80%	3,154	3,220	3,288	1,343	69%	3,151	3,214	3,278	1,333	69%
PART-TIME SALARIES	15,441	15,442	18,000	20%	18,000	18,000	18,000	-	0%	18,000	18,000	18,000	-	0%	18,000	18,000	18,000	-	0%
FICA EXPENSE	6,502	6,503	6,734	22%	6,988	7,224	7,470	735	11%	6,928	7,045	7,164	430	6%	6,925	7,036	7,150	415	6%
RETIREMENT EXPENSE	9,902	10,814	12,817	68%	14,214	15,638	17,146	4,329	34%	14,092	15,250	16,444	3,627	28%	14,086	15,232	16,411	3,594	28%
GROUP HEALTH INSURAN	6,135	6,248	6,517	16%	6,083	6,326	6,579	62	1%	6,083	6,326	6,579	62	1%	6,083	6,326	6,579	62	1%
WORKMEN'S COMPENSA	248	231	312	16%	310	323	337	25	8%	308	314	321	9	3%	307	313	320	8	3%
	109,127	111,807	114,408	25%	118,947	123,943	129,173	14,765	13%	117,976	121,024	124,153	9,745	9%	117,929	120,886	123,918	9,510	8%
HEADCOUNT	1	1	1		1	1	1	1	1	1	1	1			1	1	1		
FTE (NO PARTTIME)	90,652	93,176	92,871		97,410	102,406	107,636			95,899	98,767	101,716			95,852	98,629	101,481		
% INCREASE FROM FY14			27%				47%					39%					39%		
PARKING BSO																			
OVERTIME WAGES	3,449	1,300	633	74%	660	687	716	83	13%	620	633	646	13	2%	-	-	-	(633)	-100%
PART-TIME WAGES	85,750	80,480	105,132	214%	117,451	122,384	127,524	22,392	21%	114,030	116,425	118,870	13,738	0%	114,030	114,030	114,030	8,898	8%
FICA EXPENSE	6,824	6,259	8,094	212%	9,035	9,415	9,810	1,716	0%	8,771	8,955	9,143	1,049	13%	8,723	8,723	8,723	629	8%
RETIREMENT EXPENSE	280	1,073	2,033					(2,033)					(2,033)					(2,033)	-100%
GROUP HEALTH INSURAN	-	35	35					(35)					(35)					(35)	-100%
WORKERS COMPENSATIC	4,891	3,977	5,680	1260%	5,918	6,167	6,426	746		5,799	5,921	6,045	365		6,380	6,380	6,380	700	12%
	101,193	93,125	121,607	230%	133,064	138,653	144,476	22,870	19%	129,220	131,933	134,704	13,097	11%	129,133	129,133	129,133	7,526	6%

City of Isle of Palms

Schedule of Historical and Forecast Payroll & Fringe Costs

	FORECAST SCENARIO A					FORECAST SCENARIO B					FORECAST SCENARIO C (Midpoint Analysis)								
	FY17 ACTUAL	FY18 ACTUAL	FY19 PROJECTED	% INCREASE FY14-FY19	USE 4.2% ANNUAL COMBINED COLA & MERIT FOR ALL EMPLOYEES <i>(Nov18 Annual CPI Increase + 2% Merit Pool)</i>			\$ Increase from FY19 to FY22	% Increase from FY19 to FY22	USE 2.1% ANNUAL COMBINED COLA & MERIT FOR ALL EMPLOYEES <i>(50% of Nov18 CPI + 1% Merit Pool)</i>			\$ Increase from FY19 to FY22	% Increase from FY19 to FY22	USE 2.2% COLA + 1% MERIT FOR EMPLOYEES BELOW THE MIDPOINT OF THEIR WAGE RANGE (72 EMPS) AND 1% COLA + 1% MERIT FOR EMPLOYEES ABOVE THEIR MIDPOINT (20 EMPS)			\$ Increase from FY19 to FY22	% Increase from FY19 to FY22
					FY20 FORECAST	FY21 FORECAST	FY22 FORECAST			FY20 FORECAST	FY21 FORECAST	FY22 FORECAST			FY20 FORECAST	FY21 FORECAST	FY22 FORECAST		
TOTAL CITY OF IOP																			
SALARIES & WAGES	4,454,589	4,700,593	4,755,946	23%	5,073,513	5,285,887	5,507,180	751,234	16%	5,021,666	5,126,764	5,234,069	478,123	10%	5,040,766	5,185,238	5,334,007	578,061	12%
OVERTIME WAGES	526,979	552,676	564,932	49%	484,009	504,337	525,519	(39,413)	-7%	474,431	484,394	494,566	(70,366)	-12%	478,260	492,884	507,962	(56,970)	-10%
PART-TIME WAGES	314,336	305,484	341,233	38%	372,809	378,580	384,594	43,361	13%	369,286	372,098	374,968	33,735	0%	369,339	369,976	370,634	29,401	9%
FICA EXPENSE	395,973	415,050	434,612	30%	453,669	471,914	490,923	56,311	13%	448,702	457,720	466,926	32,314	7%	450,460	462,680	475,265	40,652	9%
RETIREMENT EXPENSE	670,179	769,815	864,990	68%	960,480	1,041,982	1,127,631	262,641	30%	949,884	1,009,901	1,071,068	206,078	24%	954,000	1,018,952	1,085,826	220,836	26%
GROUP HEALTH INSURAN	659,917	746,216	784,786	31%	776,337	807,390	839,686	54,900	7%	776,337	807,390	839,686	54,900	7%	776,337	807,390	839,686	54,900	7%
WORKMEN'S COMPENSA	196,073	178,943	233,667	161%	241,519	251,643	262,192	28,525	12%	238,865	243,871	248,982	15,316	7%	240,388	245,292	250,299	16,632	7%
	7,218,046	7,668,777	7,980,166	33%	8,362,336	8,741,733	9,137,725	1,157,560	15%	8,279,171	8,502,138	8,730,266	750,101	9%	8,309,550	8,582,412	8,863,679	883,514	11%
TOTAL \$ INCREASE FROM FY19				33%					52%					45%					47%
TOTAL GEN FUND EXPENSE	9,848,598	10,525,096	10,888,000		11,483,000	11,713,000	11,947,000			11,399,835	11,473,405	11,539,541			11,430,214	11,553,679	11,672,954		
% OF GEN FUND EXPENSE	73%	73%	73%		73%	75%	76%			73%	74%	76%			73%	74%	76%		
FULL TIME HEADCOUNT	91	91	91		92	92	92			92	92	92			92	92	92		
% INCREASE FROM FY14			3%				5%					5%					5%		
ANNUAL TERMINATIONS	12	8	9																
TURNOVER RATIO	13%	9%	10%																

Forecast Assumptions:

Salaries, OT and PT Wages increase by either 4.2% per year (Forecast Scenario A) or 2.1% per year (Forecast Scenario B) or a combo of 3.2% and 2% (Scenario C)
 Health insurance increases by 4% per year (estimate)
 Retirement increases by 1% per year (known increases per information from SC PEBA)
 Workers Comp % stays flat (conservative, since deductible increase should reduce premiums)
 No change in current budgeted headcount of 92 full-time employees

SAVINGS USING FORECAST SCENARIO B:

FY20	83,165
FY21	239,595
FY22	407,459
TOTAL	730,219

SAVINGS USING FORECAST SCENARIO C:

FY20	52,786
FY21	159,321
FY22	274,046
TOTAL	486,153

PROPOSED IOP PERSONNEL COMMITTEE
CALENDAR OF TOPICS JANUARY 2019-DECEMBER 2019
(Additions or deletions as needed each month)

JANUARY

- Approve calendar of topics
- Review Vision statement as published in Employee Search Brochures
- Draft proposed Mission statement

FEBRUARY

- Municipal Code review and revision
 - Revise Current Officials Page
 - Title 1 Government and Administration
 - Chapter 1 -5

MARCH

- Municipal Code review and revision
 - Title 1 Government and Administration
 - Chapter 6-10

APRIL

- Municipal Code review and revision
 - Title 2 Public Safety
 - Chapter 1, 2.4

MAY

- Municipal Code review and revision
 - Title 3 Public works
 - Chapter 1-4

JUNE

- Municipal Code review and revision
 - Title 4 Public Utilities
 - Chapter 2.4

JULY

- Municipal Code review and revision
 - Title 5 Planning and Development
 - Chapters 1, 4

AUGUST

- Municipal Code review and revision
 - Title 6 Health and Sanitation
 - Chapters 1, 2, 4.7

SEPTEMBER

- Municipal Code review and revision
 - Title 7 Licensing and Regulation
 - Chapters 1-.7

OCTOBER

- Municipal Code review and revision
 - Title 8 Motor Vehicles and Traffic
 - Chapters 1-2

NOVEMBER

- Municipal Code review and revision
 - Title 9 Offenses
 - Chapters 1-5

DECEMBER

- Review all Changes to be presented to City Council January 2020

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	City of Isle of Palms 10-Year Capital Plan												
2	Expenditures for assets or special projects > \$5000 **Expenditures less than \$5,000 are included in operating budgets**												
3	Total Needs from All Funds												
4													
5	Total		FY 20		FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29
6	Fleet		DEPARTMENT										
7			REQUESTS										
8													
9		General Government											
10													
11		Audio Visual/projector system for Council Chamber						25,000					30,000
12		City Hall parking lot fence replacement				18,000							
13		Radio Replacements - repl w/ failure using old radios fr PD/FD											
14		Replace framing and metal doors at City Hall			15,000								
15		New telephone system							30,000				
16		Replace City Hall generator (evaluate in FY30)											
17		Court software upgrade			20,000								
18		Replace message boards at Connector and Breach Inlet							25,000				
19		<i>Building maintenance contingency to address items as needed - refine this approach as budget progresses</i>	25,000		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
20		Subtotal Capital	25,000		60,000	43,000	25,000	50,000	80,000	25,000	25,000	25,000	55,000
21													
22													
23		Special Projects											
24													
25		Rehab golf cart path along Palm Blvd connecting 18th and 20th Ave										75,000	
26													
27		Subtotal Special Projects	-		-	-	-	-	-	-	-	75,000	-
28													
29		<i>Assign Fund Balance for City-wide Maintenance - FY19 10-yr plan included approximately \$500,000 in FY20-23 to repay Fire & PWks Large Equipment Reserve for funds diverted to address Hill Report maintnenace issues. Need to re-evaluate this approach given large cash needs for other projects including drainage</i>											
30													
31	-	Grand Total General Government	25,000		60,000	43,000	25,000	50,000	80,000	25,000	25,000	100,000	55,000
32													

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	City of Isle of Palms 10-Year Capital Plan												
2	Expenditures for assets or special projects > \$5000 **Expenditures less than \$5,000 are included in operating budgets**												
3	Total Needs from All Funds												
4													
5	Total		FY 20		FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29
6	Fleet		DEPARTMENT										
7			REQUESTS										
8													
162													
163		Building Department											
164													
165	1	Replace pickup truck purchased in FY18						35,000					
166		<i>Building maintenance contingency to address items as needed - refine this approach as budget progresses</i>	25,000		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
167													
168	1	Subtotal Capital	25,000		25,000	25,000	25,000	60,000	25,000	25,000	25,000	25,000	
169													
170		Special Projects											
171													
172		Subtotal Special Projects	-		-	-	-	-	-	-	-	-	
173													
174		Grand Total Building Department	25,000		25,000	25,000	25,000	60,000	25,000	25,000	25,000	25,000	