

PERSONNEL COMMITTEE
9:00 a.m., Thursday, March 7, 2013

The regular meeting of the Personnel Committee was held at 9:00 a.m., Thursday, March 7, 2013 in City Hall Conference Room, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bettelli and Stone, Chair Thomas, Administrator Tucker and City Clerk Copeland; a quorum was present to conduct business.

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

2. **Approval of Previous Meeting's Minutes**

MOTION: Councilmember Stone moved to approve the minutes of the regular meeting of February 7, 2013 as written; Councilmember Bettelli seconded and the motion **PASSED UNANIMOUSLY**.

3. **Citizens' Comments – None**

4. **Old Business**

A. **Review of FY14 Capital Budgets and Long-range Capital Plan**

Copies of all budgets discussed are attached to the historical record of the meeting; only items that have changed will be mentioned in these minutes.

Changes universal to all department operating budgets are a three percent (3%) performance-based merit pool that affects all payroll related lines through Workers Compensation, a six percent (6%) rate increase to employee health insurance and a five percent (5%) increase to property and liability insurance.

Capital Projects Fund Expenditures

General Government maintenance and service	5,000
Replace HVAC in Council Chambers, only with failure	
General Government Capital Outlay	121,000
Replace generator, wooden sign at City Hall, Microsoft volume license	
Building Department non-capital tools	3,600
Replace 2 desktop computer and document folding/sealing printer	

Municipal Accommodations Fee Fund Expenditures

General Government – principal	56,000
40% of \$140,000 principal on Rec Building GO debt	
General Government – interest	25,844
40% of \$64,610 interest on Rec Building GO debt	
General Government bank service charges	350
Reduced based on actual	

“	General Government electric and gas	370
	Service to Breach Inlet “Welcome” sign	
	General Government maintenance and service contracts	16,000
	Trim and replace roadside palms as needed, streetprint (crosswalks) refurb/ads	
	General Government professional services	16,060
	SC DHEC water sampling costs, 50% of Parking Management Plan Phase III & IV	
	General Government capital outlay	40,000
	Replace wooden “Welcome” sign at Connector, 50% of fabrication of wayfinding signs	

Hospitality Tax Fund Expenditures

General Government debt service – principal	93,000
60% of FS#2 GO Bond principal payment	
General Government debt service – interest	65,237
60% of FS#2 GO Bond interest payment	
General Government capital outlay	42,000
Land improvements (parking and landscaping) at 1207 & 1301 Palm Boulevard, re-budget from FY13 for portion not completed by June 30	
Building Department print and office supplies	500
Costs of payment booklets, mailings, etc.	

State Accommodations Tax Fund Expenditures

Advertising	8,000
Reorder maps in larger size, camera-ready art for ads	
Professional services	15,500
50% of Parking Management Plan Phases III and IV	
Capital outlay	60,000
Replace 2 message boards (possibly w/computerized models), 50% of fabrication of way-finding signs	
Tourism promo “30%” costs to CVB	436,000
Based on anticipated collections	

Disaster Recovery Reserve Fund Revenue

Interest income	4,948
Annualized actual	

Disaster Recovery Reserve Fund Expenditures

Hurricane relief	60,000
Provision for relief team support, if needed	

Hurricane relief represents direction from City Council to be able to respond in a timely manner and without having to call a special City Council meeting.

B. Consideration of City Administrator’s 2013 Performance Objectives

Administrator Tucker directed the Committee's attention to the information included in meeting packets relative to the Administrator's 2013 Performance Objectives. Certain departments are staying with their objectives from 2012, while other departments have new objectives.

The Administrator's personal goal for the past couple of years has been writing an accounting manual for the City; this year, the goal for the Assistant to the Administrator is to assemble, synthesize, index and publish, with table of contents, the accounting manual.

The Public Works Department proposes to continue to document a service provided to residents accommodation them for special circumstances, i.e. unscheduled garbage pickup, debris, moving, etc., referred to as "raks," random acts of kindness.

Chair Thomas asked whether the City advertised that this service was available; Administrator Tucker stated that this type of activity is done after the normal day's work is completed, and the fact that it does happen has been communicated throughout the island via word of mouth. Staff also offers assistance when a resident calls with a request; it is an advantage of small town life that any City department assists residents when possible.

The Chair recalled calling Director Pitts for assistance, and the Director did not hesitate to say "get it to the curb and I will pick it up; if you cannot get it to the curb, my guys will help you." Chair Thomas said that the truck was at his residence in less than half an hour.

Councilmember Stone recalled that, when his wife had knee surgery, he called the Fire Department requesting their assistance in getting his wife into their elevated residence; they were met at their home by Fire Department personnel who carried his wife up the stairs and into their house.

Administrator Tucker voiced her opinion that people generally have a hard time asking for help because it make them feel helpless, but the City's services in that regard never make people feel helpless, which is wonderful. When departments are busy with their regular work, they give the resident an alternate time or day when they can assist.

Responding to the large number of burglaries on the island, the Police Department proposes to launch a personal property identification tagging and recording initiative which entails officers working with rental properties, placing an ID tag on items commonly stolen; the property serial number is recorded along with the make, model and item/property description in an effort to recover property if it is stolen.

The Building Department has also selected a new program where they will monitor MLS for new listings and send the listing agents an email containing all of the pertinent information in the City's files for their new listing, which could include elevation certificates, surveys, permits.

Based on the success of the initiative, the Recreation Department plans to continue its School's Out Activities, which consists of planned activities when school is not in session in the Charleston County School District; the activities utilize existing equipment and use staff that are

already at work. In 2012, the Department added "After School Pick-up Games" on Wednesday afternoons throughout the school year.

The Fire Department feels the need to continue to take proactive measures to educate and encourage the public to maintain situational awareness concerning their location in the event of an emergency; personnel will continue to promote the need to identify residential and commercial addresses by attending meetings and public activities.

As a personal goal for 2013, the Administrator will develop narrative accompaniment to the City's budget; it is felt that such a communications tool will improve citizen understanding and use of the budget.

MOTION: Councilmember Bettelli moved to accept the City Administrator's 2013 Performance Objectives as outlined; Chair Thomas seconded and the motion PASSED UNANIMOUSLY.

5. New Business

A. Review of Operating Budgets for General Government and the Building Department for FY14

Changes that are global to all departmental operating budgets are a three percent (3%) pool for performance-based increases to employees who are eligible, a six percent (6%) increase to health insurance effective January 1, 2014, and a five percent (5%) rate increase for property and liability insurance. The pool for merit increases effects payroll taxes, retirement and workers' compensation.

Only line items with a change from the current year will be highlighted in the minutes; copies of the budgets discussed are attached to the historical record of the meeting.

General Government

Debt service – principal	421,000
60% of Rec bond, 100% of PSB bond and 40% of FS#2 bond	
Debt service – interest	309,957
60% of Rec bond, 100% of PSB bond and 40% of FS#2 bond	
Meetings & seminars	7,800
Various MASC meetings, ICMA annual conference, SC City Managers Assn. meetings, Police re-accreditation hearing	
Electricity and gas	3,900
Reduced based on actual	
Telephone and cable	8,628
Includes 12 months of increase in Charleston County radio fee	
Water and sewer	2,000
Reduced based on actual	
Maintenance and service contracts	32,185
Increased based on actual	

Insurance	19,467
50% of property, liability and flood for City Hall; key employee bonds, rates with 5% increase	
Rents and leases	8,520
Reduced based on no offsite storage unit	
Employee training	10,000
Reduced based on actual	
Professional services	31,630
Increased for added volume of background checks	
Election expenses	2,500
Mayor and Council election for November 2013	
Miscellaneous & contingency	22,350
Increase for holiday party based on 2012 actual	

For FY14, the General Government budget increases four tenths of one percent (0.4%).

Building and Planning Department

Printing and office supplies	16,500
Increased to cover notification of change mailing and additional short season business license mailing if decision made to change business license due date	
Meetings and seminars	900
Increase based on actual	
Electricity and gas	3,900
50% of City Hall bill; reduced based on most recent 12 months actual	
Water and sewer	1,800
50% of City Hall water, sewer and irrigation, reduced based on most recent 12 months actual	
Maintenance and service contracts	6,000
Includes pest control, housekeeping, HVAC, City Hall generator, hurricane shutters; reduced based on actual	
Insurance	8,447
50% of property, liability and flood for City Hall; current rates plus 5% increase	
Professional services	11,000
Computer software support, flood letter, BOZA & Planning Commission legal orientation	

The FY14 budget for Building and Planning increases five percent (5%).

Judicial and Legal

Meetings and seminars	800
Reduced based on actual	
Telephone and cable	3,480
Reduced based on actual	
Maintenance and service contracts	3,800
Includes annual maintenance on new JEMS system	
Insurance	641
Current rates plus 5%	
Professional services	65,475
Increase based on additional work required of City Prosecutor previously done by Lt. Wright	

Councilmember Bettelli questioned that seventy-five thousand dollars (\$75,000) included in the Capital Expenditures for General Government for undergrounding of power lines was on the

correct line – Professional Services; Administrator Tucker stated she would check with the Treasurer.

B. Discussion of Estimated Reserve Requirements

Administrator Tucker directed attention to the schedule entitled *Estimated Reserve Requirements*. At the Real Property Committee meeting the previous evening, the Administrator had a couple of questions that needed input from the City Treasurer to answer.

One such question was that the replacement costs were determined a variety of different ways, as follows:

- Taking the original purchase cost and applying the inflation rate of two percent (2%) compounded over the life of the asset;
- If the purchase is imminent, a direct quote from a vendor; or
- An educated guess from the department manager.

As the City approaches a purchase year, the costs will be refined.

Also from the Real Property Committee, Councilmember Stone reported that discussion had occurred regarding the useful life and the fact that the City does, at times, get more than sixteen (16) years useful life from fire apparatus. On the other hand, situations do arise when equipment has to be purchase ahead of schedule which impacts the schedule negatively.

Administrator Tucker explained that Option 1, the lines highlighted in yellow, represents the pure method that is spreading the replacement cost of each vehicle equally over the year remaining until the scheduled purchase; this method results in huge peaks and valleys in cash on-hand. In Option 2, the lines highlighted in peach, the amount of annual savings is more level year-to-year, eliminating the extreme peaks and valleys. The numbers in blue represent the annual reserve to be budgeted each year for each department and combined; for FY14 for the Fire Department, the budgeted reserve needs to be three hundred fifty thousand dollars (\$350,000). The red numbers represent the years when money needs to be spent on those assets.

Factors not considered in the schedule are the interest earned on money held, the proceeds from the sale of assets as they are replaced and the savings in interest paid on equipment leases. The schedule does include a two percent (2%) annual inflation rate on replacement costs.

6. Miscellaneous Business

Next Meeting Date: 9:00 a.m., Wednesday, April 3, 2013 in the Conference Room.

7. Executive Session – not needed

8. Adjourn

MOTION: Councilmember Stone moved to adjourn the meeting at 10:13 a.m.; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk