

PERSONNEL COMMITTEE

11:00 a.m., Wednesday, May 4, 2016

The regular meeting of the Personnel Committee was held at 11:00 a.m., Wednesday, May 4, 2016 in the City Hall Conference Room, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bettelli and Ferencz, Chair Harrington, Administrator Tucker, Assistant Administrator Fragoso and City Clerk Copeland; a quorum was present to conduct business.

1. Chair Harrington 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 Ferencz moved to approve the minutes of the regular meeting of April 6, 2016 as submitted; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens' Comments – None**

4. **Old Business**

A. Review of FY17 Budgets

Administrator Tucker stated that she would be happy to answer any questions of concerns anyone had relative to any of the budgets, and that Draft 2 of the budget included the changes made to it at the workshop. It is also the budget on which the newspaper ad was based which announced the Public Hearing for the budget at 5:45 p.m., Tuesday, May 24th. Staff is proposing several changes to the budget for the Public Hearing and Second Reading; the changes will not affect the millage rate or a need for new fees.

Councilmember Ferencz commented that, at the workshop, Council had removed in excess of two hundred eighty-eight thousand dollars (\$288,000) from the budget, but in looking at Draft 2, the money was not removed from the budget but added to the projected positive net result to be added to the Capital Projects Fund at year's end. Therefore, the budget was not reduced, and she noted that it was done without the consent of Council.

The Administrator agreed and commented that, in doing so, it was consistent with past years. In addition, where the positive net result goes falls completely under the purview of City Council.

Councilmember Bettelli stated that, "based on the revenue is coming in, it cannot just hang out in space somewhere."

Councilmember Ferencz opined that there were other options available that Council did not discuss.

Councilmember Bettelli agreed, but said that the place for the discussion was Ways and Means; in the meantime, it is merely a placeholder. The money was removed from operating expenses as requested, and the money is still there.

The Administrator agreed that staff did not clarify with Council at the time the positions were removed from the budget that, based on prior Council action, staff recommended that the money should go into the Capital Projects Fund. The Administrator repeated that the only source of funds for Capital Projects is the positive net result left in the General Fund at year's end. By cutting the positions, the positive net result was increased to the point that the money needed to go somewhere or to cut things. The problem with cutting things would be that staff would have to make a judgment call on what services to reduce or not do. The Administrator also agreed that staff had not asked for nor received that direction; however, she reiterated that it was consistent with practice and it seemed to be the prudent thing to do. Administrator Tucker continued that the fund that is at the greatest risk now and that most needs the cash-in is the Capital Projects Fund.

Treasurer Suggs explained that if expense is removed but revenue stayed the same, the additional revenue would become a part of the positive net result; Council could reduce revenue by reducing the parking fees, as one (1) example.

Councilmember Ferencz asked whether the millage could be reduced since it had been increased last year.

Treasurer Suggs recalled that last year had been a reassessment year, because of the collectability factor, the City was not made whole, and Council voted to take the allowable CPI which closed the gap to flat a little more. Using the County's projections, the City will still come in less because of the rollback millage the City had at the end of last year.

The Administrator stated that there would be risk in taking an action to reduce the millage, because the City might not meet budget.

Councilmember Ferencz asked why Council went through the budgeting process each year if Council's reduction in expenses only means putting more money into the Capital Projects Fund. She remarked that, as soon as staff is confident in what the revenue will be and what the expenses will be when the bottom line is going to stay the same.

The Treasurer commented that the new police officers were included in Draft 1 of the budget but are not in Draft 2 and that the Police Department budget is lower in Draft 2.

Administrator Tucker concluded that the lesson here is that the staff should clarify, when items are removed from the budget and staff is faced with a situation like this, what they think is the prudent thing to do.

Councilmember Ferencz asked whether staff thought that the City has a million dollars (\$1,000,000) in Capital Projects that need to come out of that fund on top of a million dollars (\$1,000,000) being taken from others so that the Capital Projects budget is in excess of two million dollars (\$2,000,000) for one year.

The Administrator noted that there is a difference between having the money in that fund and spending it.

The changes proposed for the next version of the budget include the following:

- An increase of \$129,000 in parking meter revenue based on the increase of the hourly rate to \$1.50.
- Considering the possibility of either assuming responsibility of handling the City's own NPDES program or asking Mount Pleasant to do it, the City must have a third party assessment by an engineering firm to determine the state of the City's drainage system; staff has estimated an additional \$30,000 in expense.
- The NPDES improvements for the Public Works site have become much more complex since originally conceived; therefore, staff recommends approving a change order of \$10,500 to have bid assistance and construction oversight by Thomas and Hutton.
- Since the buildings and grounds person was eliminated from the budget, an idea gained from Mount Pleasant was to hire a construction company to assess the City's facilities and to generate a list of future maintenance issues for the City to address. The amount to be added to the budget is \$12,000, average \$2,000 per building.
- Based on conversations with the County, staff recommends adding back to the FY17 budget the cost of engineering and design for the public restrooms.
- The County has approached the City about two (2) Joaquin-related FEMA projects that would require the City to commit to paying the 25% match; one (1) is a cleanout and assessment of all of the City's drainage pipes costing the City \$159,000; the second is the replacement of the pipes crossing Ocean Boulevard between 4th Avenue and Breach Inlet for 25 % of \$58,000 per crossing with 8 crossings. The County's representatives for these programs will attend the Public Works meeting to explain the projects and to provide the costs.
- The Public Safety Committee voted to add back to the budget two (2) additional police officers.
- Based on experience this year, the vehicle maintenance for the Fire Department will be increased by \$10,000.
- Four (4) additional surveillance cameras will be added to the budget, the cameras will be deployed at the municipal lots, at the compactor (may be done in FY16) and at the IOP Water and Sewer Commission's property on Waterway that is being considered for marina employee parking. A camera, installation and technical aspects cost about \$1,700 each.
- Staff is also proposing a city-wide termite bond that will include coverage for Formosan termites.

Chair Harrington indicated that he wanted to talk about the human resources position; he recalled having asked the Administrator what she needed to run the City.

Following the Committee's directive, Treasurer Suggs has received a quote from ADP for performing the payroll function for the City, but the quote is based on eighty-eight (88) full-time positions and does not take into account the many part-time employees of the City. For information, the Treasurer reported that the City produced one hundred fifty (150) W-2s for 2015. The Treasurer took the ADP quote and extrapolated numbers to compute more realistic numbers based on a more accurate head-count and came to a Year 1 cost of seventeen thousand dollars (\$17,000).

Treasurer Suggs commented that she had asked for a bare bones quote and that she was unsure about the need or desire for the additional modules although a time and attendance software is a goal with the new financial software. Without knowledge of how robust the ADP time and attendance module was, the treasurer was unsure whether it could take the place of the module in any financial software the City decides upon.

From a conversation with her counterpart at Sullivan's Island, Treasurer Suggs learned that they had tried ADP, but their payroll person found that she was doing as much work and time preparing the data to go to ADP for them to process the payroll. On the back end, the information had to be manually keyed into the General Ledger because there was no interface. They determined that the service was not worth what they were paying ADP and brought payroll back in-house.

Looking at the other side of the City Clerk's position, the transcribing of minutes, Councilmember Ferencz said that she thought staffing agencies would have professional transcriptionists who are "lighting fast," leaving the Clerk only to review what has been transcribed.

Administrator Tucker reported that she had only received one (1) set of information in the time allotted, but she did want to point out the difference between transcription and minutes, i.e. transcription is word for word while minutes are taking people's words and describing the intent of what happened.

A transcriptionist that Mount Pleasant uses for Planning Commission minutes said that she would need the minutes, in addition to the recording, which does not solve the problem. When she works for Mount Pleasant, the Planning Commission members get the minutes and a copy of the transcription. The prices she quoted were seven dollars (\$7) per page of transcription; if she attends the meeting, in addition to the seven dollars (\$7) per page, she get thirty dollars (\$30) for the first hour and twenty-five dollars (\$25) for each subsequent hour of the meeting. This person reported that an hour of meeting produces about forty (40) pages when transcribed.

Minutes are something that clerks are trained on – what is necessary to be included, translation of motions, etc.; Clerk Copeland has had all of that training. Many City meetings last longer than an hour and she does not generate forty (40) pages of minutes.

Councilmember Ferencz stated that the position would add sixty-two thousand dollars in fixed costs and twenty-four thousand dollars additional in the first year for a total in FY17 of eighty-six thousand six hundred dollars (\$86,600).

Administrator Tucker said that the human resources function is becoming more and more complex as the state and federal government roll new programs and regulations; this person needs to be well trained and knowledgeable of these rules.

When asked what would happen if the Clerk were hit by a truck, Treasurer Suggs indicated that she was the backup on payroll, and the Administrator said that she has had clerks from other municipalities assist when the City Clerk has been unavailable. The Administrator said that she would check with staffing agencies to see if they had anyone qualified to do minutes for local government.

Despite wanting to give the City Clerk relief from her workload, Councilmember Ferencz said she could not add sixty-two thousand dollars (\$62,000) to fixed costs.

Councilmember Bettelli stated that he thought the Committee “was doing the residents a disservice when (we) cannot afford them the type of government and the type of services that they deserve.” He added that the City staff is an additional service to the residents.

Repeating Councilmember Kinghorn’s position, Councilmember Ferencz said she would rather see how Council could affect efficiencies before hiring additional personnel by having fewer meetings and other things to lighten the load. She opined that this position was not for the residents but for City Council and the Committees.

Councilmember Bettelli countered that everything staff does is for the residents.

Administrator Tucker reported that the last time staff was added to General Government was in 2008 for the Assistant to the Administrator, now the Assistant Administrator.

Chair Harrington agreed that Council and Committees should look at ways to be more efficient; he added that the Committee has to listen to the Administrator as she answers the question “What do you need to run the City efficiently?” The Chair indicated that he would support this position to have it debated in the Ways and Means Committee again. He opined that the reduction in overtime might make this position more affordable.

The Administrator commented that the overtime would only be reduced if efficiencies were found; the bulk of the Clerk’s overtime is spent on minutes.

Councilmember Ferencz asked how the tasks included in the Clerk’s job description would be accomplished if this position is not approved.

Administrator Tucker explained that was being done already; some members of the Building Department have assisted with minutes for shorter and less involved Committees. Once those minutes are done, Clerk Copeland must review them against her notes to ensure that nothing of import was overlooked. In addition, employees from other department have also helped out, for example, someone who is on light duty who has some administrative skills; this assistance is usually on special projects because access to personnel files must be closely monitored.

Chair Harrington noted that Chief Graham is currently handling workers’ compensation.

Councilmember Ferencz suggested getting more assistance from other employees on an overtime basis.

Chief Graham stated that workers’ compensation can become quite time consuming. Over the years, it has become more than submitting a form to the state; the Chief has become a patient advocate to get employees back to work, to find out why the worker’s compensation has been delayed, to get disability if necessary or to assist other departments with Family Medical Leave Act paperwork. The Chief strongly believes that this job should be handled by a human resources person, who would ensure consistency and protect the City and the employee.

According to the Administrator, any employee health records must be kept in separate files following the HIPPA regulations.

MOTION: Councilmember Bettelli moved to include the costs associated with the human resources position in the next version of the FY17 budget; Chair Harrington seconded and the motion PASSED on a vote of 2 to 1 with Councilmember Ferencz dissenting.

B. Discussion of outsourcing payroll, outsourcing transcription and calendaring fewer Personnel Committee meetings.

Since outsourcing has been discussed, Councilmember Bettelli suggested that the decision about the need for a meeting the subsequent month be made at each meeting.

The next duty of the Personnel Committee will be the selection of candidates for boards and commissions after the advertisement runs in August unless something unforeseen comes up.

Councilmember Ferencz stated that she had looked at the calendar and when the Committee always has something to do, such as the election of Chair in January. She suggested looking at the previous agendas to determine how many were necessary to be done at that time; she also suggested meeting every other month except at budget-time. The Councilmember said that she would prefer to look at the entire calendar to give time to plan; she wants all meetings to start no later than 4:00 p.m. She wanted to urge the other Committees to take similar action. She asked for staff assistance in reviewing a year's agendas to recommend which months the Committee would not meet, thereby eliminating three or four (3-4) meetings a year.

Chair Harrington also noted that some committees must meet every month.

C. Discussion of Compensatory Time

Chair Harrington opened the discussion commenting that, if by being more efficient, Council and Committees could reduce the demand on employees, they would accrue fewer hours of overtime and compensatory time.

Administrator Tucker distributed the City's policy on comp time as well as the policy from Charleston County; everyone she talked to reported that an employee cannot get any kind of payout on compensatory time. Compensatory time is available to those employees exempt from overtime to try to aid in giving some relief to the additional time for the job.

The Administrator confirmed that all exempt employees received compensatory time if they earn it. The federal Wage and Hour Laws govern who is exempt from overtime.

Councilmember Ferencz thought there was a salary or a title level that would eliminate compensatory time, but that is not how the City operates. She asked if this was common among the Administrator's peers, and the Administrator said that it was and some have contracts that define the terms of their employment.

Administrator Tucker's predecessor took every Friday off if he had earned sufficient comp time during that week.

Employees of the City earn comp time at different levels based on the demands of their job and take it for different uses, but it is used in lieu of vacation when so much compensatory time has built up. The Administrator opined that it is not unusual in state and local government.

Councilmember Bettelli said that he had gotten comp time when he worked with Bell South.

Councilmember Ferencz stated that, if an employee accrues vacation, when that employee leaves the position, he is paid for that accrued vacation time. If that same person earned comp time, he would be more likely to take a day of comp time rather than eight (8) hours of vacation time. She recalled having asked the Mayor about the Administrator's comp time and it was over two hundred (200) hours at the time.

The Administrator stated that she had earned twenty-nine (29) hours of comp time in April; she added that, if she attends a City function voluntarily, she does not accrue comp time, but if she goes because she has a duty or a concern about the event, she then accrues comp time. She only earns comp time when she works nights or weekends to meet deadlines or attending meetings after hours.

Councilmember Ferencz asked if comp time was budgeted, and Treasurer Suggs said that it was not. Comp time does not have a financial impact on the City.

Councilmember Ferencz then inquired about how comp time was taken – was it a day at a time or a week? The Administrator said it varies; Treasurer Suggs took her second maternity leave on comp time. The general understanding is that comp time will be taken within thirty (30) days when possible; Director Pitts has taken comp time to work at the fair; sometimes, Chief Graham will take a day to spend out on the water. Of City employees, the ones who would earn the largest number of hours would be the Administrator, the Assistant Administrator, the City Treasurer and, possibly, Chief Buckhannon, thus allowing them to take out chunks of time without having to take vacation.

Treasurer Suggs stated that the City does not budget for vacation because there is no financial impact on a forty (40) hours a week person; in the calculation for shift people, some extra is added to account the double time associated with filling the slot.

Chair Harrington indicated that he would work with the Administrator to determine which months the Committee should meet, and he suggested not holding another meeting until August.

Councilmember Ferencz said that she would not be available in August.

Administrator Tucker recommended a meeting early in September when the Committee will begin its deliberations over appointees to boards and commissions. The Committee agreed to hold its next meeting at 11:00 a.m., Wednesday, September 7, 2016.

Councilmember Ferencz asked if the Personnel Committee could make a recommendation to the chairs of other committees to consider looking at the calendar to determine if there are months when they would not need to meet.

Since the topic of fewer meetings was discussed at the last Ways and Means Committee meeting the other members of the Committee did not think it was necessary, and Councilmember Bettelli opined that the Personnel Committee should not be telling other committees what they should discuss.

Administrator Tucker suggested that the Chair include in his report at the Council meeting that, in an effort to streamline meetings, the Personnel Committee will be reducing the number of meetings it holds and encourage other committees to follow suit.

5. New Business

Discussion of a Change in Election Petition Policy

The Administrator reported that this concept came up during an election time with the City once before, and there was some advocacy that more people might decide to run for Mayor or Council if they only had to pay a filing fee and did not have to go door-to-door to gather signatures for petitions. Since it was election time when this subject was broached, it got very little traction. Since the City is not in an election year, it was pointed out that this may be the time to discuss it again.

Councilmember Ferencz suggested that someone who pays a one hundred fifty dollar (\$150) filing fee would be more likely to carry through the process where, in past years, people have picked up petitions, giving the appearance of running, but never turned in the petitions. She added that a candidate who wanted to get out and talk to the residents would do so.

Councilmember Bettelli recalled there have been times when a potential candidate became ill or was incapacitated in some way making getting signatures very difficult.

Clerk Copeland recalled a meeting she had attended with clerks from other municipalities and had learned that the Isle of Palms was the only one (1) using petitions to file for candidacy.

Councilmember Bettelli noted that the time to gather signatures is a very hot time of year.

Councilmember Ferencz commented that one is not allowed to go door-to-door in Wild Dunes.

Councilmember Bettelli stated that a filing fee might encourage more diversity in participation.

MOTION: Councilmember Bettelli moved to recommend to Council that the City replace Candidate Petitions with a filing fee; Councilmember Ferencz seconded.

When asked whether a filing fee might actually dissuade people from running, Administrator Tucker opined that it would not.

VOTE: The motion PASSED UNANIMOUSLY.

6. Miscellaneous Business

Next Meeting: 11:00 a.m., Wednesday, September 11, 2016 in the Conference Room

7. Executive Session – not needed

8. Adjournment

MOTION: Councilmember Bettelli moved to adjourn the meeting at 12:48 p.m.; Councilmember Ferencz seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk