

**PERSONNEL COMMITTEE**  
**CITY OF ISLE OF PALMS**  
5:00 p.m., Monday, April 7, 2008

The regular meeting of the Personnel Committee was held at 5:00 p.m. on Monday, April 7, 2008 in City Council Chambers of City Hall located at 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Chairman Piening, Councilmen Bettelli and Taylor, City Administrator Tucker, Treasurer Suggs, Assistant to the Administrator Dziuban and City Clerk Copeland.

1. **Call to Order** and acknowledgement that the press and the public were duly notified of the meeting in accordance with the Freedom of Information Act.

2. **Approval of Previous Meeting's Minutes – March 6, 2008**

**MOTION: Councilman Bettelli moved to approve the minutes of the regular meeting of March 6, 2008 as submitted; Councilman Taylor seconded and the motion PASSED UNANIMOUSLY.**

3. **Citizens' Comments - none**

4. **Old Business**

**A. Review of Ordinance for Transfer of Authority to Charleston County Board of Elections and Voter Registration for Municipal Elections**

Assistant to the Administrator Dziuban reported that the City Attorney has the sample ordinance in hand, but he has not yet completed his review. He had not yet communicated with the County attorney, and he has been deeply involved with the legalities of the beach renourishment project, which was the priority task.

Councilman Taylor reflected on the possibility that the City could face two (2) elections in 2008 if Mayor Sottile were to be successful in his campaign for the South Carolina House of Representatives. First there would be the election to fill the Mayor's seat; if a sitting member of Council were to run for Mayor and be successful, the City would need to hold another election to fill the Council seat according to the existing City Code.

**MOTION: Councilman Taylor moved that, if a vacancy occurs on City Council and that vacancy occurs within one (1) year of a regularly scheduled election, the vacant seat will not be filled; Councilman Bettelli seconded.**

Councilman Taylor commented that he felt that the City could function efficiently with a Council of eight (8) members without incurring the expense of a special election and that he would like Attorney Sottile to include this change in the City Code with the

Transfer of Authority ordinance. He added that he would like to see the size of the City Council reduced to five (5) or seven (7) persons.

Councilman Bettelli noted that he agreed with Councilman Taylor's suggestion on filling vacant seats; he related that the Personnel Committee had made the same change last year in terms of filling vacancies on City Boards and Commissions.

Administrator Tucker suggested getting a legal opinion on how local governments went about reducing the number of persons on the City Council assuming that it was something that the Committee was interested in researching. Councilmen Taylor and Bettelli said they would like the information.

**Call for the Question: The motion PASSED on a vote of two (2) to one (1); Councilman Piening cast the negative vote.**

**B. Review of FY 2008-2009 Capital and Operating Budgets for General Government, Building and Judicial Departments**

Administrator Tucker began her comments by stating the universal changes that were in the "pink" version of the budget; they were as follows:

- Salaries were stated as bringing all personnel up to the minimum Archer recommendation and adjusted based on the March 18 longevity approach with the addition of the City's usual 2% average merit increase and 2.9% COLA.
- The change in salaries created changes in FICA, Retirement, LTD and Workers' Compensation expenses.
- All property insurance figures had been increased due to the re-appraisal of the City's properties.
- *Telephone and Cable* have been increased to include the Charleston County fee.
- *Water and Sewer* increases resulted from an increase from the provider.

General Government

The Administrator continued stating that debt service reflected the addition of the financing of the Public Service Building. *Membership and Dues* increased because the Administrator felt it would be beneficial for the Assistant to belong to some of the same organizations to which she belonged. In addition to the Charleston County radio fee, the *Telephone and Cable* expense included one (1) wireless card for the Administrator to assure her access no matter where she happened to be and for use after a storm event. The other increases were the same that had been discussed previously.

Councilman Taylor asked if the City had gotten a better idea when the Charleston County radio fees would go into effect; Chief Graham answered that she anticipated them to begin in late November or December 2008.

In addition Councilman Taylor wanted to know what if *Advertising* would possibly decrease since the majority of large projects for the City had been bid. Administrator Tucker responded that the bulk of the *Advertising* expenses were employment ads and public notices to meet state requirements.

Councilman Taylor also asked if there were a way to get the recodification invoicing into the current fiscal year; the Administrator stated that she would do what she could to accomplish that.

Another question posed by Councilman Taylor was if the off-site storage could be eliminated once the Police Department moved into the Public Safety Building. Administrator Tucker reminded the Councilman that there would be no renovations to City Hall until the Public Safety Building was completed, and that would be in FY 2009-2010.

The General Government Capital Budget began on page 36; the items listed on this budget were the same as presented previously. The Administrator remarked that there was a real need for the City to have electronic signs at the Connector and at Breach Inlet, but the need was not time sensitive and could be postponed to the next fiscal year.

*Bonded Debt Service – Principal and Interest* are described on page 41; since the Public Service Building contract has not yet been awarded, the principal and interests amounts were estimated at \$8.3 million. Administrator Tucker asked that the Personnel Committee members spend some time studying the funds from which all payments were to be paid and to notify her if they disagreed in any way.

#### Building Department

The expenditures were the same as presented previously for both the operating and capital budgets. Councilman Piening questioned that the Building Department was budgeted \$8,652 for *Telephone and Cable*; the Administrator explained that the figure includes cell phones, telephone, internet and the department's share of the City's T1 line.

#### Judicial Department

The operating and capital budgets presented are the same as offered previously. Councilman Piening asked why the *Employee Training* line was five thousand dollars (\$5,000) for such a small department. Administrator Tucker explained that this expense

would cover continuing education for Judge Harper to maintain her certification; the cost of the courses had previously been paid by the County when she was their employee. In the event that the estimate was inflated, the Administrator agreed to seek confirmation of the cost of the required training.

Administrator Tucker directed the Committee to Page 1, *Revenue*, to the changes that had been made. At the bottom of Column G, she stated that, as in the past, two (2) Beach Services Officers would be paid from Municipal Accommodations taxes, but also this fiscal year, two (2) Beach Service Officers would be paid from Hospitality taxes. Since the multiple weekly trash pickups were tourist driven, the staff decided to fund temporary labor for the Public Works Department through Municipal Accommodations Fees as well. These changes added sixty-four thousand dollars (\$64,000) to revenues for the City.

## **5. New Business**

### **A. Consideration of Really Simple Syndication for website**

Administrator Tucker explained that the City was continually refining its website delivery to satisfy its customer base and that the RSS system was a way to alert subscribers every time the E-newsletter was updated through an e-mail notice to the subscriber; the cost of implementing the system was two thousand dollars (\$2,000). In response to Councilman Piening's questions about the customer base, Assistant Dziuban stated that there were approximately four hundred seventy (470) subscribers to the E-newsletter and that there was no way of knowing where the subscribers resided. When it was noted that even a spelling correction to the E-newsletter would trigger an alert to subscribers, the Committee agreed that the system was not worth two thousand dollars (\$2,000) in added valued to the City.

Assistant Dziuban responded to Councilman Taylor that she would check with VC3 to determine how many hits the website was getting.

### **B. Development of Compensation Plan for Submission to City Council**

Administrator Tucker remarked that Archer had done their work for the City, and the staff had integrated a portion of that study into the FY 2008-2009 budget, so it was now up to Personnel Committee and City Council to give further direction on compensation, including City Council and Mayor. Treasurer Suggs explained that the salary amounts included in the "pink" budget were calculated taking all employees to the minimum salary recommended by the Archer study, adding in the longevity factor discussed at the March 18 meeting, the 2% average merit increase and 2.9% COLA.

The Administrator commented that the salaries as presented currently - based on the March Archer presentation - were affordable in this fiscal year, but that did not speak to the City's circumstances next year or in years to follow.

In response to Councilman Taylor's request, Administrator Tucker explained that the "pink" budget did include an increase per the Consumer Price Index amount; she stated that she had communicated to Councilman Taylor that the only way not to have the CPI allowed millage increase would be to do further reductions to salaries because there was no other place to capture that money. She stated her understanding of the state law allowing for the CPI increase as one where there were expenses that local governments incur that were not controllable, i.e. fuel costs, health insurance, so the CPI allowed millage increase was designed to help local governments absorb those types of expenses.

Regarding the Compensation Study, Administrator Tucker remarked that it was one step in making the City more stable regarding the competition it faced from neighboring communities and the general market in which the City operated. She continued that there was an expense to the City in staff turnover; this expense was in addition to advertising, hiring, training, uniforms - there was an expense that hurt the City's credibility the most when there was employee turnover in that service delivery suffered. The longer the City could keep good people, the more they could be molded to be giving a service delivery that was at the level this City wanted, demanded and expected.

When asked by Councilman Piening how many people had been lost in the last year, the Administrator responded that she could get that data, but she could tell him departmentally where the City suffered. There has been turnover in CDL drivers for Public Works; there was always a high level of demand for these persons because of the high level of standards the job required for what they were paid. Telecommunicators/dispatchers for the Police Department was another position that has had a high degree of turnover that appeared to be systemic with that type of work. Lower level police and firefighters were other areas of concern.

Councilman Taylor stated that the City wanted to have the best employees, and to accomplish that the City must be competitive with its pay. He noted that the City needed to have the big picture of where it would be in five (5) years.

Administrator Tucker clarified for the Personnel Committee that the "pink" version of the budget did not include the twelve (12) additional firefighters that had been requested by the Fire Chief. She related that the reason they had been removed had nothing to do with the need, but rather the fact that they were not affordable in this budget year with

the constraints the City had within the budget, some of which were anticipated and some that were not. Another factor was that state law would not allow for enough of a millage increase this year to support that many new personnel which meant that the City Council would have to pass a deficit budget, then next year increase the millage to make up for the deficit from the prior year.

Councilman Bettelli asked where the City would stand in comparison to surrounding areas if the Committee were to recommend the adoption of the Archer plan. The Administrator said she would get that information for him.

Councilman Piening expressed his concerns that the Archer study did not consider benefits in its calculations and that the comparisons were with other governmental agencies, no private sector included.

Councilman Taylor expressed his opinion that comparison communities should be within the area from which the City was likely to draw employees, maybe a fifty (50) miles radius. He did not think that information from Columbia, Myrtle Beach or Augusta were relevant to the Isle of Palms. He stated that one of his more serious concerns was to have less experienced employees move ahead of the more experienced; Administrator Tucker commented that she believed that the Archer study as presented March 18 addressed that issue and prevented such occurrences.

Councilman Bettelli referred to the fact that both merit increases and the COLA were included in the budget; he questioned that these increases were considered in Archer's study. In response to Councilman Piening's question, the Administrator noted that all employees receive the COLA increase; the percentage increase for merit was based on the department manager's evaluation and range from zero to a maximum of three percent (3%).

Councilman Taylor remarked that he would like for the City to consider going to merit increases alone to encourage and recognize those employees who truly work hard. Administrator Tucker commented that municipalities that did not provide their employees with COLA increases had a much higher merit base and that frequently the net effect on the budget was the same with either system. Some communities use a step system based on longevity that considered neither merit nor COLA.

The Administrator stated that there should be some change that kept the City competitive but also allowed it to retain employees; the decision needed to be made as to what that change was going to be – the Archer guide, which the City paid for, or some other recommendation from the Personnel Committee.

Councilman Taylor noted that the challenge for the Personnel Committee was to do the right thing for everyone – the employees and the voters. He asked Administrator Tucker what she thought was the best answer, and she responded that her answer was represented in the budget before the Committee. He then asked her what the next step would be; she answered that, next year when the budget was being built, the next component of the Archer study would be implemented. Councilman Piening agreed that the next several steps in the process were spelled out in the Archer study with the fiscal impact noted.

**6. Miscellaneous**

Next meeting date: 5:00 p.m., Tuesday, May 13, 2008.

Administrator Tucker explained that the deadline for the Public Notice on the City's budget was drawing near, so it may be necessary to report information based on this budget. She added that advertising at the level presented in this budget did not commit the City in any way, but the final budget may not be higher than advertised. She did note that only the General Fund portion of the budget was included in the numbers in the advertisement since this portion was the only portion that affected the millage.

**7. Adjourn**

**MOTION: With no further business to come before the Personnel Committee, Councilman Bettelli moved to adjourn the meeting at 6:18 p.m.; Councilman Taylor seconded and the motion PASSED UNANIMOUSLY.**

Respectfully submitted:

Marie Copeland  
City Clerk