

TOWN OF SULLIVAN'S ISLAND, SOUTH CAROLINA
ADMINISTRATION COMMITTEE OF COUNCIL
MINUTES

Tuesday, May 12, 2015

A meeting of the Administration Committee of Council was held at 4:00 p.m., Tuesday, May 12, 2015 at Town Hall, 2050-B Middle Street all requirements of the Freedom of Information Act having been satisfied. Present were Committee members: Council members Jerry Kaynard (Chair) and Susan Middaugh; Staff Administrator Benke, Asst. to Administrator/Human Resources Darrow and Comptroller Blanton.

I. Call to Order. Chair Kaynard called the meeting to order, stated the press and public were duly notified pursuant to state law and Committee had a quorum (Mary Jane Watson absent). Chair Kaynard welcomed Council member elect Sarah Church to the meeting (no other audience or press present).

II. Health Insurance - Update

Asst. to Administrator Darrow:

- Town continues to participate with SC Employee Insurance Program/PEBA (SCEIP) to provide employee health insurance products. This is the SC State health/medical insurance program for state employees.
- SCEIP continues to function under a “grandfathered” status with regard to the PPACA (Affordable Care Act). Two consequences of the grandfathered status:
 - SCEIP flagship policy, the Standard Health Plan (SHP), does not provide for all the preventive care benefits mandated under the Affordable Care Act, namely free wellness screenings for adult subscribers.
 - SCEIP has not changed the employee/employer premium share percentage in the past two years.
- Town continues to provide benefits that supplement the SCEIP plan, on a reimbursement basis: wellness screening reimbursement (employee and spouse) and deductible reimbursement (employee pays first \$200 of annual deductible). These reimbursement benefits do not accrue for employees and are on a “use/lose” basis each calendar year.
- Town continues to offset the employee health insurance expenses and a portion (up to 50%) of the employee’s dependent medical premium, depending upon the premium share cap prescribed by SCEIP for all participating members.

Comptroller Blanton noted the Town has budgeted for an approximately 5% premium increase for FY15-16, based upon preliminary rate information from SCEIP. Asst. to Administrator Darrow clarified that, in the fall, SCEIP traditionally announces premium rate increases for the upcoming Plan year (Jan-Dec), employer/employee prescribed premium cost shares and the experience modifier surcharge for local subdivisions.

III. Pending Projects - Recommendations

Chair Kaynard distributed to the Committee a summary of pending projects that have fallen under the Administration Committee in the past (**Exhibit A**). He suggested it would be helpful for the Committee to provide historical information in these minutes for future Committee members. The Committee reviewed Chair Kaynard's list (Exhibit A):

Pending Projects - Recommendations

1. CONTINUING ARCHIVING OLD RECORDS AT OLD TOWN HALL
2. TOWN COMMUNICATIONS PLAN
 - A. ANNUAL SURVEY OF RESIDENTS ON PRIORITIES
 - B. ESTABLISH RESIDENT COMMUNICATION LINKS
 - C. TV BROADCAST OF TOWN COUNCIL MEETINGS
 - D. PUBLISH ALL COUNCIL MEETING DOCUMENTS ON WEB
 - E. QUARTERLY TOWN HALL MEETINGS

Committee noted #2C really refers to multi-media broadcast of Council meetings (i.e. internet video streaming)

3. ANNUAL EMPLOYEE APPRECIATION DAY

Chair Kaynard noted Council has awarded an additional employee holiday in the past few years, but it has not been formalized in the Town's personnel code/manual. The Committee noted an Employee Appreciation Day has been awarded in early summer (June) or around Independence Day in the past.

4. OUTSTANDING EMPLOYEE QUARTERLY AWARDS

5. CONTINUE DEPARTMENT HEAD ANNUAL EVALUATIONS AND ALL EMPLOYEE WRITTEN ANNUAL EVALUATIONS

Chair Kaynard noted evaluations were distributed to Department Heads earlier in the year and employee written evaluations are due by June 2015.

6. CONSIDER ANNUAL MERIT BONUS FOR OUTSTANDING EMPLOYEES WITH BUDGET AMOUNT SET ASIDE FOR THIS PURPOSE

Chair Kaynard provided an explanation of this concept:

- Merit bonus category as a one-time payment;
- Salary is not increased by bonus amount;
- Merit bonuses would be awarded if a pool of personnel related funds across departments became available;
- Department heads would nominate employees; Administration Committee and Administrator review candidates for award consideration.

Council member Middaugh stated she usually prefers employee salary increases because the retirement pension is tied to the employee's highest earned salary; however, she generally supports finding ways to reward meritorious employees.

Chair Kaynard noted the Town primarily adjusts salaries across-the-board for cost-of-living increases. This initiative would be a mechanism to provide additional merit awards without burdening the Town with higher salaries subject to cost drivers such as employer contributions to retirement plans and withholding taxes.

7. CONSIDER RELEASE OF TREE SURVEY TO THE PUBLIC

Chair Kaynard noted the Town needs to pursue ways for the Protected Land tree survey to get accessed easily by residents, preferably online as opposed to coming into Town Hall. This initiative would be in furtherance of Town communications/outreach.

8. CREATION OF HISTORICAL COMMISSION AND ARCHIVIST

9. CREATION OF ORIENTATION AND TRANSITION PLAN FOR NEW COUNCIL MEMBERS

10. CONSIDER INCREASE IN PUBLIC COMMENTS AT COUNCIL MEETINGS FROM 20 MINUTES TO ONE HOUR AT QUARTERLY MEETINGS

Chair Kaynard noted that, should the Town not pursue a Town Hall format each quarter, he would recommend extending the public comment time from 20 minutes to 1 hour during a Town Council meeting once each quarter.

11. HOLD ANNUAL PLANNING RETREAT FOR TOWN COUNCIL IN JANUARY OF EACH YEAR

Committee discussed the value of having an annual planned retreat for Council. Administrator Benke submitted the retreat should be scheduled for November or December to allow for funding of initiatives/strategies in the next fiscal year budget process.

12. CONSIDER DESIGNATION OF EXISTING TOWN EMPLOYEE AS DIRECTOR OF RECREATION

Committee discussed the current role the Recreation Department has in the Town's structure and funding priorities. Chair Kaynard noted that Fire Chief Stith handles a number of recreation activities for the Town, but the Town does not have a designated person to manage and prioritize the recreation department and its budget. He submitted that, as a result, funding of Recreation Department expenses is usually at the end of budget consideration.

Administrator Benke noted that the Town does not have Recreation Department staff. Chief Stith, serving as head of the Maintenance Department, arranges for maintenance staff to conduct

set-up and tear-down for Town Recreation related events. Multiple Town personnel share the duties related to the planning and coordination of new or recurring recreation related activities and recreation facilities.

Committee members remarked that the Recreation Committee of Council Chair, Mary Jane Watson, performed much of the work in coordinating various community recreation events (i.e. golf cart/bicycle parade, St. Patrick's Family Park Day, etc.)

Chair Kaynard submitted it is not the Administration Department's role to manage the budgeting decisions for recreation related items. He noted the process for the Recreation Department budget is weak and could be strengthened.

Administrator Benke suggested Council should define the role of the Recreation Department, its priorities and goals. He submitted that different people define the Recreation Department as various things, some being:

- Town recreation equipment (lights, courts and nets)
- Youth sports and structured, rented access to fields and equipment
- Community related activities and events (Independence Day events, Valentine's Day cards for youth, St. Patrick's Day family fun, etc.)
- All of the above and even more

The Committee noted that a discussion of the Recreation Department's mission, priorities and goals is in order and ideally should be included on the agenda for the Council Retreat on Wednesday, May 27, 2015.

13. CONSIDER ANNUAL PUBLIC SAFETY FIRST RESPONDERS HOLIDAY BONUS IN DECEMBER OF \$750.00 PER EMPLOYEE WITH ALL OTHER TOWN EMPLOYEES RECEIVING \$250.00 HOLIDAY BONUS

Chair Kaynard suggested that a one-time holiday bonus for staff is provided for many municipalities, often at the holiday season. He noted a bonus would not be subject to retirement withholding and not included as an increase in an employee's base salary. Chair Kaynard noted that Comptroller Blanton estimates a \$750 bonus for public safety first responders and \$250 bonus for other Town employees would cost the Town approximately \$21,261.

Committee discussed the personnel budgets for departments, and, how most departments have unfilled positions at some point in the year. These vacancies result in unexpended salaries. Chair Kaynard suggested that Council could award a holiday bonus at its discretion should funds become available.

MOTION: Chair Kaynard made a motion to recommend to Council to consider awarding an annual holiday bonus in December of \$750/employee for Public Safety/First Responders and \$250/employee for other regular Town employees, subject to availability of funding; seconded by Council member Middaugh. MOTION UNANIMOUSLY PASSED.

14. RECOMMENDATIONS TO TOWN COUNCIL DECEMBER 18, 2012

Chair Kaynard noted Council should prioritize Preventive Care/Wellness Committee activities, particularly as the Town funds a wellness reimbursement to employees.

A. Preventative Health Care Program

Staff continues to develop a Preventative Health Care Program with the assistance of the Municipal Association and models of other municipalities. In addition, the Committee recommends incorporating several health related activities:

- Plan an annual activity day for members of Council, employees, members of Boards and Commissions that would include friendly sports competition.
- Incorporate a program that monitors, assesses and rewards safe weight loss.
- Sponsor an Island run or walk for Council, employees, members of Boards and Commissions.
- Incentivize participation in at least 3 run or walks per year for employees and Council.
- Hold an annual Council reception which will recognize outstanding Council, employee and Board member healthy lifestyle.

B. Annual Employee Reviews

The Administrator reported that reviews will begin in March. Department Heads will be reviewed by the Administrator and staff will be reviewed by Department Heads. The process will conclude by mid-April for the purposes of budget planning.

The Committee will ask that the Administrator include in each review a section for areas of improvement and goal setting for the following year. Additionally, the Administrator should counsel each department head to write an objective review.

C. Employee Service Awards

A number of employees reached milestones in 2012. The Administrator reviewed the categories and discussed the employee service pin program. The Committee additionally recommends establishing a "Know Your Employee Program" where a brief biography will be written about each person and distributed through the water bills and posted on the website. Additionally, the new Town Hall will have a display of employee photographs.

D. Employee Appreciation Date

The Committee recommends that the recently discussed day off for employee appreciation on **December 31**, 2012 be affirmed by a vote of Council and that the Mayor, **Chairman of Personnel Committee** and Administrator prepare a letter of appreciation to each employee.

Asst. to Administrator Darrow provided a brief report on the Town's health insurance and medical benefits program. Highlights of State Employee Insurance Program (SC EIP):

- SC EIP remains "grandfathered" out of the Affordable Care Act changes through 2015. Therefore benefits to the existing medical benefit plans will not substantially change.

- Town's anticipated premium increase will be approximately 6%, including a 1% load factor subsidy SC EIP may charge to participating local subdivisions.
- SC EIP mandates no increase to the employee's share of premium costs. Employer share will increase by approximately 6%. Employee deductibles and co-pays increase slightly (deductibles increase \$20-40/year depending upon dependent coverage).
- SC EIP recently announced coverage for same-sex marriages, opening a special enrollment for qualified subscribers.

IV. Executive Session – Personnel Matters

Chair Kaynard noted the Committee needed to meet in executive session to discuss two personnel matters.

MOTION: Council member Middaugh made a motion to go into executive session; seconded by Chair Kaynard. MOTION UNANIMOUSLY PASSED.

Committee sequestered for executive session at 4:48p.m., returning at 5:10p.m.

Chair Kaynard noted the Committee was back in open session and no decisions or votes were made in executive session.

MOTION: Chair Kaynard made a motion to recommend to Council the promotion of Amanda Hawver to Lieutenant (Fire Department) with a five (5%) percent salary increase; seconded by Council member Middaugh. MOTION UNANIMOUSLY PASSED.

MOTION: Council member Middaugh made a motion to recommend to Council to advertise and fill a vacant engineer position in the Fire Department; seconded by Chair Kaynard. MOTION UNANIMOUSLY PASSED.

There being no further business, the meeting was adjourned at approximately 5:13p.m. (Council member Middaugh motioned; Chair Kaynard seconded; unanimously passed).

Respectfully submitted,
Jerry Kaynard, Chairman
Administration Committee

Approved by the Administration Committee, as presented, at the September 9, 2015 with the notation that two of three committee members were not on this Administration Committee or Town Council on the May 12, 2015 meeting

EXHIBIT A

ADMINISTRATION COMMITTEE
MAY 12, 2015

Prepared by Chair Jerry Kaynard

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