

Camden County Board of Commissioners
BOC - Work Session
April 4, 2016
3:00 PM
Historic Courtroom, Courthouse Complex
Camden, North Carolina

MINUTES

The regular meeting of the Camden County Board of Commissioners was held on April 04, 2016 in the Historic Courtroom, Camden, North Carolina. The following Commissioners were present:

CALL TO ORDER

Vice Chairman Garry Meiggs called the work session to order at 3:10 PM.

Attendee Name	Title	Status	Arrived
P. Michael McLain	Chairman	Late	3:15 PM
Sandra Duckwall	Commissioner	Present	
Garry Meiggs	Vice Chairman	Present	
Clayton Riggs	Commissioner	Present	
Tom White	Commissioner	Present	
Michael Renshaw	County Manager	Present	
Angela Wooten	Clerk to the Board	Present	
Stephanie Humphries	Finance Director	Present	

I. POLICY AND PROCEDURE

- A. Finance, Investments, Travel

II. BUDGET INDICATIONS

- A. Revenues
- B. Expenses/Salary Requests
- C. Pay for Performance Proposal

PERFORMANCE PAY PROPOSAL

**HUMAN RESOURCES DEPARTMENT
& FINANCE OFFICER**

May 24, 2016

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I. Introduction

The last Pay for Performance offered was in 2003. With little room for advancement within the county, it is important to build a structure to incentivize employees to perform to their highest potential. Currently, the pay system is widely based on an aging pay study where staff starts employment at a minimum salary and are only rewarded for years of service through an annual longevity payment with no incentive or reward for satisfactory or above satisfactory performance. This creates a phenomenon known as “salary compression”. Our current annual performance evaluations easily lend a fair and objective rating system to rely on for the pay for performance system.

In addition to providing an incentive to improve performance, this system would unify pay options. We have inconsistency through the 2% certification provided only to the water system employees and the Career Path Plan only provided for Sheriff Deputies. No pay incentive is available to other employees within the County which affects employee morale.

II. Reasons for Proposal

1. Pay For Performance

- Pay is heavily based on longevity with no reward for performance

2. Employee Morale

- Fair and Equitable Compensation amongst staff

3. Employee Retention

- Lack of room for advancement may result in loss of competent and qualified staff and added costs to train their replacements

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III. Assumptions

1. Proposal should be affordable for County with little to no impact on citizens (no tax increase)
2. Proposal should reward performance (increase productivity)
3. Proposal should consider market compensation (counties of equal size, access to comparable jobs/applicants in the area)

IV. Outcomes

1. Provide 2 to 3 options for consideration; include a Baseline (standard COLA)
2. Provide cost for each option

A. OPTIONS**Baseline: (\$104,983)-Our Current Annual Cost**

1. Longevity not changed (\$40,179)
2. Standard COLA (2%) (\$64,804)

Option 1: (\$87,217) -A reduction to our Current Annual Cost

Adds Performance Pay with no change to Longevity

1. Longevity not changed (\$40,179)
2. Include increases to allow pay for performance (\$50,394)
3. Include COLA (\$64,804)
4. Savings on Health (\$68,160)

Option 2: (\$68,385) -A reduction to our Current Annual Cost

Adds Performance Pay and changes automatic Longevity to Performance Based

1. Longevity now performance Based (\$21,347)
2. Include increases to allow pay for performance (\$50,394)
3. Include COLA (\$64,804)
4. Savings on Health (\$68,160)

Option 3: (\$36,823)- A reduction to our Current Annual Cost

No changes with savings on Health Care

- | | | | |
|----------------------|------|---------|------------|
| 3. Longevity | not | changed | (\$40,179) |
| 4. Standard | COLA | (2%) | (\$64,804) |
| 5. Savings on Health | | | (\$68,160) |

V. Management Discussion

While we have provided several options, we believe that the County should move to a pay for performance system with a tier for longevity (Option 2) that is also based on performance not just years of service. As stated, our current annual performance evaluations easily lend a fair rating system to rely on for the pay for performance system. We believe that this would be a positive addition to our current pay system that is separate from the need for an annual COLA.

The cost to the county would be minimal when taking into consideration the reduction in the standard Longevity payment and a reduction in our current health care costs utilizing the current 70/30 health plan. We would actually be looking at a reduction to overall cost in the salaries and health insurance line items. We also suggest the Pay for Performance not be annual but on a three year basis. Employees can only move up to the full percentage but could not get a compounding percentage each year.

The benefits to the county include creating a fair and equitable reward system for employees. The result has proven to be increased productivity and higher employee satisfaction.

VI. Tables

Performance Pay		Longevity: Performance Based		Longevity Schedule	
Rating	Increase	Rating	Longevity %	Years	Longevity
1.00-1.99	0%	1.00-1.99	0%	25	3.0%
2.00-2.24	0%	2.00-2.24	50%	20	3.0%
2.24-	1%	2.24-2.74	50%	15	2.5%

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2.74					
2.75-	2%	2.75-2.99	75%	10	2.0%
2.99					
3.00-	3%	3.00-3.24	75%	5	1.5%
3.24					
3.25-	4%	3.25-4.00	100%	3	1.0%
4.00					

VII. Example**Employee 1:** \$30,000 per year with 5 Years of Service**Current:**

Year 1: Performance Rating (2)
 $\$30,000 + \text{COLA \& Longevity} =$
 $\$30,000 + \$600 + \$450 = \$31,050$

Proposed:

Year 1: Performance Rating (2)
 $\$30,000 + \text{PP} + \text{COLA \& Longevity} =$
 $\$30,000 + \$300 + \$600 + \$112.50 = \$31,012.50$

As you can see, the difference is not significant but gives the employee an incentive to get a better rating next year (our goal) which would increase the Performance Pay and the Longevity Payment.

Current:

Year 2: Performance Rating (2.5)
 $\$30,600 + \text{COLA \& Longevity} =$
 $\$30,600 + \$612 + \$468.18 = \$31,680.18$

Proposed:

Year 2: Performance Rating (2.5)
 $\$30,900 + \text{PP} + \text{COLA \& Longevity} =$
 $\$30,900 + \$618 + \$618 + \$231.72 = \$32,367.72$

VIII. Implementation**Implementation Options: 3 year Plan vs. Annual Plan****1. 3 year plan** uses a 4% Performance Pay incentive. **(\$68,385 16-17)**

Employees Performance Pay can go up with improved performance but will not receive an annual increase on top of the previous year's performance pay increase. The Performance Pay Plan will be reviewed in 3 years for cost and effectiveness. Employees who fall in performance will also fall in pay. Employees exceeding performance requirements get higher pay increases.

Maximum Cost: \$127,879 maximum over 3 years/Expect \$90,000 3yr max.

2. Annual Plan uses a 2% increase to all employees at a rating of 2 or better. Below a 2 gets no increase, above 2 gets full 2% annually. **(\$88,453 16-17)**

Doesn't allow for incentive to improve above meeting standards but does give incentive for anyone below standards to improve. Also doesn't reward high performing staff. This plan would provide 2% annually for any staff meeting performance requirements.

Maximum Cost: \$191,817 maximum over 3 years/Expect \$154,890 3yr max.

Notes: Only Full Time and Part Time-Non-Varied employees qualify for the incentive pay. Part-Time-Varied employees and those on probation do not qualify for the incentive.

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III. BOARD SALARIES

A. Board Salaries

Resolution No. 2016-02-02

**A RESOLUTION OF THE
CAMDEN COUNTY BOARD OF COMMISSIONERS TO AMEND
SALARIES AND COMPENSATION FOR VARIOUS BOARDS AND
COMMISSIONS FOR FISCAL YEAR 2015-2016**

Whereas, the Camden County Board of Commissioners desires to provide reasonable compensation for service on various boards and commissions of the County;

Now, Therefore, Be It Resolved that the Camden County Board of Commissioners meeting this 1st day of February 2016 in Camden Village, Camden County, North Carolina does hereby amend the following salaries and compensation for the stated boards and commissions for the period beginning January 1, 2016 and ending June 30, 2016 (FY2015-2016),

Section 1: BOARD OF ELECTIONS

Chairman	Meeting compensation \$50 for meeting with Board. \$50 per day for Election Day, canvass day, and instruction day plus mileage.
Board Members	Meeting compensation \$40 per meeting with Board. \$40 per day on Election Day and canvass day plus mileage.
Chief Judge	\$40 per day for instruction day and canvass day plus mileage. \$150.00 per day for Election Day plus mileage. \$20 for pick-up day.
Judges	\$20 for instruction day. Election Day at \$120.00 per day.
Assistants	Election Day at \$100.00 per day. \$20 for instruction day.

Section 2: BOARD OF COMMISSIONERS

Chairman	\$550.00 per month plus mileage.
Vice-chairman/ Board Member	\$525.00 per month plus mileage

Commissioners shall receive a payment of \$150.00 per day for any meeting or day for travel to/from meeting, lasting more than four hours and out of the county (35 mile radius of the Courthouse). Special meetings and budget work sessions in addition to the two regularly scheduled Board of Commissioners meetings will be compensated \$75 and up to \$75 for attendance at other board meetings that they have been appointed to and not already compensated for by those boards.

Section 3: PLANNING BOARD AND ZONING BOARD OF ADJUSTMENTS
\$30.00 per meeting plus mileage.

Section 4: SOCIAL SERVICES BOARD

Chairman	\$35.00 per meeting plus mileage.
Board Members	\$30.00 per meeting plus mileage.

Section 5: ALBEMARLE COMMISSION APPOINTMENT
\$30.00 per meeting plus mileage and meal if required.

Section 6: AGING ADVISORY COUNCIL
\$30.00 per meeting plus mileage and meal if required.

Section 7: RECREATION BOARD
\$30.00 per meeting plus mileage.

- Section 8: JURY COMMISSION
\$ 7.25 per hour for hours worked compiling jury list.
- Section 9: ECONOMIC DEVELOPMENT BOARD
\$30.00 per meeting plus mileage.
- Section 10: SENIOR CENTER BOARD
\$30.00 per meeting. No travel
- Section 11: LIBRARY BOARD (Added 9/3/13)
\$30.00 per meeting. No travel
- Section 12: AGRICULTURAL ADVISORY BOARD (Added 9/3/13)
No Compensation
- Section 13: MILEAGE REIMBURSEMENT
Mileage will be reimbursed at the rate established by the Federal Mileage Reimbursement Rate for travel as allowed in IRS Publication 15.

ATTEST:

(SEAL)

Clerk to the Board

P. Michael McLain, Ch.. Board of Commissioners

IV. SPACE NEEDS/CIP FUNDING

A. Space Needs/CIP Funding

A. FUNDING OPTIONS

a. CIP FUNDING Year 16-17

B. RETIRING DEBT PAYMENTS

a. Current Debt 2016-2025

Capital Improvement 2017-2021

CIP FUNDING Year 16-17	PL	Capital Cost	General Fund	Capital Fund	School Capital Fund	Enterprise Fund	Grants	Debt Financing	Sales Tax
Beginning Balance			7,702,191	2,782,966	334,003	954,411			400,000
INFRASTRUCTURE (Water, Sewer)									
Wastewater									
Camden Core WWTP w/Bus Park Ext.	2017	2,706,900		1,000,000		253,450	1,553,450		
Wastewater Extension-Country Club -158	1	1,171,000							
FACILITIES (Offices, Parks, Service Bldgs except Health & Safety)									
Government Buildings									
Administrative Complex	2	3,160,000						3,160,000	
Parks & Recreation									
Recreational & Community Center	3	TBD							
South Mills Community Park	3	175,000							
DSC Bike & Ped Completion	2	1,300,000							
COUNTY CIP Total			-	1,000,000	-	253,450	1,553,450	3,160,000	
Schools									
High School Construction	2021	21,000,000			170,000				5400,000
School Bldg Improvements		22,020,274							
SCHOOL CIP TOTAL		43,020,274	-	-	170,000		-	-	
Additions									
Ending Balance			7,702,191	2,082,966	314,003	700,961	1,553,450	3,160,000	

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Current Debt		2018-2017	2017-2018	2018-2018	2018-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2026
SCHOOLS										
QZAB III 0%		\$112,334	\$112,334							
\$2,000,000	2018									
Loan 2.29%		\$60,510	\$59,316	\$58,122	\$56,927	\$55,733	\$54,539	\$53,345		
\$572,000	2023									
Int.Sch. USDA 4.25%		\$520,000	\$520,000	\$520,000	\$520,000	\$520,000	\$520,000	\$520,000	\$520,000	\$520,000
\$10,000,000	2046									
INFRASTRUCTURE										
PHASE I		\$93,494	\$93,494	\$93,493	\$93,494	\$93,493	\$93,494	\$93,494	\$93,494	\$93,494
\$1,274,000	2032									
PHASE II 3RF		\$46,024	\$45,133	\$44,243	\$43,352	\$42,461	\$41,570			
\$406,791	2022									
2.19%										
R/O PLANT										
\$910,732		\$111,767	\$109,652	\$107,537	\$105,422	\$103,307				
2.09%	2021									
R/O Upgrade		\$32,684	\$32,684	\$32,684	\$32,684	\$32,684	\$32,684	\$32,684	\$32,684	\$32,684
\$53,680.00	2032									
HEALTH & SAFETY										
VFD-Truck		\$45,235	\$45,235	\$45,235	\$45,235					
\$453,000	2020									
VFD-Station		\$57,402	\$55,992	\$54,582	\$53,172	\$51,761	\$50,351	\$48,941	\$47,531	\$46,121
\$725,000	2030									
FACILITIES										
Jail-Arb District		\$174,225	\$171,806	\$169,387	\$166,968	\$164,548	\$162,129	\$159,710	\$157,290	\$154,872
\$3,040,000	2037?									
Morrisette Property										
\$600,000	2015									
Noblitt Property		\$150,000								
\$1,350,000	2017									
Courthouse		\$20,297	\$20,297	\$20,297	\$20,297	\$20,297	\$20,297	\$20,297	\$20,297	\$20,297
\$264,000	2026									
YEAR TOTALS		\$1,321,335	\$1,164,716	\$1,045,943	\$1,039,144	\$1,032,523	\$924,713	\$879,530	\$823,765	\$768,447
Proposed New Debt										
Admin Building	2023			\$467,000	\$467,000	\$467,000	\$467,000	\$467,000	\$467,000	\$467,000
New Revenue Source										
Retired Debt		\$150,000	\$300,000	\$412,334	\$412,334	\$412,334	\$412,334	\$412,334	\$412,334	\$412,334
Restricted Sales Tax		\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Total		\$550,000	\$700,000	\$812,334	\$812,334	\$812,334	\$812,334	\$812,334	\$812,334	\$812,334
Reserved		\$550,000	\$1,250,000	\$1,595,334	\$1,940,668	\$2,286,002	\$2,631,336	\$2,976,670	\$3,322,004	\$3,667,338
County GF Increase		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proposed New Debt										
Admin Building	2023			\$467,000	\$467,000	\$467,000	\$467,000	\$467,000	\$467,000	\$467,000
OCHS	2038						\$2,360,050	\$2,323,720	\$2,275,280	\$2,226,840
New Revenue Source										
Retired Debt		\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Restricted Sales Tax		\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Total		\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000
State School Fund		\$500,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000
Reserved		\$1,150,000	\$1,830,000	\$2,043,000	\$2,256,000	\$2,469,000	\$321,950	\$0	\$0	\$0
County GF Increase		\$0	\$0	\$0	\$0	\$0	\$0	\$1,788,770	\$2,062,280	\$2,013,840

V. RECESS

Chairman McLain recessed the work session at 5:09 PM.

[Signature]

Michael McLain, Chairman
Board of Commissioners

ATTEST:

[Signature]
Angela L. Wooten
Clerk to the Board

