

**TOWN OF MOUNT PLEASANT, SOUTH CAROLINA
HUMAN RESOURCES COMMITTEE
Monday, April 1, 2019
Municipal Complex, Committee Meeting Room, 3rd Floor
100 Ann Edwards Lane, Mount Pleasant, SC 29464**

MINUTES

PRESENT: Bob Brimmer, Chair and Kathy Landing
Guang Ming Whitley (*arrived at 9:50 a.m.*)

STAFF PRESENT: Eric DeMoura, Town Administrator, Marcy Cotov,
Chief Financial Officer

Mr. Brimmer called the meeting to order at 9:47 a.m.

1. Approval of Minutes from the [July 2, 2018](#) meeting

Ms. Landing moved for approval; seconded by Mr. Brimmer. All present voted in favor.

2. Public Comments

[None]

3. Budget Review FY 2020

a. Employee Compensation

Mr. DeMoura stated that the employee compensation recommendation proposed in the budget is for an average 4% increase based on Pay for Performance. He said some may receive a slightly higher percentage and some may receive less, but on average it is 4%. He added that there is also a 1% mandatory retirement increase. He said the Town has two retirement systems; one is the general retirement system and the other is for Police Officers and Firefighters. He said the cap on the employee's side is 9%, which is fairly significant. He said not many public retirement systems realize

this percentage on the employee side. He said just as impactful is the employer’s side, which on average is approximately 20%. He said this is significant. He stated that by FY 2023 the employee pays 9% of the salary and the taxpayers are funding approximately 20%. He stated that this is a large expense for the Town of Mount Pleasant.

Proposed Compensation			
Compensation			
Pay for Performance			
• 4% average increase			
Classification and Compensation Study			
• Proposed implementation in FY 2021			
Benefits			
Health Insurance		SCRS	PORS
• No proposed employer or employee increase		FY 2017	11.56% 14.24%
		FY 2018	13.56% 16.24%
Retirement		FY 2019	14.56% 17.24%
• South Carolina Retirement System (SCRS)		FY 2020	15.56% 18.24%
• 1% employer increase to 15.56%		FY 2021	16.56% 19.24%
• Police Officers Retirement System (PORS)		FY 2022	17.56% 20.24%
• 1% employer increase to 18.24%		FY 2023	18.56% 21.24%



Mr. DeMoura also mentioned at the kick off budget meeting, that \$48,000 has been budgeted for a Wage and Classification study that the Town committed to doing every four years.

b. Health Insurance

Mr. DeMoura stated that the Town is not proposing any increase to the employer or employee side of the health insurance system. He said the Town made some important changes a few years ago which are now paying dividends. He said the Town has an excellent healthcare system and they have been able to manage the costs over the last several years. He stated that they are not recommending any increases.

Ms. Landing stated that those who participate in the Town's healthcare plan knows that there was a holiday from the premium in December, which provided more in the employees' paychecks during that period. She stated that the Town saved in healthcare costs for the year which was passed onto the employees. She asked how often this type of thing is done by employers. She praised the Town Administrator and staff, as well as Human Resources and Finance for doing this. She said that this is a healthcare plan that has been working well and the best that she has ever seen. She believes that this should be shared with other municipalities in the country. She said this is due to municipalities struggling under the weight of pension liabilities, which is inevitable as there are a number of retirees. She said it is great to have health insurance that actually saves municipalities money.

Mr. Brimmer stated that as a member of the retirement system for approximately 29 years, he has noticed the increases deducted from employee's paychecks. He stated that it is shocking to see the percentage that the employers are paying. He said for the public's information, this is not a decision of the Town, but is made by the State Retirement System; therefore, it is a cost that is passed on to the Town in order to bring that system back towards solvency. He asked if there is any change to the health insurance coverage.

Mr. DeMoura responded in the negative. He stated that it is the same coverage without any increase.

Mr. Brimmer stated that this is a great benefit for our employees. He stated that the benefits for Town employees are impressive, which helps with recruitment of top notched talent.

Mr. DeMoura stated that the credit goes to Council as an elected body for allowing employees to have these benefits which are very good benefits.

Ms. Landing made a motion to pass the proposed compensation package portion of the budget; seconded by Ms. Whitley. All present voted in favor.

4. Executive session – personnel matter

Ms. Whitley moved to adjourn into executive sessions; seconded by Ms. Landing. All present voted in favor.

Committee members adjourned into executive session at 9:54 a.m.

Committee reconvened at 10:07 a.m.

Mr. Brimmer declared that there was no action taken and no votes.

5. Post executive session

Committee may take action on any item, including any subsection of any section, listed on an executive session agenda or discussed in an executive session during a properly noticed meeting

6. Adjourn

There being no further business, meeting adjourned at 10:08 a.m.

Respectfully submitted,

Barbara Ashe

April 1, 2019