

BUDGET WORKSESSION  
DARLINGTON COUNTY COUNCIL  
DARLINGTON, SC

May 3, 2023

A Budget Worksession of the County Council of Darlington County was held this 3<sup>rd</sup> day of May 2023, at 9:30 a.m., Pee Dee Regional Council of Governments Conference Center, 2314 Pisgah Road, Florence, South Carolina.

NOTICE OF MEETING

In compliance with the Freedom of Information Act, a copy of the agenda providing the date, time, and place of the meeting was emailed to the local newspapers, persons requesting notification, and posted on the county's website and the bulletin board in the lobby of the courthouse.

COUNCIL MEMBERS PRESENT

Chairman Bobby Hudson, Chaplain Dannie Douglas, Jr., Mr. M. Kirk Askins, Mr. David Coker, Mr. Albert Davis, III, and Mrs. Angie Stone Godbold.

COUNCIL MEMBERS ABSENT

Vice-Chairman Marvin Le Flowers and Ms. Joyce W. Thomas

ALSO PRESENT

County Administrator Marion Charles Stewart, III, Clerk to Council J. JaNet Bishop, Administrative Assistant Stephanie Shaw, Central Communications Director Michelle Hall, Codes Enforcement Director Terri Cribb, Emergency Management Director Molly Odom, Emergency Services Director Kenny Bowen, Finance Director Sherman Dibble, Fire District Chief Ricky Flowers, Human Resources Director Ginger Winburn, Sheriff James Hudson, Chief Deputy Sheriff Chad McInville, W. Glenn Campbell Detention Center Director Waddell Coe, and Evergreen Solutions Project Manager Rob Williamson.

REPORTERS PRESENT

Mr. Stephan Drew of the News and Press.

Call To Order

Chairman Hudson called the worksession to order at 9:33 a.m.

Compensation & Classification Study Results Presentation - Mr. Rob Williamson, Project Manager, Evergreen Solutions, LLC

Mr. Rob Williamson, Evergreen Solutions' Project Manager, commended the staff's participation and collaboration in the Compensation and Classification Study that began in

November 2022. He presented an overview of the study goals, project phases, employee participation, market results, and recommendation. Mr. Williamson mentioned some of the positive comments (benefits, culture, stability, etc.) and concerns (salary and staffing levels, wage compression, etc.) he received from employees during the employee participation meetings. In reference to the market summary responses, Mr. Williamson reported that they received salary survey responses from 17 of 20 market peers including four cities and 13 counties. All of the responses were adjusted for cost-of-living differentials. It was mentioned that South Carolina Association of Counties salary data was not accurate because some salaries had not been updated and some of the salary ranges listed were not the salary ranges the organizations were using. The study received a strong market response with 8.5 matches per benchmarked position. Only five responses are needed to meet the minimum federal guideline for a valid response rate to include in a survey. As a result of the study, it was found that Darlington County was behind the market. The minimum salary ranges were 13 percent behind the market when all of the positions were averaged together. The midpoint salary for tenured employees was about 16 percent behind the market.

The county's current pay plan, which consists of 32 pay grades, was separated into hours worked and a new pay plan created for General Government I, General Government II, Fire, and EMS based on annual hours worked. The proposed plan has a consistent range spread of 50 percent. Between the minimum and the maximum salaries, there is the ability to grow/progress within the pay range of 50 percent. If someone starts at \$30,000, the maximum salary will be 50 percent above \$30,000. The current pay plan has inconsistencies with salary ranges being 45 percent to 70 percent. The proposed minimum pay is \$10 per hour versus \$8 per hour. The proposed pay plan is based on classification and not on the individual person. The jobs were placed into a competitive range and then the employees who occupy those job titles were placed into the pay plan for implementation. There are no recommendations that would cause an employee to make less than they currently make.

Mr. Williamson presented two options: Bring to Minimum and Hybrid Parity. The Bring to Minimum (cost \$652,943.16) salary adjustment will move employees into the pay plan at the minimum of their pay range. If an employee is already paid at or above his/her minimum pay range, no adjustment or decrease will be made. However, the Bring to Minimum salary adjustment does not solve range compression but gets employees into the plan at the minimum of their pay range. This would account for 188 of the county's 400 full-time employees.

Hybrid Parity would immediately make the county competitive in the market and solve every internal equity issue on day one. Currently, wage compression is a significant issue throughout the county. If the county does not move its employees and ranges on an annual basis, the county will have to hire at a range at or above where the current employees are. If this is not corrected, it will impact the county with increased turnover, vacancies, morale issues, etc. Mr. Williamson stated that if it is fiscally sustainable, the county should implement the Bring to Minimum salary adjustment to get employees into the plan at the minimum of their range with the understanding that to solve wage compression and become competitive in the marketplace to recruit and retain talent, Council will need to look at

Hybrid Parity. Hybrid Parity will move employees and give them 100 percent credit for any time that they spent in their current job and 50 percent credit for any remaining time working with the county regardless of the job title. This would move employees based on hybrid years. Therefore, a 30-year employee would move based on a combination of time, class, and overall organization tenure. The total salary-only cost for hybrid parity is \$1,322,749.31 for 220 employees.

The next step would be for County Council to approve an implementation option which would include implementing salary adjustments and updating job descriptions. Mr. Williamson will work with the staff on how to maintain the pay plan moving forward. Council members received a copy of the new pay grade report divided by hours worked. The report did not list employees or positions, it only provided the pay plan grades (General Government I, General Government II, Fire, EMS, PARA, LE) grades, minimum/midpoint/maximum salaries, range spread, and midpoint progression. Mr. Williamson emphasized that the range spread was set at 50 percent to allow them to be more targeted to how job titles or classifications are placed into the pay grade so the county will not overpay nor place employees in a pay grade that would not allow them to reach their competitive market position. This will allow employees to progress in their pay range more than before.

Mr. Stewart added that the proposed budget was completed before the staff received the final numbers from Evergreen Solutions for the Classification and Compensation Plan. Therefore, after a review of the proposed budget, there will be an option to Bring to Minimum salary adjustments based on the study.

Council talked about the criteria for the market peers (Charleston, Chesterfield, Florence, Georgetown, Horry, Kershaw, Laurens, Lee, Oconee, Sumter, York, Lexington, and Marlboro counties and the cities of Florence, Hartsville, Lancaster, and Darlington). Mr. Williamson explained that the process began by asking for the names of specific cities and counties that should be looked at; finding out who the county was competing with for talent; the geographic area; and comparators within a 1.5-hour drive range. The staff insisted that the county's geographic neighbors/competitors (Chesterfield, Marlboro, Lee, Florence, Sumter, and Kershaw counties and the cities of Florence, Darlington, and Hartsville) be included. Laurens County was included because of its similarities. It was mentioned that South Carolina Association of Counties' independent compliance reporting did not contain the current pay plan for two entities that the county is very competitive with.

Mr. Coker was concerned that the proposed plan did not include performance evaluations for pay raises. He felt that someone employed for one year may be performing at a higher level than someone who has been employed for more years, but the higher performer may not earn any more. It was explained that the proposed study was not performance-based, it consists of base salary adjusted for cost-of-living. It was also stated that although tenure is important, it should not be the only metric used to advance employees. There needs to be a combination of time as well as performance. Currently, there are instances where an employee with seven months of service makes the same amount as

an employee with five years of service. Typically, this is not performance based because there should not be a poor performer for five years.

Mr. Williamson explained that the cost-of-living adjustment just moves everyone up. If there is wage compression between two employees and everyone receives a cost-of-living adjustment, this keeps the wage compression and the problem remains the same, except everyone is paid the same percentage more. This does not change the fact that one person has worked five years, and another has worked one year, and they both make the same amount of money.

Mr. Stewart pointed out that performance will not fix the county being behind market. Most places that have performance receive a two percent automatic cost-of-living raise, plus a performance evaluation for an additional two percent that can be earned.

Mr. Williamson explained that with the current wage compression, the county was not moving employees effectively based on performance or time. However, Hybrid Parity would give the county a new baseline after implementation over the next few years. Council members talked about performance evaluations and using various tools such as certifications, etc. for employees to rise in ranking/move up the career ladder.

It was also explained that job descriptions will be updated after Council decides to move forward with the new grades. Council will be given a chart of the old job titles and the new titles and fit them into the new job classification. Mr. Williamson explained that they developed a weighted score of five compensatory factors (leadership, working conditions, resources, complexity of work, etc.) that will be used to score new job titles to fit them competitively and appropriately into the pay plan. He will also work with the staff on how to maintain the plan moving forward.

In reference to employee engagement in the study, Mr. Williamson explained that there was just under 70 percent engagement for total employees. For example, they did not need to receive a survey from every deputy sheriff. However, they did receive a 97 percent response from job classifications. Mr. Stewart added that the engagement for the number of employees who answers to the County Administrator was close to 100 percent. Mr. Williamson assured Council that every employee had an opportunity to be heard during the two-week period by completing the 20-minute survey. Arrangements were made for those employees who did not typically have access to a computer. He talked about the process of how employees were given a randomly generated code to log in and complete the survey by listing the essential functions of their job. He also mentioned that the survey was not about personalities or performance. It was about understanding the essential functions that an employee performs. The survey was used to make sure that the job an employee is doing is aligned with the proper classification.

Mrs. Godbold requested a copy of Mr. Williamson's Classification and Play Plan presentation and a copy of the survey that the employees received. Mr. Davis requested a copy of everything via email.

Budget Worksession/Presentation of FY23/24 Proposed Budget – Mr. Charles Stewart, County Administrator

At 10:17 a.m., Mr. Stewart began his presentation of the Administrator's proposed FY23/24 budget. He reviewed the fund balance policy; presented the current year's actuals for the General Fund operating expenditures (\$36,127,973); the proposed FY23/24 budgeted General Fund operating expenditures (\$30,084,351); the current year minimal unassigned Fund Balance (\$12,644,791); the proposed minimum unassigned Fund Balance (\$10,529,523); the General Fund balance breakdown from FY14 through FY22; the language about the county's ability to bond out without any special provision; the summary of audit results; and highlights of changes in the proposed budget. The budget highlights included variations in insurance premium line items; variations in departmental budgets based on professional services, annual software maintenance contracts, cyclic needs, and departmental obligation; mandatory increases across all department funds for employer contribution rate increase imposed by South Carolina Retirement System; an increase for the animal shelter, Sheriff's Department, Detention Center, the legal contract for the county attorney and outside attorneys for special situations, two new positions for the new courthouse operations (sheriff deputy and building maintenance person), additional facility cost for the new courthouse, retirement and insurance costs, software maintenance/support, Coroner autopsies, Elections/Voter Registrations for the presidential primary, Prison Camp food cost, additional staff for the Historical Commission new museum addition, three additional firefighters (no effect on taxes), and employee compensation across every fund. The highlights also included a decrease in staff for Economic Development.

For the employee compensation increase, Mr. Stewart proposed a five percent cost-of-living adjustment for those employees making \$50,000 and \$2,500 for those employees making below \$50,000 at an approximate cost of \$1.2 million (including all the pluses) across all funds. The proposed budget would require a 4-mill increase in the General Fund only, which would equate to approximately \$980,000 in new tax dollars based on the current value of a mill. With a 4-mill increase, a \$100,000 owner-occupied home with a base tax of \$337.20 (before school district & county loss credit or any penalties and fees) would increase by \$16 to \$353.20. It was noted that Darlington County's millage has been conservative over the years and remains conservative when compared to Kershaw, Chesterfield, Marlboro, Florence Lee, and Laurens counties.

Mr. Stewart then reviewed the optional add-ons to the budget as a result of the salary study since the staff did not receive the numbers until after the budget books had been published. If Council decides to make the adjustments so that every employee would be brought to the minimum salary of the market standards, because the cost-of-living adjustment was already in the proposed budgets, it will only take an additional \$350,000 (including the pluses) across all funds to implement the Bring to Minimum salary adjustment. He asked whether Council wanted the staff to work this into the proposed budget before second reading. Mr. Stewart's Bring to Minimum salary adjustment was lower than what was presented by Mr. Williamson (\$652,943.16) because he did not know about the proposed cost-of-living adjustment.

Another add-on would provide additional EMTs. Mr. Stewart talked about the number of trucks on duty versus the number of calls received. Information was presented comparing call volumes dispatched from 911, 24-hour staff units, and QRVs in Darlington, Kershaw, Laurens, Chesterfield, and Florence counties. All the counties dispatched fewer calls than Darlington County (except for Florence County) and all the counties had five units (except for Florence County). Darlington County currently has 5.5 units for 24-hour staff units and no budgeted position for QRVs. However, other counties have QRVs. The information also included volume per unit per shift which showed that Darlington has the highest volume per unit per shift. Mr. Stewart proposed changing the county's staffing pattern by adding EMTs instead of Paramedics for 6 trucks scheduled for 24 hours instead of 5 trucks and changing the schedule from a basic 24/72 to a modified 24/72 where there are scheduled extra days to work. Therefore, if everyone is at work, the county would be running seven ambulances. He suggested keeping the current paramedic positions. If filled, the county would have five paramedic crews every day, but budget for enough people for six crews with a modified schedule to alleviate the problem of people having to wait for an ambulance. The additional EMTs would be funded by increasing the Emergency Services Vehicle Fee from \$45 to \$50. Mr. Stewart explained that in 2017, a \$15 fee was placed on every vehicle. In 2021, the county did away with the \$30 Road Maintenance Fee and moved the cost to the Emergency Services Vehicle Fee to become a \$45 fee. This was not an increase to taxpayers because the fee was already there for Roads and Bridges but moved to Emergency Services. This fee would fund the operation of the Emergency Services Fund (dispatch, emergency management, and EMS). The budget amendment to the Emergency Services Funds was handed out.

Council briefly talked about using Setoff Debt Services to offset the Emergency Services Fund. It was noted that \$2.9 million in revenue was proposed for EMS collections. Other than Setoff Debt Services to collect debts from anyone filing income tax returns, the county would have to sell the debt to a collection agency, which would be a decision of Council. The proposed budget for EMS only included the standard cost-of-living adjustment. The additional proposed EMTs would be paid for by increasing the Emergency Services Vehicle Fee by \$5.

In reference to funding the \$350,000 for the Bring to Minimum salary implementation, Mr. Stewart suggested increasing the fund balance usage for this year by \$350,000 to balance the budget, which would not be higher than last year's usage of Fund Balance. Last year the county used about \$1 million from Fund Balance.

Mrs. Godbold said it was troubling to continuously increase somewhere although it may not be called the same thing. She talked about people not feeling like they are receiving the services that they need or are paying for. In general, people have to call several times for things such as Animal Control and Codes. Mr. Stewart stated that to address such concerns, the staff would need to know what departments are being called and not responding and to talk with the individuals. Going forward, Mrs. Godbold will keep a log and email the complaints to the staff.

Council and the staff talked about state mandate funds being passed through the county to elected officials; overall increases in technology/data processing for QS1 contract maintenance for the Tax Assessor, Auditor, Treasurer, and Tax Collector; the cost of software for Codes Enforcement and the Sheriff's Office, and IT expenses for the new courthouse; increases in insurance line items due to employees changing their insurance coverage; the number of authorized positions provided to Council members; concerns about the chemical/cleaning supplies line items being overbudgeted for several years; postage for the Tax Collector's Office; the county's Fund Balance Policy requirement as approved by County Council; funds for mental health hearings; the reduced salary budgeted for Economic Development; the canteen for the Prison Camp and Detention Center not being an expense to the taxpayers; retaining Fund Balance (unrestricted/unassigned funds) for capital needs; the \$7 million in ARPA funds that were moved under revenue and applied to the new courthouse construction; compiling a capital improvement plan for Council's review; the process to look at contracting EMS services requiring a minimum of 90 to 120 days; and the fact that although Charleston and Horry Counties were used in the salary study, two smaller counties (Marlboro and Lee counties) were also used which leveled out things. Also, the numbers for Charleston County were adjusted down for cost-of-living to get the recommended average for Darlington County. It was also clarified that the county does not have a performance bonus which should not be confused with a cost-of-living adjustment. However, after the Bring to Minimum salary adjustment is implemented and job descriptions updated, the county could re-engage Evergreen Solutions for a performance-based evaluation which would be an increase above what the county has. The staff talked about disadvantages/inequalities with performance evaluations and the Hybrid Parity option wherein employees who have been in the same job for a long period of time should be at the top of their grade.

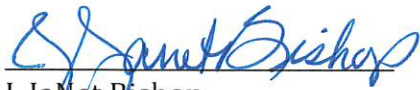
In response to Mrs. Godbold's concern that Council members received the proposed budget on Monday night and the budget worksession was held today (Wednesday), it was suggested that the budget worksession could be pushed back a week or another worksession scheduled. Second reading of the budget is scheduled for June 5<sup>th</sup> and third reading on June 19<sup>th</sup>.

Mr. Stewart requested guidance as to whether Council would like the two options (Bring to Minimum salary adjustments and additional EMS staff to improve response time) incorporated into the budget numbers for second reading. He also mentioned that to implement the Bring to Minimum salary adjustment, the county would not be spending any more of the Fund Balance than was used last year.


#### Adjournment

There being no further comments, Mr. Stewart indicated that the proposed budget would include both optional add-ons for second reading. The worksession was adjourned at 11:40 a.m.

Respectfully submitted,



J. Janet Bishop  
Clerk to Council



Bobby Hudson, Chairman  
Darlington County Council

Approved at meeting held on June 5, 2023.