

**After  
Agenda**

**Board of Commissioners of Spalding County  
Work Session  
Monday, March 7, 2016  
9:39 AM  
Meeting Room 108, Courthouse Annex  
119 E. Solomon Street**

**The Spalding County Board of Commissioners held a Work Session in Room 108 in the Courthouse Annex, Monday, March 7, 2016, beginning at 9:39 a.m. with Chairperson Rita Johnson presiding. Commissioners Bart Miller, Raymond Ray, Gwen Flowers-Taylor and Donald Hawbaker were present. Also present were County Manager William P. Wilson Jr., Assistant County Manager, Eric Mosley, Community Development Director, Chad Jacobs, County Attorney, Jim Fortune and Executive Secretary, Kathy Gibson to record the minutes.**

- I. OPENING (CALL TO ORDER)** by Chairperson Rita Johnson.
- II. INVOCATION** led by Commissioner Donald Hawbaker.
- III. PLEDGE TO FLAG** led by Commissioner Bart Miller.
- IV. AGENDA ITEMS:**
  1. Discuss FY2017 Budget Priorities.

William Wilson, County Manager, advised that Matt Bidwell with MSI Benefits would be arriving at 10:30 a.m. to present a Benefits Review for 2016. He stated Bill Gay, Director of Human Resources will update the Board on current vacancies within County Departments, present summaries of exit interviews, how many employees have quit and how many new hires that we have had. Mr. Gay will also present the changes to overtime being implemented by the U.S. Department of Labor.

Mr. Wilson stated that after the presentation with Mr. Bidwell, we will be discussing Pay Compression. We are completing year one of the four year process and Mr. Gay will speak about how much Phase I of this initiative has cost and what is anticipated for Phase II of the process. Mr. Gay will also talk about reinstatement of the match on the 401A. 1% was reinstated last year and the hope is to reinstate another 1% bringing the match of the 401A to 2%. He then advised that the final item would be discussion of a Class and Compensation Study.

Mr. Gay handed out the Vacancy Report which shows the number of vacant positions currently in Spalding County Government Departments as of Friday, March 4, 2016. The list included the department, the division in which the individual worked and the individual who left the position.

Some of the positions in the Sheriff's Department have been vacant for quite some time as it is difficult to find certified deputies fill those positions, so right now we are running short in uniform patrol. We have

the same type of situation in the Jail, we have a number of open positions in the Jail there is one position that has been vacant since 2014.

Mr. Gay pointed out that to the far right column labeled Status it shows when the jobs were posted, if there is no specific closing date, the job is posted until the position is filled. Unfortunately, this is becoming more and more common, in the past when we have posted a job, we would leave it open for 10 days or two weeks and we would get a significant number of applications and we could fill the position from those applications.

Chairperson Johnson requested a recess for five minutes at 10:08 a.m. The meeting resumed at 10:13 a.m.

During the break, Mr. Wilson asked Jinna Garrison, Administrative Services Director to run some reports on the amount of overtime that is being required due to the number of vacancies in the departments.

- Sheriff's Department by Division
  - Administration has \$4,500 budgeted and they have used \$4,334.
  - CID (Criminal Investigations Division) has a budget of \$20,000 and they have expended \$19,287.
  - Uniform Patrol Division, this was one of the divisions with major vacancies. Budgeted \$70,000 and spent \$66,000.
  - Jail which is another department with a lot of vacancies. Budgeted \$150,000 and spent \$230,000.

Commissioner Flowers-Taylor at this point expressed her concerns over the fact that we have individuals coming to work for the County, completing their training and County expense and leaving to go to better paying jobs. She stated that there needs to be some type of retention agreement or requirement for employees who come to work for the County and the County in turn trains them for a position. We have a problem when people keep coming to work for the County and then leave as soon as they receive their certification. We are spending a lot of money to train these individuals, they are taking advantage of the training, and then they are leaving.

Mr. Wilson stated that we will be talking this afternoon about a pay and classification study. This study looks at salary ranges in our area to help us remain competitive. He stated that as far as a contract for reimbursement of training, he would defer to Mr. Gay.

Mr. Gay advised that he would have to talk with John Lowery, Human Resource Attorney regarding a contract of this nature. He advised that there are some agencies that do have contracts and he will explore that option.

Chairperson Johnson added that there has been indications that one of the problems is health insurance and we are not as competitive as some of the surrounding counties on our health insurance premiums.

Mr. Wilson stated that we would talk about that when Mr. Bidwell arrived. Health Insurance is not going to get any cheaper, it is only going to continue to escalate.

- Correctional Institution has spent \$29,000 on overtime on a \$24,000 budget.

- Fire Department has expended \$79,000 out of \$200,000 budget.

Commissioner Flowers-Taylor asked what was different that they had budgeted \$200,000 in overtime and had only utilized \$79,000.

Deputy Chief, Jamie Clark, stated that in the past they have not been able to hire firefighters and run the Rookie School on a regular basis resulting in having as many as 12 firefighter positions open at one time. Covering these shifts with available firefighters would significantly increase the overtime. Over the last year we have been fortunate enough to run the Rookie School about once a quarter, so we are experiencing a lower number of vacant positions that have to be covered.

Mr. Wilson advised that their budgeted overtime had been \$120,000 for several years and it was increased the amount to \$200,000 in the FY16 budget.

Commissioner Ray stated that the reason they held off in hiring firefighters and running the Rookie School was because of the cost to train the individuals.

Mr. Mosley added that there has also been a training officer added to the staff at the Fire Department which has helped to strengthen our training element and allows us a little more flexibility. He advised that there was not a new position created, they took an existing position and transitioned it into a Training Officer.

Mr. Wilson then asked Mr. Gay about how many applications historically would have been received when the posting for Rookie School was released.

Mr. Gay advised that it was common to get as many as 120 applications when the Rookie School was announced.

Mr. Wilson then asked what the lowest number of applications received this year when the Rookie School was announced.

Mr. Gay advised that the lowest number this year was 45, this last posting we received 59.

Chairperson Johnson asked when we would be addressing Exit Interviews. She stated that she would be interested in the reasons given for leaving employment at the County.

Mr. Gay then handed out a summary of Exit Interviews that he prepared for the period January 2015 to present. He stated that when an employee leaves he tries to schedule an exit interview, some of the employees he has not been able to interview, but the document presented is a compilation of the exit interviews that have been done over the past 14 months. The list is alphabetically by department. There is a place to denote the Primary Reason for Leaving and any Other Information that may have been a contributing factor to the employee leaving.

Mr. Gay advised that his exit interview does not contain a set list of questions, when he talks to an employee who is leaving it is more like a conversation than a question and answer session. He asks them how things are going in the department and what their new job is going to be like. What if anything was wrong with their job here at the county. Things

that they would like to see us do better.

Mr. Gay stated that the number one reason for employees leaving is salary, the number two was work environment, three was retirement, four was family obligations and five was advancement of their career.

Mr. Gay advised that all of the exit interviews that he conducts, he prepares a report on the interview and sends a copy to the department head to let them know if there are any issues within their department and the County Manager gets a copy as well.

Mr. Wilson then introduced Matt Bidwell with MSI Benefits to present the Benefits Review for 2016.

Commissioner Flowers-Taylor asked if the bids for the County's healthcare was put out to anyone else besides Blue Cross and Blue Shield.

Mr. Bidwell advised that the coverage was not put out for bid because of the favorability of the renewal from Blue Cross and Blue Shield.

Mr. Bidwell stated that last year we had a 73.7% paid loss ratio with Blue Cross and Blue Shield which is very good; therefore, we did not have an increase in the premium. He stated that we are looking at a small increase this year.

Mr. Bidwell further stated that last year there were two benefit changes included in the renewal:

- (1) Changing maximum limit on a tier 4 prescription, which is the most expensive prescription and the employees pay 20% of the cost of the drug. In 2015 the cap was \$200 in 2016 this cap was raised to \$300. Employee deductions did not change. He added that last year all of the drug costs started going toward the employees' maximum out of pocket which was new under the affordable care act.
- (2) Employees were offered LiveHealth Online which allowed them to talk face to face with a doctor online for a \$10 copay. Starting January 1, LiveHealth implemented an additional service for mental health where an employee can go online and schedule a time to talk to a psychologist, it is a 50 minute discussion and is available at the mental health co-pay which he believes is a \$25 co-pay.

Mr. Bidwell then presented the paid claims for the year. Total paid claims for the year were \$3,810,412 and total premiums paid were \$4,698,482 representing a paid loss ratio of 81.1% which is lower than the target rate of 85%, but also represent an increase over the 2015 paid loss ratio of 73.7% equating to a 14.39% increase on claims from the previous period.

He added that 2.6% of all the members for the county (21 members) had claims that accounted for 55.9% of the total claims for the county (\$1,700,575). This is better than average, usually 1.5% to 2.0% of your members account for that percentage of claims, so the county is doing much better than the average.

Mr. Bidwell stated that the purpose of the Wellness Plan is to reduce the number of individuals who fall in the \$100,000+ claims. Generally the individuals with this amount of claims would be individuals with catastrophic illnesses, it is typically going to be cancer, kidney failure etc.

The purpose of the Wellness Program is to get tools to people to assist them in getting healthy and staying healthy.

Mr. Bidwell then presented Benchmark data on companies with 522 Employees stating that in 2014 the average percentage of benefits net cost to payroll was 21.20% and the cost per covered employee is \$12,761. The County's percentage of benefits net cost of payroll is 20.36% and equates to a cost of \$7,362 per employee. The County has done a very good job in keeping the annual costs down.

Mr. Bidwell then addressed the Employee Wellness program the criteria included participation in a biometric screening in November or return a physician fax back for before January 1, 2016; to be tobacco free, complete the Healthy Lifestyles tobacco coaching program or obtain a medical waiver by April 1, 2016; and have a BMI of 25% or less, achieve a reduction in weight of 5% or more or provide a medical waiver before April 1, 2016. They obtained the biometric results and they showed that:

- 75 employees have a BMI under 25.
- 178 employees lost weight totaling 1,790 pounds – an average of just over 10 pounds each.
- 49 employees lost over 5% of total body weight.
- 9 employees lost over 50 pounds.

Approximately 120 employees will hit the weight loss goal set, we will have to wait until April 1 to see what type of waivers come in, but the employees as a whole, have done a really good job.

Chairperson Johnson asked if the county is hiring employees who are overweight.

Mr. Gay advised the criteria for any job is going to be can the employee perform the tasks of the job. If they can perform the tasks required for a job then their weight is irrelevant as far as employment ability. If the county should decide that they are not going to hire anyone with a BMI above a certain number, the problem with that is you get into issues of discrimination against someone because of a medical condition. So there cannot be a blanket rule eliminating someone because they have a BMI over a certain amount unless you want to pay out a lot of money on lawsuits.

Mr. Bidwell then presented the summary proposal from Blue Cross and Blue Shield, he stated that they request was for a 6% increase which equates to an increase of approximately \$277,675. He advised that one option they are asking to be considered is going back to a single plan option. Currently there are two options available a base plan with a \$1,500 deductible and after the deductible the employee pays 20% of the cost until they have spent a total of \$3,750 which is their maximum out of pocket then the plan will pay 100%. The second plan which is the better plan, has approximately 135 employees in it, has the same deductible (\$1,500) but after the deductible this employee pays 10% of the cost until the employee has spent a total of \$3,000 out of pocket then the plan will pay 100% of the costs. The employee is paying the difference between the two plans so that it remains cost neutral to the county.

Mr. Bidwell stated that they are recommending that the county go to a

single option and where the deductible of \$1,500 would remain the same, the amount paid after the deductible would go up to 90% and the maximum out of pocket would be \$3,750. This change would result in a 3.8% increase versus the 6% increase.

Mr. Bidwell stated for those employees who hit the incentive with regard to weight and tobacco, that money could be placed into a Health Reimbursement arrangement and he is recommending \$500 per employee and they could use that money to offset the higher out-of-pocket.

Mr. Bidwell stated that they are recommending going to the single option, where everyone will have the better coinsurance and those employees who hit the wellness benefit will receive the Health Reimbursement arrangement.

Chairperson Johnson wanted to know if we are aware that the cost of health insurance is one of the reasons the employees are leaving, how we are going to become more competitive with the surrounding communities.

Mr. Wilson advised that the county would have to pay more of the premium. Mr. Wilson stated that the employees are complaining about the cost of the insurance. He then used Henry County as an example stating that the county currently pays double what Spalding County pays per employee for healthcare coverage. He added that we can't afford that.

Commissioner Flowers-Taylor stated that we have to make improvements, if that is an issue. If people are not going to be happy unless they get Henry County benefits, then we can't keep them here. There has to be some effort on our part if we know that this is a real issue. At the end of the day the County is going to have to pay more in order to retain people.

Chairperson Johnson stated that you either raise the pay for the employees or give them better benefits if we want to keep them. We can't do it all, but we have to decide on what we need to do.

Wendy Law, Assistant to the Human Resources Director, stated that she thinks it is the premiums that are being paid for family coverage that is the bigger issue. She stated that it is the family coverage that they receive more complaints about.

Commissioner Flowers-Taylor stated that if it is indeed the cost of the family coverage, then we need to look at what it is going to cost to reduce that cost to maybe \$200 per pay period.

Mr. Gay advised based on the current number of families enrolled it would be approximately \$75,000.

Commissioner Ray stated he understands that we have to do whatever we can to keep employees; however he doesn't want to see us overburden ourselves in the process. We are already trying to fix the pay compression problem and to add additional costs for the county to that cost may not be prudent.

Commissioner Flowers-Taylor stated she was surprised to hear how many people had met their incentive goals and wanted to know where we were going to get the money to put into the HRA's.

Mr. Bidwell stated that we would be looking at an additional \$75,000 per year for that to be implemented.

Mr. Wilson added that is \$75,000 that is not budgeted.

Mr. Bidwell stated that the money would be added to a card like the flex card and he would like to set it up to where it can be used for any medical copay or prescription copay or deductible like the flex card.

Mr. Wilson asked what exactly we are asking Mr. Bidwell to do for us.

Chairperson Johnson and Commissioner Flowers-Taylor would like to have the family deduction taken down to \$200 per pay period and how that affects the county's cost.

Commissioner Flowers-Taylor also requested the incentive number based on the people who met their goal and that cost for the county.

Consensus of the Board is to go with the one single plan and Mr. Bidwell will come back to the County with the cost if we limit employee plus 2 to the dollar amount of \$200 per pay period.

Chairperson Johnson recessed the meeting at 11:18 a.m. to resume at noon.

The meeting resumed at 12:00 p.m.

Mr. Gay started with presenting the board with a New Hire Report and a Termination Report that covered the period January 2015 through February 2016. The lists were grouped by department. The lists showed the new hires and terminated employees by department so that the Board could get an idea of the departments experiencing the greatest amount of turnover. During that period of time we hired 135 employees and during the same period 143 individuals terminated their employment.

Mr. Gay stated that the reason for the handouts were to give the Board an idea of how much time is being spent in hiring employees. As you can see that even though we have hired 135 people, we have lost 143 leaving us even shorter staffed.

Captain Laurie Littlejohn, Spalding County Sheriff's Department stated that they are required to have 6 officers working a shift in the Uniform Patrol Division and in many cases they only have 5 officers working a shift. She advised that there are minimum staffing requirements in the Jail as well.

Commissioner Flowers-Taylor inquired about employees at the fire department who came and left within a two week period.

Deputy Chief Clark advised that many time the firefighters will go through all of the testing and be offered the job and once they start Rookie School they decide that it isn't what they wanted to do and they will quit.

Mr. Gay stated that every firefighter candidate goes through the same testing, background checks, criminal history record, driving test, physicals and drug testing prior to being offered the position. All of the individuals in question were offered and accepted the position, but chose to leave after a few days, a week or a month. He stated that many times these young men and women think that firefighting is glamorous like what they see on

television and are not prepared to take on the requirements of the job.

Deputy Chief Clark stated that a lot of times once they put the mask on they realize they are claustrophobic and they just can't handle it. There are numerous things that cause the individual to quit.

Commissioner Flowers-Taylor then asked about the individuals that stay for ten months and then quit.

Deputy Chief Clark stated that a lot of times the individual will stay long enough to get the certifications and quit to go to a better paying job.

Chairperson Johnson asked how much it cost the county to train a firefighter.

Eric Mosley, Assistant County Manager, stated that the average is \$19,000 to train a firefighter and get them through their certification. If you do the full Rookie School which is what we will be doing shortly with seven new people, it will cost the County approximately \$19,000 per individual.

Commissioner Flowers-Taylor then stated that if we are spending that kind of money on an employee and then letting them walk away without having to pay for any of the cost of that training, then we are the ones at fault. If someone comes to us to receive \$19,000 in training, I think it is contingent upon us to make sure that we get a certain number of years of service for that training.

Commissioner Hawbaker stated that there should be some expectation on the part of the county for years of service or monetary compensation should the individual leave employment. There are plenty of people in private employment that sign those type of agreements and there shouldn't be any reason we can't expect that of government employees. He added that he doesn't feel that it is uncalled for to expect some type of reimbursement for the training of these individuals.

Commissioner Ray asked the Sheriff's Department what their cost of training is for an officer.

Capt. Littlejohn stated that to send someone to mandate school, it cost fuel and the individual's salary and meals while they are at school. She also advised that when someone is trained for a specialty position such as K-9 we have an agreement they are required to sign stating that they will stay with the County for 24 months or the amount of money that is spent on the specialty training will be paid back if they are terminated or leave within that 24 month period. She further stated that there was a study done by the International Chiefs of Police that took into consideration everyone's salary that it took to process that applicant including uniforms, weapons, training and it totaled about \$50,000 per applicant.

Commissioner Flowers-Taylor stated that we need to have a mechanism in place so that when we get good people they are fully aware that there is an obligation to the County for the training that the County will be supplying to these people.

Commissioner Ray agreed that if you are employed by Spalding County and you receive training there should be a commitment for that training.

Mr. Gay then passed out the Department of Labor Proposed Changes to FLSA White Collar Exemption Rules and a list of county employees who would be affected by these changes. He advised that in July of last year the Department of Labor issued some proposed regulations that deal with what is considered a White Collar position. Positions that are exempt from overtime under the wage and hour law. Right now there are two tests to determine if a position should be exempt from overtime: One is a duties test it must be Executive, Professional or Administrative level position to be exempt and Two, you must pay that person a salary that doesn't vary from pay period to pay period and that salary has to be at least a certain amount of money. Right now it has to be at least \$455 per week which equates to \$23,660.

The proposed regulations that the Department of Labor has issued, increases that amount to approximately \$50,440 annually, which is a huge increase. What this means is that for a position to remain exempt the pay for the position will have to be a minimum of \$50,440 per year. At this time we do not have a definitive effective date, but it is anticipated that it will be issued sometime before July of this year. We anticipate there will be approximately 60 days between the time the final regulations are issued and it becomes effective, so we are anticipating somewhere around September 1 these regulations will be effective.

Mr. Gay then advised that if the minimum remains at \$50,440 then we are going to have a number of employees who are currently exempt from overtime and we're going to have to determine what we are going to do with these positions. We can increase their pay up to \$50,440 or we can make them non-exempt and they will be eligible for overtime.

Mr. Gay stated that many of the employees will have to be moved to eligible for overtime and the overtime for these individuals will have to be monitored closely. These individuals currently work overtime and accrue offset time.

Mr. Wilson then stated that due to the pay compression initiative implemented last year one of the side effects was that the educational incentive that had been awarded to some of the employees had been lost as the compression pay addressed the number of years an employee had and did not account for the step increase received by an employee for educational incentive. The staff is proposing that the educational incentive be added as a line item on the employees pay stub so that it doesn't get lost when calculating compression pay.

Consensus of the board is that we will build in Phase II of the pay compression as well as the 401(a) match for the FY17 budget year.

Commissioner Flowers-Taylor stated that the board needs to look at the incentive being given for the education accomplishment. She feels that it should be a one-time bonus not a monthly award for that accomplishment.

Mr. Gay stated that instead of making the educational incentive a step increase we propose a separate line item on their paycheck in order to insure that this incentive is not lost.

Consensus of the board is to add the incentive back into the individuals pay as a separate line item. This matter is to be discussed in the future as to

how this incentive should be restructured.

Mr. Wilson stated that the last item of business is a Classification and Compensation Study. The last full Classification and Compensation Study was done in 2003 and there was a salary review in 2010.

Mr. Wilson then stated that Capt. Littlejohn had pulled together information just for the Sheriff's Office. In this example the starting salary for a certified officer in Spalding County is \$32,410, Senoia \$32,870, Meriwether \$33,478, Jackson PD \$34,600, Hampton \$36,500, Jonesboro \$37,700, Fayette County \$38,600 and Morrow \$39,000.

Mr. Wilson stated that he would like to have a Classification and Compensation Study performed by a company included in the FY2017 Budget.

Commissioner Flowers-Taylor expressed her concern over changing the base pay as it will directly affect the pay compression effort that we are currently implementing. She feels that we should not do anything that would affect the base pay until we have dealt with compression. She then suggested exploring the possibility of a signing bonus to try to bring people into the county with a contract that if they accept the signing bonus and the position that they will remain at the county for a certain length of time.

Commissioner Flowers-Taylor stated that earlier there was talk of decreasing the Employee +2 share of health insurance by \$40.00. What would happen if we reduced every employee's health insurance premium by \$25.00 per pay period the single employee would then be zero and would be an excellent incentive and wouldn't just serve the one group in terms of the families it would benefit every employee. The greater number of people would benefit.

Chairperson Johnson asked if we could have Mr. Bidwell run those numbers as well.

## V. ADJOURNMENT

***Motion/Second by Ray/Miller to adjourn the meeting at 2:24 p.m.  
Motion carried unanimously by all.***