

**PERRY COUNTY COUNCIL
BUDGET WORKSHOP MINUTES
October 1, 2024**

The Perry County Council met on the above date at 4:00 p.m. as was duly advertised. Council members in attendance were David Etienne (DE), Stan Goffinet (SG), Kelli Harding (Kelli), Paul Malone (PM), Keith Huck (KH), and Gale Garner (GG). Auditor Kristinia Hammack was also present.

The meeting opened with the Pledge of Allegiance.

DE stated that this is the final work session of the 2025 Budget.

DE stated that there has been discussion on whether the County wants to have a salary increase or stipend. SG stated that originally the Council discussed stipend, and he is not sure how salary increases were added to the budget. SG stated he wanted a stipend, and he never heard that a stipend was out and a raise was to be included.

SG stated this is a workshop, and the Council pursues any options that they can to make the budget work and to be fair. Just because something is discussed during a workshop, it does not mean it is gospel. He further stated that changes can be made in their workshop until the budget is adopted.

DE asked what the motion was at the end of the last workshop meeting? SG stated there was never a motion. DE stated there was a motion made. Kelli stated that at the end of the day, SG was correct that nothing is final until it is final; this is still a work session for the budget and changes can still be made.

GG stated that they discussed stipend, and to make sure the Council had addressed everything they needed to pay, and as much money as could be afforded for a raise. GG stated he made a motion, but did not remember how it was worded. Auditor Hammack stated she has the minutes from the budget workshop, and although they have not yet been approved, they state that GG made a motion of intent to a five percent raise for all full-time employees and part-time employees with exemptions to be named later, and the remaining \$90,000 would go to the Commissioner's Group Insurance, seconded by PM and motion carried 5-0.

Hammack stated that when numbers were being figured at Thursday's workshop, there was a discussion of a stipend. Kelli stated it started off at 2.5%. Hammack stated after calculating the 2.5%, it left enough where the County could probably do the 5%. Hammack further stated the workshop session ended with the Council telling the Auditor to figure up the 5%, and Hammack wanted to have the time to verify all of the numbers were accurate. Hammack sent to the Council all the end numbers with the 5%. SG stated he never intended to carry over a rate increase for next year and keep on going. DE stated there was a Motion of Intent.

Hammack stated that in a conversation with DE and Kelli, she explained to them the numbers are not going to change whether it is done as a stipend or as a wage increase in the salaries. You would go back to the salary of 2024 as the salary, and then do the stipend as the 5%. In this conversation, it was decided to reach out to Waggoner, Irwin and Scheele for some consulting on stipend definition to make sure the County is compliant with the Fair Labor Standard Act.

Hammack sent an email to Waggoner, Irwin and Scheele, along with making a phone call to them. It was explained to Hammack that a stipend is typically an additional pay for additional duties, additional responsibilities, additional travel expenses, cell phones, etc. Kent Irwin stated that a stipend is typically not done in a percent; it is typically done on a flat rate (See attachment). In addition, they are generally not paid out in each pay, not that it cannot be.

Hammack stated as far as the figures her office has provided, the Council has them based on the 5% that was asked of her office to calculate when the workshop ended Thursday, September 19th. If it is issued as a stipend or issued as a rate wage increase, the numbers are not going to change in the Levy funds in General. PM stated he appreciated the information that he was provided from Waggoner, Irwin and Scheele. On page three of the summary, it states stipends are not intended to be used to pay for job duties that are included and regularly performed by a permanent employee. PM does not feel the stipend is the way to go for permanent employees.

Kelli stated she and DE got called Hammack the day prior. Kelli stated in this conversation that she has some concerns with the economy, concerns with the County's local industry, and concerns with small businesses that are shutting down. In addition, Kelli has concerns about the County's income tax and the amount the County will be bringing in. She is nervous about the state of the whole economy and especially here in Perry County. Kelli has spoken with several employees of local industry and their hours have been cut. The County still does not know about the two lines at ATTC, and when they are expected to be moved or what is expected to happen with them.

Kelli is concerned that the Council would put something reoccurring, at least for next year, that the County would be expected to do. Because of the above factors, she would prefer to do a stipend for 2025, just to see where all the large reoccurring expenses to see where all this comes in.

SG stated in the summary from Waggoner, Irwin and Scheele, stipends are not considered wages, though they can be considered in addition to a salary.

PM asked what are local municipalities giving their employees, a 5% raise? Kelli stated these municipalities have a totally different budget than the County.

DE stated that the employees received a 10% raise for 2024, the year prior it was 5-8%, and it was 5% prior to that. Hammack stated she does believe the year prior was 5-8%. First Deputy Kelli Wilgus stated not all employees received the 5-8%, and DE stated the Sheriff deputies received 8%.

Kelli stated that if 2022 the County employees got between 5-8% raise, in 2023 it was 10% for everybody non-elected and then 5% for all elected officials except Council and Commissioners.

SG made a motion to do a stipend instead of a wage increase, and then the Council can figure out what that percentage is, seconded by Kelli. Coroner Warren Taylor attempted to ask a question, and was told the Council is in the middle of a motion. Sheriff Alan Malone made statement regarding letting Taylor come to podium to ask his question. Coroner Taylor gave a public comment regarding the stipend and the Deputy Coroners. Motion carried 4-2.

Discussion regarding the pay frequency of a stipend, and a percentage or flat amount. Hammack stated that doing a percentage would not be a straight across the board. It would take a lot of extra work in payroll. Waggoner, Irwin and Scheele recommend a flat dollar amount when giving a stipend. Kelli stated that full-time could be one amount and part-time something different, they could both be the same, and there are options. Deputy Auditor Wilgus reminded the Council that there are 26 ½ pays in 2025, so part of that will have to be in the budget, and then a stipend on top of that. Hammack stated all salaries will have to be refigured to get the 26 ½ pays.

GG asked how many dollars would a stipend of 5% be? Kelli and SG stated Waggoner, Irwin & Scheele do not recommend a percentage. Hammack stated with 5%, it will put General at \$6,791,582, which is what has already been calculated. Hammack is not able to say how much money 5% would amount to. GG stated to take the raises that were previously discussed and divide by the number of employees, however Hammack stated this would take a lot of figuring, having to go through each sheet.

Kelli stated that previously when the 2.5% was figured, it was approximately \$63,000, and someone stated that if you double it, it would be close to the 5% number.

Sheriff Malone made a public comment regarding employees watching the live stream meetings and were excited about a possible 5% wage increase, that is now going to be taken away. A local agency is preparing to hire three officers. With separating the wages between the County and the other agency, Malone will lose officers and this is a Public Safety issue.

Kelli asked the Council how they felt about the full-time and the part-time getting the same amount? DE stated that one year the part-time did not get the same. He stated that full-time should get more, and Kelli agreed.

Kelli asked Deputy Auditor Wilgus how many full-time and how many part-time employees the County has? Wilgus stated per notes from the budget workshop, there are 97 full-time and 150 total. However, not all the part-time are full-time part-time employees.

Discussion regarding the dollar amount for stipend. Hammack stated with the information she provided at this meeting, General, before raises, was \$6,924,286. The dollar amount for raises was \$132,704. Kelli stated she thought it was around \$130,000, but that was with pension figured in.

Discussion regarding if all part-time should get the same amount, and Kelli stated she does not believe someone who works one day a year should get the same. KH asked Kelli if she thinks the Deputy Coroners, who in essence are salaried employees, should get 2.5%? Kelli stated she is not thinking percent, as it is not recommended. She stated she is thinking half of the full-time. KH still feels that employees need something they can bank on.

DE asked Hammack if the spreadsheets are in Excel, and Hammack stated yes, but there are only two formulas in the spreadsheet. Each change creates manually calculating. It will take as much work as before to redo everything.

Kelli stated that step one for new calculations is to figure the one week pay, since there are 26 ½ pays in 2025, and then what is left out of that difference. Hammack stated that everything will have to be refigured.

Hammack stated that at the end of the budget workshop on September 19th, it ended with 5% raises, put back \$100,00 for EMS equipment, funding Solid Waste for six months, she felt Pauper was adequate as long as there is not anything unexpected to come up, and Care of Institution was good. She felt good about this budget session.

SG reiterated that he has no idea how it got changed from a stipend to a raise, but that was not his intent. Hammack stated the Council requested at the end of Thursday's work session to figure 5%. DE reiterated that the stipend cannot be given as a percentage, and Hammack stated Waggoner, Irwin and Scheele does not recommend it. SG stated it can be figured pretty close to pay quarterly. Hammack stated her 5% is not going to be everybody's 5%, it will not be the same. Hammack asked that the Council figure out what they want to do so it can be refigured. Kelli stated that the first thing the Council needs is what the extra week in 2025 costs.

GG stated that if the County gave all full-time employees \$1,000, that would leave approximately \$667 for part-time employees. DE stated that does not sound right. Kelli asked Hammack if Waggoner, Irwin and Schelle spoke to her regarding the stipend and pension, as it would not go to that, correct? Hammack stated no, it does not. That amount was figured in the \$6,791,582 for General.

Kelli reiterated that the one extra week in 2025 needs calculated. DE stated it is approximately \$60,000. Deputy Auditor Wilgus stated that if you take the total of what it is right now, \$6,651,807 in General, then take the first proposal was taking the salaries back to 26 ½ pays based on 2024 wages, it would be roughly \$139,772. If you divide into 97 full-time people, that comes to \$1,441 approximately. Hammack stated that Wilgus has a different starting number on Max Levy. Hammack has \$6,924,286. Wilgus's figure is without Solid Waste that was added at the workshop.

Wilgus suggested adding taxes to the stipend amount, and Hammack stated if not, it would be the same instance as the ADA Coordinator. With a \$1,000 stipend, take home after taxes is approximately \$750.

With GG's recommendation to pay the 97 full-time employees \$1,000 and part-time employees \$672, it would be a total of \$137,320. KH asked GG what formula he used to come up with the \$672? GG stated what money was left after paying the \$97,000 for full-time, approximately \$40,000 and divide it by the number of part-time employees. GG stated it may not be \$672, as he figured it at 60 part-time. Kelli stated she would rather have the actual figures to know what it is. In addition, Kelli would like to personally know with the part-time, who is working a couple days a year versus who is working a consistent so many days per week. She feels this needs to be take into consideration. Coroner Taylor stated each of his deputies work 120 hours per month.

Auditor Hammack stated there a 97 full-time, one full-time part-time in the Clerk's office, and five deputies in the Coroner's office plus himself making it six, and one in the

Court. This makes eight part-time. Hammack will verify that this is accurate. Discussion regarding if the Surveyor should be included in the part-time. Hammack stated he did not request a raise nor want one; he does not have a set schedule.

Another work session to be scheduled for Friday, October 4, 2024 at 4:00 p.m.
Additional work session to be scheduled for Tuesday, October 8, 2024 at 4:00 p.m.
should it be necessary.

KH stated he figured a \$1,300 stipend for full-time and \$750 for full-time part-time. DE stated that he came up with \$825 for eight people. Kelli stated after the final figures, it could be a little different.

Auditor Hammack stated that the Council would be spending the same amount of money as they would have spent giving 5% raises. Kelli stated it is a reoccurring versus a one-time to see where they are at next year. Hammack stated she was trying to get everyone on a level playing field. The State gave a 5% raise, there are people in the county that are paid by the County and the State tells you how much to pay them. Hammack further stated that there are some departments that have pots that they can pull out of and pay their employees more because they want to, and other departments do not.

DE stated to give full-time \$1300, and full-time part-time \$750, and what is remaining can be divided out. This can be discussed further at the Friday, October 4th meeting when they have final figures.

Kelli stated she wanted to understand what Auditor Hammack will figure for the Friday meeting. Hammack stated there are 97 full-time and she will figure \$1,300, there are 8 part-time that will be figured at \$750, all wages have to be refigured from 2024 to convert them from 26 pays to 26 ½ pays. The total for General and Health are going to change because they include wages. Reassessment will not change. SAPS will change. Pre-trial will change. In the Max Levy, the only thing that will change will be General.

Cumulative Bridge

DE stated this was underbudgeted and the if it stays this way, it will set a precedent and the next year the County will get less money. In the budget for Bridge Repair and Maintenance, where it has \$20,000, it needs increased to \$88,000. Hammack stated she spoke to the Highway department and they do have a bridge repair next year, bridge number 97. Separate funds have to be set up for bridges, and next year by putting this amount in this line item, it can be transferred to the new fund.

This will bring the Cumulative Bridge Fund under the max levy by \$848.00.

Chief Deputy Eric Dickenson stated their employees ask questions, stating he understands the Council does not want to go with a percentage. He asked if the intent is to get as close to what the raw figure was with the 5%, or is the Council looking at doing an across-the-board amount? The problem is when he looks at the proposed 5% versus the flat amount, there is quite a bit of difference between the two. Dickenson wants to be able to show the employees that this is what it looks like, knowing the Council has to have another session. He further stated that if the Council is looking to get as close to the 5% raw figure, then the numbers discussed are off. If the goal is to set it at a figure that is fair to everybody, but comes in lower than that, he needs to have an answer in case he gets asked. Hammack stated she understood where Dickenson's question is coming from. For instance, if someone would have received \$2,400 at the 5%, another was at \$2,200 at the 5%, and now bringing that to an even number, instead of a flat rate across the board. Kelli stated this is because the recommendation from Waggoner, Irwin and Scheele was not to do that. Hammack stated that Waggoner, Irwin and Scheele stated that stipends are typically not given in a percent; they are typically in a flat rate. It is not that a percentage can not be done, it is just not normal. However, they do not recommend that this would be paid out in 26 ½ pays, it would be quarterly, bi-annual, or annually. They did not say you cannot do the 5% that way, it is just not recommended. Kelli asked if they recommend to actually have the figures and stated that this position gets this? If this is the case, it is totally different than not being able to do it at all.

Discussion regarding the stipend being for the specific position and not stated as a percentage. DE stated he feels this would be fairer.

Kelli asked if all the Council is okay with the stipend being per position, and KH stated he been pushing for the 5%, and PM stated he would rather see a 5% raise. Kelli asked PM if he is okay with figuring the stipend per position, and PM again stated he would rather see the 5%.

Kelli asked if the Council needs to make a decision for how the stipend will be paid out, and Hammack stated the amount will be the same. However, everyone needs to think as to how they want this paid out, whether quarterly, bi-annual, or annual.

Samantha Hurst, Prosecutor

Hurst stated that she is going to need to request money from the Pre-trial Diversion from one line item to be able to pay the Victim Advocate's salary as the grant for this technically starts October 1, 2024. Whether the raise or stipend, the new grant amount will not be available until October 24th, and payroll has to start on the October 21st pay. Hammack stated this does not require appropriation to transfer, it just requires verbal for Hammack's office.

KH made a motion to allow the transfer, seconded by SG. Motion carried 5-0-1. PM abstained.

Kristinia Hammack, Auditor

Hammack stated that in the midst of her and Deputy Auditor Wilgus talking with Waggoner, Irwin and Scheele, Hammack really wants the County to start working on wages no later that March 2025. She stated that with the wage information they received from Waggoner, Irwin and Scheele in 2022, the County needs to get the base wage, whether a dollar amount for salaried or an hourly amount for hourly, plus skill, and then longevity. Hammack stated that the County has to get where we have new employees on day one not making the exact same amount of people who have been here fifteen or twenty years. DE asked why does someone new make the same wage, and Hammack stated that the County does not have anything else listed to do. Kelli stated that a department head could come forward and recommend for a position. Hammack would like to have a system in place. Wilgus stated the County has a Salary Ordinance that has to be followed. Doing what Kelli suggested would mean having to change the Salary Ordinance every single time. Kelli would like to have a scale of low, medium, and high. Hammack stated there would be a base, skill, and longevity. Kelli is on-board with this and offered to assist working on this.

Hammack stated there are a lot of things she will be bringing to the Council in October and November that needs fixed. There are funds that need created. There are a lot of Ordinances that need to be talked about.

Hammack stated that if she does not start getting some support and assistance from the attorneys the County has, she is going ask for an attorney of her own in her budget for 2026.

The meeting was adjourned at 5:43 p.m. CST.

Kelli made a motion to adjourn, seconded by KH. Motion carried 6-0.

Minutes approved this 24th day of October, 2024.

President, Perry County Council

Minutes reviewed by:

Kristinia L. Hammack, Perry County Auditor

Minutes prepared by:

Leisa Ecker, Perry County Deputy Auditor