



# BUDGET & PERSONNEL COMMITTEE MEETING

June 14, 2022 at 6:00 PM

*Council Chambers – Town Municipal Center*

## AGENDA

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**CALL TO ORDER** - *Vice Mayor Bott*

**PUBLIC COMMENT** - *Vice Mayor Bott*

1. PUBLIC SPEAKING RULES - *Mr. Tolbert*

**AGENDA ADOPTION** - *Vice Mayor Bott*

**EXCISE TAX DISTRIBUTIONS** - *Mr. Tolbert*

2. Excise Tax Distributions

**CONSIDER EMPLOYEE REVIEWS** - *Mr. Tolbert*

3. B&P Memo - FY23 Raises

**CLOSED MEETING**

4. Closed Session Motion

**CERTIFICATION OF CLOSED MEETING** *in Accordance with § 2.2-3712 (D) of the Code of Virginia*

5. Certification Motion

**ADJOURN**

# Town of Chincoteague, Inc.



## Rules for Public Comment:

1. All attendees wishing to speak shall sign up on the provided roster.
2. Speakers must preface all comments by stating their name and 911 address.
3. Comments shall be limited to (4) minutes per speaker.
4. A speaker cannot reserve or transfer time to another speaker.
5. Speakers must not use profanity, threatening language or otherwise be abusive of Council members or staff.
6. Speakers shall not address specific personnel matters which involve individual employees in a public meeting.
7. Members of the Council will not answer questions directly or engage with speakers.
8. Specific questions shall be directed to the Mayor who shall at his discretion shall solicit a response from the appropriate staff member.

# Town of Chincoteague, Inc.



TO: Vice Mayor Bott and Members of Committee  
FROM: Michael Tolbert, Town Manager  
DATE: June 14, 2022  
SUBJECT: Meals Tax Distribution

Per Town Code, 10% of all meals tax is dedicated to Tourism with 5% being distributed to the Chamber of Commerce and 5% to the Chincoteague Center. The FY22 budget provided a fixed sum of \$110,000 of meals tax for distribution. Five percent is distributed to each entity on a monthly basis to satisfy this requirement.

Due to the high tax revenues in FY22, both entities reached their budgeted amounts in March of this year, after which I stopped all payments so as not to exceed the budgeted values. This was of small consequence to the Center due to the dissolution of the Center Authority and the reversion of all center finances to the Town office. However, the Chamber Board has questioned the appropriateness of halting their distributions and not amending the budget to allow payments to continue.

As committee members know, the Council voted to cap meals tax distributions in June of 2018 but rescinded the vote in March of 2019 after the meals tax committee recommended against the cap. At present there is no ordinance requiring a cap on distributions of meals or transient occupancy taxes. FY22 distributions were halted by the Town Manager so as not to exceed the budgeted values.

**The committee is asked to review and recommend the continuation of meals tax payments to the Chamber of Commerce along with the inclusion of back payments for April and May.**

# Town of Chincoteague, Inc.

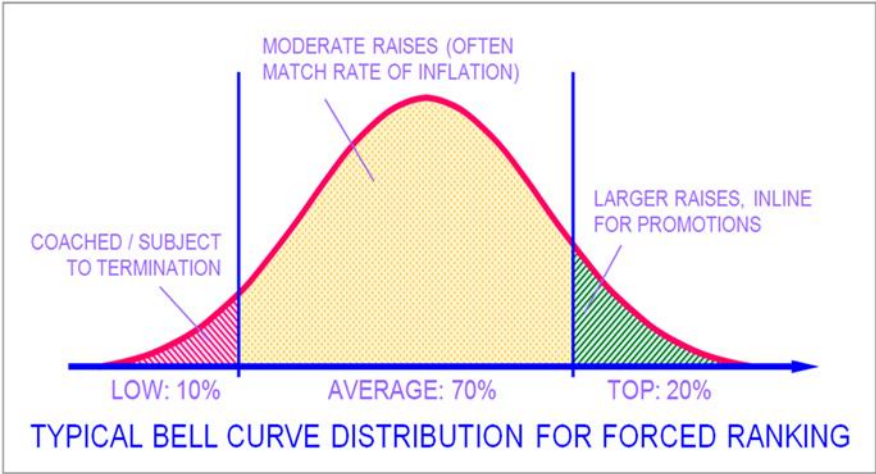


TO: Vice Mayor Bott and Committee Members  
FROM: Michael Tolbert, Town Manager  
DATE: June 14, 2022  
SUBJECT: FY23 Employee Raises

The Town Manager reviews employees' job performance in May of each year and based on the results, offers an appropriate merit increase in wages and salaries. The analysis and summary of this year's reviews are below.

During employee reviews, supervisors evaluate their employees using a Performance Management software tool produced by Insperity. The tool assists managers and supervisors by rating each employee in 11 distinct competencies including job knowledge, quantity of work, quality of work, communications, dependability, initiative, judgment, adaptability, safety & security, teamwork and use of technology. Each competency is rated from 0-5. Once complete, the software calculates a composite rating and suggests a written summary of each competency. Each supervisor then has the opportunity to modify or add to the summary or even compose a completely different one. The use of this software tool allows a fair evaluation of all employees using the same standards. Insperity has stopped supporting this product and we are currently reviewing new evaluation tools for next year.

The normal distribution of performance scores would be expected to follow a standard bell curve such as the one below.



FY22 scores are depicted in the chart below. As predicted, the distribution approximates the standard bell curve.



# Town of Chincoteague, Inc.

- ❖ The average Performance Score for this year was 3.33 (Meets job requirements) with an average raise of 2.35%. As usual, we budgeted an average of 2.5% for FY 2023. The highest proposed raise is 5% and the lowest is 1.75%.
  
- ❖ Last year the average score was 3.36 with an average raise of 2.72%. The highest raise was 5% with the lowest raise of 1.5%.
  
- ❖ Scores this year approximated the bell curve with an obvious exaggerated peak towards the average (center):

The Town of Chincoteague budgets an average merit salary increase per employee of 2.5% each year. The table below reflects whether a particular department is over or under its budgeted raise for FY22.

**2022 by Department:**

Department	Average Score FY2020	Average Raise FY2021	Average Score FY2022	Average Raise FY2022	Budget (Over/Under)	Notes
EMS	3.6	3.07%	3.3	2.36	(\$4,666)	
General Government	3.41	2.63%	3.44	2.50	(\$10,219)	
Public Works	3.29	2.58%	3.25	2.69	\$837	
Police Department	3.29	2.75%	3.37	2.45	(6,691)	

Total Over/Under (\$20,739)

- ❖ Overall, the performance pay increase proposal is under budget by \$20,739 which is somewhat lower than last year's \$29,467. Employees with recent promotions are not eligible for a merit increase until the next budget year and are not reflected in this figure.
  
- ❖ In addition to the above balance, we will experience some salary lapse due to the recent retirement of a few longtime employees. Since these vacancies are not yet filled, the actual value of the lapse cannot yet be calculated.

# Town of Chincoteague, Inc.

## **Part Time Employees:**

Unlike FY22, part time employees for FY23 were reviewed and raises recommended using a tool similar to full time employees. This procedure caused a reduction in the overall remaining balance of funds budgeted for the increase.

**After compiling the above analysis, I recommend the Committee approve the merit increases as presented here for all full and part time FY23 employees for.**

**The Committee is asked to review the enclosed data and vote to make a recommendation the full council on merit increases for FY23. Any recommendation would be included in the June 16, 2022 workshop council meeting agenda.**

**Executive Session Motion:**

**Closed Meeting Motion:**

I will entertain a motion that the Council convene a closed meeting pursuant to Sec. 2.2-3711 A1,5 Code of Virginia for discussion of staff evaluations and potential business opportunities.



**Certification Motion:**

In accordance with section 2.2-3712(D) of the Code of Virginia, I will entertain a motion that the Council certify that to the best of each Committee members' knowledge:

1. Only public business lawfully exempted from open meeting requirements was discussed and
2. Only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered.

*Ask for a vote by show of hands*