



# Buncombe County Benefits

# Agenda

## **Benefit Comparisons**

Fringe

Health Plans

## **Cost of Living Comparisons**

## **Final Points**



# Benefit Comparisons

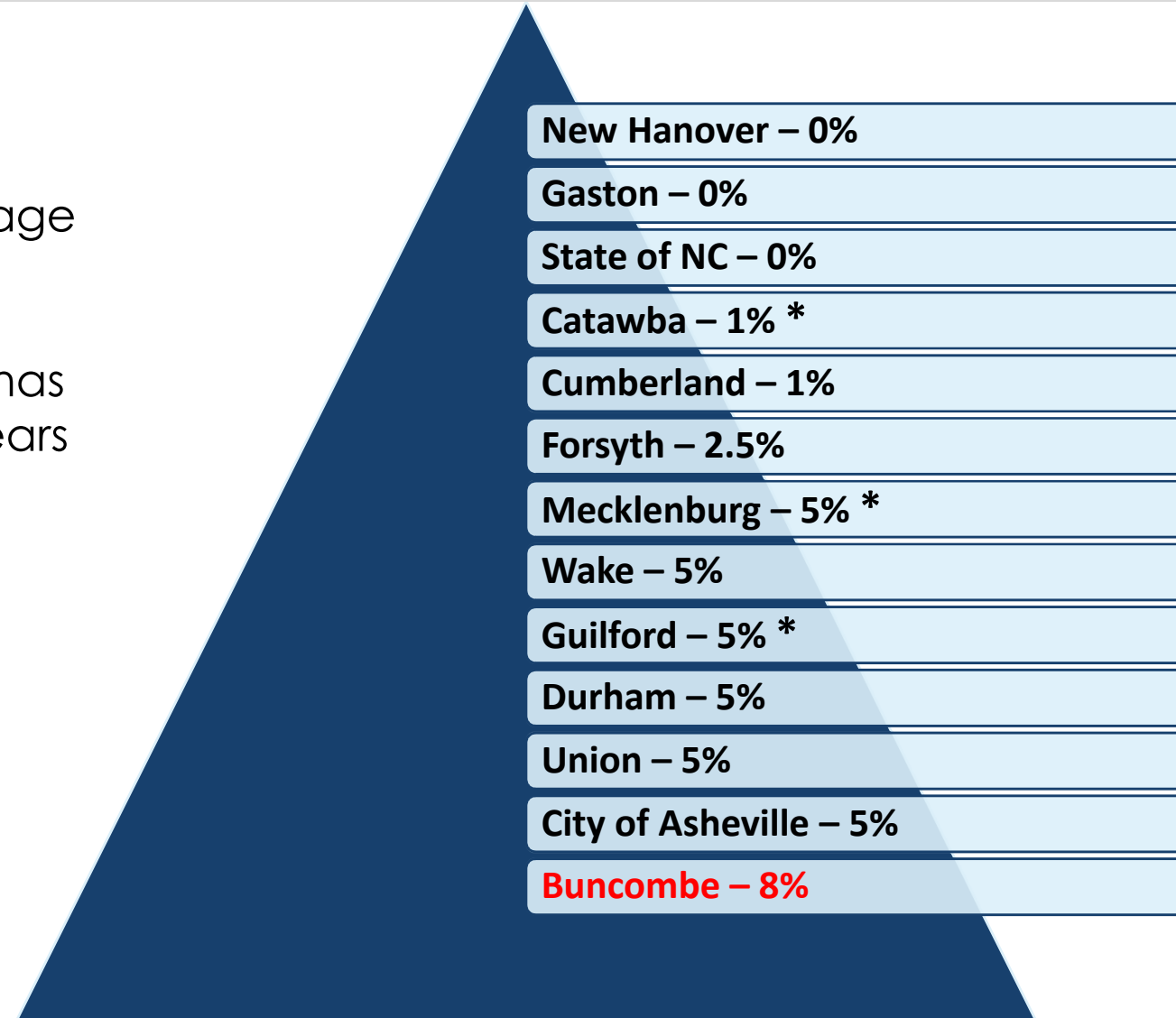
# Assessment of Peer Benefits

- Mecklenburg County
- Wake County
- Guilford County
- Forsyth County
- Cumberland County
- Durham County
- New Hanover County
- Union County
- Gaston County
- Catawba County
- City of Asheville
- State of North Carolina

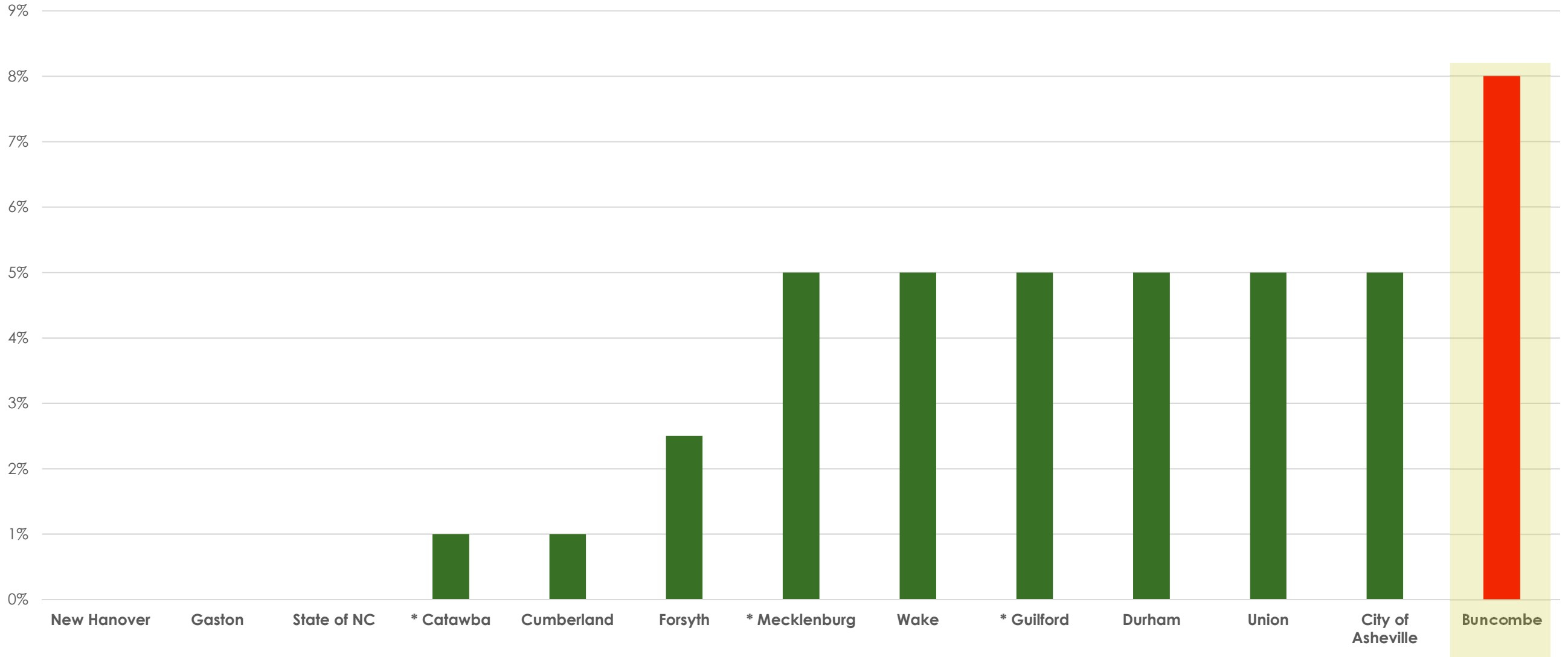
# NC 401k – Employer Contribution/Match

\* County matches **up to** the percentage listed

- History of how Buncombe County has changed contributions over the years
  - July 1996 - 1%
  - July 1997 - 3%
  - July 1998 - 5%
  - July 2004 - 6%
  - July 2006 - 8%



# NC 401k – Employer Contribution/Match



# Term Life Insurance

\$0	\$5,000	\$10,000	\$30,000	Salary *1	Salary * 1.5
<ul style="list-style-type: none"><li>• New Hanover</li><li>• Gaston</li></ul>	<ul style="list-style-type: none"><li>• Cumberland</li></ul>	<ul style="list-style-type: none"><li>• Guilford</li><li>• State of NC</li></ul>	<ul style="list-style-type: none"><li>• <b>Buncombe</b></li></ul>	<ul style="list-style-type: none"><li>• Catawba</li><li>• City of Asheville</li><li>• Durham</li><li>• Mecklenburg</li><li>• Union</li><li>• Wake</li></ul>	<ul style="list-style-type: none"><li>• Forsyth</li></ul>

- These are term life insurance policies that cover basic life and accidental death and dismemberment for employees while they are employed by the governing body
- If the employee desires additional insurance coverage, they are responsible for the cost

# Annual Leave

- Buncombe County adjusted to the listed annual leave numbers 2/15/2011
- - Employees hired prior to the last edit date (45% of current workforce) accrue higher annual leave numbers
- Buncombe County provides employees with 2 additional days of Personal Time Off (PTO) each year
  - PTO does not rollover from year to year

Days/ Year	Less than 2 Years of Service	20+ Years of Service
Forsyth	6	23
<b>Buncombe</b>	<b>10 (+2)</b>	<b>20 (+2)</b>
Catawba	10	21
Mecklenburg	10	24
New Hanover	10	24
Guilford	12	23
City of Asheville	12	25
Wake	12	26
Durham	12	26
Union	12	26
Gaston	12	26
Cumberland	12	27
State of NC	14	26

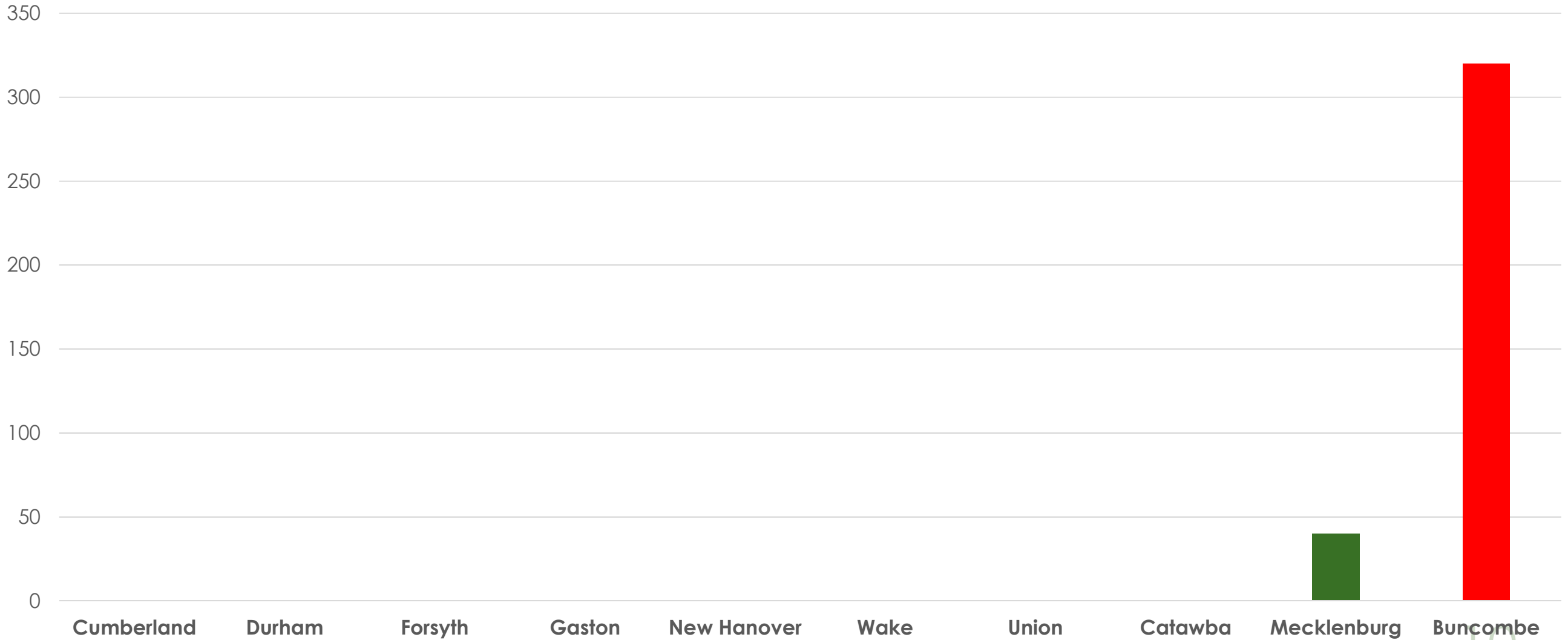


# Leave Sale Policy

- The peer counties surveyed do not allow employees to sell leave outside of time of separation
- Buncombe County currently has a maximum annual leave policy that converts overages over 2 years to sick leave
  - Leave can be sold at anytime throughout the year
  - The annual leave sale policy has changed over the last 10 years

	Maximum Hours Allowed for Sale/ Year
Cumberland	0
Durham	0
Forsythe	0
Gaston	0
New Hanover	0
Wake	0
Union	0
State of NC	0
Catawba	0
Mecklenburg	40
<b>Buncombe</b>	<b>320</b>

# Leave Sale Policy



# Longevity

## Not Offered

- City of Asheville
- Wake
- Durham
- Union

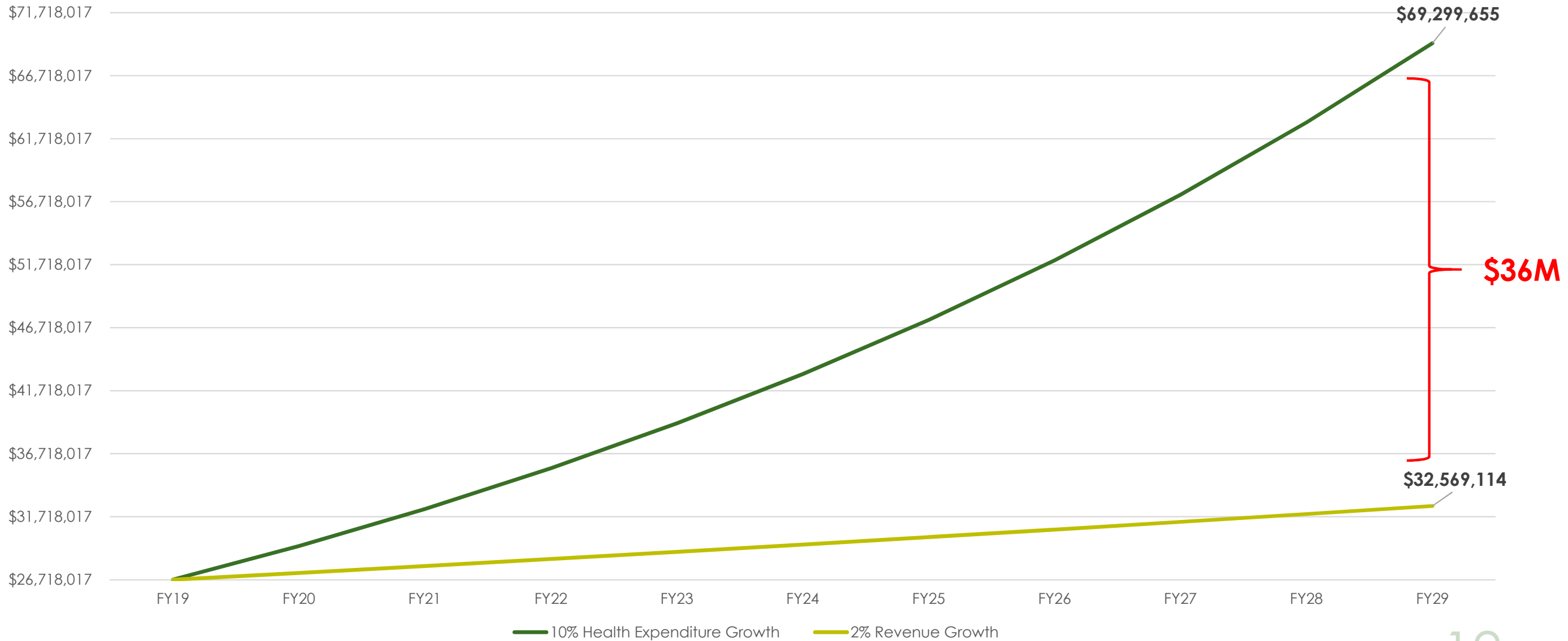
## Discontinued/ Grandfathered

- Gaston (2002)
- Guilford (2011)
- Mecklenburg (2004)
- Cumberland (2012)

## Offered

- **Buncombe**
- Catawba (5 yrs)
- Forsythe (7 yrs)
- State of NC (10 yrs)

# Health Claims Expenditure vs Revenue Growth



# Buncombe County Health Plans

	* Standard 95/5	Buy-Up 80/20	Core 70/30
<b>Co-Payment:</b>			
Primary Care Physician	\$25	\$25	\$25
Specialist	\$40	\$40	\$40
<b>Aggregate Deductible:</b>			
Employee Only	\$300	\$400	\$650
Employee Plus	\$600	\$750	\$1,000
<b>Coinsurance Maximum:</b>			
Employee Only	\$450	\$750	\$1,250
Employee Plus	\$900	\$1,750	\$2,750
<b>TOTAL Out of Pocket Max:</b>			
Employee Only	\$750	\$1,150	\$1,900
Employee Plus	\$1,500	\$2,500	\$3,750
<b>Bi-Weekly Rates:</b>			
Employee Only	\$25	\$35	\$20
Employee + 1 Child	\$40	\$80	\$40
Employee + Children	\$70	\$95	\$65
Employee + Spouse	\$65	\$85	\$50
Family	\$70	\$95	\$65
<b>Emergent Care:</b>			
Urgent Care	\$40	\$40	\$40
Emergency Room	\$150	\$150	\$150

\* Standard Plan discontinued 12/31/2009

# Health Care Premiums – Employee Only

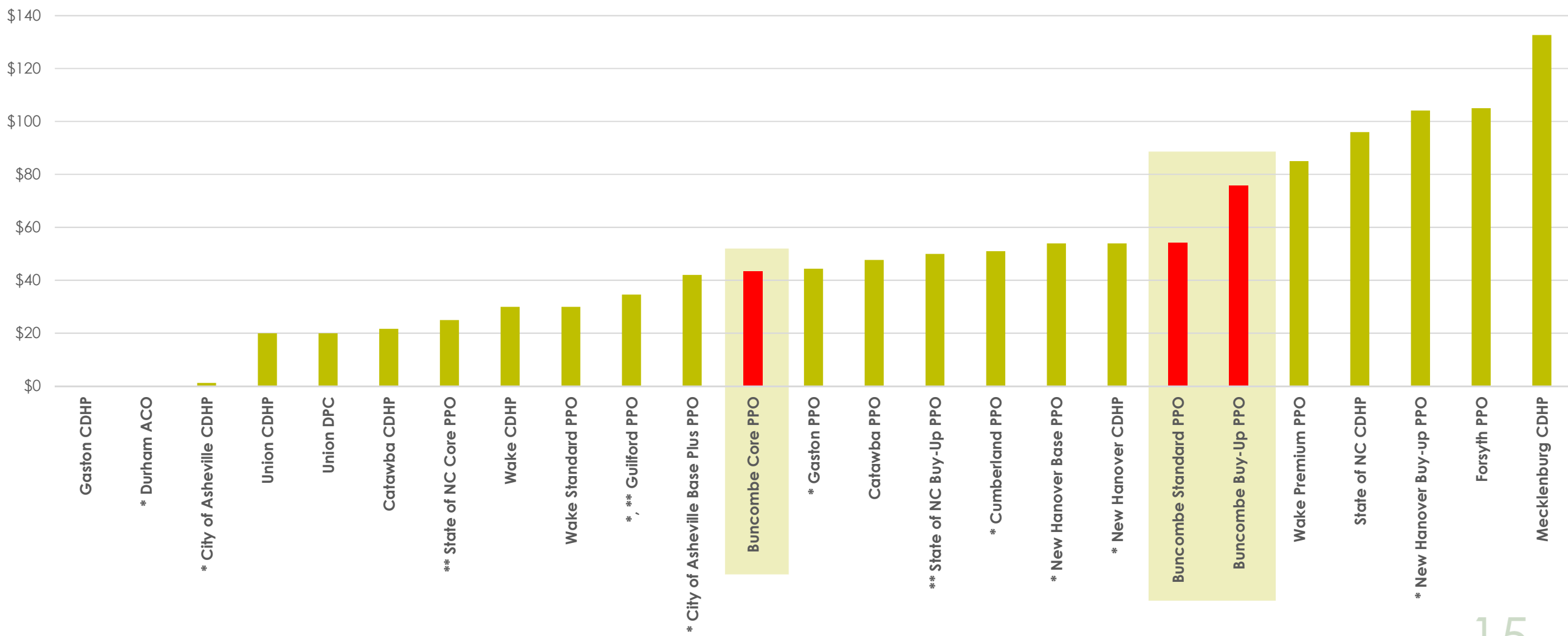
- CDHP = Consumer Driven Health Plan
- PPO = Preferred Provider Organization
- ACO = Accountable Care Organization (restricted network)
- 36% of Buncombe County plan subscribers are enrolled in employee only coverage (as of 6/30/2018)

\* Plan premiums that require a health risk assessment (36%)

\*\* Plan premiums that require a tobacco attestation (12%)

	Monthly Premiums	Employee
1st Quartile	Durham ACO *	\$0
	Gaston CDHP	\$0
	City of Asheville CDHP *	\$1
	Union CDHP	\$20
	Union DPC	\$20
	Catawba CDHP	\$22
2nd Quartile	State of NC Core PPO **	\$25
	Wake CDHP	\$30
	Wake Standard PPO	\$30
	Guilford PPO *, **	\$35
	City of Asheville Base Plus PPO *	\$42
	<b>Buncombe Core PPO</b>	<b>\$43</b>
	Gaston PPO *	\$44
3rd Quartile	Catawba PPO	\$48
	State of NC Buy-Up PPO **	\$50
	Cumberland PPO *	\$51
	New Hanover Base PPO *	\$54
	New Hanover CDHP *	\$54
	<b>Buncombe Standard PPO</b>	<b>\$54</b>
4th Quartile	<b>Buncombe Buy-Up PPO</b>	<b>\$76</b>
	Wake Premium PPO	\$85
	State of NC CDHP	\$96
	New Hanover Buy-up PPO *	\$104
	Forsyth PPO	\$105
	Mecklenburg CDHP	\$133

# Health Care Premiums – Employee Only



# Health Care Premiums – Family

- 31% of Buncombe County plan subscribers are enrolled in family coverage

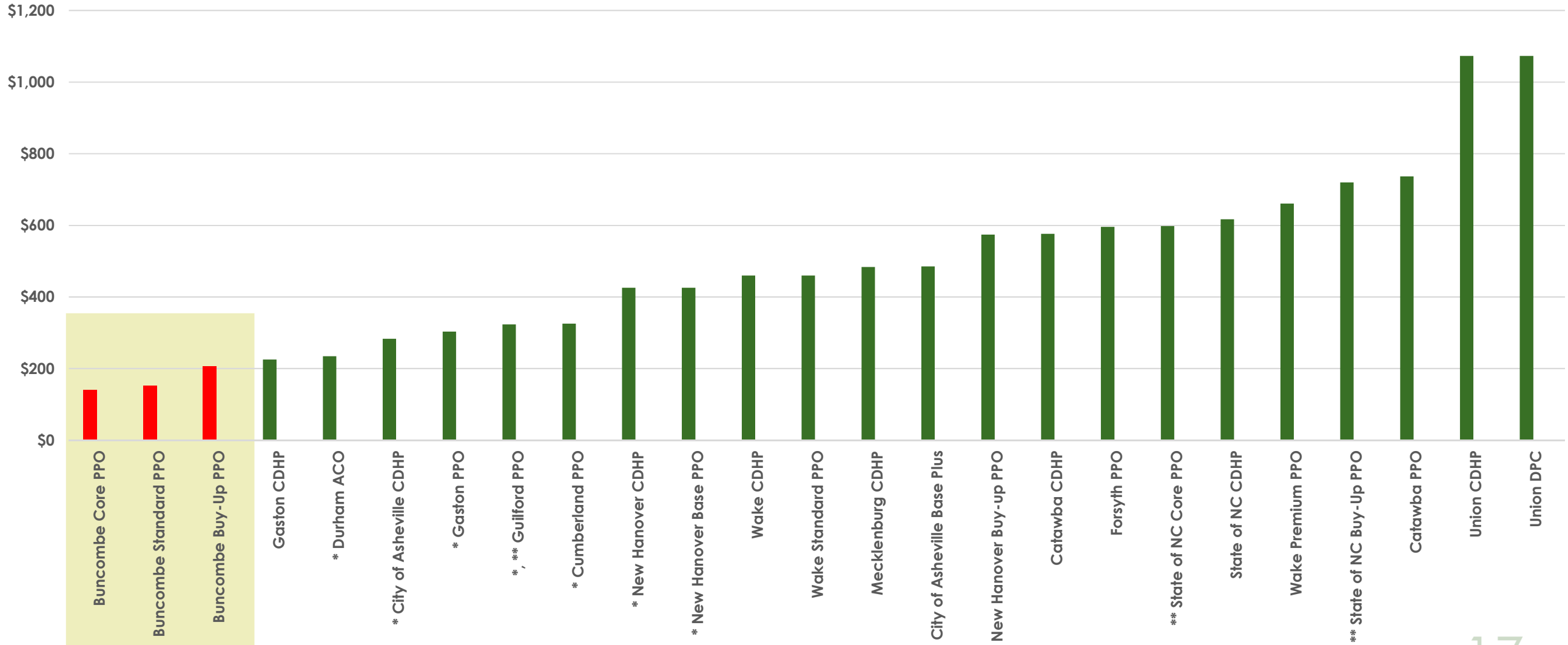
\* Plan premiums that require a health risk assessment

\*\* Plan premiums that require a tobacco attestation

		Monthly Premiums	Employee + Spouse	Employee + Children	Family
1st	Quartile	<b>Buncombe Core PPO</b>	<b>\$108</b>	<b>\$141</b>	<b>\$141</b>
		<b>Buncombe Standard PPO</b>	<b>\$141</b>	<b>\$152</b>	<b>\$152</b>
		<b>Buncombe Buy-Up PPO</b>	<b>\$184</b>	<b>\$206</b>	<b>\$206</b>
		Gaston CDHP	\$179	\$112	\$226
		Durham ACO *	\$143	\$100	\$235
		City of Asheville CDHP *	\$158	\$183	\$284
2nd	Quartile	Gaston PPO *	\$248	\$167	\$304
		Guilford PPO *,**	\$212	\$145	\$324
		Cumberland PPO *	\$241	\$254	\$326
		New Hanover CDHP *	\$351	\$152	\$426
		New Hanover Base PPO *	\$351	\$152	\$426
		Wake CDHP	\$310	\$155	\$460
		Wake Standard PPO	\$310	\$155	\$460
		Mecklenburg CDHP	\$261	\$323	\$484
3rd	Quartile	City of Asheville Base Plus *	\$269	\$284	\$486
		New Hanover Buy-up PPO *	\$456	\$258	\$574
		Catawba CDHP	\$345	\$184	\$576
		Forsyth PPO	\$295	\$596	\$596
		State of NC Core PPO **	\$590	\$218	\$598
		State of NC CDHP	\$513	\$284	\$617
4th	Quartile	Wake Premium PPO	\$455	\$262	\$661
		State of NC Buy-Up PPO **	\$700	\$305	\$720
		Catawba PPO	\$475	\$353	\$737
		Union CDHP	\$278	\$184	\$1,073
		Union DPC	\$278	\$184	\$1,073



# Health Care Premiums – Family

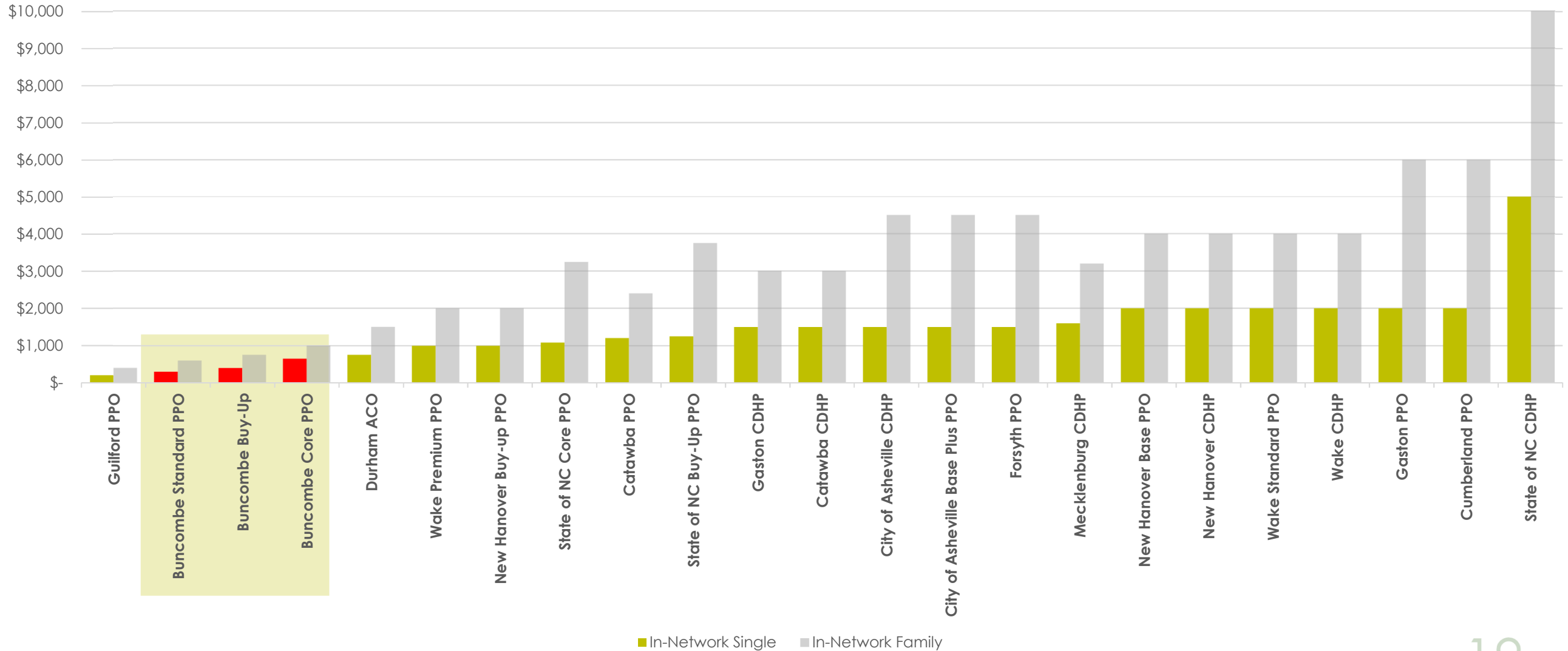


# Health Care Deductible

- A deductible is the amount of money the member has to pay before the health plan will cover the claim
- Quartiles based on individual deductibles

	In-Network	Individual	Family
1st Quartile	Union CDHP	\$150	\$150
	Union DPC	\$150	\$150
	Guilford PPO	\$200	\$400
	<b>Buncombe Standard PPO</b>	<b>\$300</b>	<b>\$600</b>
	<b>Buncombe Buy-Up</b>	<b>\$400</b>	<b>\$750</b>
	<b>Buncombe Core PPO</b>	<b>\$650</b>	<b>\$1,000</b>
2nd Quartile	Durham ACO	\$750	\$1,500
	Wake Premium PPO	\$1,000	\$2,000
	New Hanover Buy-up PPO	\$1,000	\$2,000
	State of NC Core PPO	\$1,080	\$3,240
	Catawba PPO	\$1,200	\$2,400
	State of NC Buy-Up PPO	\$1,250	\$3,750
	Gaston CDHP	\$1,500	\$3,000
	Catawba CDHP	\$1,500	\$3,000
	City of Asheville CDHP	\$1,500	\$4,500
	City of Asheville Base Plus PPO	\$1,500	\$4,500
	Forsyth PPO	\$1,500	\$4,500
3rd Quartile	Mecklenburg CDHP	\$1,600	\$3,200
	New Hanover Base PPO	\$2,000	\$4,000
	New Hanover CDHP	\$2,000	\$4,000
	Wake Standard PPO	\$2,000	\$4,000
	Wake CDHP	\$2,000	\$4,000
	Gaston PPO	\$2,000	\$6,000
	Cumberland PPO	\$2,000	\$6,000
	State of NC CDHP	\$5,000	\$10,000

# Health Care Deductible

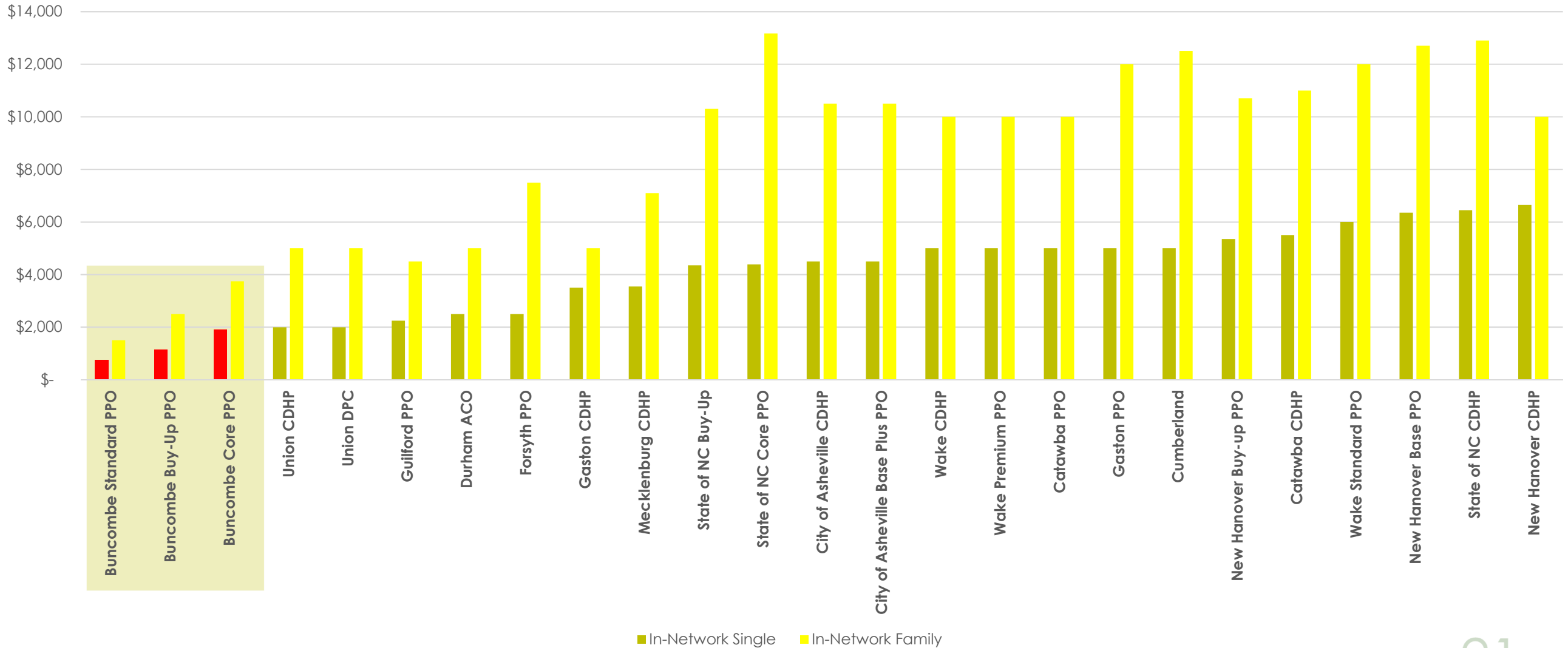


# Health Care Out of Pocket Max

- The out of pocket maximum is the amount of money the member has to pay before the insurance plan covers all expenses 100%, as well as the cap on what an individual/family pays per plan year
- Quartiles based on individual out of pocket max

	In-Network	Individual	Family
1 <sup>st</sup> Quartile	<b>Buncombe Standard PPO</b>	<b>\$750</b>	<b>\$1,500</b>
	<b>Buncombe Buy-Up PPO</b>	<b>\$1,150</b>	<b>\$2,500</b>
	<b>Buncombe Core PPO</b>	<b>\$1,900</b>	<b>\$3,750</b>
	Union CDHP	\$2,000	\$5,000
	Union DPC	\$2,000	\$5,000
	Guilford PPO	\$2,250	\$4,500
2 <sup>nd</sup> Quartile	Durham ACO	\$2,500	\$5,000
	Forsyth PPO	\$2,500	\$7,500
	Gaston CDHP	\$3,500	\$5,000
	Mecklenburg CDHP	\$3,550	\$7,100
	State of NC Buy-Up PPO	\$4,350	\$10,300
	State of NC Core PPO	\$4,388	\$13,164
	City of Asheville CDHP	\$4,500	\$10,500
	City of Asheville Base Plus PPO	\$4,500	\$10,500
3 <sup>rd</sup> Quartile	Wake CDHP	\$5,000	\$10,000
	Wake Premium PPO	\$5,000	\$10,000
	Catawba PPO	\$5,000	\$10,000
	Gaston PPO	\$5,000	\$12,000
	Cumberland PPO	\$5,000	\$12,500
4 <sup>th</sup> Quartile	New Hanover Buy-up PPO	\$5,350	\$10,700
	Catawba CDHP	\$5,500	\$11,000
	Wake Standard PPO	\$6,000	\$12,000
	New Hanover Base PPO	\$6,350	\$12,700
	State of NC CDHP	\$6,450	\$12,900
	New Hanover CDHP	\$6,650	\$10,000

# Health Care Out of Pocket Max



# Health Care Physician Copays

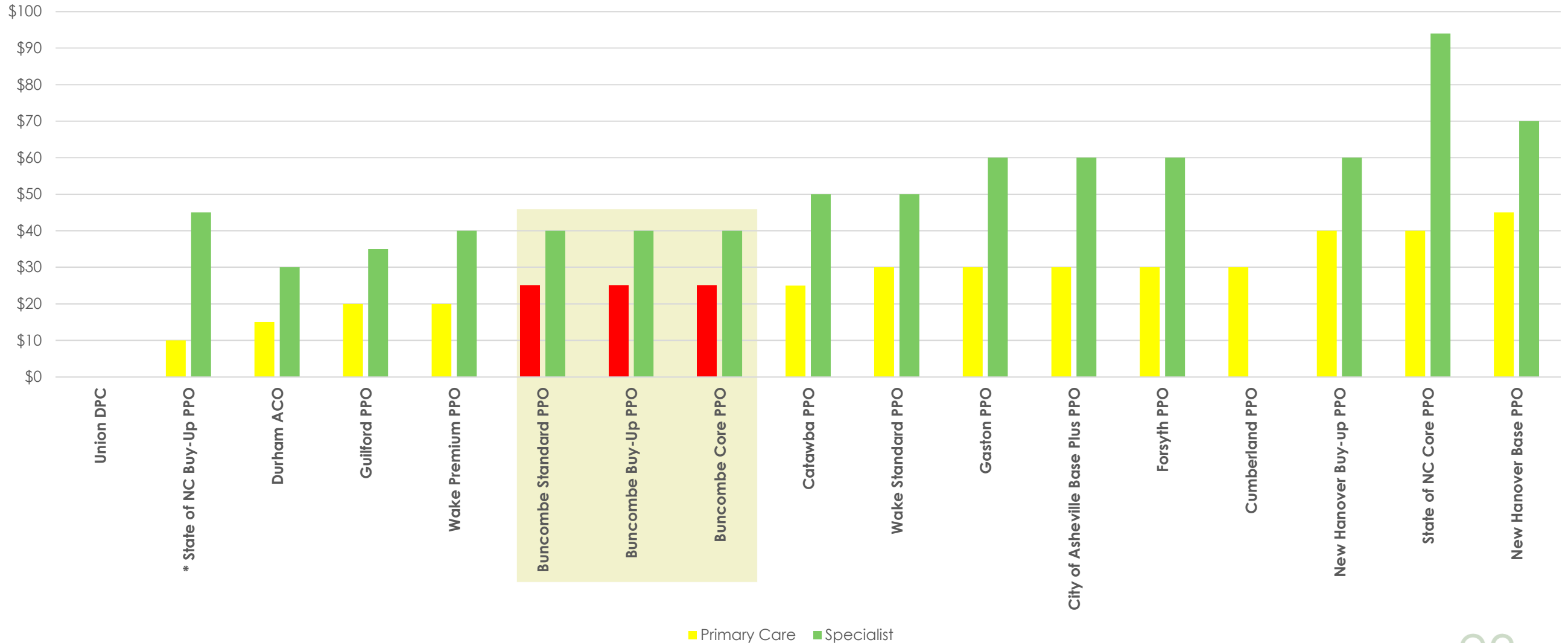
- Quartiles based on primary care copays

\* Members must use the designated PCP listed on their plan for these rates

\*\* Members pay their deductible and/or coinsurance for office visits instead of a copay, except where the plan covers preventative visits

	Plans	Primary Care	Specialist
1 <sup>st</sup> Quartile	Union DPC	\$0	\$0
	State of NC Buy-Up PPO *	\$10	\$45
	Durham ACO	\$15	\$30
	Guilford PPO	\$20	\$35
	Wake Premium PPO	\$20	\$40
2 <sup>nd</sup> Quartile	<b>Buncombe Standard PPO</b>	<b>\$25</b>	<b>\$40</b>
	<b>Buncombe Buy-Up PPO</b>	<b>\$25</b>	<b>\$40</b>
	<b>Buncombe Core PPO</b>	<b>\$25</b>	<b>\$40</b>
	Catawba PPO	\$25	\$50
3 <sup>rd</sup> Quartile	Wake Standard PPO	\$30	\$50
	Gaston PPO	\$30	\$60
	City of Asheville Base Plus PPO	\$30	\$60
	Forsyth PPO	\$30	\$60
	Cumberland PPO	\$30	**
4 <sup>th</sup> Quartile	New Hanover Buy-up PPO	\$40	\$60
	State of NC Core PPO	\$40	\$94
	New Hanover Base PPO	\$45	\$70
	City of Asheville CDHP	**	**
	Mecklenburg CDHP	**	**
	Wake CDHP	**	**
	New Hanover CDHP	**	**
	Gaston CDHP	**	**
	Catawba CDHP	**	**
	State of NC CDHP	**	**
	Union CDHP	**	**

# Health Care Physician Copays



# Emergency and Urgent Care Copays

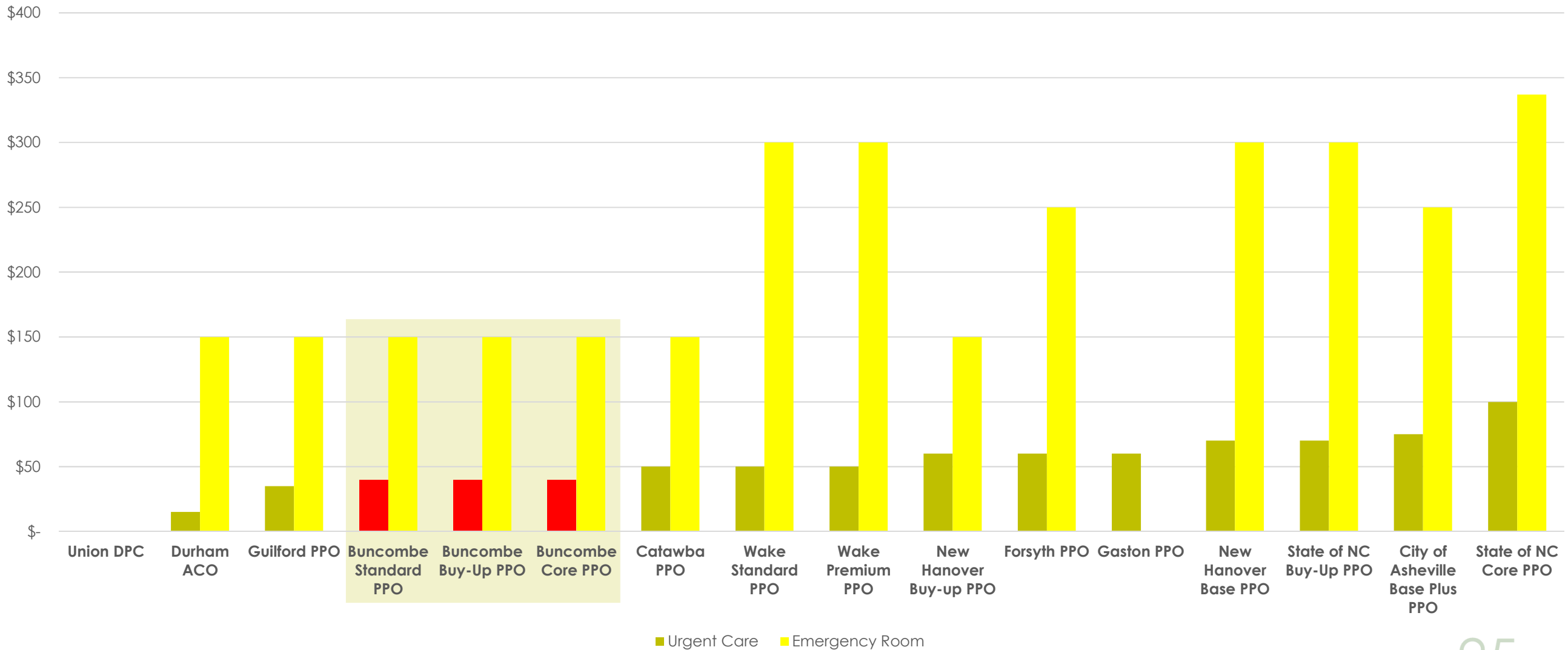
- Quartiles based on urgent care copays

\*\* Members pay their deductible and/or coinsurance for each visit instead of a copay

	Plans	Urgent Care	Emergency Room
1 <sup>st</sup>	Union CDHP	\$0	\$0
	Durham ACO	\$15	\$150
	Guilford PPO	\$35	\$150
2 <sup>nd</sup> Quartile	<b>Buncombe Standard PPO</b>	<b>\$40</b>	<b>\$150</b>
	<b>Buncombe Buy-Up PPO</b>	<b>\$40</b>	<b>\$150</b>
	<b>Buncombe Core PPO</b>	<b>\$40</b>	<b>\$150</b>
	Catawba PPO	\$50	\$150
	Wake Standard PPO	\$50	\$300
	Wake Premium PPO	\$50	\$300
3 <sup>rd</sup>	New Hanover Buy-up PPO	\$60	\$150
	Forsyth PPO	\$60	\$250
	Gaston PPO	\$60**	
4 <sup>th</sup> Quartile	New Hanover Base PPO	\$70	\$300
	State of NC Buy-Up PPO	\$70	\$300
	City of Asheville Base Plus PPO	\$75	\$250
	State of NC Core PPO	\$100	\$337
	City of Asheville CDHP	**	**
	Mecklenburg CDHP	**	**
	Wake CDHP	**	**
	Cumberland PPO	**	**
	New Hanover CDHP	**	**
	Gaston CDHP	**	**
	Catawba CDHP	**	**
	State of NC CDHP	**	**
	Union CDHP	**	**



# Emergency & Urgent Care Copays



# Prescription Copays - Generic

- Generics – Two categories (tiers):
  - same active ingredients as brand name (FDA approved)
  - different active ingredients from brand name medications
- State of NC has an out of pocket max for all prescription medications
- Cumberland County offers lower copays if employees use their in-house pharmacy

\* Free generic preventative medications are offered

Generic			
30-Day Supply			
<b>\$0</b> <ul style="list-style-type: none"> <li>• Union DPC</li> <li>• Durham ACO</li> <li>• <b>Buncombe Standard PPO</b></li> <li>• <b>Buncombe Buy-Up PPO</b></li> <li>• <b>Buncombe Core PPO</b></li> <li>• Catawba PPO</li> <li>• Cumberland PPO *</li> </ul>	<b>\$5-\$10</b> <ul style="list-style-type: none"> <li>• COA Plus PPO</li> <li>• Forsyth PPO</li> <li>• State of NC Buy-Up PPO *</li> <li>• Guilford PPO</li> </ul>	<b>\$10-\$20</b> <ul style="list-style-type: none"> <li>• Wake Standard PPO</li> <li>• Wake Premium PPO</li> <li>• New Hanover Buy-Up PPO</li> <li>• Gaston PPO</li> <li>• State of NC Core PPO *</li> </ul>	<b>Deductible and/or Coinsurance</b> <ul style="list-style-type: none"> <li>• Mecklenburg CDHP *</li> <li>• COA CDHP</li> <li>• Wake CDHP *</li> <li>• New Hanover CDHP</li> <li>• Gaston CDHP</li> <li>• Catawba CDHP *</li> <li>• State of NC CDHP *</li> <li>• Union CDHP</li> </ul>

# Prescription Copays – Preferred

- Preferred – brand name drugs listed on the plan's formulary
- Wake County plans pay a percentage of the cost for preferred medications
- Union County plans pay the dollar listed or a percentage whichever is greater

\* Free generic preventative medications are offered

Preferred 30-Day Supply		
<b>\$20- \$35</b> <ul style="list-style-type: none"><li>• Union DPC</li><li>• COA Plus PPO</li><li>• Durham ACO</li><li>• State of NC Buy-Up PPO *</li><li>• New Hanover Base PPO</li><li>• New Hanover Buy-Up PPO</li></ul>	<b>\$40-\$55</b> <ul style="list-style-type: none"><li>• Guilford PPO</li><li>• <b>Buncombe Standard PPO</b></li><li>• <b>Buncombe Buy-Up PPO</b></li><li>• <b>Buncombe Core PPO</b></li><li>• Catawba PPO</li><li>• Forsyth PPO</li><li>• Gaston PPO</li><li>• State of NC Core PPO *</li><li>• Cumberland PPO *</li></ul>	<b>Deductible, Coinsurance or Percent of Cost</b> <ul style="list-style-type: none"><li>• Mecklenburg CDHP *</li><li>• COA CDHP</li><li>• Wake CDHP *</li><li>• New Hanover CDHP</li><li>• Gaston CDHP</li><li>• Catawba CDHP *</li><li>• State of NC CDHP *</li><li>• Wake Standard PPO</li><li>• Wake Premium PPO</li><li>• Union CDHP</li></ul>

# Prescription Copays – Non-Preferred

- Non-Preferred – brand name drugs that are **not** included on the plan's formulary

\* Free generic preventative medications are offered

## Non-Preferred

30-Day Supply

### \$40-\$50

- Union DPC
- COA Plus PPO
- Durham ACO
- New Hanover Base PPO
- New Hanover Buy-Up PPO
- Guiford PPO
- **Buncombe Standard PPO**
- **Buncombe Buy-Up PPO**
- **Buncombe Core PPO**

### \$60-\$75

- Forsyth PPO
- Gaston PPO
- Catawba PPO
- Cumberland PPO \*
- State of NC Core PPO \*

### Deductible, Coinsurance or Percent of Cost

- State of NC Buy-Up PPO \*
- Mecklenburg CDHP \*
- COA CDHP
- Wake CDHP \*
- New Hanover CDHP
- Gaston CDHP
- Catawba CDHP \*
- State of NC CDHP \*
- Wake Standard PPO
- Wake Premium PPO
- Union CDHP

# Prescription Copays – Specialty

- Specialty – medication category that typically requires special handling, monitoring or administration
- 5 counties surveyed did not list a copay for specialty medications
- The state's core plan charges 25% up to \$103, rather than a copay

\* Free generic preventative medications are offered

## Specialty

30-Day Supply

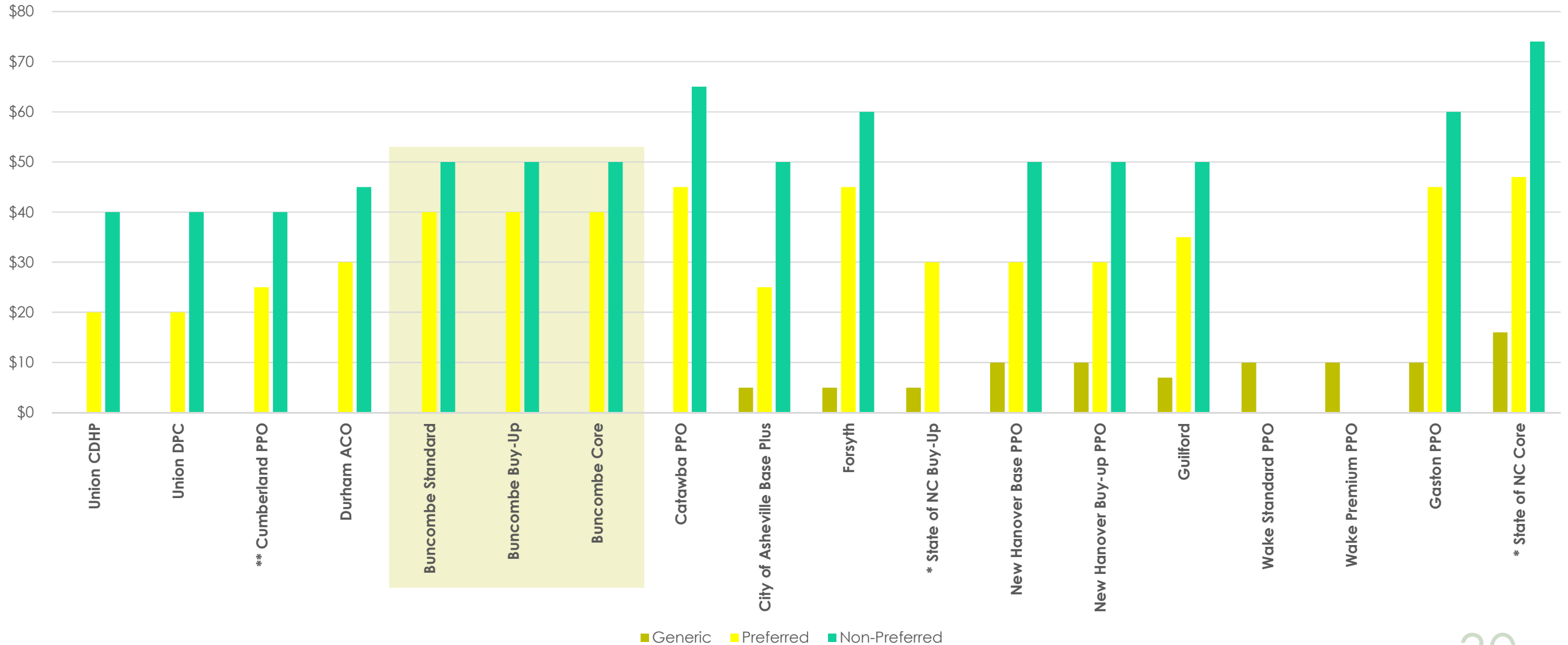
### \$65-\$250

- Guilford PPO
- **Buncombe Standard PPO**
- **Buncombe Buy-Up PPO**
- **Buncombe Core PPO**
- COA Base Plus PPO
- New Hanover Base PPO
- New Hanover Buy-Up PPO
- State of NC Buy-Up PPO \*

### Deductible, Coinsurance or Percent of Cost

- Forsyth PPO
- Gaston PPO
- Mecklenburg CDHP \*
- COA CDHP
- Wake CDHP \*
- New Hanover CDHP
- Gaston CDHP
- Catawba CDHP \*
- State of NC CDHP \*
- Wake Standard PPO
- Wake Premium PPO

# Prescription Copays



# Dental Insurance Premiums

- Buncombe County's dental plan is self-funded and employees pay 100% of the premium costs

		Monthly Premiums by Plan	Employee	Employee + Spouse	Employee + Children	Family
1 <sup>st</sup>	Quartile	Gaston Basic	\$0	\$12	\$12	\$12
		Forsyth	\$0	\$15	\$36	\$36
		Union	\$0	\$20	\$20	\$40
		Catawba	\$0	\$30	\$50	\$89
		Durham	\$0	\$62	\$53	\$91
2 <sup>nd</sup>	Quartile	City of Asheville Standard	\$4	\$26	\$31	\$52
		Guilford Basic	\$4	\$31	\$35	\$68
		New Hanover	\$4	\$18	\$31	\$31
		Mecklenburg Basic	\$5	\$25	\$31	\$49
		City of Asheville High	\$7	\$33	\$44	\$70
3 <sup>rd</sup>	Quartile	Gaston Plus	\$8	\$35	\$35	\$35
		Mecklenburg Plus	\$8	\$41	\$51	\$81
		Wake Basic	\$10	\$20	\$28	\$44
		Wake Plus	\$16	\$32	\$38	\$62
		State of NC Basic	\$21	\$43	\$46	\$73
		City of Asheville Premium	\$24	\$66	\$83	\$133
4 <sup>th</sup>	Quartile	Guilford Plus	\$27	\$68	\$75	\$130
		Cumberland Basic	\$30	\$61	\$90	\$90
		Cumberland Plus	\$32	\$66	\$97	\$97
		State of NC Plus	\$36	\$72	\$78	\$123
		<b>Buncombe</b>	<b>\$46</b>	<b>\$76</b>	<b>\$126</b>	<b>\$126</b>

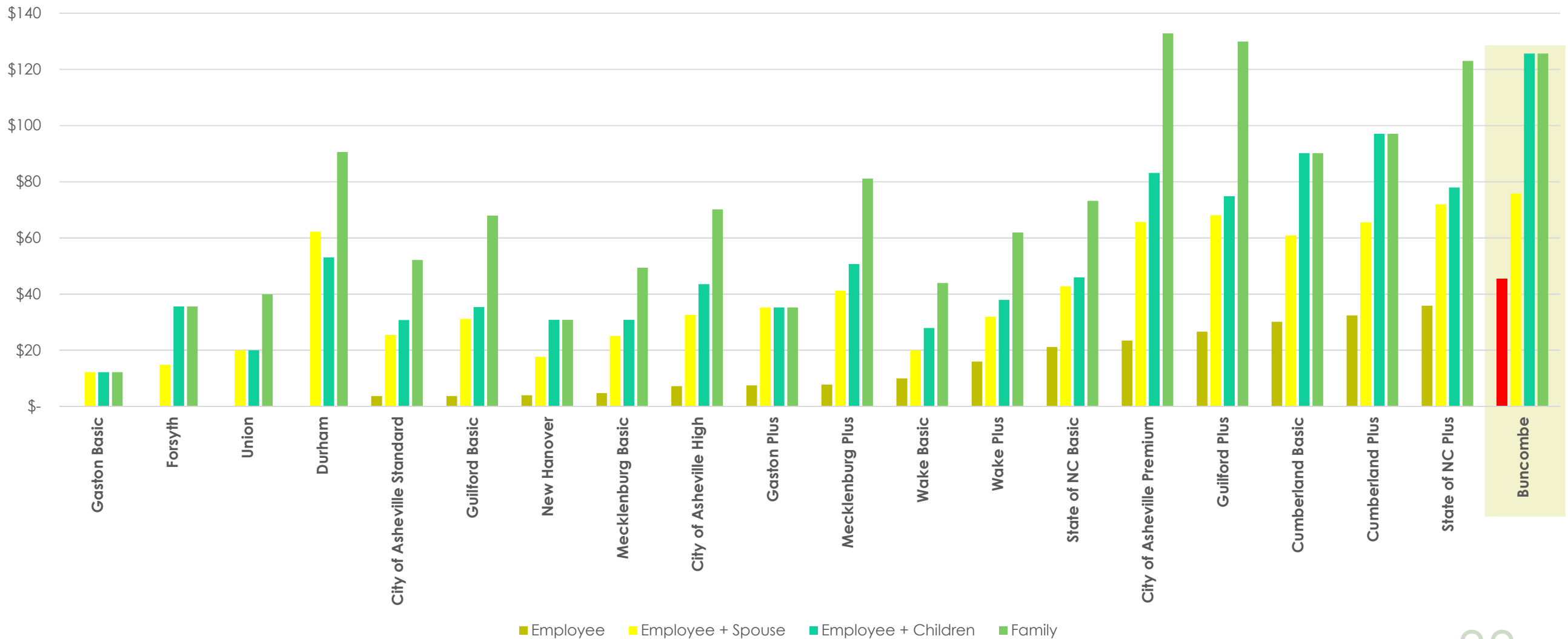
# Dental Insurance Maximums

- Not all information for peer dental plans was available
- Maximum benefit is the max that the plan will pay towards the cost of dental care in a plan year
- The orthodontic max for Buncombe County coverage is more than 200% higher than the peer county dental plan data that was gathered

Monthly Premiums by Plan	Maximum Benefit / Year	Orthodontic Max
Forsyth	\$1,500	\$1,200
Durham	\$1,500	\$1,500
City of Asheville Standard	\$1,000	
New Hanover	\$1,000	\$1,000
Mecklenburg Basic	\$1,000	
City of Asheville High	\$1,500	\$500
Mecklenburg Plus	\$1,500	\$1,500
Wake Basic	\$1,000	\$1,000
Wake Plus	\$1,250	\$1,250
State of NC Basic	\$1,000	
City of Asheville Premium	\$2,000	\$1,000
Cumberland Basic	\$1,250	\$1,000
Cumberland Plus	\$1,500	\$1,000
State of NC Plus	\$5,000	\$1,500
<b>Buncombe</b>	<b>\$2,500</b>	<b>\$5,000</b>



# Dental Insurance Premiums



# Cost of Living Comparisons

# Cost of Living Impact

Between FY10 and FY17 the median income earned in Buncombe County has not matched the rising cost of living in the area.

Buncombe's cost of living is higher than the average costs for the US and the state of NC as a whole. It is also higher than the nine other urban counties in the state.

This means the spending value of a dollar is lower than in other areas.

# Spending Value Comparison

Buncombe County Spending Value of \$1  
Compared to US Average & Other NC Urban Counties



Source: Sperling's Best Places

# Sperling's Data Sources

- American Community Survey Current Population Survey
- American Medical Association
- Amtrak
- Bureau of Labor Statistics - Consumer Price Index
- Centers for Disease Control and Prevention (CDC)
- (CDC) - BRFSS (Behavioral Risk Factors)
- (CDC) - Compressed Mortality Database
- (CDC) Wonder Natality Database
- Consumer Expenditure Survey
- Department of Energy
- Educational Testing Service and ACT, Inc.
- Environmental Protection Agency
- Fast Forward, Inc.
- Federal Aviation Administration
- Federal Bureau of Investigation
- Federal Highway Administration
- Federal Transit Administration
- Federal Travel Directory
- Freddie Mac -Conventional Home Price Mortgage Index
- Major League Baseball
- Medicare
- National Association of Home Builders
- National Association of Realtors
- National Basketball Association
- National Center for Education Statistics
- National Climatic Data Center
- National Football League
- National Hockey League
- National Hurricane Center
- National Oceanic and Atmospheric Administration
- National Park Service
- Office of Housing Economic Oversight
- State Association of Realtors
- U.S. Census Bureau
- U.S. Department of Health and Human Services
- U.S. Geologic Service
- Uniform Crime Reports

# Sperling's Methodology for Cost of Living Composite Index

Sperling analyzes data from multiple sources and compiles cost of living indexes and city comparisons to provide a broad assessment of the issue largely unavailable through other sources.

Cost of living is calculated by Sperling as a combination of these categories, weighted as follows:

- Housing **30%**
- Food and groceries **15%**
- Transportation **10%**
- Utilities **6%**
- Health care **7%**
- Miscellaneous expenses  
(such as clothing, services, and entertainment) **32%**

*State and local taxes are not included in any category*

# Cost of Living Impact

The lower spending value of a dollar in Buncombe County has a direct impact on the salaries earned.

When salaries in each of our core service areas are adjusted to reflect the cost of living, their placement as compared to the other urban counties in the state shifts significantly on the salary range.

# Effective Salary Methodology

To create a cost of living adjusted salary, we took the 10 urban NC comparison counties and looked at what percentage difference above or below that they are to the average spending value of a dollar. The average was \$1.05 (meaning, on average \$1.00 has a \$1.05 spending value across the Urban Counties when compared to the rest of the US). Below is an example with test data showing the cost of living adjusted salary for a \$50,000 job across all urbans.

	Salary	County \$1.00 Spend Value	1 Dollar Spending Avg. Of Urbans Against US	% Difference To Average	Effective Salary
Catawba	\$ 50,000	\$ 1.15	\$ 1.05	10%	\$ 54,761.90
Forsyth	\$ 50,000	\$ 1.14	\$ 1.05	9%	\$ 54,285.71
Gaston	\$ 50,000	\$ 1.14	\$ 1.05	9%	\$ 54,285.71
Cumberland	\$ 50,000	\$ 1.11	\$ 1.05	6%	\$ 52,857.14
Guilford	\$ 50,000	\$ 1.09	\$ 1.05	4%	\$ 51,904.76
Durham	\$ 50,000	\$ 1.03	\$ 1.05	-2%	\$ 49,047.62
Mecklenburg	\$ 50,000	\$ 1.01	\$ 1.05	-4%	\$ 48,095.24
New Hanover	\$ 50,000	\$ 0.97	\$ 1.05	-8%	\$ 46,190.48
Wake	\$ 50,000	\$ 0.93	\$ 1.05	-11%	\$ 44,285.71
<b>Buncombe</b>	<b>\$ 50,000</b>	<b>\$ 0.90</b>	<b>\$ 1.05</b>	<b>-14%</b>	<b>\$ 42,857.14</b>



# Final Points

- Buncombe County currently has a **competitive benefits package** used to recruit and retain an experienced workforce
- **The cost of living** should be considered when reviewing the total benefits offered
- Benefits are part of the **total compensation** given to county employees

## ➤ Next steps

- Review fringe benefits & health care plan components prior to 2019 employee enrollment (mid-October)

