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COUNTY OF EL DORADO
CHIEF ADMINISTRATIVE OFFICE
INTEROFFICE MEMORANDUM

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BOARD OF SUPERVISORS
EL DORADO COUNTY

TO: Board of Supervisors
FROM: Terri Daly, Chief Administrative Officer
DATE: August 19, 2011
SUBJECT: Agenda Item #36-August 23, 2011



Over the past two fiscal years, the Board has had many discussions about its district budgets and the salary and benefit structure of the Board and Board Members' Assistants. In October of 2009, the Board adopted Policy D-5-Board of Supervisors Departmental Budget and Expense Reimbursement, in order to provide guidelines for the content and administration of district budgets. This policy was amended in December of 2010 to clarify which salary and benefit expenses shall be included in a district budget. This policy does not provide guidance for setting the total appropriations for each district, or for the department as a whole. Much of the discussion has focused on the differences in salaries and benefits among the districts.

The Board directed staff to review the compensation structure for the Supervisor's Assistant job classification and provide options for changes. On August 2, 2011, staff provided options for modifications to the Supervisor's Assistant salary and benefits structure; however it became clear that the crux of the issue continues to be the lack of consensus on how to set overall appropriations for the districts. We recommend that, rather than consider changes to the Supervisor's Assistants' compensation structure, the Board focus on providing clear policy direction regarding the overall structure of the district budgets. We are presenting two options which we feel would provide for viable district budgets while maintaining the current compensation structure for Board Assistants. The funding for both options in the current fiscal year is provided in the attachment.

The first option, "Scenario 1", is to budget salary and benefits in each district according to each individual's place in the salary range and benefits elected. In other words, each district is budgeted to have one Supervisor and one Supervisor's Assistant, and then the budget would include whatever costs that Supervisor and Assistant represent in the current structure. (This is the way that the budgets of County departments are constructed.) In addition, each district would have an equal amount of discretionary money to be spent in support of the district's activities. The FY 2011-12 budget is currently structured this way. Each district has sufficient salary and benefit appropriations for the Supervisor and one Assistant, plus \$2,500 in discretionary funding.

In this scenario, the total amount of each district budget would be different, but the discretionary funding available for each district would be the same.

The second option, "Scenario 2", is to budget salary and benefits in each district based on highest possible salary and benefits for the Supervisor and Assistant, plus an equal amount per district for discretionary spending. If a district does not require the total amount of budgeted salary and benefits, the Board Member could request a transfer from the Board to move the unspent amount to his or her discretionary funding account. In this scenario, the total amount of each district budget would be equal, but the discretionary funding available for each district would likely vary.

As you can see from the attached chart, to choose Option #1 for the current fiscal year has no Net County Cost impact, unless the Board were to increase the discretionary funding appropriation. Option #2 would require approximately \$122,000 in additional funding. We recommend, however, that the Board concern itself primarily with the policy decision and secondarily with the fiscal impact. We are confident that the funding for Option #2 could be allocated without negative consequences for the County Budget as a whole, and without affecting personnel. While Option #2 would be an increase from the current budget, it should be noted that historically, Board Members have been reimbursed for travel and mileage and other expenses necessary to conduct the public's business. In recent years, many Board Members have forgone reimbursement and have paid most of these expenses out of their own pockets.

I am proposing in both options to keep the Supervisors' Assistant position as a traditional County employee. While the discussion about the position and its compensation structure has raised interesting philosophical questions about the nature and repercussions of the County compensation structure, I suggest that to change the Assistant position from that structure would limit the field of potential Assistants to those who are not currently employed with the County, thus eliminated a whole category of potential applicants. My understanding of the Board's consensus from the discussions is that we would like to keep options open for future Supervisors.

Thank you for your consideration. I am happy to provide further information, as necessary.

Comparison of Scenarios #1 and #2, all Districts Combined

All Districts	FY 2011-12 Rec. Budget (Scenario #1)	Scenario #2	Difference
3000 PERMANENT EMPLOYEE	696,990	720,045	23,055
3004 OTHER COMPENSATION		8,145	8,145
3020 RETIREMENT	101,452	116,765	15,313
3022 MEDI CARE	9,137	10,440	1,303
3040 HEALTH INSURANCE	133,100	155,600	22,500
3041 UNEMPLOYMENT INSURANCE	4,025	4,025	0
3042 LONG TERM DISABILITY	2,507	2,595	88
3043 DEFERRED COMPENSATION	500	4,000	3,500
3046 RETIREE HEALTH: DEFINED CONTRIBUTION	10,015	10,015	0
3060 WORKERS' COMPENSATION	2,245	2,245	0
3080 FLEXIBLE BENEFITS	12,000	60,000	48,000
SUB TOTAL SALARY & BENEFITS	971,971	1,093,875	121,904
4500 SPECIAL DEPARTMENTAL EXPENSE	12,500	12,500	0
SUB TOTAL SERVICES & SUPPLIES	12,500	12,500	0
TOTAL APPROPRIATIONS/NET COUNTY COST	984,471	1,106,375	121,904

Scenario #2, Amount Per District

Scenario #2	
3000 PERMANENT EMPLOYEE	144,009
3004 OTHER COMPENSATION	1,629
3020 RETIREMENT	23,353
3022 MEDI CARE	2,088
3040 HEALTH INSURANCE	31,120
3041 UNEMPLOYMENT INSUR	805
3042 LONG TERM DISABILI	519
3043 DEFERRED COMPENSATION	800
3046 RETIREE HEALTH: DE	2,003
3060 WORKERS' COMPENSAT	449
3080 FLEXIBLE BENEFITS	12,000
SUB TOTAL SALARY & BENEFITS	218,775
4500 SPECIAL DEPARTMENTAL EXPENSE	2,500
SUB TOTAL SERVICES & SUPPLIES	2,500
TOTAL APPROPRIATIONS/NET COUNTY COST	221,275

DISTRICT I	FY 2009-10		FY 2010-11		FY 2011-12
	Final Budget	FY 2009-10 Actual	Final Budget	FY 2010-11 Actual	Rec. Budget
3000 PERMANENT EMPLOYEE	144,010	144,009	144,009	143,136	144,009
3002 OVERTIME	0	0	0	0	0
3004 OTHER COMPENSATION	1,799	0	0	0	0
3020 RETIREMENT	23,270	23,265	23,256	23,212	23,353
3022 MEDI CARE	1,119	1,126	1,119	1,118	1,119
3040 HEALTH INSURANCE	11,671	18,460	20,145	20,243	21,560
3041 UNEMPLOYMENT INSURANCE	1,080	447	805	595	805
3042 LONG TERM DISABILITY	518	518	518	451	519
3043 DEFERRED COMPENSATION	0	500	800	800	500
3046 RETIREE HEALTH	1,501	1,501	2,003	2,003	2,003
3060 WORKERS' COMPENSATION	1,185	1,303	1,222	1,222	449
3080 FLEXIBLE BENEFITS	6,000	0	0	0	0
SUB TOTAL SALARY & BENEFITS	192,153	191,129	193,877	192,780	194,317
4144 MAINT: COMPUTER SYSTEM	0	651		600	
4500 SPECIAL DEPARTMENTAL EXPENSE	3,123	0			2,500
4529 SOFTWARE LICENSE	600	0		0	
SUB TOTAL SERVICES & SUPPLIES	3,723	651	0	600	2,500
TOTAL APPROPRIATIONS/NET COUNTY COST	195,876	191,780	193,877	193,381	196,818

DISTRICT II	FY 2009-10		FY 2010-11		FY 2011-12
	Final Budget	FY 2009-10 Actual	Final Budget	FY 2010-11 Actual	Rec. Budget
3000 PERMANENT EMPLOYEE	136,349	135,030	135,030	135,030	137,922
3002 OVERTIME	0	0	0	0	0
3004 OTHER COMPENSATION	1,040	912	288	288	
3020 RETIREMENT	21,745	21,478	21,468	21,535	22,236
3022 MEDI CARE	1,977	1,930	2,020	1,851	2,000
3040 HEALTH INSURANCE	20,226	34,621	36,241	36,413	38,665
3041 UNEMPLOYMENT INSURANCE	1,023	463	805	595	805
3042 LONG TERM DISABILITY	491	491	501	437	496
3043 DEFERRED COMPENSATION	0	0	0	0	0
3046 RETIREE HEALTH	1,501	1,501	2,003	2,003	2,003
3060 WORKERS' COMPENSATION	1,185	1,303	1,222	1,222	449
3080 FLEXIBLE BENEFITS	12,000	2,471			
SUB TOTAL SALARY & BENEFITS	197,537	200,200	199,578	199,374	204,576
4500 SPECIAL DEPARTMENTAL EXPENSE					2,500
4503 STAFF DEVELOPMENT				250	
4605 RENT & LEASE: VEHICLE				19	
4608 HOTEL ACCOMMODATIONS	0			148	
SUB TOTAL SALARY & BENEFITS	0	0	0	417	2,500
TOTAL APPROPRIATIONS/NET COUNTY COST	197,537	200,200	199,579	199,791	207,076

DISTRICT III		FY 2009-10		FY 2010-11		FY 2011-12
		Final Budget	FY 2009-10 Actual	Final Budget	FY 2010-11 Actual	Rec. Budget
3000	PERMANENT EMPLOYEE	134,047	134,260	137,067	137,133	137,933
3002	OVERTIME	0	0	0	0	0
3004	OTHER COMPENSATION	1,040	1,060	1,300	1,205	
3020	RETIREMENT	11,324	11,364	11,919	11,962	11,156
3022	MEDI CARE	1,944	2,044	1,987	2,058	2,000
3040	HEALTH INSURANCE	8,556	15,426	16,095	16,170	17,105
3041	UNEMPLOYMENT INSURANCE	1,005	463	805	595	805
3042	LONG TERM DISABILITY	483	483	493	430	497
3043	DEFERRED COMPENSATION	0	0	0	0	0
3046	RETIREE HEALTH	1,501	1,501	2,003	2,003	2,003
3060	WORKERS' COMPENSATION	1,185	1,303	1,222	1,222	449
3080	FLEXIBLE BENEFITS	12,000	6,000	6,000	6,000	6,000
SUB TOTAL SALARY & BENEFITS		173,085	173,904	178,891	178,778	177,948
4144	MAINT: COMPUTER SY		326		300	
4260	OFFICE EXPENSE		64			
4462	EQUIP: COMPUTER		3,324			
4300	PROFESSIONAL & SPE				518	
4500	SPECIAL DEPARTMENTAL EXPENSE	20,737	0			2,500
7225	INTRAFND: CENTRAL DUPLICATING				273	
SUB TOTAL SERVICES & SUPPLIES		20,737	3,714	0	1,091	2,500
TOTAL APPROPRIATIONS/NET COUNTY COST		193,822	177,618	178,891	179,871	180,450

DISTRICT IV	FY 2009-10		FY 2010-11		FY 2011-12
	Final Budget	FY 2009-10 Actual	Final Budget	FY 2010-11 Actual	Rec. Budget
3000 PERMANENT EMPLOYEE	137,907	136,703	132,277	130,440	133,117
3002 OVERTIME	0	0	0	0	0
3004 OTHER COMPENSATION	2,675	3,243		0	0
3020 RETIREMENT	22,055	21,811	21,875	20,621	21,354
3022 MEDI CARE	2,000	2,078	1,918	1,890	1,930
3040 HEALTH INSURANCE	15,374	21,313	16,095	16,333	17,105
3041 UNEMPLOYMENT INSURANCE	1,034	1,050	805	595	805
3042 LONG TERM DISABILITY	496	496	476	415	476
3043 DEFERRED COMPENSATION	0	0	0	0	0
3046 RETIREE HEALTH	1,501	1,501	2,003	2,003	2,003
3060 WORKERS' COMPENSATION	1,185	1,303	1,222	1,222	449
3080 FLEXIBLE BENEFITS	12,000	3,740	6,000	3,814	6,000
SUB TOTAL SALARY & BENEFITS	196,227	193,238	182,671	177,333	183,239
4040 TELEPHONE COMPANY VENDOR PMTS	0	901	840	894	
4500 SPECIAL DEPARTMENTAL EXPENSE	117	0	1		2,500
SUB TOTAL SERVICES & SUPPLIES	117	901	841	894	2,500
TOTAL APPROPRIATIONS/NET COUNTY COST	196,344	194,139	183,512	178,228	185,740

DISTRICT V		FY 2009-10		FY 2010-11		FY 2011-12
		Final Budget	FY 2009-10 Actual	Final Budget	FY 2010-11 Actual	Rec. Budget
3000	PERMANENT EMPLOYEE	142,490	142,490	144,009	142,892	144,009
3002	OVERTIME	0	0	0	0	0
3004	OTHER COMPENSATION		0	0	0	0
3020	RETIREMENT	22,968	22,963	22,953	23,105	23,353
3022	MEDI CARE	2,066	1,970	2,035	1,966	2,088
3040	HEALTH INSURANCE	23,341	38,265	36,240	35,792	38,665
3041	UNEMPLOYMENT INSUR	1,069	455	805	595	805
3042	LONG TERM DISABILI	513	513	518	451	519
3043	DEFERRED COMPENSATION	0	0	0	0	0
3046	RETIREE HEALTH: DE	1,501	1,501	2,003	2,003	2,003
3060	WORKERS' COMPENSAT	1,185	1,303	1,222	1,222	449
3080	FLEXIBLE BENEFITS	12,000	2,000			
SUB TOTAL SALARY & BENEFITS		207,133	211,460	209,785	208,026	211,891
4040	TELEPHONE COMPANY VENDOR PMTS	1,320	1,145	1,320	1,137	
4260	OFFICE EXPENSE				166	
4420	RENT & LEASE: EQUI	0	172			
4500	SPECIAL DEPARTMENTAL EXPENSE	0	0	0		2,500
4503	STAFF DEVELOPMENT	0	260	280	715	
4600	TRANSPORTATION & TRAVEL				205	
4602	MILEAGE: EMPLOYEE	6,753	0			
4605	RENT & LEASE: VEHI	0	6,515	845	845	
4606	FUEL PURCHASES	0	2,288	271	271	
5300	INTERFND: SERVICE	0	55			
4608	HOTEL ACCOMMODATIONS				220	
SUB TOTAL SERVICES & SUPPLIES		8,073	10,435	2,716	3,559	2,500
TOTAL APPROPRIATIONS/NET COUNTY COST		215,206	221,895	212,501	211,585	214,391