



County of El Dorado
OFFICE OF AUDITOR-CONTROLLER

360 FAIR LANE
PLACERVILLE, CALIFORNIA 95667-4193
Phone: (530) 621-5487 Fax: (530) 295-2535

JOE HARN, CPA
Auditor-Controller

BOB TOSCANO
Assistant Auditor-Controller

September 24, 2012

Board of Supervisors
County of El Dorado
330 Fair Lane
Placerville, California 95667

Subject: Budget Action Proposed on September 25, 2012

Ladies and Gentlemen:

The purpose of this letter is to document my concerns regarding the recommended increase to the CAO's Budget related to Departmental Accountability and Culture (Communications) and Economic Development. The CAO is asking for conceptual approval of 2.5 new positions for Communications and conceptual approval of 1.5 new positions for Economic Development.

I oppose the increased appropriations and positions for Communications at this time. I am professionally skeptical about the new positions for Economic Development at this time although I believe that the proposal does have merit. I believe that your Board should delay action on the Economic Development positions until more details are available.

Your Board and the CAO have been extremely frugal (by California local government standards) over the past 20 months. The Sheriff has been very frugal over the past 20 months. Most of our employees have taken a 3% pay cut in the last year. Because of these sacrifices and achievements we ended the last fiscal year with highest general fund cash (\$41,000,000) and unreserved undesignated fund balance (\$26,000,000) in County history. All of you deserve credit for our healthy financial position.

I am asking your Board to move slowly and not add these new positions until you receive more information. We are in our current strong financial position because we have been reducing the size of County government. Let's be very deliberate and careful before we start adding new positions.

If you have any questions, please call me at 621-5456.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Harn".

Joe Harn, CPA
Auditor-Controller

cc: Terri Daly, CAO