



County of El Dorado

330 Fair Lane, Building A
Placerville, California
530 621-5390
FAX 622-3645
www.edcgov.us/bos/

Legislation Text

File #: 11-0949, **Version:** 1

Treasurer-Tax Collector's Office is recommending the Board approve **Resolution 148-2011** amending the FY 11-12 adopted personnel resolution adding one Treasury Quantitative Specialist to the department's personnel allocation.

Fiscal Impact/Change to Net County Cost: Zero Change to Department's Net County Cost. Impact on General Fund ~\$3,600 annually.

Background: Justification for Treasury Quantitative Specialist

The downgrade of the U. S.'s credit rating has negatively impacted banks. We are expecting further bank downgrades and naturally El Dorado County wants to be ahead of the curve to avert any negative consequences.

In an effort to also reduce the "concentration," risk, the department has an immediate need to diversify its' primary banking activities in the very near future. Currently, Weiss rates Bank of America 'D+' and Wells Fargo 'D.' While some smaller banks are better rated, they often have neither the desire for the County's business nor technical ability to service a voluminous account. The department believes it would be prudent to spin off either the payroll or the accounts payable to another financial institution as soon as the project can be accomplished. The project would affect numerous departments including the auditor's office, the Human Services Dept, the Sheriff Dept. and schools.

Reason for Recommendation

Alternative # 1 Do nothing and delay protecting a \$450 million dollar portfolio plus large amounts in demand deposit accounts.

Alternative #2 Spend ~ \$3,600 annually (including the cost of benefits,) and take proactive actions to protect the County's funds.

The department recommends alternative #2.

Action to be taken following Board approval: The signed Resolution will be filed by the Board Clerk's Office and a certified copy forwarded to the Tax Collector's Office. Increase in revenues and equal corresponding appropriations to be brought forward in the addenda process in September 2011.

Contact: C. L. Raffety, Treasurer-Tax Collector

Concurrences: Terri Daly, CAO and Joe Harn, Auditor-Controller