



Support Services

Section G

The Information Technology Department operates an IT Support Ticket system that facilitates timely service to various County departments encountering a range of issues, with a tracking system that promotes accountability.

Personnel General Insurance & Bonds (1-911)

Mary Lynn Carlton, Personnel Director

EXECUTIVE SUMMARY						
DEPT HEAD: MARY LYNN CARLTON	UNIT: GENERAL INSURANCE & BONDS	FUND: GENERAL	0001 1-911			
	ACTUAL EXPENDITURE 2008-09	ACTUAL EXPENDITURE 4-30-10	ADOPTED BUDGET 2009-10	DEPARTMENT REQUEST 2010-11	CAO RECOMMEND 2010-11	% CHANGE OVER 2009-10
EXPENDITURES						
SERVICES AND SUPPLIES	78,153	61,722	79,000	71,129	71,129	10.0-
* GROSS BUDGET	78,153	61,722	79,000	71,129	71,129	10.0-
INTRAFUND TRANSFERS	15,325-	11,889-	16,122-	14,829-	14,829-	8.0-
* NET BUDGET	62,828	49,833	62,878	56,300	56,300	10.5-
OTHER REVENUES						
USER PAY REVENUES	64,296	45,568	58,581	50,959	50,959	13.0-
GOVERNMENTAL REVENUES	0	0	0	0	0	.0
TOTAL OTHER REVENUES	64,296	45,568	58,581	50,959	50,959	13.0-
* UNREIMBURSED COSTS	1,468-	4,265	4,297	5,341	5,341	24.3
ALLOCATED POSITIONS	.00	.00	.00	.00	.00	.0

Purpose

This budget unit finances miscellaneous insurance costs for the following areas: Airport liability; property insurance; employee blanket bond and crime insurance; automobile physical damage; construction equipment physical damage; watercraft physical damage and liability; and boiler and machinery.

departments (shown as a negative expense)

Revenues

- (\$6,886) Decrease in Interfund General Insurance and Bonds revenue from non-General Fund departments

Major Budget Changes

Services & Supplies

- (\$7,871) Decrease in anticipated premium costs

Other Charges

- (\$1,293) Decrease in Intrafund General Insurance and Bonds revenue from General Fund

Program Discussion & Summary Budget Request

The requested budget is \$56,300.

As mentioned above, the primary factor driving the General Insurance and Bonds budget is the cost of maintaining the various insurance programs together with the associated costs to administer these programs in a cost effective and efficient manner.

Sutter County operates as a pooled primary self-insured program. As a standing participant in a public entity insurance pool, the County's risk is spread amongst its pool members, enabling Sutter County to take advantage of best-in-class coverage programs in exchange for competing premium rates.

Nonetheless, on a year-over-year basis, insurance premiums are subject to a number of economic stimuli, such as global market conditions, available insurance capacity by the underwriting community, claims loss history, and the overall state of the economy. As such, it is not unusual to experience an annual swing in premium rates dependent on any or all of the variables mentioned above. However, due to Sutter County's pool sharing abilities, that swing is generally very limited and manageable. In the case of the FY 2010-11 General Insurance and Bonds budget, the change in the various annual premiums is negligible, and for all intents and purposes is the same as the FY 2009-10 Adopted Budget.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

CAO Recommendation

This budget is recommended as requested.

The Personnel Director concurs with the recommended budget.

EXECUTIVE SUMMARY						
DEPT HEAD: JOHN D FORBERG	UNIT: INFORMATION TECHNOLOGY ISF		FUND: INFORMATION TECHNOLOGY ISF		4581 8-145	
	ACTUAL EXPENDITURE 2008-09	ACTUAL EXPENDITURE 4-30-10	ADOPTED BUDGET 2009-10	DEPARTMENT REQUEST 2010-11	CAO RECOMMEND 2010-11	% CHANGE OVER 2009-10
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	2,153,980	1,713,238	2,330,485	2,377,784	2,242,347	3.8-
SERVICES AND SUPPLIES	942,666	1,247,022	1,985,642	1,590,958	1,450,801	26.9-
OTHER CHARGES	471,088	382,334	388,446	527,270	527,270	35.7
CAPITAL ASSETS	147,667	125,052	276,080	277,915	197,915	28.3-
* GROSS BUDGET	3,715,401	3,467,646	4,980,653	4,773,927	4,418,333	11.3-
* NET BUDGET	3,715,401	3,467,646	4,980,653	4,773,927	4,418,333	11.3-
APPROPRIATION FOR CONTINGENCY	0	0	211,506	400,965	350,200	65.6
INCREASE IN DESIGNATIONS	0	0	164,516	112,625	112,625	31.5-
INCREASES IN RESERVES	0	0	0	0	0	.0
* TOTAL BUDGET	3,715,401	3,467,646	5,356,675	5,287,517	4,881,158	8.9-
OTHER REVENUES						
USER PAY REVENUES	3,621,750	2,919,892	5,023,285	4,790,808	4,384,449	12.7-
GOVERNMENTAL REVENUES	0	0	0	0	0	.0
GENERAL REVENUES	10,825	3,243	15,000	0	0	100.0-
UNDESIGNATED FUND BALANCE 7/1	401,209	398,447	318,390	496,709	496,709	56.0
TOTAL AVAILABLE FINANCING	4,033,784	3,321,582	5,356,675	5,287,517	4,881,158	8.9-
* UNREIMBURSED COSTS	318,383-	146,064	0	0	0	.0
ALLOCATED POSITIONS	20.00	20.00	20.00	20.00	20.00	.0

Purpose

The Department of Information Technology (IT) provides services to the other County departments. As a centralized service, the IT department is able to efficiently and cost-effectively handle the large volumes of systems and data that must be managed as part of the on-going and varied activities of the County. These services include such tasks as: responsibility for the management of computer hardware and software resources; feasibility and evaluation studies necessary for acquisition of potential new applications; system development activities; computer room operations activities;

coordination and application of web technologies to serve the County internally and externally; and other desktop/laptop computer related activities. The Director of Information Technology serves as an Assistant County Purchasing Agent and coordinates all hardware and software purchases.

Major Budget Changes

Salaries & Benefits

- (\$63,276) Decrease in Salaries and Benefits for one Computer

Operator I/II to be held vacant and unfunded

- (\$38,780) Decrease in Salaries and Benefits for the Deputy Director position to be held vacant and unfunded for 30% of year
- \$13,834 Increase in Interfund Workers Compensation
- (\$28,000) General reduction for salary savings

Services & Supplies

- (\$43,164) Decrease in Software License & Maintenance based on recent historical data
- (\$44,445) Decrease in Computer Hardware based on the anticipated number of replacement computers needed by departments
- (\$429,207) Decrease in Professional/Specialized Services due to a reduction in costs associated with the Sungard system
- (\$5,330) Decrease in Office Equipment based on recent historical data
- (\$20,000) Decrease in Employment Training based on recent historical data
- (\$10,000) Decrease in Transportation and Travel based on recent historical data

Other Charges

- \$49,975 Increase in Interprogram Labor Charges due to increase in direct-bill projects to the

departments, resulting in additional programming hours charged

- \$86,087 Increase in Interfund Overhead (A-87) Cost

Capital Assets

- (\$100,000) No capital assets are recommended for FY 2010-11
- \$21,835 Increase in Depreciation Expense

Revenues

- \$49,975 Increase in Interprogram Labor Charges to offset increased costs in direct-bill projects
- (\$572,353) Decrease in Interfund Projects charges reflecting a decrease in the Sungard system implementation

Program Discussion & Summary Budget Request

The Requested Budget is \$5,287,517.

The Information Technology Department provides a variety of services and functions addressing automation needs throughout the County. The department is divided into five functional divisions: Administration, Operations, Network Support, PC/Desktop Support, and Programming.

The *Administration Division* is responsible for overall management, budgeting, fiscal, payroll, purchasing, contracting, planning, inventory, facility management, and other required functions for the support of the department and the county.

The **Operations Division** is responsible for the day-to-day functioning of the data center, system backup and recovery, routine and special job production, secure file transmissions, as well as building security systems, shipping and receiving, equipment preparation and surplus, and forms and consumable inventory control.

The **Network Support Division** is responsible for the County's network. This includes the fiber optic system, file and application servers, routers, switches, hubs, firewalls, security appliances, directory and email services, web access and security, connections with state and federal agencies, remote access, virus protection, and software distribution and updates.

The **PC/Desktop Support Division** provides direct desktop support for all the PCs, laptops, and Blackberry PDAs that are in place throughout the County. They are responsible for the troubleshooting, repair, replacement, and support of the end user devices. Additionally, they support a variety of specialized applications in the various departments and provide extensive support to the devices, applications, and services in the Sheriff's office.

The **Programming Division** is responsible for all the development and support of the County's legacy applications as well as the development, support, and routine maintenance of the County's web presence. This group supports such applications as Financial, Human Resources/Payroll, Mental Health, Health, Criminal Justice, Property, and Budgeting systems, in addition to a wide variety of web applications for both internal and external users.

On March 31, 2009, the Board of Supervisors approved a contract with

Sungard Public Sector, Inc., to implement a new software system for Personnel, Payroll, Purchasing, and Budgeting. The Personnel and Payroll modules are scheduled to be implemented in July of 2010; the Budget module and some peripheral components will be implemented in late 2010. The majority of the project will be implemented by July 5, 2010. Remaining costs have been re-budgeted in order to complete project components that will not be implemented by July 5, 2010.

Completion of this project represents a major change in the role that IT serves in the support of those systems. The end user departments will have much more control and flexibility in how the systems are operated and supported, and be provided enhanced capability for generating their own reports without IT involvement. Having greater end user knowledge and control of the systems, as well as having vendor support and greater user group access will significantly reduce the limitations our existing users face due to very constrained IT resources.

Use of Reserves/Designations

The Information Technology budget includes a number of different programs, and several designations. For FY 2010-11, the recommended budget includes \$350,200 in the Appropriation for Contingencies.

The recommended budget includes an increase in Designations in the amount of \$112,625.

CAO Recommendation

This budget is recommended at \$4,881,158.

The Recommended Budget differs from the requested budget in several respects.

Salaries and benefits have been reduced by a total of \$102,056 to hold one Computer Operator I/II position vacant and unfunded for the year and to hold the Deputy Director of Information Technology position vacant and unfunded for 30% of the year. The Computer Operator position will be re-evaluated in the future based on the needs of the department and available financing.

Overtime expense has been reduced by \$5,382 over the department's request.

A decrease of \$28,000 in Salaries and Benefits is recommended to reflect estimated salary savings that staff anticipates can be expected during the year. This recommendation is repeated countywide.

In the Services & Supplies category, Office Equipment has been reduced by \$11,830 from the department's request, Software License and Maintenance has been reduced by \$58,327 over the department's request, Employment Training has been reduced by \$20,000 from the department's request, and Transportation and Travel has been reduced by \$10,000 from the department's request.

Additionally, the amount recommended for Computer Hardware to fund the annual purchases of replacement computers countywide has been reduced by \$40,000. This reduction reflects a reduction in the number of replacement computers the department anticipates purchasing in the coming year, and generates a like reduction in the annual amount that each department will be charged for their computers.

The department has requested two capital assets for FY 2010-11 for replacement of existing server equipment. However, those purchases are not recommended at this time, and therefore Capital Assets has been

reduced by \$80,000. The replacement equipment will be re-evaluated in FY 2011-12 based on the needs of the County and available financing.

A decrease in the Appropriation for Contingencies of \$50,765 is also recommended.

In past years, the Information Technology Department budget unit included revenue received from charges to the Auditor Controller's office for data entry performed by the Computer Operator I/II position. Because this position is being defunded and will be held vacant, this recommendation reflects the Auditor-Controller's data entry duties being assumed by the Auditor-Controller's office with a reduction of \$83,403 to Interfund revenue, reflecting the amount that would have been paid to the Information Technology Department for the estimated 550 hours of data entry service.

Because the Information Technology budget unit operates as an ISF and must balance revenues to expenditures within the fund, an offsetting decrease of \$406,359 in the Interfund Information Technology revenue account is recommended in order to balance the budget to the recommended reductions. Interfund Information Technology represents the total of all charges made to County departments for Information Technology services. Therefore, a reduction of \$406,359 equals the amount that has been reduced from County department budgets for FY 2010-11.

It should be noted that the Information Technology Director requested that two new positions be added: one Network Administrator and one Systems Analyst Accounting Systems Manager. These positions were requested in FY 2009-10 as well. The two positions were not included

in the department's formal request, and are not recommended. Due to fiscal uncertainties, no new positions are being recommended at this time.

The Director of Information Technology concurs with the recommended budget.

Personnel Liability Insurance (4-590)

Mary Lynn Carlton, Personnel Director

EXECUTIVE SUMMARY						
DEPT HEAD: MARY LYNN CARLTON	UNIT: LIABILITY INSURANCE ISF		FUND: LIABILITY INSURANCE ISF		4590 4-590	
	ACTUAL EXPENDITURE 2008-09	ACTUAL EXPENDITURE 4-30-10	ADOPTED BUDGET 2009-10	DEPARTMENT REQUEST 2010-11	CAO RECOMMEND 2010-11	% CHANGE OVER 2009-10
EXPENDITURES						
SERVICES AND SUPPLIES	475,455	493,241	487,250	583,970	583,970	19.9
OTHER CHARGES	4,808	186,862	476,940	422,471	422,471	11.4-
* GROSS BUDGET	480,263	680,103	964,190	1,006,441	1,006,441	4.4
* NET BUDGET	480,263	680,103	964,190	1,006,441	1,006,441	4.4
APPROPRIATION FOR CONTINGENCY	0	0	0	0	0	.0
INCREASE IN DESIGNATIONS	0	0	286,292	0	0	100.0-
INCREASES IN RESERVES	0	0	0	0	0	.0
* TOTAL BUDGET	480,263	680,103	1,250,482	1,006,441	1,006,441	19.5-
OTHER REVENUES						
USER PAY REVENUES	847,466	630,148	630,148	678,871	678,871	7.7
GOVERNMENTAL REVENUES	0	0	0	0	0	.0
GENERAL REVENUES	34,793	23,524	40,000	30,000	30,000	25.0-
CANCELLATION P/Y DESIGNATIONS	0	0	0	317,076	317,076	***
UNDESIGNATED FUND BALANCE 7/1	178,339	580,334	580,334	19,506-	19,506-	103.4-
TOTAL AVAILABLE FINANCING	1,060,598	1,234,006	1,250,482	1,006,441	1,006,441	19.5-
* UNREIMBURSED COSTS	580,335-	553,903-	0	0	0	.0
ALLOCATED POSITIONS	.00	.00	.00	.00	.00	.0

Purpose

The self-insured liability program is managed by the Personnel Department. This budget identifies the annual expenditures for the operation of the self-insured liability program, which is established as an Internal Service Fund. The costs for operation of this budget are allocated to the other operating budgets of the County. This budget provides funds for the administration, adjustment and defense of liability claims against the County and the purchase of excess insurance, should the County sustain a catastrophic loss.

Major Budget Changes

Services & Supplies

- \$96,720 Increase in Insurance due to an increase in estimated excess insurance premium

Other Charges

- (\$76,355) Decrease in Interfund Administration due to the recording of two years charges (FY 2008-09 and FY 2009-10) in FY 2009-10

Personnel Liability Insurance (4-590)

Mary Lynn Carlton, Personnel Director

Revenues

- \$48,723 Increase in Interfund Insurance ISF Premium based on a related increase in estimated premiums
- (\$10,000) Decrease in Interest based on current interest rates

Program Discussion & Summary Budget Request

The requested budget is \$1,006,441.

The primary factor that drives this budget is the cost of maintaining the self-insured liability program and associated costs such as administration and defense costs.

Sutter County operates the liability fund as a pooled primary self-insured program. As a standing participant in a public entity insurance pool, the County's risk is spread amongst its pool members enabling Sutter County to take advantage of best in class coverage programs in exchange for competing premium rates.

Nonetheless, on a year-over-year basis, insurance premiums are subject to a number of economic stimuli; global market conditions, available insurance capacity by the underwriting community, claims loss history, and the over all state of the economy. As such, we can expect to experience an annual swing in premium rates dependent on any or all of the variables mentioned above. However, due to Sutter County's pool sharing abilities the swing is generally manageable.

During FY 2010-11, one of the Personnel Department's goals is the strengthening of

its County-wide Safety/Risk Management program to support continuing efforts to minimize liability claim costs, particularly arising out of automobile accidents involving the use of County owned vehicles. In this regard, the Personnel Department successfully hired a full-time Safety Coordinator position (PRO 38).

Use of Reserves/Designations

The Liability Insurance ISF fund contains a Designation for Future Appropriations and a Designation for Catastrophic Loss.

It is recommended that \$317,076 be cancelled from the Designation from Future Appropriations due in part to offset anticipated increases in premium costs in FY 2010-11.

CAO Recommendation

This budget is recommended as requested.

The Personnel Director concurs with the recommended budget.

EXECUTIVE SUMMARY						
DEPT HEAD: MARY LYNN CARLTON	UNIT: PERSONNEL	FUND: GENERAL			0001 1-401	
	ACTUAL EXPENDITURE 2008-09	ACTUAL EXPENDITURE 4-30-10	ADOPTED BUDGET 2009-10	DEPARTMENT REQUEST 2010-11	CAO RECOMMEND 2010-11	% CHANGE OVER 2009-10
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	622,405	558,649	740,559	745,309	732,560	1.1-
SERVICES AND SUPPLIES	145,431	109,630	295,095	247,120	172,845	41.4-
OTHER CHARGES	182,103	398,525	426,218	170,152	188,015	55.9-
* GROSS BUDGET	949,939	1,066,804	1,461,872	1,162,581	1,093,420	25.2-
INTRAFUND TRANSFERS	8,594	5,295	5,921	5,061	5,061	14.5-
* NET BUDGET	958,533	1,072,099	1,467,793	1,167,642	1,098,481	25.2-
OTHER REVENUES						
USER PAY REVENUES	23,077	8,859	15,375	15,025	15,025	2.3-
GOVERNMENTAL REVENUES	0	0	0	0	0	.0
TOTAL OTHER REVENUES	23,077	8,859	15,375	15,025	15,025	2.3-
* UNREIMBURSED COSTS	935,456	1,063,240	1,452,418	1,152,617	1,083,456	25.4-
ALLOCATED POSITIONS	7.80	7.80	7.80	6.80	6.80	12.8-

Purpose

The Personnel Department is a centralized merit systems agency providing personnel and human resources management services to County departments.

Personnel Analyst II position added in FY 2008-09 to assist with the implementation of the new Sungard IFAS Personnel/ Payroll System

- (\$8,000) General reduction for salary savings

Major Budget Changes

Salaries & Benefits

- \$131,342 Increase for the addition of one Assistant Director position
- (\$60,184) Decrease for the elimination of one vacant Office Assistant II – Confidential position
- (\$90,254) Decrease for the elimination of one vacant Limited Term

Services & Supplies

- (\$100,000) Decrease in Professional & Specialized Services expenses due to reduction in consultant fees and retained search fees
- (\$17,000) Decrease in Publication Legal Notices expenses (advertising)
- (\$8,500) Decrease in Special Departmental Expense

Other Charges

- (\$291,791) Decrease in Interfund Projects for costs related to the purchase and implementation of the Personnel module of Sungard Personnel/Payroll system
- \$53,461 Increase in Interfund Information Technology charges including on-going maintenance for the Sungard Personnel/Payroll system

Assistant Director – Personnel position (1.0 FTE) be added in FY 2010/2011. The eliminated position is currently vacant and funded. The cost savings from that position, along with cost savings generated from other proposed reductions in the Personnel budget, would allow this new position to be added with no additional costs. Some duties of the eliminated Office Assistant position would be absorbed by others in the department and some duties are expected to be eliminated due to the implementation of the new Sungard IFAS 7i Personnel and Payroll system.

Program Discussion & Summary Budget Request

The requested budget is \$1,167,642.

The request reflects costs to provide the following centralized services to all County departments: labor relations; recruitment and certification for selection; review of and compliance with non-discrimination laws; health insurance and benefit administration; classification and salary analysis; administration of personnel rules and regulations; County-wide training; deferred compensation administration; unemployment insurance administration; risk management; safety management; and a variety of other compliance programs relating to personnel which are mandated by law.

Costs related to specialized recruitments, labor negotiation services, and classification and compensation studies are contained in the Professional/Specialized Services account.

For FY 2010-11, the Personnel Department is requesting that one vacant Office Assistant II – Confidential position (1.0 FTE) be eliminated and that one new

For several years, the Personnel Department has needed more expertise at a senior level to solve complex employee relations, classification, and labor relations issues. Over the past several years, the number and complexity of these types of issues has grown exponentially and the department does not have the staffing necessary to support the needs of the various County departments. This position is required to provide higher level managerial assistance to the department and to fill the need for an in-house labor relations specialist. It is intended that this position will replace the services of a labor relations consultant. At this time, labor relations duties are shared between the Personnel Director and a labor relations consultant. If the new position is filled with an individual who also possesses compensation and classification experience as well as labor relations experience, it would be possible to also replace the use of a consultant in that functional area. It is anticipated that the Assistant Director will spend approximately 85% of his/her time on labor relations duties once negotiations begin. The position will spend the remaining time assisting the Personnel Director in managing the Department, responding to County departments with high-level matters, performing related Employee and Labor

Relations duties and performing Compensation and Classification studies, as required and needed.

Additionally, the department is understaffed in the management and analyst areas. The addition of the Assistant Director position will help ensure a smooth succession for the department's future as current incumbents move on.

The possible impacts of not having this new position filled are two-fold. First and foremost, the County will need to hire another Labor Relations Consultant, Labor Relations Mediator, or Labor Relations Attorney to conduct upcoming negotiations after our current labor relations consultant retires. All units, with the exception of the General, Professional, and Supervisory (GSP) units, have contract expiration dates of December, 2010. GSP's contract expires in December, 2011. This means that, at a minimum, negotiations will begin this summer for the expiring contracts. By bringing on an individual to participate in this fall's negotiations, the new staff member can work hand-in-hand with the labor relations consultant and Personnel Director to learn the nuances of Sutter County and the various bargaining units. This will facilitate the Assistant Director's transition into the 2011 negotiations.

As indicated above, the position will be funded by deleting one vacant Office Assistant II position and by reducing other related line items in the Personnel budget, including a reduction in Professional and Specialized Services (reduced by \$32,725), Publication Legal Notices (reduced by \$10,000), and Special Departmental Expense (reduced by \$8,500). It should be noted that the department may periodically need to close its public counter at lunch time since eliminating the vacant Office Assistant

II position will reduce the department's ability to staff the front counter full-time due to required lunch breaks.

The Limited Term Personnel Analyst II position (1.0 FTE) is currently vacant and has been eliminated in our requested budget. The position was added in FY 2008-09 to assist with the implementation of the new Sungard IFAS Personnel/ Payroll system. That system is currently scheduled to be implemented on July 5, 2010. Carry-over implementation work can be managed within existing staff levels.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

CAO Recommendation

This budget is recommended at \$1,098,481.

The request to add one Assistant Director position and to delete one vacant Office Assistant II – Confidential is recommended. The County Administrator's Office has been aware of the need for an additional high-level administrative position within the department for some time. The Personnel Department is a central service department that provides daily services to all County departments and is currently the only central service department that does not have either an Assistant Director or Deputy Director on staff. The position is recommended at the Assistant Director level, at a classification of Management 48, as opposed to a lower classification, due to the requirement for prior labor relations experience. It is further recommended that the above discussed personnel changes be made effective July 1, 2010. A formal recommendation for adoption of the job classification and specification will be brought to the Board of

Supervisors in the near future. The Personnel Department will be authorized to recruit for and fill the Assistant Director position once the job classification and specification are approved.

The balance of the CAO recommendation differs from the department's request by \$69,161.

A decrease of \$8,000 in Salaries and Benefits is recommended to reflect estimated salary savings that staff anticipates can be expected during the year. This recommendation is repeated countywide.

The Other Pay, Communications, Publication Legal Notice and Office Equipment accounts have been reduced by a total of \$13,749 based on a review of historic expenses.

Additionally, in order to fund the recommended Assistant Director position and to reflect the anticipated savings that will arise by shifting duties from current contract work to in-house work, the Professional and Specialized Services account has been reduced by \$65,275, in addition to the requested reduction of \$34,725. The account is therefore recommended at \$45,000. It is acknowledged that, due to the need to conduct a recruitment, the new Assistant Director position will reasonably not be filled until part way through the fiscal year, leaving a period of time in FY 2010-11 where the County will still need to contract for labor relations work. The recommendation also provides for a period of overlap to facilitate the Assistant Director's transition into the 2011 negotiations.

The Interfund Projects account has been increased by \$30,000 to reflect a re-budget of Sungard implementation costs from FY 2009-10, to cover project components that will not be completed by June 30, 2010.

Interfund Information Technology charges have been reduced by \$12,137 from the requested amount to reflect reduced charges countywide, based on a recommended reduction in the Information Technology Department budget.

The Personnel Director concurs with the recommended budget.

Personnel Workers' Compensation (4-591)

Mary Lynn Carlton, Personnel Director

EXECUTIVE SUMMARY						
DEPT HEAD: MARY LYNN CARLTON	UNIT: WORKERS' COMP INSURANCE ISF		FUND: WORKERS' COMP INSURANCE ISF		4591 4-591	
	ACTUAL EXPENDITURE 2008-09	ACTUAL EXPENDITURE 4-30-10	ADOPTED BUDGET 2009-10	DEPARTMENT REQUEST 2010-11	CAO RECOMMEND 2010-11	% CHANGE OVER 2009-10
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	301,595	260,233	342,291	343,099	339,099	.9-
SERVICES AND SUPPLIES	1,349,754	1,386,463	1,625,387	1,994,600	1,994,600	22.7
OTHER CHARGES	17,105	10,068	19,091	27,329	26,996	41.4
* GROSS BUDGET	1,668,454	1,656,764	1,986,769	2,365,028	2,360,695	18.8
* NET BUDGET	1,668,454	1,656,764	1,986,769	2,365,028	2,360,695	18.8
APPROPRIATION FOR CONTINGENCY	0	0	36,409	0	4,333	88.1-
INCREASES IN RESERVES	0	0	0	0	0	.0
* TOTAL BUDGET	1,668,454	1,656,764	2,023,178	2,365,028	2,365,028	16.9
OTHER REVENUES						
USER PAY REVENUES	1,069,010	1,640,047	1,653,300	2,061,811	2,061,811	24.7
GOVERNMENTAL REVENUES	0	0	0	0	0	.0
GENERAL REVENUES	6,603	3,029	30,000	30,000	30,000	.0
UNDESIGNATED FUND BALANCE 7/1	932,716	339,878	339,878	273,217	273,217	19.6-
TOTAL AVAILABLE FINANCING	2,008,329	1,982,954	2,023,178	2,365,028	2,365,028	16.9
* UNREIMBURSED COSTS	339,875-	326,190-	0	0	0	.0
ALLOCATED POSITIONS	3.20	3.20	3.20	3.20	3.20	.0

Purpose

The Personnel Department is responsible for the administration and management of the Workers' Compensation program. Elements of the program include: claims management, coordination of third party claims administration, monitoring departmental safety and accident prevention programs, tracking job-related accidents and injuries and the maintenance of appropriate reports, records and statistics.

Major Budget Changes

Salaries & Benefits

- (\$4,000) General reduction for salary savings

Services & Supplies

- \$371,413 Increase in Insurance due to increased premiums

Revenues

- \$484,892 Increase in Interfund Workers Compensation

Personnel Workers' Compensation (4-591)

Mary Lynn Carlton, Personnel Director

Premium revenue from County departments based on increased premiums

- (\$76,355) Decrease in Interfund Admin – Miscellaneous Departments due to one-time correcting entry in FY 2009-10

Program Discussion & Summary Budget Request

The requested budget is \$2,365,028.

The Personnel Department is responsible for the administration and management of the Workers' Compensation program, which includes: claims management, third party claims administration, safety and accident prevention programs, work-related accidents and injuries and development of corresponding reports.

The two primary factors driving the cost of this budget unit are salaries and workers' compensation insurance premiums, both primary and excess workers' compensation, together with associated costs to implement and maintain these programs.

In FY 1998-99 Sutter County converted from an individual self-insured program to a pooled primary self-insured program. As a standing participant in a public entity insurance pool, the County's risk is spread amongst its pool members enabling Sutter County to take advantage of best in class coverage programs in exchange for competing premium rates.

Nonetheless, on a year-over-year basis, insurance premiums are subject to a number of economic stimuli - global market

conditions, available insurance capacity by the underwriting community, claims loss history, and the over all state of the economy. As such, we can expect to experience an annual swing in premium rates dependent on any or all of the variables mentioned above. However, due to Sutter County's pool sharing abilities that swing is generally manageable.

During FY 2009-10, one of the Personnel Department's goals was to strengthen its County-wide Safety/Risk Management program to support continuing efforts to minimize workers' compensation claim costs. In this regard, the Personnel Department successfully hired a full-time Safety Coordinator position (PRO 38).

Use of Reserves/Designations

The Workers' Compensation ISF fund does not include any reserves or designations.

CAO Recommendation

This budget is recommended at \$2,365,028. The CAO recommendation differs from the department request in two respects.

A decrease of \$4,000 in Salaries and Benefits is recommended to reflect estimated salary savings that staff anticipates can be expected during the year. This recommendation is repeated countywide.

Interfund Information Technology charges have been reduced by \$333 from the requested amount to reflect reduced charges countywide, based on a recommended reduction in the Information Technology Department Budget.

Personnel Workers' Compensation (4-591)

Mary Lynn Carlton, Personnel Director

Because this budget unit operates as an ISF and must balance revenues to expenditures within the fund, an offsetting increase in Appropriation for Contingencies of \$4,333 is recommended in order to balance the budget to the recommended changes.

The Personnel Director concurs with the recommended budget.