

ORANGE COUNTY BOARD OF COMMISSIONERS

AGENDA

BOCC Regular Work Session
March 29, 2016
Meeting – 7:00 p.m.
Southern Human Services Center
2501 Homestead Road
Chapel Hill, NC

- | | | |
|----------------|----|--|
| (7:00 – 8:00) | 1. | Presentation of Manager’s Recommended FY 2016-21 Capital Investment Plan (CIP) |
| (8:00 – 9:10) | 2. | Employee Benefits and Pay Review |
| (9:10 – 10:00) | 3. | Review of Workforce Demographics and Utilization of Temporary Employees |

Orange County Board of Commissioners’ regular meetings and work sessions are available via live streaming video at http://www.orangecountync.gov/departments/board_of_county_commissioners/videos.php and Orange County Gov-TV on channels 1301 or 97.6 (Time Warner Cable).

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: March 29, 2016

**Action Agenda
Item No. 1**

SUBJECT: Presentation of Manager's Recommended FY 2016-21 Capital Investment Plan (CIP)

DEPARTMENT: County Manager and Financial Services

ATTACHMENT(S):

- Attachment A. FY 2016-21 Capital Investment Plan Presentation
- Attachment B. County Manager's CIP Transmittal Letter

INFORMATION CONTACT:

- Bonnie Hammersley, County Manager, (919) 245-2300
- Gary Donaldson, Financial Services, (919) 245-2453
- Paul Laughton, Financial Services, (919) 245-2152

UNDER SEPARATE COVER

*Attachment C. Manager Recommended
FY 2016-21 Capital
Investment Plan*

(Hard Copies to be Provided at the Meeting)

Available Electronically at:

http://www.co.orange.nc.us/departments/finance_and_administrative_services.php

PURPOSE: To receive the Manager's Recommended FY 2016-21 Capital Investment Plan to the Board of County Commissioners.

BACKGROUND: For over 20 years, the County has produced a Capital Investment Plan (CIP) that establishes a budget planning guide related to capital needs for the County as well as Schools. The current CIP consists of a 5-year plan that is evaluated annually to include year-to-year changes in priorities, needs, and available resources. Approval of the CIP commits the County to the first year funding only of the capital projects; all other years are used as a planning tool and serves as a financial plan.

Capital Investment Plan – Overview

The FY 2016-21 CIP includes County Projects, School Projects, and Proprietary Projects. The School Projects include Chapel Hill Carrboro City Schools, Orange County Schools, and Durham Technical Community College – Orange County Campus projects. The Proprietary Projects include Water and Sewer, Solid Waste Enterprise Fund, and Sportsplex projects.

The CIP has been prepared anticipating continued slow economic growth of between 1-2% annually over the next five years. Many of the projects in the CIP will rely on debt financing to fund the projects.

FINANCIAL IMPACT: There is no immediate financial impact associated with the presentation of the FY 2016-21 Capital Investment Plan. It is a long-range financial planning tool with a financial impact in FY 2016-17, if the first year of the CIP is approved by the Board of County Commissioners with the adoption of the Annual Budget. If the Board of County Commissioners approves the Recommended CIP as presented, the cumulative 5-year tax rate equivalent for the estimated highest debt service payment is expected to range from 4.74 cents up to 5.86 cents per \$100 of assessed valuation.

RECOMMENDATION(S): The Manager recommends the Board receive the presentation of the Manager's Recommended FY 2016-21 Capital Investment Plan and provide direction to staff in preparation of the April 7, 2016 Budget work session.

COUNTY MANAGER'S RECOMMENDED FY2016-21 CAPITAL INVESTMENT PLAN (CIP)



ORANGE COUNTY
NORTH CAROLINA

*March 29, 2016 Presentation
Southern Human Services Center*

OVERVIEW

- The Capital Investment Plan (CIP) is a budget plan that is evaluated annually to include year-to-year priorities with associated resources.
- The CIP includes detailed information for the first 5 years of the plan, and an overview of future plans for the remaining 6 through 10 years.
- The Board of Orange County Commissioners (BOCC) will amend and adopt the first year (FY2016-17) of the CIP.

CAPITAL INVESTMENT PLAN

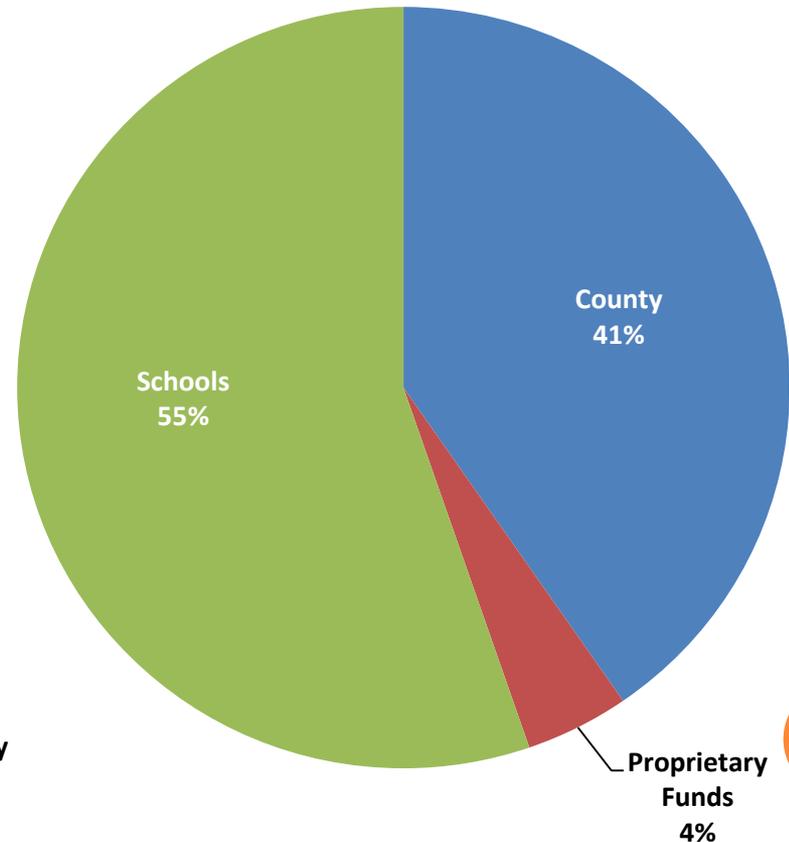
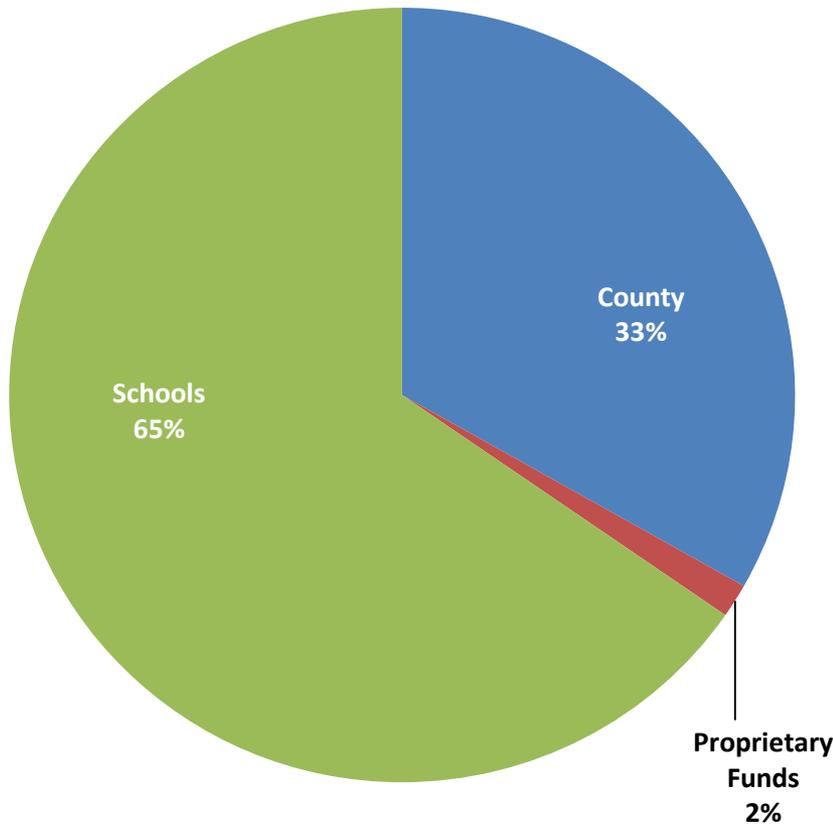
Document includes the following sections/tabs:

- Transmittal Letter
- CIP Summaries
- County Projects
- Proprietary Projects
- School Projects
- Appendices (Debt Service, Debt Capacity, and Policies)

FY 2016-21 ORANGE COUNTY CIP PROJECTS COUNTY-WIDE SUMMARY - APPROPRIATIONS

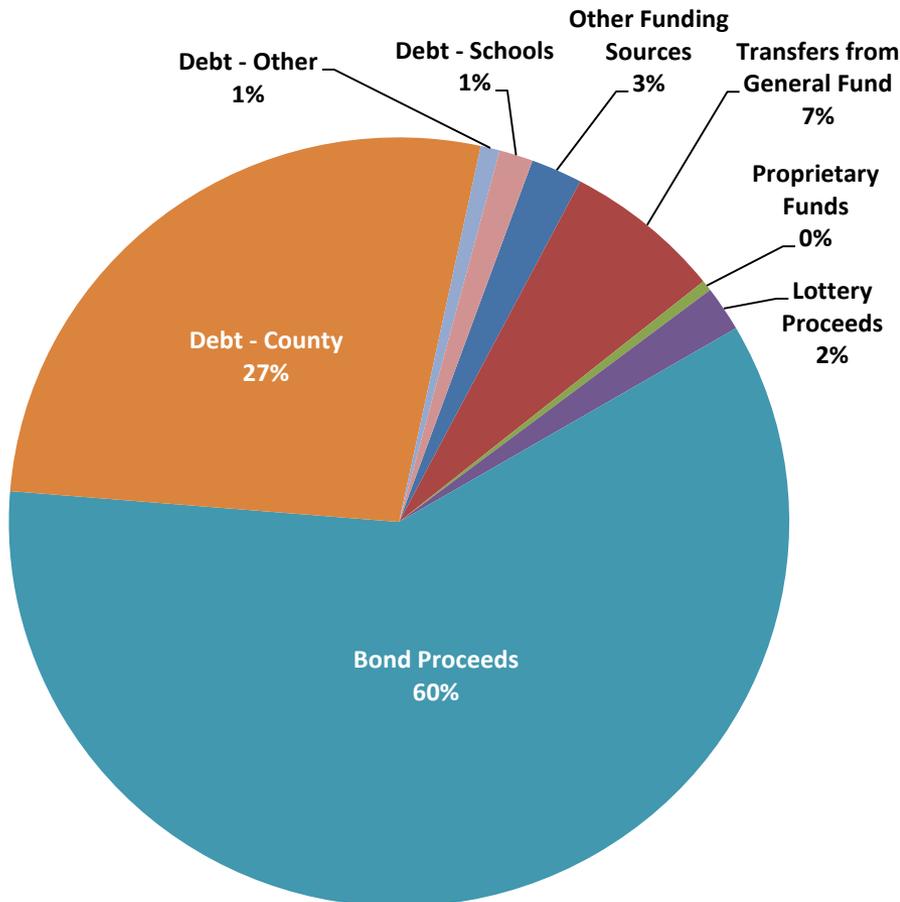
Year 1: FY 2016-17
\$72,892,560

Years 1-5: FY 2016-2021
\$288,369,050

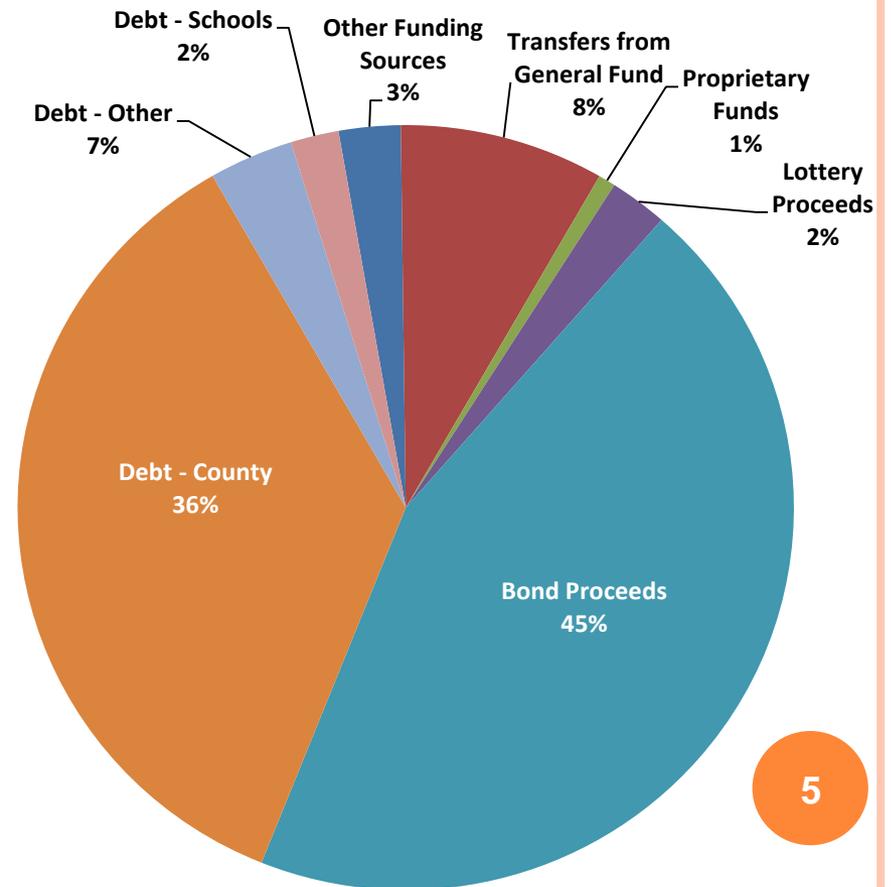


FY 2016-21 ORANGE COUNTY CIP PROJECTS COUNTY-WIDE SUMMARY - REVENUES

Year 1: FY 2016-17
\$72,892,560



Years 1-5: FY 2016-2021
\$288,369,050



CAPITAL INVESTMENT PLAN

Continuation Funding:

FY2016-17

- Southern Branch Library - \$6.38 million
- Detention Facility - \$500,000
- Historic Rogers Road Sewer Project - \$5.68 million
- Conservation Easements - \$500,000

CAPITAL INVESTMENT PLAN

Policy Priorities:

- School Capital Improvements - \$47.6 million
- Affordable Housing - \$3.5 million
- Community Centers - \$35,000
- Senior Centers - \$990,000 Seymour Center
- Economic Development (Water and Sewer)-\$145,000
- Accessibility and Security Improvements - \$190,000
- EMS Substation Co-location - \$500,000

CAPITAL INVESTMENT PLAN

Parks, Open Space, and Trail Development:

- Blackwood Farm Park - \$1.26 million
- Cedar Grove Park – Phase II - \$60,000
- Mountains to Sea Trail - \$521,000
- Hollow Rock Nature Park (New Hope Preserve) - \$235,000
- River Park – Phase II - \$50,000
- Little River Park – Phase II - \$100,000
- Fairview Park Access with Parking Improvements - \$325,000

CAPITAL INVESTMENT PLAN

Information Technology and Communications:

- Information Technology Infrastructure - \$500,000
- Technology Improvements - \$500,000
- Fiber Connections for County facilities - \$60,000
- BOCC Technology Initiatives - \$50,000
- Communication System Improvements - \$166,000

CAPITAL INVESTMENT PLAN

Critical Infrastructure Improvements:

- Hardened 911 Center - \$980,000
- Southern Human Services Center – \$300,000

Other Critical Infrastructure Improvements:

- Facility Roofing Projects - \$206,700
- Historic Courthouse Square - \$40,000
- Generator Projects - \$375,000

CAPITAL INVESTMENT PLAN

Future Capital Projects:

- **FY2017-18**
 - School Capital Improvements – \$8.3 million
 - Economic Development (Water/Sewer) – \$895,000
 - Solid Waste – \$1.1 million
 - Southern Orange Campus – \$2 million
 - Southern Human Services Center – \$5.2 million
 - Information Technology – \$1.5 million
 - Detention Facility – \$20.6 million
 - Environment & Agriculture Center – \$3.15 million
 - EMS Substations – \$1.2 million
 - Blackwood Farm Park – \$1.8 million
 - Efland-Cheeks Community Center – \$391,000
 - Facility Renovation and Repairs – \$180,000

CAPITAL INVESTMENT PLAN

Future Capital Projects:

- **FY2018-19**
 - School Capital Improvements – \$47.8 million
 - Economic Development (Water and Sewer) – \$375,000
 - Solid Waste – \$1.1 million
 - Information Technology – \$1.5 million
 - Affordable Housing – \$2.5 million
 - EMS Substations – \$1.5 million
 - Blackwood Farm Park – \$2.6 million
 - Cedar Grove Park – \$1.5 million
 - Mountains to Sea Trail – \$700,000

CAPITAL INVESTMENT PLAN

Future Capital Projects:

- **FY2019-20**

- School Capital Improvements – \$7.8 million
- Economic Development (Water /Sewer) – \$2.1 million
- Solid Waste – \$2.1 million
- Information Technology – \$1.5 million
- EMS Substations – \$600,000
- Soccer Center Phase II – \$4.6 million
- Lands Legacy - \$500,000
- Millhouse Road Park – \$6.4 million

- **FY2020-21**

- School Capital Improvements – \$47.9 million
- Economic Development (Water/Sewer) – \$25,000
- Solid Waste – \$800,000
- Southern Orange Campus – \$2 million
- Information Technology – \$1.5 million
- EMS Substations – \$1.5 million
- Bingham District Park – \$6.7 million
- Lands Legacy - \$500,000
- Northeast District Park – \$7.7 million
- Twin Creeks Park, Phase II – \$3.8 million

CAPITAL INVESTMENT PLAN

Appendices:

- Debt Service and Debt Capacity
- General Fund – maintains the 15% debt capacity
- Water and Sewer Projects (Article 46 Sales Tax proceeds)
- Capital Funding, Debt Management, and Fund Balance Management Policies

CAPITAL INVESTMENT PLAN

Document Availability:

- Clerk to the Board of Commissioners
- County Finance and Administrative Services Office
- Orange County Libraries
- Orange County Website
 - www.orangecountync.gov



ORANGE COUNTY

NORTH CAROLINA

March 24, 2016

TO: Board of Orange County Commissioners

FROM: Bonnie B. Hammersley
County Manager

RE: Manager's Recommended FY 2016-21 Capital Investment Plan

I am pleased to submit the County Manager's Recommended Capital Investment Plan (CIP) for FY 2016-21 for your consideration. The CIP serves two important functions. First, it authorizes capital appropriations for the next fiscal year. These appropriations are recommended for projects that are currently underway, projects that advance the policy priorities of the Board of Orange County Commissioners, and projects that support parks and open space priorities, information technology and communication systems, and other critical infrastructure needs. The second purpose of the CIP is to plan for the future. The Plan contains detailed recommendations for capital projects five years into the future and more general descriptions of projects that would occur in the subsequent five years, projecting a total of ten years into the future.

Recommended capital expenditures for FY 2016-17 total \$72.9 million. Of this amount, \$24.3 million is recommended for County capital projects, \$1.0 million is recommended for proprietary fund spending including water and sewer projects, Solid Waste, and Sportsplex, and \$47.6 million is recommended for school capital improvements. These funding levels assume the bond referendum for older school improvements and affordable housing initiatives is successful in November.

The recommended FY 2016-17 CIP represents an increase of approximately \$50 million compared to the FY2015-16 Approved CIP. Most of this increase (\$42.5 million) is attributable to the first year allocation of general obligation bond proceeds for school capital projects (\$40 million in FY 2016-17) and affordable housing (\$2.5 million in FY 2016-17). The remaining portion of the increase of approximately \$7.5 million can be attributed to the largest County projects recommended for FY2016-17, the Southern Branch Library and the completion of the Historic Rogers Road Sewer installation. These two investments represent a combined total of approximately \$12 million.

Continuation Funding

Continuation funding is recommended for projects that are either currently underway or those for which planning funds were appropriated in prior years.

- **Southern Branch Library - \$6.38 million**

In late 2015, the Board authorized staff to begin discussions with the Town of Carrboro on the construction of a Southern Branch Library on a Town owned site located at 203 South Greensboro Street. The CIP assumes that these discussions will progress to a point where construction may commence during the next fiscal year. Along with the recommended capital commitment for design and construction costs, the CIP also recognizes additional operating expenses that will be required to operate another library branch totaling approximately \$1.3 million annually.

- **Detention Facility - \$500,000**

Planning work for a new Detention facility began in FY 2015-16. The CIP recommends continuing that work during the next fiscal year with a second installment of planning and design funds and identifies approximately \$20.5 million in FY 2017-18 to begin construction. Remaining on this timeline assumes that the lease terms of the selected, State owned site will be clarified this summer through the adoption of a local bill in the General Assembly.

- **Environment and Agriculture Center - \$3.15 million in FY 2017-18**

The Board recently approved a contract for architectural and engineering services to significantly remodel or construct a new Environment and Agriculture Center. Based on the need to carefully gather stakeholder input on the functionality and design of the facility and the timing of bidding and approval by the Local Government Commission, funding for construction was delayed for one year and included in the FY 2017-18 plan.

- **Historic Rogers Road Sewer Project - \$5.68 million**

The Historic Rogers Road Sewer installation project is underway and on schedule. The Board recently authorized staff to proceed with easement acquisition, and construction is scheduled to begin in early 2017. Since the County will administer the construction contract with the Orange Water and Sewer Authority, the entire project cost is budgeted in the County's capital plan. However, these costs will be offset by contributions from the Town of Chapel Hill and the Town of Carrboro as either one time payments or annual installment payments to offset the cost of debt service.

- **Conservation Easements - \$500,000**

The CIP recommends continuing \$500,000 in annual funding for conservation easements as part of the Lands Legacy program. This appropriation is intended to provide matching funds for State and Federal grants to acquire conservation easements to preserve prime or threatened farmland, sensitive natural areas, or water quality buffer lands.

Policy Priorities

The Board of Orange County Commissioners articulated several policy priorities during its annual retreat. The CIP recommends funding associated with many of those priorities as well as funding for projects that have been introduced and approved conceptually as part of the Board's regular legislative process.

- **School Capital Improvements - \$47.6 million**

The recommended CIP includes a total of \$47.6 million to finance school capital improvements. Of this total, \$40 million is contingent on the successful passage of a \$120 million general obligation bond referendum scheduled for November. The CIP recommends that the total authorized amount be divided into three installments of \$40 million in years one, three, and five of the five year plan. The funds are distributed between the two school districts based on their proportion of average daily membership.

The remaining \$7.6 million allocated for school capital projects is consistent with prior year allocations. This funding comes from a mix of sources including pay-as-you-go funds, lottery proceeds, Article 46 sales tax proceeds, and an additional \$1 million in debt financed borrowing targeted at facility improvements in older schools.

- **Affordable Housing - \$3.5 million**

One of the highest policy priorities expressed by the Board during its annual retreat was the development and maintenance of affordable housing in the County with an emphasis on affordable rental housing. Over the next several weeks, the Board will be considering the adoption of an Affordable Housing Strategic Plan which will guide the use of affordable housing funds. The CIP assumes that the \$5 million general obligation bond for affordable housing is successful in November and that \$2.5 million would be allocated for use in FY 2016-17, and the remaining \$2.5 million would be authorized in FY 2018-19.

While general obligation bond proceeds will likely be used to expand the number of affordable housing units in the County, the preservation of land for affordable housing represents another important strategy. The FY 2016-17 CIP recommends an additional \$1 million to fund a land banking initiative started by the Board in FY 2015-16.

- **Community Centers - \$35,000**

The Board also identified the continued development of community centers as a policy priority for the coming year. The County has recently made investments in the Rogers Road Community Center and will open and begin programming at the Cedar Grove Community Center this summer. The CIP recommends beginning a new investment in the Efland-Cheeks Community Center by including \$35,000 in planning and design funds in FY 2016-17 to expand and modernize the facility and improve landscaping. A total of \$391,000 is recommended in FY 2017-18 to finance remodeling and landscaping work.

- **Senior Centers - \$990,000 Seymour Center**

In 2015, the Board considered the space needs for the Seymour Center as part of the Southern Campus Master Plan report and expressed interest in addressing some of those short term space needs. The 2016-17 CIP recommends an interior remodel to increase programming space by 4,500 square feet as well as the addition of approximately 55 paved parking spaces to accommodate Senior Center users. Future facility needs for both the Seymour Center and the Jerry M. Passmore Center (formerly Central Orange) will be expressed in the Master Aging Plan which will inform future funding decisions.

- **Economic Development - \$145,000 Water and Sewer Projects**

The Board expressed interest in defining economic development objectives and increasing the number of living wage job opportunities in the County through economic development. The County has previously appropriated over \$2.3 million to build out water and sewer infrastructure in the economic development districts to stimulate commercial and industrial development and job creation. The recommended CIP for FY2016-17 adds \$120,000 to the Eno Economic Development District project for design and possible easement acquisition and provides \$25,000 to purchase right-of-way access in the Buckhorn Economic Development District to make it more accessible to high capacity transportation corridors.

- **Facility Accessibility and Security Improvements - \$190,000**

One component of the Space Study Work Group was focused on facility accessibility for people with disabilities. The CIP recommends \$190,000 in FY 2016-17 to fund significant accessibility improvements at the Whitted facility, the historic Courthouse, and security access doors throughout the County. The other accessibility improvements identified by the study do not meet the dollar threshold to be included in the CIP. Those improvements will be accomplished using operating budget resources.

- **Emergency Medical Services (EMS) Substation Colocation - \$500,000**

The Board has encouraged intergovernmental cooperation with our municipal partners. The FY2016-17 CIP recommends working with the Town of Chapel Hill to collocate an EMS substation with one of the Town's fire stations. The colocation opportunity reduces the initial cost of construction and promotes operating efficiency through the use of shared community space. The new facility would be located on Hamilton Road in the Glen Lennox area of Chapel Hill which provides ready access to a main transportation corridor and an area of dense population and development. The ambulance that would be located in this facility is currently staged out of a parking lot which lacks protection for the vehicle and sleeping quarters for staff.

Parks, Open Space, and Trail Development

The Board has consistently expressed support for parks, open space, and trail development that preserve natural areas of the County and promote nature activities for County residents. This support is represented by the Parks and Open Space Master Plan as well as the master plans that have been adopted for each individual park property. The FY2016-17 CIP recommends funding for the following projects.

- **Blackwood Farm Park - \$1.26 million**

The master plan for Blackwood Farm Park highlights the historical significance of the agricultural activities that occurred there. The master plan also includes picnic shelters, trails, an amphitheater, and large open play fields. Funding recommended for FY2016-17 would improve access to the park from Highway 86 by installing a turn lane, improve the entrance to the park, and construct more parking.

- **Cedar Grove Park – Phase II - \$60,000**

Cedar Grove Park includes baseball/softball fields as well as basketball courts. The FY2016-17 appropriation would fund renovating and replacing the aging basketball courts.

- **Mountains to Sea Trail - \$521,000**

A master planning effort for the Orange County segment of the Mountains to Sea Trail is currently underway for the segment of trail southwest of the Occoneechee Mountain. The FY 2016-17 appropriation would fund initial trail construction of dedicated trail segments, acquisition of easements, signage, and fencing. Additional funding for voluntary land acquisition would come from the Lands Legacy Program funds.

- **Hollow Rock Nature Park (New Hope Preserve) - \$235,000**

The Hollow Rock Nature Park is a joint effort by Orange County, Durham County, and the Town of Chapel Hill. Funding is recommended in FY2016-17 for site facilities such as parking, a driveway, trails and bridges, kiosks, and other low impact amenities. Part of the cost of these amenities (\$117,500) is shared with Durham County.

- **River Park – Phase II - \$50,000**

The River Park project is done in collaboration with the Town of Hillsborough. As the Town proceeds with pedestrian improvements along Churton Street, the CIP recommends that the County improve the entryway to the park, signage, and stormwater facilities in FY2016-17.

- **Little River Park – Phase II - \$100,000**

Little River Park is also a joint effort with Durham County. Funding is recommended in FY2016-17 to repave the park entry road, expand parking, repave the ADA loop trail, and add a new maintenance shed. Half of these costs (\$50,000) would be shared with Durham County.

- **Fairview Park Access and Parking Improvements - \$325,000**

The Board of Commissioners approved a plan to create a new access entry and parking lot for Fairview Park. The funding recommended in FY 2016-17 would complete those improvements.

Information Technology and Communications

Significant information technology and communication improvements are financed through the Capital Investment Plan. These projects maintain and expand the capabilities of the County's current information technology infrastructure, employ new technologies to better meet the needs of County residents, protect and store critical data, and improve internal operating efficiencies.

- **Information Technology Infrastructure - \$500,000**

The FY 2016-17 recommendations for Information Technology Infrastructure would fund server upgrades, end user device replacements, data storage, network improvements, and the continued deployment of wireless capabilities.

- **Technology Improvements - \$500,000**

The FY2016-17 recommendation also includes technology improvements that have been recommended through the Information Technology Governance Council. These new technologies include encryption software, scheduling and mobile data terminals for Orange Public Transportation, mobile computing and automatic vehicle locator software for the Sheriff's Office, case management software for the Criminal Justice Resource office, and Countywide initiatives for to improve the Kronos timekeeping system, MUNIS Electronic Content Management System, and Performance and Training Management software for Human Resources.

- **Fiber Connections for County facilities - \$60,000**

The FY2016-17 recommendation also includes engineering services to begin a multiyear effort to connect all County facilities with publicly owned fiber connections. This project will be coordinated with other public sector entities to leverage existing fiber resources and reduce the cost of installing fiber independently.

- **Board of Orange County Commissioners Technology Initiatives - \$50,000**

An additional \$50,000 is recommended to fund technology priorities defined by the Board of County Commissioners that may not be included in the other requests.

- **Communication System Improvements - \$166,000**

The County has been engaged in a multiyear effort to replace its radio communication equipment. For FY2016-17, \$166,000 is recommended to finalize the replacement of radios for Emergency Services. The CIP identifies replacement of the Sheriff's radios in FY2017-18 to complete the County-wide replacement project.

Critical Infrastructure Improvements

The Recommended CIP also includes infrastructure investments that are important to the continued safety, security, and maintenance of County facilities and operations.

- **Hardened 911 Center - \$980,000**

The current 911 Center is located on the second floor of a steel framed building that does not provide an adequate level of security during storm events that produce very strong winds like a tornado or hurricane. The FY2016-17 CIP recommends funding for architectural, engineering and construction services to construct a 1,600 square foot hardened 911 Center as a primary location at 510 Meadowlands Road. The communication equipment for the project (\$600,000) would be funded using State 911 Board funding.

- **Southern Human Services Facilities Expansion - \$300,000**

A facility programming study is currently underway to conduct a facility and space needs assessment for health and social services delivery. The recommendation for FY 2016-17 builds on the concept study by providing funds for design services.

- **Other Critical Infrastructure Improvements for 2016-17**

- **Roofing Projects** - \$206,700 for the building housing the District Attorney and the Central Recreation building
- **Historic Courthouse Square** - \$40,000 to begin planning and design of landscaping and exterior brickwork improvements
- **Generator Projects** - \$375,000 to acquire and install emergency generators at the Animal Services facility, Cedar Grove Community Center, Efland-Cheeks Community Center, Rogers Road Community Center, and the Jerry M. Passmore Center (formerly Central Orange)

Financing the Capital Investment Plan

The Recommended Capital Investment Plan totals \$72.9 million in total expenditures. Of that amount, \$62.9 million is recommended to be financed by County funded debt. Other funding is derived from a variety of sources, ranging from cash or pay-as-you-go funds, to sales tax revenue. The recommended funding sources for the FY 2016-17 CIP is as follows:

○ General Obligation Bonds	\$42.5 million ¹
○ Debt Financing – County Funded	\$20.4 million
○ Debt Financing – Solid Waste	\$562,000
○ Pay-as-You-Go – County Funded	\$4.67 million
○ Lottery Proceeds	\$1.36 million
○ Pay-as-You-Go – Sportsplex	\$320,000
○ Partner Contributions	\$577,500
○ Transfers from Other Capital Projects	\$260,000
○ Register of Deeds Fees (Technology)	\$80,000
○ Article 46 Sales Tax Proceeds	\$1.58 million
○ State 911 Funds	\$600,000

Appreciation and Next Steps

A document as significant and complex as a Capital Investment Plan involves the great work of many County staff. I would like to thank each of the department directors who contributed their creativity and professional insights throughout this process. I would also like to thank the County's conscientious and dedicated staff from Finance and Administrative Services most notably Chief Financial Officer, Gary Donaldson, Deputy Finance Director, Paul Laughton, and Budget Analyst, Darrell Butts. Their sharp financial acumen, attention to detail, and impressive work ethic shaped and produced the document we are introducing today for the Board's consideration.

I look forward to working with you over the next several weeks to improve upon the Manager's Recommended Capital Investment Plan. Please contact me or the Deputy Manager with any questions.

¹ Contingent on successful passage of a bond referendum in November 2016.

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: March 29, 2016

**Action Agenda
Item No. 2**

SUBJECT: Employee Benefits and Pay Review

DEPARTMENT: Human Resources Department

ATTACHMENT(S)

A. Benefit Highlights

B. Current Premium Equivalent Cost Share for
Medical, Dental and Vision Benefits

INFORMATION CONTACT:

Brenda Bartholomew, Human Resources
Director, (919) 245-2552

Diane Shepherd, Benefits Manager, (919)
245-2558

PURPOSE: To receive relevant information regarding the Manager's recommendations for employee health and dental insurance and other employee benefits effective July 1, 2016 through June 30, 2017 and to receive relevant information on pay compression and meritorious service awards.

BACKGROUND: The County provides employees with a comprehensive benefits plan, including health, dental and life insurance, an employee assistance program, flexible compensation plan and paid leave for permanent employees. Additionally, the County contributes to the Local Governmental Employees' Retirement System and a supplemental retirement plan.

The County has been self-funded since January 1, 2014 for medical and pharmacy plans and continues to be self-insured for the dental plan. The County transitioned from a twelve-month calendar plan year to a twelve-month fiscal plan year in 2015 aligning with the County's fiscal year. In February 2015, the Board of County Commissioners approved Gallagher Benefit Services (GBS) as Broker of Record for the administration of benefit programs, which include health, dental, vision, and other voluntary programs for employees and retirees.

Health Insurance

Almost all full time and part time employees participate in the County's group health insurance plan. As of January 16, 2016, the plan covered 871 employees and 160 County retirees under the age of 65. Enrollment data is detailed in Attachment A.

Since the County's insurance plan is self-funded, the County uses a third party administrator (TPA) to administer and manage claims. To take advantage of changing market dynamics and services, the County periodically solicits proposals from companies offering TPA services. The County conducted a competitive solicitation this year through its broker and is in the process of negotiating a final contract with the most responsive and qualified provider for FY2016/2017. A

recommendation on the identity of the provider is scheduled for consideration by the Board of Commissioners on April 5.

Based on the initial solicitation results, the County's broker has estimated that total health insurance costs next fiscal year will remain flat or decrease slightly. As a result, no plan design changes are recommended. All covered benefits, co-pays, co-insurance and deductibles are expected to remain the same.

If the budget for health insurance is decreased, the premium equivalents charged to employees will be adjusted accordingly. Employees currently pay a share of the premium for most of the plan options. Attachment B shows the current monthly and bi-monthly cost share of premium equivalents.

Dental and Vision Insurance

Delta Dental is the County's current dental provider and Community Eye Care provides the County's vision plan. As part of three year contract, the County will continue providing dental coverage through Delta Dental. The current budget for dental insurance coverage is approximately \$320,000 annually. No increase in premium is recommended for FY 2016-2017. In fact, the County will improve the dental plan design by removing diagnostic and preventative services from the annual maximum covered services to promote preventative oral health care. The bi-monthly employee cost share of dental and vision premiums are also provided in Attachment B.

Other Employee Programs

The County will continue to partner with representatives of the UNC Wellness @ Work program to offer health screenings to all employees. In the fall of 2016, the Health and Human Resources Departments coordinated flu clinics for employees, and Human Resources held two Breast Cancer Awareness Days (for mammograms) at UNC Radiology in Hillsborough. See Attachment A for more detail on Employee Wellness Activities and Orange County Sportsplex enrollment.

Compression Review

Compression has been a growing concern among directors and employees and was ranking highly during the Department Director's prioritization of internal needs. Pay compression occurs when the difference between two salary grades or between two employees within the same salary grade is too small without an intentional, reasonable pay policy to explain that difference. A classic example of pay compression occurs when new employees are hired at the same or higher rates as employees who have been employed by the organization for several years. In this case, market rates for certain positions may have advanced beyond the salaries paid to current employees. The organization is compelled to pay market rates to attract well qualified new employees but does not feel the same pressure to increase the salaries of current employees. As a result, the pay of these employees is compressed with respect to their time and experience within the organization.

To help quantify this issue for Orange County, Human Resources contracted with Gallagher Benefit Services Inc.'s Fox Lawson Group (FLG) to conduct a Compensation Philosophy Development and Pay Compression Study. The study found that the County experiencing pay compression at most grades in the salary schedule. The compression has been caused by

several different issues but is primarily due to the absence of a mechanism to move existing employees forward in the salary plan. Compression was also caused by structural issues within the current classification plan and lack of a strong pay philosophy across hiring managers.

The County Manager's Recommended Operating Budget for FY 2016-17 is expected to include a recommendation to begin addressing salary compression.

Meritorious Service Awards

The Code of County Ordinances Section 28-61 provides a program of Meritorious Service Awards to financially reward employees whose work performance and accomplishments are exceptional or superior. Section 28-61 (c) provides that the award amount is subject to the Board of Commissioners' annual approval of funding. It also establishes award levels at \$1,500 for exceptional performance and \$750 for superior performance. The performance incentives are paid as one-time payment which does not become a part of an employee's annual base salary.

The current Meritorious Service Award program is being administered using three award tiers. The current program recognizes exceptional performance with a \$1,000 payment and superior and proficient performance with a \$500 payment. As currently administered, the ordinance and current practice are not aligned.

The County Manager's Recommended Operating Budget for FY 2016-17 is expected to address these inconsistencies and make the award levels more granular.

FINANCIAL IMPACT: The financial impact for health insurance will either remain flat or decrease. No financial impact for dental insurance is recommended. If approved by the Board, all costs including a compression adjustment and changes to the meritorious service award program will be part of the Manager's Recommended FY 2016-17 budget.

SOCIAL JUSTICE IMPACT: The following two Orange County Social Justice Goals are applicable to this agenda item:

- **GOAL: FOSTER A COMMUNITY CULTURE THAT REJECTS OPPRESSION AND INEQUITY**
The fair treatment and meaningful involvement of all people regardless of race or color; religious or philosophical beliefs; sex, gender or sexual orientation; national origin or ethnic background; age; military service; disability; and familial, residential or economic status.
- **GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY**
The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their dependents.

RECOMMENDATION(S): The Manager recommends that the Board receive the report in an effort to inform future decisions on a Third Party Administrator and the inclusion of compression adjustments and service award changes as part of the Manager's Recommended FY 2016-17 budget.

ATTACHMENT A

Benefits Participation

New employees enroll in plans effective with the first of the month after hire, and terminating employees' coverage ends on the last day of the month employed (unless a retiree under age 65). Participation is shown as of March 2016.

Health Coverage	2011	2012	2013	2014	2015	2016
Traditional Plan	n/a	610	605	624	646	661
High Deductible Plan	n/a	187	197	198	182	209
Total Health Plan Participation	n/a	797	802	822	828	870
Health Savings Account (employee contribution)	n/a	81	89	73 (37%)	64 (33%)	69 (33%)
Waived Health Insurance	20	22	21	29	31	32

Participation in Voluntary Benefits as of March 2016

Benefit	# of Participants	
	As of March 2015	As of March 2016
Delta Dental	838	885
Medical Flexible Spending Account	134	177
Dependent Care Spending Account	13	16
Community Eye Care	477	538
Accident Insurance	204	431
Critical Illness	179	254
Disability	231	305
Whole Life (2015)/Universal Life (2016)	113	242

Wellness Events/Activities July 2015 through March 2016

Annual Employee Flu Shot Clinic Participants

2010	2011	2012	2013	2014	2015
204	169	225	207	196	218

Sponsored Health Screenings

Orange County Breast Cancer Awareness Day Mammograms	Promoted to employees in October, but numbers unavailable
Biometric Screenings (blood pressure, cholesterol, & glucose) held June 2015	98

Results of Health Screenings: Employees by Risk Category		
Risk Category	% of Total 2014	% of Total 2015
Low	48%	60%
Moderate	36%	32%
High	16%	8%

Orange County Sportsplex Membership

Sportsplex Membership remains consistent with the past few years. Approximately 245 employees are members, receiving a total 75% discount on membership.

Employee Wellness Activities

Maintain, Don't Gain Holiday Challenge
Fit in 15!

28 participants

ATTACHMENT B

Current Medical Monthly Premium Equivalent Cost Share

MONTHLY	PPO Premium Equivalent	OC Cost Share	Employee Cost Share
Employee Only	\$739	\$739	\$0
EE/Child(ren)	\$1,161	\$931	\$230
EE/Spouse	\$1,494	\$1,085	\$409
Family	\$2,101	\$1,366	\$735
BI-MONTHLY	HSA Premium Equivalent	OC Cost Share	Employee Cost Share
Employee Only	\$369	\$369	\$0
EE/Child(ren)	\$580	\$465	\$115
EE/Spouse	\$747	\$543	\$205
Family	\$1,050	\$683	\$367

Current Dental and Vision Monthly Premiums Cost Share

BI-MONTHLY	Delta Dental Employee Cost Share	Eye Care Employee Cost Share
Employee Only	\$0	\$4.87
EE/Child(ren)	\$20.97	\$9.27
EE/Spouse	\$17.59	\$9.27
Family	\$30.04	\$13.65

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: March 29, 2016

**Action Agenda
Item No. 3**

SUBJECT: Review of Workforce Demographics and Utilization of Temporary Employees

DEPARTMENT: Human Resources Department

ATTACHMENT(S)

- A. Employee Race and Gender Data
- B. Action Agenda Item 3, September 11, 2014
- C. Action Agenda Item 5, April 17, 2008

INFORMATION CONTACT:

Brenda Bartholomew, Human Resources
Director, (919) 245-2552

PURPOSE: To receive information on the overall demographics of Orange County employees and to also receive information regarding how Orange County is currently employing non-permanent temporary employees.

BACKGROUND: The Board of County Commissioners requested information regarding the current workforce profile of Orange County and requested follow up information regarding the current employment of temporary employees.

Workforce Demographics

Orange County Government is committed to equal employment opportunity and affirmative action to employ and advance in employment qualified women, minorities, protected veterans, and individuals with disabilities. All applicants and employees are treated equally without regard to their protected veteran status, race, religion, national origin, gender, age, marital status, disability, pregnancy, sexual orientation, gender identity or expression, genetic information, or any other basis protected by applicable law.

Attachment A is provided to show in detail the Workforce Race and Gender data by classification for Orange County as of June 30, 2015. This data is reported as part of the EEO-4 Report filed with the Equal Opportunity Commission on September 30, 2015, as per Section 709 (c), Title VII, Civil Rights Act of 1964.

The following table demonstrates the demographics of the Orange County workforce since June 30, 2014 through March 2016.

YEAR	% Male	% Female	White	African American	Hispanic or Latino	Asian
June 2014	45.10%	54.80%	70.00%	24.00%	4.50%	0.60%
June 2015	41.97%	58.03%	70.17%	22.34%	4.45%	0.87%
March 2016	43.78%	56.22%	70.09%	22.27%	5.02%	0.76%

At a minimum, the County strives to employ a workforce that resembles the overall demographics of the community. The following table details the demographics of Orange County according to the United States Census Bureau, as of July 1, 2014.

	% Male	% Female	White	African American	Hispanic or Latino	Asian
Orange County	47.8%	52.20%	76.80%	12.20%	8.40%	7.70%
North Carolina	48.7%	51.30%	71.50%	22.10%	9.00%	2.70%

In comparing the Orange County government statistics to Orange County and the State of North Carolina, Orange County Government needs to focus most on efforts to improve diversity in the Hispanic or Latino and Asian populations.

In an effort to improve diversity in the areas of greatest need, the Human Resources Department is continually working with Departments to recognize the need for employees to be bi-lingual and as such recruit accordingly. The Human Resources Department has also implemented two Board of County of Commissioners initiatives within the past year. These initiatives include an Internship Program and Access to Learning the Spanish Language.

The Internship Program is focused on providing a learning experience to a student in order for them to blend classroom theory with real-life practice. Human Resources will recruit from many universities and colleges in the area bringing in a diverse representation of students. The internships are designed to give students an opportunity to complement their formal education with career-related experience and to spark an interest in pursuing a career in local government.

The Board of County Commissioners also requested that all County employees have access to Spanish language education in an effort to provide high quality services to residents. The Human Resources Department is prepared to offer in-house training for Basic Introduction to the Spanish Language and to provide the Rosetta Program in the Employee Development Library.

Work Assignments of Temporary Employees

Temporary employees play a critical role within departments and contribute to the mission of serving Orange County residents effectively and efficiently. It is also equally important to utilize temporary employees in an appropriate manner and afford them access to health care as required under the Affordable Care Act. Temporary employees are different from part time employees. Temporary employees are time limited and do not receive access to County benefits. Part time employees work less than full time, but the duration of their employment is not limited.

A Temporary Employee is defined as an employee appointed to serve in a position for a period of six calendar months or less. A Department Head may extend the temporary appointment for six additional months. A temporary appointment may not extend beyond one year except as provided in Article II, Subsection 28-15(b) of the Orange County Code of Ordinances. Overall, this section states that a new temporary appointment may be made for up to six months and may be extended for six additional months, not to exceed a total of one year. The advance approval of the Human Resources Director is for the purpose of assuring

that temporary appointments are used to meet temporary work needs. The County Manager may approve the extension of a temporary appointment beyond one year.

Temporary employees may work a variety of reasons, and in differing capacities including:

- A regular work schedule to fill a temporary need subject to the limitations described above. The duration of a grant funding period.
- When considered seasonal, an employee is required to work a defined time period and may return year after year. Most seasonal employees hired to work in this capacity are at the Department of Environment, Agriculture, Parks and Recreation (DEAPR).
- On an as needed basis. Primarily this is the hire of Election Workers.
- When filling a position vacated because a permanent employee is on leave or during the time period to process the filling of vacancies.
- As a participant in the Workforce Investment Act (WIA) (Department of Social Services youth employment grant) or Work First Program, which services parents of children with little or no income.
- As an Intern, for educational purposes.

The Orange County Code of Ordinances Section 28-36 provides permanent employees both full-time and part-time (regularly scheduled at least 20 hours each workweek) with group health insurance. The County has been pro-active in appropriately identifying positions which need to be classified as permanent as per the Personnel Section of the Orange County Code of Ordinances and the Affordable Care Act requirements.

Action Agenda Item 3, dated September 11, 2014 is provided as Attachment B which analyzed the use of temporary employees at the request of the Board of County Commissioners. It was determined that there were some employees working in hours in excess of what the Affordable Care Act allows as well as outside the desire of the Board. As part of the FY 2015/16 budget adoption, positions were subsequently made permanent. These positions included three Orange Public Transportation Drivers and a Weighmaster at the Department of Solid Waste.

Action Agenda Item 5, dated April 17, 2008 is provided as Attachment C which shows the transition of funding positions from a long term temporary services status to permanent positions meeting County staff needs.

The following table demonstrates the percentage of temporary employees compared to permanent employees since FY 2011/2012 through March 2016.

YEAR	total permanent employees	total temporary employees	% of temporary employees to permanent employees
FY 11/12	828	138	16.67%
FY 12/13	821	154	18.76%
FY 13/14	844	168	19.91%
FY 14/15	859	186	21.65%
FY 15/March 2016	894	178	19.91%

The following table demonstrates a comparison of hours worked and the number of temporary employees since September 2014.

YEAR	Minimum Living Wage	Average Wage	Total Hours Worked	Average # of Temp Employees	Average # of Hours Worked Annually
September 2014	\$12.76	\$13.83	121,139	300	401
June 2015	\$12.76	\$14.11	77,014	141	546
March 2016	\$12.76	\$15.22	67,587	206	369

The Human Resources Department will continue to work to make sure that Orange County is compliant with the requirements of the Affordable Care Act and the North Carolina Retirement System as well as meeting the needs of each department and appropriately offering benefits to employees when applicable. More specifically, the Human Resources Department will continue:

- Reviewing the work of temporary employees to make sure they are appropriately classified as per the County Ordinance and make changes as necessary.
- Monitoring temporary employees working more than 12 months or 1,000 hours in a calendar year as required by the Retirement System.
- Monitoring hours worked by temporary employees to ensure that all employees eligible for health insurance benefits are appropriately notified and enrolled.

Also, the Affordable Care Act requires certain employers (applicable large employers), which includes Orange County to offer health insurance coverage to full-time employees and their dependents and requires those employers to send an annual statement to all employees eligible for coverage describing the insurance coverage available to them (IRS Section 6055) as well as the detail of an employee's actual insurance coverage (IRS Section 6056). The County has filed accordingly and no issues have been identified as non-compliant.

FINANCIAL IMPACT: This abstract is to provide information to the Board of County Commissioners. As such there is no additional financial impact.

SOCIAL JUSTICE IMPACT: The following Orange County Social Justice Goal is applicable to this agenda item:

- **GOAL: FOSTER A COMMUNITY CULTURE THAT REJECTS OPPRESSION AND INEQUITY**
The fair treatment and meaningful involvement of all people regardless of race or color; religious or philosophical beliefs; sex, gender or sexual orientation; national origin or ethnic background; age; military service; disability; and familial, residential or economic status.

The Human Resources Department is committed to developing and maintaining a diverse workforce that exemplifies a commitment to Equal Employment Opportunity policies and to continually evaluate recruiting and hiring practices for potential adverse impact.

RECOMMENDATION(S): The Manager recommends that the Board receive and review the information as provided and if there are any issues or concerns, staff will follow up as requested.

Attachment A

Workforce Gender and Race Data, as of June 15, 2015

Workforce Race and Gender Distribution
EEO Classification
by number in each classification

Classification	Male	Female	Total	African American	White	Hispanic or Latino	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native	Two or More Races	Total
Officials and Administrators	13	15	28	2	26	0	0	0	0	0	28
Professionals	71	198	269	57	194	9	1	0	1	7	269
Technicians	83	105	188	29	148	4	2	0	1	4	188
Protective Service Workers	100	21	121	24	91	4	1	0	0	1	121
Paraprofessionals	31	89	120	33	74	10	1	1	0	1	120
Administrative Support	12	85	97	27	61	6	1	0	1	1	97
Skilled Craft Workers	14	1	15	2	12	1	0	0	0	0	15
Service-Maintenance	63	21	84	32	41	7	2	0	1	1	84
Total	387	535	922	206	647	41	8	1	4	15	922

Workforce Race and Gender Distribution
EEO Classification
by percentage in each classification

Classification	% Male of Classification	% Female of Classification	% of Overall Total	African American	White	Hispanic or Latino	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native	Two or More Races	Total
Officials and Administrators	46.43%	53.57%	3.04%	7.14%	92.86%	0.00%	0.00%	0.00%	0.00%	0.00%	3.04%
Professionals	26.39%	73.61%	29.18%	21.19%	72.12%	3.35%	0.37%	0.00%	0.37%	2.60%	29.18%
Technicians	44.15%	55.85%	20.39%	15.43%	78.72%	2.13%	1.06%	0.00%	0.53%	2.13%	20.39%
Protective Service Workers	82.64%	17.36%	13.12%	19.83%	75.21%	3.31%	0.83%	0.00%	0.00%	0.83%	13.12%
Paraprofessionals	25.83%	74.17%	13.02%	27.50%	61.67%	8.33%	0.83%	0.83%	0.00%	0.83%	13.02%
Administrative Support	12.37%	87.63%	10.52%	27.84%	62.89%	6.19%	1.03%	0.00%	1.03%	1.03%	10.52%
Skilled Craft Workers	93.33%	6.67%	1.63%	13.33%	80.00%	6.67%	0.00%	0.00%	0.00%	0.00%	1.63%
Service-Maintenance	75.00%	25.00%	9.11%	38.10%	48.81%	8.33%	2.38%	0.00%	1.19%	1.19%	9.11%
Total	41.97%	58.03%	100.00%	22.34%	70.17%	4.45%	0.87%	0.11%	0.43%	1.63%	100.00%

COPY**ORANGE COUNTY
BOARD OF COMMISSIONERS****ACTION AGENDA ITEM ABSTRACT****Meeting Date:** September 11, 2014**Action Agenda
Item No. 3****SUBJECT:** Analysis of Non-Permanent Employees (Temporary Employees)**DEPARTMENT:** Human Resources**PUBLIC HEARING: (Y/N)**

No

ATTACHMENT(S):

- A – Relevant County Ordinance
- B – 2013/2014 Analysis of Temporary Employees Including Average Wage, Total Hours Worked, Number of Temporary Employees and Average Hours

INFORMATION CONTACT:Brenda Bartholomew, Human Resources
Director, (919) 245-2552

PURPOSE: To receive information regarding how Orange County is currently employing non-permanent temporary employees.

BACKGROUND: The Board of County Commissioners requested follow up information regarding temporary employees at the June 10, 2014 budget work session. Board members expressed a desire that Orange County appropriately employ temporary employees and not hire temporary employees to avoid paying health insurance or other benefits.

CURRENT SITUATION: Within this abstract, the following has been outlined:

Section 1 – Definition of a non-permanent temporary employee

Section 2 – Rights of non-permanent temporary employee

Section 3 – General overview of work assignments of non-permanent temporary employees

Section 4 – Overall summary of temporary employment

Section 1: Definition of a Temporary Employee

Subject to the provisions of the County Code of Ordinances Section 28-15 (b) a new temporary appointment may be made for up to six months and may be extended for six additional months, not to exceed a total of one year, except as provided in Subsection 28-15(b)(3).

Subsection 28-15(b) (3) states that the County Manager may approve the extension of a temporary appointment beyond one year:

- When the employee regularly works 15 hours or less each workweek (as averaged on a monthly basis). In urgent circumstances where additional hours are necessary to

continue critical services, the County Manager may approve additional hours in writing. For this purpose, critical services include such services as public safety and top priority goals of the County.

- When the employee is working under an established academic internship program or work study program.

ATTACHMENT A provides the referenced Ordinance and the Non-Temporary categories.

Section 2: Rights of Temporary Employees

Under Section 28-36 of the Code of Ordinances, it is the policy of Orange County to provide permanent employees both full-time and part-time (regularly scheduled at least 20 hours each workweek) with group health insurance. Temporary employees are considered non-permanent and are not eligible for health insurance.

Section 3: Current Work Assignments of Temporary Employees

There are varying uses of temporary employees, summarized as follows:

- Employees work a regular work schedule for periods longer than six months to a year
- Employees work within the duration of a grant time period
- Employees work a defined time period, considered seasonal, may return year after year
- Employees work on as needed basis or per diem (called when needed)
- Employees are filling a position vacated because an employee is on leave
- Employees are filling a need during the time period to process the filling of vacancies
- Employees in the Workforce Investment Act (WIA) (DSS youth employment grant)
- Employees in the Work First Program, which services parents of children with little or no income

Section 4: Findings of the Analysis

ATTACHMENT B provides an overview by department. The following table represents an overview of Hours Worked by Current Temporary Employees.

Average Wage	Total Hours Worked	# of Temp Employees	Average # of Hours Worked
\$13.83	121,139	300	401 or approximately 15 hours per pay period

There are 22 employees of the 300 temporary employees that worked more than 1,040 hours in FY 2013 - 2014, which represents 7.33% of the temporary population. Five of these temporary employees are County retirees from the BOCC (1), Health (1), Solid Waste (1), and the Sheriff's Office (2).

FINANCIAL IMPACT: Under the Affordable Care Act (ACA), employers with 50 or more full-time employees (including full-time equivalents) must offer all employees working an average of

30 hours per week or more in a month a health insurance coverage or pay penalties, effective January 1, 2015.

The ACA measures full time status month by month. A seasonal employee who works an average of 30 hours per week during any month must be offered health care coverage for the month worked unless the employer takes certain actions.

Employers subject to the employer mandate may adopt a “measurement period” longer than a month to measure the full time status of employees. This provides an average of hours worked recognizing seasonal and temporary employees.

Additionally, the North Carolina Local Governmental Employees’ Retirement System defines an “employee” as any person who is regularly employed in a regular position, the duties of which require not less than 1,000 hours or more in a twelve-month period. Such employees are subject to membership in the retirement system and would be required to contribute 6% of all earnings to the Retirement System, and the County would contribute the required employer amount (currently 7.41%).

RECOMMENDATION(S): The Manager recommends that the Board discuss and provide feedback to staff.

The Board may want to consider implementing a policy that determines the full time status of any non-permanent (temporary) employee over a 12-month measurement period as suggested under the Affordable Care Act.

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**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: April 17, 2008

**Action Agenda
Item No. 5**

SUBJECT: Transition of Long Term Temporary Funding to Meet Permanent County Staff Needs

DEPARTMENT: Budget

PUBLIC HEARING: (Y/N)

ATTACHMENT(S):

Positions Proposed As Part of Transition
of Long Term Temporary Funding to Meet
Permanent County Staff Needs

INFORMATION CONTACT:

Laura Blackmon, (919) 245-2300
Donna Coffey, (919) 245-2151
Michael McGinnis, (919) 245-2552

PURPOSE: To review and discuss a plan to transition long term temporary funding to meet permanent County staff needs.

BACKGROUND: Over the last few years, the Board has expressed concern about the County's use of temporary employees and the amount of funding dedicated to this line item. As Department Directors prepared their 2008-09 fiscal year budgets, the Manager directed them to review their department's use of temporary monies. Staff plans to implement an internal budget management tool in the upcoming fiscal year that allows departments to categorize their temporary employees into the following categories:

- ✓ Seasonal Employees
- ✓ Student Intern
- ✓ Temporary Employees
- ✓ Time Limited Part-Time Employees

While in some instances, such as re-employing retirees on a part-time basis, departments are able to meet workload demands, there are instances where departments have filled more permanent staffing needs through use of long-term temporary employees. This year, as Department Directors developed their budget requests, management emphasized identifying and correcting departments' utilization of non-permanent employees to fill on-going staffing needs. As a result, departments requested new permanent positions, part- and full-time, to meet ongoing needs presently covered by non-permanent staff and realign currently budgeted monies to cover costs of the request. The attached spreadsheet summarizes the requests submitted by individual departments.

Tonight's work session offers the Board an opportunity to review the requests and provide additional direction to staff. The Manager plans to present staffing recommendations to the Board during their May 8, 2008 budget work session.

FINANCIAL IMPACT: The net County cost to transition these temporary employees to new permanent positions is approximately \$210,000 or about two tenths of one penny on the projected 2008-09 tax rate. For the most part, these costs are associated with the cost of providing permanent employee benefits such as health, dental, and life insurance and retirement contributions.

RECOMMENDATION(S): The Manager recommends that the Board of County Commissioners discuss the proposed the transition of long term temporary funding to meet permanent County staff needs

April 17, 2008

Positions Proposed As Part of Transition of Long Term Temporary Funding to Meet Permanent County Staff Needs - General Fund

Requesting Department	Position Description/Need	FTE Change
Aging	Administrative Assistant I (Eldercare & RSVP) - This position will handle recordkeeping and reporting tasks for the Eldercare Division's in-home aide and respite care programs, client and caregiver counseling, and community-based respite. This position will also enable the RSVP program to meet administrative requirements mandated by federal sponsors, including data collection and volunteer record management system.	0.750
	Office Assistant II (Senior Education Corp Coordinator) - This position administers volunteer programming and recognition events and also assists with grant development, oversight, and federally-mandated measurement reporting.	0.500
Animal Services	Animal Care Technician (Shelter) - Providing for the needs of sheltered animals is a requirement 24 hours per day, 7 days per week. In order to provide appropriate levels of service since the County began operating the Shelter in 2004, it has been necessary to cover the required hours with a combination of permanent and non-permanent staff. With this request, the department is identifying the need to provide consistency in providing animal care services by realigning current financial resources used for non-permanent staff to fund a full-time permanent FTE.	1.000
Financial Services	Financial Services Technician - For a number of years, the Finance and Budget divisions of the County have relied on non-permanent administrative and technical staffing to meet workload. The need for this support has continued to increase as County services have grown. With this request, the department proposes to realign currently approved temporary personnel funds to create a permanent position.	1.000
Emergency Services	Emergency Medical Technician - Increases in emergency medical related calls over the past several years have created the need to add a fourth ambulance to respond to emergency situations throughout the County. This fourth ambulance is currently being staffed by temporary personnel, and many are receiving overtime on a consistent basis. The department request realigning currently approved financial resources allocated to temporary and overtime to offset the cost of these requested positions.	4.000
Public Works	Office Assistant I (Building and Grounds) - Temporary personnel has been used in the past to assist with the administrative workload including answering telephone, assignment of motor pool vehicles, dispensing of recycling bins, creating/closing out work orders, and assist with building and grounds and custodial inventory. Since 2004, the number of temporary clerical hours has averaged 2,117 hours/year.	1.000
	Office Assistant I (Motor Pool) - Temporary personnel has been used in past to meet permanent and growing administrative needs for creation and completion of work orders, filing paper work, entering parts information, and assist in pickup of parts in the absence of the Automotive Mechanic Helper. Permanent position can be trained for parts management, including prompt placement of orders on shelf and in electronic inventory.	1.000

Department	Position	April 17, 2008 FTE
Purchasing	Construction Manager - This position oversees all County capital projects. This personnel change will convert this currently contracted position to a permanent position.	1.000
Sheriff	Deputy I (Courtroom Security) - Historically, the Sheriff's Department has used non-permanent staff to provide courtroom security, a permanent need. Over the years, the number of courtroom proceedings has increased significantly, and it is becoming increasingly difficult to provide adequate staffing levels with non-permanent personnel. The Sheriff requests to realign currently approved monies in temporary and overtime to offset costs of adding 2 full-time Deputies to fill court security needs.	2.000
Social Services	Social Worker II (Adolescent Parenting Program) -Each position provides case management services to pregnant and parenting teens. These positions work within both school systems to serve adolescent parents. This personnel change will convert each currently contracted position to a permanent position. This conversion would enable staff to operate for 12 months rather than the 10 months stipulated by the contract. Medicaid funds cover the full cost of each position.	2.000
Total Positions Proposed As Part of Transition of Long Term Temporary Funding to Meet Permanent County Staff Needs (General Fund)		14.250

Positions Proposed As Part of Transition of Long Term Temporary Funding to Meet Permanent County Staff Needs - Non-General Fund

Department	Position	FTE
Housing	Office Assistant II (if Housing & CD Director moves to GF) - Since re-opening the Section 8 Housing Choice Voucher Program waiting list in the Fall of 2004, the department has utilized a temporary employee to assist with the increased interest in submitting applications. Without the position, the consequences would likely result in a backlog of residents applying for assistance and processing applications for the Section 8 Program. Note: funding for this position is only possible if the Housing/Community Development Director position is moved to 70% County funding, 30% Grant funding.	1.000
Solid Waste	Heavy Equipment Mechanic I - This position would service sanitation vehicles, perform basic welding and other general duties, such as parts delivery and vehicle transportation. This position would also increase the rate of work order completions and improve overall efficiency. The change will enable reorganization of duties within the Maintenance staff and allow greater support within the department to take place. The Enterprise Fund would pay for the costs associated with this position.	1.000
Total Positions Proposed As Part of Transition of Long Term Temporary Funding to Meet Permanent County Staff Needs (Non-General Fund)		2.000