



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Human Resources
Department No.: 064
For Agenda Of: October 17, 2017
Placement: Set Hearing for 11/07/17
Second Reading for
11/14/17
Estimated Time: 15 minutes on 11/07/2017
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director: Lori Gentles, Human Resources Director, 568-2816
Contact Info: Andreas Pyper, Assistant Director: Human Resources 568-2812
SUBJECT: **Amendment to the Ordinance Setting Compensation and Benefits for Members of the Santa Barbara County Board of Supervisors:**
A. Provide a Salary Increase Consistent with the Consumer Price Index, and
B. Increase the Non-Cash Out County Contributions to Board of Supervisors' Health Insurance Premiums By the Same Amount the Contributions for All County Employees Will Increase.

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: None

Recommended Actions:

On October 17, 2017, that the Board of Supervisors set a hearing for November 7, 2017 to:

- a) Approve the introduction (first reading) of the attached Ordinance which amends Ordinance 4980 setting compensation for members of the Board of Supervisors to
 - i. Provide a 2.2% salary increase, consistent with the October 2016 Annual Indices of the Consumer Price Index – Urban (CPI-U) for the Los Angeles-Riverside-Orange County area, to be effective during Fiscal Year 2017-2018 and tie future, annual salary increases to the Consumer Price Index - Urban (October Annual Indices) from a minimum of 0% to a maximum of 3% each July; and

- ii. Provide a 3.7% increase to the County contributions to health insurance for all Board members enrolled in and receiving County-sponsored health insurance effective sixty days after passage of the ordinance, which is consistent with the increase all County employees will receive to the County contribution for health insurance;
- b) Read the title of the Ordinance and waive full reading of the Ordinance; and
- c) Continue the hearing to the Administrative Agenda of November 14, 2017 to:
- i. Consider and approve the adoption (second reading) of the attached Ordinance which amends Ordinance 4980 setting compensation and benefits for members of the Board of Supervisors to provide for a 2.2% salary increase as determined by the October 2016 Annual Indices CPI-U increase for the Los Angeles-Riverside-Orange County area and to provide a 3.7% increase to the County contribution to health insurance for all Board members enrolled in and receiving County-sponsored health insurance effective sixty days after passage of the Ordinance; and
 - ii. Determine that these activities are exempt from California Environmental Quality Act (CEQA) review per CEQA Guidelines Section 15378(b)(4) since the recommended actions are government funding mechanisms or fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary Text:

The recommended actions will:

- A. Result in the Board of Supervisors' members receiving a 2.2% salary increase effective the first pay period following sixty (60) days after Board approval; and
- B. Result in the Board of Supervisors' members receiving a 3.7% increase (equivalent to that which all County employees will receive) in the County contribution to the health insurance premiums effective sixty days after passage of the ordinance. This increase is exactly the same as that which is provided to all County employees enrolled in County sponsored health insurance, and is a non-cash out benefit.

Background:

- A. On March 10, 2015, the Board received a report from a special citizen's committee formed for the purpose of reviewing Board member salaries and making recommendations related to Santa Barbara County Board of Supervisors' salaries and mechanisms for providing pay increases for Board members. At the conclusion of the review of the committee's report, the Board directed staff to return with an Ordinance change that would provide for an increase each fiscal year and potential annual increases ranging from a minimum of 0% to a maximum of 3% based on the CPI. To tie

increases to the annual budgeting process, staff uses October indices for the Los Angeles-Riverside-Orange County area. The Board previously received a 1.4% increase in Fiscal Year 2015-2016, based on the October 2014 CPI-U but did not approve a 1% increase in Fiscal Year 2016-2017, which was based on the October 2015 CPI-U.

Based on the U.S. Bureau of Labor of Labor Statistics October Annual 2016 CPI-U indices for the Los Angeles-Riverside-Orange County area, staff recommends a 2.2% salary increase in Fiscal Year 2017-2018. The October indices are shown below:

U.S. DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS												
Western Information Office, 90 7th St., Suite 14-100, San Francisco, CA 94103												
LOS ANGELES-RIVERSIDE-ORANGE CO. CA												
08/08/2017						Consumer Price Index, All Items for All Urban Consumers (CPI-U)						
1ST						2ND						
YEAR	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
2016	247.155	247.113	247.873	248.368	249.554	249.789	249.784	249.700	250.145	251.098	250.185	250.189
2015	3.1%	2.4%	1.7%	2.0%	1.4%	1.8%	1.1%	1.4%	1.9%	2.2%	1.8%	2.0%



The amended Ordinance will result in Board member salaries being increased during Fiscal Year 2017-2018 by 2.2%, effective sixty (60) days after Board approval.

- B. Changes in medical premiums occur every year in January. The Board of Supervisors members are eligible to enroll in the same health plans as benefit eligible County employees and receive the same non-cash out County contribution that enrolled employees receive. This increase for Board of Supervisors members, which is equivalent to the increase that all County employees enrolled in County sponsored health insurance receives, requires a change to the Ordinance which sets the Board's compensation and all other non-cash benefits.

Fiscal and Facilities Impacts:

Budgeted: Select_Budgeted

Fiscal Analysis:

- A. A 2.2% increase will result in a biweekly salary increase of \$72.24 for each Board member or an annual increase of \$1,878.35; the Chair will receive an additional biweekly increase on the Chair allowance of \$1.44 or an annual increase of \$37.55. The total increase to salaries and benefits for the five Board members will be less than \$10,000 annually, is a General Fund cost, and is included in the Recommended Budget for Fiscal Year 2017-2018.

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund		\$ 10,000.00	
State			
Federal			
Fees			
Other:			
Total	\$ -	\$ 10,000.00	\$ -

- B. If all five individual members of the Board of Supervisors enroll in County sponsored health insurance in 2018, the total combined increase will not exceed \$1,644 for the Fiscal Year 2017-18.

Special Instructions:

Return one copy of the approved Ordinance to Human Resources, Position Control and one copy to Human Resources Director.

Attachments:

Attachment – Ordinance 4980 – Amended

cc:

Theodore A Fallati CPA, Auditor-Controller
 Michael C. Ghizzoni, County Counsel