DOUGLAS COUNTY

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CONSULTING GROUP, LLC

Classification & Compensation Study

Board of County Commissioners Work Session

March 19, 2015

EXHIBIT (for identification only)

Filed

By: Deputy

Compensation Analysis

- Labor Market
  - Private sector employers in Northern Nevada
    - Finance, Information Technology, Human Resources etc.
  - Public sector employers in Northern Nevada
    - County's primary competitors for talent
  - Job content, responsibility, level and qualifications
  - Three data points required for benchmarking

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Compensation Analysis

- Douglas County is Unique
  - Data is a reference point
  - Analyze factors that make County unique
- Salary Ranges
  - Employers willing to pay for job/skill set
  - Minimum, *Midpoint* and Maximum

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Compensation Analysis

County overall as % of:	Salary Range Rates		
	Minimum	Midpoint	Maximum
Local Public Sector	-3.8%	-4.3%	-4.5%
Private Sector		-7.0%	

Compensation is considered competitive when it is within ±10% of the average pay practices of other comparable organizations, (the 50th percentile of the market).

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Positions under Market by 10% or more

Job Title	County Midpoint Salary Range Rate	Market Average Midpoint Salary Range Rate	County as a Percent of Market Rate
Accountant, Senior	$64,106	$71,887	-10.8%
Accounting Manager	$78,114	$88,223	-11.5%
Assistant County Manager	$102,482	$144,157	-28.9%
Budget Manager	$78,114	$98,250	-20.5%
Building Plans Examiner	$51,334	$64,099	-19.9%
Chief Deputy District Attorney	$105,050	$124,057	-15.3%
Chief Deputy Juvenile Probation Officer	$75,795	$94,749	-20.0%
Chief Technology Officer	$97,552	$111,257	-12.3%
Community Relations Coordinator	$59,540	$67,057	-11.2%
County Engineer	$86,216	$97,519	-11.6%
Deputy Recording Clerk	$38,158	$42,854	-11.0%
Director Public Works	$97,552	$122,849	-20.6%
Engineering Manager	$86,216	$98,973	-12.9%
Human Resources Manager	$84,126	$102,282	-17.8%
Juvenile Probation Officer	$49,806	$59,195	-15.9%
Library Technician	$34,590	$38,849	-11.0%
Maintenance Assistant II	$31,314	$35,296	-11.3%
Maintenance Technician II	$39,125	$46,823	-16.4%
Manager Parks	$65,697	$88,278	-25.6%
Office Assistant	$29,817	$33,181	-10.1%
Park Ranger	$40,113	$49,434	-18.9%
Park Ranger Supervisor	$58,074	$65,182	-10.9%
Records Clerk	$36,317	$42,698	-14.9%
Superintendent Maintenance Operations	$74,350	$87,256	-14.8%
Utility Systems Supervisor	$58,074	$78,715	-26.2%
Van Driver	$26,364	$32,996	-20.1%
Captain	$87,911	$99,383	-11.5%
Undersheriff	$97,011	$126,135	-23.1%

Medical Benefits

- County as percentage of market
  - Employer monthly cost:
  -

Coverage Level	% of Northern Nevada Public Sector
Employee Only	9.90%
Employee + 1	8.90%
Employee + Family	-3.20%

  - Employee monthly cost:

Coverage Level	% of Northern Nevada Public Sector
Employee Only	N/A
Employee + 1	34.70%
Employee + Family	53.50%

Note:

A negative number represents the percentage that County/Employee is paying *less than* the market.
A positive number represents the percentage that County/Employee is paying *more than* the market.

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Classification Structure

- Mirrors most Equal Employment Opportunity Commission's (EEOC) ten job categories
- Groups similar jobs
  - Level of duties
  - Responsibilities
  - Knowledge
  - Skills
  - Education and experience

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Any Questions?

Douglas County Cost Allocation Plan

Presented to the Board of County Commissioners
Work Session
March 19, 2015

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EXHIBIT (for identification only)
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Agenda

- Cost Allocation Plan Review
- Douglas County's Recovered vs. Unrecovered Costs
- Impact of Tax Rate Changes FY 2011
- Support Provided to the Towns
- Options
- Summary

Purpose of a Cost Allocation Plan

- Quantifies the "full" cost of support services from the County's General Fund provided to non-general fund operating entities
- Promotes fair and equitable sharing of indirect costs amongst users of General Fund support services
- Ensures the County's General Fund is recovering all allowable costs incurred to better manage its limited resources (a Priority Based Budgeting principle)
- Quantifies the indirect costs of operating entities receiving support services so they can measure their total operating costs
- Provides management valuable data regarding funding levels for use in developing budgets, setting of fees and tax subsidy levels.

Full Cost

Direct Costs

- Personnel
- Services
- Supplies
- Capital Outlay

Indirect Costs

- Accounts Payable
- Accounting
- Human Resources
- Payroll
- Risk Management
- Legal Services
- Technology Services

Direct Costs + Indirect Costs = Full Cost

Douglas County Cost Allocation Plan

- **Mahoney Associates Consulting, LLC**, independent and leading consulting firm specializing in the field of cost studies prepares the plan
- **OMB Circular A-87** – used for calculation methodology, required for federal grant reimbursements
- **Actual audited costs** of the prior fiscal year used in the calculation
- **Plan is updated annually** based on audited actual costs

Recovered vs. Unrecovered Costs

Fund	FY 2015-16 Cost of Services by Entity	Total Cost	Non-General Fund Cost	Recovered Cost	Unrecovered Cost
101	General Fund	$ 3,983,031			
204	Airport	61,439	61,439	61,439	-
206	Senior Center	157,562	157,562	157,562	-
216	Social Services	109,135	109,135	109,135	-
232	Road Operating	52,837	52,837	52,837	-
234	Room Tax	531,080	531,080	531,080	-
650	Redevelopment Agency	11,861	11,861	11,861	-
255	911 Dispatch	187,291	187,291	112,879	74,412
242	China Springs Youth Camp	139,900	139,900	139,900	-
313	Motor Pool	78,614	78,614	78,614	-
202	NV Coop	19,024	19,024	19,024	-
Various	County Water Utilities	103,209	103,209	103,209	-
325	County Sewer Utility	37,028	37,028	37,028	-
610	Gardnerville	84,474	84,474		84,474
620	Genoa	33,630	33,630		33,630
630	Minden	98,394	98,394		98,394
650	EEFPD	381,464	381,464	381,464	-
Various	All Other	152,132	152,132	100,235	51,897
	Total	$ 6,222,105	$ 2,239,074	$ 1,896,267	$ 342,807

Unrecovered Costs by Entity

Fund	Unrecovered Cost by Entity	FY 2015-16 Cost	Reason for Non-recovery
214	State Motor Vehicle Accident	$ 5,466	Pass through 100% of revenue to State
245	Erosion Control	1,844	Annual revenue is a $5,000 transfer from the General Fund
255	911 Dispatch	74,412	Phased in plan to recover over time is in place, currently pay $38,467
314	Water Utility	1,883	Revenues support debt payment only, no other revenue
315	Ridgeview	471	Revenues support debt payment only, no other revenue
410	County Construction	11,602	Revenue is $300,000 transfer of gaming tax for technology & facilities maint. projects
440	Capital Projects	8,659	Revenues support debt payment only, no other revenue
541	County Debt	2,331	Revenues support debt payment only, no other revenue
610	Gardnerville	84,474	
620	Genoa	33,630	
630	Minden	98,394	
885	Mosquito District	19,641	Agreement in place for mosquito spraying in Tahoe and Topaz in exchange for services
	Total	**$ 342,807**	

Other County Support Provided to the Towns

Gardnerville	Minden	Genoa	Description	Year
100,000			Main Street Gardnerville Program Start Up	2008, 2009
50,000			Main Street Gardnerville Ongoing Annual Support	2011-2015
	100,000		Various Uses	2010, 2012
		100,000	Town revitalization projects	2009, 2010
		45,000	Town management (asst. to CM 25-30 hrs/week)	2007, 2008
		4,000	Replace town's service truck	2011
		16,500	Economic Vitality for Cowboy Festival	2012
		13,000	Waste Mgmt expenses Candy Dance	2012 & 2013
		59,100	Genoa Vista Trail additional exp. (Room Tax Fund)	2013
25,000	25,000		Valley Vision Project funding set aside	2013
		5,400	Economic Vitality annual ongoing for sign lease	2012-2014
		15,000	Cowboy Festival	2014
$ 175,000	**$ 125,000**	**$ 237,600**		

May not be complete, subject to additional research

Impact of Tax Rates Given Up

- In FY 2012 the Towns of Gardnerville and Minden along with other entities reduced their tax rates allowing the County to increase its rate:

Entity	Tax Rate FY 2011	Tax Rate FY 2012	Tax Revenue Reduction	Tax Revenue Increase
County Gen Fund	0.7666	0.8332		$755,645
County WNRYC	0.0500	.03000		-234,670
East Fork Fire	0.3329	0.3282	60,172	
Gardnerville	0.6699	0.6677	55,063	
Indian Hills GID	0.8041	0.7901	28,967	
Minden	0.7126	0.6677	45,739	
Total			$189,941	$520,975

Possible Options

1. Towns agree to pay full cost allocation, phased in over a three to five-year period
2. Towns discontinue receiving County services and hire/contract for these services separately
3. **Towns pay only the portion of their cost allocation attributable to their Enterprise Funds**

Agreed Upon Option: Towns Pay for Services to Enterprise Funds Only

Town	FY 2016 Total Cost	Recovered Cost	Unrecovered Cost
Gardnerville	$ 84,474		$ 84,474
Genoa	$ 33,630		$ 33,630
Minden	$ 98,394		$ 98,394
Total	**$ 216,498**	**0**	**$ 216,498**

Option 2 – Pay for Enterprise Fund services only - would reimburse the County for approximately _% annually of the cost to provide services to the Towns.

Future County Support to Towns

- In light of the proposed agreed upon compromise to recover costs for General Fund support services provided to the Towns,
- Towns would apply for any future support for events, programs and equipment through the annual County's Community Grants Program

Questions?