

# LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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**DATE:** AUGUST 15, 2008  
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT: Agenda Item #7: Consideration of Amendment to San Bernardino LAFCO Human Resources Policies and Guidelines, Benefits Plan and Wage Adjustments for LAFCO staff**

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## **RECOMMENDATION:**

That the Commission:

1. Adopt LAFCO Resolution No. 3017 amending the San Bernardino LAFCO Human Resources Policies and Guidelines and Benefits Plan to reflect the recently amended County Exempt Compensation Plan benefit changes and approve the Salary Schedule amendment for wage adjustments indicating that all changes are retroactive to August 2, 2008 unless otherwise specified;
2. Transfer \$15,000 from Contingencies (Account 6000) as follows: \$2,700 to Account 1030 – Car Allowance; \$4,670 to Account 1200 – Medical Premium Subsidy; and \$7,659 to Account 1240 – Retirement Medical Trust; and,
2. Direct the Executive Officer to provide copies of Resolution No. 3017 to the County Auditor/Controller-Recorder and Manager of the County of San Bernardino's Employee Management and Compensation System (EMACS) for implementation of the changes effective the same date as the County changes.

## **BACKGROUND:**

The Commission adopted language in its Benefits Plan on September 15, 2004, specifying in Section 101 that it contracts with the County of San Bernardino to administer the benefits for LAFCO employees "equivalent to those provided to County "Exempt" employees." During the adoption of the Commission's budget for Fiscal Year 2008-09 it indicated that its employees would receive the same wage adjustment, or cost-of-living adjustment, as County Employees. On August 12, 2008, the County amended its Benefits Plan for Exempt employees modifying several categories and providing for wage amendments over a three-

year term effective August 2, 2008. Pursuant to the Benefits Plan and Budget adoption, these changes will also apply to LAFCO employees. Staff has provided an outline of the changes for the Commission. The major changes are summarized as follows:

1. Wages – The Plan provides for wage adjustments over three years as follows:

1 <sup>st</sup> Year	3.25% across the board increase effective 8/2/08 1% across the board increase effective 12/20/08
2 <sup>nd</sup> Year	3.25% across the board increase effective 6/20/09
3 <sup>rd</sup> Year	2.75% across the board increase effective 6/19/10
  
2. The Medical and Dental Subsidy program is amended to provide fixed dollar amounts as follows:

1 <sup>st</sup> Year	\$0.00 Employee only \$83.48 Employee +1 (equals 95% of premium) \$199.54 Employee +2 (equals 95% of premium)
2 <sup>nd</sup> Year	\$0.00 Employee only \$102.29 Employee +1 (equals 95% of premium) \$225.32 Employee +2 (equals 95% of premium)
3 <sup>rd</sup> Year	\$0.00 Employee only \$122.23 Employee +1 (equals 95% of premium) \$252.64 Employee +2 (equals 95% of premium)
  
3. The Retirement Medical Trust provisions are amended to provide for a tiered contribution by the Commission based upon years of service as follows:
  - 1% LAFCO contribution after five years of service (unchanged)
  - 1.75% LAFCO contribution after 10 years of service
  - 2.75% LAFCO contribution after 16 years of service
  
4. Adds a contribution to the Section 457 Deferred Compensation Plan as follows:
  - a. Biweekly contributions for LAFCO employees in Group A to the County's Section 457 Deferred Compensation Plan up to one percent of an employee's biweekly base salary will be matched by a LAFCO contribution on the basis of one time the employee's contribution.
  - b. Biweekly contribution of LAFCO employees in Groups B and C to the County's Section 457 Deferred Compensation Plan up to one percent of an employee's biweekly base salary will be matched by a LAFCO contribution on the basis of

one-half time the employee's contribution. The LAFCO contribution shall not exceed one-half percent of the employee's biweekly base salary.

5. Amends the car allowance authorized the Executive Office to \$561.54 (\$100 increase) per pay period with no mileage reimbursement.
6. Adds Perfect Attendance Leave – All LAFCO Employees, except the Executive Officer, will be eligible for perfect attendance leave. Employees who do not utilize any sick leave in a calendar year (pay period 1 through pay period 26 or 27) and who do not record any sick leave without pay or absence without pay during that year shall accrue sixteen (16) hours of perfect attendance leave for use in the next calendar year. This leave may not be cashed out.
7. Amends the Human Resources Policies and Guidelines to clarify that if the employee leaves LAFCO employment prior to completing two years of service following payment that the tuition reimbursement is reimbursable to the Commission as follows:

<u>Job-related education/course completion date</u>	<u>Reimbursement</u>
Within 9 months	100%
After 9 months, but before 18 months	50%
After 18 months, but before 24 months	25%
After 24 months	0%

The estimated cost for these increases, above the already anticipated increases in the Budget approval for the fiscal year, is \$15,029. The increases are estimated as follows:

Car Allowance	\$2,700
Medical Subsidy	\$4,670
Retirement Medical Trust	\$7,659

This increase in cost will require a transfer of \$15,000 from contingencies to the appropriate accounts within the 1000 Series. The staff recommends that the Commission take the actions identified to allow the Auditor/Controller-Recorder and EMACS Manager to make the payments to LAFCO employees commensurate with the direction of the adopted Benefits Plan.

KRM/

Attachments:

1. Draft Resolution No. 3017
2. Draft LAFCO Benefits Plan
3. Draft Section 501 of Human Resources Policies and Guidelines