

ADMINISTRATIVE COMMITTEE

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ADMINISTRATIVE COMMITTEE

Introduction

The Administrative Committee has the responsibility of investigating the following County departments and agencies:

- Arrowhead Regional Medical Center
- Clerk of the Board of Supervisors
- County Executive Office
- County Board of Supervisors
- Department of Behavioral Health
- Human Resources
- Information Services Department
- Local Agency Formation Commission
- Public Health Department
- Risk Management Department
- Superintendent of Schools
- Cities/Municipalities
- School Districts and Community College Districts
- Special Districts

The following departments and agencies were investigated:

- | | |
|-----------------------------|-----------------------------------|
| Board of Supervisors | Risk Management Department |
| Clerk of the Board | Arrowhead Regional Medical Center |
| County Executive Office | Human Resources |
| Community College Districts | Information Services Department |

A final report was issued on the following:

- Board of Supervisors
- Risk Management

Committee members attended the Board of Supervisors meetings and reported any items on the agenda of interest to the committees.

BOARD OF SUPERVISORS

Salaries and Benefits

BACKGROUND

On the ballot for San Bernardino County in 2006 Amendment 38, known as Measure “P” established term limits for members of the Board of Supervisors (BOS) and amended existing Charter provisions. This established a formula for determining the salaries of members of the Board of Supervisors (BOS) based on the average of the salaries paid to their counterparts in the Counties of Riverside, Orange, San Diego and Los Angeles. When passed, it gave each board member a raise of \$50,000 a year.

FINDINGS

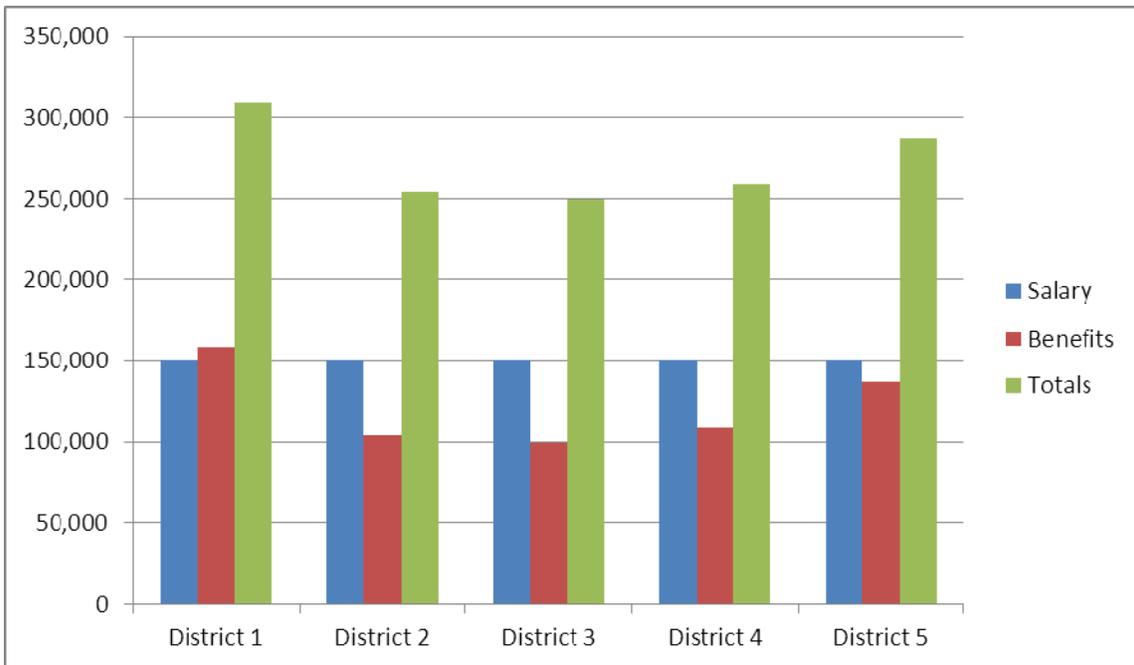
Through our investigation we learned that the board members have very generous benefit packages. This may be due to the comparison between salaries and benefits in the County as a whole. The Chief Executive Officer (CEO) explained that salaries in the County are comparatively low, while benefits are generous. For example, the CEO shared an example of a management position where the salary for our county was around \$148,000 and for the same position in Riverside County it was \$183,000. When you add the benefit package their compensation was almost the same at \$216,000. The County is trying to change this so the salary is higher and the benefits are lower. The Human Resources Director pointed out that the benefits normally should be about half the salary. The BOS benefits are by far much higher than anyone else in the county. One supervisor's benefits exceeded the base salary.

The Grand Jury contacted other counties and requested the salary and benefits for their Board of Supervisors. The following counties were used for comparison: Riverside, Ventura and San Diego. All of these counties base the supervisors pay on a Superior Court Judge's pay. It varied from 80% to 100%. San Bernardino County however based

their salary on the average of four counties: Riverside, Orange, San Diego and Los Angeles.

1. The benefit package should not be more than the salary for the BOS. (See Graph #1)

Graph #1: Annual Salaries and Benefits Charts:



2. Health Insurance Coverage varies for the three supervisors who participate in the program. The three amounts are \$6,569.00, \$19,810.00 and \$30,720.00.
3. The retirement plans paid for all of the BOS are excessive when compared to retirement plans of other counties. One supervisor's retirement benefits exceed \$85,000. Members of the Board of Supervisors are enrolled in more retirement plans than the compared counties. (See Graph #2)
4. The BOS benefit packages range from the highest (First District) \$158,403.00 to the lowest (Third District) \$99,304.00. (See Graph #2)

Graph #2: Detailed Salaries and Benefits

Detail	First District	Second District	Third District	Fourth District	Fifth District
Salary	\$150,197.00	\$150,197.00	\$150,197.00	\$150,197.00	\$150,197.00
401K	\$12,016.00	\$12,016.00	\$12,016.00	\$12,016.00	\$12,016.00
401a	\$16,500.00	\$7,510.00	\$7,510.00	\$7,510.00	\$16,500.00
457b	\$1,502.00	\$1,502.00	\$1,502.00	\$1,502.00	\$1,502.00
Flexible Benefit Plan	\$5,980.00	\$4,200.00	\$5,980.00	\$4,200.00	\$5,980.00
Medical Reimbursement Account	\$1,040.00	\$1,040.00	\$1,040.00	\$520.00	\$1,040.00
Life Insurance County Paid	\$52.00	\$52.00	\$52.00	\$52.00	\$52.00
Variable Universal Life	\$249.00	\$229.00	\$229.00	\$1,579.00	\$1,047.00
Retirement Medical Trust	\$2,628.00	\$4,130.00	\$4,130.00	\$4,130.00	\$1,502.00
Workers Comp	\$1,030.00	\$967.00	\$900.00	\$986.00	\$986.00
Medicare	\$2,669.00	\$2,508.00	\$2,277.00	\$2,517.00	\$2,523.00
Vision	\$147.00	\$147.00	\$147.00	\$147.00	\$147.00
Long Term Disability	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00
Health Insurance Coverage	\$30,720.00	\$0.00	\$6,569.00	\$0.00	\$19,810.00
Retirement Employer Pick Up	\$18,403.00	\$18,090.00	\$14,825.00	\$20,826.00	\$21,897.00
Retirement Employer Pick Up Cash	\$6,168.00	\$5,580.00	\$8,367.00	\$2,879.00	\$1,861.00
Survivor Benefit	\$26.00	\$26.00	\$26.00	\$26.00	\$26.00
Retirement Employee General	\$34,473.00	\$32,096.00	\$30,834.00	\$32,189.00	\$32,329.00
Automobile Allowance	\$21,900.00	\$11,400.00	\$0.00	\$14,600.00	\$14,600.00
Cell Phone Allowance	\$2,400.00	\$2,400.00	\$2,400.00	\$2,400.00	\$2,400.00
TOTAL	\$308,600.00	\$254,590.00	\$249,501.00	\$258,776.00	\$286,915.00

5. When compared to other counties, the car allowance is excessive. All three counties used to make comparisons, San Diego, Ventura and Riverside, showed that car allowances were the same for all supervisors. (See Graph #3)

Graph #3: Annual Car Allowance

District	San Bernardino County	Ventura County	Riverside County	San Diego County
First	\$21,900	\$4,500	\$.51 per mile*	\$8,820
Second	\$11,400			
Third	Car provided			
Fourth	\$14,600			
Fifth	\$14,600			

*At \$.51 per mile, the \$4,500 for Ventura computes to 8,823 miles and San Diego's \$8,820 computes to 17,294 miles

RECOMMENDATIONS

11-01 The Board of Supervisors car allowance follows the Federal guidelines (presently \$.51 per mile). (Finding 2)

11-02 The Chief Executive Officer continue his efforts to adjust the salary and benefit ratio to be competitive. (Findings 2, 3)

<u>Responding Agency</u>	<u>Recommendations</u>	<u>Date Due</u>
Chief Executive Officer	11-01 through 11-02	September 30, 2011

RISK MANAGEMENT

BACKGROUND

The County of San Bernardino Department of Risk Management is responsible for the identification, assessment and prioritization of risks associated within the operation of county departments. The department's task is to protect San Bernardino County, (people, property, equipment and funds), from the chance of injury, damage or loss. This is achieved by providing management a source of consultation, guidance, training and technical support relative to occupational safety and health, loss prevention, regulatory compliance, and risk/hazard analysis, while improving the conditions in which services are rendered to the public.

FINDINGS

Dashboard is a computer-based liability tracking program, available to all county departments. The program permits the monitoring, identifying and controlling of risk exposures of county departments, such as Worker's Compensation, civil lawsuits and preventable injuries. An example of this is the Arrowhead Achievement Program. In this program county departments are recognized and incentivized for their efforts in identifying risks through an audit process. Methods, goals and definitions vary according to whether the risk management, for example, is in the context of security, actuarial assessments, public health and safety.

It should be noted that in an ideal risk management department, a prioritization process is followed. The risks with the greatest loss and the greatest probability of occurring are handled first and risks with lower loss are handled in descending order. Risk management also identifies areas of risk that have a high probability of occurrence, but these are often ignored due to these risks not being identified or acknowledged. This can occur when insufficient knowledge is applied to a situation, or when bad decisions are made, the result of which causes a new knowledge of risk to materialize.

COMMENDATION

The Grand Jury commends and recognizes the hard work of the Risk Management Department in the continued development, training and use of the “Dashboard” program.