

**MEMORANDUM**

April 12, 2011

TO: Government Operations and Fiscal Policy Committee  
FROM: Justina J. Ferber, Legislative Analyst  
SUBJECT: Worksession - Executive's Recommended FY12 Operating Budget  
**Merit System Protection Board (MSPB)**

The following persons will be present for the worksession:

Kathleen Taylor, Executive Secretary, Merit System Protection Board  
Jane Mukira, Budget Analyst, Office of Management and Budget

The Merit System Protection Board Budget is on ©1.

**OVERVIEW**

The County Executive's recommended budget for the Merit System Protection Board for FY12 is \$146,760 a decrease of \$1,770 or 1.2% from the FY11 approved budget of \$148,530. Personnel costs comprise 89.4% of the budget.

(in \$000's)	FY10 Actual	FY11 Approved	FY12 CE Recommended	% Change FY11-FY12
<b>Expenditures:</b>				
<b>General Fund</b> pers & op	<b>150,283</b>	<b>148,530</b>	<b>146,760</b>	<b>-1.2%</b>
<b>Positions:</b>				
Full-time	-	-	-	
Part-time	2	2	2	
<b>TOTAL Positions</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0.0%</b>
<b>WORKYEARS</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>0.0%</b>

The Merit System Protection Board is composed of three members who are appointed by the County Council. Members of the Board conduct worksessions and hearings in the evenings as

required and are compensated with an annual salary as prescribed by law. The Board is supported with a part-time Executive Secretary and Principal Administrative Aide.

<b>Identified Same Services Adjustments:</b>	
Restore Personnel Costs - Furloughs	\$ 1,670
Retirement Adjustment	\$ (650)
Group Insurance Adjustment	\$ (2,410)
Annualization of FY11 Personnel Costs	\$ (380)
<b>NET SAME SERVICES ADJUSTMENT TOTAL</b>	<b>\$ (1,770)</b>

**Classification and Compensation Audit:** The Council approved the request of the MSPB to postpone the FY11 Classification and Compensation Audit until the County's budget situation improves. This audit was been postponed several times and more recently until FY13.

#### **Potential Cost Overruns**

*Insurance Costs:* Council staff highlighted this issue as a potential cost overrun for FY11. Insurance costs for the Merit System Protection Board staff increased due to new federal health care legislation. Dependents again became eligible to be covered which increased group insurance costs; however, the increase was not included in the FY12 MSPB budget. Quarterly analysis of MSPB expenses show that expenditures will exceed the MSPB FY11 budget by approximately \$3,450.

*Cost of Transcripts:* Another issue relates to transcript costs which are a significant portion of the MSPB's operating expenses. There is no leeway in the budget to absorb additional expenses related to unforeseen transcript costs. The number of grievances filed with the MSPB has increased which relates to reductions in force and other workforce issues. This is an expense which may lead to cost overruns.

#### **Staff Recommendation**

- **Staff recommends approval of the Merit System Protection Board budget as submitted for \$146,760.**
- **Staff recommends placing \$3500 on the reconciliation list to more accurately reflect MSPB expenses for employee benefit costs in FY12.**

Attachment: MSPB Budget ©1

F:\FERBER\12 Budget\FY 12 Operating Budget\MSPB\MSPB-GO-4-14-11.doc

---

# Merit System Protection Board

## MISSION STATEMENT

The mission of the Merit System Protection Board is to oversee the merit system and protect employee and job applicant rights guaranteed under the merit system law.

## BUDGET OVERVIEW

The total recommended FY12 Operating Budget for the Merit System Protection Board is \$146,760, a decrease of \$1,770 or 1.2 percent from the FY11 Approved Budget of \$148,530. Personnel Costs comprise 89.4 percent of the budget for no full-time positions and two part-time positions for one workyear. Operating Expenses account for the remaining 10.6 percent of the FY12 budget.

## LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

❖ ***A Responsive, Accountable County Government***

## PROGRAM CONTACTS

Contact Kathleen Taylor of the Merit System Protection Board at 240.777.6620 or Jane Mukira of the Office of Management and Budget at 240.777.2754 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### ***Merit System Oversight***

The Merit System Protection Board oversees the merit system and protects employee and job applicant rights guaranteed under the merit system; conducts or authorizes periodic audits of the classification system; comments on any proposed changes in the merit system law or regulations; reviews the need to amend laws or regulations; and adjudicates appeals from grievances, removals, demotions, and suspensions upon request of the employee. Personnel Management Oversight includes investigations, audits, or special studies of all aspects of the merit system. The Board publishes an annual report and convenes an annual public forum on personnel management issues.

## BUDGET SUMMARY

	Actual FY10	Budget FY11	Estimated FY11	Recommended FY12	% Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	108,732	102,470	102,060	103,780	1.3%
Employee Benefits	29,306	30,440	34,460	27,360	-10.1%
<b>County General Fund Personnel Costs</b>	<b>138,038</b>	<b>132,910</b>	<b>136,520</b>	<b>131,140</b>	<b>-1.3%</b>
Operating Expenses	12,245	15,620	15,470	15,620	—
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>150,283</b>	<b>148,530</b>	<b>151,990</b>	<b>146,760</b>	<b>-1.2%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	2	2	2	2	—
Workyears	1.0	1.0	1.0	1.0	—

## FY12 RECOMMENDED CHANGES

	Expenditures	WYs
<b>COUNTY GENERAL FUND</b>		
<b>FY11 ORIGINAL APPROPRIATION</b>	<b>148,530</b>	<b>1.0</b>
<b>Other Adjustments (with no service impacts)</b>		
Increase Cost: Restore Personnel Costs - Furloughs	1,670	0.0
Increase Cost: Annualization of FY11 Personnel Costs	-380	0.0
Decrease Cost: Retirement Adjustment	-650	0.0
Decrease Cost: Group Insurance Adjustment	-2,410	0.0
<b>FY12 RECOMMENDED:</b>	<b>146,760</b>	<b>1.0</b>

## FUTURE FISCAL IMPACTS

Title	CE REC. FY12	FY13	FY14	(S000's) FY15	FY16	FY17
This table is intended to present significant future fiscal impacts of the department's programs.						
<b>COUNTY GENERAL FUND</b>						
<b>Expenditures</b>						
<b>FY12 Recommended</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>
No inflation or compensation change is included in outyear projections.						
<b>Subtotal Expenditures</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>