Response to Questions on the FY 2016 Budget

Request By: Chairman Bulova

Question: Please explain why the positions proposed for elimination appear to have lower average salaries than the average salaries of the positions being added. It looks like the estimates for adding positions includes benefits, but the elimination of positions may not include the corresponding reduction in the cost of benefits.

Response: Benefits for General Fund positions, which represent a majority of County merit positions, are centrally budgeted in Agency 89, Employee Benefits. Where most agency budgets are built using the prior year Adopted budget as a baseline, the annual budget for Employee Benefits is built using an aggregate estimate of actual spending during the current fiscal year. As a result, hiring patterns in the agencies – such as holding positions vacant in order to meet Personnel Services budgets – are reflected in the projected current year estimate for Employee Benefits. Therefore, benefits savings related to position vacancies are automatically included in the Employee Benefits budget.

The vast majority of the positions proposed to be eliminated as part of the FY 2016 Advertised Budget Plan are vacant. As a result, any benefits savings resulting from the abolishment of those positions has already been included in the base estimate for Employee Benefits. To include benefit savings in the reductions package as well would be double-counting those savings.