

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office	(2) MEETING DATE 6/18/2013	(3) CONTACT/PHONE Emily Jackson, Administrative Analyst	
(4) SUBJECT Introduction of ordinances to create the Office of Auditor-Controller-Treasurer-Tax Collector-Public Administrator. Hearing date set for July 9, 2013.			
(5) RECOMMENDED ACTION It is recommended that the Board introduce and set the following ordinances for hearing on July 9, 2013: <ul style="list-style-type: none"> <li>• Repeal Chapter 2.13 Section .010 Qualifications and .020, Continuing Education of the County Code to remove the qualifications and continuing education requirements for the Office of Treasurer-Tax Collector-Public Administrator;</li> <li>• Amend Chapter 2.20 Section .030 of the County Code related to the consolidation of duties of the Auditor-Controller with the Treasurer-Tax Collector-Public Administrator;</li> <li>• Amend Chapter 2.12 Section .010, Qualifications and Section .020, Continuing Education of the County Code to establish the qualifications and continuing education requirements for the position of Auditor-Controller-Treasurer-Tax Collector-Public Administrator.</li> </ul>			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input checked="" type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: <u>May 14, 2013</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Gregory J. Schulte, Assistant CAO			
(18) SUPERVISOR DISTRICT(S) All Districts -			

# County of San Luis Obispo



TO: Board of Supervisors  
FROM: Emily Jackson, Administrative Analyst  
DATE: 6/18/2013  
SUBJECT: Introduction of ordinances to create the Office of Auditor-Controller-Treasurer-Tax Collector-Public Administrator. Hearing date set for July 9, 2013.

## **RECOMMENDATION**

It is recommended that the Board introduce and set the following ordinances for hearing on July 9, 2013:

- Repeal Chapter 2.13 Section .010 Qualifications and .020, Continuing Education of the County Code to remove the qualifications and continuing education requirements for the Office of Treasurer-Tax Collector-Public Administrator;
- Amend Chapter 2.20 Section .030 of the County Code related to the consolidation of duties of the Auditor-Controller with the Treasurer-Tax Collector-Public Administrator;
- Amend Chapter 2.12 Section .010, Qualifications and Section .020, Continuing Education of the County Code to establish the qualifications and continuing education requirements for the position of Auditor-Controller-Treasurer-Tax Collector-Public Administrator.

## **DISCUSSION**

In October 2012 the elected Treasurer-Tax Collector-Public Administrator retired after 35 years in office. On May 14, 2013, staff brought a discussion item to the Board to seek policy direction on a possible consolidation of the Auditor-Controller and Treasurer-Tax Collector-Public Administrator's offices. After careful deliberation, the Board voted to proceed with a consolidation of the offices.

The consolidation of these offices is allowed by Government Code §24300.5 which states that "the board of supervisors may by ordinance consolidate the offices of auditor, controller, treasurer, tax collector, and director of finance." Case law and Attorney General opinions provide that the consolidation of elective county offices may not be made effective before the expiration of the terms provided by law, unless there is a vacancy that occurs during the term of one of the offices. The current vacancy in the Office of Treasurer-Tax Collector-Public Administrator provides an opportunity to consolidate the offices at this time.

This item introduces and sets for hearing, the necessary ordinances to amend the County Code to enable the consolidation of offices. The proposed ordinances are included as Attachments 1-3. A summary of the necessary changes is as follows:

<b>Code Sections to be Amended</b>	
<b>Code Section</b>	<b>Summary of Changes</b>
<b>2.20.030</b> Separation and Consolidation of Duties	To consolidate the duties of the Auditor-Controller with the Treasurer-Tax Collector-Public Administrator. This code section states that the compensation for the consolidated office shall be established by the Board of Supervisors. The power to establish compensation will remain with the Board of Supervisors.
<b>2.12.010</b> Qualifications	To establish the qualifications that the Auditor-Controller-Treasurer-Tax Collector- Public Administrator must possess in order to hold office. The qualifications for the Offices of Auditor-Controller and Treasurer-Tax Collector-Public Administrator are set by statute and are

	identified in Government Code §26945 and §27000.7, respectively.
<b>2.12.020</b> Continuing Education	To establish the continuing education requirements for the individual holding the consolidated office. The continuing education requirements for the Offices of Auditor-Controller and Treasurer-Tax Collector-Public Administrator are set by statute and are identified in Government Code §26945.1 and §27000.8, respectively.

<b>Code Sections to be Repealed</b>	
<b>Code Section</b>	<b>Summary of Changes</b>
<b>2.13.010</b> Qualifications	To remove the qualifications and continuing education requirements for the former office of Treasurer-Tax Collector-Public Administrator from the County Code, due to the elimination of the position.
<b>2.13.020</b> Continuing Education	

Per Government Code §25123, the ordinances cannot be effective for at least 30 days from the date of final passage, which is expected to occur on July 9, 2013.

During the Board's May 14<sup>th</sup> discussion, the Board expressed concern over the recommended increases to compensation and directed staff to provide additional information about how the consolidation would be implemented. Specifically, the Board requested information about the following:

- Preservation of the organizational culture of each department, and each department's strong focus on providing a high level of customer service
- Consideration of how to maintain appropriate checks and balances, and internal controls
- Development of a clear staffing plan
- Development of an implementation plan for IT projects and a clear vision of how to integrate the two departments' systems

Based on concerns over compensation, staff is no longer recommending compensation increases at this time. Staff will respond to the four issues outlined above on July 9<sup>th</sup>, before the hearing to consider ordinance adoption is opened.

**OTHER AGENCY INVOLVEMENT/IMPACT**

County Counsel has provided guidance on the process for enabling a consolidation of offices and has assisted in the development of the proposed ordinances. County Counsel has also reviewed the ordinances as to form and legal effect.

**FINANCIAL CONSIDERATIONS**

The May 14, 2013 item to the Board identified an expected annual savings of \$323,104 in the third year of consolidation and beyond. The reported savings were due to the elimination of positions and temporary help, partially offset by increased compensation for some management staff, a necessary reclassification, as well as costs associated with using an outside auditor to perform independent audits of the Treasury. Detailed information related to expected savings can be found in the May 14, 2013 item (included as Attachment 7).

Because staff is no longer recommending compensation increases, the annual salary savings from consolidation is expected to increase by approximately \$70,000 in year three and beyond.

**RESULTS**

This item introduces and sets the amendment and repeal of various ordinances for hearing on July 9, 2013. Approval of the proposed ordinances to amend the County Code will enable the consolidation of the Offices of Auditor-Controller and Treasurer-Tax Collector-Public Administrator effective 30 days after passage.

**ATTACHMENTS**

1. Ordinance to amend Section 2.20.030 of the County Code- clean version
2. Ordinance to amend Sections 2.12.010 and 2.12.020 of the County Code- clean version

3. Ordinance to repeal Sections 2.13.010 and 2.13.020 of the County Code- clean version
4. Ordinance to amend Section 2.20.030 of the County Code- strikethrough version
5. Ordinance to amend Sections 2.12.010 and 2.12.020 of the County Code- strikethrough version
6. Ordinance to repeal Sections 2.13.010 and 2.13.020 of the County Code- strikethrough version
7. May 14, 2013 Board Item