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DEPARTMENT OF
FINANCE

CITY OF SACRAMENTO
CALIFORNIA

BUDGET DIVISION

June 21, 1988
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915 I STREET
SACRAMENTO, CA
95814-2696

916-449-5845

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: Employee Service Costs in Library Administration

SUMMARY

This report responds to a question raised by the Budget and Finance Committee during its review of the 1988-89 Proposed Library Budget. This report is for information only.

BACKGROUND

During the Budget and Finance Committee meeting on May 24, 1988, a question was raised relative to the sharp increase in employee services for the Library Administration organization (see exhibit below). The increase in employee service costs totals \$77,000 for an organization that has three full time positions.

CITY OF SACRAMENTO	1988-89 PROPOSED OPERATING BUDGET				LIBRARY
LIBRARY ADMINISTRATION	DIVISION SUMMARY				
	1986-87 ACTUAL	1987-88 APPROVED	1987-88 AMENDED	1988-89 PROPOSED	% of TOTAL
Positions (FTE)	3.00	3.00	3.00	3.00	
Employee Services	98	135	135	212	89.8%
Other Services & Supplies	45	46	46	24	10.2%
Equipment	0	0	0	0	0.0%
Debt Services	0	0	0	0	0.0%
CIP or Grant Labor Offset	0	0	0	0	0.0%
Division Total	143	181	181	236	100.0%

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FINANCIAL

During the preparation of the 1988-89 Proposed Operating Budget, City Council approved the results of a personnel study which adjusted the salary of several Library classifications. Due to time constraints, the salary adjustments were not calculated for each Library organization in the Proposed Budget. Rather, an amount equal to the adjustment was placed in the Library Administration budget to account for the equity adjustment.

The \$77,000 increase in employee service costs is comprised of a \$5,200 cost-of-living increase for the three positions, \$4,800 increase in PERS retirement costs, and \$67,000 for the equity salary increase for librarian classifications throughout the department.

The correct employee service costs will be distributed in the Approved Budget.

RECOMMENDATION

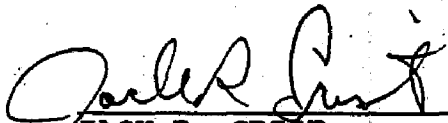
This report is for information only and does not require formal action.

Respectfully submitted,



Michael D. McGrane
Sr. Management Analyst

APPROVED FOR COMMITTEE INFORMATION:



JACK R. CRIST
Deputy City Manager

All Districts
June 21, 1988