



ARAPAHOE COUNTY
COLORADO'S FIRST

Board Summary Report

Date: June 26, 2020
To: Board of County Commissioners
From: Todd Weaver, Budget Manager
Subject: Public Trustee Transition Adjustments

Request and Recommendation

The purpose of this study session is to update the BOCC on changes in the transition of the Public Trustee's Office function to the Treasurer's Office on July 1st and how recent developments are slightly different than what was discussed at the 1st Quarter Budget Review. Specifically, the increase in the authorized headcount to the Treasurer's Office will be 3.00 FTE rather than 2.50 FTE and the Treasurer has requested that accrued leave balances for the 3 employees of the Trustee's Office be carried over to their employment with the County.

Background

A change in State law requires that the functions of the Public Trustee transition to the Treasurer's Office as of July 1st, 2020. The Treasurer's Office and the Finance Department presented a supplemental budget request at the 1st Quarter Budget Review to budget for this transition in advance of July 1st. This request included about \$127,000 in revenue and expenditure for the Treasurer's Office and the increase in the headcount of 2.50 FTE to perform the functions of the Public Trustee.

As the details of the transition process became known over the past few weeks, there have been a few adjustments to what was estimated and requested at the 1st Quarter Review. These changes are as follows:

- The increase in the authorized headcount transitioning from the Public Trustee's Office to the Treasurer's Office has increased from 2.50 FTE to 3.00 FTE based on the volume of work for the Trustee functions at this point and in this economic climate.
- The Treasurer has requested that Finance and Human Resources approve an exception to allow the accrued leave balances for the 3 employees transitioning from the Trustee's Office to the County Treasurer's Office. The accrued leave balances do not exceed the balance limits of the County and would enable the employees to have some ability for sick and vacation and not lose that benefit due to the legislative mandate.

From the viewpoint of the Finance Department, neither of these changes would have a significant impact to the County's budget. For the change in the headcount, the increase in activity that necessitated the increase in headcount, will likely provide sufficient revenue to offset the increase expenses needed for a 0.50 FTE increase from what was proposed.

The carry over of the accrued leave balances would not have a significant financial impact either. If the County would require the balances to be liquidated and paid out prior to their transition would reduce the amount of excess revenue from Trustee functions that would be remitted to the County. Carrying over these balances will become a financial liability of the County and will need to be paid out as it is used, but the Treasurer did not feel that it was right for the employees to lose their accrued balances as a result of the legislative mandated move to the County and the Treasurer's Office.

Discussion

The discussion is to update the BOCC on these adjustments and receive their approval for these interim adjustments prior to seeing the formal requests at the 2nd Quarter Review in August.

Alternatives

The BOCC could decide not to allow the increase in headcount or carry over of the accrued leave balances related to the Public Trustee transition.

Fiscal Impact

The fiscal impact of the items discussed will be covered with the revenue collected from Public Trustee functions

Reviewed By:

Todd Weaver, Finance Director
John Christofferson, Deputy County Attorney