



# MEMORANDUM

Date: May 16, 2022

To: The Honorable Chair and Members  
Pima County Board of Supervisors

From: Jan Leshar *Jan Leshar*  
County Administrator

Re: **Response to Inquiry About Budget Impact of Cost of Living/Market Salary Increases**

In my memorandum dated May 12, 2022, Supervisor Heinz asked staff to determine the impact of the following raises on the various funds.

- A. \$25/hour or less (\$52,000/yr or less): 3,929 current employees – 8.5% salary increase
- B. Between \$25.01 and 36.057/hour (between \$52,001 and \$75,000/yr): 1,866 current employees – 5.0 % salary increase
- C. between \$36.058 and 46.00/hour (between \$75,001 and \$95,680/yr): 506 current employees – 4.0% salary increase
- D. between \$46.001 and \$72.1154/hour (between \$95,681 and \$150,000/yr): 280 current employees – 3.0% salary increase
- E. \$150,001 and above: 33 current employees – 1.0% salary increase

The impact was as follows:

	Estimated Vacancy Savings		
	FY 2023*	2 Months	Subtotal
General Fund	\$16,747,894	\$ 5,054,756	\$ 11,693,138
Special Revenue Fund	6,201,134	2,734,236	3,466,898
Enterprise Fund	1,737,059	194,290	1,542,769
Internal Service Fund	551,243	265,668	285,575
<b>Total</b>	<b>\$25,237,330</b>	<b>\$ 8,248,950</b>	<b>\$ 16,988,380</b>

\* This analysis includes only filled positions.

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Later in the day on May 12, 2022, Supervisor Heinz added an agenda item to the May 17, 2022 Board Meeting. This agenda item increased item B above from 5.0% to 6.0%. Below please find the impact of this new scenario.

	Estimated Vacancy Savings		
	FY 2023*	2 Months	Subtotal
General Fund	\$17,755,285	\$ 5,054,756	\$ 12,700,529
Special Revenue Fund	6,502,452	2,734,236	3,768,216
Enterprise Fund	1,835,853	194,290	1,641,563
Internal Service Fund	590,315	265,668	324,647
<b>Total</b>	<b>\$26,683,905</b>	<b>\$ 8,248,950</b>	<b>\$ 18,434,955</b>

\* This analysis includes only filled positions.

The projected cost to the General Fund for Fiscal Year 2022/2023 for the new scenario would be:

	Entire Cost		
	FY 2023	Recommended Budget	Additional Budget Capacity/Funding Needed
	General Fund	\$ 17,755,285	\$ 7,529,960

As stated in my original memorandum, should the Board of Supervisors wish to adopt the salary adjustments delineated above, it is recommended that each General Fund Department work with Finance and Risk Management to determine how they will cover the increased costs. Much, if not all, of the increase can be done through the elimination of vacant PCNs that are currently not being recruited through NeoGov or other departmental line items. It is also recommended that the Non-General Fund Departments absorb 100% of the entire cost of the raises within their Departmental budgets. As stated above, this can be done through the elimination of vacant PCNs that are currently not being recruited through NeoGov or other departmental line items.

JKL/mp

- c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works
- Francisco García, MD, MPH, Deputy County Administrator & Chief Medical Officer, Health and Community Services
- Cathy Bohland, Director, Human Resources
- Michelle Campagne, Director, Finance and Risk Management
- Ellen Moulton, Director, Analytics and Data Governance