



MEMORANDUM

Date: January 26, 2018

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

From: C.H. Huckelberry
County Administrator 

Re: **Sheriff's Compensation Plan for Deputies and Correction Officers – Step Plan and New Compensation Plan**

As you recall, there was clear indication that the current step program was ineffective and essentially discontinued upon adoption of this fiscal year's budget. In doing so, the Board of Supervisors appropriated \$1.8 million in deputy (including Sergeants) pay increases based on the recommendation of then Sheriff Nanos. This translated into an annual fiscal impact to the County of \$2.9 million, including retirement and benefit costs associated with the pay raise. This pay increase was more than twice that of any County employee received. If one were to examine the typical pay range of a deputy sheriff, the amount awarded to a County employee of similar pay, the increase was almost four times that granted to the regular employee.

Step programs for regular County employees have not been funded for 25 to 30 years or even longer to my knowledge. Step programs for the Sheriff's Department have been only used sporadically for compensation through an annual budget appropriation process. There has been no year-to-year expectation of increased compensation for any employee in Pima County, including deputies and corrections officers.

Many compensation strategies now simply use what has been known as "open range", which is simply a range of compensation where qualified employees are paid within a specific pay range. Based upon qualification, performance and training an employee may be moved from time to time within the range, but then only based on annual budget appropriation.

I have been communicating with Sheriff Mark Napier regarding a new compensation plan he has proposed. We have had several discussions both orally and in writing regarding his proposals. They are in line with my view of compensation which is primarily merit based and based on performance and qualification, not longevity.

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I support the concepts expressed in the Sheriff's compensation plan and believe they are necessary as we evolve the organization and grow our way out of the Public Safety Retirement System fiscal crisis. In the future, we will need to be able to attract new employees to become deputy sheriffs and correction officers. These new employees, based on State legislative reforms related to the public safety pension system, will have to bear a disproportionately higher cost of their future pension. This means our starting salaries will have to be adjusted upward while requiring no adjustment at the upper end of the pay range because these employees are covered under the older pension system and pay very little, for example, 4.00% and the County Pays 67.16% of total compensation.

Presently, the Sheriff is proposing a compensation plan for Deputies, Sergeants, Corrections Officers and Corrections Sergeants that may initially cost \$2.3 million in direct compensation but also requires an additional contribution of \$1.2 million from the County to support pension and benefit contributions in FY 2018/19 for a total loss of \$3.5 million. As deputy and correction employees opt into performance standards proposed by the Sheriff, the plan will increasingly cost higher amounts in future years so that by FY 2022/23 total salary and benefits could cost as much as \$9.1 million more annually as estimated by our Budget Division. This assumes 50 percent of the eligible Sheriff's employees opt into the performance related compensation standards each year.

The Sheriff has also exercised budget control consistent with good management practices. It is estimated the Sheriff will reduce expenditures by as much as \$2.4 million. This savings is commendable and can be used to fund the Compensation plan with some caution. The key is to determine if these savings are one time or annually recurring. If they are one time savings using them to fund recurring expenses such as employee raises is problematic.

I have stressed to the Sheriff that employee compensation continues to be a matter of annual budget appropriation, meaning any compensation plan proposed by the Sheriff or any other Elected Official must be funded through the annual budget process. Then, a compensation pay plan can only be approved if there are available funds or the Board decides to increase the primary property tax rate.

Finally, as you know, the Sheriff has been provided with the attached letter from the Law Enforcement Merit System Council that requests their review and recommendation to the Board regarding any new compensation plan. I am sure the Sheriff intends to provide this information to the Council. Any action of the Council will be to advise the Board regarding a proposed plan since the Council does not have budget appropriation authority.

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I fully support the Sheriff and his efforts to develop a compensation plan that is fair, reasonable and affordable which will sustain the department at professional staffing levels into the future.

CHH/anc

c: The Honorable Mark Napier, Pima County Sheriff
Jan Leshar, Chief Deputy County Administrator
Tom Burke, Deputy County Administrator for Administration
Keith Dommer, Director, Finance and Risk Management
Allyn Bulzomi, Director, Human Resources
Robert Johnson, Budget Manager, Finance and Risk Management



**PIMA COUNTY
MERIT SYSTEM COMMISSION
LAW ENFORCEMENT MERIT SYSTEM COUNCIL**

January 12, 2018

Pima County Sheriff Mark Napier
1750 E. Benson Highway
Tucson, AZ 85714

Dear Sheriff Napier,

In accordance with the obligations established in section 38-1003 of the Arizona Revised Statutes, the Pima County Law Enforcement Merit System Council respectfully requests that you provide to the Council, for its review, consideration, and approval or recommendation, as required, a complete copy of the Pima County Sheriff's Department classification system and compensation plan, both as they were in effect as of January 1, 2017, and any modifications proposed by you or on your behalf.

Thank you for your consideration.

Georgia Brousseau 1-12-18
Georgia Brousseau, Chair Date

John Fink 1-12-18 David P. Freund 1-12-18
John Fink, Member Date David P. Freund, Member Date

Paul Rubin 1/12/18 Mike Hellon 1-12-18
Paul Rubin, Member Date Mike Hellon, Member Date

- C: Pima County Board of Supervisors
 Chuck Huckelberry, Pima County Administrator
 Allyn Bulzomi, Director, Human Resources
 Daniel Jurkowitz, Deputy County Attorney
 Pima County Deputy Sheriff Association
 Pima County Attorney's Office Civil Division
 Fraternal Order of Police