

**ATTACHMENT F**  
**PLANNING DEPARTMENT 2018**  
**FEE STUDY AND DATA SUPPORTING**

**PART 1. CALCULATION OF HOURLY RATE**

**SALARY AND BENEFITS COSTS**

The services for which fees are established are performed by 4 operational (non-supervisory) employees of the Planning Department. These employees have varying seniority levels, and consequently different salary and benefits costs. Because all of these employees interchangeably perform the services in question, their salary and benefits costs have been averaged for purposes of this fee study. As detailed in Exhibit 1, the average annual salary and benefits costs for these employees is **\$83,743.09**. As discussed below, each of these employees works an average of **1672** productive hours per year. **\$83,743.09** divided by **1672** productive hours equals **\$50.09 per productive hour**.

**INDIRECT COSTS**

The indirect costs included in the fees set forth in this schedule have been calculated in accordance with Office of Management and Budget Circular A-87.

There are three major components of indirect cost included in the fees established by this schedule: (1) the cost allocated to the Planning Department under Tehama County's countywide Central Service Cost Allocation Plan, (2) departmental indirect cost, as set forth in the adopted 2017-2018 Tehama County Budget, and (3) the cost of direct supervision of operational staff. These three indirect cost components, which are discussed in greater detail below, are spread over Planning Department's entire budget unit.

For purposes of this fee study, these indirect costs have been allocated upon a "productive hours" base. There are 4 operational (non-supervisory) employees within the Planning Department's budget unit. Each of these employees is nominally assigned **2,080 working hours** per year. However, each of these employees is entitled to 13 legal holidays, 12 sick days, and varying amounts of vacation and administrative leave every year, in addition to 104 hours of break time during working hours (30 minutes per day x 208 working days). As detailed in Exhibit 1, once these non-productive hours are deducted, the annual number of productive hours is **1672 per employee** for each of the **4 operation employees**, or **6,688 productive hours** for the entire budget unit, not including the Planning Director.

The countywide Central Service Cost Allocation Plan has been developed by the Tehama County Auditor's office to allocate certain indirect costs (such as the costs of County buildings and centralized administrative support services) to the affected County departments in accordance with Budget Circular A-87. The Central Service Cost Allocation Plan is used by the County to calculate and allocate indirect cost for a variety of purposes. As detailed in Exhibit 2, a cost of **\$88,821** has been allocated by the Central Service Cost Allocation Plan to the Planning Department's budget unit for the most recent year. **\$88,821 divided by 6,688** productive hours for the entire budget unit equals **\$13.28** per productive hour.

The Planning Department's budget unit also incurs a number of costs that are not included in the Central Service Cost Allocation Plan ("departmental indirect cost"). Several of these costs may be allocated to the services for which fees are established herein as indirect cost in accordance with Budget Circular A-87. These costs include communications, insurance, equipment maintenance, office expenses (office supplies, etc.), rental of facilities/equipment not covered by the Central Service Cost Allocation Plan, and employee training and travel expenses. As detailed in Exhibit 3, the adopted 2016-2017 Tehama County Budget provides for expenditures of **\$86,197** for these items in the Planning Department's budget unit. **\$86,197 divided by 6,688** productive hours equals **\$12.89** per productive hour.

Budget Circular A-87 also authorizes the inclusion of the costs of "the various levels of supervision" of operational employees as chargeable indirect costs. The Planning Department's budget unit includes one supervisory employee, the appointed Planning Director. As detailed in Exhibit 1, the annual salary and benefits cost for this position is **\$167,655.07**. This amount divided by **6,688 productive hours** equals **\$24.59** per productive hour.

## **TOTALS**

The total indirect costs chargeable to the services for which fees are established herein are thus **\$50.09 + \$13.28 + \$12.89 + \$24.59 = \$100.85**