

# COUNCIL DECISION REQUEST

SUBJECT: Contract Employee – Ray Erlandsen

MEETING DATE: June 17, 2010

PAYSON GOAL: NEW:      EXISTING:

ITEM NO.:

TENTATIVE SCHEDULE:

SUBMITTED BY: Debra A Galbraith

AMOUNT BUDGETED: \$75,964.00

SUBMITTAL TO AGENDA

EXPENDITURE REQUIRED: \$75,964.00

APPROVED BY TOWN MANAGER

CONT. FUNDING REQUIRED: \$0.00



EXHIBITS (If Applicable, To Be Attached):

ESI Subscriber Service Agreement - Erlandsen

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## **POSSIBLE MOTION**

1) I move to authorize the Mayor to sign the employment agreement for Ray Erlandsen for FY 2010/11.

## **SUMMARY OF THE BASIS FOR POSSIBLE MOTION:**

In the fall of 2010 the Town instituted an Early Retirement Incentive Program. Ray Erlandsen, Acting Community Development Director was eligible to participate and chose to do so. He will officially retire from employment with the Town on June 30, 2010.

It is crucial that the duties that he has been performing, in particular, community development department administration and zoning administrator. The Town does not have the budget to hire an employee full time to take on these duties and current staffing levels do not allow for these tasks to be taken on by current employees.

Mr. Erlandsen has joined Educational Services Incorporated (ESI) as an employee. ESI is an employee leasing company. With the approval of this contract, the Town will be contracting with ESI for Mr. Walker's services. As with any contract, this is a one year contract, subject to renewal at the request of the Town.

## **PROS:**

## **CONS:**

## **PUBLIC INPUT (if any):**

## **BOARD/COMMITTEE/COMMISSION ACTIONS/RECOMMENDATIONS (if any) (give dates and attach minutes):**

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## **FUNDING:**

Acct:	Budget:	Available:	Expense:	Remaining:
Acct:	Budget:	Available:	Expense:	Remaining:
Acct:	Budget:	Available:	Expense:	Remaining:
BA:				Date: _____

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**Educational Services Incorporated**

**PO Box 235**

**Cottonwood, AZ 86326**

928-634-7639 Fax 928-634-5639

**Subscriber Service Agreement**

**Exhibit A**

Client: **Town of Payson**

We are pleased to honor your request for the position of **Community Development Director**. **Ray Erlandsen** is being recommended for this position. Please review the information below and return a signed original copy to ESI. Upon receipt of a signed Exhibit A, **Ray Erlandsen** will be assigned to this position.

Length of Contract: 2010-2011

Starting and Ending Dates: July 1, 2010 to June 30, 2011: 261 days

Benefits: \_\_\_\_\_

Special Requirements: None

A. Employee Gross Wages			\$67,400.00
B. Direct Payroll Costs and Insurance*			
Fica & Medicare	7.65%	\$	5,156.10
AZ Unemployment	1.83% of first \$7000.00 per calendar yr.	\$	256.20
Federal Unemployment	0.80% of first \$7000.00 per calendar yr.	\$	112.00
Worker's Comp.	0.51%	\$	343.74
C. Employee Benefit Charge		\$	-
D. Special Requirements by Subscriber			
E. Management Fee	4.0000% of Emp. Gross Wages	\$	2,696.00
Total Service Fee		\$	75,964.04

- A. Employee Gross Wages: *Gross wages including commissions, bonus and overtime.*
- B. Direct Payroll Costs and Insurance: *Includes social security, unemployment, comprehensive liability, workers' compensation, etc. \**
- C. Employee Benefit Plan.
- D. Special Requirements by Subscriber.
- E. Management Fee: *Equals 4.25% of Employee Gross Wage.*

\* Rates subject to change during contract period. Billing is one month in advance.

Accepted by

By: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

Accepted by Educational Services, Inc.

By: L. Sue Bring

*Revised 5/3/10*  
Date: April 26, 2010

Title: President

THIS CONTRACT IS NOT VALID WITHOUT A PURCHASE ORDER THAT PREDATES THE STARTING DATE ON THE EMPLOYEE CONTRACT.