

Calculating Personnel Cost for Budgeting & Reimbursement

There have been requests on how to calculate personnel costs of district employees for budgeting and reimbursement purposes. This can be used to calculate reimbursement rates for grants, ditch maintenance, or in-kind services. This is for basic labor costs and does not include items such as rent, equipment, utilities, mileage, administrative or other support service costs.

Calculating Personnel Costs for Budgeting Purposes

Below is an example of cost considerations for budgeting for a full-time SWCD employee

Example for a full time employee w/ family insurance

Enter your actual numbers in the yellow cells below

Direct Personnel Costs

Hourly Rate		\$18.00			
Hours Worked Per Pay Period		80			
Hours Worked Per Year		2080		0	
Salary			\$37,440		\$0
PERS	Current rate as a percent of salary	14.0%	\$5,242	14.0%	\$0
Medicare	Current rate as a percent of salary	1.45%	\$543	1.45%	\$0
Workers Comp	Current rate as a percent of salary	2.0%	\$749	2.0%	\$0
Adjusted Gross Wage			\$43,973		\$0
AGW per Hour			\$21.14	\$0.00	
Health Insurance	Employer contribution estimate		\$11,000		
* Example is based on employer + family; your SWCD rate may vary					
Adjusted Gross Wage w/ Insurance			\$54,973		\$0
AGW w/ Insurance per Hour			\$26.43	\$0.00	

Calculating Personnel Costs for Reimbursement

To calculate personnel costs for reimbursement you need to look at the actual number of hours the employee will work. While a full-time employee is paid for 2080 hours per year, you must subtract the hours that the employee will be on paid leave to establish an adjusted hourly rate for reimbursement of in-kind services.

Below is an example based on a same full-time employee from above including the cost of insurance.

Hourly Rate		\$18		\$0
Hours Worked Per Pay Period		80		0
Hours Worked Per Year		2080		0
Adjusted Gross Wage w/ Insurance			\$54,973	\$0
AGW w/ Insurance per Hour			\$26.43	\$0.00
Hours of Leave the Employee is entitled to (Holiday, Annual & Sick Leave)				
Holiday Leave	Hours per Year	80		
Annual Leave	Hours per Year	80		
Sick Leave	Hours per Year	120		
Personal Leave	Hours per Year	16		
Other	Hours per Year	8		0
Net Hours Worked per Year			1776	0
Reimbursement Rate per Hour			\$30.95	#DIV/0!