RESOLUTION - ACTION REQUESTED 2017-268

MEETING: May 9, 2017

TO: The Board of Supervisors

FROM: Steve Johnson, Human Resources Director - Risk Manager

RE: Set a Salary Range for the County Administrative Officer Classification

RECOMMENDATION AND JUSTIFICATION:
Set a Salary Range for the County Administrative Officer (CAO) Classification of $130,000-$150,000 per year, effective Immediately. The salary range for the CAO position will be as follows:

1st Step - $130,000.00 per year

2nd Step - $140,000.00 per year

3rd Step - $150,000.00 per year

From time to time, the Board of Supervisors reviews the salaries that it pays Department Heads based on a number of factors, including market comparability and internal equity. Unlike other County employees, who receive a salary within a Board approved salary range (which allows for increases based on an employee's increasing knowledge of County operations over time, quality of work and aptitude for the job) Department Heads are currently paid a fixed salary amount.

The Board has recently engaged in a nationwide search through an Executive Recruiter for a CAO candidate to replace former CAO Mary Hodson, who retired at the end of last year. Before a new CAO is hired, Staff and the Board have evaluated the fixed annual CAO salary amount of $150,566, and believe that a salary range of $130,000-$150,000 is warranted for this classification for the following reasons:

- With satisfactory performance, the new CAO could expect to have his salary increased from $130,000 to $140,000 in May, 2018, and from $140,000 to $150,000 in May, 2019.

- Increasing the CAO's salary over a period of time would match the salary more closely with both the CAO's increasing knowledge of, and ability to add value to, County operations.
• It would comply with California Government Code Section 20636 (e) (1), which states that one employee cannot be his or her own group or classification for salary purposes. Staff from the County’s Auditor’s Office reached out to CalPERS, who enforces this legal provision, and was told that the County’s proposal to provide a salary range for the CAO classification would meet the conditions of Government Code Section 20636 (e) (1).

• It would begin to provide consistency in having salary ranges for all County classifications.

If the proposed salary range for the CAO classification is approved, it is anticipated that the Board will consider salary changes annually for the CAO during the May time period since that is the time when all Board appointed Department Heads, including the CAO, are evaluated on their performance by the Board.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
The Board most recently increased salaries for County Department Heads, including the CAO classification, effective January 1, 2017 based in large measure on the results of a County-wide Salary Survey.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
The Board may decide to continue to pay the CAO classification a fixed annual salary amount, or select a different salary range, as long as the amount paid or range is consistent with Government Code Section 20636 (e) (1) and adheres to the requirements imposed by California Code of Regulations Section 570.5 for a publicly available pay schedule.

CAO RECOMMENDATION

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]
MOVER: Merlin Jones, District II Supervisor
SECONDER: Kevin Cann, District IV Supervisor
AYES: Smallcombe, Jones, Long, Cann, Menetrey