



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Human Resources
Department No.: 064
For Agenda Of: July 17, 2018
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Lori Gentles, Human Resources Director, (805) 568-2816
Director(s)
Contact Info: Joe Pisano, Interim Employee Relations Chief (805) 568-2839

SUBJECT: **Performance Based Salary Adjustment for the County Executive Officer.**

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

As to form: No

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve a 3% performance based salary adjustment as allowed under Section 4 of the Agreement of Services as County Executive Officer (CEO) approved by the Board of Supervisors on September 19, 2017;
- b) Approve the conversion of Unit Cash to Base Pay for the CEO to align it with the practice adopted by the Board on March 20, 2018 for unrepresented managers and executives; and
- c) Determine that the above action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4), because it consists of government funding mechanisms and/or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary Text:

Upon adopting this recommendation the Board of Supervisors will a) approve a performance based annual salary increase of 3% effective July 16, 2018 (start of pay period 16/2018); and b) incorporate the Unit Cash in base pay to align it with the base pay practice adopted on March 20, 2018 for all executives and managers. These two changes will result in a total salary of approximately \$273,960.

Background:

County Code Section 2-70 describes that the CEO is appointed by the Board of Supervisors on the basis of knowledge and skills in public administration and finance, knowledge of organizational principles and relationships, demonstrated executive leadership and management skills, and ability to motivate people to work together cooperatively. The position is exempt from civil service and the person appointed shall serve at the pleasure of the board.

On September 19, 2017 the Board of Supervisors renewed the Agreement for Services with the current CEO, Mona Miyasato from September 25, 2017 through September 25, 2021. Section 4, COMPENSATION, allows that further salary adjustment shall be made by the Board of Supervisors based upon the performance of the CEO. Section 8, PERFORMANCE EVALUATIONS, requires that the Board of Supervisors shall complete a written evaluation of the CEO’s performance on at least an annual basis. On July 3, 2018 the Board of Supervisors reviewed the performance for the CEO and determined that the CEO is eligible for a performance based salary adjustment of 3%. This adjustment is consistent with the Board’s actions on December 6, 2016 concerning the Classification and Salary Plan for Unrepresented Executive and Management Employees, and which authorized 0-to-3% increases for Unrepresented Executives and Manager in Fiscal Year 2018-2019.

In addition, under Section 12. LIMITED REOPENER of the Agreement for Services, states that Miyasato has expressed an interest in – at no additional cost to the County – making a higher contribution to her retirement but was informed that it was not practicable to implement. The agreement allows a reopener on this issue only, at no additional cost to the County, once practicable. The County recently negotiated higher pension contributions for represented employees, and staff plans to bring forward a 2.5% pension contribution increase phased in over 3 years for the CEO and all managers and executives.

The County currently provides a “Benefit Allowance,” also known as a “Unit Cash Allowance,” to all employees. The unit cash/benefit allowance is considered wages paid for purposes of social security and Medicare taxes; it is fully pensionable, and it is included in the regular rate of pay. The recommended action to incorporate Unit Cash into salary makes this component of pay more transparent and aligns it with the rest of the base pay calculation of other County employees which the Board of Supervisors approved on March 20, 2018.

Performance Measure:

N/A

Contract Renewals and Performance Outcomes:

N/A

Fiscal and Facilities Impacts:

Budgeted: Yes **Fiscal Analysis:**

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund		\$ 11,375.00	
State			
Federal			
Fees			
Other:			
Total	\$ -	\$ 11,375.00	\$ -

Narrative: The total fully loaded cost of implementing the recommended action in Fiscal Year 2018-19 is approximately \$11,375, offset by an increase in pension contribution of approximately \$2,465, bringing the annual salary from \$265,980 to approximately \$273,960 annually.

Key Contract Risks:

N/A

Staffing Impacts:

Legal Positions:

FTEs:

N/A

Special Instructions:

Please provide a copy of the signed minute order to County Human Resources, County Counsel, County Executive Officer and Auditor-Controller.

Attachments:

Attachment 1 – Agreement for Services as County Executive Officer approved on September 19, 2017.

Authored by:

Andreas Pyper, Human Resources (805) 568 2812

cc:

Michael Ghizzoni – County Counsel

Theo Fallati – Auditor Controller

Mona Miyasato - CEO