



**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: CEO/Human Resources
Department No.:
For Agenda Of: May 19, 2009
Placement: Administrative
Estimated Time:
Continued Item: NO
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director(s) Susan Paul, Assistant CEO/HR Director, 568-2817
Contact Info: Jeri Muth, Assistant HR Director, 568-2816
Jeri Muth for Susan Paul
SUBJECT: Compensation for Santa Barbara County Employees' Retirement System
Chief Executive Officer

County Counsel Concurrence

As to form:

Other Concurrence: Select_Other

As to form: Select_Concurrence

Auditor-Controller Concurrence

As to form: Select_Concurrence

Recommended Actions:

That the Board of Supervisors adopts a Resolution effective May 18, 2009 adjusting the Department/Corporate Leader pay range from the current approximate maximum annual salary of \$194,102 to \$212,886 (approximately a 10% increase to the top of the pay range).

Summary Text:

The Santa Barbara Employees' Retirement System (SBCERS) Board of Retirement has offered its new Chief Executive Officer (CEO) an annual salary of \$204,000 to be effective May 26, 2009. The SBCERS CEO is the Executive Manager (department head) for the Retirement System and, therefore, the position is allocated to the County's Corporate/Department Leader classification and corresponding pay range, which currently has a maximum annual salary of \$194,102. This is approximately 5% less than the salary that has been offered to the candidate. In addition, the Board of Retirement's salary offer includes the provision for annual salary reviews for the incumbent; therefore, staff is recommending a 10% increase to the maximum salary on the Corporate/Department Leader pay range.

Background:

The SBCERS Board of Retirement has appointed a CEO to administer, direct, and supervise the operations of the System in accordance with Government Code Section 31522.2. The new CEO will be joining the organization on May 26, 2009. The Government Code provides that the person so appointed shall be a County employee and that the position shall be included in the salary resolution adopted by the Board of Supervisors for the compensation of County officers and employees. This position has been allocated by the Board of Supervisors to the Corporate/Department Leader classification and corresponding pay range.

The Board of Retirement has offered a CEO candidate an annual salary of \$204,000, which exceeds the maximum salary of the pay range by approximately 5%. In correspondence from SBCERS staff (attached), the County is being requested to increase the maximum annual salary of the Corporate/Department Leaders salary range in order to accommodate the salary offer made to the candidate. In addition, SBCERS has advised that the job offer also provides for annual salary reviews.

The Board of Retirement based its salary offer on a number of factors, including a review of salaries of other 1937 Act System administrators. The salary review revealed that most comparable retirement systems pay close to or over \$200,000 to their administrators. SBCERS advised the County that the new SBCERS CEO's salary was set based upon their salary review.

Based on the information received from SBCERS, staff recommends adjusting the maximum of the range by approximately 10% to an annual potential salary of approximately \$212,886.

Fiscal Analysis: The administrative expenses of the Retirement System are independent from the County's budget.

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State			
Federal			
Fees			
Other:			
Total	\$ -	\$ 204,000.00	\$ -

Special Instructions:

Please return one copy of the signed Resolution to Susan Kean in CEO/Human Resources.

Attachments: May 11, 2009 Request from SBCERS for Salary Range Adjustment Resolution

cc: Tom Ford, Interim SBCERS CEO
Lila Deeds, Assistant SBCERS Administrator

RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA

IN THE MATTER OF AMENDING)
RESOLUTION NO. 08-295, AS AMENDED)
BEING THE SALARY RESOLUTION OF)
COUNTY OF SANTA BARBARA) RESOLUTION NO. _____

WHEREAS, Salary Resolution No. 08-295 established a Classification and Compensation Plan, and authorized Departmental Position Allocations effective August 25, 2008; and

WHEREAS, this Board of Supervisors finds that there is good cause for amending said Resolution No. 08-295, as amended, in the manner provided in this Resolution;

NOW, THEREFORE, IT IS HEREBY RESOLVED, AS FOLLOWS:

1. Resolution No. 08-295, adopted by the Board on August 26, 2008, is hereby amended by amending those portions identified below to read as follows, effective May 18, 2009. These classifications include:

SECTION 3. Salary Schedules

<u>Executive Leadership Bands</u>	<u>Minimum Pay Rate</u>	<u>Maximum Pay Rate</u>
Department/Corporate Ldr-Exec	\$56,000	\$102,000

2. Except as amended by this Resolution, Resolution No. 08-295, as amended, shall continue unchanged and in full force and effect.

PASSED AND ADOPTED by the Board of Supervisors of the County of
Santa Barbara, State of California, this _____ day of _____, 2009

by the following vote:

AYES:

NOES:

ABSENT:

JOSEPH CENTENO, CHAIR
BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA


ATTESTS:
MICHAEL F. BROWN
CLERK OF THE BOARD

By: _____ (SEAL)
Deputy Clerk

Memorandum

Date: May 11, 2009

To: Susan Paul, Assistant CEO/HR Director
Jeri Muth, Assistant HR Director

From:  Lila Deeds, Assistant Retirement Administrator

Subject: Request to Adjust Salary Range of Dept/Corp
Leader Classification

CC: Tom Ford, Interim Retirement Administrator



The Board of the Santa Barbara County Employees' Retirement System has appointed a Chief Executive Officer to administer, direct and supervise all operations of the System in accordance with Government Code Section 31522.2. The terms of the agreement for services executed by the appointee and the Board of Retirement sets the annual starting salary at \$204,000 and provides for annual salary reviews. This amount exceeds the top of the current range for the "Department/Corporate Leader – Executive" classification, and therefore we are requesting that the current range be extended to accommodate this appointment (and possible future salary increases).

As of July 2008, administrators for the twenty 1937 Act systems were paid between \$90,000 (Imperial) and \$320,000 (San Bernardino), with the most similar systems close to or over \$200,000. The new CEO's salary was set approximately 7% above his current salary as adjusted for the cost of living in Santa Barbara.

With the exception of salary, the new CEO's compensation is consistent with current appointed department head levels, and relocation expenses will be paid within the parameters of the current County policy.

The new CEO begins May 26, and as the May 26 Board of Supervisors' meeting has cancelled, we would greatly appreciate your assistance in placing this matter on the May 19 agenda. Please let us know if any additional information is needed. Thank you!