



**AD HOC COMMITTEE ON  
BOARD OF SUPERVISORS COMPENSATION**

**June 11, 2015  
2:30 P.M.**

**651 Pine Street, Room 101, Martinez**

Rick Wise, East Bay Leadership Council, *Chair*

Margaret Eychner, Contra Costa Taxpayers' Association, *Vice Chair*

Michael Moore, Member, Contra Costa County Civil Grand Jury, *Secretary*

Margaret Hanlon-Gradie, Central Labor Council of Contra Costa County, AFL-CIO

Stuart McCullough, Contra Costa Human Services Alliance

Facilitator: Stephen L. Weir, Contra Costa County Administrator's Office

**Agenda  
Items:**

Items may be taken out of order based on the business of the day and preference of the Committee

1. Call to Order and Introductions
2. Public comment on any item under the jurisdiction of the Committee and not on this agenda (speakers may be limited to three minutes).
3. RECEIVE and APPROVE the Record of Action for the May 28, 2015 Ad Hoc Committee on BOS Compensation meeting.
4. RECEIVE draft report with options for Committee recommendations and draft presentation materials, and provide direction to staff on next steps.
5. The next meeting is currently scheduled for June 18, 2015.
6. Adjourn

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*The Ad Hoc Committee on Board of Supervisors Compensation will provide reasonable accommodations for persons with disabilities planning to attend the Committee meetings. Contact the staff person listed below at least 72 hours before the meeting.*

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*Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the County to a majority of members of the Ad Hoc Committee on Board of Supervisors Compensation less than 96 hours prior to that meeting are available for public inspection at 651 Pine Street, 10th floor, during normal business hours.*

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*Public comment may be submitted via electronic mail on agenda items at least one full work day prior to the published meeting time.*

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For Additional Information Contact:

Julie DiMaggio Enea, Committee Staff  
Phone (925) 335-1077, Fax (925) 646-1353  
[julie.enea@cao.cccounty.us](mailto:julie.enea@cao.cccounty.us)



# Contra Costa County Board of Supervisors

## Subcommittee Report

### AD HOC COMMITTEE ON BOARD OF SUPERVISORS COMPENSATION

**Meeting Date:** 06/11/2015

**Subject:** RECORD OF ACTION FOR THE MAY 28, 2015 AD HOC  
COMMITTEE MEETING

**Submitted For:** Stephen L. Weir, Facilitator

**Department:** County Administrator

**Referral No.:**

**Referral Name:**

**Presenter:** Steve Weir

**Contact:** Julie DiMaggio Enea  
925.335.1077

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#### **Referral History:**

County Ordinance requires that each County body keep a record of its meetings. Though the record need not be verbatim, it must accurately reflect the agenda and the decisions made in the meeting.

#### **Referral Update:**

Attached is the Record of Action for the May 28, 2015 meeting. The Record of Action was prepared by staff, and edited and approved by Committee Secretary Michael Moore.

#### **Recommendation(s)/Next Step(s):**

RECEIVE and APPROVE the Record of Action for the May 28, 2015 Ad Hoc Committee on BOS Compensation meeting.

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#### **Attachments**

DRAFT Record of Action for May 28, 2015 BOS Comp Cte Meeting

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# Agenda

## AD HOC COMMITTEE ON BOARD OF SUPERVISORS COMPENSATION

RECORD OF ACTION FOR  
May 28, 2015

Rick Wise, East Bay Leadership Council, *Chair*  
Margaret Eychner, Contra Costa Taxpayers' Association, *Vice Chair*  
Michael Moore, Member, Contra Costa County Civil Grand Jury, *Secretary*  
Margaret Hanlon-Gradie, Central Labor Council of Contra Costa County, AFL-CIO  
Stuart McCullough, Contra Costa Human Services Alliance

Facilitator: Stephen L. Weir, Contra Costa County Administrator's Office

Present: Margaret Eychner, Vice Chair  
Margaret Hanlon-Gradie  
Michael Moore, Secretary  
Rick Wise, Chair  
Stuart McCullough

Staff Present: Stephen L. Weir, Facilitator  
Julie DiMaggio Enea, CAO Staff

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1. Call to Order and Introductions

*Chairman Wise called the meeting to order at 3:05 p.m.*

2. Public comment on any item under the jurisdiction of the Committee and not on this agenda (speakers may be limited to three minutes).

*No members of the public offered to speak during the public comment period.*

3. RECEIVE and APPROVE the Record of Action for the special May 12, 2015 Ad Hoc Committee on BOS Compensation meeting.

*The Committee unanimously approved the Record of Action for the May 7, 2015 meeting as presented.*

AYE: Margaret Hanlon-Gradie, Stuart McCullough, Chair Rick Wise, Secretary  
Michael Moore, Vice Chair Margaret Eychner

Passed

4. RECEIVE compilation of research data requested by the Committee on May 12 and provide direction to staff on next steps.

*Margaret Hanlon Gradie commented that she had read the materials, and that Steve Weir had briefed her on the issues and staff reports from the previous two meetings and that she was current on the Committee's deliberations. She asked staff if there had been any inquiries from the public thus far on the Committee's work and staff reported only one inquiry received the day before. Staff answered the inquirer's questions, emailed him the links to the online Committee materials and invited him to today's meeting. Margaret Eychner noted a newspaper article earlier in the week that mentioned the BOS Comp Committee and its purpose. Steve Weir mentioned that he has had conversations with Tom Barnidge and Matthew Artz of the Contra Costa Times and provided them information.*

*Michael Moore asked Margaret Hanlon Gradie if she had any concerns about the Committee's decision to broaden the group of peer counties to include counties of similar size and budget from other parts of the State. She indicated that while she wouldn't normally consider Kern and Fresno among Contra Costa's peers for general county employee salaries, she is able to reconcile the Committee's decision to do so with respect to the Board's salary and understands why and on what basis the Committee made that decision. Michael commented that a larger sample would help to minimize the effect of anomalies.*

*Rick Wise commented that the Committee put some effort into finding a reliable basis for making cost-of-living corrections among the peer counties to achieve the most accurate comparisons possible. Staff referenced Page 23 of the packet, which shows the similarity between the median home values reported by RelocationEssentials.com with the median home values reported by the U.S. Census, which is an indication of reliability. Staff summarized the analyses (Schedules C and D on Pages 19 and 20) that she prepared upon the advice of the County's consultant at Beacon Economics, who recommended comparing the BOS salary and/or total compensation in each peer county with a key economic benchmark for that county, such as median home value or median home income, as a method to test the veracity of the RelocationEssentials.com Cost of Living Composite Index (COL). She noted that the California Association of Realtors (CAR) data appeared to be less reliable for the Committee's purposes because it reported data only for Central Contra Costa County rather than all of Contra Costa County. Trulia's data could not be used because Trulia does not report statistics county by county but reports by zip code. Zillow, however, does report a figure for Contra Costa County. Consequently, staff included an extra snapshot on Schedules C and D showing the outcome of the CAR analysis if Zillow's estimate for Contra Costa County is used instead of CAR's estimate. Staff also clarified that the peer county data arrays used to determine the mean and percentiles excluded Contra Costa County.*

*Staff reviewed Schedules A through E and the data sources in detail, and then reviewed the summary of the various analyses, which were presented on page 14. The summary clearly illustrated that the methods that relied only on base salary information indicated higher salary targets than those methods that relied on total compensation data. Also, the 37.5th percentile analyses using total compensation data most closely aligned with the salary level indicated by the CPI method. Steve and Michael both commented that the CPI method simply inflated the 2007 BOS salary*

*without verifying the propriety of the original salary level. Margaret Eychner observed that the analyses indicate that while Contra Costa's base salary is low, our County's benefits help to close the gap with Contra Costa's peers.*

*Staff presented the computations used to derive what the base salary would be when making total compensation the key variable. The Committee experimented with varying levels of total compensation to see how the base salary would respond. Staff also presented a companion computation that showed how the "total compensation" elements used by the Committee tie to the total payroll cost that is commonly reported by the press and on public employee transparency websites, and highlighted what is included or excluded in the Committee's total compensation analyses and the total payroll cost analysis.*

*In reference to Schedule B on page 16, Michael didn't think it was appropriate to apply the COL to the pension and deferred compensation elements of total compensation because they are future benefits. Staff agreed to recalculate Schedule B, applying the COL to total compensation excluding pension and deferred compensation, and add back pension and compensation to complete the new analysis. Rick requested that staff provide the revised Schedule B analysis to illustrate what the base salary would be at the 37.5th and 50th percentiles. These revised schedules were provided to the Committee and made available to the public on May 29, 2015 and are attached hereto for public review and reference.*

*Steve raised the issue of the differences found between Contra Costa and the peer counties regarding auto allowance. The peer counties that provide auto allowance do not also provide mileage reimbursement as does Contra Costa County. Margaret Eychner noted that the IRS mileage reimbursement rate is based on the fixed and variable costs of operating an automobile, including depreciation, insurance, repairs, tires, maintenance, gas and oil, and that, consequently, providing both a generous fixed allowance plus mileage reimbursement at the IRS rate was paying twice for the same benefit. Stuart McCullough offered a different perspective with an example of an allowance of 100 miles per day for 20 days per month at the IRS rate would indicate an annual auto allowance of \$13,800. The median auto allowance of peer counties in the Committee's study is \$7,164. Staff clarified that certain county department heads elected or appointed prior to February 2012 are eligible to receive an auto allowance plus reimbursement for out-of-County business mileage. Supervisors are eligible for the auto allowance plus reimbursement for all (County business) mileage. Rick Wise and Margaret Hanlon Gradie commented that the auto allowances they received during their private sector employment were fixed amounts with no mileage reimbursement. Margaret Eychner suggested eliminating the mileage reimbursement and either leaving the auto allowance at the current level or possibly increasing it in lieu of paying mileage; she added that this would also be more transparent to the public. Steve also noted that the auto allowance is a pensionable benefit.*

*Mike asked about the stipends received by Board members for serving on outside bodies and staff advised that only a handful of counties could provide ready data. Of those counties that provided information, they used an old version of the FPPC Form*

*806 that provides ranges of stipends but not an annual estimated stipend. For example, a range might be \$1,000-\$2,000, which is a significant range for such a small amount. Mike offered to review the forms.*

*The Committee asked Steve to draft a report with a tentative recommendation to set the Board's salary at the 37.5th percentile using the Schedule B analysis, but wanted to see the revised Schedule B (attached hereto) before formulating a recommendation on salary and auto allowance. The Committee agreed to aim for a final proposal by its June 18 meeting.*

AYE: Margaret Hanlon-Gradie, Stuart McCullough, Chair Rick Wise, Secretary Michael Moore, Vice Chair Margaret Eychner

Passed

5. The next meeting is currently scheduled for June 4, 2015.

*After consulting the committee members about their schedules, Chairman Wise canceled the June 4 meeting and scheduled the next meeting for June 11.*

6. Adjourn

*Chairman Wise adjourned the meeting at 4:55 p.m.*

For Additional Information Contact:

Julie DiMaggio Enea, Committee Staff  
Phone (925) 335-1077, Fax (925) 646-1353  
julie.enea@cao.cccounty.us

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# Contra Costa County Board of Supervisors

## Subcommittee Report

### AD HOC COMMITTEE ON BOARD OF SUPERVISORS COMPENSATION

**Meeting Date:** 06/11/2015  
**Subject:** DRAFT REPORT WITH OPTIONS FOR COMMITTEE  
RECOMMENDATIONS  
**Submitted For:** Stephen L. Weir, Facilitator  
**Department:** County Administrator  
**Referral No.:**  
**Referral Name:**  
**Presenter:** Steve Weir                      **Contact:** Julie DiMaggio Enea  
925.335.1077

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### **Referral History:**

At its previous meetings, the Committee arrived at a consensus on the following points:

- The job of County Supervisor should be compensated as a full time job
- The salary should not be tied to a judge or any position not related or comparable to a County Supervisor
- The salary should not be tied to another County job classification
- An independent commission should review the Board's salary at regular intervals
- The Board's salary should be based on the duties and responsibilities of the position rather than on performance of the official (performance to be decided by the electorate)
- While salary is not the guiding factor for Supervisorial candidates, it should not be so low as to be a barrier to public service and should be high enough to attract good candidates
- The methodology for future salary setting should embody the leadership principle of sharing the pain during tough times
- The methodology for future salary setting should attempt to de-politicize the determination of Board compensation
- A commission should review the Board's salary every three years.
- No automatic salary escalator, such as CPI or general employee wage increase, should be applied between BOS salary reviews.
- The following counties should be used for comparison, on the basis of general population, unincorporated area population, and budget: Alameda, San Mateo, Sacramento, Fresno, Kern, Ventura, Sonoma, and San Francisco
- Compensation excluding county contributions to future benefits (such as retirement and deferred compensation) for other counties should be corrected for geographic cost of living differences. For the current analysis, the Committee will rely on data from RelocationEssentials.com and the U.S. Census.



- The comparison should be based on salary plus the following additional elements of compensation: county normal contribution to pension, county contribution to health/dental coverage, deferred compensation or like benefit, auto allowance, and any other cash benefit. Retiree health, life insurance, and estimated annual pension benefit at 55 with 8 years of service, will be excluded but may be considered on a qualitative basis. Other agency stipends should be included provided there is meaningful data available for such a comparison. For the current analysis, such data was not sufficiently available.
- The Board should be paid at a percentile of market compensation commensurate with County employees, provided there is meaningful data available for such a comparison.
- Board members should continue to receive the auto allowance but should not receive mileage reimbursement in addition to the auto allowance.
- Significant Board salary adjustments should be granted in 2 or 3 increments.

Points left to be decided included:

- On what factors should the compensation comparison be based: salary, salary plus cash benefits, or an estimate of total compensation (which may involve subjective assumptions)?
- At what percent of median/percentile should the BOS salary/compensation be placed?
- Should any of the current cash benefits be eliminated and/or rolled into the base salary?
- Whatever the final outcome of the analysis, should the next adjustment be phased in over time or applied all at once? And if phased in, on what schedule?

### **Referral Update:**

At the May 28 meeting, the Committee directed Steve to draft a report tentatively recommending to set the Board's compensation at the 37.5th percentile using the Schedule B analysis from the May 28 packet. Attached hereto as Attachment #5 is the draft report for the Committee's consideration. The Recommendation section of the draft report assumes the 37.5th percentile compensation recommendation but also provides optional recommendations for the Committee to consider along with the updated Schedule B analyses, which are included as Attachments #2 and #3. Attachment #6 is a draft Powerpoint presentation, also tentatively recommending to set the Board's salary at the 37.5th percentile, in preparation for the formal presentation by the Committee to the Board of Supervisors on July 7.

It has been the stated goal of the Committee that proposed actions be vetted at a minimum of two public meetings. For the meetings on Thursday, June 11 and June 18, the Committee will consider actions outlined in the Summary Report. The Committee reserves the right to modify those options based upon public testimony.

Note that the Committee has not engaged in "what if" scenarios, like what if you drop San Francisco and add San Joaquin. Such "what if" scenarios, with reasonable limits can and should be tested at the request of the Committee and the public.

### **Recommendation(s)/Next Step(s):**

RECEIVE draft report with options for Committee recommendations and draft presentation materials, and provide direction to staff on next steps.

### **Fiscal Impact (if any):**

None. This is an informational item only.

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## **Attachments**

#1: Summary of All Methods Updated 5-29-15

#2: Schedule B @ 50th Percentile

#3: Schedule B @ 37.5th Percentile

#4: Phasing Salary Increase in Increments Updated 5-29-15

#5: DRAFT Committee Report with Options for Recommendations

#6: DRAFT Powerpoint Presentation Tentatively Using 37.5th Percentile

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ANALYSIS OF CONTRA COSTA COUNTY BOARD OF SUPERVISORS ANNUAL COMPENSATION

Methodology	Percentile	Annual Salary	Annual Total Compensation	Annual Total Payroll	Supporting Schedule
Method 1 Using Base Salary Only					
This method uses a Cost of Living Composite Index from RelocationEssentials.com to adjust the annual base salary for each peer county to reflect the amount that would need to be earned in Contra Costa County to maintain the same purchasing power as in the home county. The adjusted peer county salaries are then analyzed to determine the mean, median and certain percentiles to indicate possible total annual compensation and base salary levels.	37.5th	\$ 121,887	\$ 168,143	\$ 211,676	A
	50.0th	\$ 127,192	\$ 174,244	\$ 219,426	
Method 1 Using Total Compensation					
This method uses a Cost of Living Composite Index from RelocationEssentials.com to adjust the total annual compensation (from the Peer County Compensation Comparison Chart) for each peer county to reflect the amount that would need to be earned in Contra Costa County to maintain the same purchasing power as in the home county. The adjusted peer total annual compensation amounts are then analyzed to determine the mean, median and certain percentiles to indicate possible total annual compensation and base salary levels.	37.5th	\$ 111,567	\$ 156,277	\$ 196,599	B
	50.0th	\$ 117,023	\$ 162,551	\$ 204,570	
Method 2 Using Base Salary Only					
This method uses a ratio of annual base salary to the Median Value of Owner Occupied Housing Units from the U.S. Census (2013) to indicate the relative purchasing power of salary within each county based on single-family residential home values. The ratios are then analyzed to determine the mean, median and certain percentiles to indicate possible total annual compensation and base salary levels.	37.5th	\$ 119,791	\$ 165,733	\$ 208,614	C
	50.0th	\$ 129,065	\$ 176,398	\$ 222,162	
Method 2 Using Total Compensation					
This method uses a ratio of total annual compensation (from the Peer County Compensation Comparison Chart) to the Median Values of Owner Occupied Housing Units in each peer county from the U.S. Census (2013) to indicate the relative purchasing power of total annual compensation within each county based on single-family residential home values. The ratios are then analyzed to determine the mean, median and certain percentiles to indicate possible total annual compensation and base salary levels.	37.5th	\$ 111,058	\$ 155,692	\$ 195,858	D
	50.0th	\$ 127,074	\$ 174,109	\$ 219,254	
Method 3 Using CPI Adjustment Only					
This method adjusts the 2007 Contra Costa County BOS salary by the annual Consumer Price Index for All Urban Consumers - San Francisco area as of February 1. The CPI adjusted salary is then used to estimate total annual compensation.	CPI	\$ 114,090	\$ 158,178	\$ 200,285	E

**SCHEDULE "B"**  
**Board of Supervisors Salary Comparison**  
**Total Annual Compensation of Peer Counties**  
**Cost of Living Adjustment Method 1**

<u>Agency</u>	<u>Partial Annual</u>	<u>CCC Partial</u>	<u>Partial Annual</u>	<u>Add Back</u>	<u>Total Annual</u>
	<u>Compensation</u> <u>(Excluding</u> <u>Pension &amp; Def Comp)</u>	<u>Annual</u> <u>Compensation</u> <u>Equivalency</u> <u>COL Adjusted</u> <sup>2</sup>	<u>Compensation</u> <u>COL Adjusted</u> <sup>1</sup>	<u>Pension &amp;</u> <u>Def Comp</u>	<u>Compensation</u> <u>COL Adjusted</u> <sup>1</sup>
<b>Sonoma</b>	159,228	112,501	167,188	27,188	194,376
<b>Alameda</b>	166,369	121,968	161,127	33,297	194,424
<b>Ventura</b>	141,443	113,550	147,141	14,989	162,130
<b>Kern</b>	128,242	97,183	155,876	14,807	170,683
<b>Fresno</b>	124,820	103,331	142,690	20,281	162,972
<b>Sacramento</b>	117,648	105,220	132,077	14,444	146,521
<b>San Mateo</b>	134,489	134,951	117,720	14,755	132,476
<b>San Francisco</b>	118,263	156,922	89,024	9,534	98,558
<b>Average</b>	136,313		139,105	18,662	157,767
25th Percentile	123,181		128,488	14,677	143,010
37.5th Percentile	126,959		138,710	14,788	156,277
50th Percentile	131,365		144,916	14,898	<b>\$ 162,551</b>
75th Percentile	145,889		157,189	22,008	176,607
<b>Contra Costa</b>	<b>118,125</b>		<b>118,125</b>	<b>29,804</b>	<b>147,929</b>
% from Average	-15%		-18%	37%	-7%
% from 25th Percentile	-4%		-9%	51%	3%
% from 37.5th Percentile	-7%		-17%	50%	-6%
% from 50th Percentile	-11%		-23%	50%	-10%
% from 75th Percentile	-24%		-33%	26%	-19%

<sup>1</sup> Total Annual Compensation COL Adjusted is based on Cost of Living factors from [www.relocationessentials.com](http://www.relocationessentials.com) and reflects the compensation needed to support a comparable standard of living in Contra Costa County.

<sup>2</sup> CCC Total Annual Compensation Equivalency COL Adj is based on Cost of Living factors from [www.relocationessentials.com](http://www.relocationessentials.com) and reflects the compensation that would be required in that county to maintain the same lifestyle as in CCC at the \$147,929 total compensation level. Amount adjusted is \$118,125, which excludes pension and deferred compensation contributions.

<http://relocationessentials.com/off/www/tools/salary/col.aspx>

Deriving the annual salary level from total compensation, using 50th percentile as selected by the Committee:

	<u>Current</u>	<u>COL Adjusted</u>	<u>VAR</u>
Total Est Annual Compensation*	\$ 147,929	<b>\$ 162,551</b>	\$ 14,622 9.9%
Annual Salary	\$ 104,307	\$ 117,023	\$ 12,716 12.2%
Normal % Contrib to Pension @ 14.99%	\$ 16,784	\$ 18,690	\$ 1,906
Kaiser+Dental Single Coverage	\$ 6,155	\$ 6,155	\$ -
Kaiser Single Coverage	\$ 6,155	\$ 6,155	\$ -
Deferred Compensation	\$ 13,020	\$ 13,020	\$ -
Auto allowance	\$ 7,200	\$ 7,200	\$ -
Professional Development	\$ 463	\$ 463	\$ -

\*Excludes life insurance and statutory benefits: FICA, worker's comp, unemployment insurance

To derive total payroll from annual salary:

Total Payroll*	\$ 185,994	\$ 204,570	\$ 18,576 10.0%
Salary	\$ 104,307	\$ 117,023	\$ 12,716 12.2%
FICA @ 7.65%	\$ 8,530	\$ 9,503	\$ 973
Retirement @ 36%	\$ 40,143	\$ 44,720	\$ 4,578
Group Insurance	\$ 9,341	\$ 9,341	\$ -
Worker's Comp @ 2.13%	\$ 2,375	\$ 2,646	\$ 271
Unempl Insurance @ 0.3%	\$ 335	\$ 373	\$ 38
Supplemental (Auto Allowance)	\$ 7,200	\$ 7,200	\$ -
Other (Def Comp, Life Insurance)*	\$ 13,764	\$ 13,764	\$ -

\*Excludes Prof Dev Allowance

**SCHEDULE "B"**  
**Board of Supervisors Salary Comparison**  
**Total Annual Compensation of Peer Counties**  
**Cost of Living Adjustment Method 1**

<u>Agency</u>	<u>Partial Annual</u>	<u>CCC Partial</u>	<u>Partial Annual</u>	<u>Add Back</u>	<u>Total Annual</u>
	<u>Compensation</u> <u>(Excluding</u> <u>Pension &amp; Def Comp)</u>	<u>Annual</u> <u>Compensation</u> <u>Equivalency</u> <u>COL Adjusted</u> <sup>2</sup>	<u>Compensation</u> <u>COL Adjusted</u> <sup>1</sup>	<u>Pension &amp;</u> <u>Def Comp</u>	<u>Compensation</u> <u>COL Adjusted</u> <sup>1</sup>
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<b>Sacramento</b>	117,648	105,220	132,077	14,444	146,521
<b>San Mateo</b>	134,489	134,951	117,720	14,755	132,476
<b>San Francisco</b>	118,263	156,922	89,024	9,534	98,558
<b>Average</b>	136,313		139,105	18,662	157,767
25th Percentile	123,181		128,488	14,677	143,010
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50th Percentile	131,365		144,916	14,898	162,551
75th Percentile	145,889		157,189	22,008	176,607
<b>Contra Costa</b>	<b>118,125</b>		<b>118,125</b>	<b>29,804</b>	<b>147,929</b>
% from Average	-15%		-18%	37%	-7%
% from 25th Percentile	-4%		-9%	51%	3%
% from 37.5th Percentile	-7%		-17%	50%	-6%
% from 50th Percentile	-11%		-23%	50%	-10%
% from 75th Percentile	-24%		-33%	26%	-19%

<sup>1</sup> Total Annual Compensation COL Adjusted is based on Cost of Living factors from [www.relocationessentials.com](http://www.relocationessentials.com) and reflects the compensation needed to support a comparable standard of living in Contra Costa County.

<sup>2</sup> CCC Total Annual Compensation Equivalency COL Adj is based on Cost of Living factors from [www.relocationessentials.com](http://www.relocationessentials.com) and reflects the compensation that would be required in that county to maintain the same lifestyle as in CCC at the \$147,929 total compensation level. Amount adjusted is \$118,125, which excludes pension and deferred compensation contributions.

<http://relocationessentials.com/off/www/tools/salary/col.aspx>

Deriving the annual salary level from total compensation, using 37.5th percentile as selected by the Committee:

	<u>Current</u>	<u>COL Adjusted</u>	<u>VAR</u>
Total Est Annual Compensation*	\$ 147,929	<b>\$ 156,277</b>	5.6%
Annual Salary	\$ 104,307	\$ 111,567	7.0%
Normal % Contrib to Pension @ 14.99%	\$ 16,784	\$ 17,872	
Kaiser+Dental Single Coverage	\$ 6,155	\$ 6,155	
Kaiser Single Coverage		\$ -	
Deferred Compensation	\$ 13,020	\$ 13,020	
Auto allowance	\$ 7,200	\$ 7,200	
Professional Development	\$ 463	\$ 463	

\*Excludes life insurance and statutory benefits: FICA, worker's comp, unemployment insurance

To derive total payroll from annual salary:

Total Payroll*	\$ 185,994	\$ 196,599	\$ 10,605	5.7%
Salary	\$ 104,307	\$ 111,567	\$ 7,260	7.0%
FICA @ 7.65%	\$ 8,530	\$ 9,086	\$ 555	
Retirement @ 36%	\$ 40,143	\$ 42,756	\$ 2,614	
Group Insurance	\$ 9,341	\$ 9,341	\$ -	
Worker's Comp @ 2.13%	\$ 2,375	\$ 2,530	\$ 155	
Unempl Insurance @ 0.3%	\$ 335	\$ 356	\$ 22	
Supplemental (Auto Allowance)	\$ 7,200	\$ 7,200	\$ -	
Other (Def Comp, Life Insurance)*	\$ 13,764	\$ 13,764	\$ -	

\*Excludes Prof Dev Allowance

**Suggestions for Methodology to Phase in Recommended Salary Increment  
Based on Method 1 Using Total Compensation**

	Increments	Method to Arrive at 37.5th Percentile		Method to Arrive at 50th Percentile	
	Current Salary	2 @ 3.4216%	3 @ 2.2682%	3 @ 3.909%	4 @ 2.9175%
<b>Annual Base Salary:</b>	\$ 104,307				
	1	\$ 107,876	\$ 106,673	\$ 108,384	\$ 107,350
	2	\$ 111,567	\$ 109,092	\$ 112,621	\$ 110,482
	3		\$ 111,567	\$ 117,023	\$ 113,705
	4				\$ 117,023
<b>Annual Salary w/ Additional Compensation</b>	\$ 147,929	\$ 156,277	\$ 156,277	\$ 162,551	\$ 162,551
<b>Annual Total Payroll Cost</b>	\$ 185,994	\$ 196,599	\$ 196,599	\$ 204,570	\$ 204,570

## **Draft #1**

### **Ad Hoc Committee on the Board of Supervisors Compensation Report**

Summary of Report of the Ad Hoc Committee on Board of Supervisors Compensation (Scenario A)

#### RECOMMENDATIONS

- 1) Adjust the Board of Supervisors' base salary by 7% spread over two years. This represents an increase of close to 18% over June 1, 2013 base salary levels when taking into account the Board's temporary voluntary waiver of 2.75%. Make no other salary adjustment until July 1, 2018 except taking any proportional reduction to correspond to any general salary reduction under the "share the pain" principle.
- 2) Eliminate either the car allowance (\$7,200 per year) or the per-mile reimbursement allowance. No other peer county provides both allowances. If the Board chooses to eliminate the per-mileage reimbursement, we believe that an exception can be made for out-of-Bay Area travel. A Countywide policy should be reviewed on this issue.
- 3) Establish an ongoing salary review committee, very much like this Ad Hoc Committee, to review future elected official salary adjustments. This Committee ought to review and consider adopting a review methodology that includes quantifying annual compensation and factoring in cost of living differentials if peer county review is undertaken.

#### FISCAL IMPACT

(Staff will identify the fiscal impact once the Committee determines its final recommendations.)

#### EXECUTIVE SUMMARY

This Committee has worked to quantify annual compensation as opposed to limiting its review to just base salary data. (The Committee's analysis has taken in consideration that some counties are more or less generous with benefits than Contra Costa County.) In addition, we have worked to correct the external influence of geographic differences in cost of living between Contra Costa and its peer counties. This, too, has been taken into consideration in comparing compensation among peer counties.

This Committee has met 8 times and has reviewed over 500 pages of documentation. (Agendas, Record of Action notes, and background materials are all available at:

[http://64.166.146.155/agenda\\_publish.cfm?](http://64.166.146.155/agenda_publish.cfm?)



Attachment A to this Summary Report shows our calculation of Adjusted Annual Compensation for peer counties and a cost of living adjustment factor for those counties. (This is further explained on page XXX in the body of the report).

Attachment B to this Summary Report shows the Total Annual Compensation, COL Adjusted from the figures found on Attachment A, and ranked by average and incremental percentile comparisons for peer counties.

Attachment C to this Summary Report shows the implementation of the proposed salary in increments. This shows the incremental salary percentage against base salary and how it impacts Annual Total Payroll Costs.

#### Scenario B

- 1) Adjust the Board of Supervisors' base salary by 7% spread over three years. This represents an increase of close to 18% over June 1, 2013 base salary levels when taking into account the Board's temporary voluntary waiver of 2.75%. Make no other salary adjustment until July 1, 2019 except taking any proportional reduction to correspond to any general salary reduction under the "share the pain" principle.

#### Scenario C

- 1) Adjust the Board of Supervisors' base salary by 12% spread over three years. This represents an increase of close to 23% over the June 1, 2013 base salary levels when taking into account the Board's temporary voluntary waiver of 2.75%. Make no other salary adjustment until July 1, 2019 except taking any proportional reduction to correspond to any general salary reduction under the "share the pain" principle.

#### Scenario D

- 1) Adjust the Board of Supervisors' base salary by 12% spread over four years. This represents an increase of close to 23% over the June 1, 2013 base salary levels when taking into account the Board's temporary voluntary waiver of 2.75%. Make no other salary adjustment until July 1, 2020 except taking any proportional reduction to correspond to any general salary reduction under the "share the pain" principle.

#### BACKGROUND

The County Administrator invited the following organizations to nominate a member to the Ad Hoc Committee on Board of Supervisors Compensation: East Bay Leadership Council (Rick Wise, selected as Chair); Contra Costa Taxpayers' Association (Margaret Eychner, selected as Vice Chair); Contra Costa Civil Grand Jury Member (Michael Moore, selected as Secretary); Central Labor Council of Contra Costa County (Margaret Hanlon-Gradie); and Contra Costa Human Services Alliance (Stuart McCullough). This Committee met on April 9, April 16, April 23, May 7, May 12, May 28, June 11, and June 18, 2015.

A more detailed discussion on the progression towards this final recommendation follows in the remainder of this report to the Board.

This Committee was asked to (a) review the compensation of the Board of Supervisors; (b) recommend any adjustment to the compensation; (c) recommend a methodology and process by which any future increases would occur; and (d) prepare recommendations in time for consideration by the Board of Supervisors at its July 7, 2015 meeting.

On the face of it, if one only looks at base salary for members of the respective boards of supervisors in the nine Bay Area counties, the Contra Costa County Board of Supervisors' salary appears to be well below average (see Attachment "A"). However, early on, this Committee concluded that such a review (whether comparing Bay Area salaries or that of the Urban Counties in the State) should be based on total compensation, not just on base salary data. Our review indicated that the benefits accruing to members of the Board in Contra Costa County are more generous than those of many of the peer counties. While quantifying total compensation is not a precise science, we believed that looking at total compensation for comparable counties merited further investigation.

To start our review, the Committee identified five guiding principles in our pursuit of a salary review.

- 1) The salary must be fair and equitable.
- 2) Salary should be high enough to attract good candidates and not be should not be a barrier to service.
- 3) A process should be designed to de-politicize the salary setting effort.
- 4) The salary setting mechanism should be designed to "share the pain" when budget considerations require reductions.
- 5) Any major adjustment in salary should be phased in over time.

#### Compensation Model

During our first two meetings, the Committee debated whether Members of the Board should receive a salary with benefits like County employees or simply receive only a salary. In addition, the question arose as to whether the office of County Supervisor should be considered as full- or part-time. Additionally, there were discussions about pegging the Board's salary to another position, like that of Superior Court Judge, State legislator, or a County executive.

If one considers a member of the Board as being like an employee, i.e. granted a salary with benefits, this places the Board Member into a potential conflict of interest (i.e. giving themselves benefits that they have bargained with employee labor groups). Conversely, it was argued that by having the same benefits as their employees, Board Members would understand how it feels to live within those benefits. Concerning full- versus part-time status, given that the complex day-to-day operations of the County are vested with the County Administrator, nonetheless, the position of member of the Board of

Supervisors is a complex and challenging job. The Committee, therefore, considers the elected office of County Supervisor/Board of Supervisors Member to be full-time.

We also discussed the merits of having members of the Board receive only a salary with no added benefits. However, we did not find a model for treating a Member of the Board as having only a salary. Regarding the option of pegging the salary to another position, e.g., a Superior Court Judge, we concluded that pegging the salary to an arbitrary position, such as Superior Court Judge, did not make sense, as there is no nexus in job responsibilities.

There was a general discussion about retaining Board Members. It was felt that although the position is full-time, there was not consensus that the salary should be designed to attract a career politician. While the Committee acknowledged that special knowledge, some gained while serving, is required for Board Members, the consensus of the Committee was that the election cycle is designed to address issues of retention and, likewise, of job performance. The Committee consensus was to determine a salary for the position and its job description, rather than to address performance and retention.

#### Who Should Determine the Board's Compensation?

The Committee recommends that a Salary Commission be established to address future salary adjustments (up or down). While there are relatively few examples of Salary Commissions in the field of Boards of Supervisors, we note that the San Francisco model addressed our five guiding principles, including: setting a fair and equitable salary; addressing salary levels to attract good candidates; removing the salary setting process from the political agenda; providing that the Board "share the pain" during downturns in the county budget; and allowing for incremental adjustments when warranted.

A further investigation identified the following salary commissions: San Francisco (set by charter amendment November 5, 2002); the California Citizens' Compensation Commission (established by Proposition 112, June 1990 statewide ballot); and that of Multnomah County, Oregon (established by Charter Amendment in 1984).

In the California examples, there were statutory provisions for giving the salary commission actual salary setting authority, something that apparently is not available in Contra Costa County. The Contra Costa County Board of Supervisors could legislate that authority to an independent commission but it cannot bind its successors to uphold that authority into perpetuity. Nevertheless, Committee members believe that the advantage of an impartial review of Board compensation will provide sufficient incentive to maintain the practice.

It should be noted that the two California Salary Commissions have granted pay increases and also pay decreases during hard times. We also note that several counties, including those with Salary Commissions, include a Cost of Living adjustment periodically. We make no recommendations on this aspect as it is not currently granted to employee bargaining units.

#### Elements of Compensation for Comparison

We began our research by agreeing that we would use the nine Bay Area Counties as the basis for any comparison and, that we would try to quantify total compensation for any such comparison. Early on,

by using size and complexity, we agreed to compare Contra Costa to Alameda and San Mateo Counties<sup>1</sup> (see Chart "H"). We arrived at this conclusion after reviewing population, budget, number of employees, and general complexity of service, such as having a county hospital, of the nine Bay Area Counties. Over several meetings, staff worked to quantify total compensation for each of the three counties. It appeared to us that Contra Costa was more generous with its benefits granted to Board Members than the other two counties, but the other two counties had significantly higher base salaries. The Committee determined that total contribution to pension by the County was not a true measure of employee benefit because a county's contribution rate is heavily influenced by the general health of a county's retirement system. County retirement systems that have higher levels of unfunded accrued actuarial liabilities and/or who carry pension debt will necessarily have higher contribution rates. Higher contribution rates do not necessarily translate to better employee retirement benefits.

Pension issues were difficult to compare. The Committee chose to use only a county's contribution to the Normal Basic rate plus COLA. In Contra Costa, that figure is 14.99% for General Tier 3 w/o POB. (Actual retirement contribution by the County is 36%, which includes payment for Pension Obligation Bonds, and for paying down unfunded liabilities.)

To determine "Total Estimated Annual Compensation", staff added to the "Annual Base Salary" the following elements of compensation:

- County Pension Contribution Based on Normal Cost Only
- County Health/Dental Contribution for Kaiser Single Coverage
- Pension enhancement/Deferred Compensation
- Auto allowance
- Other (in Contra Costa County, this is professional development allowance)

It should be noted that statutory benefits, e.g., unemployment insurance, workers compensation, social security and Medicare were excluded from Total Estimated Annual Compensation. In addition, as noted previously, only the County's contribution to the normal cost of the pension (14.99%) was included for comparison purposes (even though actual retirement costs are 36% of salary) and again for comparison purposes, only Kaiser Single Coverage plus Dental contributions were used for County Health/Dental. (For actual total salary impact on the County Budget, see attachment XXX.)

At our second meeting, the Committee asked staff to quantify any additional income available to the Board to try to determine total compensation. Specifically, staff was asked to quantify stipends for the various boards and commissions assigned to Board Members. California Form 806 (Agency Report of Public Official Appointments), which is to be filed yearly, showed the Board assignments and the yearly reimbursement if all meetings are attended. According to the latest filing for Contra Costa County (2-10-15), Board Members average a maximum yearly stipend of \$7,500 (see Attachment x). The following is

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<sup>1</sup> During our review of Board salaries, we noted that the 7% adjustment for the Board effective 6/1/15 is on top of a restoration of the 2.75% voluntary reduction that was taken by the Board, which is not the case for any other group or bargaining unit. The current effective increase over the Board's actual June 1, 2013 salary amounts to a 9.75% increase. This is factored into the Committee's recommendation.

the total available for each Board Member assuming they attend every meeting in 2015: Gioia, \$3,600; Andersen, \$7,800; Piepho, \$7,440; Mitchoff, \$9,300; and Glover, \$9,240. It should also be noted that these assignments can rotate yearly.

A review of similar Form 806 for peer counties does not provide complete data. It is evident that urban counties are likely to have more boards and commissions than other peer counties. For example, in addition to many local boards and commissions, the Bay Area has several "regional" boards including ABAG (Association of Bay Area Counties); BAAQMD (Bay Area Air Quality Management District); BCDC (Bay Conservation and Development Commission); MTC (Metropolitan Transportation Commission); etc. The Committee considers the stipends for Members of the Board to be significant. However, the Committee chose to exclude stipends from the compensation review because precise data was not readily available from the peer counties.

#### Adjusting Compensation for Geographic Differences in Cost of Living: Expanding the Peer County Base

The Committee also considered simpler salary setting methodologies such as taking the nine Bay Area counties, disregarding out the lowest and highest salaries, and setting the Board's salary at the average of the remaining salaries or, alternatively, summing the two highest and two lowest salaries and dividing by four. A quick calculation indicated that the current base salary for the Board was almost 16% below the average of the nine Bay Area counties. This begged the question before the Committee, how do we quantify total compensation for peer counties and what does it really mean in terms of this County's compensation?

At our third meeting, staff had found a similar salary review ad hoc committee effort that was just concluded in Santa Barbara County. This effort was directed by the County HR staff and included six members of the public. That Committee identified nine peer counties for review. After eliminating the highest and lowest salary counties, seven peer counties remained for comparison. That Committee then factored in the difference in the cost of living between Santa Barbara County and its seven peers using a Cost of Living Composite Index from RelocationEssentials.com, a private entity. (See Attachment x)

The Cost of Living Composite Index at RelocationEssentials.com represents the differences in the price of goods and services for the subject market(s). The Composite Index is made up of six universally accepted major categories. The six categories, shown with their percentage representation are: Food & Groceries (16%), Housing (28%), Utilities (8%), Transportation (10%), Health Care (5%), and Miscellaneous (33%).

To check the veracity of the data at RelocationEssentials.com, we compared the Median Household Income reported by RelocationEssentials.com with that of the U.S. Census for 2013 for the selected peer counties and found them to be consistent.

The Cost of Living Composite Index gave our Committee the tool (in theory) to make meaningful compensation comparisons between Contra Costa County and "peer" counties both within and outside the Bay Area. Clearly, there is a significant difference in the cost of living and, thus, the salaries between Contra Costa and San Mateo Counties, for example, even though both are Bay Area counties. After reviewing Santa Barbara's methodology, we chose to expand our peer county base. Using county population, unincorporated county population, and budget, and giving preference to the most

comparable Bay Area counties, we selected the following counties as "peer counties" (See attachment x):

- Alameda (4 criteria)
- San Mateo (4 criteria)
- Sacramento (2 criteria)
- Fresno (2 criteria)
- Kern (2 criteria)
- Ventura (2 criteria)
- Sonoma (2 criteria)
- San Francisco (2 criteria)

#### Peer County Comparison

Adjusting the Total Estimated Annual Compensation for the peer counties by the Cost of Living Composite Index, we arrived at an "Adjusted Annual Compensation" for peer county comparison (see chart titled: "Contra Costa County Comparison of Total Compensation to Peer Counties", attached as \_\_\_\_\_). We also gathered data to compare other elements of compensation that did not lend themselves to being included in Total Estimated Annual Compensation but are nonetheless significant elements. For example, we estimated what the annual retirement benefit would be for a board member in each county based on their pension benefit formula at a retirement age of 55 with eight years of service (two elective terms of office) at Contra Costa's salary plus cash benefits. Contra Costa is right at the average for peer counties.

Using the adjusted compensation for each peer county, we prepared scenarios that calculated average compensation and compensation calculated at the 25th, 37.5th, 50th (median), and 75th percentiles.

#### Guiding Principles for the Committee's Analysis and Recommendations

By the fourth meeting (May 7, 2015), the Committee established the following points of consensus:

- 1) The job of County Supervisor should be compensated as a full time job.
- 2) The salary should not be tied to a judge or any position not related or comparable to a County Supervisor.
- 3) The salary should not be tied to another County job classification.
- 4) An independent commission should review the Board's salary at regular intervals.
- 5) The Board's salary should be based on the duties and responsibilities of the position rather than on performance of the official (performance to be decided by the electorate).
- 6) While salary is not the guiding factor for Supervisorial candidates, it should not be so low as to be a barrier to public service and should be high enough to attract good candidates.

- 7) The methodology for future salary setting should embody the leadership principles of sharing the pain during tough times.
- 8) The methodology for future salary setting should attempt to de-politicize the determination of Board compensation.
- 9) The following counties should be used for comparison, on the basis of general population, unincorporated area population, and budget: Alameda, San Mateo, Sacramento, Fresno, Kern, Ventura, Sonoma, and San Francisco.
- 10) Compensation for other counties should be corrected for geographical cost of living differences.
- 11) The following elements of compensation should be included; however this may change as the data is refined: base salary, county normal contribution to pension, estimated annual pension benefit at 55 with 8 years of service, county contribution to health/dental coverage, deferred compensation or like benefit, auto allowance, any other case benefit. Retiree health and life insurance will be excluded but may be considered on a qualitative basis.
- 12) A commission should review the Board's salary every three years.
- 13) No automatic salary escalator, such as CPI or general employee wage increase, should be applied between BOS salary reviews.

At the Committee's fifth meeting (May 12, 2015), the Committee added:

- 14) Compensation for other counties should be corrected for geographic cost of living differences.
- 15) The Board should be paid at a percentile of market commensurate with County employees, provided there is meaningful data available for such a comparison.

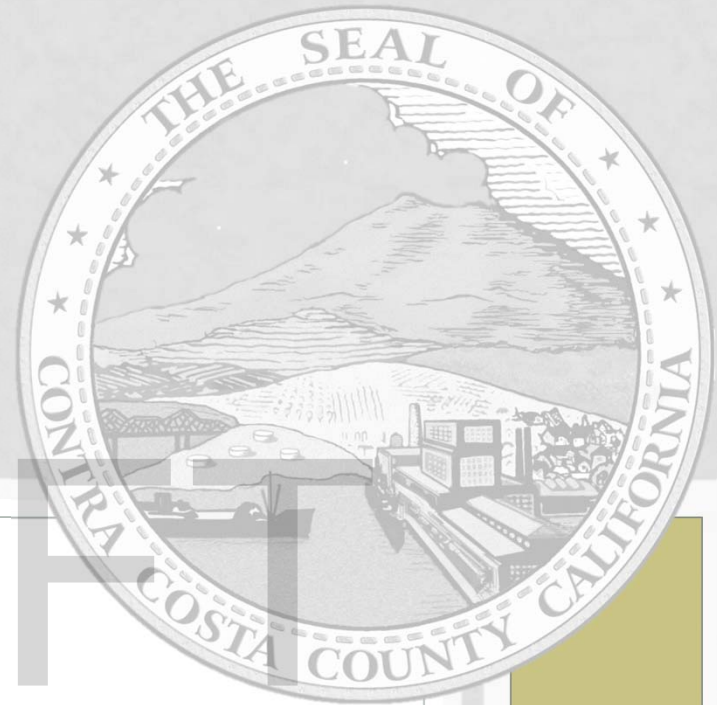
Points left to be decided included:

- On what factors should the compensation comparison be based: salary, salary plus cash benefits, or an estimate of total compensation (which may involve subjective assumptions)?
- At what percent of median/percentile should the BOS salary/compensation be placed?
- Should any of the current cash benefits be eliminated and/or rolled into the base salary?
- Whatever the final outcome of the analysis, should the next adjustment be phased in over time or applied all at once? And if phased in, on what schedule?



# BOARD OF SUPERVISORS' COMPENSATION

AD HOC COMMITTEE ON  
BOARD OF SUPERVISORS COMPENSATION



July 7, 2015

# BACKGROUND

- Board directed CAO to form a committee to review Board member compensation and methodology, composed of representatives nominated by these organizations:
  - Contra Costa County Civil Grand Jury
  - Contra Costa Taxpayers' Association
  - East Bay Leadership Council (formerly the Contra Costa Council)
  - Contra Costa County Central Labor Council
  - Contra Costa County Human Services Alliance
- Board directed Committee to hold open meetings and report its recommendations to the Board on July 7

# COMMITTEE COMPOSITION

East Bay Leadership  
Council

Rick Wise, Chair

Contra Costa Taxpayers'  
Association

Margaret Eychner, Vice  
Chair

Contra Costa County Civil  
Grand Jury

Michael Moore, Secretary

Contra Costa County  
Central Labor Council

Margaret Hanlon-Gradie

Contra Costa County  
Human Services Alliance

Stuart McCullough

Facilitator

Steve Weir

# CONTEXT

- Data at that time showed the Board salary, at \$97,483, lowest among urban CA counties and second-lowest among Bay Area counties.
- The Board approved a salary increase of 7% to \$104,307, eff 6/1/15, following the repeal of an ordinance that would have raised the salary to \$129,227 and tied the salary to 70% of a superior court judge's salary

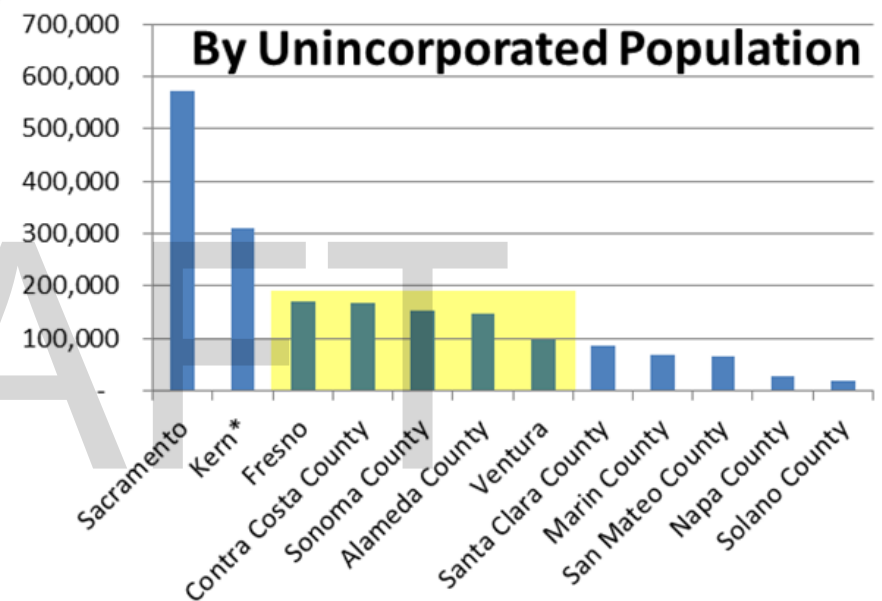
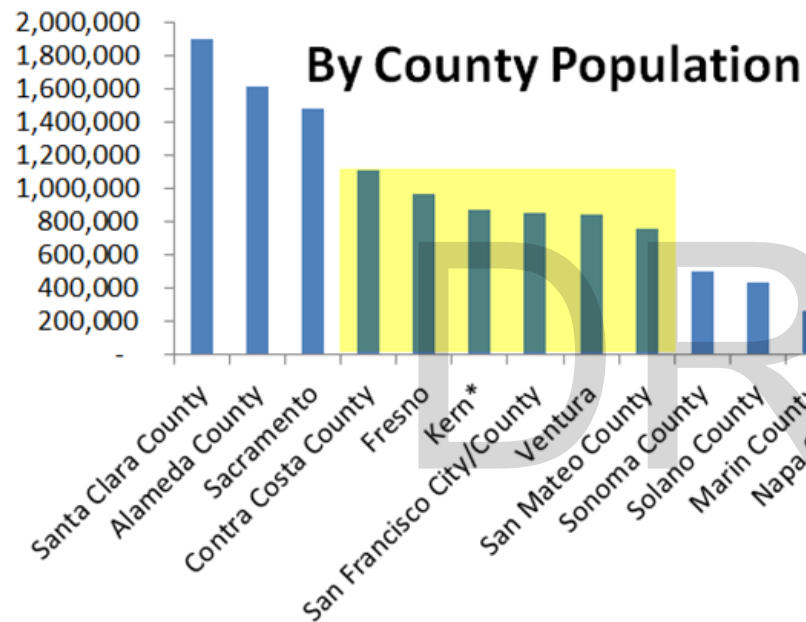


# COMMITTEE REVIEW

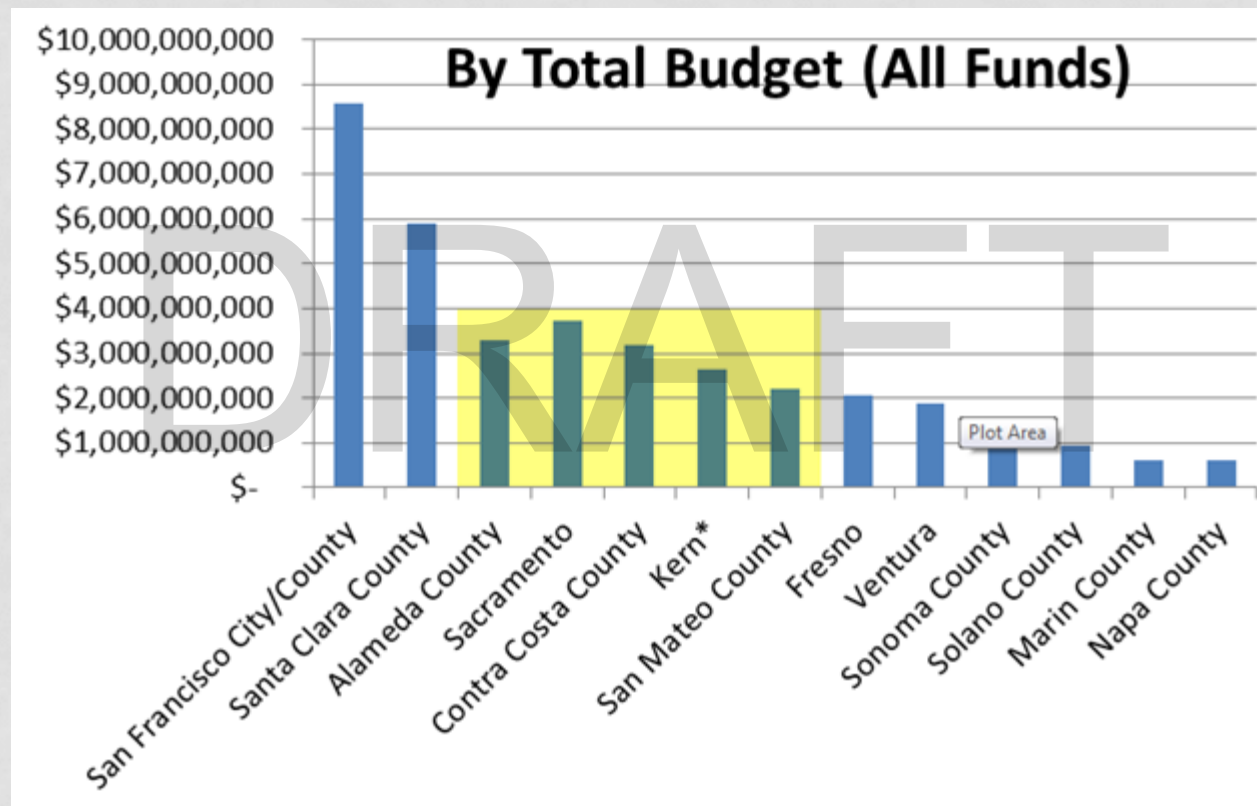
During six public meetings, Committee reviewed:

- information related to Board salaries, duties, and salary-setting methodologies
- characteristics of potential “peer counties” such as total and unincorporated county population, number of cities, budget, number of employees, median household income, median home value, and extraordinary features
- base salary and other compensation of counties selected as peer counties
- Contra Costa compensation compared to peer counties based on average, 25<sup>th</sup>, 37.5<sup>th</sup>, 50<sup>th</sup>, and 75<sup>th</sup> percentiles

# PEER COUNTY SELECTION: POPULATION



# PEER COUNTY SELECTION: BUDGET



July 7, 2015



# FINAL PEER COUNTY SELECTION

Counties were identified as peers if they were a close match to Contra Costa in at least two of these four attributes:

BA: Bay Area county  
P: Population  
UI: Unincorp. Popltn  
B: Budget

				<u>County</u>	<u>County Population<sup>6</sup></u>	<u>UI Population<sup>6</sup></u>	<u>FY 2014/15 Total All Funds</u>
<u>Filters*</u>							
			BA	Santa Clara	1,889,638	87,182	\$ 5,892,779,051
B	UI	P	BA	Alameda	1,594,569	146,787	\$ 3,296,908,180
B		P		Sacramento	1,470,912	573,313	\$ 3,722,736,822
B	UI	P	BA	Contra Costa	1,102,871	168,323	\$ 3,171,226,845
	UI	P		Fresno	972,297	170,459	\$ 2,045,821,381
B		P		Kern	874,264	309,050	\$ 2,649,205,958
	UI	P		Ventura	848,073	97,497	\$ 1,881,456,411
		P	BA	San Francisco	845,602	N/A	\$ 8,581,831,912
B		P	BA	San Mateo	753,123	64,615	\$ 2,209,518,947
	UI		BA	Sonoma	496,253	152,918	\$ 1,457,085,749
			BA	Solano	429,552	18,790	\$ 922,572,425
			BA	Marin	258,972	68,488	\$ 605,147,181
			BA	Napa	140,362	26,899	\$ 624,414,293
				<sup>6</sup> CA Dept of Finance for 1/1/15			

# OTHER COMPENSATION

The Committee included the following non-salary compensation in its analysis:

- County pension contribution of Normal Cost for Basic + COLA
- County contribution towards health/dental coverage based on Kaiser Single coverage
- Deferred Compensation contribution
- Auto allowance
- Other cash payments (professional development, flexible spending or other cash payments)

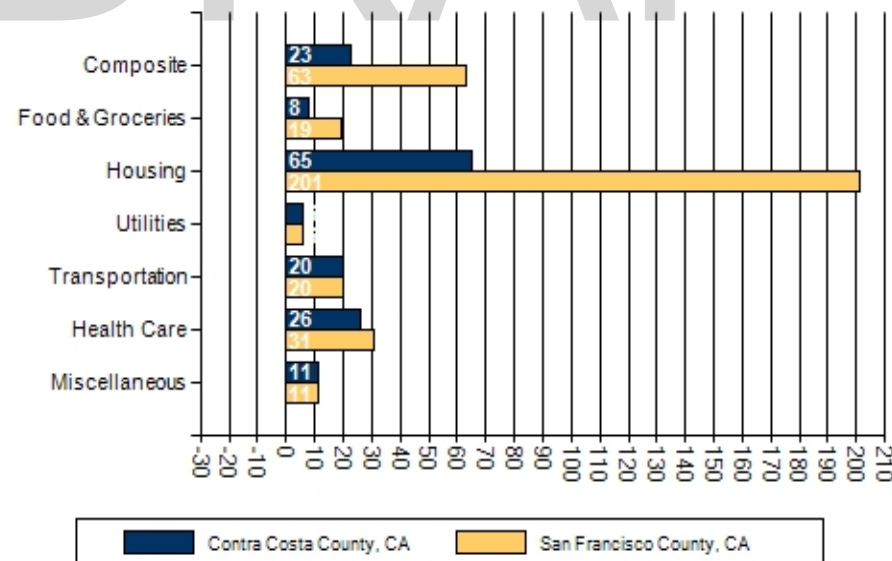
# OTHER COMPENSATION

The Committee also considered these additional benefits on a qualitative basis:

- Pension benefit, e.g., X% at 55, based on eight years of service (two terms of office)
- Retiree health benefit, if any

# GEOGRAPHIC COST OF LIVING DIFFERENTIAL

The Committee used a cost of living composite index from RelocationEssentials.com to adjust the salary and other compensation (excluding pension and deferred compensation) in order to estimate the compensation that would be needed to support the same standard of living in Contra Costa County as is supported by the compensation in each peer county.



July 7, 2015

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# PEER COUNTY COMPARISON

<u>Agency</u>	<u>Partial Annual Compensation (Excluding Pension &amp; Def Comp)</u>	<u>CCC Partial Annual Compensation Equivalency COL Adjusted<sup>2</sup></u>	<u>Partial Annual Compensation COL Adjusted<sup>1</sup></u>	<u>Add Back Pension &amp; Def Comp</u>	<u>Total Annual Compensation COL Adjusted<sup>1</sup></u>
<b>Sonoma</b>	159,228	112,501	167,188	27,188	194,376
<b>Alameda</b>	166,369	121,968	161,127	33,297	194,424
<b>Ventura</b>	141,443	113,550	147,141	14,989	162,130
<b>Kern</b>	128,242	97,183	155,876	14,807	170,683
<b>Fresno</b>	124,820	103,331	142,690	20,281	162,972
<b>Sacramento</b>	117,648	105,220	132,077	14,444	146,521
<b>San Mateo</b>	134,489	134,951	117,720	14,755	132,476
<b>San Francisco</b>	118,263	156,922	89,024	9,534	98,558
<b>Average</b>	136,313		139,105	18,662	157,767
<b>25th Percentile</b>	123,181		128,488	14,677	143,010
<b>37.5th Percentile</b>	126,959		138,710	14,788	\$ 156,277
<b>50th Percentile</b>	131,365		144,916	14,898	162,551
<b>75th Percentile</b>	145,889		157,189	22,008	176,607
<b>Contra Costa</b>	<b>118,125</b>		<b>118,125</b>	<b>29,804</b>	<b>147,929</b>
<b>% from Average</b>	-15%		-18%	37%	-7%
<b>% from 25th Percentile</b>	-4%		-9%	51%	3%
<b>% from 37.5th Percentile</b>	-7%		-17%	50%	-6%
<b>% from 50th Percentile</b>	-11%		-23%	50%	-10%
<b>% from 75th Percentile</b>	-24%		-33%	26%	-19%

<sup>1</sup>Total Annual Compensation COL Adjusted is based on Cost of Living factors from [www.relocationessentials.com](http://www.relocationessentials.com) and reflects the compensation needed to support a comparable standard of living in Contra Costa County.

<sup>2</sup>CCC Total Annual Compensation Equivalency COL Adj is based on Cost of Living factors from [www.relocationessentials.com](http://www.relocationessentials.com) and reflects the compensation that would be required in that county to maintain the same lifestyle as in CCC at the \$147,929 total compensation level. Amount adjusted is \$118,125, which excludes pension and deferred compensation contributions.



# DERIVING BASE SALARY FROM TARGET TOTAL COMPENSATION

	<u>Current</u>	<u>COL Adjusted</u>		<u>VAR</u>
Total Est Annual Compensation*	\$ 147,929	\$ 156,277	\$ 8,348	5.6%
Annual Salary	\$ 104,307	\$ 111,567	\$ 7,260	7.0%
Normal % Contrib to Pension @ 14.99%	\$ 16,784	\$ 17,872	\$ 1,088	
Kaiser+Dental Single Coverage	\$ 6,155	\$ 6,155	\$ -	
Kaiser Single Coverage				
Deferred Compensation	\$ 13,020	\$ 13,020	\$ -	
Auto allowance	\$ 7,200	\$ 7,200	\$ -	
Professional Development	\$ 463	\$ 463	\$ -	
*Excludes life insurance and statutory benefits: FICA, worker's comp, unemployment insurance				

# ESTIMATING TOTAL PAYROLL COST AT TARGET COMPENSATION

Total Payroll*	\$ 185,994	\$ 196,599	\$ 10,605	5.7%
Salary	\$ 104,307	\$ 111,567	\$ 7,260	7.0%
FICA @ 7.65%	\$ 8,530	\$ 9,086	\$ 555	
Retirement @ 36%	\$ 40,143	\$ 42,756	\$ 2,614	
Group Insurance	\$ 9,341	\$ 9,341	\$ -	
Worker's Comp @ 2.13%	\$ 2,375	\$ 2,530	\$ 155	
Unempl Insurance @ 0.3%	\$ 335	\$ 356	\$ 22	
Supplemental (Auto Allowance)	\$ 7,200	\$ 7,200	\$ -	
Other (Def Comp, Life Insurance)*	\$ 13,764	\$ 13,764	\$ -	
<i>*Excludes Prof Dev Allowance</i>				



# PHASING THE PROPOSED INCREASE IN INCREMENTS

	Increments	Method to Arrive at 37.5th Percentile	
	Current Salary	2 @ 3.4216%	3 @ 2.2682%
<b>Annual Base Salary:</b>	\$ 104,307		
	1	\$ 107,876	\$ 106,673
	2	\$ 111,567	\$ 109,092
	3		\$ 111,567
	4		
<b>Annual Salary w/ Additional Compensation</b>	\$ 147,929	\$ 156,277	\$ 156,277
<b>Annual Total Payroll Cost</b>	\$ 185,994	\$ 196,599	\$ 196,599

July 7, 2015

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# BOARD DIRECTION

- Target for future salary increase (Committee consensus is the 37.5<sup>th</sup> percentile)
- Timing and number of initial and future increases (no recommendation from the Committee??)
- Mechanism for future salary adjustments (Committee consensus is a peer county analysis ever three years)
- Additional direction for staff?

# DRAFT

## QUESTIONS?

AD HOC COMMITTEE ON BOARD COMPENSATION

July 7, 2015

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