

**GRAND JURY REPORT NO. 0702:
BOARD OF SUPERVISORS' BUDGET, COMPENSATION AND STAFFING REPORT**

FINDINGS

1. The five-member elected Board of Supervisors is the governing body of Contra Costa County, responsible for the County budget and the operations of the County government.

Response: Agree.

2. The California Constitution provides that the Board of Supervisors shall prescribe by ordinance the compensation of its members: Article XI, Section I, Subsection (b).

Response: Agree.

3. The California Penal Code, section 927, reads as follows: "A grand jury may, and when requested by the board of supervisors shall, investigate and report upon the needs for increase or decrease in salaries of the county-elected officials. A copy of such a report shall be transmitted to the board of supervisors."

Response: Agree.

4. As elected County officials, Supervisors receive a salary that is paid without regard to hours worked. Given the commitments of the many boards, committees, and authorities, most Supervisors work 50-70 hours per week.

Response: Agree.

5. As of December 2006, Contra Costa County Supervisors received a monthly salary of \$4,993 (\$59,916 annually) and an auto allowance of \$550 per month, plus a mileage reimbursement. The County contributed \$60 per month plus \$6,000 annually, to their deferred compensation account. Supervisors are entitled to the same benefits as all other County employees.

Response: Partially disagree. The Supervisors are not eligible to earn the paid leave credits earned by other County employees, such as vacation, sick leave, administrative leave, and floating holiday leave.

6. Typically, each supervisor serves on more than 25 County and regional boards, commissions and authorities, most of which do not pay stipends (fixed sum of money paid periodically for services). Estimated total stipends range from approximately \$300 to \$600 monthly per Supervisor. Paying stipends to supervisors is a common practice in California.

Response: Agree, with the clarification that for 2007, each Supervisor serves on between 20 to 25 regional boards, commissions, and authorities.

7. The six other elected County officials' annual current salaries range from \$120,519 to \$183,393. The twenty-one County executives' and department heads' salaries range from \$86,841 to \$271,000.

Response: *Agree, with the clarification that the high end of the department head salary range includes special differential pay for on-call duty.*

8. Twenty-four percent (24%) of all County employees (union and non-union) have higher salaries than Supervisors.

Response: *Agree.*

9. The County has a history of maintaining competitive compensation for the workforce. This has been demonstrated in past years by salary increases and cost-of-living adjustments (“COLA”) for union and non-union employees. The Supervisors have not followed this practice for their own positions. The Supervisors' last salary adjustments of 2.02 % (\$85 per month) and 3.55% (\$152 per month) occurred in June and October 1998, respectively. Their last COLA adjustment of 4.1% (\$198 per month) occurred in October 2001.

Response: *Agree.*

10. To evaluate the relative compensation of the BOS, the Grand Jury selected six counties of comparable population and budget sizes as follows:

California County Comparison (based on population and budget sizes)(October 2006)

County	Monthly Salary*	Monthly Auto Allowance	Deferred Compensation	County Budget (Billions)	Population
Alameda	\$10,046	\$310.56 biwkly	\$8,000/yr	\$2.19	1,500,000
Ventura	\$8,790	\$375	Up to \$263/mo	\$1.47	742,000
Fresno	\$7,534	\$250	\$0	\$1.28	824,000
San Mateo	\$6,981	\$385 biwkly	\$0	\$1.48	707,000
Kern	\$6,854	\$584	\$0	\$1.30	703,000
Sacramento	\$6,593	\$500	\$0	\$2.35	1,219,000
Contra Costa	\$4,993	\$550+mileage	\$60/mo + \$6,000/yr	\$1.45	1,000,000

Notes: * Salary formula (10/2006): Alameda sets their BOS salaries at 80% of Superior Court Judges.

** County / regional committee stipends and county benefit payments were also considered but excluded because it was difficult to obtain accurate and comparable data. The fees and benefit practices were consistent among the counties studied.

Response: *Agree that compared to counties of similar population and budget, Contra Costa Board member compensation was the lowest in October 2006 when excluding retirement and health benefits.*

11. The County salary comparison used all income items paid to the Supervisors for which comparable and consistent data were available, including salary, auto allowance (excluding mileage) and deferred compensation. The total supervisor compensation for counties included in the survey was then adjusted for cost of living differences, compared to the Contra Costa County base of 100.0%. Following is the summary with the compensation dollars adjusted for cost-of-living differences:

County	Base Salary Defer Comp, & Car	Cost-of-Living Index by County*	Adjusted Compensation
Alameda	\$11,386	104.0%	\$10,948
Ventura	\$9,428	93.0	\$10,138
Fresno	\$7,784	83.0	\$9,378
San Mateo	\$7,815	114.0	\$6,855
Kern	\$7,438	77.0	\$9,660
Sacramento	\$7,093	84.0	\$8,440
Contra Costa	\$6,103	100.0%	\$6,103

Six counties: Average = \$9,237, or 51.4% above Contra Costa County’s total compensation (salary, auto allowance and deferred compensation) for Supervisors.

*Note: *Cost-of-living differences in the six counties selected for comparisons incorporates consumer purchasing, housing, transportation, taxes, health care, and miscellaneous items (i.e., private schools and recreation). The source of data is from the Economic Research Institute (ERI).*

Response: ***Agree that in October 2006, Contra Costa Board member compensation was the lowest when excluding retirement and health benefits and when adjusted by the cost-of-living index.***

- Based primarily on the geographic size of the districts, Supervisors for Districts I, II and IV are entitled to four and one-half (4 1/2) Full-Time Equivalent (FTE) staff members. The Supervisor for District III is entitled to six (6) FTE staff members. The Supervisor for District V is entitled to five (5) FTE staff members. Supervisors may split FTE positions into several part-time positions in order to extend office coverage.

Following is a list of positions and monthly salaries for the Supervisors’ FTE staff members:

BOS Chief of Staff	\$5,329.30
BOS Specialist	\$4,602.87-4,833.02
BOS General Secretarial	\$3,507.83-4,385.34
BOS General Office	\$2,440.01-3,433.35

Staff members are hired by the elected Supervisors and are employed as “at will” employees as a condition of their employment. These four positions are in unique County classifications not used by other County departments. As such, they are not regularly market-surveyed in regard to compensation. The last salary adjustment, (other than COLA), was given in 1998 when the positions were re-titled and the salaries were increased by 5.02%. All positions are eligible for COLA increases approved by the County for non-union employees. In 2004, all non-union County employees were granted an increase of 3.0%.

Response: ***Agree.***

- The Supervisors’ staff positions are not comparable to other County job classifications. The salary ranges for the Supervisors’ staff are established relative to the Chief of Staff position. Using the same methodology as for Supervisors, following is a summary of the survey information and adjusted compensation based on the cost-of-living index.

County	BOS Chief of Staff Monthly Salary	Cost-of-Living Index by County	Adjusted Compensation
Alameda	\$8,411	104.0%	\$8,088
Ventura	\$6,257	93.0	\$6,728
Fresno	\$4,563	83.0	\$5,498
San Mateo	\$5,751	114.0	\$5,045
Kern	\$4,334	77.0	\$5,629
Sacramento	\$4,892	84.0	\$5,824
Contra Costa	\$5,329	100.0%	\$5,329

Six counties: Average = \$6,135, or 15.1% above Contra Costa County's salary for BOS Chief of Staff

Response: Agree that Contra Costa County Supervisors' staff positions have the lowest salaries among similar counties when excluding retirement, health, and other benefits. Note however that a comparison of Supervisor staff and job classifications among similar counties is not as simple as comparing the Supervisors' salaries. Although the staff positions are "at will", they are eligible for the same array of benefits as County management employees. Benefits such as retirement, group health insurance, and retiree health figure significantly in the total compensation package. Consequently, a comparison of staff positions compensation should consider all material compensation factors. Moreover, the job classifications and requirements for the staff positions may differ significantly from county to county depending on how the Board and County Administrative functions are organized.

14. Each County Supervisor's budget is prepared in cooperation with the County Administrator and subsequently adopted by the BOS. While Supervisors may request special consideration for budget adjustments, including staff salary increases, they have not done so.

Response: Agree. Supervisors staffing and salary levels have been maintained at consistent service levels since 2001. Budget allocations have been increased commensurate with cost-of-living and employee benefits increases.

RECOMMENDATIONS

The 2006-2007 Contra Costa County Grand Jury recommends that:

1. Supervisors' compensation (salary, auto allowance and deferred compensation) as of December 2006 should be increased by 51%, to take effect following the next Supervisorial election in November 2008.

Response: Has been implemented. On January 20, 2007, Ordinance No. 2006-70 was enacted, which increased the County Supervisors' salaries by 60% effective February 17, 2007 and will increase the salaries by an additional 2% effective July 1, 2007.

2. Supervisors' salaries should be adjusted consistent with countywide COLA adjustments, effective January 2007.

Response: *Has been implemented. See County's response to Recommendation No. 1.*

- Supervisors' staff salary ranges should be increased by 15%, effective January 2007.

Response: *Requires further analysis. The County will undertake a compensation study to determine the appropriate salary level for the Supervisors' staffs. This analysis will be completed within three months.*

- Supervisors' staff salary ranges should be adjusted consistent with countywide COLA adjustments for non-union staff.

Response: *Has been implemented. As exempt management employees, Supervisors' staff members receive the same cost-of-living adjustments as non-union and other management employees.*

- Supervisors should establish a practice of annually reviewing their staff salaries to ensure they are equitable and commensurate with their responsibilities.

Response: *Will not be implemented because it is not warranted. The County's Human Resources Department is charged with monitoring the labor market to establish and maintain job parity for all County job classifications. Absent significant changes in the job duties, pay parity studies are only necessary every three to five years, or as needed to address specific recruitment and retention issues.*