

**LOCAL AGENCY FORMATION COMMISSION  
FOR SAN BERNARDINO COUNTY**

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**DATE:** JULY 13, 2016  
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
**TO:** LOCAL AGENCY FORMATION COMMISSION



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**SUBJECT:** Agenda Item #11: Policy and Procedure Manual Amendments  
Establishing Compensation Range for Executive Officer and Incentive  
Payment

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**RECOMMENDATION:**

Staff recommends that the Commission:

1. Approve amendments to the LAFCO Policy and Procedure Manual, Section III (Human Resources) Chapter 2 Employment, Policy 2(B) establishing compensation range for the Executive Officer position;
2. Adopt Resolution No. 3228 to amend its Policy and Procedure Manual.

**BACKGROUND:**

At the June 15, 2016 hearing, as a part of the ongoing discussions related to the contract with the existing Executive Officer, the Commission has been advised by Legal Counsel that it should provide for a salary range for this position rather than its past practice of providing for an annually determined salary. This same type of change was approved by the County in its Exempt Compensation Plan by action taken at the June 14, 2016 Board hearing. The County staff report and ordinance are included as Attachment #1 to this report.

In moving in the direction to establish a salary range, one issue for the Commission to determine is whether they wish to establish a single salary range which would be applied to the current returning annuitant contract position or address the question of a range to be utilized in the recruitment process. Such a range designation could depend upon the qualifications of a new applicant, taking into consideration education and experience that are brought to the table. Staff is proposing that the salary range be established with

internal levels to allow for addressing the qualifications of a future applicant for this position as well as the status of the current contractor. In addition, the range would be subject to the same wage increases approved for regular employees at the January 27, 2016 hearing. Staff's recommendation is that the range be identified as follows, with the levels underneath identified:

Executive Officer effective January 9, 2016 – Hourly rate from \$75.82 to \$115.31

Level A:	Hourly Rate from \$75.82 (Step 1) to \$104.47 (Step 14)
Level B:	Hourly Rate from \$77.71 (Step 1) to \$107.09 (Step 14)
Level C:	Hourly Rate from \$79.64 (Step 1) to \$109.77 (Step 14)
Level D:	Hourly Rate from \$81.63 (Step 1) to \$112.51 (Step 14)
Level E:	Hourly Rate from \$83.66 (Step 1) to \$115.31 (Step 14)

Executive Officer effective July 23, 2016 – 1% Increase – Hourly rate from \$76.57 to \$116.46

Level A:	Hourly Rate from \$76.57 (Step 1) to \$105.51 (Step 14)
Level B:	Hourly Rate from \$78.49 (Step 1) to \$108.16 (Step 14)
Level C:	Hourly Rate from \$80.44 (Step 1) to \$110.87 (Step 14)
Level D:	Hourly Rate from \$82.45 (Step 1) to \$113.64 (Step 14)
Level E:	Hourly Rate from \$84.50 (Step 1) to \$116.46 (Step 14)

Executive Officer effective July 22, 2017 – 2% Increase – Hourly rate from \$78.10 to \$118.79

Level A:	Hourly Rate from \$78.10 (Step 1) to \$107.62 (Step 14)
Level B:	Hourly Rate from \$80.06 (Step 1) to \$110.32 (Step 14)
Level C:	Hourly Rate from \$82.05 (Step 1) to \$113.09 (Step 14)
Level D:	Hourly Rate from \$84.10 (Step 1) to \$115.91 (Step 14)
Level E:	Hourly Rate from \$86.19 (Step 1) to \$118.79 (Step 14)

Executive Officer effective July 21, 2018 – 3% Increase – Hourly rate from \$80.44 to \$122.35

Level A:	Hourly Rate from \$80.44 (Step 1) to \$110.85 (Step 14)
Level B:	Hourly Rate from \$82.46 (Step 1) to \$113.63 (Step 14)
Level C:	Hourly Rate from \$84.51 (Step 1) to \$116.48 (Step 14)
Level D:	Hourly Rate from \$86.62 (Step 1) to \$119.39 (Step 14)
Level E:	Hourly Rate from \$88.78 (Step 1) to \$122.35 (Step 14)

Discussions with the Administrative Ad Hoc committee and the Commission also directed that staff and Legal Counsel look at the potential to provide for an incentive payment system to address those unique applications submitted for consideration and to acknowledge the expertise necessary to bring them through the process. The original incentive payment system was implemented in April of 2015, again mirroring the County Exempt Compensation Plan, for regular LAFCO employees providing for a one-time enhancement to acknowledge the sacrifices made in foregoing wage increases that had

been originally adopted. Legal Counsel has provided proposed language to provide for a means to incentivize the effort necessary for the more complex and time-sensitive applications or other unique situations.

*Any [\*\*\*INSERT POSITION OR LIST OF POSITIONS\*\*\*] who has received a rating of exceptional or higher on her/his annual performance evaluation is eligible for an incentive bonus not to exceed \$10,000. The decision to award an employee an incentive bonus, as well as the amount of any award, shall be at the discretion of the voting members of the Commission. Factors that the Commission may look at when deciding on whether to award an incentive bonus include, but are not limited to, an employee’s ability to meet expressly stated performance goals and exceptional work on projects that is above and beyond the normal expectations for the job.*

The choice for what level position can receive the bonus needs to be determined by the Commission. It could be limited to the Executive Officer, the Management staff (Executive Officer, Assistant Executive Officer, and Project Manager) or provided to all staff. The implementation of the policy is clear if it is limited to the Executive Officer, since the Commission is the direct appointing authority for that position. Extension to other employees, who work directly for the Executive Officer, would require a discussion in closed session with the Commission to determine the amount of award. Staff is recommending that this incentive payment system be extended to the Management Team composed of the Executive Officer, Assistant Executive Officer and Project Manager.

**CONCLUSION:**

To address the recommendations of LAFCO Legal Counsel and SBCERA, staff is recommending that the Commission approve the salary range amendments v and incentive plan language. This recommendation is with the understanding that the Executive Officer salary range has levels underneath to address future recruitment activities as outlined above:

**Amend Chapter 2 (Employment), Policy 2 (Compensation)**

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- B. Effective January 9, 2016, the following shall be the salary ranges for LAFCO positions (1.0% increase):

<b>Position</b>	<b>Hourly Range</b>
Executive Officer	\$75.82 to \$115.31
Assistant Executive Officer	\$37.09 to \$51.07
Project Manager	\$29.00 to \$39.94
LAFCO Analyst – GIS/Database Manager	\$25.07 to \$34.45
Clerk to the Commission/Office Manager	\$21.63 to \$29.74
Administrative Assistant	\$17.81 to \$24.47

Effective July 23, 2016, the following shall be the salary ranges for LAFCO positions (1.0% increase):

<b>Position</b>	<b>Hourly Range</b>
Executive Officer	\$76.57 to \$116.46
Assistant Executive Officer	\$37.46 to \$51.58
Project Manager	\$29.29 to \$40.34
LAFCO Analyst – GIS/Database Manager	\$25.32 to \$34.79
Clerk to the Commission/Office Manager	\$21.85 to \$30.04
Administrative Assistant	\$17.99 to \$24.71

Effective July 22, 2017, the following shall be the salary ranges for LAFCO positions (2.0% increase):

<b>Position</b>	<b>Hourly Range</b>
Executive Officer	\$78.10 to \$118.79
Assistant Executive Officer	\$38.21 to \$52.61
Project Manager	\$29.88 to \$41.45
LAFCO Analyst – GIS/Database Manager	\$25.83 to \$35.49
Clerk to the Commission/Office Manager	\$22.29 to \$30.64
Administrative Assistant	\$18.35 to \$25.20

Effective July 21, 2018, the following shall be the salary ranges for LAFCO positions (3.0% increase):

<b>Position</b>	<b>Hourly Range</b>
Executive Officer	\$80.44 to \$122.35
Assistant Executive Officer	\$39.36 to \$54.19
Project Manager	\$30.78 to \$42.38
LAFCO Analyst – GIS/Database Manager	\$26.60 to \$36.55
Clerk to the Commission/Office Manager	\$22.96 to \$31.56
Administrative Assistant	\$18.90 to \$25.96

**E. INCENTIVE PAYMENT**

Any Executive Officer, Assistant Executive Officer or Project Manager who has received a rating of exceptional or higher on her/his annual performance evaluation is eligible for an incentive bonus not to exceed \$10,000. The decision to award an

employee an incentive bonus, as well as the amount of any award, shall be at the discretion of the voting members of the Commission. Factors that the Commission may look at when deciding on whether to award an incentive bonus include, but are not limited to, an employee's ability to meet expressly stated performance goals and exceptional work on a project(s) that is above and beyond the normal expectations for the job.

Should there be any questions on this report, staff will be happy to respond prior to or at the hearing.

KRM/

Attachments:

1. [San Bernardino County Board Agenda Item 164 for June 14, 2016 Related to Compensation and Working Conditions of the Exempt Group](#)
2. [Draft Resolution No. 3228 to Revise and Amend LAFCO Policy and Procedure Manual](#)