



Guadalupe-Coyote Resource Conservation District (GCRCD)

An independent special district of the State of California

DATE: December 1, 2022
TO: GCRCD Board of Directors
FROM: Labor Negotiators (President Hare and Director Jahns)
SUBJECT: Item 7.4 Executive Director Compensation

Recommendation:

The Board of Directors approve the following motion:

Approve a change in compensation for the Executive Director and authorize the Board President to sign an amended compensation agreement with the Executive Director that incorporates the following changes:

- *A merit increase of 3% for Fiscal Year 2021-2022, raising salary to \$111,240.00 and retroactive to July 1, 2022.*
- *A cost-of-living (COLA) increase of 8% for Fiscal Year 2022-23, raising salary to \$120,139.20 and effective on ~~January 1, 2022~~. Should be January 1, 2023; corrected during meeting.*
- *Employer-paid premiums at 100% for the District’s dental and vision insurance plans, effective January 1, 2023.*

Background:

Executive Director Moreno was hired in 2014 at an annual salary of \$100,000. The salary remained unchanged until 2020, when the Board approved a COLA of 2%, and an additional increase of \$500.00 per month to help offset the loss of \$900.00 per month in previously funded employer-paid benefits as a result of her federally mandated move from the District’s group health plan to Medicare. There also was an amendment incorporated into her compensation agreement in 2020 allowing for an additional increase to cover actual increases in Medicare plan premiums after January 1, 2021, but it was not implemented. The resulting salary of \$108,000 has remained unchanged.

During the Fiscal Year 2022-23 budget process, Executive Director Moreno provided notice to the Board that she would be submitting a new compensation request for consideration. She subsequently presented a compensation request to the Board’s designated labor negotiators, then President Gary Jahns and Vice-President Susan Hare in compliance with Government Code Section 54954.5(f). The labor negotiators researched available salary information for similar RCD positions, and presented the request and their findings to the Board during a noticed closed session held on November 3, 2022. The Board provided direction to the labor negotiators to guide final negotiations. The labor negotiators presented an offer consistent with the Board’s direction to Executive Director Moreno on November 30, 2022, which she accepted.

Executive Director Compensation Proposal:

The recommendation to amend the Executive Director's compensation package is as follows:

- A merit increase of 3% for FY 2021-22, raising salary to \$111,240.00 and retroactive to July 1, 2022.
- A cost-of-living (COLA) increase of 8% for FY 2022-23, raising salary to \$120,139.20 and effective on ~~January 1, 2022.~~ Should be January 1, 2023; corrected during meeting.
- Employer-paid premiums at 100% for the District's dental and vision insurance plans, effective January 1, 2023.

Because the new conservation program coordinator position was budgeted for nine months, but based on hire date will only require funding for approximately six months in this fiscal year, there is an initial cost savings of \$26,901.42 in the FY 2022-23 budget for salaries and benefits (Attachment 1). The increased compensation for the Executive Director is estimated at \$8,708.69 for FY 2022-23, leaving an estimated \$18,192.73 in Salaries and Benefits line items. Therefore, the recommendations can be absorbed in the current budget without an additional transfer from operating reserves. For FY 2023-24, an estimated \$245,000.00 will be needed for salaries and benefits. A portion of next fiscal year's costs will be funded with new grants and service agreements anticipated to start in spring of 2023, and the Executive Director will continue to seek additional funding to expand District capacity to provide programs and projects and offset expenditures.

Legal Considerations:

The District has complied with Government Code 54956(b), as this item has been listed on the agenda of a regularly scheduled meeting of the Board of Directors:

54956)b). Notwithstanding any other law, a legislative body shall not call a special meeting regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits, of a local agency executive, as defined in subdivision (d) of Section 3511.1. However, this subdivision does not apply to a local agency calling a special meeting to discuss the local agency's budget.

The Board will need to comply with Government Code Section 54953(c)(3) during the meeting, which requires an oral report of the summary of the recommendation prior to taking final action on a motion:

54954(c)(3). Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public's right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

After the compensation recommendation is approved, District Counsel will prepare an amendment to the Executive Director's compensation agreement that incorporates the changes for the Board President's signature. An updated copy of the new compensation agreement will be made available to the public via the website and upon request.

Summary:

We have followed the guidance provided by the Board in its closed session in negotiating this request, and recommend the Board approve the recommended proposal and authorize the Board President to sign the amended compensation agreement.

Attachment 1

Totals and Projected Cost Savings

	Approved Budget FY 22-23	Revised Budget Requirements FY 22-23	Remaining Cost Savings (Original Budget vs New Estimate) FY 22-23
Salary and Benefits			
510801 Salaries	173,800.00	160,969.60	12,830.40
510835 Employee Benefits - Insurance	9,000.00	4,664.10	4,335.90
510836 Retirement Benefits	18,996.00	18,996.00	0.00
511302 Employer Payroll Taxes	13,035.00	12,072.72	962.28
511304 State Unemployment	869.00	804.85	64.15
511305 Workman's Comp	800.00	800.00	0.00
Subtotal Salary and Benefits	216,500.00	198,307.27	18,192.73

Salary Increase Calculations

Approved Budget FY 22-23	Estimated Actual CPC Comp for 22-23	Estimated Actual WPA Comp for 22-23	Estimated Actual ED Comp FY22-23	Resulting Cost Savings Due to Delayed Hire & Benefits FY 22-23	Current ED Comp FY22-23	New Estimated ED Comp 7/1/22 thru 12/31/22	New Estimated ED Comp 1/1/23 thru 6/30/23	New Estimated ED Comp FY22-23	Difference in Estimate ED Comp (Original Budget vs New Estimate) FY22-23
173,800.00	42,880.00	2,400.00	108,000.00	20,520.00	108,000.00	55,620.00	60,069.60	115,689.60	7,689.60
9,000.00	4,260.18	0.00	0.00	4,739.82	0.00	0.00	403.92	403.92	403.92
18,996.00	0.00	0.00	18,996.00	0.00	18,996.00	9,498.00	9,498.00	18,996.00	0.00
13,035.00	3,216.00	180.00	8,100.00	1,539.00	8,100.00	4,171.50	4,505.22	8,676.72	576.72
869.00	214.40	12.00	540.00	102.60	540.00	278.10	300.35	578.45	38.45
800.00	200.00	200.00	400.00	0.00	400.00	200.00	200.00	400.00	0.00
216,500.00	50,770.58	2,792.00	136,036.00	26,901.42	136,036.00	69,767.60	74,977.09	144,744.69	8,708.69

CPC = Conservation Program Coordinator

ED = Executive Director

WPA = Watershed Program Assistant