



**MULTNOMAH COUNTY
AGENDA PLACEMENT REQUEST (short form)**

APPROVED: MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # R-6 DATE 6-10-2010
SANDY GROW, BOARD CLERK

Board Clerk Use Only	
Meeting Date:	<u>6/10/2010</u>
Agenda Item #:	<u>R-6</u>
Est. Start Time:	<u>10:30 am</u>

Agenda Title: **Multnomah County Salary Commission presents recommendations and rational for adjustments to salaries of Multnomah County Chair, Commissioners, District Attorney and Sheriff**

Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title.

Requested Meeting Date:	<u>June 10, 2010</u>	Amount of Time Needed:	<u>30 minutes</u>
Department:	<u>Non Departmental</u>	Division:	<u>Auditors Office</u>
Contact(s):	<u>Judy Rosenberger</u>		
Phone:	<u>83320</u>	Ext.:	<u>I/O Address: 503/601</u>
Presenter(s):	<u>David Rhys of the Salary Commission</u>		

General Information

1. What action are you requesting from the Board?
Board Briefing
2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.
Salary Recommendations for BOCC, District Attorney and Sheriff
3. Explain the fiscal impact (current year and ongoing).
4. Explain any legal and/or policy issues involved.
5. Explain any citizen and/or other government participation that has or will take place.

Required Signature

Elected Official or Department/ Agency Director:	<u>Steve March</u>	Date:	<u>May 25, 2010</u>
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Salary Commission

501 SE Hawthorne, Room 601
Portland, Oregon 97204
Telephone (503) 988-3320

Date: May 25, 2010

To: Multnomah County Board of County Commissioners

From: 2010 Salary Commission
Nancy Drury, Employee Services Director, Clackamas County
Sue Fischer, HR and Compensation Consultant, Cascade Employers Association
Jan Lambert, Senior Compensation Analyst, Pacificorp
Chair David Rhys, Classification/Compensation Manager, City of Portland
Mary Rowe, Human Resources Director, METRO

Re: 2010 Multnomah County Salary Commission Report

Under the authority of Section 4.30 of the Multnomah County Home Rule Charter as amended November 2, 2004, the 2010 Multnomah County Salary Commission (Commission) was appointed by the County Auditor and convened to set the salaries for the Board of County Commissioners (BOCC), specifically the positions of Multnomah County Commissioner (Commissioner) and Chair of the Board of County Commissioners (Chair).

Enclosed is our report which sets the salaries for the BOCC and documents the basis for our decisions. We will be happy to answer questions or provide additional information upon request.

Executive Summary

1. The 2008 Salary Commission set the 2008/09 salary for the Commissioners at \$88,000 and the 2009/10 salary at \$90,640. All four Commissioners chose to remain at the 2008/09 \$88,000 pay level. The 2008 Salary Commission set the 2008/09 salary for the Chair at \$132,237 or the midpoint of the Department Director II salary, whichever is greater, and the 2009/10 salary at the midpoint of the Department Director II 2008/09 range plus 3%, which is \$136,204. The Chair is paid at the approved rate.
2. The 2010 Salary Commission reviewed the methodology for setting salaries and agreed the methodology remained appropriate for the Commissioners' salary. External market factors were analyzed for comparability and appropriateness and the average of the external market salaries was considered a valid benchmark. Because the current approved salary rate for Multnomah County Commissioner is at the market average and we have no internal comparators, the 2010/11 salary shall remain at the 2009/10 approved rate of \$90,640; and due to the uncertainty of increases for external market salaries, the 2011/12 salary shall also remain at that rate. The Salary Commission notes that current Commissioners have not accepted the present approved salary rate for 2009/10, electing to remain at the 2008/09 rate.
3. The 2010 Salary Commission reviewed the methodology for setting the salary for the Chair and agreed with the general approach used by the 2008 Salary Commission. A search of the external market did not yield comparable positions: therefore, internal equity continues to be given greater weight. The Chair supervises the Department Directors and those salaries have the most bearing on the salary of the Chair. Setting the salary at the midpoint of the higher level range, while still not ideal, continues to be a reasonable approach. The Chair's salary for 2010/11 shall be equal to the midpoint of the Multnomah County Department Director II 2010/11 salary range and will be adjusted for 2011/12 to match the midpoint of the Department Director II 2011/12 range.

Respectfully submitted this 25thday of May, 2010.

By the Multnomah County Salary Commission:

Nancy Drury, Sue Fischer, Jan Lambert, David Rhys, and Mary Rowe.

SALARY COMMISSION HISTORY

In November 1984 the Home Rule Charter was amended as follows:

"The auditor shall appoint a five-member salary commission, composed of qualified people with personnel experience by January 1, 1986, and by January 1 in each even year thereafter...(to make) salary adjustment recommendations, if any..."

The first Commission was appointed in 1986 and a new Commission has been appointed in each even year up to the current 2010 Commission.

In 1990, the voters approved a ballot measure submitted by the Multnomah County Charter Review Commission that allowed the BOCC to approve their own salary increases rather than salary increase recommendations being referred to the voters. The measure also specified they were not allowed to set salaries higher than the recommendation from the Commission.

In 1991 a County Counsel's opinion stated that the Commission may also make recommendations regarding the salaries of the Sheriff and District Attorney, if requested. (As a result of resolutions passed by the Board of County Commissioners, the Commission now reviews the District Attorney's salary and the Sheriff's salary on an ongoing basis.)

In 2004, the voters approved a ballot measure submitted by the Multnomah County Charter Review Commission that modified the language of the County Charter, Section 4.30 to read as follows:

"The auditor shall appoint a five-member salary commission, composed of qualified human resource professionals with compensation experience, by January 1 of each even year. The salary commission shall *set the salaries* for the chair of the board of county commissioners and the county commissioners, documenting the basis of its decisions."

SALARY HISTORY

From FY 1983-84 through FY 1990-91, the Chair and Commissioners did not receive an increase in salary. From FY 1991-92 through FY 1995-96, cost of living increases were added to Chair and Commissioners' salaries, but their salaries remained far below comparable jurisdictions and the relative worth of the jobs.

In 1996 the BOCC approved the Commission recommendation that a Commissioner's salary be indexed to 75% of a judge's salary and that the Chair's salary be indexed to the mid-point of the salary range for the Chair's direct reports, Multnomah County department directors.

The 1998 Commission reaffirmed this methodology for indexing of salaries and further recommended that an appropriate ratio between the Commissioners' salaries and the Chair's salary be no more than 80%. The 1998 BOCC did not act on the recommendation, but did in fact increase the Chair's and the Commissioners' salaries in accordance with the phased-in approach approved by the 1996 BOCC.

In 2000, the BOCC approved the Commission recommendation that the Commissioners' salary remain 75% of a circuit court judge's salary July 1, 2000 and 2001. The BOCC further approved the recommendation that the Chair's salary be increased to the midpoint of the department directors' salary range effective July 1, 2000 and 2001.

In 2002 the BOCC approved the Commission's recommendation for no change to the methodology for Commissioners' salaries. In regard to the Chair's salary, the Commission determined that County department directors' salaries were below market according to the County Human Resources staff. Therefore, indexing the Chair's salary to the department directors' salaries would not be appropriate. Consequently, the BOCC approved the Commission's recommendation of indexing the Chair's salary to 125% of a judge's salary and suggested the Board may want to consider a phased in approach.

The 2004 Commission recommended, and the BOCC approved, no change in methodology for Commissioners and increased the Chair's salary in accordance with the previously approved phased-in approach.

The 2004 charter language changed the authority for setting salaries for the BOCC from the BOCC themselves to the Commission.

The 2006 Commission given this new charge believed that indexing to a judge's salary, a salary over which the BOCC had no control, was no longer relevant. Instead the 2006 Commission assessed both the external market and internal equity in order to set the salaries with an emphasis on internal equity for the Chair's position and the external market for the Commissioner's position.

The 2010 Commission continued the approach of the 2006 and 2008 Commissions, assessing both the external market and internal equity, adjusting the internal equity comparison for the Chair's position and maintaining an emphasis on the external market for the Commissioner's position.

Current salaries are as follows: all four Commissioners are paid less than the approved salary of \$90,640, choosing to be paid \$88,000, and the Chair is paid at the approved salary of \$136,204.

METHODOLOGY AND FINDINGS

Compensation theory suggests that evaluating both external market data and internal equity is the most widely accepted methodology for setting salary rates. This is the revised approach taken by the 2006 and 2008 Commission and is being re-affirmed by the 2010 Commission.

The Commission collected and reviewed data from a number of sources. The data is summarized below.

1. Survey information for Commissioner from the County HR Office:

The County Human Resource Office previously identified several comparable counties for purposes of comparing Commissioner salaries. The current Salary Commission determined that there were sufficient Northwest comparators and, as a result, national comparators are not necessary for an appropriate market comparison. (The prior Commission had included Hennepin County, MN, Denver County, CO, and Hamilton, OH.) The current Commission also revised the geographic adjustment to a single index used by the County HR Office, from the Economic Research Institute, rather than the average of multiple indexes used by the prior Commission.

Exhibit A: Comparison of Commissioner salaries in comparable counties

Clackamas County, OR	80,856	None—Ptl'd Metro area	80,856
Lane County, OR	74,298	5.1%	78,079
Marion County, OR	76,606	7.6%	82,469
Pierce County, WA	104,470	-2.2%	102,206
Snohomish County, WA	102,779	-6.8%	95,747
Thurston County, WA	105,276	0.2%	105,472
Average			90,803
		Multnomah Co	90,640
		Differential	99.8%

**Geographic adjustment via Economic Research Institute data through Multnomah County Human Resources Office.*

Salary Data Source: Multnomah County Auditor's Office Survey, Winter 2010

Because the data was collected in the winter 2010, it is possible these jurisdictions will increase salaries at some point in 2010. However, it is impossible to determine what those increases might be, if any. Consequently, using this data for setting 2010/11 salaries creates what is called a "lag" effect in compensation terms, but it is still the best data to compare with at this point in time.

2. Survey information for Chair from other counties:

For many years, salary commissions have struggled with matching the Chair's position to like positions in other counties. We have concluded, as did the prior Commission, that we are unable to match the position to another county with any degree of confidence. There are counties in the northwest and across the country that match the demographics of Multnomah County closely enough to be considered a contender. However, their organizational structures vary widely, some with split responsibilities between the legislative body and a county executive who manages operations. In Multnomah County, those responsibilities are held by only one position, Chair of the BOCC, although there continues to be a position in the Chair's Office, Chief Operating Officer, whose title suggests some responsibility for operations and presumably allows the Chair to focus more attention on legislative issues. It is this Commission's understanding, however, that direct supervisory responsibility for department directors remains with the Chair. This year, we found no equivalent job matches. We encourage future Commissions to continue monitoring this element to determine if any good matches can be found.

3. Regional councils and local boards:

A review of these jurisdictions showed limited comparability. Metro is a governmental agency in the Portland area with elected officials whose salaries should be noted. However, Metro is much smaller than Multnomah County, both in terms of staff and budget. The current data from Metro is detailed in Exhibit B below.

Exhibit B: Comparison with Metro 2010 salaries

Executive (salary of a judge)	\$114,468
Councilor (one-third of a judge salary)	\$38,156

4. City of Portland:

Although past Commissions did not use data from the City of Portland, the County's human resources office does use city data for comparison with both elected official salaries and management salaries. However, it should be noted that City Commissioners have operational responsibility for city bureaus, thus are not a good job match. Additionally, both the staff and budget for the City are considerably larger than Multnomah County. Approved salaries for the City of Portland Mayor and Commissioners as of July 1, 2009 are detailed in Exhibit C below.

Exhibit C: Comparison with City of Portland approved 2007 salaries

Mayor	\$121,451
Commissioner	\$ 102,294

City of Portland salaries may or may not increase at some point in 2010 but it is the best data at this point in time.

5. Comparability between the Chair and County department directors:

The Chair has county-wide operational and fiscal responsibilities, which the Commissioners do not. Six (6) department directors in two pay levels report directly to the Chair. Currently, all but one of the direct report department directors have salaries above the midpoint of their range. Salaries for all positions are detailed in Exhibit D below.

Exhibit D: Department directors' and elected officials' 2009 salaries:

Community Justice	Department Director I	\$138,988	\$ 93,199	\$118,609	\$144,020
Community Services	Department Director I	\$144,020	\$ 93,199	\$118,609	\$144,020
Library	Department Director II	\$135,000	\$107,932	\$137,263	\$166,593
County Management	Department Director II	\$152,082	\$107,932	\$137,263	\$166,593
Human Services	Department Director II	\$154,035	\$107,932	\$137,263	\$166,593
Health Services	Department Director II	\$154,035	\$107,932	\$137,263	\$166,593
District Attorney		\$155,180			
Sheriff		\$135,000			
BOCC Chair		\$136,204			

Compensation theory suggests the spread between the supervisor and subordinate should be 10% to 25%. However, the Chair's actual salary compared with his direct reports shows that the Chair is paid less than all but one of his direct reports and slightly less than the midpoint of the higher level salary range of the Department Director II.

6. Tenure in the job:

Generally speaking, salary will increase based in part on tenure in the position. These are elected positions and presumably, a newly elected BOCC member would receive the salary of the outgoing BOCC member. Consequently, tenure in the position should not be a factor in considering an appropriate salary.

7. Assumption of full-time:

Although there is no mandated requirement that the BOCC be full-time positions, this Commission is making the assumption that they are and all salaries shown are full-time equivalent salaries.

8. Benefits considerations:

According to the County HR staff, elected officials receive the same benefits as any other County employee with the exception of disability. Level of benefits for these classifications is not within the scope of the Salary Commission authorized review.

9. CPI considerations:

CPI data is an integral part of the information base in the data presented. It has influenced the market data from both outside sources such as other counties and from within the county in determining appropriate salary ranges for department directors.

10. Pay for performance:

BOCC salaries relate to the office and not to persons; in other words, the salaries are based on what the *job* is worth and because it does not include a "pay for performance" model it is not a measure of the worth of the *individual* who occupies the position.

11. Compensation philosophy:

Typically an organization will consider three factors when designing compensation programs. These are the ability for an organization to 1) attract, 2) retain and 3) motivate employees. Attracting talent for the BOCC is limited to the local area so salary comparability with other jurisdictions to a certain extent is not relevant. Nevertheless, although it cannot be proven, this Commission believes that an equitable and competitive salary will attract a larger number of highly qualified individuals to run for, and be willing to serve in, this and other elected offices.

RECOMMENDATIONS AND REASONS

Commissioners' salaries have maintained a close parity with the external market data. Because the current approved salary rate for Multnomah County Commissioner is at the market average and we have no internal comparators, the 2010/11 salary shall remain at the 2009/10 approved rate of \$90,640; and due to the uncertainty of increases for external market salaries, the 2011/12 salary shall also remain at that rate. This salary rate maintains comparability with other like counties while at the same time creating a reasonable differential from salaries for City of Portland Commissioners who have bureaus reporting to them. The Salary Commission notes that current Multnomah County Commissioners have not accepted the current approved salary rate for 2009/10, electing to remain at the 2008/09 rate.

As a result of the salary determination by the 2008 Salary Commission, the Chair's authorized salary is more closely aligned with other County positions that report to the Chair. In this case, the most significant and heavily weighted data is internal equity. Greater weight is being given to internal equity considerations than to the external market for the following reasons:

- a. internal equity (data regarding department directors) is a professionally acceptable method for assigning a salary;
- b. external market data has not provided acceptable job matches although the search should continue by future Salary Commission as external comparators are also an important consideration.

The Chair's approved salary for 2009/10 is \$136,204. The approved salary is less than the salaries of all but one of all his departmental direct reports. The midpoint of the Department Director II salary range is \$137,263. The salaries of five of the six departmental direct reports are greater than the midpoint of the Department Director II.

Increasing the salary to the midpoint of the Department Director II range created a desirable spread between the Chair and his subordinates and lessened the gap. The additional increase of 3% for the Chair in 2009/10, as designated by the prior Salary Commission, kept the Chair's authorized salary roughly synchronized with the Department Director II midpoint. This Salary Commission believes that the Chair's 2010/11 salary should be adjusted to match the midpoint of the Department Director II 2010/11 salary. For 2011/12, the Chair's salary shall be placed at the midpoint of the Department Director II salary range for 2011/12.

2010/2011 AND 2011/2012 SALARIES

The 2010 Salary Commission sets the 2010/11 and 2011/12 salary for Commissioner's at the current approved rate of \$90,640.

The 2010 Salary Commission sets the 2008/09 salary for Chair at the midpoint of the Department Director II 2010/11 salary range and the 2011/12 salary at the midpoint of the Department Director II 2011/12 salary range.

LAST BUT CERTAINLY NOT LEAST

The Commission wishes to thank Joi Doi and Travis Graves of the County Human Resources Office for providing background and information on County compensation and geographic comparison factors.

The Commission wishes to thank Agnes Sowle, County Counsel, for discussing with us legal issues.

The Commission also wishes to extend its appreciation to the Multnomah County Auditor and his staff. We could not have completed our work without their research and data collection.



Salary Commission

501 SE Hawthorne, Room 601
Portland, Oregon 97204
Telephone (503) 988-3320

Date: May 25, 2010

To: Multnomah County Board of County Commissioners

From: 2010 Salary Commission

Nancy Drury, Employee Services Director, Clackamas County
Sue Fischer, HR and Compensation Consultant, Cascade Employers Association
Jan Lambert, Senior Compensation Analyst, Pacificorp
Chair David Rhys, Classification/Compensation Manager, City of Portland
Mary Rowe, Human Resources Director, METRO

Re: Report and Recommendation regarding the District Attorney's Salary

Under the authority of Section 4.30 of the Multnomah County Home Rule Charter as amended November 2004, the 2008 Multnomah County Salary Commission (Commission) was appointed by the County Auditor to set salaries for the Board of County Commissioners (BOCC). Additionally, the Commission was given the authority, under the BOCC Resolution No. 05-169 dated October, 2005, to recommend salary adjustments to the District Attorney's salary in future years and has done so since 2006.

Enclosed is our report and recommendation for the salary for the District Attorney for fiscal years 2010/11 and 2011/12. We will be happy to answer questions or provide additional information upon request.

Executive Summary

The Commission analyzed the methodology used in 2006 and 2008 for making a recommendation for the District Attorney's salary. The methodology essentially gives more weight to internal equity (salaries of department directors and the District Attorney's subordinates) than to external market considerations (salaries of other OR and WA District Attorneys). The 2006 and 2008 Commissions recommended, and the BOCC approved, that the salary for the District Attorney be placed at the 75th percentile of the Department Director II salary range. This Commission, in re-considering all factors, believes this methodology continues to be valid and appropriate. We believe that it is more accurate to use the following description: 75% of the Department Director II salary range.

The Commission recommends that the salary of the District Attorney remain at 75% of the Department Director II salary range for fiscal years 2010/11 and 2011/12, or the current salary rate, whichever is greater.

Respectfully submitted this 25th day of May, 2010.

By the Multnomah County Salary Commission:
Nancy Drury, Sue Fischer, Jan Lambert, David Rhys, and Mary Rowe.

SALARY COMMISSION BACKGROUND

In November 1984 the Home Rule Charter was amended to establish a five-member salary commission. The first Commission was appointed in 1986 and a new Commission has been appointed in each even year up to the current 2010 Commission.

In November 2004 the Home Rule Charter was amended as follows:

“The auditor shall appoint a five-member salary commission, composed of qualified human resource professionals with compensation experience, by January 1 of each even year. The salary commission shall set the salaries for the chair of the board of county commissioners and the county commissioners, documenting the basis of its decisions....”

In October, 2005 the Commission was given the authority, under BOCC Resolution No. 05-169, to recommend salary adjustments to the District Attorney’s salary in future years. Included in BOCC Resolution 05-169 is a provision that the District Attorney receive annual cost of living increases, based on the total salary, granted to other management staff in the County.

SALARY HISTORY

Oregon district attorneys receive a salary from the State of Oregon. Some district attorneys in the State, including Multnomah County, also receive a supplemental salary from the County jurisdiction.

For ten years, 1994-2004, the Multnomah County District Attorney did not receive a cost of living increase from either the State or County. The resulting inequity was addressed by the 2006 Commission.

The State currently contributes \$104,832 annually to the District Attorney’s salary. In 2009, the County supplement was \$50,348, thus the combined annual salary currently is \$155,180, which is the currently above 75% of the Department Director II salary range.

METHODOLOGY AND FINDINGS

The Commission collected and reviewed current data from a number of sources. The data is summarized below.

1. District Attorney’s salaries in counties in Oregon and Washington:

The larger counties in Oregon and Washington, as follows, were considered for external market data comparisons.

Oregon: Clackamas, Lane, Marion, and Washington
Washington: Clark, Pierce, Snohomish, and Thurston

This Salary Commission chose to remove King County from consideration as a comparator, given its much larger population size, although it has been considered by prior salary commissions.

Salary data was collected from these jurisdictions and is shown in Exhibit A. The current Commission revised the geographic adjustment to a single index used by the County Human Resources Office, from the Economic Research Institute, rather than the average of multiple indexes used by the prior Commission.

The Multnomah County District Attorney's Office was contacted by the 2006 Commission to determine if there are differences in district attorney duties in OR and WA counties that would be important for the Commission to know. The office did cite differences in responsibilities with other Oregon counties in that other counties are responsible only for prosecuting the crimes that have occurred within their county's jurisdictional boundaries.

**Exhibit A: District Attorney Salaries adjusted for Geographical Differences
Winter, 2010**

Clackamas, OR	Oregon City	\$141,168	None—Ptid Metro area	\$141,168
Lane County, OR	Eugene	\$138,507	3.7%	\$143,655
Marion County, OR	Salem	\$130,479	7.4%	\$149,129
Washington County, OR	Beaverton	\$136,536	None—Ptid Metro area	\$136,536
Clark County, WA	Vancouver	\$148,832	None—Ptid Metro area	\$148,832
Pierce County, WA	Tacoma	\$148,830	-2.1%	\$145,692
Snohomish County, WA	Everett	\$148,830	-6.9%	\$138,633
Thurston County, WA	Olympia	\$148,836	-0.2%	\$148,496
Average:				\$144,018
Multnomah Co.				\$155,180
Differential:				107.8%

**Geographic adjustment via Economic Research Institute data through Multnomah County Human Resources Office.*

Salary Data Source: Multnomah County Auditor's Office Salary Survey 2010

2. Comparability between the District Attorney and Multnomah County department directors:

There are six (6) department directors in the County in two pay scales. In 2005 the Multnomah County Human Resources Office concluded that the position of District Attorney is comparable in classification to Department Director II.

Exhibit B: Department Directors' Salaries:

Community Justice	Department Director I	\$138,988	\$ 93,199	\$118,609	\$144,020
Community Services	Department Director I	\$144,020	\$ 93,199	\$118,609	\$144,020
Library	Department Director II	\$135,000	\$107,932	\$137,263	\$166,593
County Management	Department Director II	\$152,082	\$107,932	\$137,263	\$166,593
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Health Services	Department Director II	\$154,035	\$107,932	\$137,263	\$166,593
Sheriff		\$135,000			
District Attorney		\$155,180			

The midpoint of the Department Director II salary range is \$137,263 and three positions are paid above the midpoint. In fact all but one of the department director positions are paid above their midpoint. In order to maintain internal equity, the District Attorney should also be paid above the midpoint.

3. Comparability between the District Attorney and his direct reports:

The second highest level positions in the office are two Chief Deputy District Attorneys. Two incumbents are currently paid \$149,575 each. The spread between the District Attorney's salary and his highest paid direct reports is only 3.7%.

Compensation theory suggests the spread between the supervisor and subordinate should be 10% to 25%. However, since the position is comparable to Department Director II and already above 75% of that range, that decision should be made with a great deal of caution.

4. Tenure in the job:

Generally speaking, salary will increase based in part on tenure in the position. This is an elected position and presumably, should a new District Attorney be elected, he/she

would receive the salary of the outgoing District Attorney. Consequently, tenure in the position should not be a factor in considering an appropriate salary.

5. Benefits considerations:

Of the data available to this Commission, there are differences in benefits packages provided to Oregon district attorneys. However, the level of benefits is not within the scope of the Salary Commission authorized review.

6. Internal equity versus external market considerations:

Greater weight is being given to internal equity considerations than to the external market for a couple of reasons:

- a. internal equity (data regarding department directors and subordinates) is a professionally acceptable method for assigning a salary;
- b. external market data (data regarding Oregon and Washington county district attorney salaries) is not directly comparable to Multnomah County.

7. CPI considerations:

CPI data is an integral part of the information base in the data presented. It has influenced the market data from both outside sources such as other counties and from within the county in determining an appropriate salary range for department directors.

8. Compensation philosophy:

Typically an organization will consider three factors when designing compensation programs. These are the ability for an organization to 1) attract, 2) retain and 3) motivate employees. Attracting talent for the DA's position is limited to the local area, and to those with who meet the professional requirements of the office, so salary comparability with other jurisdictions to a certain extent is not relevant. Nevertheless, although it cannot be proven, this Commission believes that an equitable and competitive salary will attract a larger number of highly qualified individuals to run for, and be willing to serve in, this and other elected offices.

RECOMMENDATIONS AND REASONS

The salaries of district attorneys in Oregon and Washington jurisdictions are closely aligned to this position when in fact, this position has greater responsibility than most, if not all, of the counties listed. Accordingly it should be paid more.

The Chief Deputys to the District Attorney are paid a salary closely comparable to that of the District Attorney, creating a salary compression problem. This Commission is aware this compression problem has existed for a number of years. It needs to be carefully watched and reviewed when the Salary Commission is next convened.

In comparison with the elected Chair of the BOCC, the recommended salary for the District Attorney is greater than the Chair's salary which is being set by this Commission at the midpoint of the Department Director II salary range. Both are elected officials of

the County. However, the District Attorney is required to have professional credentials, including a law degree, not required of other County elected positions and that justifies the higher salary.

2010/2011 and 2011/2012 SALARY

The Commission recommends that the salary of the District Attorney remain at 75% of the Department Director II salary range for 2010/11 and 2011/12, or the current salary rate, whichever is greater.

Additionally the Commission recommends that the salary be considered the combined total salary including both the County's and State's contributions. Should the State increase or decrease its level of contribution, the County will then subsequently adjust its level of contribution to return it to the recommended total salary.

The Salary Commission notes that the current combined total salary of the District Attorney has risen slightly above the recommended target of 75% of the Department Director II salary range due to unique circumstances involving an increase of the State portion of the salary during a freeze of County salaries. We recommend that the current salary be continued until such time as rate of 75% of the Department Director II range is greater than the current combined salary.

ENHANCING SERVICE TO THE PUBLIC

The Commission recommends that the BOCC accept the recommendations in total for the following reasons:

1. the recommendations come from professionals in the field of compensation and are based on (to the best of our knowledge) accurate, relevant and appropriate data and methodologies;
2. the salary recommendations relate to the office and not to the person; in other words, the salary is based on what the *job* is worth and because it does not include a "pay for performance" model it is not a measure of the worth of the *individual* who occupies the position;
3. being paid for what the job is objectively worth is extremely vital to maintaining high quality leadership for the District Attorney and his/her successor; thus the public will be better served.

REVISIONS TO THE DATA

The Commission understands that a salary survey of county management is being considered. Should this significantly modify the data used to make this recommendation, the Commission would be willing to meet mid-term, if invited by the BOCC, to revise and reframe the recommendation based on the new data.

LAST BUT CERTAINLY NOT LEAST

The Commission wishes to thank Joi Doi and Travis Graves of the County Human Resources Office for collecting and sharing valuable information regarding management salaries and the County's compensation structure.

The Commission wishes to thank Agnes Sowle, County Counsel, for discussing with us legal issues.

The Commission also wishes to extend its appreciation to the Multnomah County Auditor and his staff. We could not have completed our work without their research and data collection.

Cc: Michael Schrunk, District Attorney



Salary Commission

501 SE Hawthorne, Room 601
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Telephone (503) 988-3320

Date: May 25, 2010

To: Multnomah County Board of County Commissioners

From: 2010 Salary Commission

Nancy Drury, Employee Services Director, Clackamas County
Sue Fischer, HR and Compensation Consultant, Cascade Employers Association
Jan Lambert, Senior Compensation Analyst, Pacificorp
Chair David Rhys, Classification/Compensation Manager, City of Portland
Mary Rowe, Human Resources Director, METRO

Re: Report and Recommendation Regarding the Sheriff's Salary

Under the authority of Section 4.30 of the Multnomah County Home Rule Charter as amended November 2004, the 2010 Multnomah County Salary Commission (Commission) was appointed by the County Auditor to set salaries for the Board of County Commissioners (BOCC). In 1991 a County Counsel's opinion stated that the Salary Commission may also make recommendations regarding the salaries of the Sheriff and District Attorney, if requested. Through Resolution No. 97-160, the Board of County Commissioners requested the Auditor to include the Sheriff's Salary in the Salary Commission study, beginning in October 2007.

Enclosed is our report and recommendation for the salary for the Sheriff for fiscal years 2010/11 and 2011/12. We will be happy to answer questions or provide additional information upon request.

Executive Summary

The Commission considered three primary factors in recommending a salary adjustment for the Sheriff:

1. salaries of Sheriffs in comparable jurisdictions;
2. salaries of Multnomah County department directors; and
3. salaries of direct reports to the Multnomah County Sheriff.

The Commission gave more weight to internal equity (salaries of department directors and the Sheriff's subordinates) but considered external market comparators (salaries of other jurisdictions).

The Commission recommends that the salary of the Sheriff for 2010/11 should be equal to the midpoint of the Multnomah County Department Director II 2010/11 salary range and should be adjusted for 2011/12 to match the midpoint of the Department Director II 2011/12 range.

Respectfully submitted this 25th day of May, 2010

By the Multnomah County Salary Commission:

Nancy Drury, Sue Fischer, Jan Lambert, David Rhys, and Mary Rowe.

SALARY COMMISSION BACKGROUND

In November 1984 the Home Rule Charter was amended to establish a five-member salary commission. The first Commission was appointed in 1986 and a new Commission has been appointed in each even year up to the current 2008 Commission.

In November 2004 the Home Rule Charter was amended as follows:

“The auditor shall appoint a five-member salary commission, composed of qualified human resource professionals with compensation experience, by January 1 of each even year. The salary commission shall set the salaries for the chair of the board of county commissioners and the county commissioners, documenting the basis of its decisions....”

In 1991 a County Counsel's opinion stated that the Salary Commission may also make recommendations regarding the salaries of the Sheriff and District Attorney, if requested. Through Resolution No. 97-160, the Board of County Commissioners requested the Auditor to include the Sheriff's Salary in the Salary Commission study, beginning in October 2007.

SALARY HISTORY

A brief salary history shows the Sheriff's salary for the past few years as well as the slight inconsistency in the date of the granting of salary increases for this position.

7/1/2009	135,000	0.0%
7/1/2008	135,000	16%
7/1/2007	116,453	2.7%
7/1/2005	113,391	2.7%
1/1/2003	110,410	5.5%
12/1/2002	104,697	

METHODOLOGY AND FINDINGS

The Commission collected and reviewed current data from a number of sources. The data is summarized below.

1. Sheriff's salaries in counties in Oregon and Washington:

Several counties in Oregon and Washington, as follows, were considered for external market data comparisons.

Oregon: Clackamas, Lane, Marion and Washington
Washington: Clark, Pierce, Snohomish and Thurston

The Multnomah County Sheriff's Office was contacted by the Commission to determine if there are differences in Sheriff duties in OR and WA counties that would be important for the Commission to know. The Commission was advised that other counties do have jail responsibilities; however, the Multnomah County Sheriff is responsible for a larger and significantly more complex jail operation. Thus the span of responsibility is much broader for the Multnomah County Sheriff in comparison to most other counties in Oregon and Washington. The Commission notes that some Oregon counties have larger enforcement responsibilities than Multnomah County.

Salary data was collected from these jurisdictions and is shown in Exhibit A. The current Commission revised the geographic adjustment to a single index used by the County Human Resources Office, from the Economic Research Institute, rather than the average of multiple indexes used by the prior Commission.

2. Sheriff's salaries in other jurisdictions:

The Sheriff's Office previously identified four counties in California and three counties in other states for purposes of comparing Sheriff salaries. The current Salary Commission determined that there were sufficient Northwest comparators, and as a result, national comparators are not necessary for an appropriate market comparison.

**Exhibit A: Sheriff Salaries adjusted for Geographical Differences
Winter, 2010**

Clackamas, OR	120,276	None—Ptd Metro area	120,276
Lane County, OR	115,835	4.0%	120,500
Marion County, OR	114,046	7.4%	122,538
Washington County, OR	131,784	None—Ptd Metro area	131,784
Clark County, WA	98,220	None—Ptd Metro area	98,220
Pierce County, WA	140,770	-2.1%	137,790
Snohomish County, WA	121,061	-6.8%	112,772
Thurston County, WA	118,008	-0.2%	121,308
Average			120,241
Multnomah County			135,000
Differential			112.3%

**Geographic adjustment via Economic Research Institute data through Multnomah County Human Resources Office.*

Salary Data Source: Multnomah County Auditor's Office Salary Survey 2010

The survey data shows the Sheriff's salary to be 112.3% of the average of other jurisdictions. It supports an argument that the Sheriff's salary is at a sufficient level in comparison to other Northwest comparators, given the larger jail responsibilities.

3. Comparability between the Sheriff and Multnomah County department directors:

There are six (6) department directors in the County in two pay scales.

Exhibit B: Department Directors' Salaries:

Community Justice	Department Director I	\$138,988	\$ 93,199	\$118,609	\$144,020
Community Services	Department Director I	\$144,020	\$ 93,199	\$118,609	\$144,020
Library	Department Director II	\$135,000	\$107,932	\$137,263	\$166,593
County Management	Department Director II	\$152,082	\$107,932	\$137,263	\$166,593
Human Services	Department Director II	\$154,035	\$107,932	\$137,263	\$166,593
Health Services	Department Director II	\$154,035	\$107,932	\$137,263	\$166,593
District Attorney		\$155,180			
Sheriff		\$135,000			

The midpoint of the Department Director II salary range is \$137,263 and five of the six positions are paid above the Department Director II midpoint. In fact all but one of the department director positions are paid above the midpoint of their ranges.

The Sheriff's position is not included in the Department Director classifications, but given the level of authority and responsibility of the position, an argument could be made that it is equivalent to Department Director II. Thus, in order to maintain internal equity, the Sheriff should also be paid at or above the midpoint of Department Director II.

4. Comparability with the Portland Police Chief:

The city does not have responsibility for jails; however it has law enforcement duties that are more encompassing than Multnomah County. As a result, the jobs are substantially different. For these reasons, information on compensation for the Portland Police Chief was reviewed but not considered for this study.

5. Comparability between the Sheriff and his direct reports:

The second highest level position in the office is Chief Deputy although it appears there is also a position called Undersheriff. Because this Commission is unaware of the

long-term viability of the Undersheriff position, our data will reflect only the comparability between the Sheriff and Chief Deputy. There are two incumbents serving as Chief Deputy making approximately \$117,700 each in a range with a minimum of \$88,861 and maximum of \$124,403. There is a salary differential between the actual salaries of the Sheriff and Chief Deputies of approximately 15%. Compensation theory suggests the spread between the supervisor and subordinate should be 10% to 25%. The current separation between Sheriff and Chief Deputies is reasonably adequate, but should be reviewed by future Salary Commissions.

This Commission takes note that the Multnomah County Home Rule Charter specifies that the County Sheriff's salary shall be fixed by the BOCC in an amount that is not less than any member of the Sheriff's Office. ORS 204.112 (4) has a similar provision, requiring that a County Sheriff be paid at a higher rate than members of the Sheriff's Office.

6. Tenure in the job:

Generally speaking, salary will increase based in part on tenure in the position. This is an elected position and presumably, should a new Sheriff be elected, he/she would receive the salary of the outgoing Sheriff. Consequently, tenure in the position should not be a factor in considering an appropriate salary.

7. Benefits considerations:

Of the data available to this Commission, there are differences in benefits packages provided to Oregon Sheriffs. However, the level of benefits is not within the scope of the Salary Commission authorized review.

8. Internal equity versus external market considerations:

Consideration is being given to internal equity considerations as well as to the external market:

- a. internal equity (data regarding department directors and subordinates) is a professionally acceptable method for assigning a salary;
- b. concerning external market data (data regarding other county Sheriff salaries), while not exactly matching the operations of the Multnomah County Sheriff's Office, in the opinion of this Salary Commission, the comparison to other Northwest Sheriff positions is still relevant and forms the basis of an additional source of information for purposes of recommending salary for the Multnomah County Sheriff's position.

9. CPI considerations:

CPI data is an integral part of the information base in the data presented. It has influenced the market data from both outside sources such as other counties and from within the county in determining an appropriate salary range for department directors.

10. Compensation philosophy:

Typically an organization will consider three factors when designing compensation programs. These are the ability for an organization to 1) attract, 2) retain and 3) motivate employees. Attracting talent for the Sheriff's position is limited to the local area, and to those with the required certifications, so salary comparability with other jurisdictions to a certain extent is not relevant. Nevertheless, although it cannot be proven, this Commission believes that an equitable and competitive salary will attract a larger number of highly qualified individuals to run for, and be willing to serve in, this and other elected offices.

RECOMMENDATIONS AND REASONS

The salaries of Sheriffs in Oregon and Washington jurisdictions are reasonably aligned to this position. The position's current salary of \$135,000 is 112.3% above Northwest comparators. This differential does not support an increase for the position on the basis of market comparison.

However, the Multnomah County Department Director positions are paid incrementally more than the Multnomah County Sheriff even though the Sheriff position is arguably equivalent to Department Director II. All but one of the department directors are paid above the midpoint of the Department Director II range. Therefore, the Salary Commission finds it reasonable to recommend that the Sheriff be placed at the midpoint of the Department Director II range.

The two Chief Deputies to the Sheriff are paid a salary lower than the Sheriff's salary. Increasing the Sheriff's salary to the midpoint of the Department Director II salary range will not have a significant effect on the differential between the Sheriff and his immediate subordinates.

The recommended salary for the Sheriff is the same as the Chair's salary which is being set by this Commission at the midpoint of Department Director II. Both are elected officials of the County. However, based on the unique responsibilities of each position, a different set of factors was considered to determine the salaries. We note that the Sheriff's position requires professional certification that the Chair's position does not. In the end however, we believe the data supports having both positions appropriately at the same pay rate.

2010/2011 and 2011/2012 SALARY

The Commission recommends that the salary of the Sheriff for 2010/11 should be equal to the midpoint of the Multnomah County Department Director II salary range for 2010/11.

The Commission recommends that the salary of the Sheriff for 2011/12 be equal to the midpoint of the Department Director II salary range for 2011/12.

2009/ENHANCING SERVICE TO THE PUBLIC

The Commission recommends that the BOCC accept the recommendations in total for the following reasons:

1. the recommendations come from professionals in the field of compensation and are based on (to the best of our knowledge) accurate, relevant and appropriate data and methodologies;
2. the salary recommendations relate to the office and not to the person; in other words, the salary is based on what the *job* is worth and because it does not include a "pay for performance" model it is not a measure of the worth of the *individual* who occupies the position;
3. being paid for what the job is objectively worth is extremely vital to maintaining high quality leadership for the Sheriff and his/her successor; thus the public will be better served.

LAST BUT CERTAINLY NOT LEAST

The Commission wishes to thank Sheriff Daniel Staton for agreeing to meet with us and providing information about the responsibilities of the Sheriff's position. We also thank Jennifer Ott in the Sheriff's Office for collecting and sharing valuable internal and external data with us.

The Commission wishes to thank Joi Doi and Travis Graves of the County Human Resources Office for collecting and sharing valuable information regarding management salaries and the County's compensation structure.

The Commission wishes to thank Agnes Sowle, County Attorney, for discussing legal issues with us.

The Commission also wishes to extend its appreciation to the Multnomah County Auditor and his staff. We could not have completed our work without their research and data collection.

Cc: Daniel Staton, Sheriff