



# CALL AND NOTICE

## **REVISED**

### **CALL AND NOTICE OF A SPECIAL MEETING OF THE FINANCE AND PERSONNEL COMMITTEE OF THE ASSOCIATION OF BAY AREA GOVERNMENTS**

As Chair of the Finance and Personnel Committee of the Association of Bay Area Governments (ABAG), I am calling a special meeting of the ABAG Finance and Personnel Committee as follows:

#### Special Meeting

Friday, July 29, 2016, 1:00 p.m.

#### Location:

Bay Area Metro Center  
Yerba Buena Conference Room 109  
375 Beale Street  
San Francisco, California

#### Teleconference Locations:

City of Fremont, City Hall, 3300 Capitol Avenue, Fremont, California

Morris House Hotel, 225 South 8th Street, Philadelphia, Pennsylvania

County of Solano, 675 Texas Street, Suite 6500, Fairfield, California

County of Sonoma, 575 Administration Drive, Room 100A, Santa Rosa, California

*The ABAG Finance and Personnel Committee may act on any item on this agenda.*

*Agenda and attachments available at [abag.ca.gov](http://abag.ca.gov)*

*For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913.*

- 1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM**
- 2. COMMITTEE ANNOUNCEMENTS**
- 3. PUBLIC COMMENT**
- 4. CLOSED SESSION**

Public Employee Performance Evaluation

Title: Executive Director

**ABAG Finance and Personnel Committee**

July 29, 2016

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**5. CLOSED SESSION**

Public Employee Performance Evaluation

Title: Legal Counsel

**6. OPEN SESSION**

**ADJUSTMENT TO PUBLIC EMPLOYEE COMPENSATION: EXECUTIVE DIRECTOR  
ACTION**

**7. OPEN SESSION**

**ADJUSTMENT TO PUBLIC EMPLOYEE COMPENSATION: LEGAL COUNSEL  
ACTION**

**8. ADJOURNMENT**

Members of the public shall be provided an opportunity to directly address the ABAG Finance and Personnel Committee concerning any item described in this notice before consideration of that item.

Agendas and materials will be posted and distributed for this meeting by ABAG staff in the normal course of business.

Submitted:

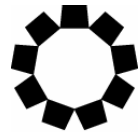
/s/ Bill Harrison  
Chair, Finance and Personnel Committee

Date Submitted: July 25, 2016

Date Posted: July 28, 2016

# ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

## AGENDA

### **REVISED**

#### **FINANCE AND PERSONNEL COMMITTEE**

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#### **1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM**

#### **2. COMMITTEE ANNOUNCEMENTS**

#### **3. PUBLIC COMMENT**

#### **4. CLOSED SESSION**

Public Employee Performance Evaluation

Title: Executive Director

#### **5. CLOSED SESSION**

Public Employee Performance Evaluation

Title: Legal Counsel

**ABAG Finance and Personnel Committee**

July 29, 2016

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**6. OPEN SESSION**

**ADJUSTMENT TO PUBLIC EMPLOYEE COMPENSATION: EXECUTIVE DIRECTOR  
ACTION**

The Executive Director has requested an adjustment to his compensation which is documented in a memorandum that has been provided to the Finance and Personnel Committee (F&P) and the Executive Board. F&P will report to the Executive Board on its recommended action on this request.

*Attachment: Executive Director Compensation*

**7. OPEN SESSION**

**ADJUSTMENT TO PUBLIC EMPLOYEE COMPENSATION: LEGAL COUNSEL  
ACTION**

The Legal Counsel has requested an adjustment to his compensation which is documented in a memorandum that has been provided to the Finance and Personnel Committee (F&P) and the Executive Board. F&P will report to the Executive Board on its recommended action on this request.

*Attachment: Legal Counsel Compensation*

**8. ADJOURNMENT**

Submitted:

/s/ Courtney Ruby, Interim Finance Director

Date Submitted: July 25, 2016

Date Posted: July 28, 2016

# ASSOCIATION OF BAY AREA GOVERNMENTS

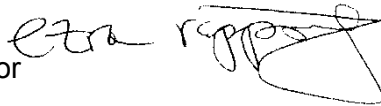
Representing City and County Governments of the San Francisco Bay Area



Date: July 13, 2016

To: ABAG Executive Board

From: Ezra Rapport  
Executive Director



Subject: **Executive Director Compensation**

## Background

I have served as ABAG's Executive Director since September 1, 2010. My compensation in this position is governed by an Employment Agreement dated July 30, 2010. Annual salary was set at \$198,500 and has not changed for over five years. I have no severance agreement. Health and welfare benefits, most notably pension and medical coverage, are the same as other employees.

The provisions of the Employment Agreement allow for adjustment of compensation based on annual reviews of performance. The Committee provided such a review in closed session, based on a detailed performance plan, in January 2015 and in January 2016.

The compensation was not awarded in January 2015 due to the news of the FAN embezzlement, the scope of which was unknown at the time. The Committee was not prepared at that time to make any adjustments to compensation, pending the outcome of the investigation. The investigation was concluded in December 2015.

The Committee, through the President, informed me that compensation could be adjusted to match the compensation package that was applied to all ABAG employees, including management, as of January 1, 2015 and January 1, 2016. This compensation package included employee contributions to pension and health benefits. Such contributions are currently being made by me, as the Executive Director. Applying the organizational increase to the Executive Director would increase net compensation by 4%, which would change the net compensation of the Executive Director from \$198,500 to \$206,440. This compensation is well below the MTC Deputy Director's net compensation which has been used as a comparable in the past. The MTC Deputy Director net compensation is \$218,449.

## Suggested Action

The Committee can recommend an adjustment to the Executive Director's compensation package for approval by the Executive Board. As a point of reference for salary, ABAG's management, professional and support staff received a 3% salary increase effective January 1,

## **Executive Director Compensation**

July 13, 2016

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2015 and another 3% salary increase effective January 1, 2016 as part of ABAG's negotiated MOU with SEIU Local 1021. The increase in total compensation is mitigated by an annual 1% increase in pension contribution for 2015 and again in 2016, in addition to cost controls in medical benefit coverage.


My request is to match my compensation to the same percentage increase received by all other managers and employees in 2015 and 2016, less the negotiated pension contributions and cap on medical benefits. This will avoid salary compaction at the management level.

In addition, I respectfully request a conversion of the current automobile allowance of \$500 per month in exchange for an equivalent increase in salary, as has been done with others who were of retirement age. The contract will be amended to ensure that no further automobile allowance will be authorized. The cost of this proposal is approximately \$75 per month for ABAG in increased pension costs.

# ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



To: Finance & Personnel Committee  
Association of Bay Area Governments  
Fr: Kenneth Moy, Legal Counsel   
Dt: July 13, 2016  
Re: Request for Adjustment to Compensation – Supplemental

This memorandum supplements the one dated March 17 and submitted in connection with my performance evaluation by the Finance & Personnel Committee conducted in March. The Committee requested additional information which I have provided below.

Below are the adjustments to my annual salary over the past 10 years<sup>1</sup>:

<u>Commencement Date</u>	<u>Amount</u>	<u>% Increase</u>
January 1, 2005	\$131,394	n/a
December 18, 2006	\$140,784	7.1%
July 20, 2007	\$162,000	15.0% <sup>2</sup>
July 1, 2008 - present	\$171,720	6.0%

The Interim Assistant Director of Administrative Services conducted a salary survey of legal counsels for other regional agencies. The results are presented in the table below:

South Coast Air Quality Management District	\$204,921
Southern California Association of Governments	\$219,086
San Diego Association of Governments	FY2017 range: \$139,560-\$185,904-\$232,248
East Bay Municipal Utility District	\$252,312
Bay Area Rapid Transit District	\$264,669
Bay Area Air Quality Management District	\$265,121
Sacramento Area Council of Governments	\$273,984 <sup>3</sup>
Metropolitan Transportation Commission	\$290,484

I hereby respectfully request an approximately 6% adjustment of my annual salary to \$182,025 effective July 1, 2016. This would also increase the annual costs of my benefits. However, the move to San Francisco reduces my transit subsidy. Therefore, the total increased cost to ABAG in FY 2016-17, salary and benefits, is \$13,469 (see attached Employee Cost Rate Report prepared by Finance/Personnel Department).

<sup>1</sup> Data provided by ABAG Finance and personnel staff.

<sup>2</sup> This is an equity adjustment for all management staff (not uniform).

<sup>3</sup> Also serves as COO.



# EMPLOYEE COST RATE REPORT

May 31, 2016

K. MOY, LEGAL COUNSEL

	Current Salary	Salary Increase of ~6%
Annual salary	171,720.00	182,025.00
PERS Contribution	57,217.90	60,658.65
Workers Compensation	1,528.31	1,620.01
Long Term Disability	388.80	388.80
Health Insurance	24,151.48	24,151.48
Section 125 Admin Fees	0.00	0.00
Parking Subsidy	0.00	0.00
Transit Subsidy	2,345.00	840.00
Domestic Health	0.00	0.00
PEP/PDA	0.00	0.00
PEPRA - EE PERS Contribution	0.00	0.00
Classic - EE PERS Contribution	-3,434.40	-3,640.46
Bonus	0.00	0.00
Unemployment	515.16	546.07
FICA Tax	9,836.94	9,986.34
SDI	960.68	960.68
Life Insurance	711.78	753.81
Retiree Health Benefit	18,665.96	19,785.92
<b>Total Benefits</b>	<b>112,887.61</b>	<b>116,051.30</b>
<b>Total Salary &amp; Benefits</b>	<b>284,607.61</b>	<b>298,076.30</b>
<b>Salary increase</b>	<b>10,305.00</b>	
<b>Increased cost of benefits</b>	<b>3,163.69</b>	
<b>Total cost increase (salary &amp; benefits)</b>	<b>13,468.69</b>	



To: Finance and Personnel Committee  
Fr: Kenneth K. Moy, Legal Counsel  
Dt: March 17, 2016  
Re: Compensation

This memorandum is submitted in connection with my performance evaluation by the Finance and Personnel Committee conducted in closed session.

Pending a finding by the Committee that my performance has been satisfactory or better, I am submitting the following information and request for the Committee's consideration and recommendation for action by the Executive Board:

- I receive only the same benefits as all other employees of ABAG and note for the Committee that as a member of the Classic CalPERS plan I am also subject to the contribution requirements under the MOU between ABAG and SEIU Local 1020: 1% beginning January 1, 2015 and another 1% beginning January 1, 2016.
- The last adjustment to my annual salary occurred on July 1, 2008 when it was raised from \$162,000 to the current \$171,720, an increase of 6%.
- All other ABAG employees, excepting myself and the Executive Director, received salary increases of 3% on January 1, 2015 and 3% on January 1, 2016.

I respectfully request the Committee to consider adjusting my salary to \$182,025, an increase of 6%, commencing April 1, 2016 and to recommend such an increase to the Executive Board at its March 17, 2016 meeting.

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