

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM
3.11
(ID # 8064)

MEETING DATE:

Tuesday, September 25, 2018

FROM : HUMAN RESOURCES:

SUBJECT: HUMAN RESOURCES: County Executive Officer Employment Contract and Compensation Package, All Districts. [Total Cost - \$0] [Source of Funds- Department Budget]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the employment agreement outlined herewith, effective September 25, 2018, through December 31, 2020, for Mr. George Johnson's services as County Executive Officer.

ACTION: Policy

Brenda Diederichs

Brenda Diederichs, Assistant CEO / Human Resources Director

9/17/2018

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: September 25, 2018
xc: HR

Kecia Harper-Ihem
Clerk of the Board

By: *[Signature]*
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Department Budget.			Budget Adjustment:	No
			For Fiscal Year:	18/19 – 20/21

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On May 23, 2017, the Riverside County Board of Supervisors announced Mr. George Johnson as County Executive Officer (CEO). This appointment was made effective June 8, 2017, and subject to agreement on a compensation and benefits package. The Board of Supervisors desires to memorialize the CEO appointment as described in the employment agreement. Attached herewith are the full terms and conditions of Mr. Johnson's employment agreement (Attachment A).

Mr. Johnson shall be entitled to all fringe benefits that are afforded to Exempt Management as well as any other benefits that have been granted by the Board of Supervisors. An evaluation of the compensation package for the CEO classification of nine (9) California counties was conducted to assist with the recommended motion. These nine (9) counties were selected as comparable agencies to Riverside County based on similarities in geography, demographics, and services provided. The average maximum annual salary for the surveyed agencies was \$336,650. The average total compensation package was \$543,154. The full details of the compensation survey can be found in Attachment B.

Impact on Residents and Businesses

Mr. Johnson has served Riverside County for over 27 years. In his role as County Executive Officer, Mr. Johnson will continue his commitment to public service in an effort to improve the livelihood of the residents and businesses in Riverside County.

Additional Fiscal Information

This document serves as the memorialization of those benefits currently afforded to Mr. Johnson and does not present any new costs to the County, nor does it increase the compensation package for the County Executive Officer. Mr. Johnson's compensation and benefits package shall remain status quo.

ATTACHMENT A. County Executive Officer Employment Agreement

ATTACHMENT B. County Executive Officer Market Survey

External Market Survey Data

COUNTY EXECUTIVE OFFICER

Riv Co Class Code: 74261

Jurisdiction	Title	Max Annual	Retirement Pickup	Hlth/Flex Pickup	Max Annual Leave	Def Comp	Other Bens	Total Package
Alameda County	County Administrative Officer	\$ 326,851	\$ 197,254	\$ 25,023	\$ 53,899	\$ 51,000	\$ 55,963	\$ 709,990
Contra Costa County**	County Administrator	\$ 355,866	\$ -	\$ 46,114	\$ 80,412	\$ 2,820	\$ 1,213	\$ 486,425
Los Angeles County	Chief Executive Officer	\$ 411,427	\$ 76,237	\$ 78,171	\$ -	\$ 32,914	\$ 41,269	\$ 640,018
Orange County	County Executive Officer	\$ 299,416	\$ 82,124	\$ 34,265	\$ 42,609	\$ 14,971	\$ 59,313	\$ 532,698
Sacramento County	County Executive	\$ 308,105	\$ 12,882	\$ 18,519	\$ 41,594	\$ 3,081	\$ 60,381	\$ 444,562
San Bernardino County	Chief Executive Officer	\$ 310,155	\$ -	\$ 11,818	\$ 39,366	\$ 14,810	\$ 60,305	\$ 436,454
San Diego County	Chief Administrative Officer	\$ 359,819	\$ -	\$ 16,860	\$ 59,509	\$ 28,786	\$ 68,688	\$ 533,661
Santa Clara County	County Executive	\$ 370,198	\$ 59,406	\$ 16,830	\$ 51,258	\$ 12,814	\$ 60,060	\$ 570,566
Ventura County	County Executive Officer	\$ 288,016	\$ 82,265	\$ 10,322	\$ 50,957	\$ 23,041	\$ 79,415	\$ 534,016

County Survey Mean: \$ 336,650 \$ 56,685 \$ 28,658 \$ 46,623 \$ 20,471 \$ 54,067 \$ 543,154
 County Survey Median: \$ 326,851 \$ 59,406 \$ 18,519 \$ 50,957 \$ 14,971 \$ 60,060 \$ 533,661

Riverside County County Executive Officer \$ 343,240 \$ 27,459 \$ 9,876 \$ 51,486 \$ 18,200 \$ 6,600 \$ 456,861

Dollar difference from mean: \$ 6,590 \$ (86,293)
 Percentage 2% -16%

Dollar difference from median: \$ 16,389 \$ (76,800)
 Percentage difference from median: 5% -14%

NOTES:

Alameda County - RETIREMENT: = 47% of base salary + EE share of 13.37% for total p/u = \$197,254; HLTH/FLEX: = 90% of HMO premium, dental 100% county paid; MAX ANNUAL LEAVE: >20/yr = 200/hrs; Management Leave = 7/hrs per CY; Sick Leave = 4/hrs per pp; Floating Holiday = 4 days per year; OTHER BENS: Auto Allowance = \$691.04/mo; annual leave buydown = 135/hrs per CY; lump sum payment = 40% base salary; other unspecified pay = \$143,199; LTD = county paid; life insurance = \$25,000 County paid.

Contra Costa County - **All data was gathered from Contra Costa County's website due to no response to salary request ** HLTH/FLEX: County pays monthly premium subsidy + 50% of monthly increase above 2017 plan premium amount; EE only pays 50% of monthly increase above 2017 plan premium amount (\$46,114/yr); MAX ANNUAL LEAVE: >30/yr = 280/hrs; Sick Leave = 8 working hours credit for each completed month of service (\$14,745/yr); Annual Management Administrative Leave: Credited with 94-hours (non-accrual) paid Management Admin Leave (all Management Admin Leave time is zeroed out on 12/31 each year) (\$14,437/yr); DEFERRED COMP: \$85/mo when participating in County's Deferred Comp Plan; Special Benefit for permanent employees hired on and after 01/01/2009 = \$150/mo to EE's account in Contra Costa County Deferred Compensation Plan; OTHER BENS: \$60,000 Management Life Insurance + \$10,000 term life insurance if enrolled in County's medical/dental program; Auto allowance = \$600.00/mo if appointed prior to 02/01/2012, \$0 if appointed on or after 02/01/2012; Professional Development Reimbursement = \$925/ea 2-year period; Career Development Training Reimbursement = \$750.00 per fiscal year.

Revised

External Market Survey Data

COUNTY EXECUTIVE OFFICER

Riv Co Class Code: 74261

Los Angeles County - **RETIREMENT**: based on individual EE, specifically age started w/County, and current actuarial valuation of retirement system; **HLTH/FLEX**: Cafeteria Benefits Plan Allowance = 19% of base salary; **MAX ANNUAL LEAVE**: Department Heads are At-Will and do not receive leave benefits; **SEVERANCE**: Equal to 6 months of base salary; **DEFERRED COMP**: 4% match for 457 Plan determined by base salary + 4% match for 401k plan determined by base salary and cafeteria plan contribution; **OTHER BENS**: Transportation allowance and option to purchase Life Insurance up to 8X salary (County pays half the premium, approximately \$500/mo); County does not pay into Social Security.

Orange County - **RETIREMENT**: Employer 34.91% of base salary - EE p/u share of 7.482% = \$82,124; **HLTH/FLEX**: full time EE enrolled with self only coverage, County pays 90% of premium; w/dependents, County pays approximately 75%; **DENTAL COVERAGE**: 100% paid by County; **DEFERRED COMP**: 5% of bi-weekly salary to 401(a); **OTHER BENS**: Car Allowance = \$765/mo + \$3,000/yr; Education/Professional Reimbursement + \$4,500/yr Optional Benefit Plan (can be used as taxable cash lump sum); Salary Continuance 60% of salary upon approved applications; AD & D \$125,000 basic coverage & Life Insurance \$125,000 basic coverage.

Sacramento County - **RETIREMENT**: = 7.93% of base salary; Retiree Medical Savings Plan (RHSP) = \$25/jper pp; **HLTH/FLEX**: employer contributes \$18,519/yr; **MAX ANNUAL LEAVE**: 25 days/yr; **DEFERRED COMP**: 401a match up to 1% of base salary; **OTHER BENS**: Management Differential = 3.35%; Car Allowance = \$550/mo; Educational Reimbursement = \$62.50/pp (\$1,500/yr); Basic Life Insurance = \$45/pp (\$50,000 policy); annual leave buy down = 40/hrs per CY.

San Bernardino County - **RETIREMENT**: No p/u if hired after 01/01/2013; Retirement Medical Trust Fund (Sick Leave Conversion) = >16/hrs = 2.75% pp; **HLTH/FLEX**: Medical subsidy based on EE+2 = \$482.64/pp; Dental Subsidy = \$9.46/pp; **MAX ANNUAL LEAVE**: 320/hrs + 8/hr Floating Holiday per year; 3.69/hrs sick leave/pp; **DEFERRED COMP**: 457(b) County contributes 1X EE contribution up to 1% and 401(k) 2X EE contribution up to 8%; **OTHER BENS**: Auto allowance = \$561.54/yr; \$1,000/yr Tuition Reimbursement; Health Club Membership Reimbursement, up to \$324/yr; Portable Communication Device Allowance = \$92.31/pp; Longevity Pay 15/hrs = 2% added to base salary.

San Diego County - **RETIREMENT**: floating holidays = 11 days/CY; **MAX ANNUAL LEAVE**: 43 days/yr + 13 days/yr Sick Leave; floating holidays = 24/yr; **DEFERRED COMP**: 8% of base salary; **OTHER BENS**: Car Allowance = \$684/mo; Severance: 12 mo of base salary; LTD - paid by county; life insurance = 2x base annual salary.

Santa Clara County - **RETIREMENT**: Employer contributes 16.047% / EE contributes 10.931%; **MAX ANNUAL LEAVE**: = 288/hrs; **DEFERRED COMP**: \$18,500 / 401 (a) Employer Contribution varies per year - \$12,814 (yr 2017); **OTHER BENS**: Car Allowance = \$400/mo.

Ventura County - **RETIREMENT**: County = \$161 - Employee = 4%; **HLTH/FLEX**: \$397/pp; **MAX ANNUAL LEAVE**: >15 yrs = 368.16 hrs/yr + 8/hr Floating Holiday; **DEFERRED COMP**: Employer Contribution = 1/2 of Employee Contribution to a max of 3%; **OTHER BENS**: Educational Incentive = 5% of annual salary; Textbook & Tuition Reimbursement = \$2,000 per fiscal year; Professional Memberships = \$200 per fiscal year; Auto Allowance: based on contract, \$525/mo or \$575/mo.

1 **EMPLOYMENT AGREEMENT**

2 **County Executive Officer**

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4 This Agreement is made and entered into this 25th day of September, 2018, by and between the
5 COUNTY OF RIVERSIDE, hereinafter referred to as "COUNTY", a general law county and political
6 subdivision of the State of California, and GEORGE JOHNSON, hereinafter referred to as "EMPLOYEE",
7 both of whom understand as follows:

8 **RECITALS**

9 WHEREAS, COUNTY desires to employ EMPLOYEE as County Executive Officer; and

10 WHEREAS, EMPLOYEE desires to serve in the capacity of County Executive Officer; and

11 WHEREAS, EMPLOYEE understands, acknowledges and agrees that the position of County
12 Executive Officer is an at-will position pursuant to Article 6, Section 601E (1) of the County Management
13 Resolution; that EMPLOYEE has no expectation of any vested right in said position; and that in assuming
14 said position EMPLOYEE shall serve solely at the will and pleasure of the Board of Supervisors; and

15 WHEREAS, it is the desire of the parties hereto to provide the terms and conditions by which
16 COUNTY shall receive and retain the services of EMPLOYEE and to provide for terminating
17 EMPLOYEE'S services at such time as the COUNTY may desire to terminate EMPLOYEE.

18 NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree
19 as follows:

20 **SECTION 1. DUTIES.**

21 The COUNTY hereby agrees to employ EMPLOYEE as County Executive Officer to perform the
22 functions and duties as directed by the COUNTY in the furtherance of the powers, duties and functions of
23 the COUNTY and specified in Classification Specification Code No. 74261, attached hereto aa Exhibit "A"
24 and made a part hereof.

25 **SECTION 2. TERM.**

26 A. Effective September 25, 2018, EMPLOYEE agrees to fulfill the functions and duties
27 of County Executive Officer of the County of Riverside.

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SEP 25 2018 3.11

1 B. Services provided by EMPLOYEE shall commence on September 25, 2018, and
2 shall continue until December 31, 2020 upon such terms and conditions as set forth herein and as may be
3 mutually negotiated by amendment to this Agreement.

4 C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right
5 of the COUNTY to terminate the services of EMPLOYEE at any time, with or without cause and with or
6 without notice.

7 D. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right
8 of EMPLOYEE to resign at any time.

9 E. EMPLOYEE agrees to remain in the exclusive employ of COUNTY, and shall not
10 either to accept other employment or become employed by any other Employer until this Agreement
11 terminated. Notwithstanding, Employee may engage in secondary employment or business activity in
12 accordance with County Policy and state law upon authorization by the Board of Supervisors.

13 **SECTION 3. TERMINATION/MODIFICATION.**

14 A. EMPLOYEE understands, acknowledges and agrees that pursuant to Section 2.C.,
15 above, COUNTY may terminate this Agreement at any time with or without cause or advance notice by
16 COUNTY. COUNTY shall only be required to provide written notice to Employee as to the effective date
17 of said termination.

18 B. In the event this Agreement is terminated by COUNTY prior to the expiration of the
19 Term, EMPLOYEE, pursuant to California Government Code section 53260, shall receive severance
20 compensation in an amount equal to one month of compensation for each month remaining on the Term of
21 the Agreement. Severance compensation shall include salary and health benefits as are received by Exempt
22 Management. If the unexpired term of the Agreement is greater than 12 months, the maximum cash
23 settlement shall be in an amount equal to the monthly salary and health benefits multiplied by 12.

24 C. In the event this Agreement is terminated, EMPLOYEE agrees to immediately
25 surrender the position of County Executive Officer; any and all writings containing information relating to
26 the conduct of the COUNTY'S business prepared, owned, used or retained by EMPLOYEE regardless of

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1 physical form or characteristics; and any and all equipment, tools, or other materials of whatever nature
2 provided to EMPLOYEE by COUNTY.

3 D. In the event EMPLOYEE desires to terminate this Agreement during such time as
4 COUNTY desires EMPLOYEE to continue in the capacity of County Executive Officer, EMPLOYEE
5 agrees to provide the COUNTY with two (2) weeks prior written notice of said termination.

6 E. In the event that this Employment Agreement is terminated, any cash settlement
7 related to the termination that EMPLOYEE may receive from COUNTY shall be fully reimbursed to
8 COUNTY if EMPLOYEE is convicted of a crime involving an abuse of his or her office or position pursuant
9 Government Code section 53243.2.

10 F. Any modification of this Agreement will be effective only if it is writing and signed
11 by both parties.

12 **SECTION 4. SALARY AND BENEFITS**

13 A. COUNTY agrees to pay EMPLOYEE pursuant to the salary range of the
14 classification "County Executive Officer" as set forth in Class Code No. 74261 as the same now exists or
15 may hereafter be amended. Effective September 25, 2018, EMPLOYEE shall receive an annual salary of
16 Three Hundred Forty Three Thousand Two Hundred Forty *Dollars* (\$343,240.00) payable in the same
17 manner and time as are all other employees of COUNTY.

18 B. EMPLOYEE shall be entitled to all fringe benefits that are afforded to Exempt
19 Management as well as any other benefits that have been or will be granted by the Board of Supervisors.

20 C. All actions taken by COUNTY relating to fringe benefits as hereinafter defined shall
21 be considered actions including and applying to EMPLOYEE. The term "fringe benefits", as used herein
22 are set forth in COUNTY'S Management Resolution, as the same now exists or hereafter may be amended,
23 and are defined herein to specifically include annual leave, holidays, retirement (PERS) benefits and
24 payments, health, dental and life insurance, and deferred compensation as is provided to other COUNTY
25 employees in the Exempt Management Group. In addition, COUNTY shall make available a long-term
26 disability insurance plan for EMPLOYEE, as the same is provided to other COUNTY employees in the
27 Exempt Management Group.

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1 D. EMPLOYEE understands, acknowledges and agrees that the position of County
2 Executive Officer is commensurate with an exempt employee under the Fair Labor Standards Act, and shall
3 not be entitled to receive any overtime pay, compensatory time, or other premium pay or compensation,
4 except as may be provided by the Board of Supervisors.

5 **SECTION 5. PERFORMANCE EVALUATION.**

6 The Board of Supervisors may evaluate EMPLOYEE'S performance on or about the anniversary
7 date of the effective date of this Agreement. Every year, the Board of Supervisors and EMPLOYEE may,
8 in addition, set goals and objectives for the ensuing year.

9 **SECTION 6. OTHER TERMS AND CONDITIONS.**

10 COUNTY, in consultation with EMPLOYEE, may fix such other terms and conditions of
11 employment as they may determine from time to time, relating to the duties and performance of
12 EMPLOYEE, provided such terms and conditions are not inconsistent with or in conflict with the provisions
13 of this Agreement, or any law, ordinance, resolution or regulation.

14 **SECTION 7. NOTICES.**

15 Notices pursuant to this Agreement shall be given by deposit in the custody of the United States
16 Postal Service, postage prepaid, addressed as follows or as such address may be changed from time to time
17 upon notice to the other:

18 COUNTY: Chairperson of the Board of Supervisors
19 County of Riverside
20 4080 Lemon Street
 Riverside, CA 92501

21 EMPLOYEE: George Johnson

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23 **SECTION 8. ENTIRE AGREEMENT.**

24 This Agreement contains the entire agreement between the parties hereto. No promise,
25 representation, warranty or covenant not included in this Agreement has been or is relied on by any party
26 hereto.

27 **SECTION 9. ASSIGNMENT.**

28 This Agreement is not assignable by either COUNTY or EMPLOYEE.

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SECTION 10. GOVERNING LAW.

This agreement shall be governed by and construed in accordance with the laws of the State of California.

SECTION 11. PARTIAL INVALIDITY

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

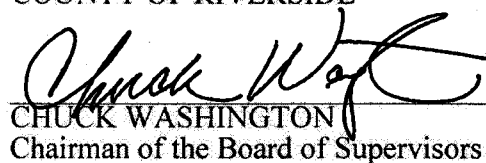
IN WITNESS WHEREOF, COUNTY and EMPLOYEE have caused this Agreement to be executed on the day and year first above written.

EMPLOYEE



GEORGE JOHNSON

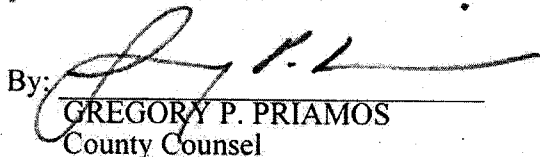
COUNTY OF RIVERSIDE



CHUCK WASHINGTON
Chairman of the Board of Supervisors

APPROVED AS TO FORM:

COUNTY COUNSEL

By: 

GREGORY P. PRIAMOS
County Counsel

ATTEST:

KECIA HARRER-HEM, Clerk

By: 

DEPUTY