

BOARD OF COUNTY COMMISSIONERS OFFICE



Office of Commissioner Kenneth T. Welch, Chairman
Pinellas Board of County Commissioners
315 Court Street, 5th Floor
Clearwater, Florida 33756-5165

Telephone: (727) 464-3614
Fax: (727) 464-3022

MEMORANDUM

TO: The Members of the Pinellas Board of County Commissioners
FROM: Kenneth T. Welch, Chairman 
CC: Jake Stowers, Assistant County Administrator
Holly Schoenherr, Human Resources Director
Jewel White, County Attorney
SUBJECT: County Administrator Pay Grade Review
DATE: August 21, 2018

The Current pay grade (E1) range for the County Administrator is \$165,547 - \$258,357. During a Work Session with the Board of County Commissioners (Board) on February 22, 2018, the Board came to a consensus to increase the maximum for the County Administrator pay grade (E1) to \$275,000 from the current maximum of \$258,357. Since annual salaries are based on an hourly rate, the actual maximum would be \$275,017.60 (\$132.22/hour), if the increase to the maximum is approved.

Supporting documents from Human Resources (HR) and the Office of Management and Budget (OMB) are attached. Both documents include information from Florida's largest counties (by population served). HR's County Administrator Compensation Study is from January 2017 and OMB's County Administrator Salary Survey is from October 2017, which reflects the most recent data and current fiscal year.

I request that the Board approve an increase to the maximum of pay grade E1 to \$275,017.60 (currently \$258,357) to formalize the Board's discussion during the 2/22/18 work session.

Attachments: County Administrator Compensation Study (HR Analysis January 2017)
County Administrator Salary Survey (OMB Analysis October 2017)

An examination of total rewards provided
to County Administrators among Florida's
largest County governments.

County Administrator Compensation Study

January 2017

Jack K. Loring

County Administrator Compensation Study

Reported by: Jack K. Loring, January 2017

Compensation Study Background:

At the request of the Board of County Commissioners (BCC), The Human Resources (HR) department conducted a compensation study in order to assess the competitiveness of the County Administrator's pay level.

Salary and total rewards survey data was collected from compensation professionals within Florida's 13 largest counties (by population served). Along with the compensations data, respondents were asked to provide copies of employment contracts/agreements, if applicable for their County Administrator/Manager/Mayor. Survey participants included;

Brevard County	Hillsborough County	Miami-Dade County	Pasco County
Broward County	Lee County	Orange County	Sarasota County
Duval County/City of Jacksonville	Manatee County	Palm Beach County	Seminole County
			Volusia County

Survey Response Data:

The table below provides the annual salary and additional details about each incumbent's employment status with their current organization.

Organization	Title	Contract? Yes/No	Current Salary	Years in the Position	Next Review Date
Brevard County	County Manager	Yes	\$188,181	2.7	N/A
Broward County	County Administrator	Yes	\$323,229	9.0	October-17
City of Jacksonville/Duval County	Mayor	No	\$180,332	1.5	N/A
Hillsborough County	County Administrator	Yes	\$260,000	6.0	October-17
Lee County	County Manager	Yes	\$216,240	3.0	October-17
Manatee County	County Administrator	Yes	\$209,186	9.0	October-17
Miami-Dade County	Mayor	No	\$150,000	4.0	N/A
Orange County	County Adminsitrator	Yes	\$247,749	17.0	October-17
Palm Beach County	County Administrator	Yes	\$273,183	1.3	August-17
Pasco County	County Administrator	Yes	\$192,816	6.0	June-17
Sarasota County	County Administrator	Yes	\$207,620	3.0	October-17
Seminole County	County Manager	Yes	\$196,687	2.0	N/A
Volusia County	County Manager	Yes	\$241,793	10.5	December-17

	Salary
Average	\$222,078
Median	\$209,186
Pinellas	\$245,898

Survey respondent's confirmed that Miami-Dade and Duval County/City of Jacksonville, have a "Strong Mayor" form of government. These were the only organizations without an employment contract.

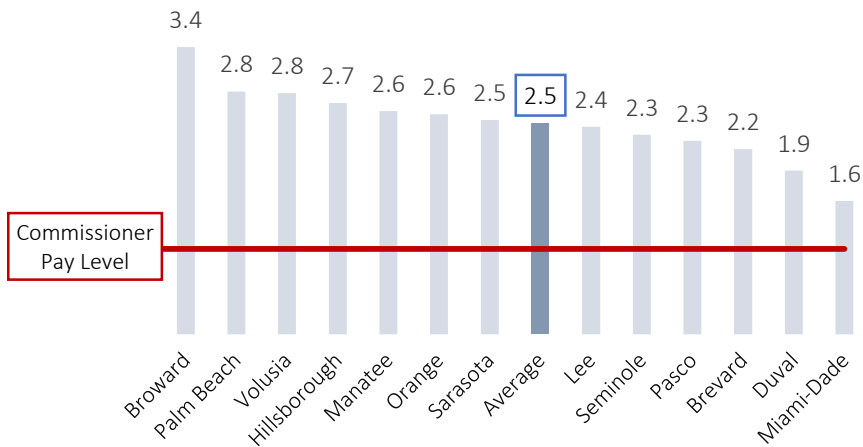
County Administrator Compensation Study

Reported by: Jack K. Loring, January 2017

The State of Florida determines the salaries for County Commissioners by using a formula based upon the population of county residents. Comparing County Commissioner pay levels to the County Administrator/Manager/Mayor (Administrator) salaries can be accomplished by using a ratio to normalize the data.

The chart below illustrates the use of a ratio (1.0) which represents the County Commissioner's pay level. Results for Florida's 13 largest Counties, show that on average, the Administrator's pay is two and a half (2.5) times that of their respective County Commissioner's pay level.

Ratio of Administrator Pay to Commissioner Pay



Other Cash Compensation:

In addition to the annual base salary, many of the Administrators receive other forms of cash compensation. The table below provides details about other cash compensation in the form of:

- Contributions to a qualified 457 deferred compensation plan, (annual total)
- Monthly Auto Allowance, (annual total)

Organization	Annual Deferred Comp	Annual Auto Allowance	Combined Additional Cash
Brevard County	\$0	\$5,400	\$5,400
Broward County	\$18,000	\$7,200	\$25,200
City of Jacksonville/Duval County	\$0	\$5,400	\$5,400
Hillsborough County	\$18,000	\$2,832	\$20,832
Lee County	\$15,000	\$6,000	\$21,000
Manatee County	\$18,000	\$5,400	\$23,400
Miami-Dade County	\$0	\$0	\$0
Orange County	\$11,000	\$0	\$11,000
Palm Beach County	\$18,000	\$6,000	\$24,000
Pasco County	\$9,000	\$5,400	\$14,400
Sarasota County	\$18,000	\$6,000	\$24,000
Seminole County	\$0	\$6,000	\$6,000
Volusia County	\$18,000	Car Provided	\$18,000

	Deferred Comp	Auto Allowance	Combined
Average	\$11,000	\$4,636	\$15,053
Median	\$15,000	\$5,400	\$17,616

County Administrator Compensation Study

Reported by: Jack K. Loring, January 2017

Total Rewards – Benefits:

Administrators typically receive a cell phone stipend and have their professional membership dues, subscriptions and job-related travel, paid for by the County. A review of the employment contracts and data provided by each organization, reveals that most Administrators receive the same benefits as other Senior Management level employees when it comes to; Vacation Leave, Sick Leave, and paid Holidays.

Some Administrators receive additional benefits in the form of; Severance Pay, paid Health/Medical Insurance, and additional Life Insurance coverage. It should be noted that, Severance Pay is dependent upon the circumstances that lead to the Administrator's termination of employment. The table below provides additional details about the benefits provided by each County included in this study.

Organization	Severance	Life Insurance	Health/Medical Insurance
Brevard County	140 days paid	Same as other employees	Same as other employees
Broward County	180 days paid, plus Health Ins costs	Same as executive employees	Same as executive employees
City of Jacksonville/Duval County	140 days paid	Same as Exempt staff	Same as Exempt staff
Hillsborough County	180 days paid	Same as other Sr. Mgmt. employees	Same as other Sr. Mgmt. employees
Lee County	None	Same as other employees	Premium paid by County
Manatee County	140 days paid	\$150k Additional coverage Premium paid by County	Employee Plus 1 - Paid by County
Miami-Dade County	None	Same as other employees	Same as other employees
Orange County	180 days paid	Same as other employees	Same as other employees
Palm Beach County	140 days paid	Same as administrative employees	Same as administrative employees
Pasco County	140 days paid	\$100k Additional coverage Premium paid by County	Premium paid by County
Sarasota County	140 days paid	Coverage for 3x Base Salary Premium paid by County	Same as other employees
Seminole County	112 days paid	Same as other employees	Premium paid by County
Volusia County	12 months paid	\$300k Coverage paid by County	Premium paid by County

Competitive Market Rate:

Identifying the "Market Rate" involves analysis of the pay data, and the elimination of outliers from the dataset. Of the 13 targeted organizations, Duval County and Miami-Dade are led by elected officials with relatively low salaries. In fact, the response from Miami-Dade included the following notation regarding their Mayor.

"His salary is \$150,000. The Board of County Commissioners approved a higher rate, but the Mayor elected to only receive \$150,000."

In addition to Duval and Miami-Dade, Broward County should also be considered as an outlier since the Administrator's salary is more than two standard deviations from the mean of the sample data. This methodology follows a standard practice used by compensation professionals to identify outliers.

After removing the outliers, the refined dataset provides a more accurate picture of the market rate. The table below provides further details including the total cash compensation values.

County Administrator Compensation Study

Reported by: Jack K. Loring, January 2017

Refined Dataset for Administrator, Total Cash Compensation:

Organization	Title	Contract? Yes/No	Current Salary	Years in the Position	Next Review Date
Brevard County	County Manager	Yes	\$188,181	2.7	N/A
Hillsborough County	County Administrator	Yes	\$260,000	6.0	October-17
Lee County	County Manager	Yes	\$216,240	3.0	October-17
Manatee County	County Administrator	Yes	\$209,186	9.0	October-17
Orange County	County Adminsitrator	Yes	\$247,749	17.0	October-17
Palm Beach County	County Administrator	Yes	\$273,183	1.3	August-17
Pasco County	County Administrator	Yes	\$192,816	6.0	June-17
Sarasota County	County Administrator	Yes	\$207,620	3.0	October-17
Seminole County	County Manager	Yes	\$196,687	2.0	N/A
Volusia County	County Manager	Yes	\$241,793	10.5	December-17

	Salary	Other Cash Compensation	Total Cash Comp
Average	\$223,345	\$16,670	\$240,016
Median	\$212,713	\$20,832	\$233,545

Pinellas	\$245,898
-----------------	-----------

Conclusions:

As a result of this analysis, we can confidently conclude that, (among large counties), the total cash compensation rate associated with a journey-level Administrator is between \$233k and \$240k. Evidence also points to a standard “rule of thumb” for base salary levels that are two and half times that of the County Commissioner’s salary.

The data clearly reflects geographic and economic influences on incumbent salaries. Other influences on pay are likely associated with the performance level of the individuals in these roles. Regression analysis confirms that only 7% of the variation in base salary levels can be attributed to tenure, (years in the position).

**COUNTY ADMINISTRATOR SALARY SURVEY
COMPARABLE FLORIDA COUNTIES - FY 2018**

<u>COUNTY & POPULATION *</u>	<u>CURRENT SALARY</u>	<u>DEFERRED COMPENSATION</u>	<u>VEHICLE/ CAR ALLOWANCE</u>	<u>GRAND TOTAL</u>
BENCHMARK JURISDICTIONS:				
BROWARD--pop 1,873,970	\$323,229	\$24,000	Allowance - \$600/Mo	\$354,429
HILLSBOROUGH--pop 1,379,302	\$267,800	\$9,373	Allowance - \$268/Mo	\$280,389
ORANGE--pop 1,313,880	\$256,422	\$15,500	None	\$271,922
PALM BEACH--pop 1,414,144	\$281,378	\$24,000	Allowance - \$500/Mo	\$311,378
PASCO--pop 505,709	\$228,000	\$12,000	Allowance - \$450/Mo	\$245,400
PINELLAS--pop 962,003	\$252,242	None	None	\$252,242
SARASOTA--pop 407,260	\$207,626	\$24,000	Allowance - \$500/Mo	\$237,626

Notes:

Prepared by Pinellas County Office of Management & Budget - October, 2017.

* Population updated using Office of Economic and Demographic Research - April 1, 2017 Estimate