

MEMO

MEETING DATE

MAR 09 2011

AGENDA ITEM

#10

Date: March 9, 2011

To: CCCERA Board of Retirement

From: Board Ad hoc Committee (Jerry Telles, Brian Hast, Jerry Holcombe and Russell Watts)

Subject: Performance/Salary Recommendations

Recommendation: Grant the CEO a 4% merit and market comparability salary adjustment

At the January 12, 2011 Board meeting, the Board met in closed session to review the performance of the Retirement Chief Executive Officer (CEO). In open session, the Board Chair commented on the favorable discussion, and that the Board had given the CEO an exemplary performance rating. An ad hoc committee was formed to consider any corresponding salary adjustment.

The ad hoc committee met on February 9, 2011 to discuss the issue. The committee acknowledged the specialized skill set required for the CEO position, along with the outstanding performance of the current CEO. Discussion followed regarding the CEO's salary as compared with those of other CEOs heading similarly sized retirement systems, the current economic environment, as well as the lack of any annual merit increases for the CEO since 2007, excluding cost of living adjustments.

Recognizing that the comparable salary for this position in other Bay Area systems still is substantially higher than that of CCCERA's CEO, and in view of the past excellent performance of the incumbent, the committee unanimously agreed to recommend that the full Board consider and approve a modest merit and market comparability adjustment

The committee recommends the Board of Retirement adopt an annual salary increase in the amount of 4% of pay, retroactive to January 1, 2011, and that the Board include an annual salary review, though not necessarily an adjustment, in the future for the CEO along with the annual performance evaluation.