



City of Huntington Beach

File #: 19-580

MEETING DATE: 5/20/2019

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Lori Ann Farrell Harrison, Interim City Manager

PREPARED BY: Alisa Backstrom, City Treasurer

Subject:

Adopt Resolution No. 2019-33 to modify the compensation of the Elected City Treasurer to more appropriately align it with the responsibilities and duties of the position and bring it into alignment with comparable positions within the City

Statement of Issue:

The City Charter for the City of Huntington Beach calls for an Elected City Treasurer. The current City Treasurer was appointed to the position in March 2011, elected in November 2012, and then re-elected in November 2016. During the past eight years, the City Treasurer has not received a step increase from the original hiring date. The City Charter requires that the compensation of the Elected City Treasurer be modified only by an action of the City Council. City Council authorization is requested to modify the compensation of the City Treasurer to more appropriately align it with the responsibilities and duties, and bring it into alignment with comparable positions within the City.

Financial Impact:

The current salary of the City Treasurer is capped by Resolution at \$51,812, representing an hourly rate of \$49.82, for 20 hours per week (part-time) for 52 weeks per year. This hourly rate is far below the Starting Point of the current formal Salary Schedule for the City Treasurer of \$74.64, which was the hourly rate for the previous full-time City Treasurer. The proposed adjustment will: 1) reduce the hourly rate of \$74.64 on the current salary schedule to more appropriately align it with its duties and responsibilities, and align it with other comparable positions in the City, such as the Elected City Clerk, at an hourly rate of \$69.94; and, 2) remove the salary cap to be consistent with other positions citywide. This action will increase annual compensation from \$51,812 to \$72,738 (reflecting an hourly rate of \$69.94 for 20 hours per week at 52 weeks per year). The proposed change will be effective July 1, 2019. The additional cost will be incorporated into the FY 2019/20 budget.

Recommended Action:

Adopt Resolution No. 2019-33, "A Resolution of the City Council of the City of Huntington Beach Modifying the Salary and Benefits for Non-Represented Employees Including the City Treasurer."

Alternative Action(s):

Do not adopt Resolution 2019-33 modifying the salary for the Elected City Treasurer.

Analysis:

The City Treasurer's compensation was set and capped in 2010 by action of the City Council following the departure of the previous City Treasurer. The compensation of the City Treasurer has never received a step increase, as provided for in the Non-Associated salary schedule, since the initial hiring date eight years ago in March of 2011.

At the time the initial compensation was established, the City Treasurer's compensation was capped at a fixed amount unrelated to the hourly rates established by the Non-Associated Executive Management Salary Schedule. The cap was intended to reflect a reduced scope of work associated with the new part-time City Treasurer position. This request aligns the City Treasurer's rate of pay with the lowest allowable hourly rate of an elected or appointed Executive Management position. The proposed alignment in the hourly pay rate is also consistent with that of another elected official and is more appropriate than the somewhat arbitrary cap put in place nearly a decade ago. The position would remain part-time, compensated at 20 hours per week. Future salary adjustments would still require City Council approval. Moreover, the most similar comparison would be to the Elected City Treasurer of Laguna Beach, which is also a part-time position. The current hourly rate of the part-time City Treasurer of Laguna Beach is \$71.82. The proposed hourly rate is lower than this amount.

The City Council relies on the technical expertise of the City Treasurer to ensure the safety, diversification, and liquidity of the City's public funds. The current City Treasurer has been in the position for over eight years. She holds a Master's Degree in Finance (MBA), has over 20 years of professional financial experience, and has earned the Professional Certifications of CCMT (*Certified California Municipal Treasurer*) and CPFIM (*Certified Public Funds Investment Manager*). The City Treasurer currently serves on the Orange County Treasury Oversight Committee (appointed by the Orange County Board of Supervisors) and is a past Board Member of the California Municipal Treasurers Association.

The proposed modification to the Salary Schedule as shown below is requested to commence with the pay period beginning July 1, 2019.

Non-Associated Executive Management Salary Schedule

Job No.	Description	Pay Grade	Starting Point	Control Point	High Point
			77.64	83.07	92.46
0018	City Treasurer-Part Time	NA0018	69.94	77.85	92.46

• Annual Salary Not to Exceed \$51,812

Environmental Status:

Not Applicable

Strategic Plan Goal:

Non-Applicable - Administrative Item

Attachment(s):

1. Resolution No. 2019-33
2. Exhibit 1 - NA Salary Schedule Eff 6-1-19
3. Exhibit A - Non-Associated Resolution No. 2016-50
4. City Treasurer PowerPoint Presentation