



Agenda Item No. (4)

To: Rules, Policy and Industrial Relations Committee/Committee of the Whole
Meeting of November 19, 2021

From: Cody Smith, Director of Accounting
Kellee J. Hopper, Deputy General Manager, Administration and Development
Joseph M. Wire, Auditor-Controller
Denis J. Mulligan, General Manager

Subject: **APPROVE RECLASSIFICATION OF THE PAYROLL MANAGER POSITION**

Recommendation

The Rules Committee recommends the Board of Directors approve reclassification of the Payroll Manager position with an 8% salary adjustment, to increase the hourly salary from \$49.16-\$59.42 to \$53.07-\$64.13.

This matter will be presented to the Board of Directors at is November 19, 2021 meeting for appropriate action.

Summary

The Payroll Department, under the direction of the Accounting Director, is responsible for the Golden Gate Bridge, Highway and Transportation District's (District) three bi-weekly payroll cycles, 64 payroll runs each year. Unique to the District's payroll processes are the complex and very numerous pay rules in the District's 25 Memorandum of Understandings (MOU). These complexities require staff, specifically the Payroll Manager, to be responsible for mastering the constantly changing Federal, State and local pay and employment laws and guidelines. The District remains one of the few large employers that processes its own payroll.

The Payroll Manager position was originally posted in October 2019. After several recruiting attempts in the first year a candidate was selected in early 2020, but left several months later. Since that time, we have continued to recruit but have been unable to locate a qualified candidate.

The District received a total of 43 applications from direct recruitment efforts and 11 applications from 3 executive search agencies. Staff interviewed 10 of those applicants and four were placed on the Eligibility List. In the District's last offer to a candidate for this position, the individual was making 10% more than the District's highest step for this position. The candidate ultimately accepted a competing offer from an employer for a similar position that paid above the District's current pay rate.

Although both the District and the executive search teams are actively recruiting for this position, there are no qualified candidates for the position at this time, as has been the case for a number of months.

In recent meetings with the executive search agencies, the feedback from candidates was that the District's pay is too low for the level of responsibility and complexity of our pay systems.

Upon receiving this feedback, a salary survey was conducted by our compensation consultant. The results of the survey show that this position classification is 19.7% below market in Total Compensation (PEPRA classified).

In light of the continuing difficulties experienced in finding and hiring a candidate for this vacancy and, based on the feedback from the executive search agencies, staff believes additional consideration should be given to align this position's salary to make it more competitive for qualified candidates in this tight market.

This recommendation is approximately an 8% increase in the total salary, more closely aligning it with comparable salaries in the market. Furthermore, this salary proposal is based on similar roles found in the current District salary table for this classification.

Fiscal Impact

The proposed compensation structure will increase annually by approximately \$13,774 a year. In FY 21/22 the increase expense would be absorbed in the existing District Division budget. In future years it will be included in the annual District Division's budget.

Position at Top Step	Estimated Salary	Estimated Benefits	Total Salaries & Benefits
Eliminate Current Payroll Manager Salary	\$ (123,603)	\$ (88,468)	\$ (212,071)
Add Proposed Payroll Manager Salary	\$ 133,390	\$ 92,455	\$ 225,845
Net Changes	\$ 9,787	\$ 3,987	\$ 13,774