

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

**BOARD OF RETIREMENT
2223 WELLINGTON AVENUE, SUITE 100
SANTA ANA, CA 92701**

**PERSONNEL COMMITTEE MEETING
Thursday, May 27, 2021
9:30 A.M.**

Members of the Committee
Roger Hilton, Chair
Shawn Dewane, Vice Chair
Chris Prevatt

Pursuant to Executive Order N-29-20, certain provisions of the Brown Act are suspended due to a State of Emergency in response to the COVID-19 pandemic. Consistent with the Executive Order, this meeting will be conducted by video/teleconference only. None of the locations from which the Board members will participate will be open to the public.

Members of the public who wish to observe and/or participate in the meeting may do so via the Zoom app or via telephone. Members of the public who wish to provide comment during the meeting may do so by “raising your hand” in the Zoom app, or if joining by telephone, by pressing * 9 on your telephone keypad.

OCERS Zoom Meeting Video/Teleconference Information	
Join Using Zoom App (Video & Audio) https://ocers.zoom.us/j/93416400322 Meeting ID: 934 1640 0322 Password: 888826 Go to https://www.zoom.us/download to download Zoom app before meeting Go to https://zoom.us to connect online using any browser.	Join by Telephone (Audio Only) Dial by your location +1 669 900 6833 US (San Jose) +1 346 248 7799 US (Houston) +1 253 215 8782 US (Tacoma) +1 312 626 6799 US (Chicago) +1 929 436 2866 US (New York) +1 301 715 8592 US (Germantown) Meeting ID: 934 1640 0322 Password: 888826
A Zoom Meeting Participant Guide is available on OCERS website Board & Committee meetings page	

AGENDA

The Personnel Committee of the Orange County Board of Retirement welcomes you to this meeting. This agenda contains a brief general description of each item to be considered. The Committee may take action on any item included in the agenda; however, except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda. The Committee may consider matters included on the agenda in any order, and not necessarily in the order listed.

In addition, public comment on matters listed on this agenda will be taken at the time the item is addressed.

CONSENT AGENDA

All matters on the Consent Agenda are to be approved by one action unless a Committee Member requests separate action on a specific item.

C-1 COMMITTEE MEETING:

Approval of Meeting and Minutes

Personnel Committee Meeting

November 18, 2020

Recommendation: Approve minutes.

ACTION ITEMS

NOTE: Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Committee's discussion of the item. **Persons wishing to provide public comment at this time should fill out a speaker card located on the counter at the back of the room and deposit it in the Recording Secretary's inbox on the wall near the middle of the room.**

A-1 INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE CONSENT AGENDA

A-2 OCERS COMPENSATION STUDY

Presentation Steve Delaney, CEO; Cynthia Hockless, Director of Human Resources, OCERS; & Igor Shegolev, Senior HR Consultant, CPS HR

Recommendation: (1) Approve the proposed salary ranges and pay structure for the OCERS Direct employees as designed by CPS HR Senior Compensation Consultant, Igor Shegolev

(2) Approve a 5% pay adjustment with the implementation of the proposed salary ranges and pay structure. Effective July 2, 2021

(3) Approve an annual adjustment of the salary ranges that match wage inflation to keep the pay structure current

(4) Approve a pay philosophy that allows OCERS to administer an annual performance based step increase in the amount of 2.75% to progress employees through the salary ranges during

Orange County Employees Retirement System
May 27, 2021
Personnel Committee Meeting - Agenda

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OCERS annual performance review. Not to exceed more than 2 steps. Meets = Base increase equal to inflation, Exceeds = Base + 1 step of 2.75% and Exceptional = Base + 2 steps or 5.5%

COMMITTEE MEMBER COMMENTS

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

ADJOURNMENT

NOTICE OF NEXT MEETINGS

AUDIT COMMITTEE MEETING

June 4, 2021

1:30 P.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

GOVERNANCE COMMITTEE MEETING

June 10, 2021

2:00 P.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

DISABILITY COMMITTEE MEETING

June 21, 2021

8:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

REGULAR BOARD MEETING

June 21, 2021

9:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

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**SANTA ANA, CA 92701
INVESTMENT COMMITTEE MEETING
June 23, 2021
9:30 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
2223 E. WELLINGTON AVENUE, SUITE 100
SANTA ANA, CA 92701**

All supporting documentation is available for public review in the retirement office during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Thursday and 8:00 a.m. – 4:30 p.m. on Friday.

It is OCERS' intention to comply with the Americans with Disabilities Act ("ADA") in all respects. If, as an attendee or participant at this meeting, you will need any special assistance beyond that normally provided, OCERS will attempt to accommodate your needs in a reasonable manner. Please contact OCERS via email at adminsupport@ocers.org or call 714-558-6200 as soon as possible prior to the meeting to tell us about your needs and to determine if accommodation is feasible. We would appreciate at least 48 hours notice, if possible. Please also advise us if you plan to attend meetings on a regular basis.

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
BOARD OF RETIREMENT
2223 E. WELLINGTON AVENUE, SUITE 100
SANTA ANA, CALIFORNIA**

**PERSONNEL COMMITTEE MEETING
Wednesday, November 18, 2020
11:00 A.M. OR UPON ADJOURNMENT OF THE INVESTMENT COMMITTEE MEETING,
WHICHEVER IS LATER**

Members of the Committee

Chris Prevatt, Chair
Wayne Lindholm, Vice Chair
Roger Hilton

MINUTES

Chair Prevatt called the meeting to order at 11:48 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present via Zoom video teleconference pursuant to Executive Order N-29-20 issued by Governor Newsom on March 17, 2020:

Present: Chris Prevatt, Chair; Wayne Lindholm, Vice Chair; Roger Hilton

Also

Present: Steve Delaney, Chief Executive Officer; Brenda Shott, Assistant CEO, Internal Operations; Molly Murphy, Chief Investment Officer; Gina Ratto, General Counsel; Cynthia Hockless, Director of Human Resources; Anthony Beltran, Visual Technician; and Brittany Cleberg, Recording Secretary

The Committee recessed for a break at 11:48 a.m.

The Committee reconvened at 12:19 a.m.

CONSENT AGENDA

MOTION by Lindholm, **seconded** by Hilton, to approve staff's recommendation on all of the following items on the Consent Agenda:

C-1 COMMITTEE MEETING:

Personnel Committee Meeting
Personnel Committee Meeting

February 26, 2020
August 19, 2020

Recommendation: Approve minutes.

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November 18, 2020
Personnel Committee Meeting - Minutes

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The motion passed **unanimously**.

ACTION ITEMS

A-1 INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE CONSENT AGENDA

No items were trailed from the Consent Agenda.

A-2 PROPOSED LEGISLATIVE AMENDMENT TO CERL REGARDING BOARD'S AUTHORITY TO APPOINT OCERS PERSONNEL

Presentation Gina M. Ratto, General Counsel

After discussion by the Committee, **MOTION** by Lindholm, **seconded** by Hilton, to approve and recommend that the Board approve introduction of a legislative bill to amend Government Code section 31522.5 regarding the Board's authority to appoint OCERS personnel.

The motion passed **unanimously**.

COMMITTEE MEMBER/CEO/CONSULTANT/COUNSEL COMMENTS

None

The meeting **ADJOURNED** at 1:02 p.m.

Submitted by:

Approved by:

Steve Delaney
Secretary to the Committee

Chris Prevatt
Chair



Memorandum

DATE: May 27, 2021
TO: Members of the Personnel Committee
FROM: Cynthia Hockless, Director of Human Resources
 Steve Delaney, Chief Executive Officer
SUBJECT: OCERS COMPENSATION STUDY

Recommendation

1. Approve the proposed salary ranges and pay structure for the OCERS Direct employees as designed by CPS HR Senior Compensation Consultant, Igor Shegolev
2. Approve a 5% pay adjustment with the implementation of the proposed salary ranges and pay structure. Effective July 2, 2021
3. Approve an annual adjustment of the salary ranges that match wage inflation to keep the pay structure current
4. Approve a pay philosophy that allows OCERS to administer an annual performance based step increase in the amount of 2.75% to progress employees through the salary ranges during OCERS annual performance review. Not to exceed more than 2 steps. Meets = Base increase equal to inflation, Exceeds = Base + 1 step of 2.75% and Exceptional = Base + 2 steps or 5.5%.

Background/Discussion

CPS HR Consulting (CPS HR) was retained by the Orange County Employee Retirement System (OCERS) to conduct a Total Compensation study for twenty-six (26) classifications for OCERS direct employees. The purpose of the study is to provide an objective and comprehensive comparison of OCERS total compensation (salary, bonus, benefits, etc.) between OCERS and other public sector employers. The intended use of the CPS HR report is to review OCERS current total compensation structure against the selected market and its competitiveness in recruiting new employees and retaining existing employees. The study results will be used as a tool for aligning the pay structure with strategic goals with the outcome of having a comprehensive total compensation package that is aligned with OCERS pay philosophy and business goal to Recruit, Retain and Inspire a high performing workforce. To achieve this, CPS HR utilized OCERS' predetermined labor market of ten (10) comparable agencies and collected and analyzed base salary and total compensation data which was effective as of August 1, 2018.

The labor market agencies were crafted by staff and the Personnel Committee after discussions about strategic selection criteria, such as agency size, geographic proximity, industry services, competing agencies, and cost of living or cost of labor considerations. The ten (10) identified labor market agencies are listed below:

1. California Public Employees Retirement System (CalPERS)
2. California State Teachers Retirement System (CalSTRS)
3. Los Angeles City Employees Retirement System (LACERS)
4. Los Angeles County Employees Retirement Association (LACERA)
5. Los Angeles Fire and Police Pensions (LAFPP)
6. Orange County, CA
7. San Bernardino County Employees Retirement Association (SBCERA)
8. San Diego City Employee Retirement System (SDCERS)
9. San Diego County Retirement Association (SDCERA)
10. San Francisco Employees Retirement System (SFERS)

The project initially began in August 2018, with OCERS receiving CPS HR finalized report on May 22, 2019. In early 2020, the project was paused due to the health pandemic. In the later part of 2020, meetings with CPS HR, OCERS CEO, the Senior Executive team, and Human Resources Director resumed.

OCERS Personnel Committee Meetings

On June 17, 2019, Personnel Committee meeting, several questions were raised by the Trustees regarding the CPS HR report and their methodology in developing the data. It was determined that an education session be conducted from CPS HR on their methodology and how to best use the data.

At the February 26, 2020, Personnel Committee meeting, CPS HR Senior Compensation Consultant, Igor Shegolev, presented an education session regarding the methodology and data collection methods utilized to complete the study. The purpose of this session was for the Personnel Committee to understand the technique and process used to develop the salary ranges.

After the education session, the Personnel Committee directed Staff to work with CPS HR to develop ranges and a salary structure that will assist OCERS with recruitment and retention. It was recommended salaries be placed at the 65th percentile of the market mean using the midpoint for consideration. The additional direction was given to take the pay ranges of the current County of Orange employees located at OCERS into consideration.

CPS HR Salary Recommendations

CPS HR contacted the ten (10) market agencies to gather the percent of salary increase that each agency provided for their management-level staff in 2019, 2020, and 2021.

The table below was provided to OCERS by CPS HR. After a review of the data, CPS HR recommended to age the data by 9.5% to keep pace with the movement of the salary ranges from the comparable agencies.

Data Gathered January 5-8, 2021; Updated February 8-9, 2021

Surveyed Agency	2019	2020	2021	2022	SUM - 2019 to 2021	SUM - 2019 to 2022
California Public Employees Retirement System (CalPERS)	6.00	2.20	--	--	8.20	8.20
California State Teachers Retirement System (CalSTRS) (exact #s not given by contact; indicated these are "typical")	5.00	5.00	5.00		15.00	15.00
County of Orange	2.50	2.50	2.50	3.00	7.50	10.50
Los Angeles City Employees Retirement System (LACERS)	2.90	2.75	2.00	--	7.65	7.65
Los Angeles County Employees Retirement Association (LACERA)	3.50	2.50	2.50	--	8.50	8.50
Los Angeles Fire and Police Pensions (LAFPP)						
San Bernardino County Employees Retirement Association (SBCERA)	4.84	3.10	1.7	--	9.64	9.64
San Diego City Employee Retirement System (SDCERS)						
San Diego County Retirement Association (SDCERA)	3.00	2.00	2.00	--	7.00	7.00
San Francisco Employees Retirement System (SFERS)	4.00	3.50	3.00	--	10.50	10.50
				AVERAGE:	9.25	9.62

After aging the data of the market survey, CPS HR placed the market data at the 65th percentile market mean using the midpoint.

CPS HR reviewed OCERS salary structure and made recommendations regarding internal equity and the placement of classification on the proposed salary structure. The salaries of the County of Orange employees located at OCERS were considered and reviewed in the event OCERS would become one agency.

CPS HR and the OCERS CEO are recommending that the proposed salary structure be approved. With the approval of the new salary structure, three (3) of the thirty-five (35) OCERS Direct employees will require a pay adjustment to meet the minimum pay rate on the new salary range. The estimated cost to make this adjustment is estimated to be \$9,000.00. With the approval of the new pay structure, CPS HR and the OCERS CEO are recommending that OCERS Direct employees received a 5% salary adjustment with the implementation of the new salary ranges. This adjustment will be a pay adjustment granted to all OCERS Direct employees on payroll effective July 2, 2021. The cost of this item is \$220,000.00 and will require an amendment to the OCERS 2021 operating budget.

At the May 27, 2021, Personnel Committee meeting, OCERS CEO, Steve Delaney, will present three items for the committee to discuss, review and approve. 1) The development of the proposed salary structure and ranges. 2) A recommendation regarding how to integrate OCERS employees on the proposed salary structure once adopted. 3) Last, he will discuss how OCERS can progress employees through the salary ranges during the annual performance management program and keep the pay structure updated. Staff is seeking approvals regarding recommendations related to a comprehensive salary range structure that supports Recruitment, Retention, and Inspiring a high-performing workforce.

Submitted by:



CH - Approved

Cynthia Hockless
Director of Human Resources

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

Attachments:

1. Compensation Study Presentation
2. Compensation Study timeline 2018-2021
3. 2021 OCERS Current Salary Ranges
4. CPS HR Proposed Salary Structure
5. OCERS Proposed Salary Ranges and Pay Structure
6. OCERS Current and Proposed Salary Ranges combined with the County of Orange pay structure
7. OCERS Compensation Philosophy
8. CPS-HR Recommendations



PERSONNEL COMMITTEE MEETING

A-2 Compensation Study

May 27, 2021

Cynthia Hockless, Director of Human Resources

Steve Delaney, Chief Executive Officer



TALENT MANAGEMENT



2021 Business Plan Initiative

GOAL: Recruit, Retain, and Inspire a High-Performing Workforce

Objective A: Recruit and Retain a Diverse High-Performing Workforce to Meet Organizational Priorities

- 1. Complete compensation study and implement recommendations as appropriate*





OBJECTIVES OF THE COMPENSATION STUDY

- To provide an objective and comprehensive comparison report of OCERS total compensation (salary, bonus, benefits, etc.) in relation to other public sector employers
- To be competitive in the ability to ***Recruit, Retain, and Inspire a High-Performing Workforce***
- To align the pay structure with a comprehensive total compensation package that will support OCERS pay philosophy



OCERS COMPENSATION PHILOSOPHY



The underlying philosophy governing OCERS compensation program is designed to accomplish the following:

- 1. Provide pay levels that are externally competitive among peers within our industry and with published market data for similar sized governmental organizations*
- 2. Recognize and reward individual performance, initiatives, growth in job proficiency and achievement of stated goals*
- 3. Provide management the flexibility to make compensation decisions within budgetary guidelines*





RECOMMENDATIONS



1. Approve the proposed salary ranges and pay structure for the OCERS Direct employees as designed by CPS HR Senior Compensation Consultant, Igor Shegolev
2. Approve a 5% pay adjustment with the implementation of the proposed salary ranges and pay structure. Effective July 2, 2021
3. Approve an annual adjustment of the salary ranges that match wage inflation to keep the pay structure current
4. Approve a pay philosophy that allows OCERS to administer an annual performance based step increase in the amount of 2.75% to progress employees through the salary ranges during OCERS annual performance review. Not to exceed more than 2 steps.

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CURRENT RANGES



OCERS Direct Employees 2021 Salary Range

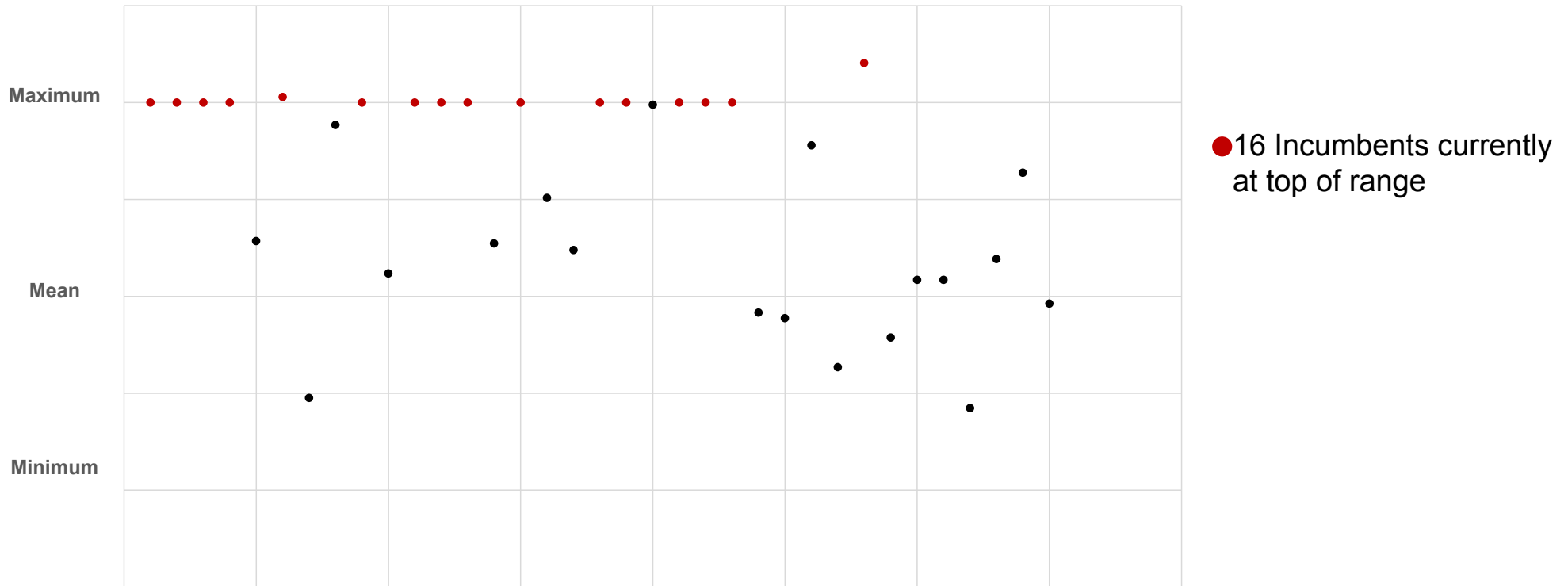
1.5% Salary Range Increase (Effective date January 1, 2021)

	OCERS Employee Position	Current Annual Minimum	Current Annual Midpoint	Current Annual Maximum
1	Chief Investment Officer	\$223,940	\$279,926	\$335,911
2	General Counsel	\$142,091	\$211,232	\$280,373
3	Assistant Chief Executive Officer	\$142,091	\$194,773	\$247,455
4	Managing Director of Investments	\$142,091	\$194,773	\$247,455
5	Director of Investments	\$142,091	\$175,290	\$208,489
6	Deputy Legal Counsel	\$142,091	\$175,290	\$208,489
7	Staff Attorney	\$119,809	\$149,145	\$178,481
8	Senior Investment Officer	\$113,762	\$144,610	\$175,458
9	Director of Member Services	\$126,750	\$148,473	\$170,195
10	Director of Internal Audit	\$112,643	\$140,803	\$168,963
11	Director of Finance	\$120,145	\$144,274	\$168,404
12	Director of Information Technology	\$110,291	\$137,891	\$165,492
13	Director of Human Resources	\$122,831	\$141,867	\$160,902
14	Director of Information Security	\$110,291	\$135,596	\$160,902
15	Senior Manager Operations Support Services	\$67,966	\$105,196	\$142,426
16	Investment Officer	\$85,434	\$113,930	\$142,426
17	Information Security Manager	\$67,966	\$105,196	\$142,426
18	Retirement Analyst	\$67,966	\$105,196	\$142,426
19	Finance Manager	\$64,159	\$94,727	\$125,295
20	Member Services Manager	\$64,159	\$94,727	\$125,295
21	Disability Manager	\$64,159	\$94,727	\$125,295
22	Learning and Organization Development Manager	\$64,159	\$94,727	\$125,295
23	Contracts, Risk & Performance Administrator	\$64,159	\$94,727	\$125,295
24	Senior Investment Analyst	\$74,796	\$99,766	\$124,735
25	Communications Manager	\$64,159	\$89,520	\$114,882
26	Internal Auditor	\$75,468	\$94,279	\$113,090
27	HR Staff Analyst	\$64,159	\$85,602	\$107,044
28	Finance Analyst	\$64,159	\$85,602	\$107,044
29	Investment Analyst	\$64,159	\$85,602	\$107,044



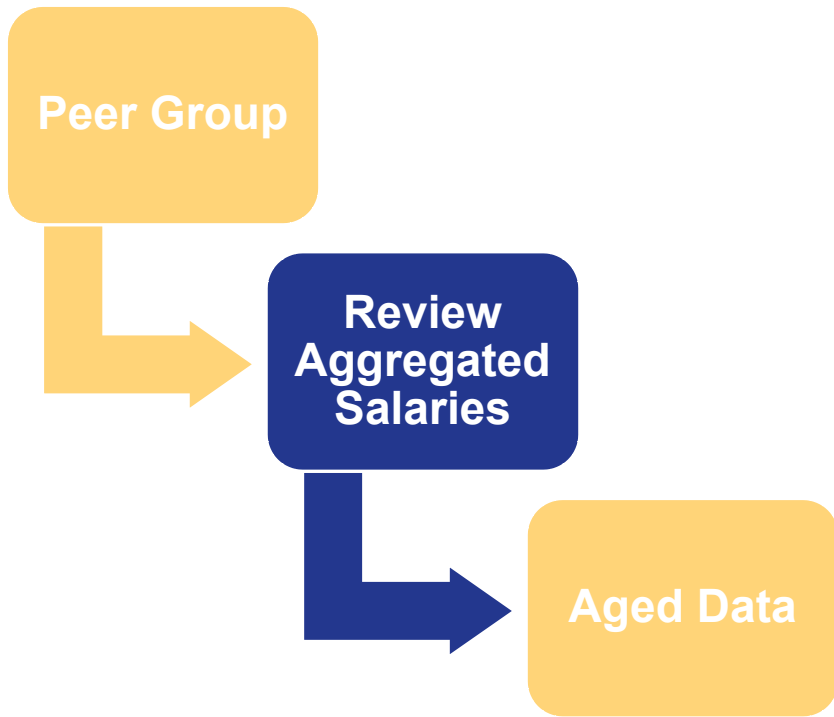


OCERS DIRECT CURRENT (2021) SALARIES





WHAT DID WE LEARN FROM OTHER SYSTEMS



Identified Labor Market

The labor market agencies included:

1. California Public Employees Retirement System (CalPERS)
2. California State Teachers Retirement System (CalSTRS)
3. Los Angeles City Employees Retirement System (LACERS)
4. Los Angeles County Employees Retirement Association (LACERA)
5. Los Angeles Fire and Police Pensions (LAFPP)
6. Orange County, CA *
7. San Bernardino County Employees Retirement Association (SBCERA)
8. San Diego City Employee Retirement System (SDCERS)
9. San Diego County Retirement Association (SDCERA)
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Data Gathered January 5-8, 2021; Updated February 8-9, 2021

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California State Teachers Retirement System (CalSTRS) (exact #s not given by contact; indicated these are "typical")	5.00	5.00	5.00		15.00	15.00
County of Orange	2.50	2.50	2.50	3.00	7.50	10.50
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San Diego City Employee Retirement System (SDCERS)						
San Diego County Retirement Association (SDCERA)	3.00	2.00	2.00	--	7.00	7.00
San Francisco Employees Retirement System (SFERS)	4.00	3.50	3.00	--	10.50	10.50
				AVERAGE:	9.25	9.62



PROPOSED SALARY RANGES

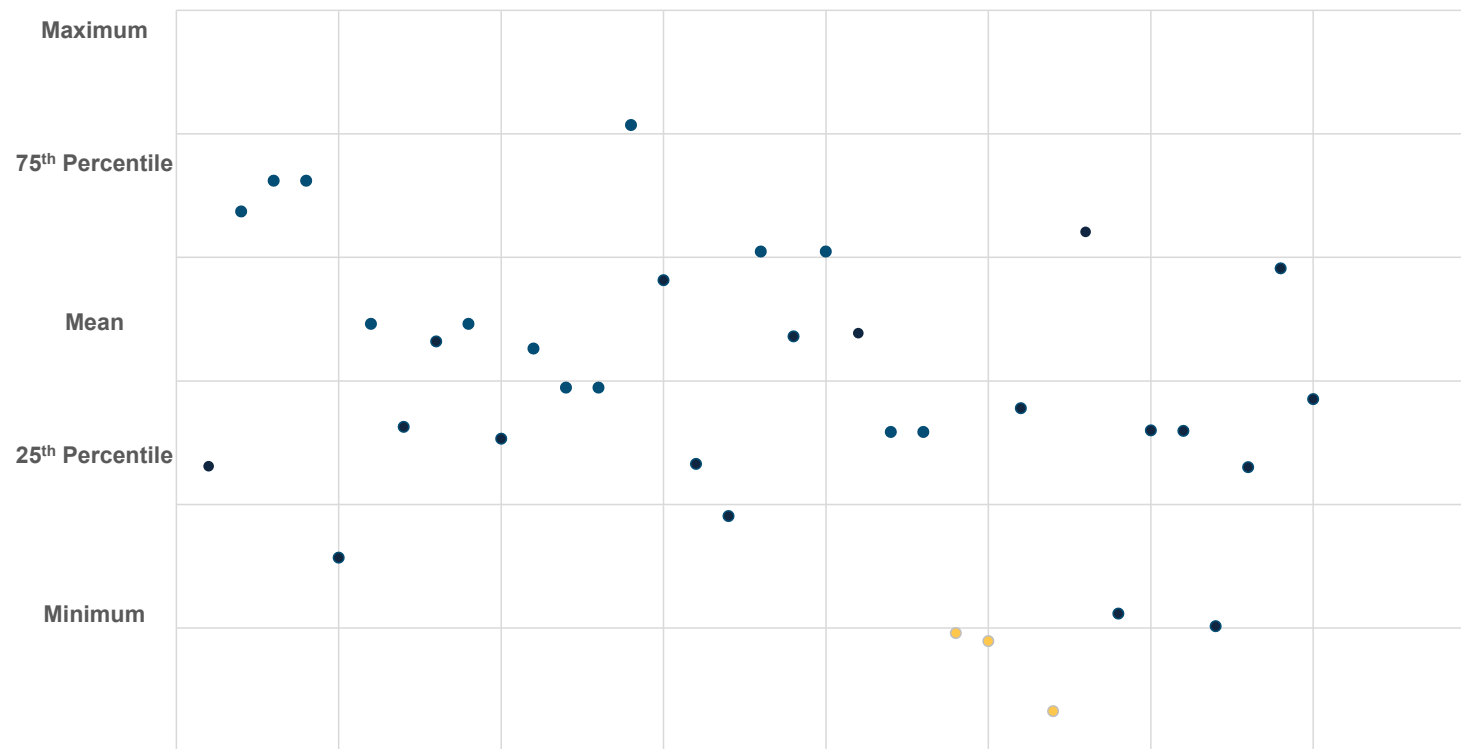


OCERS Direct Employee Position	Current Minimum	Current Midpoint	Current Maximum	Recomm Grade	New Minimum	New Midpoint	New Maximum
Investment Analyst	\$64,159	\$85,602	\$107,044	114	\$79,885	\$97,859	\$115,833
Staff Analyst	\$64,159	\$85,602	\$107,044	114	\$79,885	\$97,859	\$115,833
Finance Staff Analyst	\$64,159	\$85,602	\$107,044	114	\$79,885	\$97,859	\$115,833
Internal Auditor	\$75,468	\$94,279	\$113,090	115	\$85,876	\$109,492	\$133,108
Communications Manager	\$64,159	\$89,520	\$114,882	116	\$92,317	\$117,704	\$143,091
Senior Investment Analyst	\$74,796	\$99,766	\$124,735	117	\$99,241	\$126,532	\$153,823
Member Services Manager	\$64,159	\$94,727	\$125,295	117	\$99,241	\$126,532	\$153,823
Learning and Organization Development Manager	\$64,159	\$94,727	\$125,295	117	\$99,241	\$126,532	\$153,823
Disability Manager	\$64,159	\$94,727	\$125,295	117	\$99,241	\$126,532	\$153,823
Contracts, Risk & Performance Administrator	\$64,159	\$94,727	\$125,295	117	\$99,241	\$126,532	\$153,823
Senior Manager, Operations Support Services	\$67,966	\$105,196	\$142,426	118	\$106,684	\$136,022	\$165,360
Information Security Manager	\$67,966	\$105,196	\$142,426	118	\$106,684	\$136,022	\$165,360
Finance Manager	\$64,159	\$94,727	\$125,295	118	\$106,684	\$136,022	\$165,360
Senior Retirement Manager (Retirement Analyst)	\$67,966	\$105,196	\$142,426	118	\$106,684	\$136,022	\$165,360
Staff Attorney	\$119,809	\$149,145	\$178,481	120	\$123,286	\$157,190	\$191,094
Investment Officer	\$85,434	\$113,930	\$142,426	120	\$123,286	\$157,190	\$191,094
Director of Information Technology	\$110,291	\$137,891	\$165,492	121	\$132,533	\$168,980	\$205,426
Director of Information Security	\$110,291	\$135,596	\$160,902	121	\$132,533	\$168,980	\$205,426
Director of Finance	\$120,145	\$144,274	\$168,404	121	\$132,533	\$168,980	\$205,426
Director of Internal Audit	\$112,643	\$140,803	\$168,963	121	\$132,533	\$168,980	\$205,426
Director of Member Services	\$126,750	\$148,473	\$170,195	121	\$132,533	\$168,980	\$205,426
Director of Human Resources	\$122,831	\$141,867	\$160,902	121	\$132,533	\$168,980	\$205,426
Deputy Legal Counsel	\$142,091	\$175,290	\$208,489	122	\$142,473	\$181,653	\$220,833
Senior Investment Officer	\$113,762	\$144,610	\$175,458	122	\$142,473	\$181,653	\$220,833
Director of Investments	\$142,091	\$175,290	\$208,489	124	\$164,645	\$209,923	\$255,200
Assistant Chief Executive Officer	\$142,091	\$194,773	\$247,455	125	\$176,994	\$225,667	\$274,340
Managing Director of Investments	\$142,091	\$194,773	\$247,455	127	\$204,538	\$260,786	\$317,034
General Counsel	\$142,091	\$211,232	\$280,373	127	\$204,538	\$260,786	\$317,034
Chief Investment Officer	\$223,940	\$279,926	\$335,911	132	\$293,641	\$374,393	\$455,144





CURRENT SALARIES IN RELATION TO PROPOSED 2022 RANGES



● Incumbents' salaries currently below proposed minimum

Estimated annual cost to bring 3 positions up to proposed minimums = \$9000





RECOMMENDATION #1



- 1. Approve the proposed salary ranges and pay structure for the OCERS Direct employees as designed by CPS HR Senior Compensation Consultant, Igor Shegolev**
2. Approve a 5% pay adjustment with the implementation of the proposed salary ranges and pay structure. Effective July 2, 2021
3. Approve an annual adjustment of the salary ranges that match wage inflation to keep the pay structure current
4. Approve a pay philosophy that allows OCERS to administer an annual performance based step increase in the amount of 2.75% to progress employees through the salary ranges during OCERS annual performance review. Not to exceed more than 2 steps.

Meets = Base increase equal to inflation Exceeds = Base + 1 step of 2.75% Exceptional = Base + 2 steps or 5.5%



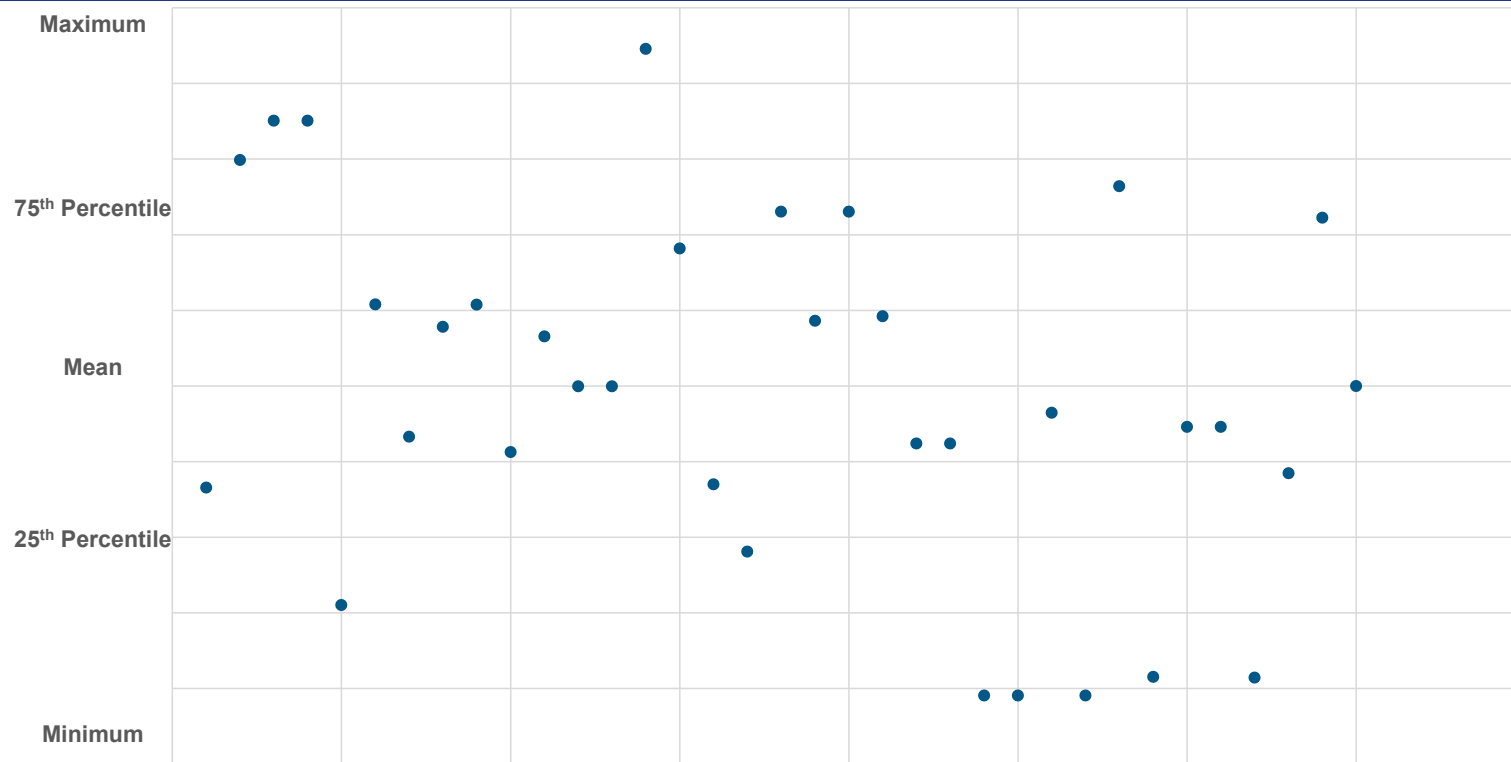
RECOMMENDED SALARY RANGE INTEGRATION

CPS HR and OCERS CEO Recommend:

- Place employees on the new ranges and apply a 5% pay increase
- Easy to administer, may bring employees' salaries closer to market
- Cost \$220,000
- Effective July 2, 2021



Current Salaries + 5% Increase in Relation to Proposed 2022 Ranges





RECOMMENDATION #2



1. Approve the proposed salary ranges and pay structure for the OCERS Direct employees as designed by CPS HR Senior Compensation Consultant, Igor Shegolev
- 2. Approve a 5% pay adjustment with the implementation of the proposed salary ranges and pay structure. Effective July 2, 2021**
3. Approve an annual adjustment of the salary ranges that match wage inflation to keep the pay structure current
4. Approve a pay philosophy that allows OCERS to administer an annual performance based step increase in the amount of 2.75% to progress employees through the salary ranges during OCERS annual performance review. Not to exceed more than 2 steps.

Meets = Increase equal to inflation

Exceeds = 1 step of 2.75%

Exceptional = 2 steps or 5.5%



RECOMMENDATION #3



1. Approve the proposed salary ranges and pay structure for the OCERS Direct employees as designed by CPS HR Senior Compensation Consultant, Igor Shegolev
2. Approve a 5% pay adjustment with the implementation of the proposed salary ranges and pay structure. Effective July 2, 2021
3. **Approve an annual adjustment of the salary ranges that match wage inflation to keep the pay structure current**
4. Approve a pay philosophy that allows OCERS to administer an annual performance based step increase in the amount of 2.75% to progress employees through the salary ranges during OCERS annual performance review. Not to exceed more than 2 steps.

Meets = increase equal to inflation

Exceeds = 1 step 2.75%

Exceptional = 2 steps or 5.5%





INDUSTRY PRACTICES



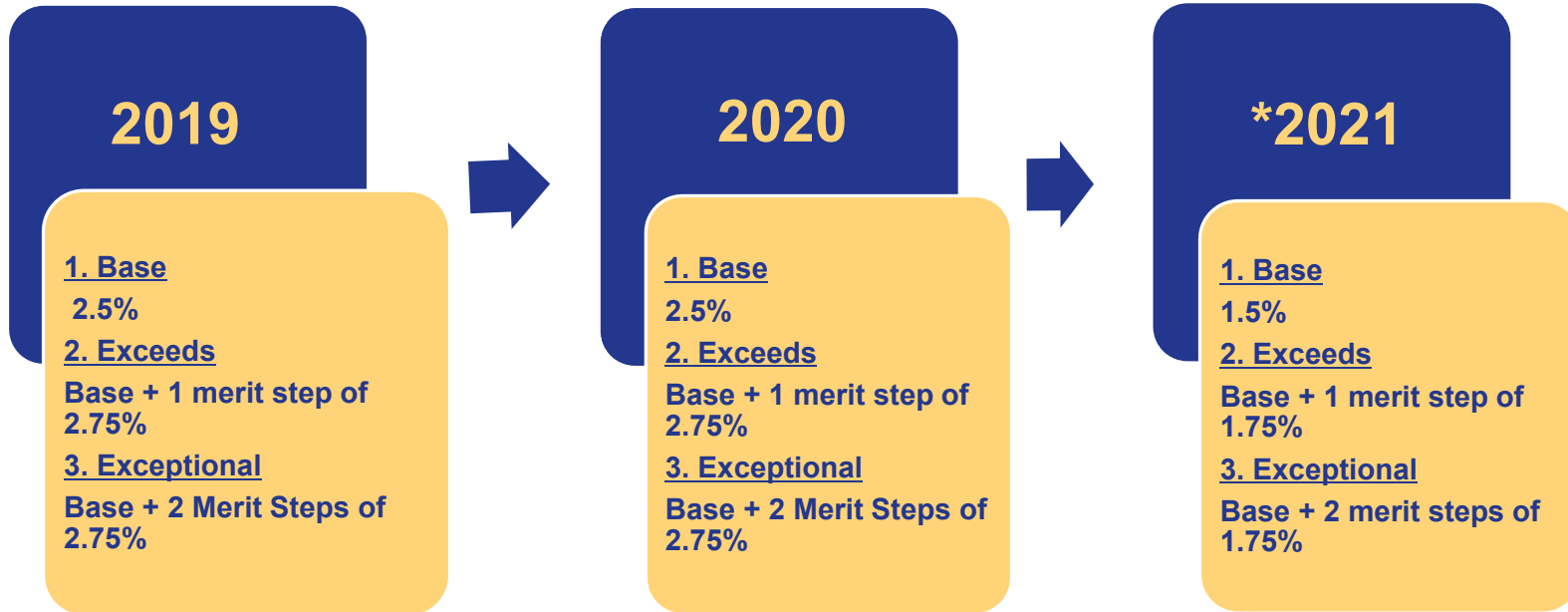
- Most common practices of administering pay increases are:
 - COLA (flat percent increase for all employees based on CPI)
 - Step Systems
 - Merit Increases





PROGRESSING EMPLOYEES THROUGH THE RANGES

PAST PRACTICE:



*Change due to Health Pandemic

Meets = Base Exceeds = Base + 1 merit step Exceptional = Base + 2 merit steps



RECOMMENDATION #4



1. Approve the proposed salary ranges and pay structure for the OCERS Direct employees as designed by CPS HR Senior Compensation Consultant, Igor Shegolev
2. Approve a 5% pay adjustment with the implementation of the proposed salary ranges and pay structure. Effective July 2, 2021
3. Approve an annual adjustment of the salary ranges that match wage inflation to keep the pay structure current
4. **Approve a pay philosophy that allows OCERS to administer an annual performance based step increase in the amount of 2.75% to progress employees through the salary ranges during OCERS annual performance review. Not to exceed more than 2 steps.**

Meets = Base increase equal to inflation Exceeds = Base + 1 step of 2.75% Exceptional = Base + 2 steps or 5.5%



SUMMARY OF RECOMMENDATIONS



1. Approve the proposed salary ranges and pay structure for the OCERS Direct employees as designed by CPS HR Senior Compensation Consultant, Igor Shegolev
2. Approve a 5% pay adjustment with the implementation of the proposed salary ranges and pay structure. Effective July 2, 2021
3. Approve an annual adjustment of the salary ranges that match wage inflation to keep the pay structure current
4. Approve a pay philosophy that allows OCERS to administer an annual performance based step increase in the amount of 2.75% to progress employees through the salary ranges during OCERS annual performance review. Not to exceed more than 2 steps

Meets = Base increase equal to inflation Exceeds = Base + 1 step of 2.75% Exceptional = Base + 2 steps or 5.5%





QUESTIONS





APPENDIX



DEVELOPMENT OF PROPOSED SALARY RANGES

- Methodology:
 - Use labor market study, align with 65th percentile
 - Age data to ensure its relevance (9.5%)
 - Compare OCERS pay ranges to market ranges
- Process:
 - Build pay structure to reflect market ranges
 - Assign jobs to pay grades that make ranges competitive
 - Transition employees to new pay grades
- Costs
 - Develop options and calculate costs



PROPOSED SALARY RANGE STRUCTURE



- Pay structure design:
 - Align range width with labor market ranges
 - 45% and 55% range width
 - 7.5% grade separation

- Assigning jobs to pay grades:
 - Slot jobs to pay grades based on market range
 - Ensure internal job equity
 - Level jobs within job families as needed

Grade	45.00%		55.00%		7.50%
	Grade Minimum	Grade Midpoint	Grade Maximum	Width	Sep
101	\$31,200	\$38,220	\$45,240	45%	
102	\$33,540	\$41,087	\$48,633	45%	7.50%
103	\$36,056	\$44,168	\$52,280	45%	7.50%
104	\$38,760	\$47,481	\$56,202	45%	7.50%
105	\$41,667	\$51,042	\$60,417	45%	7.50%
106	\$44,792	\$54,870	\$64,948	45%	7.50%
107	\$48,151	\$58,985	\$69,819	45%	7.50%
108	\$51,762	\$63,409	\$75,055	45%	7.50%
109	\$55,645	\$68,165	\$80,685	45%	7.50%
110	\$59,818	\$73,277	\$86,736	45%	7.50%
111	\$64,304	\$78,773	\$93,241	45%	7.50%
112	\$69,127	\$84,681	\$100,234	45%	7.50%
113	\$74,312	\$91,032	\$107,752	45%	7.50%
114	\$79,885	\$97,859	\$115,833	45%	7.50%
115	\$85,876	\$109,492	\$133,108	55%	11.89%
116	\$92,317	\$117,704	\$143,091	55%	7.50%
117	\$99,241	\$126,532	\$153,823	55%	7.50%
118	\$106,684	\$136,022	\$165,360	55%	7.50%
119	\$114,685	\$146,223	\$177,762	55%	7.50%
120	\$123,286	\$157,190	\$191,094	55%	7.50%
121	\$132,533	\$168,980	\$205,426	55%	7.50%
122	\$142,473	\$181,653	\$220,833	55%	7.50%
123	\$153,158	\$195,277	\$237,396	55%	7.50%
124	\$164,645	\$209,923	\$255,200	55%	7.50%
125	\$176,994	\$225,667	\$274,340	55%	7.50%
126	\$190,268	\$242,592	\$294,916	55%	7.50%
127	\$204,538	\$260,786	\$317,034	55%	7.50%
128	\$219,879	\$280,345	\$340,812	55%	7.50%
132	\$293,641	\$374,393	\$455,144	55%	7.50%
133	\$315,664	\$402,472	\$489,280	55%	7.50%
134	\$339,339	\$432,657	\$525,976	55%	7.50%





AGING TABLE

Data Gathered January 5-8, 2021; Updated February 8-9, 2021

Surveyed Agency	2019	2020	2021	2022	SUM - 2019 to 2021	SUM - 2019 to 2022
California Public Employees Retirement System (CalPERS)	6.00	2.20	--	--	8.20	8.20
California State Teachers Retirement System (CalSTRS) (exact #s not given by contact; indicated these are "typical")	5.00	5.00	5.00		15.00	15.00
County of Orange	2.50	2.50	2.50	3.00	7.50	10.50
Los Angeles City Employees Retirement System (LACERS)	2.90	2.75	2.00	--	7.65	7.65
Los Angeles County Employees Retirement Association (LACERA)	3.50	2.50	2.50	--	8.50	8.50
Los Angeles Fire and Police Pensions (LAFPP)						
San Bernardino County Employees Retirement Association (SBCERA)	4.84	3.10	1.7	--	9.64	9.64
San Diego City Employee Retirement System (SDCERS)						
San Diego County Retirement Association (SDCERA)	3.00	2.00	2.00	--	7.00	7.00
San Francisco Employees Retirement System (SFERS)	4.00	3.50	3.00	--	10.50	10.50
				AVERAGE:	9.25	9.62



WAGE PROGRESSIONS



- Types of Wage Progression:
 - COLA
 - Merit Increases
 - General Increases
 - Market Adjustment
 - Combination
- Process:
 - Flat percent increases
 - Performance-based increases
 - Advance their pay based on the market lagging
 - Incentive bonus (lump sum)
 - Combination





BUDGET AMENDMENT DETAILS



COST TO INCREASE OCERS DIRECT SALARIES BY 5% EFFECTIVE JULY 2, 2021

SALARIES:	143,000*
BENEFITS:	69,000
MIN RANGE:	<u>5,000</u> (total adjustment of \$9,000, prorated for ½ year and rounded)
GRAND TOTAL:	\$220k (Rounded)

*Includes cost to adjust three salaries to the minimum of the range



TRENDS WITH PROPOSED SALARY ADJUSTMENT AMENDMENT

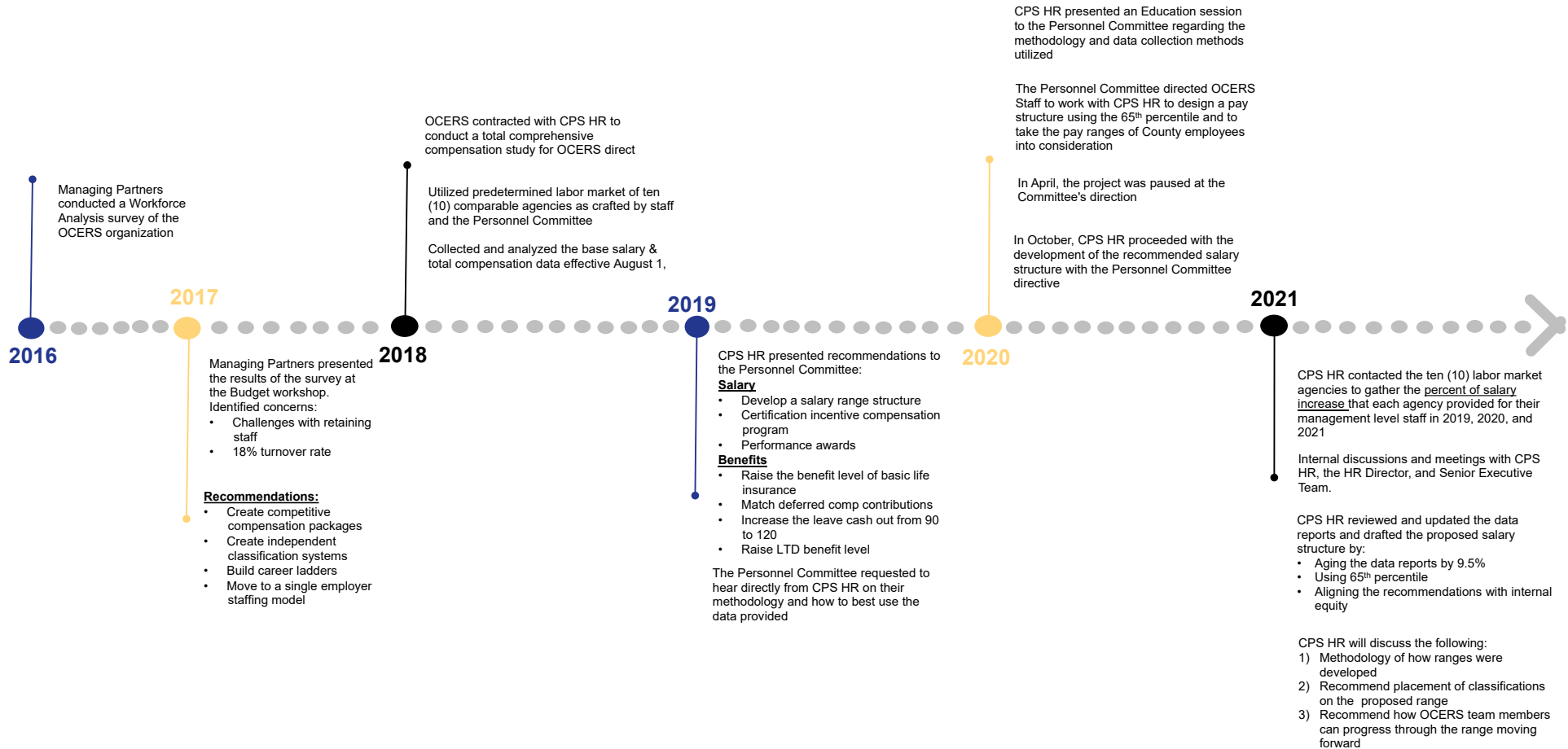


	2017	2018	2019	2020	2021	5 Year Average	Proposed Amended 2021 ²	Proposed Amended 5 Year Average
Total Budget	\$ 22,831	\$ 25,508	\$ 26,433	\$ 27,185	\$ 28,284		\$ 28,554	
% Increase/(Decrease)	2.6%	11.7%	3.6%	2.8%	4.0%	5.0%	5.0%	5.2%
Total Budget (No Capital Expenditures)	\$ 21,538	\$ 24,413	\$ 26,063	\$ 26,585	\$ 27,614		\$ 27,884	
% Increase/(Decrease)	6.9%	13.3%	6.8%	2.0%	3.9%	6.6%	4.9%	6.8%
Actuals	\$ 18,039	\$ 20,568	\$ 21,842	\$ 23,687	N/A		N/A	
% Increase/(Decrease)	-2.0%	14.0%	6.2%	8.4%	N/A	6.7%	N/A	6.7%
Actuals (No Capital Expenditures)	\$ 17,697	\$ 20,404	\$ 21,790	\$ 23,491	N/A		N/A	
% Increase/(Decrease)	-3.6%	15.3%	6.8%	7.8%	N/A	6.6%	N/A	6.6%
Budgeted Personnel Costs	\$ 12,417	\$ 13,925	\$ 14,765	\$ 15,507	\$ 16,034		\$ 16,254	
% Increase	8.0%	12.1%	6.0%	5.0%	3.4%	6.9%	4.8%	7.2%
Budgeted FTE ¹	79	91.5	92.5	95.5	94.5		94.5	
% Increase	6.0%	15.8%	1.1%	3.2%	-1.0%	5.0%	-1.0%	5.0%

¹ Budgeted FTE was amended for FY2020 to include three additional extra help positions in Member Services.

² Proposed Amended Total Budget for 2021, includes \$50,000 amendment for Accounting Software Implementation, and \$220,000 for personnel costs.

Compensation Study Timeline



OCERS Direct Employees 2021 Salary Range

1.5% Salary Range Increase (Effective date January 1, 2021)

	OCERS Employee Position	Current Annual Minimum	Current Annual Midpoint	Current Annual Maximum
1	Chief Investment Officer	\$223,940	\$279,926	\$335,911
2	General Counsel	\$142,091	\$211,232	\$280,373
3	Assistant Chief Executive Officer	\$142,091	\$194,773	\$247,455
4	Managing Director of Investments	\$142,091	\$194,773	\$247,455
5	Director of Investments	\$142,091	\$175,290	\$208,489
6	Deputy Legal Counsel	\$142,091	\$175,290	\$208,489
7	Staff Attorney	\$119,809	\$149,145	\$178,481
8	Senior Investment Officer	\$113,762	\$144,610	\$175,458
9	Director of Member Services	\$126,750	\$148,473	\$170,195
10	Director of Internal Audit	\$112,643	\$140,803	\$168,963
11	Director of Finance	\$120,145	\$144,274	\$168,404
12	Director of Information Technology	\$110,291	\$137,891	\$165,492
13	Director of Human Resources	\$122,831	\$141,867	\$160,902
14	Director of Information Security	\$110,291	\$135,596	\$160,902
15	Senior Manager Operations Support Services	\$67,966	\$105,196	\$142,426
16	Investment Officer	\$85,434	\$113,930	\$142,426
17	Information Security Manager	\$67,966	\$105,196	\$142,426
18	Retirement Analyst	\$67,966	\$105,196	\$142,426
19	Finance Manager	\$64,159	\$94,727	\$125,295
20	Member Services Manager	\$64,159	\$94,727	\$125,295
21	Disability Manager	\$64,159	\$94,727	\$125,295
22	Learning and Organization Development Manager	\$64,159	\$94,727	\$125,295
23	Contracts, Risk & Performance Administrator	\$64,159	\$94,727	\$125,295
24	Senior Investment Analyst	\$74,796	\$99,766	\$124,735
25	Communications Manager	\$64,159	\$89,520	\$114,882
26	Internal Auditor	\$75,468	\$94,279	\$113,090
27	HR Staff Analyst	\$64,159	\$85,602	\$107,044
28	Finance Analyst	\$64,159	\$85,602	\$107,044
29	Investment Analyst	\$64,159	\$85,602	\$107,044



PROPOSED PAY STRUCTURE

Grade	Grade Minimum	Grade Midpoint	Grade Maximum	Width	Sep
101	\$31,200	\$38,220	\$45,240	45%	
102	\$33,540	\$41,087	\$48,633	45%	7.50%
103	\$36,056	\$44,168	\$52,280	45%	7.50%
104	\$38,760	\$47,481	\$56,202	45%	7.50%
105	\$41,667	\$51,042	\$60,417	45%	7.50%
106	\$44,792	\$54,870	\$64,948	45%	7.50%
107	\$48,151	\$58,985	\$69,819	45%	7.50%
108	\$51,762	\$63,409	\$75,055	45%	7.50%
109	\$55,645	\$68,165	\$80,685	45%	7.50%
110	\$59,818	\$73,277	\$86,736	45%	7.50%
111	\$64,304	\$78,773	\$93,241	45%	7.50%
112	\$69,127	\$84,681	\$100,234	45%	7.50%
113	\$74,312	\$91,032	\$107,752	45%	7.50%
114	\$79,885	\$97,859	\$115,833	45%	7.50%
115	\$85,876	\$109,492	\$133,108	55%	11.89%
116	\$92,317	\$117,704	\$143,091	55%	7.50%
117	\$99,241	\$126,532	\$153,823	55%	7.50%
118	\$106,684	\$136,022	\$165,360	55%	7.50%
119	\$114,685	\$146,223	\$177,762	55%	7.50%
120	\$123,286	\$157,190	\$191,094	55%	7.50%
121	\$132,533	\$168,980	\$205,426	55%	7.50%
122	\$142,473	\$181,653	\$220,833	55%	7.50%
123	\$153,158	\$195,277	\$237,396	55%	7.50%
124	\$164,645	\$209,923	\$255,200	55%	7.50%
125	\$176,994	\$225,667	\$274,340	55%	7.50%
126	\$190,268	\$242,592	\$294,916	55%	7.50%
127	\$204,538	\$260,786	\$317,034	55%	7.50%
128	\$219,879	\$280,345	\$340,812	55%	7.50%
129	\$236,370	\$301,371	\$366,373	55%	7.50%
130	\$254,097	\$323,974	\$393,851	55%	7.50%
131	\$273,155	\$348,272	\$423,390	55%	7.50%
132	\$293,641	\$374,393	\$455,144	55%	7.50%
133	\$315,664	\$402,472	\$489,280	55%	7.50%
134	\$339,339	\$432,657	\$525,976	55%	7.50%

OCERS Proposed Pay Ranges and Salary Structure

OCERS Direct Employee Position	Current Minimum	Current Midpoint	Current Maximum	Recomm Grade	New Minimum	New Midpoint	New Maximum
Investment Analyst	\$64,159	\$85,602	\$107,044	114	\$79,885	\$97,859	\$115,833
Staff Analyst	\$64,159	\$85,602	\$107,044	114	\$79,885	\$97,859	\$115,833
Finance Staff Analyst	\$64,159	\$85,602	\$107,044	114	\$79,885	\$97,859	\$115,833
Internal Auditor	\$75,468	\$94,279	\$113,090	115	\$85,876	\$109,492	\$133,108
Communications Manager	\$64,159	\$89,520	\$114,882	116	\$92,317	\$117,704	\$143,091
Senior Investment Analyst	\$74,796	\$99,766	\$124,735	117	\$99,241	\$126,532	\$153,823
Member Services Manager	\$64,159	\$94,727	\$125,295	117	\$99,241	\$126,532	\$153,823
Learning and Organization Development Manager	\$64,159	\$94,727	\$125,295	117	\$99,241	\$126,532	\$153,823
Disability Manager	\$64,159	\$94,727	\$125,295	117	\$99,241	\$126,532	\$153,823
Contracts, Risk & Performance Administrator	\$64,159	\$94,727	\$125,295	117	\$99,241	\$126,532	\$153,823
Senior Manager, Operations Support Services	\$67,966	\$105,196	\$142,426	118	\$106,684	\$136,022	\$165,360
Information Security Manager	\$67,966	\$105,196	\$142,426	118	\$106,684	\$136,022	\$165,360
Finance Manager	\$64,159	\$94,727	\$125,295	118	\$106,684	\$136,022	\$165,360
Senior Retirement Manager (Retirement Analyst)	\$67,966	\$105,196	\$142,426	118	\$106,684	\$136,022	\$165,360
Staff Attorney	\$119,809	\$149,145	\$178,481	120	\$123,286	\$157,190	\$191,094
Investment Officer	\$85,434	\$113,930	\$142,426	120	\$123,286	\$157,190	\$191,094
Director of Information Technology	\$110,291	\$137,891	\$165,492	121	\$132,533	\$168,980	\$205,426
Director of Information Security	\$110,291	\$135,596	\$160,902	121	\$132,533	\$168,980	\$205,426
Director of Finance	\$120,145	\$144,274	\$168,404	121	\$132,533	\$168,980	\$205,426
Director of Internal Audit	\$112,643	\$140,803	\$168,963	121	\$132,533	\$168,980	\$205,426
Director of Member Services	\$126,750	\$148,473	\$170,195	121	\$132,533	\$168,980	\$205,426
Director of Human Resources	\$122,831	\$141,867	\$160,902	121	\$132,533	\$168,980	\$205,426
Deputy Legal Counsel	\$142,091	\$175,290	\$208,489	122	\$142,473	\$181,653	\$220,833
Senior Investment Officer	\$113,762	\$144,610	\$175,458	122	\$142,473	\$181,653	\$220,833
Director of Investments	\$142,091	\$175,290	\$208,489	124	\$164,645	\$209,923	\$255,200
Assistant Chief Executive Officer	\$142,091	\$194,773	\$247,455	125	\$176,994	\$225,667	\$274,340
Managing Director of Investments	\$142,091	\$194,773	\$247,455	127	\$204,538	\$260,786	\$317,034
General Counsel	\$142,091	\$211,232	\$280,373	127	\$204,538	\$260,786	\$317,034
Chief Investment Officer	\$223,940	\$279,926	\$335,911	132	\$293,641	\$374,393	\$455,144

Current Salary Range
Integration of OCERS Direct Classifications with the County of Orange

OCERS Direct Employee Position	Annual Minimum (2021 increase included)	Annual Midpoint (2021 increase included)	Annual Maximum (2021 increase included)	Reserved for Exceptional Performance Top (2021 increase included)
Chief Investment Officer	\$223,940	\$279,926	\$335,911	
General Counsel	\$142,091	\$211,232	\$280,373	
Assistant Chief Executive Officer	\$142,091	\$194,773	\$247,455	
Managing Director of Investments	\$142,091	\$194,773	\$247,455	
Administrative Manager III - Specialty	\$132,077	\$179,482	\$226,887	\$257,183
Director of Investments	\$142,091	\$175,290	\$208,489	
Deputy Legal Counsel	\$142,091	\$175,290	\$208,489	
Administrative Manager III County Procurement Officer	\$105,683	\$145,626	\$185,569	\$217,080
Staff Attorney	\$119,809	\$149,145	\$178,481	
Senior Investment Officer	\$113,762	\$144,610	\$175,458	
Director of Member Services	\$126,750	\$148,473	\$170,195	
Director of Internal Audit	\$112,643	\$140,803	\$168,963	
Director of Finance	\$120,145	\$144,274	\$168,404	
Director of Information Technology	\$110,291	\$137,891	\$165,492	
Director of Information Security	\$110,291	\$135,596	\$160,902	
Director of Human Resources	\$122,831	\$141,867	\$160,902	
Administrative Manager II	\$84,534	\$117,388	\$150,242	\$166,381
Senior Manager Operations Support Services	\$67,966	\$105,196	\$142,426	
Senior Retirement Manager (Retirement Analyst)	\$67,966	\$105,196	\$142,426	
Information Security Manager	\$67,966	\$105,196	\$142,426	
Investment Officer	\$85,434	\$113,930	\$142,426	
IT Supervisor	\$101,441	\$119,168	\$136,896	
Learning and Organization Development Manager	\$64,159	\$94,727	\$125,295	
Contracts, Risk & Performance Administrator	\$64,159	\$94,727	\$125,295	
Member Services Manager	\$64,159	\$94,727	\$125,295	
Disability Manager	\$64,159	\$94,727	\$125,295	
Finance Manager	\$64,159	\$94,727	\$125,295	
Senior Investment Analyst	\$74,796	\$99,766	\$124,735	
Sr. Information Technologist	\$91,548	\$107,410	\$123,272	
Sr. IT Application Developer	\$91,548	\$107,410	\$123,272	
Administrative Manager I	\$60,805	\$90,823	\$120,842	\$132,546
Communications Manager	\$64,159	\$89,520	\$114,882	
Internal Auditor	\$75,468	\$94,279	\$113,090	
Finance Staff Analyst	\$64,159	\$85,602	\$107,044	
HR Staff Analyst	\$64,159	\$85,602	\$107,044	
Investment Analyst	\$64,159	\$85,602	\$107,044	
IT Network Engineer II	\$77,967	\$91,356	\$104,745	
IT Systems Engineer II	\$77,967	\$91,356	\$104,745	
Information Technologist II	\$77,967	\$91,356	\$104,745	
Sr. Accountant/Auditor	\$71,699	\$84,107	\$96,516	
Sr. Staff Development Specialist	\$71,529	\$83,905	\$96,281	
Accountant/Auditor II	\$64,408	\$75,622	\$86,836	
Retirement Benefits Program Supervisor	\$62,553	\$73,362	\$84,171	
Accountant/Auditor I	\$57,884	\$67,926	\$77,967	
Executive Secretary II	\$56,860	\$66,444	\$76,027	
Staff Specialist	\$56,349	\$65,847	\$75,345	
Paralegal	\$56,349	\$65,847	\$75,345	
Retirement Investigator	\$56,349	\$65,847	\$75,345	
Sr. Retirement Program Specialist	\$56,349	\$65,847	\$75,345	
Executive Secretary I	\$53,769	\$62,905	\$72,040	
Retirement Program Specialist	\$49,484	\$57,862	\$66,241	
Staff Assistant	\$47,863	\$56,018	\$64,173	
Accounting Technician	\$45,689	\$53,492	\$61,295	
Office Specialist	\$40,572	\$47,171	\$53,769	
Retirement Benefits Technician	\$39,250	\$45,689	\$52,127	
Store Clerk	\$37,608	\$43,631	\$49,654	
Office Technician	\$35,242	\$40,465	\$45,689	

Proposed Salary Range
Integration of OCERS Direct Classifications with the County of Orange

OCERS Direct Employee Position	Proposed Annual 2022 Minimum	Proposed Annual 2022 Midpoint	Proposed Annual 2022 Maximum	Reserved for Exceptional Performance Top (2021 increase included)	Proposed 2022 Salary Grade
Chief Investment Officer	\$293,641	\$374,393	\$455,144		132
Managing Director of Investments	\$204,538	\$260,786	\$317,034		127
General Counsel	\$204,538	\$260,786	\$317,034		127
Assistant Chief Executive Officer	\$176,994	\$225,667	\$274,340		125
Director of Investments	\$164,645	\$209,923	\$255,200		124
Administrative Manager III - Specialty	\$132,077	\$179,482	\$226,887	\$257,183	
Deputy Legal Counsel	\$142,473	\$181,653	\$220,833		122
Senior Investment Officer	\$142,473	\$181,653	\$220,833		122
Director of Information Technology	\$132,533	\$168,980	\$205,426		121
Director of Information Security	\$132,533	\$168,980	\$205,426		121
Director of Finance	\$132,533	\$168,980	\$205,426		121
Director of Internal Audit	\$132,533	\$168,980	\$205,426		121
Director of Member Services	\$132,533	\$168,980	\$205,426		121
Director of Human Resources	\$132,533	\$168,980	\$205,426		121
Staff Attorney	\$123,286	\$157,190	\$191,094		120
Investment Officer	\$123,286	\$157,190	\$191,094		120
Administrative Manager III - County Procurement Officer	\$105,683	\$145,626	\$185,569	\$217,080	
Senior Manager, Operations Support Services	\$106,684	\$136,022	\$165,360		118
Information Security Manager	\$106,684	\$136,022	\$165,360		118
Finance Manager	\$106,684	\$136,022	\$165,360		118
Senior Retirement Manager (Retirement Analyst)	\$106,684	\$136,022	\$165,360		118
Senior Investment Analyst	\$99,241	\$126,532	\$153,823		117
Member Services Manager	\$99,241	\$126,532	\$153,823		117
Learning and Organization Development Manager	\$99,241	\$126,532	\$153,823		117
Disability Manager	\$99,241	\$126,532	\$153,823		117
Contracts, Risk & Performance Administrator	\$99,241	\$126,532	\$153,823		117
Administrative Manager II	\$84,534	\$117,388	\$150,242	\$166,381	
Communications Manager	\$92,317	\$117,704	\$143,091		116
IT Supervisor	\$101,441	\$119,168	\$136,896		
Internal Auditor	\$85,876	\$109,492	\$133,108		115
Sr. IT Application Developer	\$91,548	\$107,410	\$123,272		
Sr. Information Technologist	\$91,548	\$107,410	\$123,272		
Administrative Manager I	\$60,805	\$90,823	\$120,842	\$132,546	
Investment Analyst	\$79,885	\$97,859	\$115,833		114
Finance Staff Analyst	\$79,885	\$97,859	\$115,833		114
HR Staff Analyst	\$79,885	\$97,859	\$115,833		114
IT Systems Engineer II	\$77,967	\$91,356	\$104,745		
IT Network Engineer II	\$77,967	\$91,356	\$104,745		
Information Technologist II	\$77,967	\$91,356	\$104,745		
Sr. Accountant/Auditor	\$71,699	\$84,107	\$96,516		
Sr. Staff Development Specialist	\$71,529	\$83,905	\$96,281		
Accountant/Auditor II	\$64,408	\$75,622	\$86,836		
Retirement Benefits Program Supervisor	\$62,553	\$73,362	\$84,171		
Accountant/Auditor I	\$57,884	\$67,926	\$77,967		
Executive Secretary II	\$56,860	\$66,444	\$76,027		
Staff Specialist	\$56,349	\$65,847	\$75,345		
Sr. Retirement Program Specialist	\$56,349	\$65,847	\$75,345		
Retirement Investigator	\$56,349	\$65,847	\$75,345		
Paralegal	\$56,349	\$65,847	\$75,345		
Executive Secretary I	\$53,769	\$62,905	\$72,040		
Retirement Program Specialist	\$49,484	\$57,862	\$66,241		
Staff Assistant	\$47,863	\$56,018	\$64,173		
Accounting Technician	\$45,689	\$53,492	\$61,295		
Office Specialist	\$40,572	\$47,171	\$53,769		
Retirement Benefits Technician	\$39,250	\$45,689	\$52,127		
Store Clerk	\$37,608	\$43,631	\$49,654		
Office Technician	\$35,242	\$40,465	\$45,689		



OCERS Compensation Philosophy

Purpose and Background

1. The philosophy behind the Orange County Employees Retirement System's ("OCERS") compensation program is to create a pay structure with the goal of attracting, developing and retaining strong leaders who support OCERS' mission and values. We believe our compensation program is a management tool that when aligned with an effective communication plan is designed to support, reinforce, and align our values, business strategy, operation & financial needs through professional and proficient staff that provide secure retirement benefits to our members with the highest standards of excellence.

The underlying philosophy governing OCERS' compensation program is designed to accomplish the following:

- ▶ Provide pay levels that are externally competitive among peers within our industry and within published market data for similar sized governmental organizations.
- ▶ Recognize and reward individual performance, initiatives, growth in job proficiency and achievement of stated goals.
- ▶ Provide management the flexibility to make compensation decisions within budgetary guidelines.

In alignment with our organization's culture, we will strive to communicate openly about the goals of the agency and the design of the compensation program. The compensation process is intended to be fair and uncomplicated so that all employees and managers understand the goals and the outcome of the process.

Compensation Strategy

2. Total Compensation of OCERS employees includes both cash compensation and benefits. OCERS' Board of Retirement is responsible for approving salary ranges for each authorized position. The CEO is responsible for managing salaries within the approved salary ranges. The CEO will use the following process:
 - ▶ In November of each year, or other time of year as determined by the Chief Executive Officer, each Executive, Management and/or Professional employee as of June 1 of that year shall receive a written performance evaluation and be eligible for an annual merit increase with a performance rating of meets performance standards or better.
 - ▶ Salary increases within a range shall not be automatic. The Chief of each division will provide performance feedback and salary adjustment recommendations for the CEO's consideration. The CEO will make the final determination of salary awards based on the annual performance pool and individual award limits approved by the Board of Retirement in connection with the budget.
 - ▶ Salary ranges will be reviewed annually with an intended purpose of keeping total compensation competitive. The CEO may ask the Board of Retirement to consider adjustments to the salary ranges during the annual budget approval process.



OCERS Compensation Philosophy

The Board of Retirement has entered into a Memorandum of Agreement with the County of Orange for providing and administrating employee benefits to OCERS' direct employees. The agreement with the County calls for OCERS' employees to receive the same benefits offered to County administrative and executive management employees.

History

3. This policy was adopted by the Board of Retirement on October 21, 2013. This policy was approved by the CEO on December 19, 2014.

Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

A handwritten signature in blue ink that reads "Steve Delaney".

10/21/13

Steve Delaney
Secretary of the Board

Date



CPS HR RECOMMENDATIONS



1. Adopt recommended pay structure and recommended pay grades for all jobs
2. Transition employees to new pay grades with a 5% wage increase
3. Future progression of employees within pay ranges are administered through combination of merit + market increases