

CITY OF OAKLAND
Public Ethics Commission



RESOLUTION NO. 24-04
[Proposed 5-22-24]

RESOLUTION AUTHORIZING A SALARY INCREASE FOR THE OFFICE OF CITY AUDITOR PURSUANT TO OAKLAND CITY CHARTER SECTION 403(1)

By action of the Oakland Public Ethics Commission:

WHEREAS, Oakland City Charter Section 403(1) provides: “The salary of the City Auditor shall be set annually by the Public Ethics Commission, to provide for competitive compensation and equitable alignment and, taking into account the top of the range for the highest paid professional employee in the Office of the City Auditor and salaries for other City department heads, and shall be comparable to the salaries of public sector auditor positions in California cities and counties selected by the Commission. The City Auditor's salary may not be reduced during the City Auditor's term of office, except as a part of a general reduction of salaries for all officers and employees in the same amount or proportion;” and

WHEREAS, Oakland City Charter section 207 charges the City Council with fixing the compensation of all City employees, officers and officials unless otherwise provided by the Charter; and

WHEREAS, Ordinance No. 12187 C.M.S., the “Salary Ordinance,” as amended, sets forth a salary schedule reflecting all classifications of employment within the City including those of city employees and city officers; and

WHEREAS, a salary adjustment to \$226,612.19 would provide competitive compensation and equitable alignment of the City Auditor’s salary by providing the City Auditor with a salary that is 20 percent above the top of the range for the highest paid professional employee in the Auditor’s Office, that accounts for the scheduled 2 percent negotiated wage increase for other City employees effective July 2024, that is comparable with the salaries of auditors in other comparable-size cities and Bay Area jurisdictions, and that also accounts for the salaries of other City department heads.

Now, therefore be it:

RESOLVED, that the Commission does hereby authorize an annual salary of \$226,612.19 for the office of City Auditor as mandated by City Charter Section 403(1), effective as of the first payroll period of Fiscal Year 2024-2025; and

FURTHER RESOLVED, that this Resolution shall supersede PEC Resolution No. 24-02.

CERTIFICATION RE: APPROVAL OF RESOLUTION

The foregoing Resolution was presented for approval at a duly noticed meeting of the City of Oakland Public Ethics Commission held on May 22, 2024, where a quorum of the membership of the Commission was present. The Commission approved the resolution by a vote of 5 to 1 .

AYES: HILL, STEELE, TILAK, UPTON IV, AND CHAIR MICIK
NOES: GAGE
ABSTAIN:

CITY OF OAKLAND
Public Ethics Commission



RESOLUTION NO. 24-04
[Proposed 5-22-24]

ABSENT:

I hereby certify that the foregoing is true and correct.

Nicolas Heidorn
Nicolas Heidorn, Executive Director
Oakland Public Ethics Commission

5/22/2024
Date



Ryan Micik (Chair)
 Francis Upton IV (Vice-Chair)
 Alea Gage
 Charlotte Hill
 Vincent Steele
 Karun Tilak

Nicolas Heidorn, Executive Director

TO: Public Ethics Commission
 FROM: Nicolas Heidorn Executive Director
 DATE: March 27, 2024, for the May 22, 2024, PEC Meeting
 RE: City Auditor Salary Adjustment as Required by City Charter Section 403(1)

This memo is unchanged from the memo from the April 10, 2024 meeting.

In November 2022, Oakland voters passed Measure X, which amended Oakland City Charter Section 403(1) to add setting the City Auditor salary level to the duties of the Public Ethics Commission (PEC or Commission). This memorandum provides background information for the Commission to adjust the City Auditor salary per the criteria specified by City Charter Section 403(1).

Background

The City Auditor is the department head for the Office of the City Auditor and oversees a staff of approximately 12 full time equivalent (FTE) positions.¹ The current City Auditor was elected in a March 2024 special election to fill a vacancy in the Office.

Prior to 2023, the City Auditor’s salary was set by the City Council. In November 2022, Oakland voters passed Measure X, which amended the process for adjusting the City Auditor’s salary, including by assigning this responsibility to the Commission. This process is codified at Section 403(1) of the City Charter, which provides that:

The salary of the City Auditor shall be set annually by the Public Ethics Commission, to provide for competitive compensation and equitable alignment and, taking into account the top of the range for the highest paid professional employee in the Office of the City Auditor and salaries for other City department heads, and shall be comparable to the salaries of public sector auditor positions in California cities and counties selected by the Commission. The City Auditor's salary may not be reduced during the City Auditor's term of office, except as a part of a general reduction of salaries for all officers and employees in the same amount or proportion.

The Commission first adjusted the salary of the City Auditor position last year. At its April 12, 2023, regular meeting, the Commission adopted a resolution setting the City Auditor’s salary at **\$213,137.51**, which is the current salary for the Office.²

Prior PEC Adjustments to the City Auditor’s Salary

Year	Adopted Annual Salary	Increase Over Prior Salary (%)
------	-----------------------	--------------------------------

¹ This represents the number of Full Time Equivalent (FTE) positions adopted in the most recent Budget for Fiscal Years 2023-2024.

² According to the City’s current [Salary Ordinance](#), the City Auditor’s salary is \$213,137.52, or one cent higher than what the PEC approved, likely because the amount the PEC approved is not evenly divisible by the City’s pay periods.

City Auditor Salary Adjustment
March 27, 2024

2023	\$213,137.51	17.6%
------	--------------	-------

Analysis

Highest Paid Professional Employee

In adjusting the Auditor’s salary, the Charter requires that the Commission take into account “the top of the range for the highest paid professional employee in the Office of the City Auditor.” The Assistant City Auditor is the highest paid direct report for the City Auditor. The maximum annual salary for the Assistant City Auditor position in the Office of the City Auditor currently is **\$185,140.68** per year while the annual salary for the City Auditor is \$213,137.52.³

According to the City’s Human Resources Department, the City’s undocumented compensation practice is to have a minimum of 15 to 20 percent salary differential between a department head and their highest direct reporting employee, although among executive management this is not always achieved. For the City Auditor salary to be 15 to 20 percent above the salary of the highest direct reporting employee would be a salary between **\$212,911.78 and \$222,168.82**. The City Auditor presently makes 15.1 percent more than the highest paid professional employee, which is within that range.

In 2022, the City negotiated annual wage increases for represented employees through the collective bargaining process. The non-public safety wage increases, as opposed to Police and Fire wage increases, may be considered in establishing the new wage since it applies to both City Auditor employees and to other department heads. (Salary Ordinance 12187 C.M.S. section 2.20, as amended by Ordinance 13786 C.M.S., allows the City Administrator to provide the same negotiated wage increases to unrepresented employees, including department heads.) Upcoming scheduled wage increases under the current collective bargaining agreements with non-public safety represented employees include 2 percent in July 2024 and 2 percent in March 2025. After July 1, 2024, when the 2 percent wage increase is effective for non-sworn City employees, a 15 to 20 percent salary differential over the City Auditor’s top staff position will be **\$217,170.02 to \$226,612.19**.

Other City Department Heads

In adjusting the Auditor’s salary, the Charter requires that the Commission take into account “salaries for other City department heads.”

Table 1, below, provides the salaries for other City department heads as of February 2024.

³ Salary data provided by Anjali Saxena, Payroll Manager, Finance Department. February 21, 2024.

Table 1: City Department Head Salaries

Director Title	Annual Salary
Chief of Police	\$ 338,241.00
Chief of Fire	\$ 307,945.92
City Attorney	\$ 306,990.58
Director of Public Works	\$ 301,421.40
Director of Finance	\$ 288,007.44
Director of Transportation	\$ 259,914.60
Director of Library Services	\$ 259,914.60
Director of Planning & Building	\$ 259,914.60
Director of Information Technology	\$ 259,914.60
Director of Housing & Community Dev	\$ 259,914.60
Director of Animal Services	\$ 259,914.60
Director of Human Services	\$ 247,548.24
Director of Economic & Workforce Dev	\$ 247,548.24
Director of Workplace & Employment Stnd	\$ 241,212.84
Director of Human Resources Management	\$ 236,390.64
Inspector General	\$ 229,727.04
EEO & Civil Rights Director	\$ 229,727.04
Director of Race and Equity	\$ 229,727.04
Chief of Violence Prevention	\$ 225,499.92
Executive Director CPRA	\$ 219,220.80
City Auditor	\$ 213,137.52
City Clerk	\$ 212,257.20
Executive Director, Public Ethics Comm	\$ 191,213.76
Mean (Excluding Auditor)	\$ 255,098.49
Median (Excluding Auditor)	\$ 253,731.42

Based on the above data, the salary range for Oakland department heads is from **\$191,213.76 to \$338,241.00**. The mean annual salary for a department head (excluding the City Auditor) is **\$255,098.49** per year and the median annual salary is **\$253,731.42**. Of Oakland’s 23 department heads, the City Auditor has the **third lowest salary** (21st of 23).

In terms of staff size, the Auditor’s Office is a small City department (19th of 23). Of the seven departments (excluding the City Auditor’s Office) with fewer than 20 FTE, the mean annual salary for a department head is **\$221,869.39** per year and the median annual salary is **\$229,727.04**.

Public Sector Auditor Positions

In adjusting the Auditor’s salary, the Charter provides that the Auditor’s compensation shall be “comparable to the salaries of public sector auditor positions in California cities and counties selected by the Commission.”

In accordance with the Charter criteria, the Commission surveyed the salaries of City Auditors from other California cities within the four immediate higher and four lower populations compared to

Oakland (see Table 2 below).⁴ However, only two of the eight identified cities currently have City Auditor classifications that are either filled or were recently filled. Stockton has a City Auditor classification with a salary range of \$117,507.36 to \$ 150,794.88; however, the City currently contracts out for auditing services and has not had a recent incumbent in the position.

Table 2: California Cities Auditor Salaries

Jurisdiction	Population	Annual Salary
City and County of San Francisco	831,703	N/A
City of Fresno	543,428	N/A
City of Sacramento*	518,161	\$ 233,228.03
City of Long Beach	458,222	\$ 263,791.90
City of Oakland	419,556	\$ 213,137.52
City of Bakersfield	408,373	N/A
City of Anaheim	328,580	N/A
City of Stockton**	319,731	N/A
City of Riverside	313,676	N/A
Mean (Excluding Oakland)		\$ 248,509.97
Median (Excluding Oakland)		\$ 248,509.97

*Position is currently vacant. Salary is that of last recent incumbent.

** Vacant position with no recent incumbent.

Based on the above two data points, the salary range for the City Auditor position in comparable-size California cities is from **\$233,228.03 to \$263,791.90**. The mean annual salary is **\$248,509.97** per year and the median annual salary is **\$248,509.97**. Oakland’s City Auditor makes 85.8% of the mean and 85.7% of the median City Auditor salary in comparable-size cities. If the midpoint salary range for Stockton’s City Auditor classification (\$134,151.12) were considered, the mean annual salary would be \$210,390.35 and the median annual salary would be \$233,228.03.

In accordance with the Charter criteria, staff also surveyed City Auditor salaries for surrounding Bay Area Cities and the County of Alameda (see Table 3 below). Four of the nine identified jurisdictions have a City Auditor classification. The salary for Alameda’s City Auditor was not considered in this analysis, because it is a part-time position. Santa Clara has a City Auditor classification with a salary range of \$200,284.56 and \$259,198.92; however, the City currently contracts out for auditing services and has not had a recent incumbent in the position. Anaheim has an “Audit Manager,” rather than a City Auditor, whose compensation is \$168,918.

⁴ The salary data in the tables below was provided by the human resources departments of each jurisdiction.

Table 3: Bay Area Cities City Auditor Salaries

Jurisdiction	Annual Salary
County of Alameda*	\$ 253,323.20
City and County of San Francisco	N/A
City of Alameda**	\$ 3,600.00
City of Berkeley	\$ 189,839.26
City of Fremont	N/A
City of Hayward	N/A
City of Mountain View	N/A
City of Oakland	\$ 213,137.52
City of San Jose	\$ 264,311.28
City of Santa Clara†	N/A
Mean (Excluding Oakland and City of Alameda)	\$ 235,824.58
Median (Excluding Oakland and City of Alameda)	\$ 253,323.20

*Alameda County’s auditor position is the Auditor-Controller.

**Alameda has a part-time elected Auditor.

† Vacant position with no recent incumbent.

Based on the above data, the salary range for the City Auditor position in Bay Area jurisdictions is from **\$189,839.26 to \$264,311.28**. The mean annual salary is **\$235,824.58** per year and the median annual salary is **\$253,323.20**. Oakland’s City Auditor makes 90.4% of the mean and 84.1% of the median City Auditor salary in Bay Area cities. If the midpoint salary range for Santa Clara’s City Auditor classification (\$229,741.74) were considered, the mean annual salary would be \$234,303.87 and the median annual salary would be \$241,532.47.

Staff Recommendation

Based on the above data and the criteria set forth in City Charter Section 403(1), Commission Staff recommends adjusting the City Auditor’s annual salary to **\$226,612.19**, which is a **6.3%** increase over the Auditor’s current salary, effective in the first pay period after July 1, 2024. This adjustment would provide competitive compensation and equitable alignment of the City Auditor’s salary by providing the City Auditor with a salary that is 20 percent above the top of the range for the highest paid professional employee in the Auditor’s Office after accounting for the scheduled 2 percent negotiated wage increase for non-sworn City employees effective July 2024, that is comparable to the salaries of City Auditors in other comparable-size cities and Bay Area jurisdictions, and that also takes into account the salaries of other City department heads.⁵

⁵ Salary adjustment calculated as follows: Highest paid City Auditor office employee salary + 20% differential + 2% increase to maintain parity with scheduled wage increase for non-public safety employees effective July 1, 2024.

Table 4: Comparison Summary

Summary of Salary Comparisons				
	Lowest	Highest	Mean	Median
Other Department Heads (n=22)	\$191,213.76	\$338,241.00	\$255,098.49	\$253,731.42
Under 20 FTE Department Heads (7)	\$191,213.76	\$241,212.84	\$221,869.39	\$229,727.04
Top Paid Employee	+ 15%: \$212,911.78	+ 20%: \$222,168.82	+ 17.5%: \$217,540.30	-
Top Paid Employee (after 2% COLA)	+ 15%: \$217,170.02	+ 20%: \$226,612.19	+ 17.5%: \$221,891.10	-
Comparable-Size Cities (2)	\$233,228.03	\$263,791.90	\$248,509.96	\$248,509.96
Bay Area Jurisdictions (3)	\$189,839.26	\$264,311.28	\$235,824.58	\$253,323.20
City Auditor - Current Salary				
\$213,137.52				
City Auditor - Recommended Salary				
\$226,612.19				

Following the Commission’s determination of the adjustment amount, Commission Staff will transmit the salary adjustment resolution to the City Administrator, the Department of Human Resources (to amend the salary ordinance), and the Treasury Division - Payroll (to implement the increase).

Attachments: 1. Draft Resolution; 2. Measure X Ballot Pamphlet Packet