



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: December 12, 2023

DATE: October 9, 2023

TO: Board of County Commissioners

FROM: Patricia Hurley, Director of Human Resources
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SUBJECT: Recommendation to conduct a performance evaluation of Washoe County Manager Eric Brown, including a discussion of the results of the 2023 Performance Feedback Survey; to adopt priorities and expectations for the County Manager; and discussion and possible action to approve a single lump sum merit bonus for the County Manager (current base salary is \$331,115.20) in an amount to be determined by the Board, to amend Section 2.A of the County Manager's Employment Agreement to extend the term of the Agreement for one (1) additional year to November 21, 2025, and to amend Section 2.C of the County Manager's Employment Agreement to increase severance pay from six (6) months of the Manager's annual base salary to twelve (12) months of his annual base salary, and if approved, to authorize the Chair to sign the amendments, and to authorize the Comptroller's Office and Human Resources to make all necessary adjustments. Human Resources. (All Commission Districts.)

SUMMARY

Section 9 of the current Employment Agreement between Washoe County and County Manager Eric Brown requires the Board of County Commissioners to review and evaluate the employee's performance in accordance with the provisions of the Open Meeting Law within 30 days of the anniversary of the commencement date of the contract, which is November 25. The Chair of the Board and Manager Brown mutually agreed on the December 12, 2023 Board meeting to conduct the review to accommodate the Board's agenda schedule. This item requests the Board to conduct Manager's Brown's performance evaluation, acknowledge the results of Mr. Brown's 2023 Annual Performance Feedback Survey, to adopt priorities and expectations of the County Manager, and to consider possible action on a single discretionary lump sum merit bonus for the County Manager in an amount, if any, to be determined by the Board, to consider possible amendments to Manager Brown's Employment Agreement, including extending the term of the Agreement for one (1) additional year to November 21, 2025, and to increase the Manager's severance pay from an amount equal to six (6) months of his annual base salary to twelve (12) months of his annual base salary.

AGENDA ITEM # _____

PREVIOUS ACTION

On October 22, 2019, the Board approved an Employment Agreement for Manager Brown to serve as the Washoe County Manager beginning November 25, 2019, which included provisions for salary, benefits, duration, and others common to executive employment contracts including those of previous County Managers.

On June 16, 2020, the Board acknowledged a presentation by Manager Brown including a six-month update, expectations, and assessment of the County.

On December 8, 2020, the Board conducted the annual performance evaluation of Manager Brown, acknowledged the results of the 2020 Performance Feedback Survey, adopted priorities and expectations for the County Manager, approved a 10% increase in his annual base salary to \$250,952 retroactive to November 25, 2020, approved a one-time 5% merit bonus for him in the amount of \$12,547.60, approved an extension of his contract term to November 25, 2023, and approved an increase in annual funding to the County Manager's Office budget to be used as an educational or personal development fund. Amendments to Manager Brown's Employment Contract were executed to memorialize the extension of the contract term to November 25, 2023, and to increase the annual funding to the County Manager's Office budget.

On December 14, 2021, the Board conducted the annual performance evaluation of Manager Brown, acknowledged the results of the 2021 Performance Feedback Survey, approved a 10% increase in his annual base salary to \$282,256, approved a one-time 5% merit bonus in the amount of \$14,112.80 based on his accomplishments in 2021, and approved an extension of his contract term to November 20, 2024. Amendments to Manager Brown's Employment Contract were executed to memorialize the increase in his base salary and the extension of the contract term to November 20, 2024.

On December 13, 2022, the Board conducted the annual performance evaluation of Manager Brown, acknowledged the results of the 2022 Performance Feedback Survey, and approved a 10% increase to his annual salary to \$326,019.20 based on his accomplishments in 2022. The Board did not amend County Manager Brown's Employment Agreement.

BACKGROUND

Manager Brown has served as the County Manager since November 25, 2019.

On September 30, 2019, the Board selected Eric Brown as the County Manager. An Employment Agreement for Mr. Brown was approved by the Board on October 22, 2019, with a term beginning on November 25, 2019, and ending on November 25, 2021.

In accordance with Section 9.A of the approved Employment Agreement, in June 2020 Manager Brown presented to the Board a six-month assessment of the Washoe County organization, and his observations and recommendations regarding operations and policies.

In December 2020, in accordance with NRS 241.033 and his Employment Agreement, the Board conducted the annual performance evaluation of Manager Brown, acknowledged the results of the 2020 Performance Feedback Survey, and adopted priorities and expectations for the County Manager. The Board also approved a 10% increase of Manager Brown's annual salary to \$250,952 retroactive to November 25, 2020, approved a one-time 5% merit bonus for him in the amount of \$12,547.60, approved an extension of the contract term to November 25, 2023, and approved an increase in annual funding to be used as an educational or personal development fund in the County Manager's Office. Amendments to Manager Brown's Employment Contract were executed to memorialize the extension of the contract term to November 25, 2023, and to increase the annual funding to the County Manager's Office budget.

In July of 2021, Manager Brown received a cost-of-living increase of 2.5% and a PERS deduction of -0.25%.

On December 14, 2021, the Board conducted the annual performance evaluation of Manager Brown, acknowledged the results of the 2021 Performance Feedback Survey, approved a 10% increase of Manager Brown's annual base salary to \$282,256, approved a one-time 5% merit bonus for him in the amount of \$14,112.80 based on his accomplishments in 2021, and extended his contract term to November 20, 2024. Amendments to Manager Brown's Employment Contract were executed to memorialize the increase in his base salary and the extension of the contract term to November 20, 2024.

In July of 2022, Manager Brown received a 5% cost of living increase.

On December 13, 2022, the Board conducted the annual performance evaluation of Manager Brown, acknowledged the results of the 2022 Performance Feedback Survey, and approved a 10% increase in Manager Brown's annual salary to \$326,019.20 based on his accomplishments in 2022. The Board did not amend County Manager Eric Brown's Employment Agreement.

Manager Brown received a 3.5% cost of living increase and a PERS deduction of -1.875% in July of 2023. Accordingly, Manager Brown's annual base salary is currently \$331,115.20.

On August 8, 2023, Human Resources was notified that Manager Brown and the Chair discussed and mutually agreed on December 12, 2023, as the date the Board will conduct Manager Brown's annual performance evaluation. On August 15, 2023, in accordance with NRS 241.033 and the Employment Agreement, Human Resources notified Manager Brown that the Board would be discussing his performance and professional competence as the Washoe County Manager in public session at their December 12, 2023, Board meeting. On October 17, 2023, Manager Brown and the Chair agreed upon the internal and external stakeholders to be invited to participate in the Performance Feedback Surveys.

On behalf of the Board, Human Resources invited 33 participants to provide feedback and perspective on the performance of the County Manager this past year. The invited participants included elected and appointed officials within the organization and from across the region. 29 participants responded (88% response rate).

The survey was given to four (4) targeted groups (Attachment A) with specific questions:

- County Commissioners (5 invited; 4 responded; 80% response rate)
- Direct Reports (9 invited; 9 responded; 100% response rate)
- Department Heads and Elected Officials (10 invited; 9 responded; 90% response rate)
- External Stakeholders (9 invited; 7 responded; 78% response rate)

The participant responses were anonymous. See Attachment B for all survey responses.

The majority of survey responses indicate Manager Brown *Exceeds Expectations* or *Meets Expectations* in every category. Either response is an indication of successful performance as defined in the survey. Specifically, all participants were asked to rate the “overall performance” of Manager Brown and 100% of 29 participants indicated Manager Brown meets or exceeds expectations. See chart below.

Participant Group	Exceeds Expectations	Meets Expectations	Area for Growth
Commissioners	3; 75%	1; 25%	-
Direct Reports	4; 44%	5; 56%	-
DHs/Elected Officials	7; 78%	2; 22%	-
External Stakeholders	6; 86%	1; 14%	-
Total ‘Overall Evaluation’	20; 69%	9; 31%	

FISCAL IMPACT

The evaluation of the County Manager has no fiscal impact. However, a one-time bonus, if granted, would have a fiscal impact in the amount of the bonus. If the Board decides to approve a bonus for Manager Brown, the bonus could be for a specific amount or a percentage of the Manager’s annual base salary. 1% of the Manager’s annual base salary has an estimated fiscal impact of \$3,359 - \$4,470 for each percentage increment. Any additional increase in pay for Manager Brown in the form of a bonus will be absorbed within the Manager’s Office budget. If the Board decides to increase the Manager’s severance pay from six (6) months’ pay to twelve (12) months’ pay, there will be a fiscal impact only if a severance payout is made pursuant to the terms of the Employment Agreement. There are variable costs dependent on current salary, PERS, and group insurance. The difference between 6 months and 12 months’ pay is approximately \$168,000 - \$175,400.

RECOMMENDATION

It is recommended that the Board of County Commissioners conduct a performance evaluation of Washoe County Manager Eric Brown, including a discussion of the results of the 2023 Performance Feedback Survey; to adopt priorities and expectations for the

County Manager; and discussion and possible action to approve a single lump sum merit bonus for the County Manager (current base salary \$331,115.20) in an amount to be determined by the Board, to amend Section 2.A of the County Manager's Employment Agreement to extend the term of the Agreement for one (1) additional year to November 21, 2025, and to amend Section 2.C of the County Manager's Employment Agreement to increase severance pay from six (6) months of the Manager's annual base salary to twelve (12) months of his annual base salary, and if approved, to authorize the Chair to sign the amendments; and to authorize the Comptroller's Office and Human Resources to make all necessary adjustments.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be:

Move to acknowledge the performance evaluation of Washoe County Manager Eric Brown including the results of the 2023 Performance Feedback Survey, to adopt priorities and expectations for the County Manager; to approve a single lump sum merit bonus in the amount of \$_____, to approve an amendment to Section 2.A of the County Manager's Employment Agreement to extend the term of the Agreement for one (1) additional year to November 21, 2025, to approve an amendment to Section 2.C. of the County Manager's Employment Agreement to increase severance pay from six (6) months of the Manager's annual base salary to twelve (12) months of his annual base salary, to authorize the Chair to sign the amendments, and to authorize the Comptroller's Office and Human Resources to make all necessary adjustments.