Civil Grand Jury 2025-2026

Investigation Of Charter Section 504 Executive Salary Linkage Practices

Efficiency, Equity, and Governance

Case # 26-06 June 24, 2026

Contents

SUMMARY

El Dorado County Charter Section 504, approved by voters in 1994, requires an annual salary survey and adjustment for five specific sworn peace-officer classifications (Undersheriff, Captain, Lieutenant, Sergeant, and Deputy Sheriff) to remain competitive with three designated agencies: Amador County Sheriff's Department, South Lake Tahoe Police Department, and the California Highway Patrol.

The Board of Supervisors (Board) has extended these percentage-based increases through Board resolutions and the annual Salary and Benefits Resolution for Unrepresented Employees to seven high-level positions never named in the Charter: Sheriff/Coroner/Public Administrator, Chief Administrative Officer (CAO), District Attorney, County Counsel, Public Defender, Alternate Public Defender, and Chief Probation Officer.

As of 2026, personnel allocations countywide — 181 in the Sheriff's Office plus 25 additional positions added by the Board — are directly or indirectly linked to the Deputy Sheriff II benchmark. Board staff reports project \$9.147 million in General Fund costs for all Charter Section 504-linked increases from calendar years 2022 through 2026. Internal data show the seven linked executives alone received cumulative base-pay increases exceeding \$351,000 during 2023–2026.

Although legally permissible under Board authority, the practice creates automatic, compounding salary increases for executives that are untethered to performance evaluations or position-relevant independent market studies. This framework lacks key fiscal safeguards commonly associated with long-term compensation policies, including sunset provisions, periodic independent review, and revenue-based financial stress testing. It widens internal pay gaps with rank-and-file employees who must negotiate under budget constraints and deviates from the original voter intent to ensure competitive compensation for frontline sworn peace officers.

Comparison with other counties selected by the Board (Sacramento, Napa, Placer, Yolo, Nevada, Butte, and Shasta) confirms El Dorado County is an outlier: no comparable jurisdiction automatically links non-sworn executive compensation to sworn peace officer salary formulas.

The Grand Jury finds the current linkages fiscally unsustainable in the long term, internally inequitable, and inconsistent with both voter intent and responsible governance practices.

While likely not illegal, the policy suggests poor administrative stewardship. Immediate decoupling and structural reform are warranted.

GLOSSARY

Charter County: A California county governed by its own local charter, giving it more control over local rules and administration within state law limits.

Charter Section 504: Charter provision mandating annual comparator salary survey and adjustment for listed sworn officer classifications.

Unrepresented Employees: Elected officials and appointed executives whose compensation is governed by Board resolution rather than collective bargaining.

Salary & Benefits Resolution: Annual Board policy document that establishes fixed-percentage internal ties to Charter Section 504 benchmarks.

Compaction: Administrative practice of maintaining fixed percentage differentials between classifications to preserve internal equity.

BACKGROUND

Charter Section 504, a voter-approved provision of the El Dorado County Charter, was adopted to address recruitment and retention challenges for sworn peace officers after the County had become a training ground for other agencies. The Charter language is narrow and specific: it lists only the five sworn peace officer classifications and three comparator agencies. The three comparators used were Amador County Sheriff’s Department, South Lake Tahoe Police Department, and California Highway Patrol which were similar in scope of job duties and reflected demographics that aligned with El Dorado County. Adjustments are calculated from the Deputy Sheriff II benchmark and become effective the first pay period in January if warranted.

Over time, the Board expanded the percentage-based compensation increases established under Charter Section 504 to non-Charter classifications through Board resolutions and Memoranda of Understanding (MOUs). These actions created fixed compensation linkages between executive positions including formulas such as the Sheriff receiving 2.5% above the Undersheriff, the Chief Administrative Officer (CAO) receiving approximately 2% above the Sheriff, and County Counsel receiving 1% above the Sheriff. These compensation relationships are now embedded in the County's annual Salary and Benefits Resolution for Unrepresented Employees and reinforced through successive implementing resolutions (Salary and Benefits Resolution 037-2025).

The Director of Human Resources described the expansion of these linkages as a deliberate "domino effect" intended to preserve internal hierarchy and avoid salary compaction between classifications. Examples cited include maintaining the CAO salary approximately 2% above the Sheriff, County Counsel 1% above the Sheriff, the Public Defender 15% below the District Attorney, and the Alternate Public Defender 5% below the Public Defender.

The Grand Jury finds that this cascading compensation structure effectively institutionalizes automatic upward salary escalation across multiple executive classifications, absent independent market analysis, organizational performance, or the County's long-term fiscal condition.

Public concern intensified in 2025, evidenced by increased citizen complaints at Board meetings, public comments submitted to the Board, formal Grand Jury complaints, and a citizen-initiated ballot measure in February 2026. The ballot measure was withdrawn, due to lack of funds, after the County initiated litigation against the citizens behind the initiative. In December 2025 and again in April 2026 the Board directed staff to review unrepresented compensation linkages, but no decoupling action has been taken.

METHODOLOGY

The Grand Jury reviewed the following:

- The original complaints and all supporting materials
- El Dorado County Charter, Section 504 Fact Sheet
- All relevant Board resolutions (including 014-2023, 166-2022, 229-2024, and 184-2025)

- Related internal spreadsheets
- Board staff cost projections (2022–2026)
- February 2026 Total Compensation Market Study for Unrepresented Classifications
- March 2026 Human Resources Compensation Study Presentation (Legistar 26-0449)
    - Public comments received by the Board
- Intent to File Petition by Hold El Dorado Accountable
    - County Lawsuit in Response
- Testimony from five key witnesses
- Analysis focused on fiscal impact, internal equity, voter intent, governance controls, and peer-county practices.

All findings rest exclusively on documentary evidence and testimony received.

DISCUSSION

Fiscal Efficiency & Taxpayer Impact

Charter Section 504 adjustments are mandatory for the original sworn peace officer classifications but discretionary for the seven linked executives. When uniform percentage increases are applied to high base salaries, the resulting absolute dollar costs to the County for executives are significantly greater. County-wide payroll costs reached $9.147 million (2022–2026), while the seven executives alone accounted for more than $351,000 in cumulative base-pay increases (2023–2026). Seven executives, representing only about 0.38% of County employees, received roughly 3.8% of the total increases, or about ten times their share of the workforce.

Projected property and sales tax revenue growth of 2–3% annually has been outpaced by some recent compensation adjustments. The Grand Jury found no evidence of formal financial modeling that ties executive compensation increases to long-term revenue forecasts, operational efficiencies, or measurable productivity gains.

Equity Between Executive and Rank-and-File Employees

Rank-and-file employees negotiate raises under explicit budget constraints, while unrepresented executives receive automatic parity pay increases. Although cumulative pay-raises for the 504-linked group have been lower than those of major bargaining units since 2018, the automatic mechanism eliminates performance accountability and negotiation for the County’s highest-paid officials.

The Director of Human Resources confirmed that annual performance evaluations are conducted for appointed department heads, yet no 504-linked raise has ever been withheld or reduced due to performance concerns. Uniform percentage raises on disparate bases have steadily widened internal pay gaps. No objective evidence of a recruitment or retention crisis for CAO or DA positions was presented to justify automatic linkage.

Ballot Measure and Intimidation

A coalition filed a ballot initiative in February 2026 aiming to end automatic salary increases for certain top officials in El Dorado County. The measure submitted to the Elections Office would have amended Charter Section 504 but was challenged by county legal officials, who claimed it violates California's Constitution regarding pay-setting authority by the Board of Supervisors.

Following a legal review, El Dorado County filed a lawsuit in superior court in March 2026 to determine the initiative's constitutional validity. According to statements made by County counsel, attempts to resolve the dispute informally failed, resulting in the suit for declaratory relief, with individual citizen proponents named as defendants (Complaint for Declaratory Relief).

The Grand Jury has concerns regarding the County’s request in the lawsuit for reimbursement of legal costs from the ballot initiative organizers, which ultimately contributed to citizens withdrawing the measure due to lack of financial resources. While the County’s actions may have been legally permissible, the response sends a strong message about the financial and legal risks citizens may face when exercising their right to participate in local government through the initiative process.

Consistency With Voter Intent and Governance Standards

Ballot initiative organizers raised concerns that the voter intent for Charter Section 504 was that it be limited to sworn peace officers and that it deliberately excluded elected and non-sworn executives. All subsequent additions occurred through Board resolutions without voter approval. Governance safeguards are absent: there is no sunset clause, no mandatory independent review cycle, and no requirement to demonstrate continued public benefit. The Board retains authority to decouple linkages annually but has treated them as permanent. The Director of Human Resources characterized these extensions as administrative decisions made to preserve internal salary hierarchy and avoid compaction, rather than as requirements of the Charter itself.

Peer-County Compensation Policies

According to interviews, examination of five peer counties of similar size and character (Placer, Yolo, Nevada, Butte, Shasta) reveals that El Dorado's practice is an outlier.

Placer County maintains a voter-approved formula (Measure F) strictly for sworn peace officers; executive and unrepresented positions are set separately by Board resolution based on market studies.

Yolo, Nevada, Butte, and Shasta Counties set executive compensation through annual Board-adopted salary resolutions or ordinances following independent total-compensation market surveys. None apply automatic percentage linkages from sworn-officer formulas to non-sworn executives.

The County of El Dorado alone extends a voter-mandated sworn-officer salary base to non-sworn executives via administrative resolution, producing automatic wage raises without separate market review or performance metrics. The Director of Human Resources stated he is not aware of any other county that applies an equivalent Charter 504-style linkage to non-sworn executive positions.

FINDINGS

F1. The Grand Jury finds that Charter Section 504 percentage adjustments are currently applied to seven non-Charter executive and elected positions in opposition to original voter intent.

F2. The Grand Jury finds that automatic uniform-percentage increases under Charter Section 504 are applied to high-based-salary non-Charter executive positions and no revenue-tied stress testing is performed on these linkages.

F3. The Grand Jury finds that compensation for non-Charter executive positions is benchmarked to law-enforcement salary comparators rather than to peer executive positions in comparable counties.

F4. The Grand Jury finds that the current application of Charter Section 504 adjustments to non-Charter positions includes no sunset clause, periodic independent review, or governance stress test.

RECOMMENDATIONS

R1. The Grand Jury recommends that the Board of Supervisors reassess the merits of decoupling the seven high-level executive positions not originally named in Charter Section 504 by December 31, 2026. The positions are Sheriff/Coroner/Public Administrator, District Attorney (DA), Chief Administrative Officer (CAO), County Counsel, Public Defender, Alternate Public Defender, and Chief Probation Officer.

R2. The Grand Jury recommends that the Board of Supervisors direct the Chief Administrative Officer and Director of Human Resources to develop and present to the Board by September 2026 a formal unrepresented-employee compensation framework. This framework should include a three-year sunset/re-evaluation cycle, public reporting of fiscal impact versus projected revenue growth, and clear performance metrics for department heads.

R3. The Grand Jury recommends that the Board of Supervisors direct the Chief Administrative Officer and the Director of Human Resources to adopt peer-county best-practice models for unrepresented executive compensation.

R4. The Grand Jury recommends that the Board of Supervisors direct the Chief Administrative Officer work with the Auditor Controller to incorporate into all future adopted budgets and mid-year reports a transparent breakout of Charter Section 504 costs (Charter vs. linked positions) and a five-year fiscal projection under varying revenue scenarios.

REQUIRED RESPONSES

A Civil Grand Jury report details a single investigation. Each report lists FINDINGS and RECOMMENDATIONS. The organization responsible is notified and is required to respond to the report.

The California Penal Code Section 933(c) specifies response times.

- *PUBLIC AGENCIES. The governing body of any public agency (also referring to a department) must respond within 90 days from the release of the report to the public.*
- *ELECTED OFFICERS OR AGENCY HEADS. All elected officers or heads of agencies/departments must respond within 60 days of the report's release to the public.*
- *FAILURE TO RESPOND. Failure to respond to a Grand Jury report violates California Penal Code Section 933.05 and is subject to further action that may include additional investigation into the subject matter of the report by the Jury.*

The following responses are required pursuant to Penal Code Sections 933 and 933.05:

From the following governing boards within 90 days:

- *El Dorado County Board of Supervisors*
  - *All Findings*
  - *All Recommendations*

For more information refer to [How to Respond to an El Dorado County Civil Grand Jury Report]() available on the El Dorado County Grand Jury webpage at https://www.eldoradocounty.ca.gov/Public-Safety-Justice/Safety-Justice/Grand-Jury.

Reports issued by the Civil Grand Jury do not identify individuals interviewed. Penal Code Section 929 requires that reports of the Grand Jury do not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.

INVITED RESPONSES

Responses are invited from the following within 60 days:

Auditor-Controller respond to F2, R4

Responses are invited from the following within 90 days:

Chief Administrative Officer respond to R2, R3, R4

Director of Human Resources respond to R2, R3

BIBLIOGRAPHY

El Dorado County Charter § 504 and official Fact Sheet

Board Resolutions 014-2023, 166-2022, 229-2024, 184-2025

504 Estimated Increases by Calendar Year staff reports and internal tie spreadsheets (2023–2026)

February 2026 Total Compensation Market Studies

Placer County Code § 3.12.040 (Measure F) and salary resolutions of Yolo, Nevada, Butte, and Shasta Counties (public records)

Charter Section 504 Fact Sheet (26-0449 C), El Dorado County, 4 pages

Total Compensation Study for Unrepresented Classifications, February 2026 (26-0449 B), Human Resources Department

Human Resources Compensation Study Presentation, March 2026 (Legistar File 26-0449)

Public Comments received by the Board of Supervisors, March 23, 2026 (Agenda Item 46, 26-0449)

DISCLAIMER

This report reflects the independent, evidence-based analysis of the 2025–2026 El Dorado County Civil Grand Jury. Findings and recommendations are offered solely in the public interest to promote efficient, equitable, and transparent county government.