Agenda Date: 3/1/2005
Agenda Placement: 6J

NAPA COUNTY BOARD OF SUPERVISORS
Board Agenda Letter

TO:	Board of Supervisors
FROM:	Barbara Scriven for Dennis Morris - Director Human Resources
REPORT BY:	Barbara Scriven, Human Resources Analyst III, 253-4000
SUBJECT:	Management equity adjustments

RECOMMENDATION

Human Resources Director requests adoption of a resolution approving equity adjustments for certain unrepresented employees using the same formula established and agreed to during the recently settled negotiations between the County and SEIU, Local 614.

EXECUTIVE SUMMARY

In November 2004, the Human Resources Director concluded discussions with the unrepresented employees concerning salary and benefit adjustments. Consistent with the methodology agreed to in the recent negotiations with SEIU Local 614, a salary survey was conducted to determine if equity adjustments were necessary to bring the salary of the unrepresented employees within 3% of the average of our comparison counties. It was determined that certain classes identified on the County Management Key Class Listing were more than 3% behind the salary of comparison counties.

On December 14, 2004, the Board approved equity adjustments for PSE and unrepresented employees. However, several unrepresented positions were subsequently subject to additional review and were determined to require equity adjustments. Additionally, some unrepresented positions were determined to be subject to salary adjustments in order to correct for compaction issues, while some positions are recommended for salary adjustments in order to maintain existing internal salary relationships. The Human Resources Director recommends adoption of a resolution implementing salary adjustments for certain unrepresented positions as identified in Exhibit A of the resolution.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No

What is the revenue source?	The increased cost for the remainder of the current fiscal year is estimated at $65,000. Departments will be expected to absorb these costs in their respective FY 2004-2005 budgets to the extent possible. If necessary, funds are available in designations set aside for employee salaries and benefits.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The November 2004 unrepresented salary survey was conducted using the same criteria agreed to between SEIU, Local 614 and the County. The intent was to bring the County's management and confidential salaries in line with those in the market represented by our comparable jurisdictions. The recommended additional equity adjustments and salary increases are necessary due to of a reevaluation of the salaries of some positions compared with equivalent positions in comparison jurisdictions, to resolve some compaction issues, and to maintain certain internal salary relationships.
Is the general fund affected?	Yes
Future fiscal impact:	The annual cost for FY 2005-2006 is estimated at $130,000. The increased salary expense for the next fiscal year will be included in each department's FY 2005-2006 budget request.
Consequences if not approved:	Classifications identified by the salary survey as being greater than 3% below the average salaries of comparable jurisdictions would not be adjusted. Additionally, existing compaction issues and internal salary relations issues would not be resolved.
Additional Information:	None

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: General Rule. It can be seen with certainty that there is no possibility the proposed action may have a significant effect on the environment and therefore CEQA is not applicable [See Guidelines For the Implementation of the California Environmental Quality Act, 14 CCR 15061(b)(3)].

BACKGROUND AND DISCUSSION

On August 25, 2004 the Board approved salary and benefit adjustments for employees represented by SEIU, Local 614. As part of the Agreement, the County agreed to perform a salary survey using the PSE/PSE-Supervisory Key Classes to determine if equity adjustments were necessary to bring the salary of represented employees within 3% of the average of our comparison agencies. As in years past, Management Non-Classified, Management, and Confidential employees (the unrepresented) were afforded comparable benefits.

In November 2004, using the same formula established and agreed to with SEIU Local 614, a salary survey was conducted of the unrepresented employees. The non-classified positions (mostly department heads and certain assistant department heads) were reviewed individually and the remaining unrepresented classifications were reviewed using the Management Key Class Listing. Equity adjustments were considered only for those positions determined to be more than 3% below the average of our agencies of comparison. The agencies of comparison are Solano County, Sonoma County, Marin County, Contra Costa County, Santa Cruz County, Monterey County, Placer County and the City of Napa.

Based on the results of the salary survey, the Human Resources Director recommended equity adjustments for those non-classified and management classifications that were more than 3% below the average of our agencies of comparison, as well as salary increases for management classification positions where compaction issues were addressed due to equity increases for positions they supervise. Current County practice is to generally maintain a spread of 10% between the salaries of managers and supervisors and the salaries of the employees they manage or supervise. The $260 per month "cafeteria plan" compensation received by management employees was included in the salary survey and was considered when calculating equity and compaction adjustments.

On December 14, 2004, the Board approved equity adjustments for PSE and unrepresented employees. The equity and compaction related salary increases for unrepresented employees did not exceed nine percent for any position. These salary increases represented the first equity adjustments for some unrepresented employees since 2002 and for others since 2000. This is the reason that a number of positions were significantly below the market.

Subsequent to the Board's approval of unrepresented employee equity adjustments, some unrepresented positions were subject to additional review and were determined to require equity adjustments. For example, reexamination of salaries for comparison jurisdictions resulted in a determination that the management key class of Director of Public Health Nursing was more than 3% below the average. Therefore, all the classifications in that key class are recommended to receive an equity adjustment. Additionally, it was determined that some unrepresented positions were subject to adjustments due to compaction issues, where those positions' salaries were no longer at least 10% greater than the salaries of the positions they manage or supervise. Lastly, the management classifications of Attorney I-IV in the County Counsel's office are recommended to receive an salary adjustment in order to maintain the existing salary relationship with the Attorney I-IV classes represented by the PSE, which received an equity adjustment in December 2004. Attachment A, Management Equity Adjustments, identifies the categories and positions recommended for equity adjustments and salary increases.

The salaries of two Management Non-Classified positions (Director of Environmental Management and Director of Corrections), which in the County's comparison jurisdictions do not have equivalent Department Head positions, are currently under review. Therefore, neither of these positions are included among the equity adjustments recommended for approval at this time.

The Human Resources Director recommends adoption of a resolution implementing retroactive salary adjustments for certain unrepresented positions, which are identified in Exhibit A of the resolution, effective January 1, 2005, by the percentages indicated, coming as close as possible to these percentages using the existing salary plans.

SUPPORTING DOCUMENTS

A . Management Equity Adjustments

B . Resolution

CEO Recommendation: Approve

Reviewed By: Andrew Carey