



Agenda Date: 6/26/2007  
Agenda Placement: 6HH

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Pamela Hansen for Gregersen, Mark - Director  
Human Resources  
**REPORT BY:** Pamela Hansen, Human Resources Analyst III, 253-4305  
**SUBJECT:** Cost of Living Increase for Management Non-Classified, Management, and Confidential Employees

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### **RECOMMENDATION**

Human Resources Director requests adoption of a resolution approving a cost of living adjustment of 3.2% for the unrepresented management non-classified, management and confidential employees effective June 30, 2007.

### **EXECUTIVE SUMMARY**

The Human Resources Director is recommending the Board approve a cost-of-living increase of 3.2% for all unrepresented management non-classified, management, and confidential employees based on an annualized Consumer Price Index (CPI) change for 2006 (All Urban Consumers - U.S. City Average).

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Funds have been included in the FY07-08 recommended departmental budgets to cover a 3.0% cost of living increase. The recommended increase is 3.2%. If available, savings from vacant positions will make up the difference, and/or in some cases additional General Fund resources will be required.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	It has been the historical practice for the County to implement a cost-of-living increase for the unrepresented management non-classified, management, and confidential employees in July of each calendar year. This increase is

generally implemented in conjunction with the increase provided to Public Service Employees (PSE) and PSE Supervisory Unit employees, however, at the present time the County is still in contract negotiations with the PSE bargaining units.

Is the general fund affected? Yes

Future fiscal impact: The annual cost of the requested 3.2% COLA is estimated to be \$669,920 for FY 07-08.

Consequences if not approved: Competitive salaries help attract and retain a highly qualified work force. Remaining competitive includes accounting for inflation on salaries. Without attention to remaining competitive, retention of current employees and successful recruitment efforts become more difficult.

Additional Information:

### **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

### **BACKGROUND AND DISCUSSION**

Competitive salaries are useful in attracting and retaining a highly qualified work force. Most public employers look at market competitiveness at the beginning of each fiscal year to see if any general salary adjustments are needed. In the overall effort to remain competitive, accounting for the impact of inflation on salaries is one element. Consumer Price Indexes are a useful tool in measuring inflation.

It is typical that the salary adjustments for the unrepresented management, non-classified, management and confidential employees have been similar to the salary adjustment for the employees included in the Public Service Employee (PSE) and PSE Supervisory bargaining units. At the present time, the County is still in contract negotiations with the PSE bargaining units so there is no pattern to follow with this group at the present time. In the absence of a negotiated contract with the PSE bargaining units, the Human Resources Director is recommending the Board approve a cost-of-living increase of 3.2% for all unrepresented management non-classified, management, and confidential employees based on an annualized Consumer Price Index (CPI) change for 2006 (All Urban Consumers - U.S. City Average).

### **SUPPORTING DOCUMENTS**

A . Resolution

CEO Recommendation: Approve

Reviewed By: Karen Gratton