



Legislation Text

File #: 19-0155, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Lisa Jenkins, Human Resources Director

SUBJECT:

Consider Approving a Comprehensive Citywide Salary Schedule for all City Positions and Adjustments to Salary Ranges (Continued from the March 6, 2019, City Council Regular Meeting) (Human Resources Director Jenkins).

ADOPT RESOLUTION NO. 19-0026

RECOMMENDATION:

Staff recommends that the City Council adopt Resolution No. 19-0026 approving a comprehensive citywide salary schedule (attached and titled "2019 Classification and Salary Listing"), which includes a 2% adjustment to the salary ranges for unrepresented "Management/Confidential" employees, commensurate with the MOU increases recently provided to represented miscellaneous employees.

FISCAL IMPLICATIONS

The recommended 2% salary range adjustment for management and confidential employees does not automatically increase any employee's individual salary. The current budget includes salary adjustments for unrepresented employees, which the City Manager has the discretion to provide within the City's rules. Other salary and range adjustments have been accounted for through the budget adoption or Memorandum of Understanding (MOU) approval process. At this time, there is no budget adjustment requested to appropriate additional funding for salary adjustments.

BACKGROUND

Per the City's personnel rules (Rule V, Section 11D), the City Manager shall periodically recommend to the City Council adjustments to salary ranges based upon cost of living, market indicators, and internal salary relationships. The City Manager is recommending a 2% cost of living adjustment (COLA) to the salary ranges for those unrepresented employees historically referred to as "Management/Confidential" in the City's personnel rules. As many non-confidential management and professional staff now belong to a labor association, the term "Management/Confidential" as described herein includes confidential positions (e.g. those professional, technical and administrative employees in the City Clerk's Office, Management Services, and Human Resources), managers who work in a confidential capacity, and department directors. There are currently 24 positions that meet this criteria. The recommended adjustment is aligned with the most recently negotiated salary range or step adjustments for the City's represented miscellaneous employee units, which include

Teamsters and the Manhattan Beach Mid-Management Employees Association (MBMEA).

The salary schedule pending approval includes all City positions, including part-time positions. Several changes have been made to the part-time schedule to reflect future needs, adjust salary steps or ranges commensurate with the full-time equivalent positions, and address the immediate impacts of the most recent minimum wage increase.

The attached resolution and salary schedule also fulfill California Public Employees Retirement System (CalPERS) requirements for a comprehensive publicly available pay schedule.

DISCUSSION

The represented employee group MBMEA, which represents management and some professional-level positions within the organization, received a 2% adjustment to their salary schedules effective January 5, 2019. This adjustment did not apply to management and confidential employees who are not represented. Teamsters Local 911 (Teamsters), which represents the majority of non-sworn employees in the City, negotiated a similar adjustment of 2% to their salary schedule effective March 16, 2019, which is reflected on the attached salary schedule for approval.

At this time, the City Manager is recommending a commensurate 2% COLA to the salary ranges for all unrepresented positions (excluding the City Manager). As many of the former Management/Confidential positions are now represented by MBMEA, the Management/Confidential group currently includes 24 positions. Decisions regarding individual adjustments to employee salaries may be approved by the City Manager per the City's existing personnel rules, and are generally budgeted for 2% annually.

In addition to providing a COLA to the ranges for all unrepresented positions, the recommended adjustment will ensure similarly situated positions remain on equivalent pay schedules. By way of example, there are Management Analysts and Senior Management Analyst positions represented by MBMEA in various City Departments and Management Analysts and Senior Management Analyst positions who are unrepresented (primarily in the City Manager's Office). Without providing the same 2% adjustment that MBMEA received for unrepresented employees, the salary ranges for represented Senior Management Analysts (e.g. in Public Works or the Police Department) would remain 2% higher than the Senior Management Analyst(s) in the City Manager's Office.

Similarly, there are full-time classifications with part-time equivalent positions, which are reflected on the attached salary schedule with the same 2% adjustment as has been given or is recommended for their full-time equivalent position. This adjustment ensures that part-time positions don't fall behind their full-time counterparts. Further, it ensures pay is comparable for full-time and part-time positions with similar job duties.

The personnel rules allow the City Manager to adjust the pay plan (salary steps) for part-time positions to ensure that the part-time classifications meet the needs of the City (Rule V, Section 12C.5). The attached schedule includes the addition of part-time equivalents for several full-time positions related to current or future needs to fill these positions on a part-time or temporary basis, such as Code Enforcement Officer and several management-level positions within Human Resources. In addition, the salary schedule reflects an immediate change for one part-time position most directly impacted by the minimum wage increase effective January 1, 2019. Based upon this minimum wage increase to \$12/hour, the existing range for Recreation Leader I as it existed was almost entirely below or close to the minimum wage. In order to maintain a three-step salary for this

position, the range has been adjusted. While this change is immediate to address the most recent minimum wage increase, staff intends to conduct a further review of the impacts of future state minimum wage increases, as well as an evaluation of the City's current and future needs for its unrepresented part-time classifications. Following this review, additional changes to the part-time classification and compensation structure will likely be recommended, which would be reflected on a future salary schedule.

The attached salary schedule also includes salary range adjustments that were previously approved, either through the budget process or by independent Council action, as well as previous increases negotiated in collective bargaining agreements with the City's employee associations. There are some positions on the attached salary schedule which are not currently in the City's budgeted position control, but remain on the schedule in case there are needs to utilize the position in the future. However, the positions of Assistant City Manager and Economic Vitality Manager have been removed from the salary schedule per City Council direction on March 6, 2019.

In addition to approving the recommended adjustments, the attached classification and salary listing serves to comply with California Public Employees' Retirement System (CalPERS) requirements that the City Council approve a publicly pay schedule for all negotiated pay rate increases. These requirements are contained in Government Code § 20636(b)(1) and California Code of Regulations (CCR) § 570.5. In order to meet CalPERS requirements, the City Council is required to adopt a comprehensive publicly available pay schedule independent from the salary schedules attached to the MOU or approved as part of the budget process.

POLICY ALTERNATIVES:

The comprehensive citywide classification and salary listing is being recommended for Council approval to fulfill CalPERS regulations regarding adopting publicly available pay schedules, and there are no policy alternatives within this requirement. As an alternative to the 2% adjustment recommended for the unrepresented employee salary ranges, Council could direct an adjustment of a different amount, or no adjustment to these ranges.

PUBLIC OUTREACH:

After analysis, staff determined public outreach was not required for this issue.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

Attachments:

1. Resolution No. 19-0026
2. 2019 Classification and Salary Listing