

Agenda Report

November 18, 2019

TO: Honorable Mayor and City Council

FROM: Department of Human Resources

SUBJECT: ADOPTION OF EXECUTIVE MANAGEMENT, NON-REPRESENTED MANAGEMENT, AND NON-REPRESENTED NON-MANAGEMENT SALARY RESOLUTIONS

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the action proposed herein is not a "project" as defined in the California Environmental Quality Act (CEQA), Public Resources Code Section 21065 and Section 15378(b)(2) of the State CEQA Guidelines and, as such, is not subject to environmental review; and
2. Adopt the Executive Management Salary Resolution; and
3. Adopt the Non-Represented Management Salary Resolution; and
4. Adopt the Non-Represented Non-Management Salary Resolution

BACKGROUND:

The City Council establishes by resolution the salaries and benefits for classifications that are not represented by an employee association or union. The City Council may adopt salary resolutions as necessary in order to make adjustments to wages, benefits and working conditions for non-represented employees.

The City Council has historically reviewed the wages, benefits and working conditions of the City's non-represented employee groups at least once annually, typically in the fall of each year. In November 2018, the City Council authorized a 2% wage increase for the City's non-represented miscellaneous and sworn fire employees. Sworn Police management employees received a separate wage increase of 3% on June 24, 2019 commensurate with the increase provided to members of the Pasadena Police Officers Association on the same date.

The City's non-represented management employees are similarly situated to employees represented by the Pasadena Management Association, which received a negotiated 2.25% wage increase on June 24, 2019. Many of the City's non-represented non-management employees are similarly situated to employees represented by the Laborers' International Union of North America, which similarly received a negotiated 2.25% wage increase on June 24, 2019.

In an effort to maintain parity between the City's represented and non-represented employee groups, staff has updated the Executive, Non-Represented Management, and Non-Represented Non-Management salary resolutions to reflect increases of 2.25% for all non-sworn classifications (with the exception of classifications with a minimum hourly rate tied to the minimum wage and Police Officer Reserve), and for the sworn safety classifications of Police Chief, Fire Chief and Deputy Fire Chief. The classification of Police Chief reflects an additional internal equity adjustment of 0.75% for a total increase of 3%. The additional increase will assist in reducing salary compression with the classification of Deputy Police Chief, which is currently 6.4%.

The Non-Represented Management salary resolution reflects an increase of 2.5% for Police Lieutenants and Commanders. This increase matches the negotiated salary increase that will be provided to members of the Pasadena Police Officers Association (PPOA) on June 22, 2020, thereby maintaining appropriate salary differentials between non-represented Police management and PPOA represented classifications.

Pay rates for classifications with a minimum hourly rate tied to the minimum wage will be increased separately pursuant to the City's minimum wage ordinance and are therefore excluded from the recommended increases.

A summary of the changes to each resolution is included below.

Executive Management:

1. Wage Increase: Effective November 25, 2019, Executive Management employees will receive a 2.25% wage increase, and salary ranges will be increased by 2.25%.
 - a. The classification of Police Chief will receive an additional internal equity adjustment of 0.75% for a total increase of 3%.
2. Tuition Reimbursement: Increase to \$1,250 per fiscal year (from \$1,000 per fiscal year).
3. The Executive Salary Resolution includes additional non-economic language updates related to health benefits.

Non-Represented Management:

1. Wage Increases: Non-Represented Management employees will receive wage increases as follows and salary ranges for classifications will be increased by these same amounts:
 - a. Miscellaneous non-sworn employees and Deputy Fire Chief: 2.25% effective November 25, 2019.
 - b. Police Lieutenant and Police Commander: 2.50% effective the pay period that includes June 22, 2020.
3. Overtime for non-sworn Police Supervisors (non-exempt): Paid leaves, with the exception of sick leave, will be counted toward the 40-hour threshold for overtime eligibility in order to establish parity with other non-exempt employees within the Police Department who work 24/7 operations and who are regularly ordered in to work on short notice on regular days off.
4. Acting Assignments: Employees who are required to perform the full range of duties of a higher classification for a limited duration will receive 5% of base pay as acting pay. Employees acting in the capacity of a department director will receive 10% of base pay as acting pay. Acting pay will be reported to CalPERS as special compensation.
5. Bilingual Pay: Increase to \$90 per month (from \$75 per month) for non-sworn employees.
6. Tuition Reimbursement: Increase to \$1,250 per fiscal year (from \$1,000 per fiscal year).
7. The Non-Represented Management Salary Resolution includes additional non-economic language updates related to health benefits.

Non-Represented Non-Management:

1. Wage Increase: Effective November 25, 2019, Non-Represented Non-Management employees (with the exception of those in classifications with a minimum hourly rate tied to the minimum wage and Police Officer Reserve of Police Officer Reserve) will receive a wage increase in the amount of 2.25% and the salary ranges for classifications will be increased by the same amount.
2. Labor market equity increases – Human Resources regularly analyzes the labor market to ensure that compensation remains competitive relative to comparable public agencies in the region. Compensation for the classification of Firefighter

Trainee was recently studied and determined to have fallen behind the market average. As a result, the hourly rate of pay will be increased from \$25.49 to \$30.00.

3. Police Reserve Officer: The pay scale for the classification of Police Officer Reserve will be modified to reflect three pay rates, with each rate corresponding to the certification level and responsibility of the Reserve Police Officer. The pay rates will be as follows:
 - a. Police Officer Reserve Level 1: \$44.25 (step 3)
 - b. Police Officer Reserve Level 2: \$36.00 (step 2)
 - c. Police Officer Reserve Level 3: \$27.00 (step 1)
4. Call-Back Pay: Employees in the classifications of Fire Inspector and Senior Fire Inspector are subject to call back to respond to after-hours inspections. Call backs will be paid with a minimum of one hour of pay at the applicable rate of pay.
5. Acting Assignments: Employees who are required to perform the full range of duties of a higher classification for a limited duration will receive 5% of base pay as acting pay. Acting pay will be reported to CalPERS as special compensation.
5. Bilingual Pay: Increase to \$90 per month (from \$75 per month).
6. Tuition Reimbursement: Increase to \$1,250 per fiscal year (from \$1,000 per fiscal year).
7. The Non-Represented Non-Management Salary Resolution includes additional non-economic language updates related to health benefits.

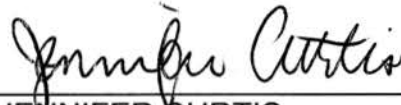
COUNCIL POLICY CONSIDERATION:

Approval of staff's recommendation supports the City Council's strategic goals of maintaining fiscal responsibility and stability.

FISCAL IMPACT:

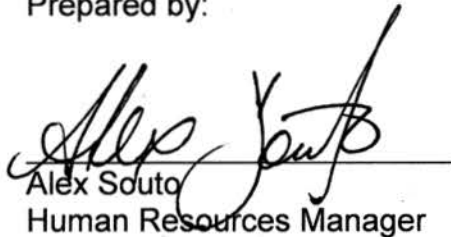
The FY 2020 Operating Budget includes assumed growth to cover anticipated salary and benefit increases. The fully burdened annual fiscal impact of the recommended salary increases approximately \$578,000. The FY 2020 cost of approximately \$334,000 will be absorbed into departmental operating budgets. Approximately 71% of the cost is funded directly through the General Fund.

Respectfully submitted,



JENNIFER CURTIS
Director of Human Resources

Prepared by:



Alex Scuto
Human Resources Manager

Approved by:



STEVE MERMELL
City Manager

Attachments:

1. Executive Management Salary Resolution
2. Non-Represented Management Salary Resolution
3. Non-Represented Non-Management Salary Resolution