

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:
Prepared on: 10/9/03
Department Name: Human Resources
Department No.: 064
Agenda Date: 10/21/03
Placement: Departmental
Estimate Time: 30 minutes
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Scott J. Ullery, Deputy County Administrator
Human Resources Department

STAFF CONTACT: Lila Deeds, Employee Relations Manager
568-2819

SUBJECT: Cost-of-Living Salary Adjustments for Various Represented and Unrepresented Classifications and Ordinance Adjusting Compensation for the Board of Supervisors

Recommendation(s):

That the Board of Supervisors:

- A) Adopt a resolution effective October 13, 2003, adjusting salaries for classifications in certain represented bargaining units in accordance with Memoranda of Understanding with recognized employee organizations, and in unrepresented bargaining units, by the amounts shown:
1. Units 10-11 -- classifications represented by the Union of American Physicians and Dentists, by 3.7%
 2. Unit 17 -- classifications represented by the Deputy District Attorneys Association, by 4.7%
 3. Units 18-19 -- classifications represented by the Probation Peace Officers Association, by 2.5%
 4. Units 21-22 -- classifications represented by Service Employees International Union, Local 535, by 3.2%
 5. Units 23-27 -- classifications represented by Service Employees International Union, Local 620, by 3.3%
 6. Units 28-29 -- classifications represented by the Engineers & Technicians Association, by 3.7%
 7. Unit 32 -- confidential classifications (unrepresented), by 3.3%
 8. Unit 43/unrepresented non-executive attorney classifications, by 4.7%
 9. Units 40-43 (excluding Elected Supervisors and unrepresented non-executive attorney classifications) -- elected officials, appointed department heads, assistant department heads, and unrepresented management classifications, by 3.7%.

- B) Consider the introduction (First Reading) of an ordinance to increase the salaries of the Board of Supervisors and compensation for the Chair of the Board of Supervisors by approximately 3.7% effective December 27, 2003.
- C) Set hearing for October 28, 2003 to consider adoption (Second Reading) of an ordinance to increase the salaries of the Board of Supervisors and compensation for the Chair of the Board of Supervisors by approximately 3.7% effective December 27, 2003.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with Goal No. 3. A Strong, Professionally Managed County Organization.

Executive Summary and Discussion:

Represented Employees -- The current Memoranda of Understanding between the County and all recognized employee organizations provide for 2003-04 cost-of-living adjustments in relation to the percentage growth in the General Fund assessed property tax revenue for 2003-04. In addition, some groups are receiving compensation in excess of the property tax formula as approved by the Board as part of the contract extensions negotiated in 2001. Scheduled adjustments are due October 13, 2003, for employees represented by the six recognized employee organizations listed below. The Auditor-Controller has determined the 2003-04 General Fund property tax growth at approximately 7.27%. Based on this determination, the total compensation increase for these represented employees is between 3.7% and 4.7%. The compensation increases are allocated as follows:

<u>Employee Group</u>	<u>Formula Increase</u>	<u>Additional Salary</u>	<u>Benefit Allowance</u>	<u>Total Increase</u>
SEIU Local 620	2.3%	1.0%	1.4%	4.7%
SEIU Local 535	2.2%	1.0%	1.5%	4.7%
Engineers & Techs	2.7%	1.0%	1.0%	4.7%
Deputy DA's	3.7%	1.0%	---	4.7%
Probation Assn	2.5%	---	1.2%	3.7%
Physicians	3.7%	---	---	3.7%

Unrepresented Employees -- Compensation increases are also being recommended at this time for unrepresented employee units, as follows:

<u>Employee Group</u>	<u>Formula Increase</u>	<u>Additional Salary</u>	<u>Benefit Allowance</u>	<u>Total Increase</u>
Confidential	2.3%	1.0%	1.4%	4.7%
Non-Executive Attorneys	3.7%	1.0%	---	4.7%
Management/Execs	3.7%	---	---	3.7%

The recommended increases for confidential employees will provide the equivalent of the percentage increase being received by the largest represented employee group, and unrepresented non-executive attorneys will receive the same increase as represented attorney classifications, while managers and executives will receive an increase equivalent to the lowest increase for any represented group.

Elected Supervisors

As discussed above, in accordance with Memoranda of Understanding with recognized employee organizations and based on growth in the General Fund assessed property tax, the County is increasing compensation for the majority of County employees by 3.7-4.7% effective October 13, 2003. The remainder of County employees, represented by the Firefighters Union, Deputy Sheriffs and Sheriff's Managers Associations, will be receiving compensation increases of 3.7-6.7% later this fiscal year.

Compensation for the Board of Supervisors' compensation was most recently increased approximately three years ago in February 2001 by 4.2%. Staff recommends that your Board utilize the property tax formula in place for all represented employees and approve a 3.7% increase in Board member salaries and the Chair allowance.

Fiscal and Facilities Impacts:

Recommendation A (Represented and Unrepresented Classifications)

The recommended action covers approximately 3432 employees in all departments. The salary portion of the cost-of-living adjustment will increase the County's costs by approximately \$4,993,623 this fiscal year and \$7,287,991 ongoing. The total compensation increase including non-salary elements will be approximately \$6,551,783 this fiscal year and \$9,562,062 ongoing. Of the total annualized cost, approximately \$1,051,827 will be in the form of an increase in the County's contributions to the Retirement System.

The 2003-04 Adopted Budget included funding for cost-of-living adjustments for all employees based on a projected property tax increase (6%) somewhat less than the actual increase (7.27%). Budgeted amounts for salary increases may be supplemented in the current year from the Salary Designation as needed. A breakdown of the approximate annualized total cost (i.e., all Funds) by employee group is provided below.

FISCAL IMPACT ON ALL FUNDS¹

<u>Employee Group</u>	<u>Number of Employees</u>	<u>Estimated 2003-04 All Funds Impact</u>	<u>Estimated Ongoing Annualized Salary Increase²</u>	<u>Estimated Ongoing Annualized Total Cost³</u>
SEIU Local 620	2,118	\$2,588,194	\$3,777,365	\$5,379,883
SEIU Local 535	409	446,153	651,142	956,365
Engineers & Techs	178	313,255	457,183	580,746
Probation Assn	232	253,238	369,590	546,993
Deputy DA's	45	184,459	269,211	269,211
Physicians	32	104,463	152,459	152,459
Confidential	78	105,566	154,070	219,434
Unrepresented Attys	64	235,841	344,200	344,200
Management & Execs	<u>276</u>	<u>762,454</u>	<u>1,112,771</u>	<u>1,112,771</u>
Total	3,432	\$4,993,623	\$7,287,991	\$9,562,062

¹The proportion funded by the General Fund varies by employee group, but is generally considered to be approximately 30% of the total amount (e.g., the approximate General Fund cost for executives and managers this fiscal year is \$230,000)

²Includes rollup costs (retirement, FICA, Medicare, etc.)

³Salary and benefit allowance increases, including rollup

Recommendations B & C (Board of Supervisors)

The recommended salary increase affects five elected officials. The cost for the balance of this fiscal year will be approximately \$8,565. If adopted, this action will increase the County's annual costs by approximately \$17,130, of which approximately \$1,885 will be in the form of an increase in the County's contribution to the Retirement System.

The biannual actuarial study of the Santa Barbara County Retirement System as adopted by the Retirement Board and the Board of Supervisors, includes certain economic and non-economic assumptions in setting the employer's contribution rate. These assumptions include projected cost-of-living, merit and career advancement pay increases for employees.

Special Instructions:

In accordance with Government Code Section 25124(b), the Clerk of the Board of Supervisors is hereby directed to publish a summary of the ordinance by publishing a summary of the ordinance once, at least five days prior to the meeting at which the proposed ordinance is to be adopted (second reading), in the Santa Barbara News-Press, a newspaper of general circulation published in the County of Santa Barbara.

Within 15 days of the adoption of the ordinance, the Clerk of the Board of Supervisors is directed to publish once the ordinance, or a summary of it, with the names of those supervisors voting for and against the ordinance, in the Santa Barbara News-Press, a newspaper of general circulation published in the County of Santa Barbara.

cc: County Administrator
Auditor-Controller
Retirement Administrator
All Department Heads
Affected Recognized Employee Organizations
Executive Association
Management Association

ORDINANCE NO. _____

**AN ORDINANCE OF THE COUNTY OF SANTA BARBARA
SETTING THE BIWEEKLY COMPENSATION OF
MEMBERS OF THE SANTA BARBARA COUNTY
BOARD OF SUPERVISORS**

WHEREAS, Ordinance No. 4410 adopted December 5, 2000 sets the compensation of the members of the Board of Supervisors at \$2,956.00 biweekly and sets the compensation for the Chair of the Board of Supervisors at \$3,015.80 biweekly, effective February 19, 2001; and

WHEREAS, the Chair of the Board of Supervisors has in the past received an additional \$1,554.80 annual compensation, and the Board of Supervisors desires to continue this practice and adjust the additional compensation the same as the base compensation; and

WHEREAS, the members of the Board of Supervisors each receive a retirement offset of \$120.00 biweekly, and

WHEREAS, the Board of Supervisors is authorized by the California Constitution Article XI § 1(b) to set the salary of its members, subject to referendum:

**THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA ORDAINS AS
FOLLOWS:**

SECTION 1.

The biweekly compensation for the overtime exempt position of Supervisor, Elective of the Santa Barbara County Board of Supervisors, Class #7260, is hereby set at \$3,067.20 biweekly effective December 27, 2003, together with the management personnel benefits established for elected officials, except auto allowance, benefit allowance and retirement offset.

The biweekly compensation for the Chair of the Board of Supervisors is hereby set at \$3,128.55 biweekly effective December 27, 2003, being compensation for Supervisor plus approximately \$1,595.10 additional annual compensation in light of the additional duties of the Chair of the Board together with the management personnel benefits established for elected officials, excluding auto allowance, benefit allowance and retirement offset.

The existing retirement offset in the amount of \$120.00 biweekly is hereby continued.

SECTION 2.

Ordinance No. 4410 is repealed in its entirety and superseded by this ordinance.

SECTION 3.

Pursuant to Government Code § 25123.5, this ordinance shall take effect and be in force sixty (60) days from the date of its passage; and before the expiration of fifteen (15) days after its passage it, or a summary of it, shall be published once, with the names of the members of the Board of Supervisors voting for and against the same in the Santa Barbara News Press, a newspaper of general circulation published in the County of Santa Barbara.

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AYES:

NOES:

ABSTAIN:

ABSENT

Chair, Board of Supervisors
County of Santa Barbara

ATTEST:
MICHAEL BROWN
CLERK OF THE BOARD

By: _____
Deputy

[DO NOT PUBLISH APPROVAL]

APPROVED AS TO FORM:

STEPHEN SHANE STARK
COUNTY COUNSEL

By: _____

APPROVED AS TO ACCOUNTING FORM

ROBERT M. GEIS
AUDITOR-CONTROLLER

By: _____