

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
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Agenda Number:
Prepared on: 12/5/05
Department Name: Human Resources
Department No.: 064
Agenda Date: 12/13/05
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Susan Paul, Assistant CEO/HR Director
568-2817

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

SUBJECT: Equity Adjustments for Nursing and Other Medical Classifications

Recommendations:

That the Board of Supervisors:

- A. Approve side letter agreement with SEIU Local 620 for salary equity adjustments and educational benefits for nursing, and for salary equity adjustments for certain other medical classifications (Attachment A).
- B. Adopt resolution implementing salary increases of five to ten percent for nursing and certain other medical classifications effective January 2, 2006.

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:

Background

The United States is experiencing a severe nursing shortage. The U.S. Department of Labor projects that one million new and replacement nurses will be needed by 2012, as well as a national shortfall of 800,000 nurses by 2020. In response to the shortage, the California labor market for nurses has become increasingly competitive. The County continues to have significant difficulty recruiting and retaining nurses in critical, mandated programs. The vacancy rate in nursing classifications is approximately 18%, and nursing classifications account for 25% of open recruitments for all County jobs. Gaps in nurse staffing are to a

large extent covered by contracting for per diem nurses, which is an expensive alternative to regular employees.

Labor/Management Working Group

There is a critical need to improve the County's ability to recruit and retain nursing staff. In recognition of this critical business issue, the County and SEIU, Local 620, jointly entered into a collaborative project to examine current practices and identify potential compensation and/or worklife enhancements that will improve our ability to recruit and retain nurses. A working group comprised of representatives from Human Resources, Public Health, ADMHS, and SEIU Local 620 was established to collect information and make recommendations for improving recruitment and retention of nurses.

The working group researched the issues related to nursing shortages, conducted market surveys of public and when possible private nursing positions, reviewed strategies other jurisdictions were employing and surveyed County nursing incumbents on a variety of factors. While there were many needs and professional strategies to address nursing issues discussed by the team, choices were narrowed to those most likely to improve our ability to recruit and retain. Of primary concern is the current placement of Santa Barbara County nursing salaries far behind the market; based on a July 2005 survey, the County's salaries for nursing classifications are between 12.4% and 15.9% below those in comparison counties.

Recommendations

Recommendations from the labor/management working group, as subsequently refined in the attached sideletter agreement with SEIU Local 620, include:

- Between January 2006 and January 2007, increase salaries for nurse classifications as follows:

Staff Nurse and related classifications	16%
Psychiatric Technician and related classifications	12%
Public Health Nurse and related classifications	12%
- Effective July 2007, guarantee \$500 annual tuition reimbursement to nursing employees and provide 16 hours/year paid leave for Continuing Education

In addition to these financial improvements, the Departments of Public Health and ADMHS will continue to review potential working condition modifications to improve employee satisfaction and enhance retention.

In addition to nursing classifications represented by SEIU Local 620, there are a small number of related unrepresented management classifications recommended to receive a ten percent salary adjustment between January 2006 and January 2007 (see Attachment B).

Other Medical Classifications

For reasons that are similar to our problem with nursing classifications, the County continues to have severe difficulty recruiting Radiological Technologists and Occupational/Physical Therapists. A 10% adjustment for these classifications in this action in order to improve our ability to recruit for these specialized medical personnel.

Fiscal and Facilities Impacts:

The recommended action covers approximately 160 employees in nursing and certain other medical classifications. The total estimated cost of the recommended actions (not just those effective in January 2006) is approximately \$412,922 this fiscal year, \$1,362,105 in 2006-07, and \$1,732,419 ongoing beginning in 2007-08. Funding for the immediate adjustments is available within the current budget and by charging against categorical revenues and the Salary Designation. The Executive Office will monitor expenditures and budget for future years as appropriate.

Of the total estimated ongoing annual cost, approximately \$207,890 will be in the form of an increase in the County's contributions 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:

Please return one copy of the signed resolution to Sandra Viola, Human Resources Department.

SP/LD

Attachments

cc: County Executive Officer
County Counsel
Director, ADMHS
Fire Chief
Public Health Director
Retirement Administrator
SEIU, Local 620