



November 4, 2014

UNREPRESENTED EMPLOYEE COMPENSATION

INTRODUCTION

- ✘ SBC controlled salary and benefit costs during the recession by:
 - + Freezing management salaries
 - + Freezing management merit increases (performance-based)
 - + Freezing elected department head salaries while appointed department heads received across-the-board increases
 - + Freezing Confidential employee salaries while comparable represented employees received 3.5%
 - + Freezing Board of Supervisors salary and benefits (no increase since 2006)

PAY IN GENERAL

- ✘ Actions resulted in inequitable salaries and/or benefits:
 - + 24 managers with considerable internal inequity and >19% below market median
 - + All other employees' merit increases are unfrozen
 - + January 2015 - elected department heads lose benefits; did not receive across-the-board increases, plus market and compaction issues for some
 - + Confidential employees lag behind comparable represented employees by 3.5%
 - + Board of Supervisors – salaries 30% below market; do not receive benefits received by other department heads

RECOMMENDED ACTIONS

1. Approve and fund a 5% increase for 24 managers with most egregious inequity/market effective October 27, 2014
2. Unfreeze and fund at 2.5% management performance-based increases effective January 2015
3. Elected Department Heads: effective January 5, 2015:
 - + Eliminate vacation accrual/cash-out and retirement offset
 - + Provide and fund salary increases ranging from 4% to 14.25%
 - + Link future salary increases to across-the-board increases for appointed department heads and market

RECOMMENDED ACTIONS (CONT'D)

4. Approve and fund a 3.5% increase for Confidential employees effective October 27, 2014
5. Consider an Ordinance change for Board of Supervisors compensation to:
 - + Eliminate the retirement offset
 - + Provide and fund various components of Board of Supervisors compensation commensurate with those received by Elected Department Heads

Also: direct staff to further review Board salaries and return with recommendations

Cost of all changes is \$884,000 (\$404,000 GF) for current year; \$1,652,000 (\$747,000 GF) ongoing