



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

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

Department Name: Human Resources
Department No.: 064
For Agenda Of: April 23, 2024
Placement: Departmental
Estimated Time: 25 minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Kristine Schmidt, Human Resources Director
Director(s) 805-568-2800
Contact Info: Yvonne Torres, Assistant Human Resources Director
806-568-3075

SUBJECT: Classification and Salary Plan for Appointed Executives and Management

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

As to form: N/A

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Adopt the resolution in Attachment A to revise the County of Santa Barbara's Classification and Salary Plan Section 2 – Job Classification Table to establish the new management and appointed executive classifications and salary ranges; and revise Section 3 – Salary Schedules, effective June 24, 2024; and revise Section 4 – Department Position Allocation to add a new provision that allows certain employees with existing civil service status to retain that status, until leaving their current position;
- b) Adopt the resolution in Attachment B setting forth a Compensation and Benefits Plan for Management, Appointed Executive, and Confidential Unrepresented Employees; and rescinding the following: 1) the Personnel Benefits Resolution for Management and Confidential Unrepresented Employees, most recently amended by Resolution No. 23-66 on March 21, 2023; 2) the Civil Service Rules for Managers Allocated to Leadership Classifications in the Civil Service System previously adopted by the Board of Supervisors by Resolution No. 06-370 on November 21, 2006; and 3) The Classification and Salary Plan for Unrepresented Executive and Unrepresented Management Employees previously adopted by the Board of Supervisors via Resolution No. 16-279; and
- c) Determine pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(4) that the above actions are government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment, and are therefore not a project subject to environmental review.

Summary Text:

Approval of the recommended actions allows the County Human Resources Department (CoHR) to implement the final phase of the three-phase management classification and compensation project previously approved by the Board by 1) establishing new management and appointed executive classifications and salary schedules, and 2) establishing a new comprehensive Compensation and Benefits Plan for Management, Appointed Executives, and Confidential-Unrepresented Employees, effective June 24, 2024.

Background:

On December 7, 2021, CoHR presented the Board with a three-phase project plan regarding non-elected management classifications and compensation with the intent of eliminating broadband classifications and establishing steps-based pay ranges that are more similar to the compensation structure for the majority of the County's represented job classifications and more commonly seen in the public sector. The goals were to establish a transparent and objective management classification and compensation system, align pay with the labor market for similar positions at comparable counties, ensure pay equity for incumbents and address internal compaction, establish clear promotional pathways based on increasing responsibility and accountability, prepare for incorporation of the payroll function in to the Workday Enterprise Resource Planning software (ERP), and consolidate various documents governing management pay and benefits.

Phase I of the project, which was effective immediately, increased bilingual pay, codified Juneteenth Holiday and Floating Holiday carryover provisions, eliminated Retention, Succession, and Longevity Pay, and established an interim process for Merit Salary Increases, General Wage Increases, and Equity Reviews. With Phase II, which concluded on November 7, 2023, the Board approved in concept the new management and appointed executive job family groups and classification levels, and directed the Human Resources Director to finalize the administrative aspects of the new structure and add certain other compensation components for management and appointed executives (designated management administrative leave banks, a special pay for non-executive finance managers who are certified public accountants, and an executive succession plan allowance).

Since then, CoHR has:

- Finalized the list of new management and appointed executive job classifications;
- Developed corresponding salary ranges based on labor market comparison and internal alignment considerations;
- Used incumbent responses to a Position Description Questionnaire to map the placement of existing positions into the new job families and levels;
- Met with Department Directors multiple times to review recommended mapping; and
- Finalized revisions to governing documents.

This final phase of the project will implement the previous direction of the Board and:

- Establish the new management and appointed executive job classifications;
- Establish new salary schedules;
- Provide preliminary mapping of existing positions into the new structure to coincide with FY 2024-25; and
- Revise the governing documents regarding management and appointed executive compensation and benefits by:
 - Adopting a consolidated Compensation and Benefits Plan for Management, Appointed Executive, and Confidential-Unrepresented Employees;
 - Incorporating into that document certain relevant provisions from older documents and the new provisions approved by the Board in concept in November 2023, such as management administrative leave banks, a special pay for non-executive finance managers with a CPA, and an executive succession plan allowance (temporary assignment pay); and
 - Rescinding:
 - 1) The Personnel Benefits Resolution for Management and Confidential Unrepresented Employees, most recently amended by Resolution No. 23-66 on March 21, 2023;
 - 2) The Civil Service Rules for Managers Allocated to Leadership Classifications in the Civil Service System previously adopted by the Board of Supervisors by Resolution No. 06-370 on November 21, 2006 (with limited exceptions included in the Compensation and Benefits Plan, management civil service positions will be subject to the same set of rules as other employees going forward); and
 - 3) The Classification and Salary Plan for Unrepresented Executive and Unrepresented Management Employees previously adopted by the Board of Supervisors via Resolution No. 16-279

Attachment A, an amendment to the Resolution that created the full County Classification and Salary Plan, includes the new classifications and salary ranges for all management and appointed executive positions. In establishing salary ranges, the market median of comparable coastal counties was used to establish the top of the range for benchmarks within each job family, and differentials of 5%-10% between management levels and 5%-15% between executive levels served as the general guideline. Ranges for all classifications below the Department Director level will include 6 steps, 5% apart. Movement between steps will be based on performance evaluation, similar to other County classifications. Appointed Department Director ranges will be set at 30% from minimum to maximum, with movement of 2.5% to 7.5% based on merit as determined by the County CEO (except for the CEO, County Counsel, and Chief Probation Officer, whose compensation within the salary range is approved by the Board). Attachment A also reflects each classification's status under the civil service system and contains a new provision that will provide that those managers moving from a position that was classified under the civil service system to one that is unclassified as part of this change will retain their civil service status in the new classification, as long as they remain in that position.

Once these actions are approved, CoHR will send individual notifications to each incumbent manager and appointed executive affected by the change to communicate their job classification and salary rate. Effective June 24, 2024, incumbents will be placed at the salary step immediately above their current rate of pay (inclusive of any merit increase they were eligible to receive), not to exceed the top of the new salary range for the classification. CoHR will provide a process for incumbents to request reconsideration of their placement into the new structure. The first review period will occur between approval of the new

structure and its implementation (June 24, 2024) and will be limited to incumbents whose pay will be temporarily frozen (“Y-rated”) because it is above the maximum for their classification, until the top of the salary range catches up. Any changes resulting from the review period will be incorporated into the FY 2024-25 Recommended Budget. The second review period will occur after implementation, and any changes resulting from that review period will be addressed via the existing administrative processes.

Staff will be submitting a separate agenda item to amend the County Code related to positions exempt from the civil service system. This item will remove reference to the obsolete management broadband classification of Enterprise Leader, and instead exempt persons appointed to a management level position, unless the board of supervisors has determined the position should be included in the civil service system.

Pursuant to Section 54953(c)(3) of the Government Code, prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of any local agency executive, during the open meeting in which the final action is to be taken. The oral report with this action is intended to satisfy that requirement.

Fiscal and Facilities Impacts:

The annualized cost of the salary structure changes for Management, Assistant Directors and Chief Financial & Administrative Officers (CFAOs) is approximately \$1.3 million of which an estimated \$715,000 (55%) would impact the General Fund. This is related primarily to market alignment of salary ranges and placement of managers on the new salary steps. There are no additional costs for the structure changes for the Department Director classifications, which do not have steps. These impacts were anticipated and sufficient ongoing funds will be set aside in the FY 2024-25 budget to cover the increase. If approved, the funding will be released as needed to help balance the impacts.

Attachment D shows the list of authorized management positions in each department, with the old broadband classification and preliminary recommended new classification for each of these positions.

Final costs will be determined by final mapping of incumbent positions following the classification review period.

Staffing Impacts:

There are no staffing level impacts associated with the adoption of these actions.

Attachments:

- Attachment A: Revisions to County of Santa Barbara’s Classification and Salary Plan: Section 2- Job Classification Schedule and Section 3- Salary Ranges.
- Attachment B: Compensation and Benefits Plan for Management Appointed Executives and Confidential Unrepresented Employees Resolution
- Attachment C-1: Document to be rescinded: The Personnel Benefits Resolution for Management and Confidential Unrepresented Employees, most recently amended by Resolution No. 23-66 on March 21, 2023

- Attachment C-2: Document to be rescinded: The Civil Service Rules for Managers Allocated to Leadership Classifications in the Civil Service System previously adopted by the Board of Supervisors by Resolution No. 06-370 on November 21, 2006 (with limited exceptions included in the Compensation and Benefits Plan, management civil service positions will be subject to the same set of rules as other employees going forward)
- Attachment C-3: Document to be rescinded: The Classification and Salary Plan for Unrepresented Executive and Unrepresented Management Employees previously adopted by the Board of Supervisors via Resolution No. 16-279
- Attachment D: Preliminary List of Position Changes by Department

Special Instructions:

Please send one copy of the minute order and signed Resolution to Erin Jeffery, Fiscal & Workforce Planning Division Chief, at emjeffery@countyofsb.org

Authored by:

Erin Jeffery, Fiscal & Workforce Planning Division Chief

CC: Mona Miyasato, County Executive Officer
Rachel Van Mullem, County Counsel
Betsy Schaffer, Auditor-Controller
All Department Directors
Assistant CEOs