



CITY COUNCIL AGENDA REPORT

MEETING DATE: March 20, 2007

ITEM NUMBER:

SUBJECT: SALARY ADJUSTMENTS FOR EXECUTIVE CLASSIFICATIONS AND UNREPRESENTED CONFIDENTIAL EMPLOYEES

DATE: February 5, 2007

FROM: ADMINISTRATIVE SERVICES DEPARTMENT/HUMAN RESOURCES DIVISION

PRESENTATION BY: TERRI L. CASSIDY, HUMAN RESOURCES MANAGER

FOR FURTHER INFORMATION CONTACT: TERRI L. CASSIDY, AT (714) 754-5115

RECOMMENDATION:

1. Adopt Resolution Number 07 - ____ (Attachment I) which implements salary range adjustments for executive job classifications.
2. Adopt Resolution Number 07 - ____ (Attachment II) which implements salary range adjustments for confidential job classifications.
3. Approve Budget Adjustment BA 07-065 (Attachment III) for \$127,651, to appropriate funds for the above-listed salary adjustments.

BACKGROUND:

The City has applied a compensation methodology as established under Council Policy 300-7 *Adjustments to Employee Compensation* in determining new salary ranges for executive and confidential classifications. This methodology continues to be utilized as a compensation guideline and for establishing recommendations for unrepresented employees to the City Council as contained and presented herein.

ANALYSIS:

The Affordability Factor as established by use of the Consumer Price Index and the Chapman University semi-annual Economic Forecast Report was applied in tandem with labor marketplace total compensation data. The Affordability Factor is the controlling force in determining the salary adjustments for most executive and confidential classifications. The Affordability Factor, which is an independent barometer of the local economic conditions in Orange County, is currently 3.4%.

The adjustment of the ranges does not automatically increase the salaries for the executives in those classifications. The adopted resolution provides the City Manager with the ability to grant salary adjustments only to executive managers who are deserving based upon their evaluated performance. This will be done only upon certification by the executive's supervisor that confirms continued meritorious service in tandem with performance. Those executives who have not had continuous meritorious service this last year will not receive a salary adjustment. For ease of administration, the sworn executive salary ranges previously approved by the City Council October 17, 2006, have been incorporated into one document for executives. In conjunction with recent retirements and an organizational review, the Deputy Fire Chief classification has been re-titled to reflect specific assignments in Operations and Fire Prevention as designated by the Fire Chief.

The confidential salary resolution includes those classifications which have access to or involvement with information that effects employee relations. This unrepresented unit was originally approved by City Council in 2005. As indicated in Government Code Section 3507.5 (Meyers-Milias-Brown Act), an agency may designate confidential employees as a unit separate from non-management or non-confidential employees, as long as the designation is reasonable. This resolution adds the Secretary to the City Manager classification to the group as well as changes some titles to more appropriately reflect responsibilities associated with recognizable confidential classifications in other agencies.

ALTERNATIVES CONSIDERED:

No other alternatives were considered because the recommendations are consistent with Council Policy 300-7 and salary increases recently implemented for all City employees.

FISCAL REVIEW:

The attached budget adjustment BA 07-065 appropriates \$121,890 from Undesignated Fund Balance in the General Fund to fund the market salary adjustments retroactive to August 20, 2006. The estimated annual budget impact of these adjustments to the General Fund is \$118,702 in salaries and \$22,149 in related benefits.

LEGAL REVIEW:

The City Attorney has reviewed and approved the resolutions.

CONCLUSION:

Staff recommends that the Council adopt the attached resolutions that implement annual salary range adjustments retroactive to August 20th, 2006.

TERRI L. CASSIDY
Human Resources Manager

STEPHEN N. MANDOKI
Director of Administrative Services

MARC R. PUCKETT
Director of Finance

KIMBERLY HALL BARLOW
City Attorney

DISTRIBUTION: City Manager
Assistant City Manager
City Attorney
Finance Director
City Clerk

ATTACHMENTS: I [032007 Executive Salary Resolution 07 -](#)
II 032007 Confidential Salary Resolution 07 -
III Budget Adjustment 07-065