



County of Santa Cruz

COUNTY ADMINISTRATIVE OFFICE

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SUSAN A. MAURIELLO, J.D., COUNTY ADMINISTRATIVE OFFICER

March 8, 2001

Agenda: March 13, 2001

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

CONSIDERATION OF ORDINANCE AMENDING SECTION 2.02.060 OF THE COUNTY CODE RELATING TO COMPENSATION OF SUPERVISORS

Dear Members of the Board:

INTRODUCTION

Elsewhere on today's agenda your Board has received a series of recommendations related to compensation and benefits for unrepresented employees and the DA Attorney/Child Support Attorneys positions. The purpose of this letter is to present options for your Board's consideration conforming adjustments for members of the Board of Supervisors. Historically, Board member compensation is reviewed at the same time as other unrepresented and elected official compensation.

BACKGROUND AND DISCUSSION

Staff has conducted a nine county compensation study of total compensation which reveals that the Board's total compensation is 26.22% behind the nine county average. This is not surprising since your Board was 19% behind the market in 1997 when the last series of cost of living adjustments were approved. The main cause of this large lag is that from January 2, 1990 through January 9, 1998 the Board approved no increases to Board salaries. Cost of living increases and equity adjustments were seen as problematic given the County's difficult financial condition.

During the last 11 years, the Board has authorized cost of living adjustments for Board member positions totaling 14.9%. In comparison, during the same period, your Board authorized cost of living increases in the general representation unit totaling 33.3% or a difference of 18.4%. Additionally, during this same period, the Board also authorized cost of living increases for the law enforcement unit totaling 34.2% or a difference of 19.3%. During this period the actual un compounded Bay Area CPI has totaled 36.1%. The chart below lists the actual amount of adjustments granted over this period of time.

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Consumer Price Increase and Cost of Living Adjustments by Calendar Year				
Year	CPI (All Urban - SF)	Board of Supervisors	Law Enforcement	General Unit
1990	4.5%	4.3%	4.7%	6.0%
1991	4.4%		6.5%	1.5%
1992	3.3%		2.5%	3.0%
1993	2.7%		2.0%	2.0%
1994	1.6%			
1995	2.0%		5.0%	3.0%
1996	2.3%		4.0%	3.0%
1997	3.4%		3.5%	2.8%
1998	3.2%	3.0%	2.0%	2.0%
1999	4.2%	2.6%	4.0%	6.0%
2000	4.5%	5.0%		2.0%
3/17/2001				2.0%
Total	36.1%	14.9%	34.2%	33.3%

The salary of a Board of Supervisors member is now \$63,305 annually. This is roughly equivalent to the position of planner IV (supervisory), sr. department analyst or public health nurse III within the County.

In an effort to choose an appropriate external benchmark for setting the salaries of Board members, several counties use a percentage of judicial salaries as an appropriate comparison. As of January 1, 2001 Superior Court Judges received a salary increase of 8.5% setting their salaries at \$133,051. Traffic Referees are set at 65% of the Superior Court Judge and therefore receive \$86,483. In previous years your Board determined that Board salary should be equal to the 1989 base salary of the Supervisors plus 45% of any increase in judicial salary thereafter. If your Board had actually implemented these changes, Board salaries would now be set at approximately \$85,810 as of January 1st. This level of compensation would be roughly equivalent to the position of Traffic Referee and the county positions of attorney III or senior civil engineer.

For the purposes of comparison, your Board authorized an equity adjustment of 11.5% over four years to the Corrections Officers who were 13.8% behind the market. The Board is behind the market almost twice the amount of the Correctional Officers. Your Board also approved a 9.2% adjustment for the general representation position of detention registered nurse which was 10.7% behind the market. The Board is behind the market almost two and a half times the amount of the detention nurses.

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RECOMMENDATIONS

In order to address the market issues outlined above, staff recommends consideration of the following three alternatives which are discussed further below:

- Option 1 Authorize increases over 4 years to bring Board member's total compensation to within 5% of the 9 county market. This represents a 5.3% hourly increase of approximately \$1.61 or \$3,349 per year per member. For 2001, this would roughly align to the present salary of a sheriffs sergeant, (a group which has not yet concluded negotiations for the year 2001 increases), the chief welfare fraud investigation or the building maintenance superintendent. It would also be below the salary of road superintendent or child support manager.

- Option 2 Authorize catch up cost of living adjustments over a 4 year period to equalize the cost of living adjustments for Board members to those granted to SEIU. This represents a 4.6% hourly increase of approximately \$1.40 or \$2,912 per year per member. For 2001, this would roughly align to the salary of the public works manager at the disposal sites and would be below the salary for an associate civil engineer or the chief welfare fraud investigator.

- Option 3 Authorize a structure of equity adjustments equivalent to that recommended for other unrepresented employees: two 4% adjustments over a three year period. This represents an annualized hourly average of \$0.82 or \$1,706 per year per member. This average would roughly align to the salary of the urban designer position or the assistant vector control manager in the mosquito program and would be below the position of health services manager.

In each of these alternatives, the amounts above would be intended to partially offset the actual cost of living increases that have occurred and partially address the market and catch up COLA problems discussed earlier. In the last 11 years the actual Bay Area CPI has totaled 36.1%.

Discussion of Options

- Option 1: The County has a longstanding policy goal of attempting to keep employee compensation within 5% of the 9 County comparison market within the economic parameters authorized by the Board for any given group of employees. Oftentimes, the County finds it necessary to add additional time onto an agreement period in order to achieve this policy goal. In option 1, a four year time period is suggested to reach the goal of being within 5% of our 9 County comparison. The costs for this option are below the economic parameters authorized for the unrepresented group of employees and are also below those authorized for all other employee groups.

- Option 2: The chart above lists the actual cost of living increases authorized by the Board over the last 11 years. As stated above, the increases for the Board members have lagged behind other units. The difference when compared to the general

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representation unit amounts to **18.4%**. In this option we would suggest you use the lower percentage and spread the increase over 4 years. The increase would be below the economic parameters authorized for the unrepresented group and all other employee groups. This option would still leave the Board approximately 8% behind the 9 county comparison.

Option 3: This option proposes a structure equivalent to that suggested for other unrepresented employees. The increase would be below the economic parameters authorized for the unrepresented group and all other employee groups. However, it should be pointed out that this option would still leave the Board 18.3% behind the 9 comparison counties after 3 years.

In order to address anticipated cost of living requirements in the future, we recommend that the Board also authorize 4% annual cost of living increases, which are equal to the cost of living adjustments granted to General representation, Middle Management, Corrections, and the proposed increases for Unrepresented employees and DA/Child Support attorneys.

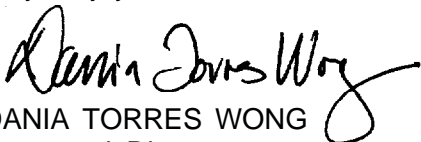
OPTION TO WAIVE SALARY

As you may be aware, in 1997 your Board adopted a resolution allowing your Board to waive salary adjustments. Under existing rules, these waivers could be structured to benefit the General Fund, a designated County program or a charity. Given the significant lag in Board salaries to achieve parity with our 9 county comparisons, staff would recommend that you adopt the attached ordinance and avail yourselves of the opportunity to waive salaries if you believe it is appropriate to do so.

CONCLUDING ACTIONS

It is therefore recommended that your Board approve the attached ordinance in concept selecting one of the options identified above and incorporating the language where indicated and have it return to your next Board agenda for final approval.

Very truly yours,


DANIA TORRES WONG
Personnel Director


SUSAN A. MAURIELLO
County Administrative Officer

SAM:DTW; bscomp

cc: Auditor-Controller
Personnel

Attachments

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ORDINANCE NO. _____

ORDINANCE REGARDING COMPENSATION OF THE BOARD OF SUPERVISORS

The Board of Supervisors of the County of Santa Cruz ordains as follows:

Section I

The Santa Cruz County Code is hereby amended by revising Section 2.02.060 A as follows:

2.02.060 Compensation

1. ~~Each member of the board of supervisors shall be compensated at the rate of \$2,260.11 per pay period effective January 10, 1998, \$2,318.87 per pay period effective February 6, 1999, and \$2,434.81 per pay period effective March 4, 2000.~~

Option 1: The biweekly compensation for members of the board of supervisors shall be \$2,666.41 effective May 20, 2001; \$2,920.04 effective February 16, 2002; \$3,197.79 effective February 15, 2003; and \$3,501.97 effective February 14, 2004.

Option 2: The biweekly compensation for members of the board of supervisors shall be \$2,648.68 effective May 20, 2001; \$2,881.34 effective February 16, 2002; \$3,134.44 effective February 15, 2003; and \$3,409.77 effective February 14, 2004.

Option 3: The biweekly compensation for members of the board of supervisors shall be \$2,633.49 effective May 20, 2001; \$2,848.38 effective February 16, 2002; and \$2,962.32 effective February 15, 2002.

Section II

This ordinance shall take effect on the 61st day after the date of final passage.

PASSED AND ADOPTED this day of _____, 2001 by the Board of Supervisors of the County of Santa Cruz by the following vote:

Ayes: Supervisors
Noes: Supervisors
Absent: Supervisors
Abstain: Supervisors

Chair of the Board of Supervisors

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Attest: _____
Clerk of the Board

Approved as to form:

Joe M. Scott
Assistant County Counsel

Distribution: **CAO**
Personnel
Auditor
County Counsel

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