



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Human Resources

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Human Resources Operations Manager

City Manager Approval: _____

TOPIC: APPROVAL OF THE NEW RESOLUTION THAT AUTHORIZES COMPENSATION FOR MID-MANAGEMENT EMPLOYEES

SUBJECT: RESOLUTION ESTABLISHING THE COMPENSATION AND WORKING CONDITIONS FOR UNREPRESENTED MID-MANAGEMENT EMPLOYEES (JULY 1, 2021 THROUGH JUNE 30, 2024) AND FY 20-21 FURLOUGH REPAYMENT

RECOMMENDATION: Adopt Resolution Establishing the Compensation and Working Conditions for Unrepresented Mid-Management Employees (July 1, 2021 through June 30, 2024), which includes repayment of the FY 20-21 furlough.

BACKGROUND:

The unrepresented Mid-Management employee group (“Mid-Managers”) includes 27 positions assigned to various City departments. These Mid-Managers support ongoing services and operations around the City. The Unrepresented Mid-Management Salary Resolution expired on June 30, 2020 and was extended by amendment through June 30, 2021. In keeping with the equity adjustment approach for Unrepresented Mid-Management and Executive Management employees, salary increases for each position depend on the extent to which each position is behind the labor market average. The recommended increases for the Unrepresented Mid-Management group are in line with what has being proposed for approval by the City Council for non-safety bargaining groups for the same three-year period.

ANALYSIS:

The following reflects highlights of the recommended salary resolution and is consistent with the economic guidelines authorized by the City Council. The attached resolution includes all of the recommended changes.

- 1. Term of the Resolution:** July 1, 2021 through June 30, 2024
- 2. Salary Increase:** Individual salary increase percentages for the Unrepresented Mid-Management are based on how far behind each position is in comparison to the labor market average. Positions that over the labor market are eligible for a 1.6% base wage increase. Positions 10% or less

FOR CITY CLERK ONLY

Council Meeting: _____

Disposition: _____

behind the labor market average are eligible for a 3.5% base wage increase. Positions that are more than 10% behind the labor market average are eligible for a 4% base wage increase. The salary schedule included in the attached resolution authorizes the proposed new salary for each position.

- 3. Prior year resolution extension – restoration of 3% base wage:** In FY 20/21, all employees (except WCE, Local 1, Mid-Management and Executive Management) received a minimum 3% base wage increase with the 1-year contract extension implemented for FY 20/21. The timing of the COVID-19 pandemic and the associated financial losses which were projected at that time, resulted in an unintended disparate treatment of WCE, Local 1, Mid-Management and Executive Management, who did not receive this same base wage increase. However, the City is now in a financial position to “restore” a 3% base wage increase to these groups. The 3% base wage will apply to all Unrepresented Mid-Management positions and is reflected in the attached salary schedule effective July 1, 2021.

FY 20-21 Furlough Repayment

In response to the global COVID-19 pandemic that began in the spring of 2020, the City of San Rafael declared a local state of emergency. In anticipation of dire financial circumstances, the City exercised its management rights under the salary resolution and implemented a Citywide furlough for all non-safety positions. Based on the best financial projections available at the time, it was necessary and prudent to implement the furlough in order to avoid potential workforce reductions in the future.

Year-end review of the FY 20/21 budget shows that the City’s projected revenue losses anticipated due to the pandemic fortunately did not materialize as expected and the City is projecting a financial surplus for fiscal year 20/21. As a result, the City is in a financial position at this time to issue repayments to employees who were furloughed over the last year. The circumstances that make it possible for the City to reimburse employees for the furlough are extremely unique in nature and this one-time reimbursement for FY 20/21 is non-precedential. The City will issue a one-time re-payment equal to the actual furlough reduction amount taken by each Unrepresented Mid-Management employee for FY 20/21. The City has already made MCERA pension contributions on each employee’s regular (non-furloughed) payroll amount each pay period during FY 20/21, therefore the City will not make any additional contributions to Classic or PEPRA employees’ pensions and the repayment amount is subject to normal payroll taxation. The total amount of the furlough repayment for the Unrepresented Mid-Management group is \$110,700.

FISCAL IMPACT:

The current total annual salary and benefit cost to the City for the 27 Mid-Management employees is \$5,716,357. The additional ongoing incremental cost of the recommended salary resolution beyond the FY 20/21 budget is:

	<u>Incremental FY 2021-22</u>	<u>Incremental FY 2022-23</u>	<u>Incremental FY 2023-24</u>
Wages:			
Base Salary	\$ 112,564	\$116,492	\$120,561
Other costs:			
Pension*	\$ 56,712	\$ 58,696	\$ 60,750
Taxes (Medicare, W/C)	<u>\$ 4,248</u>	<u>\$ 4,373</u>	<u>\$ 4,447</u>
Total Incremental Cost:	\$173,524	\$179,561	\$185,758

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**This incremental pension cost results only from the negotiated wage increase and does not include the cost of associated MCERA rate changes. The terms and conditions of the pension benefit plan remain unchanged.*

While the incremental cost is \$173,524 for fiscal year 2021-2022, \$179,561 for fiscal year 2022-2023, and \$185,758 for fiscal year 2023-2024, the increases are compounding and therefore the projected cumulative wages and other costs total \$1,065,452 plus \$110,700 in one-time costs for the furlough repayment, totaling \$1,176,152 for the three-year term. The incremental cost for fiscal year 21-22 includes the prior year (fiscal year 20/21) restoration of a 3% base wage increase. The increase in compensation included in this resolution is in line with the City's current budget projections. Funding for these positions is provided for in the City's General Fund.

OPTIONS:

The City Council has the following options to consider in this matter:

- Accept staff's recommendation to adopt the resolution.
- Adopt resolution with modifications.
- Direct staff to return with more information.
- Take no action.

RECOMMENDED ACTION:

Staff recommends that the City Council adopt the Resolution Establishing the Compensation and Working Conditions for Unrepresented Mid-Management Employees (July 1, 2021 through June 30, 2024), which includes repayment of the FY 20-21 furlough.

ATTACHMENTS:

1. Resolution Establishing the Compensation and Working Conditions for Unrepresented Mid-Management Employees (July 1, 2021 through June 30, 2024), with attachments

SAN RAFAEL UNREPRESENTED MID-MANAGEMENT

SALARY SCHEDULE

Effective July 1, 2021

Grade	Position	A	B	C	D	E
7315	Accounting Manager	\$ 9,319	\$ 9,785	\$ 10,274	\$ 10,788	\$ 11,327
2400	Assistant Library and Recreation Director	\$ 10,600	\$ 11,130	\$ 11,686	\$ 12,271	\$ 12,884
2202	Assistant Public Works Director / City Engineer	\$ 12,029	\$ 12,631	\$ 13,262	\$ 13,925	\$ 14,621
2302	Chief Building Official	\$ 11,179	\$ 11,738	\$ 12,325	\$ 12,941	\$ 13,588
4203	Civic Design Manager	\$ 9,910	\$ 10,405	\$ 10,926	\$ 11,472	\$ 12,045
2122	Code Enforcement Supervisor	\$ 7,553	\$ 7,930	\$ 8,327	\$ 8,743	\$ 9,180
4204	Data & Infrastructure Manager	\$ 10,974	\$ 11,522	\$ 12,098	\$ 12,703	\$ 13,338
1105	Deputy City Attorney I	\$ 10,131	\$ 10,637	\$ 11,169	\$ 11,728	\$ 12,314
1109	Deputy City Attorney II	\$ 11,170	\$ 11,728	\$ 12,315	\$ 12,931	\$ 13,577
2120	Deputy Fire Marshall	\$ 9,515	\$ 9,991	\$ 10,490	\$ 11,015	\$ 11,566
2135	Deputy Public Works Director	\$ 10,929	\$ 11,475	\$ 12,049	\$ 12,651	\$ 13,284
7313	Economic Development Coordinator	\$ 9,181	\$ 9,640	\$ 10,122	\$ 10,628	\$ 11,159
2128	Economic Development Manager	\$ 10,095	\$ 10,600	\$ 11,130	\$ 11,686	\$ 12,271
7117	Emergency Services Manager	\$ 8,957	\$ 9,405	\$ 9,875	\$ 10,369	\$ 10,888
2107	Human Resources Operations Manager	\$ 9,041	\$ 9,493	\$ 9,968	\$ 10,466	\$ 10,989
2208	Operations and Maintenance Manager	\$ 9,856	\$ 10,349	\$ 10,867	\$ 11,410	\$ 11,981
2208	Operations and Maintenance Manager (SRSD)	\$ 9,856	\$ 10,349	\$ 10,867	\$ 11,410	\$ 11,981
2703	Parking Services Manager	\$ 9,181	\$ 9,640	\$ 10,122	\$ 10,628	\$ 11,159
7312	Parks Superintendent	\$ 9,000	\$ 9,450	\$ 9,923	\$ 10,419	\$ 10,940
2116	Planning Manager	\$ 10,330	\$ 10,847	\$ 11,389	\$ 11,959	\$ 12,557
TBD	Product Manager	\$ 9,910	\$ 10,405	\$ 10,926	\$ 11,472	\$ 12,045
8103	Recreation Supervisor	\$ 7,694	\$ 8,079	\$ 8,483	\$ 8,907	\$ 9,352
2206	Senior Civil Engineer (SRSD)	\$ 10,639	\$ 11,171	\$ 11,729	\$ 12,316	\$ 12,932
7317	Senior Code Enforcement Supervisor	\$ 8,337	\$ 8,753	\$ 9,191	\$ 9,651	\$ 10,133
2105	Senior Management Analyst	\$ 8,789	\$ 9,229	\$ 9,690	\$ 10,175	\$ 10,683
2203	Senior Project Manager	\$ 9,171	\$ 9,629	\$ 10,111	\$ 10,616	\$ 11,147
8102	Senior Recreation Supervisor	\$ 8,492	\$ 8,917	\$ 9,363	\$ 9,831	\$ 10,322
7310	Sewer Maintenance Superintendent	\$ 9,000	\$ 9,450	\$ 9,923	\$ 10,419	\$ 10,940
7311	Street Maintenance Superintendent	\$ 9,000	\$ 9,450	\$ 9,923	\$ 10,419	\$ 10,940
2150	Sustainability Program Manager	\$ 7,408	\$ 7,778	\$ 8,167	\$ 8,576	\$ 9,005

SAN RAFAEL UNREPRESENTED MID-MANAGEMENT

SALARY SCHEDULE

Effective July 1, 2022

Grade	Position	A	B	C	D	E
7315	Accounting Manager	\$ 9,692	\$ 10,177	\$ 10,685	\$ 11,220	\$ 11,781
2400	Assistant Library and Recreation Director	\$ 10,971	\$ 11,519	\$ 12,095	\$ 12,700	\$ 13,335
2202	Assistant Public Works Director / City Engineer	\$ 12,450	\$ 13,073	\$ 13,726	\$ 14,413	\$ 15,133
2302	Chief Building Official	\$ 11,570	\$ 12,149	\$ 12,756	\$ 13,394	\$ 14,064
4203	Civic Design Manager	\$ 10,068	\$ 10,572	\$ 11,100	\$ 11,655	\$ 12,238
2122	Code Enforcement Supervisor	\$ 7,674	\$ 8,057	\$ 8,460	\$ 8,883	\$ 9,327
4204	Data & Infrastructure Manager	\$ 11,149	\$ 11,707	\$ 12,292	\$ 12,907	\$ 13,552
1105	Deputy City Attorney I	\$ 10,485	\$ 11,010	\$ 11,560	\$ 12,138	\$ 12,745
1109	Deputy City Attorney II	\$ 11,561	\$ 12,139	\$ 12,746	\$ 13,383	\$ 14,052
2120	Deputy Fire Marshall	\$ 9,848	\$ 10,340	\$ 10,857	\$ 11,400	\$ 11,970
2135	Deputy Public Works Director	\$ 11,311	\$ 11,877	\$ 12,470	\$ 13,094	\$ 13,749
7313	Economic Development Coordinator	\$ 9,502	\$ 9,977	\$ 10,476	\$ 11,000	\$ 11,550
2128	Economic Development Manager	\$ 10,448	\$ 10,971	\$ 11,519	\$ 12,095	\$ 12,700
7117	Emergency Services Manager	\$ 9,271	\$ 9,734	\$ 10,221	\$ 10,732	\$ 11,269
2107	Human Resources Operations Manager	\$ 9,403	\$ 9,873	\$ 10,366	\$ 10,885	\$ 11,429
2208	Operations and Maintenance Manager	\$ 10,251	\$ 10,763	\$ 11,301	\$ 11,867	\$ 12,460
2208	Operations and Maintenance Manager (SRSD)	\$ 10,251	\$ 10,763	\$ 11,301	\$ 11,867	\$ 12,460
2703	Parking Services Manager	\$ 9,502	\$ 9,977	\$ 10,476	\$ 11,000	\$ 11,550
7312	Parks Superintendent	\$ 9,360	\$ 9,829	\$ 10,320	\$ 10,836	\$ 11,378
2116	Planning Manager	\$ 10,743	\$ 11,281	\$ 11,845	\$ 12,437	\$ 13,059
TBD	Product Manager	\$ 10,068	\$ 10,572	\$ 11,100	\$ 11,655	\$ 12,238
8103	Recreation Supervisor	\$ 7,964	\$ 8,362	\$ 8,780	\$ 9,219	\$ 9,680
2206	Senior Civil Engineer (SRSD)	\$ 11,011	\$ 11,562	\$ 12,140	\$ 12,747	\$ 13,384
7317	Senior Code Enforcement Supervisor	\$ 8,470	\$ 8,893	\$ 9,338	\$ 9,805	\$ 10,295
2105	Senior Management Analyst	\$ 9,141	\$ 9,598	\$ 10,078	\$ 10,582	\$ 11,111
2203	Senior Project Manager	\$ 9,446	\$ 9,918	\$ 10,414	\$ 10,935	\$ 11,481
8102	Senior Recreation Supervisor	\$ 8,790	\$ 9,229	\$ 9,690	\$ 10,175	\$ 10,684
7310	Sewer Maintenance Superintendent	\$ 9,360	\$ 9,829	\$ 10,320	\$ 10,836	\$ 11,378
7311	Street Maintenance Superintendent	\$ 9,360	\$ 9,829	\$ 10,320	\$ 10,836	\$ 11,378
2150	Sustainability Program Manager	\$ 7,704	\$ 8,090	\$ 8,494	\$ 8,919	\$ 9,365

SAN RAFAEL UNREPRESENTED MID-MANAGEMENT

SALARY SCHEDULE

Effective July 1, 2023

Grade	Position	A	B	C	D	E
7315	Accounting Manager	\$ 10,080	\$ 10,584	\$ 11,113	\$ 11,668	\$ 12,252
2400	Assistant Library and Recreation Director	\$ 11,355	\$ 11,923	\$ 12,519	\$ 13,145	\$ 13,802
2202	Assistant Public Works Director / City Engineer	\$ 12,886	\$ 13,530	\$ 14,207	\$ 14,917	\$ 15,663
2302	Chief Building Official	\$ 11,975	\$ 12,574	\$ 13,202	\$ 13,863	\$ 14,556
4203	Civic Design Manager	\$ 10,229	\$ 10,741	\$ 11,278	\$ 11,842	\$ 12,434
2122	Code Enforcement Supervisor	\$ 7,796	\$ 8,186	\$ 8,595	\$ 9,025	\$ 9,477
4204	Data & Infrastructure Manager	\$ 11,328	\$ 11,894	\$ 12,489	\$ 13,113	\$ 13,769
1105	Deputy City Attorney I	\$ 10,852	\$ 11,395	\$ 11,965	\$ 12,563	\$ 13,191
1109	Deputy City Attorney II	\$ 11,965	\$ 12,564	\$ 13,192	\$ 13,852	\$ 14,544
2120	Deputy Fire Marshall	\$ 10,193	\$ 10,702	\$ 11,237	\$ 11,799	\$ 12,389
2135	Deputy Public Works Director	\$ 11,707	\$ 12,292	\$ 12,907	\$ 13,552	\$ 14,230
7313	Economic Development Coordinator	\$ 9,834	\$ 10,326	\$ 10,842	\$ 11,385	\$ 11,954
2128	Economic Development Manager	\$ 10,814	\$ 11,355	\$ 11,923	\$ 12,519	\$ 13,145
7117	Emergency Services Manager	\$ 9,595	\$ 10,075	\$ 10,579	\$ 11,108	\$ 11,663
2107	Human Resources Operations Manager	\$ 9,779	\$ 10,268	\$ 10,781	\$ 11,320	\$ 11,886
2208	Operations and Maintenance Manager	\$ 10,661	\$ 11,194	\$ 11,754	\$ 12,341	\$ 12,958
2208	Operations and Maintenance Manager (SRSD)	\$ 10,661	\$ 11,194	\$ 11,754	\$ 12,341	\$ 12,958
2703	Parking Services Manager	\$ 9,834	\$ 10,326	\$ 10,842	\$ 11,385	\$ 11,954
7312	Parks Superintendent	\$ 9,735	\$ 10,222	\$ 10,733	\$ 11,269	\$ 11,833
2116	Planning Manager	\$ 11,173	\$ 11,732	\$ 12,318	\$ 12,934	\$ 13,581
TBD	Product Manager	\$ 10,229	\$ 10,741	\$ 11,278	\$ 11,842	\$ 12,434
8103	Recreation Supervisor	\$ 8,242	\$ 8,654	\$ 9,087	\$ 9,541	\$ 10,019
2206	Senior Civil Engineer (SRSD)	\$ 11,397	\$ 11,966	\$ 12,565	\$ 13,193	\$ 13,853
7317	Senior Code Enforcement Supervisor	\$ 8,605	\$ 9,036	\$ 9,487	\$ 9,962	\$ 10,460
2105	Senior Management Analyst	\$ 9,507	\$ 9,982	\$ 10,481	\$ 11,005	\$ 11,555
2203	Senior Project Manager	\$ 9,729	\$ 10,216	\$ 10,726	\$ 11,263	\$ 11,826
8102	Senior Recreation Supervisor	\$ 9,097	\$ 9,552	\$ 10,030	\$ 10,531	\$ 11,058
7310	Sewer Maintenance Superintendent	\$ 9,735	\$ 10,222	\$ 10,733	\$ 11,269	\$ 11,833
7311	Street Maintenance Superintendent	\$ 9,735	\$ 10,222	\$ 10,733	\$ 11,269	\$ 11,833
2150	Sustainability Program Manager	\$ 8,013	\$ 8,413	\$ 8,834	\$ 9,275	\$ 9,739

**Management Position Benchmark Job Classes for
Mid-Management Positions**

Community Services Director
Library Director
Public Works Director

FURLOUGH PROGRAM

Both the City of San Rafael and the Mid-Management Group employees recognize the current economic condition of the State of California and the City of San Rafael. Through this recognition and in a cooperative spirit the City of San Rafael and these employees have worked expeditiously on the development of a Furlough Program. This Agreement does not mean the City will necessarily implement furloughs; but in the event it is necessary to implement due to continued economic problems in the City of San Rafael the procedures for this Furlough Program shall provide for both Voluntary Time Off (herein described as VTO) and Mandatory Time Off (herein described as MTO).

Voluntary Time Off (VTO).

The needs of the City and the respective departments (as determined by the Department Director and City Manager) will need to be considered in the actual granting of VTO. Any VTO time granted and the resulting savings will have a corresponding impact on the time needed through MTO.

1. An employee's VTO time would count in determining how many hours of MTO an employee needed to take during the fiscal year.
2. Employees who take VTO at a time other than when MTO is taken by other employees will have to take vacation leave, compensatory time off or leave without pay if the MTO results in the closure of the department.

Mandatory Time Off (MTO).

MTO will be taken by the employee during the MTO period when feasible in their respective department (as determined by the Department Director and City Manager). The City will attempt to schedule MTO time in blocks of days (between Christmas and New Years) or individual days next to scheduled holidays and/or weekends.

1. Employees may not take paid vacation time in lieu of designated MTO time.
2. MTO time shall be considered time in pay status for the accrual of leave and eligibility for holidays. MTO time will not impact health, dental and life insurance benefits. At this time MTO time will impact Marin County retirement contributions; but if the Marin County Retirement Association changes its policy on this the City will, effective the first of the month following notice from the Marin County Retirement Association, make the necessary change in the program's administration to correspond with the change in the policy. Any employee who notifies the City no later than 07/30/11 of their retirement date and retires from the Marin County Retirement System during FY 11-12 shall be exempted from the MTO requirements. If said employee did not retire during FY 11-12 as stated, said employee would be docked in pay an amount equivalent to the number of MTO hours taken by other represented employees.
3. MTO time shall apply toward time in service for step increases, completion of probation, and related service credit.

**MID-MANAGEMENT SALARY RESOLUTION
EXHIBIT "C"**

4. Other Terms and Conditions:

- a. The MTO program shall be limited to a maximum five percent (5%) reduction in work hours/pay for the fiscal year. When the maximum MTO reduction (5%) is implemented, the involved employee shall be credited with three (3) days of float time.
- b. Float Time accrued through the MTO Program must be taken in the fiscal year following the furlough, with supervisory approval, or the leave will be forfeited. The float days have no cash value upon termination of employment. If an employee is laid off before having the opportunity to take unused furlough induced float time, said employee would be eligible to take the unused furlough induced float time during the thirty-day layoff notice period.
- c. Should the City of San Rafael experience a financial windfall during the fiscal year that furloughs are implemented, the City agrees to re-open discussions on this Furlough Program.
- d. The City agrees that it will attempt to distribute the dollar value of any MTO time implemented equally over the remaining number of pay periods in the fiscal year.