



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 21, 2017

**TO:** Mayor and Councilmembers

**FROM:** Administration, Administrative Services

**SUBJECT:** Compensation Survey, Managers And Supervisors

### **RECOMMENDATION:**

That Council authorize the Administrative Services Director to execute a professional services agreement with Koff and Associates in the amount of \$78,520 for a compensation survey of management and supervisory classifications, and authorize the Administrative Services Director to approve expenditures of up to \$7,852 for extra services that may result from necessary changes in the scope of work.

### **DISCUSSION:**

The City has had a long-standing practice of comparing City employee salaries and benefits to other comparable public agencies to verify the reasonableness of employee compensation and ensure the City's ability to compete in attracting and retaining qualified and high performing employees.

In 2014, by agreement with the Service Employees International Union, Local 620 (SEIU), the City hired a professional compensation consultant, Koff and Associates (Koff), to recommend a comparable labor market for City General, Confidential, and Treatment and Patrol (TAP) positions. Total compensation surveys of that labor market were subsequently conducted for TAP classifications (2014, by Koff) and for General and Confidential classification (2016, by City staff). Staff now recommends engaging Koff and Associates to conduct a similar survey for supervisory and management classifications in the same labor market.

Under the existing Memorandum of Understanding with the Santa Barbara Supervisory Employees Association, the City is committed to conduct a supervisory compensation survey. Staff also regularly reviews management compensation on the basis of comparability with other public jurisdictions, as provided under the City Charter. The use of a compensation professional will both help to ensure objectivity in the survey, and accommodate a staff vacancy in labor relation support. The results of this survey will be used for reference in upcoming negotiations and will help staff make compensation recommendations to Council over the next few years.

The last time a professional survey was conducted for these two groups was 2006. Koff and Associates comes highly recommended and has conducted many similar surveys for agencies throughout California. Koff's proposal for the management survey in response to an RFP was price-competitive with other proposers, and a review team determined that they were the best choice to conduct the work. The scope of work was expanded to include the supervisory classifications due to a staff vacancy in labor relations support.

The scope of work will involve:

- Reviewing the City's supervisory and management job classifications and internal alignment;
- Recommending benchmark positions to survey in the labor market;
- Job-by-job matching of City benchmark jobs to comparable jobs in the labor market through a "whole job" analysis;
- Collecting compensation and benefit data from comparable positions at the 20 comparable agencies;
- Presenting preliminary results, with a City/union review and appeal process to ensure accuracy and improve stakeholder buy-in to the results;
- Recommending changes in compensation to align with the labor market median;
- Recommending changes in internal alignment of positions; and
- Presenting final results to the City.

The comparable labor market will include the cities of Burbank, Huntington Beach, Lompoc, Los Angeles, Morro Bay, Newport Beach, Oxnard, Pasadena, Redondo Beach, Santa Cruz, Santa Maria, Santa Monica and the Counties of Santa Barbara, Ventura, San Luis Obispo, Los Angeles, Orange and Sacramento. This is the same market used for the TAP, General and Confidential surveys. Elements of total compensation surveyed will include salaries, certain specialty pays, and also the City's contributions toward benefits such as health insurance and pensions.

#### **BUDGET/FINANCIAL INFORMATION:**

The cost of the agreement will be \$78,520, including all expenses (supplies and services, travel, etc.). Extra services of up to \$7,852 will be authorized if needed. The entire cost of the survey will be funded in part from \$54,000 in salary and benefit savings in the Administrative Services Department from the vacancy of the analyst assigned to labor relations. The remainder will be funded from existing appropriations in affected departments and funds. No additional appropriations are necessary.

A copy of the contract/agreement is available for public review in the City Clerk's Office.

**PREPARED BY:** Kristine Schmidt, Administrative Services Director

**SUBMITTED BY:** Kristine Schmidt, Administrative Services Director

**APPROVED BY:** City Administrator's Office