



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: David Sykes

SUBJECT: SEE BELOW

DATE: April 5, 2018

SUBJECT: COMPENSATION AND BENEFIT CHANGES FOR EXECUTIVE MANAGEMENT AND PROFESSIONAL EMPLOYEES IN UNIT 99 AND OTHER UNREPRESENTED EMPLOYEES (UNITS 81/82), FOR FISCAL YEARS 2018-2019, 2019-2020, AND 2020-2021

RECOMMENDATION

It is recommended that the City Council approve the following actions:

- a) Adopt a resolution approving compensation and benefit changes for executive management and professional employees in Unit 99 and other unrepresented employees (Units 81/82), for Fiscal Years 2018-2019, 2019-2020, and 2020-2021.
- b) Approve a 2.75% Crisis Intervention Training premium pay for the Chief of Police U (2227) and Assistant Police Chief U (2225), effective July 1, 2018.
- c) Approve a 1% increase to the Crisis Intervention Training premium pay for the Chief of Police U (2227), and Assistant Police Chief U (2225), effective June 30, 2019.

OUTCOME

Adoption of the resolution and authorization to approve compensation and benefit changes will result in an approximately 5% ongoing non-pensionable compensation increase for Fiscal Year 2018-2019, and an approximately 3% pensionable general wage increase for Fiscal Year 2019-2020 and 2020-2021 for executive management and professional employees in Unit 99 and other unrepresented employees (Units 81/82). In addition, the resolution will result in a 2.75% Crisis Intervention Training (CIT) premium pay in Fiscal Year 2018-2019, and a 1% increase to the CIT in Fiscal Year 2019-2020 for the Chief of Police (2227) and Assistant Police Chief U (2225) classifications.

April 5, 2018

Subject: Approval of Changes to Compensation and Benefits for Unit 99 and Other Unrepresented Employees

Page 2 of 4

BACKGROUND

Executive Management and Professional Employees (Unit 99) consists of approximately 287 FTEs, including Senior Staff, Executive Staff, senior managers under the City Manager's Appointing Authority, Council Office staff, senior managers under the appointing authority of the City Attorney, and professional or management employees under the appointing authority of the City Auditor and Independent Police Auditor. In addition, there are employees in Unit 99 who work in the City Clerk's Office.

Unit 82 does not currently have any classifications assigned to it. Employees in Unit 99 are exempt employees and, therefore, do not receive overtime. In addition, they are not on salary steps and progress through the salary range based on increases tied to performance only. Employees in Unit 81 are on 2.5% salary steps and receive automatic step increases. Unit 81 includes part-time, unbenefited employees, such as Student Interns.

The recommended compensation changes for Executive Management (Unit 99) and unrepresented employees (Units 81/82) are consistent with the agreements that have been reached with several of the non-sworn bargaining units.

In January 2017, the City Council approved a 2.75% CIT premium pay effective Fiscal Year 2018-2019, and a 1% increase to CIT in Fiscal Year 2019-2020 for classifications assigned to the San Jose Police Officers' Association (POA), including the Deputy Chief of Police classifications. It is being recommended to extend CIT premium pay to the Chief of Police U and Assistant Police Chief U classifications to maintain an appropriate pay differential and to ensure that all sworn classifications in the San Jose Police Department receive the CIT premium pay.

ANALYSIS

The following is a summary of the compensation and benefit changes for executive management and professional employees in Unit 99 and other unrepresented employees that are recommended to be implemented upon approval by the City Council:

Ongoing Non-Pensionable Compensation Increase	Effective July 1, 2018, employees in Unit 99 and Units 81/82 shall receive a 5% ongoing non-pensionable compensation increase.
--	--

General Wage Increase	Effective June 30, 2019, employees in Unit 99 and Units 81/82 will receive a pensionable base pay increase of approximately 3%. This will result in both the top and bottom of the pay range being increased by approximately 3.0%.
------------------------------	---

Effective June 28, 2020, all salary ranges for employees holding positions in classifications assigned to Unit 99 and Units 81/82 will

April 5, 2018

Subject: Approval of Changes to Compensation and Benefits for Unit 99 and Other Unrepresented Employees

Page 3 of 4

receive a pensionable base pay increase of approximately 3.0%. This will result in both the top and bottom of the pay range being increased by approximately 3.0%.

Vacation Sellback

Beginning calendar year 2019, employees in Unit 99 and Units 81/82 may sell back up to a maximum of sixty (60) hours of accrued vacation per calendar year (from 40 hours currently available).

**Crisis Intervention
Training Premium Pay**

Effective July 1, 2018, the Chief of Police U and Assistant Chief of Police U classifications will receive a 2.75% non-pensionable Crisis Intervention Training premium pay.

Effective June 30, 2019, the Chief of Police U and Assistant Chief of Police U classifications will receive a 1% increase to the non-pensionable Crisis Intervention Training premium pay.

EVALUATION AND FOLLOW-UP

None.

PUBLIC OUTREACH/INTEREST

This memorandum will be posted on the City's website for the April 17, 2018, City Council Agenda.

COORDINATION

This memorandum was coordinated with the City Attorney's Office, the City Manager's Budget Office and the City Manager's Office of Employee Relations. In addition, the recommendations have been coordinated with the Council Appointees.

COMMISSION RECOMMENDATION/INPUT

This agreement was not coordinated with any board or commission.

COST IMPLICATIONS

The ongoing non-pensionable compensation increase equivalent to approximately 5% for Unit 81/82 and Unit 99 effective July 1, 2018, will be approximately \$2.07 million in FY 2018-2019.

HONORABLE MAYOR AND CITY COUNCIL

April 5, 2018

Subject: Approval of Changes to Compensation and Benefits for Unit 99 and Other Unrepresented Employees

Page 4 of 4

The ongoing increased cost of the 3% general wage increase effective June 30, 2019, is approximately \$2.14 million. The ongoing increased cost of the 3% general wage increase effective June 28, 2020, is approximately \$2.20 million. The increased cost associated with the changes to vacation sellback is estimated to be approximately \$148,000. The ongoing increased cost of providing the CIT premium pay to the Chief of Police U and Assistant Chief of Police U classifications in Fiscal Year 2018-2019 is estimated to be approximately \$14,000, the increased cost in Fiscal Year 2019-2020 is estimated to be approximately \$5,700.

CEQA

Not a Project, File No. PP10-069 (b), Personnel Related Decisions.

A handwritten signature in black ink, appearing to read 'D. Sykes', with a horizontal line extending from the end.

David Sykes
City Manager

For questions please contact Jennifer Schembri, Director of Employee Relations, at (408) 535-8150.