



Santa Clara Valley Water District

File No.: 18-0151

Agenda Date: 3/21/2018
Item No.: *3.2.

BOARD AGENDA MEMORANDUM

SUBJECT:

Resolution of the Board of Directors of the Santa Clara Valley Water District Adopting Employee Salary Schedule - Effective July 1, 2017.

RECOMMENDATION:

Adopt the Resolution ADOPTING EMPLOYEE SALARY SCHEDULE - EFFECTIVE JULY 1, 2017.

SUMMARY:

Board approval of the Employee Salary Schedule serves the following two purposes:

1. Compliance with state law which requires that the governing body of a public agency formally approve salary schedules for all employees and make them available for public review;
2. Updates and makes current the salary schedule for Executive employees.

Compliance with State Legal Requirement:

Approval of the Employee Salary Schedule by the Board of Directors is required under Title 2 California Code of Regulations, section 570.5 and its requirement of a publicly available pay schedule approved by a public body for all employee classifications. Under this requirement, the amount of "compensation earnable" for purposes of calculating retirement benefits is limited to the amount listed on a pay schedule meeting the following requirements:

- (1) Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
- (2) Identifies the position title for every employee position;
- (3) Shows the pay-rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
- (4) Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bimonthly, or annually;
- (5) Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet

website;

(6) Indicates an effective date and date of any revisions;

(7) Is retained by the employer and available for public inspection for not less than five years; and

(8) Does not reference another document in lieu of disclosing the pay-rate.

CalPERS has stressed that all eight of these requirements must be met in a single salary schedule for each member’s pay.

Salary Range Adjustments

The District previously negotiated salary increases for employees covered by the three labor MOUs for the period from 2015 through 2017. The bargaining groups, Employees Association, Engineers Society, and the Professional Managers Association received their last scheduled raise of 3% effective Payroll Period 14 of 2017. The attached salary schedule includes the 2017 negotiated increases for employees covered by the three MOUs as stated below:

Years	Represented Employees	Executive Staff
	Per MOU*	CPI*
2015	3.00%	2.40%
2016	3.00%	2.70%
2017	3.00%	3.80%
Total Cumulative Increase**	9.00%	8.90%

* For the period 2015-2017 Represented employees received negotiated COLA increases, while Executive employees received COLA based upon the April SF area CPI-U.

** Does not include Step/Merit increases

The above chart also shows the recent history of annual raises for the Executive employees (employees in the unclassified service other than the three Board Appointed Officers). Historically, the District has used the April, San Francisco, CPI-U to determine Cost of Living Adjustments (COLA) applicable to Executive salary ranges on a Fiscal Year basis. The April San Francisco CPI-U is published annually in May making the data timely for July adjustments. Many agencies that adjust salary or benefits on a Fiscal Year basis (July 1 to June 30) use the April CPI-U as guide or as an actual escalator. The April 2017 San Francisco area CPI-U was 3.8%.

On November 28, 2017, the Board approved the most recent salary schedule which reflected the increases for classified employees under their respective MOUs and increases for the three Board Appointed Officers approved in August 2017. The salary ranges for employees in the Executive service did not reflect any change from the previous year since they had not received any increase.

The attached salary schedule reflects updated salary ranges for Executive employees as well as the BAOs. These salary range adjustments for the Executive employees effective July 1, 2017 are made based upon the April 2017, San Francisco, CPI-U (3.8%). The salary adjustments reflected in the updated Salary Schedule will be effective as of Payroll Period 14.

The actual salaries received by the BAOs will not be adjusted since they are set by individual contract and are established separately by the Board of Directors.

FINANCIAL IMPACT:

The estimated cost of the COLA for unclassified employees in the Executive Service is \$194,000. The amount is within existing FY 2018 budget appropriations

CEQA:

The recommended action does not constitute a project under CEQA because it does not have potential for resulting in direct or reasonably foreseeable indirect physical changes in the environment.

ATTACHMENTS:

Attachment 1: Resolution

*Supplemental Board Agenda Memo

*Supplemental Attachment 1: Resolution

*Supplemental Attachment 2: San Francisco CIP-U

UNCLASSIFIED MANAGER:

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