



**MEMORANDUM**  
**OFFICE OF THE**  
**COUNTY EXECUTIVE**  
**COUNTY OF PLACER**

**TO:** Honorable Board of Supervisors  
**FROM:** David Boesch, County Executive Officer and Nancy Nittler, Personnel Director  
By: Therese Leonard, Principal Management Analyst  
**DATE:** September 10, 2013  
**SUBJECT:** Elected Department Head, Unclassified Non-management and Management Employee Compensation and County Code, Chapter 3 Updates

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**ACTION REQUESTED**

It is recommended that your Board take the following actions:

1. Introduction of an ordinance adjusting the compensation and employment terms for employees hired, or initially promoted or transferred into a management position classification on or after December 14, 2013.
2. Introduction of an un-codified ordinance adjusting salaries for elected department heads, unclassified non-management and management employees.

**BACKGROUND**

Placer County currently employs approximately 229 management staff, including 15 department heads, 6 elected department heads, 27 safety managers and 181 classified and unclassified managers. The *Placer County Employer-Employee Relations Policy* defines a management employee as one that has responsibility for formulating, administering or managing the implementation of County policies and programs. Placer County's management employees are unrepresented and, as such, are not affiliated with an employee organization.

Placer County's ability to maintain critical service delivery levels and pay for rising labor and other operating costs was challenged during the recent economic downturn when many of the County's general purpose revenues declined. At that time, the Board directed available revenues to fund core and critical county services; instituted a hiring freeze in 2007; required greater cost sharing by employees for health insurance premiums and pension costs and approved the addition of a second Pension Tier for employees hired on or after March 12, 2011. These actions, coupled with a change in the health insurance premium payment ratio, not only provided the County with immediate budget savings but reduced the County's Other Post Employment Benefit liability by \$31.7 million dollars. Additionally, during these financially challenged years

and in recognition of the budget constraints, these employees took unpaid furlough days for several years and have not received a wage increase since 2009.

Based upon the uptick in the economy and recent negotiated agreements with represented employee groups, staff recommends a 2% cost of living adjustment (COLA) for elected department heads, unclassified non-management and management employees effective December 14, 2013. Placer Public Employee Organization represented employees and Confidential employee are also scheduled to receive a 2% COLA effective at that time. Unclassified non-management employees are predominately extra help employees but also include the classifications of pharmacist, dentist, physician, film office program manager, and administrative aide.

Business practice changes are recommended for all new employees hired, or initially promoted or transferred into a management classification, on or after December 14, 2013 where they will receive a flat number of one hundred (100) management leave hours, in lieu of the formula used currently for active employees. Approval of this action creates a "closed group" of employees that will receive a formula benefit vs. a flat number of hours which serves to limit the County's future liability to provide this benefit.

### **FISCAL IMPACT**

Recommended wage adjustments for elected officials, unclassified non-management and management employees would begin mid FY 2013-14 with the costs absorbed by departments within their current appropriations. Due to mid-year implementation, the total annual cost for the proposal would not be realized until FY 2014-15 and is estimated at \$645,000 with a variable cost increase for extra help employee wages. Saving related to the change in the management leave benefit for new hires or initially promoted into a management classification will be realized over time.

#### Attachments:

1. Ordinance amending the Placer County Code, Chapter 3 implementing compensation and benefit adjustments for management employees.
2. Un-codified Ordinances implementing a salary adjustment for elected department heads, unclassified non-management and management employees.

**Before the Board of Supervisors  
County of Placer, State of California**

In the matter of: AN ORDINANCE AMENDING  
SECTION 3.04.520 OF CHAPTER 3 OF THE PLACER  
COUNTY CODE

Ordinance No: \_\_\_\_\_

First Reading: \_\_\_\_\_

The following **Ordinance** was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held \_\_\_\_\_, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

\_\_\_\_\_  
Jim Holmes  
Chairman, Board of Supervisors

Attest:  
Clerk of said Board

\_\_\_\_\_  
Ann Holman

\_\_\_\_\_  
THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

**Section 1:** That Section 3.04.520 of Chapter 3 of the Placer County Code is hereby amended and shall read as follows:

**3.04.520** Management, district attorney and child support attorney leave.

**Management, district attorney and child support attorney leave amounts will be allocated each calendar year coinciding with the applicable IRS tax year based upon pay check dates.**

**A. Employees hired, or initially promoted or transferred into a management position classification, prior to December 14, 2013**

~~1. Department heads shall receive eighty (80) hours of management leave each calendar year coinciding with the applicable IRS tax year based upon pay check dates.~~

~~B2. Management and safety management employees shall receive seventy-two (72) hours of management leave each calendar year coinciding with the applicable IRS tax year based upon pay check dates.~~

~~C3. Management employees are eligible to receive additional hours if four percent of the employee's annual salary exceeds one thousand five hundred dollars (\$1,500.00). The amount of additional hours will be determined by subtracting one thousand five hundred dollars (\$1,500.00) from the four percent amount and dividing the difference by the hourly wage in effect on January 1st of the new calendar year. The annual salary used for this calculation will be the employee's hourly rate on the salary schedule plus longevity if applicable.~~

**B. Employees hired, or initially promoted or transferred into a management position classification, on or after December 14, 2013 shall receive a flat amount of one hundred (100) hours of management leave each calendar year.**

~~DC. Although management leave hours are credited to the employee at the beginning of the calendar year, these hours are considered to be earned on a pro rata basis over the course of the calendar year each pay date.~~

~~ED. Employees appointed to eligible positions after the beginning of the calendar year will receive management leave hours on a prorated basis for the pay dates remaining in that calendar year.~~

~~FE. Employees may elect to utilize their management leave hours on payroll as paid leave and/or may receive cash payment for such management leave hours.~~

~~1. Use of management leave hours for paid leave shall be subject to the same limitations as the use of vacation leave; useable in one-half hour increments, except that no minimum period of employment shall be required before management leave hours may be so utilized.~~

~~2. Cash payment for such management leave hours will be at the employee's hourly rate from the salary schedule, including additional pays that are percentage based and longevity if applicable.~~

3. All management leave hours shall be taken as paid time off or paid in cash by the last pay check of the calendar year in which the management leave hours are earned.

GE. Employees separating from county employment, or vacating an eligible position, will receive a prorated amount of management leave hours based upon the number of pay dates completed within that calendar year.

1. Employees who have utilized or cashed out more management leave hours than earned prior to separation from the county, or a position change, are obligated to repay the county for those unearned hours utilized or cashed out.

~~H. Notwithstanding the above, for the period beginning July 1, 2011 through December 16, 2011, pay period 14, employees shall have the value of one-half of the annual management leave accrual credited to their leave balance. This calculation shall be made in the same manner as outlined in subsections A through C of this section, except it shall be based on the salary in effect on July 1, 2011.~~

~~1. Management leave hours not utilized or cashed out prior to pay period 14 will be cashed out on the last pay date of the 2011 calendar, December 30, 2011.~~

IG. Deputy District Attorney/Child Support Attorney Leave. Employees designated as deputy district attorneys or child support attorneys shall receive seventy-two (72) hours of district attorney/child support leave at the beginning of each calendar year coinciding with the applicable IRS tax year based upon the pay check dates. Although district attorney/child support leave hours are credited to the employee at the beginning of the calendar year, these hours are considered to be earned each pay date, on a prorated basis, over the course of the calendar year.

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**Before the Board of Supervisors  
County of Placer, State of California**

**In the matter of: AN ORDINANCE AMENDING**

**Ordinance No:** \_\_\_\_\_

An Un-codified Ordinance Related to the Compensation and Benefits for Elected Department Heads, Classified and Unclassified Management and Non-management Employees

**First Reading:** \_\_\_\_\_

The following **Ordinance** was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held \_\_\_\_\_, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

\_\_\_\_\_  
Jim Holmes,  
Chair, Board of Supervisors

Attest:  
Clerk of said Board

\_\_\_\_\_  
Ann Holman

\_\_\_\_\_  
THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

That this uncodified Ordinance modifies provisions relating to salaries, compensation and benefits of elected department heads, unclassified non-management and management employees, as set out below and is effective on December 14, 2013. This ordinance shall not be codified.

## **1. Cost of Living Adjustment**

Beginning with the pay period starting on December 14, 2013 elected department heads, unclassified non-management and management employees (classified and unclassified), shall receive a cost of living adjustment of two percent (2%) to their base hourly rate.

This base hourly rate adjustment will not apply to safety management classifications that are covered by or associated with Measure F wage increases.

