



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Adopt a Resolution Amending the City's Salary Resolution and the Schedule of Pay to Increase the Salary Ranges for Unclassified Department Director Positions (Pay Plan Category F) Effective July 12, 2020

BACKGROUND

Unclassified department directors (pay plan category F) are at-will employees, appointed by the City Manager. They are not organized and do not negotiate for any changes to their wages, hours, and/or other terms and conditions of employment. Instead, the City Manager makes recommendations to the City Council regarding such changes on behalf of this employee group.

In September 2017, a new compensation program was approved by the Council (RTC No. 17-0872), that adjusted salary ranges for department director classifications to address gender equality pay, attract talent, retain highly qualified employees, and to resolve salary compaction with bargaining unit represented positions. With the salary increases other bargaining units will receive in July, the salary ranges of department directors will become out of alignment with the compensation program and philosophy that was adopted by Council in 2017. In September 2019, the program was amended to include the classification of Deputy City Manager.

This report recommends adjustments to the salary ranges for unclassified department director classifications (pay plan category F) to maintain a consistent differential with bargaining unit represented positions.

EXISTING POLICY

Council Policy 7.3.1 Legislative Management - Goals and Policies, Goal 7.3D: Maintain a quality work force, Consistent with state and federal laws, City Charter, and adopted policies in order to assure that City services are provided in an effective, efficient, and high-quality manner.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

DISCUSSION

On September 12, 2017 (RTC No. 17-0872), the City Council approved a compensation philosophy for department directors that adjusted salary ranges and offered more salary growth opportunity based on performance. It also established a pre-determined differential between classifications to

prevent compaction issues in the future as identified below:

- The minimum of the salary range of the Director of Public Safety shall be 12% above the maximum of the salary range of the Deputy Chief with education premium. The maximum shall be 20% above the minimum.
- The minimum of the salary range of the Assistant City Manager shall be 3% above the minimum of the salary range of the Director of Public Safety. The maximum shall be 20% above the minimum.
- The Chief Information Officer, the Directors of Public Works, Environmental Services, Community Development, Finance, Human Resources, and Library and Community Services shall be consolidated to a single salary range. The minimum of the salary range shall be 3% above the maximum of the salary range of the Deputy Chief with education premium. The maximum shall be 20% above the minimum.
- The Director of Employment Development shall continue to have a separate salary range due to the salary cap of the Workforce Investment Act guidelines. The minimum of the salary range shall remain at the current rate of \$169,167. The maximum shall be 20% above the minimum to allow for future adjustment in accordance to the WIA guidelines.

Additionally, on September 24, 2019 (RTC No. 19-0940), the City Council approved a pre-determined differential between the Deputy City Manager and other director classifications as indicated below:

- The minimum of the salary range the Deputy City Manager should be 10% below the minimum of the salary range of directors. The maximum shall be 20% above the minimum.
 - Directors include: Chief Information Officer, the Directors of Public Works, Environmental Services, Community Development, Finance, Human Resources, and Library and Community Services.

The Deputy Chief classification is represented by the Public Safety Managers Association (PSMA). PSMA members will receive salary increases of 3.97% in July 2020. With the scheduled increases for PSMA, the salary ranges for department directors will be out of alignment from the compensation program approved in September 2017. Without adjustment, the current minimum of the salary range of the Director of Public Safety would be only 8% above the maximum of the salary range of the Deputy Chief with education premium. Under the 2017 compensation philosophy, the differential should be 12%.

FISCAL IMPACT

The FY 2020/21 Budget includes assumptions in total compensation includes assumptions on increases in total compensation, which include salaries, benefits, and retirement. Adjustments in salary also affect salary related benefits, including retirement. The increases are within the assumptions used in the FY 2020/21 Budget.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board

outside City Hall, Sunnyvale Public Library and Department of Public Safety; and by making the agenda and report available at the Office of the City Clerk and on the City's website.

ALTERNATIVES

1. Adopt a Resolution Amending the City's Salary Resolution and Schedule of Pay to Increase the Salary Ranges for Unclassified Department Director Positions (Pay Plan Category F) Effective July 12, 2020
2. Do Not Adopt a Resolution Amending the City's Salary Resolution and Schedule of Pay to Increase the Salary Ranges for Unclassified Department Director Positions (Pay Plan Category F) Effective July 12, 2020

STAFF RECOMMENDATION

Alternative 1: Adopt a Resolution Amending the City's Salary Resolution and Schedule of Pay to Increase the Salary Ranges for Unclassified Department Director Positions (Pay Plan Category F) Effective July 12, 2020

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Resolution Amending the City's Salary Resolution and Schedule of Pay to Increase the Salary Ranges for Unclassified Department Director Positions (Pay Plan Category F)