



## Legislation Text

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**File #:** 23-1488, **Version:** 2

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Human Resources Department recommending the Board adopt and authorize the Chair to sign Resolution **137-2023** updating the Board's Compensation Philosophy for County employees. (Cont. 9/12/2023, Item 8)

**FUNDING:** N/A

### **DISCUSSION / BACKGROUND**

In June 2016, the County engaged Koff and Associates (K&A) for the provision of professional services to design, conduct, and assist in recommending an implementation approach of a classification and compensation study for County positions. The County's desired outcome of the study was to develop an equitable, consistent, and competitive classification and compensation plan that allowed for the attraction and retention of qualified individuals and opportunities for professional growth and development within an appropriate salary structure.

Subsequently, the Board of Supervisors adopted a Compensation Philosophy (Resolution 147-2017, adopted September 26, 2017), with the long-term goal of developing and maintaining a competitive and fiscally responsible pay and benefits structure. As part of its study, K&A recommended twelve comparator agencies, including the counties of Butte, Merced, Napa, Nevada, Placer, Sacramento, Shasta, Solano, Sutter, Tuolumne, Yolo, and the State of California. Comparator agencies are determined based on a number of factors, including:

- organization type and structure, specifically those of a similar size and providing similar services as the County;
- similarity of population, staff, and operation budgets; and,
- labor market and geographic location, where the County may be recruiting from or losing employees to.

In consideration of these factors, and as a result of feedback and concerns presented by our department and labor stakeholders, the County ultimately reduced our comparator market down to a group of nine, memorialized in the Compensation Philosophy, to include the counties of Butte, Napa, Nevada, Placer, Sacramento, Solano, Sutter, Yolo, and the State of California.

Since 2017, the Human Resources Department has conducted multiple total compensation studies reflecting a broad spectrum and number of County benchmark classifications. The Compensation Philosophy established a compensation goal based on market median; because median is not significantly affected by outliers (highest and lowest wage comparators), and because our comparators have been relatively stable in the market placement alignment above and below one another, we determined that we could more efficiently produce similar market median data using fewer comparators that are currently studied, with near similar comparability of classifications. Through a subcommittee of Department Heads and input from County leadership, it is recommended that we update our comparators to the counties of: Amador, Napa, Placer, Sacramento, and Yolo. Overall, reducing the comparators from nine to five will not significantly change our ability to produce a sufficient data set from comparable classifications among those agencies.

Though removing certain agencies from the list could affect the data produced for individual classifications, they are recommended to be dropped when they do not produce comparable classifications for the majority of County benchmark classifications typically studied. Continuing to study them when they have been known to lack comparable classifications, simply because they are delineated in our current Compensation Philosophy, results in inefficiencies. Therefore, it is recommended the Compensation Philosophy be amended at this time to reflect a more relevant and effective group of comparator agencies as needed to achieve the Board's overall goal of maintaining a competitive and fiscally responsible pay and benefit structure.

### **ALTERNATIVES**

The Board could choose to override the recommendation and leave its existing Compensation Philosophy unchanged.

### **PRIOR BOARD ACTION**

The Board adopted its Compensation Philosophy, Resolution 147-2017, on September 26, 2017 (Legistar 14-1649, version 4).

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

Chief Administrative Office and County Department Heads

### **CAO RECOMMENDATION / COMMENTS**

Approve as recommended.

### **FINANCIAL IMPACT**

There is no direct financial impact to this item; any changes to compensation arising from the modification to the Compensation Philosophy comparator agencies would be separately negotiated with represented employee units, and/or otherwise presented to the Board as an independent action item, with applicable costing as such item occurs. This item could have indirect cost savings from administrative efficiencies in compensation studies that research, compile, and analyze classification and compensation data from five comparators instead of the existing nine.

### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

Provide Misty Garcia in the Human Resources Department with one (1) copy of the executed Resolution.

### **STRATEGIC PLAN COMPONENT**

Good Governance

### **CONTACT**

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