WASHOE COUNTY

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STAFF REPORT
BOARD MEETING DATE: *June 11, 2019*

DATE: Thursday, June 6, 2019

TO: Board of County Commissioners

FROM: Patricia Hurley, Director, Human Resources
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THROUGH: Christine Vuletich, Assistant County Manager

SUBJECT: Recommendation to approve Cost of Living Adjustments in base wage of 3% effective July 1, 2019 [FY 19/20 estimated fiscal impact $1,489,924], 2.5% effective July 1, 2020 [FY 20/21 estimated impact $1,527,172], and 2.5% effective July 1, 2021 [FY 21/22 estimated impact $1,565,352]; and updated health plan changes for Unclassified Management and Non-Represented Confidential employees, District Court employees, Justice Courts employees (excluding Justices of the Peace), Juvenile Services employees, and Truckee River Flood Management Authority's Executive Director and General Counsel; and increased shift differential and standby pay for Juvenile Services employees and confidential employees in the Alternative Sentencing Officer classification (15926) and Alternative Sentencing Sergeant (17550) classification. [Estimated total fiscal impact $4,582,448.] (All Commission Districts).

SUMMARY

The Board has in the past adopted the similar salary and benefits for employees not covered by a bargaining agreement. If approved, a Cost of Living Adjustment (COLA) of 3% effective July 1, 2019, 2.5% effective July 1, 2020, and 2.5% effective July 1, 2021; and updated health plan changes for Unclassified Management and Non-Represented Confidential employees, District Court employees, Justice Courts employees (excluding Justices of the Peace), Juvenile Services employees, and Truckee River Flood Management Authority's Executive Director and General Counsel; and increased shift differential and standby pay for Juvenile Services employees and confidential employees in the Alternative Sentencing Officer classification (15926) and Alternative Sentencing Sergeant (17550) classification.

The COLA's of 3% effective July 1, 2019, and 2.5% effective July 1, 2020, and 2.5% effective July 1, 2021 are commensurate with the COLA's negotiated with the Washoe County District Attorney Investigator's Association (WCDAIA) and Washoe County Public Attorneys' Association (WCPAA).

Washoe County Strategic Objective supported by this item: Valued, engaged employee workforce.

AGENDA ITEM # _____

PREVIOUS ACTION

On September 13, 2016 the Board approved Cost of Living Adjustments in base wage of 3% retroactive to July 1, 2016, 3.5% beginning July 1, 2017, and 2.5% beginning July 1, 2018; and updated sick leave/bereavement calculations, holidays and health plans; for Unclassified Management and Non-Represented Confidential employees, District Court employees, Justice Courts employees (excluding Justices of the Peace), Juvenile Services employees, and Truckee River Flood Management Authority's Executive Director and General Counsel.

On August 11, 2015 the Board approved 3% Cost of Living Adjustment to base wages for Unclassified Management, Non-Represented Confidential employees, District Court employees, Justice Courts employees (excluding Justices of the Peace), and Juvenile Services employees effective July 1, 2015.

BACKGROUND

Represented employees' salaries are primarily governed by provisions within their negotiated contracts; unrepresented employees are primarily governed by the Washoe County Code Sections 5.109 through 5.147. The Board of County Commissioners has in the past adopted the same salary and benefits for unrepresented employees as have been negotiated for represented employees. The recommendation for salaries for these groups is a COLA of 3% effective July 1, 2019, and 2.5% effective July 1, 2020, and 2.5% effective July 1, 2021.

Also, the Board is requested to approve changes to the health plan language for Unclassified Management and Non-Represented Confidential employees, District Court employees, Justice Courts employees (excluding Justices of the Peace), Juvenile Services employees, and Truckee River Flood Management Authority's Executive Director and General Counsel; and increased shift differential and standby pay for Juvenile Services employees and confidential employees in the Alternative Sentencing Officer classification (15926) and Alternative Sentencing Sergeant (17550) classification. Where necessary, changes to County Code to reflect these changes will be handled through the preparation of a proposed ordinance pursuant to Washoe County Code 2.040. Following is a summary explanation of the substantive changes:

Health Plan

The Health Plan language is cleaned-up to remove outdated information and to update the language to reflect current information and practice. Substantial changes include: Removing Section A. which includes the outdated "Cadillac Tax" language; Updating Section C. on the handling of a dispute over a medical claim; removing the reference to a Vice Chairperson; and in Section E. replacing the reference to the State PEBP Retiree Health plan subsidy with the County subsidy; updating the increase of the County provided monthly subsidy to occur only in years there is an increase to health premiums; clarifying that employees hired after June 30, 2010, that elect to remain in the County Retiree Health Plan, must, upon eligibility, enroll in Medicare Parts A and B with Medicare becoming the primary coverage; and updating that dependent children shall be covered up to the age of twenty-six (26) vs. through the age of eighteen (18).

Shift Differential

Shift differential is a negotiated pay with represented bargaining units and is not a covered benefit for all non-represented employees under County Code. Certain non-represented employee groups have either gone to the Board to be approved for shift differential or have opted to identify shift differential as a benefit in their department specific Personnel Manual. For these non-represented employee groups, shift differential has been increased from six (6%) to seven (7%) of base salary.

Juvenile Services has opted to identify shift differential as a benefit in their department specific Personnel Manual for performing work between the hours of 6:00 p.m. and 6:00 a.m.

On August 9, 2016 (Agenda Item #5C), the Board approved the Alternative Sentencing Department's request for the confidential non-represented classifications of Alternative Sentencing Officer (15926) and Alternative Sentencing Sergeant (17550) to be eligible to receive shift differential pay for performing work between the hours of 7:00 p.m. and 7:00 a.m. commensurate with other sworn peace officers.

Standby Pay

Standby pay is a negotiated pay with represented bargaining units and is not a covered benefit for all non-represented employees under County Code. Certain non-represented employee groups have opted to identify standby pay as a benefit in their department specific Personnel Manual. For these non-represented employee groups, standby pay is being increased from $5 per hour to $6 per hour.

Juvenile Services has opted to identify standby pay as a benefit in their department specific Personnel Manual for an employee assigned to standby duty.

FISCAL IMPACT

The annual FY 19/20 fiscal impact associated with these recommendations is estimated at $1,489,924 and a portion is included in the FY19/20 approved budget. These cost increases may necessitate a budget adjustment during the fiscal year. The Budget Office will monitor the budget status related to these changes and propose necessary budget adjustments as needed.

The FY19/20 impact is broken out as follows:

- Unclassified Management = $110,796 COLA
- Non-Represented Confidential $302,531 COLA + $863 Standby + $280 Shift Differential = $303,674
- District Court = $490,604 COLA
- Justice Courts = $194,206 COLA
- Juvenile Services $357,508 COLA + $7,063 Standby + $13,556 Shift Differential = $378,127
- Truckee River Flood Management Authority = $12,517 COLA ($6,790 Executive Director + $5,727 General Counsel)
- [Total = $1,489,924]

The annual FY20/21 and FY 21/22 fiscal impact associated with these recommendations is estimated at $1,527,172 and $1,565,352 and is broken out as follows:

The FY20/21 impact is broken out as follows:

- Unclassified Management = $113,566 COLA
- Non-Represented Confidential $310,094 COLA + $884 Standby + $287 Shift Differential = $311,265
- District Court = $502,869 COLA
- Justice Courts = $199,061 COLA
- Juvenile Services $366,446 COLA + $7,240 Standby + $13,895 Shift Differential = $387,581
- Truckee River Flood Management Authority = $12,830 COLA ($6,960 Executive Director + $5,870 General Counsel)
- [Total = $1,527,172]

The FY21/22 impact is broken out as follows:

- Unclassified Management = $116,405 COLA
- Non-Represented Confidential $317,846 COLA + $906 Standby + $295 Shift Differential = $319,047
- District Court = $515,441 COLA
- Justice Courts = $204,038 COLA
- Juvenile Services $375,607 COLA + $7,421 Standby + $14,242 Shift Differential = $397,270
- Truckee River Flood Management Authority = $13,151 COLA ($7,134 Executive Director + $6,017 General Counsel)
- [Total = $1,565,352]

These cost increases for future years will be included in the budget for each fiscal year.

RECOMMENDATION

It is recommended that the Board of County Commissioners approve Cost of Living Adjustments in base wage of 3% effective July 1, 2019 [FY 19/20 estimated fiscal impact $1,489,924], 2.5% effective July 1, 2020 [FY 20/21 estimated impact $1,527,172], and 2.5% effective July 1, 2021 [FY 21/22 estimated impact $1,565,352]; and updated health plan changes for Unclassified Management and Non-Represented Confidential employees, District Court employees, Justice Courts employees (excluding Justices of the Peace), Juvenile Services employees, and Truckee River Flood Management Authority's Executive Director and General Counsel; and increased shift differential and standby pay for Juvenile Services employees and confidential employees in the Alternative Sentencing Officer classification (15926) and Alternative Sentencing Sergeant (17550) classification. [Estimated total fiscal impact $4,582,448.]

POSSIBLE MOTION

Should the Board agree with staff's recommendations a possible motion would be:

Move to approve Cost of Living Adjustments in base wage of 3% effective July 1, 2019 [FY 19/20 estimated fiscal impact $1,489,924], 2.5% effective July 1, 2020 [FY 20/21 estimated impact $1,527,172], and 2.5% effective July 1, 2021 [FY 21/22 estimated impact $1,565,352]; and updated health plan changes for Unclassified Management and Non-Represented Confidential employees, District Court employees, Justice Courts employees (excluding Justices of the Peace), Juvenile Services employees, and Truckee River Flood Management Authority's Executive Director and General Counsel; and increased shift differential and standby pay for Juvenile Services employees and confidential employees in the Alternative Sentencing Officer classification (15926) and Alternative Sentencing Sergeant (17550) classification.