



Agenda Report

19-673

Agenda Date: 6/4/2019

REPORT TO COUNCIL

SUBJECT

Action on a Resolution to Approve and Adopt the 27 Separate Salary Schedules for Classified and Unclassified Positions for the Period of 2012-2019 Per California Code of Regulations 570.5

BACKGROUND

The City of Santa Clara contracts with the California Public Employees' Retirement System (CalPERS) to provide retirement benefits for employees in both classified and unclassified positions. On December 6, 2018, CalPERS released a final Public Agency Review (PAR) report on the results of a Payrate Increases Review for 42 public agencies, 12 schools and 10 state agencies, conducted by the CalPERS' Office of Audit Services (OFAS). The City of Santa Clara was among one of the 42 public agencies that was audited. The review was limited to the examination of a sample of active and/or retired employee records for the period of July 2012 to December 2018. The OFAS determined that the City of Santa Clara was not in compliance with the California Code of Regulations and Government Code contained within the Public Employees' Retirement Law (PERL). Specifically, the City of Santa Clara had not maintained pay schedules in compliance with the California Code of Regulations (CCR) section 570.5. The City Administration was directed to work with CalPERS' designated program liaisons to obtain full resolution of the Public Agency Review.

DISCUSSION

The PAR Audit conducted by CalPERS' OFAS concluded that the City of Santa Clara did not maintain pay schedules in compliance with CCR Section 570.5, which indicates that a pay schedule, among other things, must:

- Be duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
- Identify the position title for every employee position;
- Show the payrate as a single amount or multiple amounts within a range for each identified position;
- Indicate the time base such as hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
- Be 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;
- Indicate an effective date and date of any revisions
- Be retained by the employer and available for public inspection for not less than five years; and
- Not reference another document in lieu of disclosing the payrate.

In response to the OFAS audit, the City of Santa Clara worked in collaboration with CalPERS'

assigned Audit Compliance & Resolution Liaison and submitted updated salary schedules for unclassified positions for the period of 2012 - 2019 and developed salary schedules for classified positions for the same period. The salary schedules were updated or created to be in compliance with CCR section 570.5. The unclassified salary schedules included all positions represented by the Miscellaneous Unclassified Management Employees (Unit 9), Unclassified Police Management Association (Unit 9A), and Unclassified Fire Management Employees (Unit 9B). The salary schedules for classified positions included all positions represented by IAFF, Local 1171 Santa Clara (Unit 1), Police Officers Association (Unit 2), International Brotherhood of Electrical Workers (IBEW) Local 1245 (Unit 3), Engineers of the City of Santa Clara (Unit 4), City of Santa Clara Employees' Association (Units 5, 7, & 8), American Federation of State County and Municipal Employees Local 101 (Unit 6) and Public Safety Non-Sworn Employees Association (Unit 10).

The salary schedules for both unclassified and classified positions were reviewed by CalPERS' Audit Compliance & Resolution team and the City of Santa Clara received confirmation that the schedules satisfactorily complied with CCR section 570.5 and must also be approved and adopted by the City Council.

Upon the City Council's approval of the salary schedules for the period of 2012 - 2019, staff will provide the Council minutes approving the salary schedules and the accompanying resolution to the CalPERS Division of Audit Compliance & Resolution. In addition, the salary schedules will be made publicly available on the City's website.

Once CalPERS has received the Resolution adopting the required salary schedules for the period of 2012 - 2019, the audit finding should be resolved. The City will receive official closure of the audit finding from CalPERS once their final review and determination has been completed.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

FISCAL IMPACT

There is no fiscal impact to the City in approving the salary schedules for unclassified and classified position for the period of 2012-2019.

COORDINATION

This report has been coordinated with the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Adopt a Resolution to approve and adopt the 27 salary schedules for unclassified and classified positions for the period of 2012-2019 in accordance with California Code of Regulations 570.5.

Reviewed by: Teresia Zadroga-Haase, Director of Human Resources

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. 2012 Unclassified Salary Schedule Effective 2011-06-27
2. 2013 Unclassified Salary Schedule Effective 2013-02-13
3. 2013 Unclassified Salary Schedule Effective 2013-07-01
4. 2014 Unclassified Salary Schedule Effective 2013-12-22
5. 2014 Unclassified Salary Schedule Effective 2014-05-25
6. 2014 Unclassified Salary Schedule Effective 2014-07-01
7. 2015 Unclassified Salary Schedule Effective 2014-12-21
8. 2016 Unclassified Salary Schedule Effective 2015-12-20
9. 2017 Unclassified Salary Schedule Effective 2016-12-18
10. 2017 Unclassified Salary Schedule Effective 2017-10-02
11. 2018 Unclassified Salary Schedule Effective 2017-12-17
12. 2018 Unclassified Salary Schedule Effective 2018-07-01
13. 2018 Unclassified-Elected Salary Schedule Effective 2018-09-20
14. 2019 Unclassified-Elected Salary Schedule Effective 2018-12-16
15. 2019 Unclassified Salary Schedule Effective 2019-06-02
16. 2012 Classified Classification Salary Plan (effective 2011-12-25)
17. 2012 Classified Classification Salary Plan (effective 2012-01-08)
18. 2013 Classified Classification Salary Plan (effective 2012-12-23)
19. 2014 Classified Classification Salary Plan (effective 2013-12-22)
20. 2014 Classified Classification Salary Plan (effective 2014-05-25)
21. 2015 Classified Classification Salary Plan (effective 2014-12-21)
22. 2015 Classified Classification Salary Plan (effective 2015-06-21)
23. 2016 Classified Classification Salary Plan (effective 2015-12-20)
24. 2017 Classified Classification Salary Plan (effective 2016-12-18)
25. 2018 Classified Classification Salary Plan (effective 2017-12-17)
26. 2019 Classified Classification Salary Plan (effective 2018-12-23)
27. 2019 Classified Classification Salary Plan (effective 2019-06-02)
28. Resolution to Approve and Adopt 2012-2019 Salary Schedules