

June 28, 2005

Board of Commissioners
Marin Housing Authority
Civic Center Drive
San Rafael, CA 94903

SUBJECT: Approval of Revised Position Classifications and Equity Adjustments

RECOMMENDATION:

1. Approve the Position Classifications for management, confidential and represented employees
2. Authorize salary equity adjustments (attached) effective with the pay period beginning July 3, 2005 (pay date July 21, 2005)

SUMMARY: When the Housing Authority and SEIU 949 negotiated their collective bargaining agreement last year, 1.5% (\$32,360) of the salaries of represented employees was set aside for equity adjustments for represented employees, to be recommended by the Authority's Labor/Management Committee.

A consultant, Koff and Associates (Koff), was retained to undertake a Classification and Compensation Study. Your Board approved the contract with Koff on January 4, 2005. The Study covered management, confidential and represented employees. Koff surveyed 13 comparator agencies to develop up-to-date classifications for all the Housing Authority positions and to determine the total compensation (i.e., salaries and benefits) paid by the comparators to their employees. The Labor/Management Committee worked closely with Koff in determining the comparator agencies and reviewing various drafts of the report.

Koff grouped our positions into 27 classes. Survey data was insufficient for six of those, so compensation recommendations were benchmarked against internal positions. Of the 21 classes that produced survey results, 20 receive total compensation below market. In general, Marin Housing is among the lowest compensated agencies of the comparator agencies for all its positions.

Represented Positions. When the Study was complete, the Labor/Management Committee met to determine equity adjustments for represented employees. Several approaches were weighed. Ultimately, the Committee determined it appropriate to recommend that those positions most out of line with the market receive the largest equity adjustments. The method used was to give employees who are more than 18% "off the market" an increase of 16% of the *difference* between their current monthly

salary and the survey salary while those less than 18% off the market received an increase of 15% of the difference. Therefore, all employees, with the exception of the one position above market, receive an equity adjustment. The actual salary increases range from 5.55% (for a class that is 34.66% below market) to .38% (for a class that is 2.52% below market). To fund these requires \$32,408, \$48 above the amount set aside.

Reclassified Positions. Koff also recommended that four positions be reclassified. The Labor/Management Committee determined that the \$32,360 that had been set aside for equity adjustments was insufficient to accommodate the reclassifications as well, and that such reclassifications were better handled separately. Although I believe the reclassifications are justified, we do not have sufficient funds at this time to fund them. I should, however, have a better understanding of our HUD funding in September and I would propose that, at that time, I bring back to your Board those reclassifications that we can accommodate. It may be that we will be able to process some this year and the remainder next year.

Management and Confidential Positions. Management and confidential (M&C) positions were included in the Study although equity adjustments for such positions were, of course, not provided for in the \$32,360 set aside for represented employees. Due to fiscal constraints I do not recommend equity adjustments for all M&C positions. Instead, I recommend that adjustments be made to the four positions that are off the market by 10% or more. These four would receive the same 15% differential adjustment recommended for the represented employees. The actual salary increases range from 5.02% (for a class that is 31.38% below market) to 2.07% (for a class that is 13.83% below market). To fund these requires \$713 per month (\$8,557 per year).

FISCAL IMPACT: To fully fund all equity adjustments necessary to bring all positions up to the market would cost about \$290,000. This is beyond our financial ability which, of course, is dependent on the federal budgetary process and HUD. The costs of the recommended increases are \$32,408 for represented employees and \$8,557 for M&C employees, for a total of \$40,965.

NOTE: Due to the length of the revised position classification descriptions, they are not included in the regular Board packet. However, a complete copy is available in the Clerk's office for review.

Very truly yours,

CHRISTINE GOUIG
Executive Director

Attachments: Represented Employees Salary Equity Adjustment Chart
Management/Confidential Employees Salary Equity Adjustment Chart