



STAFF REPORT

DATE: January 25, 2021
TO: Sacramento Regional Transit Board of Directors
FROM: Shelly Valenton, VP, Integrated Services and Strategic Initiatives
SUBJ: JOB CLASSIFICATION PAY RANGE ADJUSTMENT FOR CLASSIFICATIONS WITHIN THE MANAGEMENT AND CONFIDENTIAL EMPLOYEE GROUP (MCEG)

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

If approved, then the pay ranges for classifications within MCEG will be increased by 3% annually from Calendar Year 2021 through 2025.

FISCAL IMPACT

The impact for the remainder of Fiscal Year 20-21 is negligible at \$757. The impact for Fiscal Year 21-22 is estimated to be \$27,700. The impact in years thereafter will depend upon attrition, future hiring and staffing levels. By limiting the pay range increases to the same 3% as annual anniversary increases, those changes will be assumed in each budget year projection.

DISCUSSION

Section 7.03 of the Personnel Policy Manual (PPM) provides, "Pay ranges may be adjusted periodically in consideration of economic trends, competitive ranges of other similarly situated employers, recruitment and retention challenges, and/or relevant factors as determined by the General Manager/CEO or designee." Prior to the Board's adoption of the PPM effective July 1, 2019, the Personnel Rules and Procedures provisioned annual range changes, based upon an external index, for classifications designated to the Administrative Employees Association (AEA) and to the unrepresented Management and Confidential Employee Group (MCEG). In adopting the language cited above in the PPM, the Board authorized the General Manager/CEO to identify under what circumstances it would be appropriate to recommend increases to the pay ranges for the unrepresented employees. Following certification of Operating Engineers, Local 3 in May 2019 to represent the AEA employees, their wages became subject to collective bargaining.

Pursuant to Section 7.04 of the PPM, individual employees in MCEG designated classifications have continued to be eligible, based upon satisfactory performance, for 3%

anniversary pay increases not to exceed the maximum for their respective pay ranges. However, the pay ranges themselves have not been modified since January 1, 2019.

There are currently 90 employees in MCEG designated classifications. Without an increase to the pay ranges, five individuals have reached the maximum pay for their pay range and are not able to receive any future annual pay increases. An additional 14 employees are paid less than 6% below the maximum for their respective ranges. Without increases to the ranges, assuming the 3% anniversary increases within range, they will “top out” before the end of Fiscal Year 2023. By scheduling 3% range increases each January for the MCEG designated classifications, those employees would be eligible for annual pay increases of 3% and would not be disadvantaged by topping out against a static pay range due to their longevity with SacRT.

By comparison, pursuant to applicable collective bargaining agreements, SacRT employees in the AFSCME Supervisory bargaining unit and the OE3 bargaining unit receive 3% anniversary increases not to exceed the top of the range and the pay ranges are scheduled to be increased by 3% each January 1. In a separate action on the agenda for January 25, 2021, the Board is being asked to approve a successor collective bargaining agreement for the AFSCME Admin/Tech bargaining unit which contains identical provisions. Staff recommends approving the 3% annual pay range increases for the classifications designated as MCEG through January 2025. This would serve to provide such increases over the same period of time as the Board approved on December 14, 2020 in the new collective bargaining agreement for the Administrative Employees represented by Operating Engineers, Local 3, the group with whom the MCEG employees historically have been most closely aligned for purposes of pay and benefits.

Staff recommends the Board approve the attached Resolution.

RESOLUTION NO. 21-01-0002

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

January 25, 2021

**JOB CLASSIFICATION PAY RANGE ADJUSTMENT FOR CLASSIFICATIONS
WITHIN THE MANAGEMENT AND CONFIDENTIAL EMPLOYEE GROUP (MCEG)**

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT the pay ranges for job classifications designated as MCEG be increased by 3%, effective January 1, 2021, and on each January 1 thereafter through and including January 1, 2025.

STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary