



Midpeninsula Regional
Open Space District

R-11-67
Meeting 11-18
July 13, 2011

STUDY SESSION AGENDA ITEM 1

AGENDA ITEM

Presentation of District's Classification and Compensation Study Results and Recommendations by Koff & Associates and Board Study Session

GENERAL MANAGER'S RECOMMENDATION

The General Manager recommends that the Board review and discuss the District's Classification and Compensation Study recommendations made by Koff & Associates.

SUMMARY

This report presents the final results and recommendations of Koff & Associates' District Classification and Compensation Study and summarizes key recommended changes. The intent of this study session is to provide the Board with the opportunity to ask questions about the survey results in preparation for a subsequent meeting where the Classification and Compensation Study will be brought before the Board for approval and future implementation.

DISCUSSION

On June 9, 2010, the District Board of Directors (Board) approved a professional services contract with Koff & Associates (Koff) for a District-wide classification and compensation study and, on August 11, 2010, approved an amendment to the contract to include a benefits study for a comprehensive classification and compensation analysis (Board Report 10-90). At its meeting of October 27, 2010, the Board approved Koff & Associates' recommendation of thirteen (13) benchmark agencies (Board Report 10-113).

During summer and fall 2010, Koff collected information regarding staff position responsibilities, developed position descriptions, revised some classification titles, researched and recommended appropriate comparator agencies, and completed salary and benefit comparisons for each position in the District. At the January 12, 2011 Board Meeting, Katie Kaneko, President of Koff & Associates, presented the progress on the District's Classification and Compensation study including methodologies, findings, and recommendations.

Koff & Associates has now completed the final report and recommendations. The full report and details of Koff & Associates' District Classification and Compensation Study recommendations are included in the attachments to this report.

The classification section is presented in Volume I and includes all newly created or updated class descriptions to ensure they are consistent with current position duties and responsibilities and properly reflect the required knowledge, skills, and abilities. Key changes included in the recommendation are:

1. Title changes are recommended for fifteen (15) classifications to accurately reflect the actual job responsibilities and duties performed by class incumbents and to be consistent with industry terminology;
2. Six positions are recommended for reclassification due to level and scope of work and/or job functions that have been added to the positions over time; and
3. Four positions are recommended to change from non-exempt (hourly) to exempt (salaried) to comply with Fair Labor Standards Act (FLSA) rules.

The compensation study contains information for the 32 of the District's 47 classifications that were selected for comparison to compensation data from other agencies. Each position selected from the comparator agencies had to match approximately 70% of the duties and responsibilities of the corresponding position at the District. Other job classifications not surveyed were aligned in the compensation plan using internal equity principals. Each comparator agency was interviewed to understand their organizational structure and possible classification matches. The top step salary median data is used for comparison because it is the exact midpoint of all the market data and is not skewed by extremely high or low salary values, unlike the mean (average) data. The differences between market base salaries and total compensation indicate that the District's benefits package, in terms of cost, is less than that of the market median, although not significantly less. Salary recommendations are based on top monthly salary and the benefits recommendation is that the District address benefits separately. The current District Classification and Compensation Plan is a point-based system and contains various ranges with minimum and maximum salaries assigned to each classification and is based on a total of 6 steps with 5 points in between each step. Staff recommends using Koff & Associates proposed model that has 65 salary ranges, each range contains ten steps that are 2.5% apart from the next higher step which will facilitate calculating salaries for multiple purposes including analysis, forecasting, and budgeting processes. It will also ensure that internal salary relationships are preserved and that the salary schedule remains structured and easy to administer.

After completing the study session, Administration staff will provide their classification and compensation recommendations to the Administration and Budget Committee. In their Report, Koff & Associates states this market survey is a tool to be used by the District to analyze data and internal relationships within class series as well as across the organization, and make adjustments to salary range placements as necessary based on the needs of the organization.

FISCAL IMPACT

The fiscal impact of implementing the study's compensation recommendations has not yet been determined and the purpose of this Study Session is to inform subsequent Board action regarding approval and implementation of the survey. Based on discussion and the outcome of the Board Study Session, implementation of any proposed compensation changes will be evaluated as part of the FY2012-13 budget development process to determine the fiscal impacts on District budget guidelines and operating expense forecasts.

PUBLIC NOTICE

Notice was provided pursuant to the Brown Act. No additional notice is necessary.

CEQA COMPLIANCE

No compliance is required as this action is not a project under the California Environmental Quality Act (CEQA).

NEXT STEP

After Board review and comment regarding the proposed District Classification and Compensation Plan, Administration staff and the General Manager will review the opportunities and constraints involved in implementing any recommended market adjustments identified in the study with the Administration and Budget Committee prior to bringing them to the full Board for approval.

Attachments:

1. Final Report of the Classification and Compensation Study for Midpeninsula Regional Open Space District – Volume I – Classification
2. Final Report of the Classification and Compensation Study for Midpeninsula Regional Open Space District – Volume II – Compensation

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**To obtain a copy of the
attachments,
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