



LANE COUNTY

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W.D.B.

AGENDA COVER MEMO

Memorandum Date: August 22, 2008
Order Date: August 27, 2008

TO: Board of County Commissioners

DEPARTMENT: Human Resources

PRESENTED BY: Greta Utecht, Human Resources Director

AGENDA ITEM TITLE: **ORDER/IN THE MATTER OF REVISING THE CLASSIFICATION FOR LIEUTENANTS AND THE PAY GRADES AND APPLICABLE CERTIFICATION PAY FOR LIEUTENANTS AND SERGEANTS.**

I. MOTION

MOVE APPROVAL OF ORDER 08 -- _____ IN THE MATTER OF REVISING THE CLASSIFICATION FOR LIEUTENANTS AND THE PAY GRADES AND APPLICABLE CERTIFICATION PAY FOR LIEUTENANTS AND SERGEANTS

II. AGENDA ITEM SUMMARY

The Board is being asked to change the classification of lieutenant to that of manager on the non-represented employee classification plan, and to revise the pay grades for sergeants and lieutenants. In addition, the Board is being asked to approve a change in which certifications are applicable for certification pay for both of these classifications.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

In December of 2006 the Board approved a new classification and compensation plan for the County's non-represented supervisory and management positions. In approving the new plans, the Board also

adopted a new methodology for reviewing and classifying positions. The new methodology (Decision-Banding) allows for a more flexible response to changes in the work force and how positions are categorized.

B. Policy Issues

Several policy issues were identified in December 2007 regarding how a new classification and compensation plan should be implemented, specifically regarding certain provisions of the Administrative Procedures Manual.

Under the Charter, the Lane Code (2.260-2.265) and Lane Manual (2.235), the Board sets the classification and compensation plans for the County. Chapter 3, Section 20 of the APM addresses the process of performing a review or audit of positions, generally on an individual basis. If the Board of County Commissioners approves the proposed plans, employees in the affected position will be reclassified to the new classification and placed on the new salary ranges.

This past July, the County Administrator signed a revised version of Section 16 of APM Chapter 3 in order to clarify that the normal definition of promotion is not used when the entire classification and compensation plan is being changed, and that the implementation strategy set by the Board overrides the normal definition of promotion. Prior procedures and practice were to place the employees on the same step of the grade or range of the new classification as the step they were placed on in the former classification, as long as it didn't result in a reduction in pay, when groups of employees have been placed in new classifications due to a group review. The new Section 16 allows for the Board to stipulate how placement on the new salary ranges occurs in order to address financial concerns.

C. Board Goals

The mission of Lane County is to provide high quality government services in a fair, open and economical manner to best meet the needs and expectations of our citizens and guests. The Lane County Strategic Plan clearly addresses the need for the Human Resources department to direct and coordinate the overall planning effort to identify actions to assure that workforce capabilities meet future needs, and to aim for a flexible classification and compensation system so that the system supports and does not inhibit excellent performance in the delivery of County services.

The County's Strategic Plan outlines specific objectives for our personnel programs, which include our classification and compensation plans.

Section A2 states in part that we will “strive for a flexible classification and compensation system;” we will “ensure that the system supports and does not inhibit excellent performance in the delivery of County services;” and that “County personnel polices will encourage job-related training and career development support.” Section B3 of the Strategic Plan goes on to describe the requirements of the Human Resources Plan, stating that it should assess both current and future workforce needs and capabilities, identify actions to assure that workforce capabilities meet future needs, and specify policies and practices to encourage training and development supports so employees have the knowledge, skills, and abilities to perform well.

Section 28 (4) of the Lane County Charter requires that “the Board of County Commissioners shall maintain a system of personnel administration, including appeal procedures, in which each person in that service shall receive equitable compensation fixed on the basis of

- (i) competence in the position with the county,
- (ii) record of service there and elsewhere,
- (iii) the range of compensation paid others by public and private employers for comparable service
- (iv) the county's financial condition and policies, and
- (v) other factors relevant to the determination of what is fair compensation for the individual.”

In addition, Lane Manual Section 2.235, Rule IV-3(a) states that “the compensation plan for County personnel shall provide reasonably competitive ranges of pay for each classification of employment. The Board may make adjustments in a salary range or ranges as necessary to attract and hold competent personnel and to provide equity between the various classifications. Such salary range adjustments are to be distinguished from merit increases in that they are not intended to give recognition to length or quality of service but are to be based solely on prevailing rates of pay in private business and other public jurisdictions in our market area for positions comparable to the various classes of work in the County service.”

The classifications and compensation grades for the positions referenced in Section A of this memorandum meet the above policy goals.

D. Financial and/or Resource Considerations

The cost of assigning the four lieutenants to the manager classification and assigning a new pay grade of D62 effective the first full pay period following July 1, 2008 results in approximately \$4,000 additional salary costs for FY08-09.

Depending on how the Board wishes to implement a new pay grade for sergeants from C42 to C43, costs can range from as little as \$5,000 or as much as \$65,000 for FY08-09.

Financial implications for three different implementation options for changing the pay grade of the sergeants are detailed in the following analysis section of this memorandum.

There are no additional costs to changing which certifications earn premium pay for sergeants and lieutenants.

E. Analysis

Lieutenants Classification and Pay Grade:

During the initial non-represented employee classification study phase, affected employees were instructed to fill out position description questionnaires. Where one classification was filled by several employees (such as the lieutenants), human resources encouraged the employees to meet and submit one questionnaire to reduce the work involved. Based on the questionnaires that were submitted at the time (January 2006), lieutenants were classified as lieutenants, and were assigned a pay grade of C52 (\$56,680 - \$85,030) under the new system. Since that time, there have been many changes in the Sheriff's Office and there are now fewer employees in the lieutenant classification. This past March human resources reviewed revised information from the current employees holding the classification of lieutenant, and now recommends that they be assigned to the classification of manager with a new pay grade of D62 (\$62,005 - \$92,997). The manager designation is more descriptive of the type of duties performed, although the job/working title will remain lieutenant.

Given that this change is not intended to address a compaction issue, human resources recommends that the classification and pay grade for lieutenants be revised effective the first working day of the first full pay period after July 1, 2008,, and that the lieutenants be placed on the new grade at the closest step that does not result in a pay reduction. Then, as each lieutenant reaches his or her annual merit date, he or she would move one step higher on the grade, assuming successful performance.

Certification Pay Changes:

Currently lieutenants earn 3% certification pay for two levels of certification: the Oregon State DPSST management level and the executive level. No more than 6% certification pay is granted. Each Sheriff can determine which levels he or she will recognize for each rank, and it depends on the organizational structure of the specific department. The Lane County's Sheriff's Office now has the rank of Undersheriff, which did not exist in the past. Therefore, the likelihood of our lieutenants being able to earn or utilize executive level certification is low, since there are now two ranks between them and the Sheriff (captain and undersheriff), and part of the

executive requirement is that the person serve as the Sheriff when needed. Therefore, Sheriff Burger and human resources recommend that lieutenants be given credit for their supervisory and management certifications, but not for any executive certification they may have. And, using the same argument, the sergeants shall be granted premium pay for their advanced and supervisory certifications, but not for management level certification.

Pay Grade Change for Sergeants:

Other changes have occurred in the Sheriff's Office since the new plans were adopted that specifically impact the sergeants, i.e., the ratification of a new labor contract with the Lane County Peace Officers Association, granting them a total salary increase of 4.25% effective July 2007 and another 4.25% increase effective July 2008. The result is that the salary differential between deputies and sergeants is too small to encourage deputies to promote to sergeant, since deputies earn longevity and premium pay incentives that don't apply to sergeants. Human resources recommends that the pay grade for sergeants be changed from C42 (\$47,840 – \$71,760) to C43 (\$50,211 - \$75,296). Three implementation alternatives are presented below.

1. Effective the beginning of the first full pay period of July 2008, move all sergeants to the closest step on the new grade that does not result in a decrease in pay. Merit dates will not be reset, and employees will advance to the next step at the time of their annual review, assuming successful performance. This option is the least expensive option but does not help reduce the compaction between the deputies and the sergeants. This option will cost the County approximately \$5,000 more in salary costs for FY08-09. With statutory benefits, the total cost for this option is approximately \$7,000.
2. Effective the beginning of the first full pay period of July 2008, move all sergeants to the closest step on the new grade that does not result in a decrease in pay. Merit dates will not be reset, and at the time of their annual review, assuming successful performance, employees will advance **two** steps, bringing them back up to the same step they were at as of July 2008. This is second least costly option, resulting in approximately \$30,000 more in salary costs and a total cost increase for FY08-09 of \$41,700 with statutory benefits.
3. Effective the beginning of the first full pay period of July 2008, move all sergeants to the same step on new pay grade as the one to which they are currently assigned. Merit dates will not be reset, and at the time of their annual review, assuming successful performance, employees will advance to the next step. This is the most expensive option, resulting in approximately \$65,000 in salary costs and \$90,000 in salary plus statutory benefit costs.

F. Alternatives/Options

A least five options are available to the Board.

1. Adopt the proposed changes to the lieutenants' positions, reclassifying them as managers at pay grade D62 with the implementation plan outlined above.

Adopt the changes to certification levels earning premium pay for sergeants and lieutenants as outlined above.

Adopt ALTERNATIVE ONE for changing the pay grade for sergeants as outlined above.

2. Adopt the proposed changes to the lieutenants' positions, reclassifying them as managers at pay grade D62 with the implementation plan outlined above.

Adopt the changes to certification levels earning premium pay for sergeants and lieutenants as outlined above.

Adopt ALTERNATIVE TWO for changing the pay grade for sergeants as outlined above.

3. Adopt the proposed changes to the lieutenants' positions, reclassifying them as managers at pay grade D62 with the implementation plan outlined above.

Adopt the changes to certification levels earning premium pay for sergeants and lieutenants as outlined above.

Adopt ALTERNATIVE THREE for changing the pay grade for sergeants as outlined above.

4. Adopt some other combination than described.
5. Do not adopt any of the alternatives.

IV. RECOMMENDATION

Human resources recommends that the Board approve OPTION TWO above. Option two provides the most equitable implementation plan with reasonable costs to the County.

V. TIMING/IMPLEMENTATION

Staff recommends that these changes be effective as of 10 p.m. July 11, 2008.

VI. FOLLOW-UP

Human resources will update the classification and compensation plans for lieutenants and sergeants.

VII. ATTACHMENTS

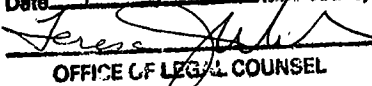
Board Order

IT IS FURTHER ORDERED that the changes for sergeant be retroactive based on hours worked since the beginning of the first full pay period following July 1, 2008, and the new pay grade be implemented by moving employees in the affected classification on that date to the closest step on the new grade that does not result in a reduction and merit dates remain unchanged, and employees who held the classification of sergeant on that date shall move two steps on the new pay grade if performance is successful upon the first merit date following the implementation date, thereafter moving one step each year if performance is successful; and

IT IS FURTHER ORDERED that the County Administrator is authorized to implement these classification and compensation changes.

Dated this _____ day of _____, 2008.

Faye Stewart, Chair
Board of County Commissioners

APPROVED AS TO FORM
Date 8/25/08 lap county

OFFICE OF LEGAL COUNSEL