

CROCKETT COMMUNITY SERVICES DISTRICT

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MINUTES OF PERSONNEL COMMITTEE MEETING JUNE 17, 2019

CALL TO ORDER: The meeting was called to order at 4:04 PM by Director Sutton. Also present were Commissioners Bartlebaugh and Cusack and Recreation Department Manager Wilson, along with General Manager McDonald and Assistant Secretary Witschi. Director Barassi was absent. Mr. Burnett recently announced his resignation from the Personnel Committee.

PUBLIC COMMENTS: None

1. DISTRICT CODE TITLE 4 – PERSONNEL: Mr. McDonald presented proposed changes to Title 4 Personnel of District Code. He said on March 12 the Personnel Committee asked that two questions be answered and that Title 4 be brought back for final review.

- *Should Title 4 Section 4.08.020 and 4.08.030 be updated to address protection of our employees from aggressive or harassing members of the public?* Prohibited conduct has been updated to add protections for our employees. No additional changes were needed in Section 4.08.030.
- *Title 4 Section 4.24 deals with Employer Employee Relations. Does it apply to small Districts such as ours?* The provisions in Section 4.24 are based on the Meyers-Milias-Brown Act, which applies to all public agencies and their employees. Even though the District is small, it is still possible that the few employees' eligible employees could become represented by an employee organization.

The proposed additional Title 4 changes were also reviewed. A motion to recommend to the District Board changes to Title 4 Personnel of District Code carried unanimously (rw/tc).

2. FORM SSA-1945 STATEMENT FOR JOBS NOT COVERED: Mr. McDonald reported that State and local government employers need to provide a statement to employees hired January 1, 2005 or later in a job not covered under Social Security. The District has four employees that participate in CalPERS retirement that do not contribute to Social Security. The statement explains how a pension from their job could affect future Social Security benefits to which they may become entitled. Form SSA-1945 is the document that employers should use to meet the requirements of the law. The document explains the potential effects of two provisions in the Social Security law for workers who also receive a pension based on their work in a job not covered by Social Security. The Windfall Elimination Provision can affect the amount of a worker's Social Security retirement or disability benefit. The Government Pension Offset Provision can affect a Social Security benefit received as a spouse, surviving spouse, or an ex-spouse. The Personnel Committee supports providing form to existing now and future employees upon hire.

3. SALARY AND BENEFITS STUDY: Mr. McDonald suggested discussing Items 1-3 and then making suggestions to the Board taking in the totality of potential salary and benefit impacts to the District employees. He provided a salary study on full-time year-round employees. Mr. Bartlebaugh asked who does the Office Team Survey. Mr. McDonald said Robert Half International compiles the data and provides the survey annually. Mr. McDonald used the mid-point percentile in the survey. He said as the report details the majority of District employee salaries are substantially lower than districts surveyed across the board. Ms. Sutton said, as an entity, we have to have a pay scale but it's at our discretion on how it's implemented. Mr. McDonald said the District's pay schedule was developed in part based on an anticipated 20-year career but the recent trend in the industry are salary schedules that are much shorter, reflecting people working at one position for 5 years or less. Other than minimum wage increases and negotiated contracts the District's pay schedule has not changed. Mr. Bartlebaugh said establishing a target relative to market survey would make sense. Mr. McDonald gathered information from agencies with similar types of service, budgets, and populations served and compared them against the District. The Event Supervisor position is the only position that appears to be adequately compensated compared to similar positions elsewhere. The Facilities Manager/Assistant District Secretary is close to reaching the top of her pay scale and at minimum, this scale should be adjusted. The remaining three positions are appointed exempt management positions who have, over the last year and a half, extended their contracts with the District. Mr. McDonald recommends increasing the pay schedule of the Facilities Manager by \$4 per hour so that starting pay for Step 1a would be \$21 per hour. To recognize the years of service to the District while balancing the District's financial needs, it is suggested the current Facilities Manager's pay should be increased to at least \$25 per hour. Mr. Bartlebaugh said a policy could be created based on making Cost-of-Living Adjustment plus 1% to slowly bring our pay scale back in alignment with other agencies. Mr. McDonald asked if you'd like the target goal to be developed by the Personnel Committee or by the Board. Mr. Bartlebaugh said the Personnel Committee or the Board should come up with target goals for the salary schedules. Mr. McDonald will come up with ideas on target goals and bring back to the committee for further discussion.

4. COST OF LIVING ADJUSTMENTS (COLA) POLICY: Mr. McDonald reported the District currently does not apply Cost-of-Living Adjustments (COLA) to its pay schedule of wages. He said the District's pay schedule is well below other comparable agencies in part because few COLA adjustments have been made over the years. Of the 38 agencies that responded to the 2019 CASA benefits study 27 make annual COLA adjustments, 9 make adjustments on a different frequency and 2 did not offer COLA adjustments, the District being one of them. The average amount of projected 2019 COLA in the CASA study was 3.83%. Mr. McDonald asked our attorney for a sample COLA resolution, which has been provided, to facilitate discussion. Mr. Wilson said no one has ever really taken the time to check out these studies seriously and implement changes. Ms. Sutton said it seems very clear that we need to do something. She asked what happens when an employee reaches the top of their pay scale, would you consider reclassifying that position. Mr. McDonald said the District has not had to address that question since he has been employed. Ms. Sutton said COLA could essentially be tailored to help those positions that are in need of being raised. She said the District can also leave the seasonal employees off the COLA. Mr. McDonald said the majority of COLA increases for public agencies usually take effect on July 1; however we can always do COLA increases, along with minimum wage increases on January 1. He suggested some kind of plan be put in place so that staff can focus energies elsewhere rather than revisiting the question on salary adjustments every year or two. Mr. Bartlebaugh

said there is cost of living and competitive pressure on what other employers are paying and the total compensation package, i.e., healthcare, comes into play as well.

5. HEALTH BENEFITS PROGRAM: Mr. McDonald handed out a Health Benefits Discussion memo he developed after speaking with Regional Governmental Services (RGS) on the matter of health benefit options and possible cash-in-lieu of benefits. Mr. McDonald said he has put a placeholder of \$800 per month per full-time employee in the FY 19/20 budget to cover a health care program if the District decides to pursue one. He said CalPERS is a comprehensive program that is expensive and would put in place an obligation for the District for its employees and its retirees. Mr. McDonald said he was worried about the administrative burden a health program will impose on the District. Ms. Sutton asked if RGS knows of any consortiums that we could join to help keep costs down and still provide health care choices to our employees. Mr. McDonald said it is important to continue this discussion now to allow us to keep the process moving forward with the goal of having something to consider by October/November. Mr. Bartlebaugh asked if \$800 would cover 100% of the premium for employees. Mr. McDonald said for most plans it would cover 100% for individual coverage, the District would still have to decide what if any would be contributed for self plus one or family health premiums. Mr. McDonald said that employees who are on the Affordable Care Act (ACA) exchange can choose to stay on the exchange if it is a better choice for the employee. Cash-in-lieu of benefits was discussed as an option. Mr. McDonald said that if that is pursued he believes a stipend would be in the District's best interest. Ms. Sutton has some concerns about the cash-in-lieu of benefits and believes our goal should be to offer up an employee plan. The committee said that staff should contact a broker to see if there are any health benefit programs that will work for our small agency. Mr. McDonald will speak with Rodeo Sanitary District, who has their health benefit program through the Special District Risk Management Authority (SDRMA), as they will have insight into the administrative burden it has on their small agency. Mr. McDonald will also reach out to SDRMA to ask more questions on continued qualification for plan offerings if the District drops below the 75% threshold of required employee participation to partake in the plan. After discussion of the agenda items 1 thru 3, a motion to recommend the Facilities Manager and Assistant District Secretary position starting pay be raised by \$4 per hour to \$21 per hour, adjust the salary of Facilities Manager Witschi to at least \$25 per hour, and implement a Cost-of-Living Adjustment based on the Consumer Price Index for Urban Areas (CPI-U), for the average 12-month period ending December 2018 equal to 3.98% to all other year-round employees carried unanimously (sb/tc). The discussion of health benefits will be continued with no action taken at this time. Mr. McDonald will draft a resolution based on the motion made for consideration by the Board on June 26 to be effective July 1.

6. GENERAL DISCUSSION OF EMPLOYMENT ISSUES: Mr. McDonald reported the District has an Employee Assistant Program (EAP) through Lincoln Financial and there is no need to seek this benefit from other service providers as part of a greater health care package or insurance. He said action on the Communications Assistant position is being tabled for now. He said at some point we will need to discuss Ms. Morales' working hours as she is below her contracted number of hours and has not meet the CalPERS full-time equivalent threshold in recent years. California Senate Bill SB 1300 expanded the definition of sexual harassment and offers new legal protections for employees who are harassed opening up the possibility of agencies being held civilly liable even if Federal thresholds for harassment are not legally met. Mr. Wilson asked Mr. McDonald what the definition of violence is as it relates to our Personnel Policy and the protections our employees are entitled to. Mr. McDonald will add this to a future agenda and bring it back to the Personnel Committee for discussion, possibly as soon as early July.

ADJOURNMENT: The meeting was adjourned at 5:44 PM.

Respectfully submitted,

Susan Witschi
June 25, 2019