

MICHAEL N. FEUER
CITY ATTORNEY

REPORT NO. R 1 4 - 0 2 0 7

REPORT RE:

APR 0 3 2014

**DRAFT ORDINANCE AMENDING SECTION 4.92 OF THE
LOS ANGELES ADMINISTRATIVE CODE PERTAINING TO SALARY STEP
ADVANCEMENT, TO PROVIDE UPDATED LANGUAGE TO REFLECT CURRENT
CITY PRACTICE AND TO ADD LANGUAGE TO REFLECT THE ESTABLISHMENT
OF 15-STEP SALARY RANGES FOR NON-REPRESENTED CLASSIFICATIONS**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Honorable Members:

Pursuant to your request, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. This ordinance would amend Section 4.307 of the Los Angeles Administrative Code pertaining to health insurance for non-represented employees, to increase the additional employee contribution toward health plan premium costs from 5% to 10%, update the provision on the non-Kaiser Full-Network HMO option, and add a new provision for Affordable Care Act coverage for eligible employees.

Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to the City Administrative Officer (CAO). The CAO recommends adoption of this ordinance.

The Honorable City Council
of the City of Los Angeles
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If you have any questions regarding this matter, please contact Senior Assistant City Attorney Zna Portlock Houston at (213) 978-7182. She or another member of this Office will be present when you consider this matter to answer any questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By 

DAVID MICHAELSON
Chief Assistant City Attorney

DM:ZPH:lh
Transmittal

ORDINANCE NO. _____

An ordinance amending Section 4.92 of the Los Angeles Administrative Code, pertaining to salary step advancement, to provide updated language to reflect current City practice and to add language to reflect the establishment of 15-step salary ranges for non-represented classifications.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Section 4.92 of the Los Angeles Administrative Code is amended in its entirety to read as follows:

(a) The first salary step advancement for an employee who has been initially appointed to City service, or who has been appointed or assigned to a position on a higher salary range, shall take place at the beginning of the payroll period one year from the date of the appointment or assignment and upon completion of 2,080 regular paid hours, unless provided otherwise in a Memorandum of Understanding. The employee's step anniversary date shall be every 12 months after the date of initial appointment or assignment to his/her position, except under the circumstances set forth in Subsection (c), even though the employee's step advancement will occur at the beginning of the payroll period within which the step anniversary date falls.

(b) Each subsequent step advancement shall occur at the beginning of the payroll period within which the employee's step anniversary date falls following an additional 12 months of service and the completion of 2,080 regular paid hours, except under the circumstances set forth in Subsection (c), until the top step has been reached.

(c) Uncompensated absences of 128 hours or less during the 2,080-hour qualifying period and during each subsequent 2,080-hour annual period shall not extend the step advancement date. The step advancement date shall be extended one hour for each hour of aggregated uncompensated absence in excess of 128 hours. Employees who are injured on duty and are compensated in accordance with Division IV of the Labor Code of the State of California and Article 7 of Division 4 of this Code shall not have their step advancement date changed due to their workers' compensation status.

(d) Consecutive appointments to positions with the same top step salary rate in the 12 months following the appointment or assignment shall be treated as one appointment or assignment for step advancement purposes, unless provided otherwise in a Memorandum of Understanding.

(e) An employee who is appointed to a new position on the same or lower salary range shall retain the step advancement date established for the former position.

(f) Provisions applicable to part-time (half-time and intermittent) employees:

(1) The initial salary step advancement for a half-time employee (half-time or more but less than full-time) in a Civil Service position compensated on a salary range shall be on the first day of the payroll period within which completion of one year of service occurs, provided that the employee will have been compensated for at least 1,040 hours during the same 12-month period, unless provided otherwise in a Memorandum of Understanding. Each subsequent step advancement shall be in the payroll period following the completion of one additional year of service within which the employee was compensated for 1,040 hours.

(2) Intermittent employees or half-time employees exempted from Civil Service provisions by Charter Section 1001 shall be paid a rate corresponding to the entering step in the salary range for the classification in which the employee is employed. Full-time or half-time employees changing to intermittent status in the same Civil Service class shall continue to be paid at the same rate as which they were last paid while a full/half-time employee. Employees who, on the effective date of this Section, are being compensated on a step in a salary range higher than that prescribed by this Section shall receive salary at their existing rate until that rate meets or exceeds the rate prescribed by this Section.

(g) Effective June 29, 2014, non-represented classifications listed in Schedule A of Section 4.61, which are compensated on a salary range shall be converted from a five-step salary range to a 15-step salary range. Step placement for employees on the new 15-step salary range will occur as follows:

(1) An employee's current step on a five-step salary range will be converted to a 15-step salary range by multiplying the current step times two, plus two. For example, an employee on step 3 of the five-step salary range will be placed on step 8 of the new 15-step salary range (step $3 \times 2 + 2 = \text{step } 8$). Step anniversary dates for all non-represented employees shall remain unchanged and shall be frozen on June 29, 2014, and shall be unfrozen on June 30, 2015.

(2) Immediately upon conversion to the 15-step salary range, each employee in a non-represented classification will advance one step on the new range effective June 29, 2014.

(3) Effective December 28, 2014, each employee in a non-represented classification shall advance one step on the new range.

(4) Effective June 28, 2015, each employee in a non-represented classification shall advance one step on the new range.

(h) Effective June 29, 2014, the following shall apply to employees promoting between classifications on five-step and 15-step salary ranges:

(1) When an employee promotes from a classification on a five-step salary range to a classification on a 15-step salary range, the following shall occur:

a. The employee's step on the five-step salary range shall be converted to the equivalent step on a 15-step salary range using the methodology described in (g)(1) above. For example, an employee on step 3 of a five-step range shall be converted to step 8 of a 15-step salary range.

b. The employee shall then be advanced one salary step on the 15-step salary range. For example, an employee on step 8 of a 15-step salary range shall be placed on step 9 of a 15-step salary range.

c. The employee shall be placed on the step of the promotional classification salary range that is closest to (but not less than) the newly assigned salary step.

(2) When an employee promotes from a classification on 15-step salary range to a classification on a five-step salary range, the following shall occur:

a. If the employee's salary step on the 15-step salary range exceeds the highest salary step of the five-step salary range, the employee shall be placed on step 5 of the five-step salary range.

b. If the employee's salary step on the 15-step salary range is within the five-step salary range, the employee shall be placed on the step on the five-step salary range that is at least five (5) percent above the step of the 15-step salary range.

(i) Effective June 29, 2014, the following shall apply to employees transferring, transitioning, or reverting between classifications on five-step and 15-step salary ranges:

(1) When an employee transfers, transitions, or reverts from a classification on a five-step salary range to a classification on a 15-step salary range, the following steps shall be taken:

a. The employee's step on the five-step salary range shall be converted to the equivalent step on a 15-step salary range using the methodology described in (g)(1) above. For example, an employee on

step 3 of a five-step range shall be converted to step 8 of a 15-step salary range.

b. The employee shall be placed on the step of the new classification salary range that is closest to (but not less than) the newly assigned salary step.

(2) When an employee transfers, transitions, or reverts from a classification on a 15-step salary range to a classification on a five-step salary range, the following shall occur:

a. If the employee's salary step on the 15-step salary range exceeds the highest salary step of the five-step salary range, the employee shall be placed on step 5 of the five-step salary range.

b. If the employee's salary step on the 15-step salary range is within the five-step salary range, the employee shall be placed on the step on the five-step salary range that is closest to (but not less than) the step of the 15-step salary range.

(j) Effective June 29, 2014, employees newly hired to the City, or transferring employees whose current salary falls below the first step of the 15-step salary range, shall be placed on the first step of the salary range in effect at the time of appointment.

Sec. 2. This ordinance shall be operative upon publication pursuant to Charter Section 252(g).

Sec. 3. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of _____.

HOLLY L. WOLCOTT, Interim City Clerk

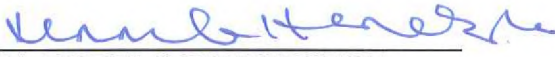
By _____ Deputy

Approved _____

Mayor

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By 
ZNA PORTLOCK HOUSTON
Senior Assistant City Attorney

Date 4/31/2014

File No. _____