

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: September 27, 2019

To: The City Council

From: Richard H. Llewellyn, Jr., City Administrative Officer



Subject: **NON-REPRESENTED EMPLOYEES – RECOMMENDATIONS FOR FISCAL YEARS 2018-19 THROUGH 2021-22 AND RELATED TECHNICAL ADJUSTMENTS TO THE LOS ANGELES ADMINISTRATIVE CODE**

RECOMMENDATIONS

The City Administrative Officer (CAO) recommends the following actions by the City Council and Mayor:

1. That the City Council, subject to the approval of the Mayor, adopt:
 - A. The attached ordinance approved as to form and legality by the City Attorney amending Schedule “A” of Section 4.61 of the Los Angeles Administrative Code (LAAC) to implement the salary ranges and rates for non-represented employees as listed in Attachments A-I and A-II, and salary ranges and rates for General Managers as listed in Attachments B-I and B-II, to be effective October 28, 2018; January 19, 2020; January 31, 2021; January 30, 2022, and June 20, 2022;
 - B. The attached ordinances approved as to form and legality by the City Attorney amending various provisions of the LAAC, as follows:
 - Amending the Salary Notes of Schedule “A” of Section 4.61 to provide premium level compensation for a non-represented employee designated to perform as the Budget Director for the Mayor’s Office.
 - Amending Salary Notes of Schedule “A” of Section 4.61, including Notes H and N, to provide updated and gender neutral language.
 - Amending Note P of Salary Notes of Schedule “A” of Section 4.61 to increase the premium level compensation from 2.75% to 5.5% for certain non-represented employees with professional certifications in the areas of labor relations and human resources.

- Amending Section 4.84 to provide clarifying and updated language for bilingual premium pay.
 - Amending Section 4.92 to establish 12-step salary ranges for non-represented employees, in place of the existing 15-step salary range structure.
 - Amending Sections 4.110.1 and 4.126 to provide updated language for compensated personal time off benefits for intermittent employees, and in conformance with State legislative requirements, updated sick leave provisions, respectively.
 - Amending Section 4.162 to provide updated language for pregnancy-related leaves.
 - Amending Section 4.127 to increase the aggregate number of Family Illness days for non-represented employees from 12 to 15 days and allow the use of 75% Sick Leave upon exhaustion of 100% Sick Leave.
 - Amending Section 4.129 to remove the restriction limiting the amount of bonding time shared by parents who are both City employees, and to remove obsolete language in conformance with the California Family Rights Act.
 - Amending Section 4.254 to increase the maximum vacation accrual period from two to three years for non-represented employees
 - Amending Section 4.307 to terminate the provision requiring that non-represented employees contribute 10% of the City's monthly healthcare subsidy.
2. That the City Council authorize the Controller to issue a non-pensionable cash payment to full-time, non-represented employees equivalent to 1.4% of their annual base salary in effect on July 1, 2019, who were on the payroll in full-time status on July 1, 2019. These payments shall have applicable taxes withheld.
 3. That the City Council authorize the Controller and the CAO to correct any clerical errors or make necessary technical corrections subsequent to City Council approval.

SUMMARY

In accordance with Executive Employee Relations Committee (EERC) instructions, the attached ordinances have been approved by the City Attorney as to form and legality and reflect recommended changes to salaries and benefits for non-represented employees. Unless otherwise noted specifically, the salary changes for non-represented employees are consistent with existing Council policy adopted in 2012 (C.F. 12-1148) which follow the salary changes approved by the Council and Mayor for members represented by the

EAA including the general salary increase schedule, the conversion to a 12-step salary range structure, and the 1.4% cash payment for full-time employees.

The various changes to benefit provisions ensure consistency with represented employees, compliance with State laws or City policy, and/or provide clarifying language.

Attachments A-I and A-II provide the wages for full-time and certain part-time non-represented employees in Council-controlled and proprietary departments, excluding the Department of Water and Power. The general salary increase adjustments are as follows:

- Effective October 28, 2018 – 2.9%
- Effective January 19, 2020 – 2.75%
- Effective January 31, 2021 – 2.0%
- Effective January 30, 2022 – 2.0%
- Effective June 19, 2022 – 1.5%

In addition to the base wage salary adjustments listed above, the key provisions are as follows:

- Each full-time non-represented employee, who was on the City's payroll on July 1, 2019, shall receive a non-pensionable cash payment equivalent to 1.4% of their annual base salary in effect on July 1, 2019. These payments shall have applicable taxes withheld. It is anticipated that the checks will be distributed by December 31, 2019.
- Effective July 7, 2019, all non-represented employees in classes compensated on a salary range will move from a 15-step salary range structure to a 12-step salary range structure.
- Effective January 1, 2020, the 10% employee contribution toward monthly health care premiums will be discontinued for all non-represented employees, however, such employees will continue to pay all amounts above the City's maximum subsidy.
- Effective January 19, 2020, salary adjustments for the following non-represented classifications will be made to maintain appropriate salary differentials based on the salary differentials for comparable represented classifications: Chief Administrative Analyst, Chief Administrative Assistant to Mayor, Chief Executive Assistant to Mayor, Chief of Staff Mayor, Chief Personnel Analyst, Council Aide VII, Deputy Mayor, Finance Specialist II-V, Legislative Analyst III-V, Mayoral Aide VII-VIII, and Senior Labor Relations Specialist III.

The following LAAC additions or amendments are recommended to be consistent with terms negotiated for represented classifications:

- Adding Salary Note B in Schedule "A" of LAAC Section 4.61 to provide premium level compensation for a non-represented employee assigned to perform the duties of Budget Director for the Mayor's Office.
- Amending Note P of Salary Notes of Schedule "A" of LAAC Section 4.61 to increase the premium level compensation from 2.75% to 5.5% for certain non-represented employees who earn and possess professional certifications in the areas of labor relations and human resources.
- Amending LAAC Section 4.84, pertaining to Premium Pay for Persons Possessing Bilingual Skills, to provide clarifying and updated language.
- Amending LAAC Section 4.92, pertaining to Salary Step Advancement, to provide updated language.
- Amending LAAC Sections 4.110.1 and 4.126, pertaining to Compensated Personal Time Off Benefits for Intermittent Employees, and Allowance for Sick Leave, respectively, to provide compatibility between the two sections and conform to legislative requirements.
- Amending LAAC Section 4.126.2, pertaining to Allowance for Leave for Pregnancy, to provide updated language.
- Amending LAAC Section 4.127, pertaining to Family Illness, to increase the aggregate allowed leave in a calendar year from 12 to 15 days and to allow use of 75% Sick Leave upon exhaustion of accrued 100% Sick Leave hours, effective January 1, 2020, for non-represented employees.
- Amending LAAC Section 4.129, pertaining to Family and Medical Leave for non-represented employees, to remove the restriction limiting the amount of bonding time off used by parents who are both City employees to the time allowed for only one employee when caring for a new child by birth or adoption, or foster care of a child, and to remove obsolete language referring to the minimum duration of bonding leave under the California Family Rights Act.
- Amending LAAC Section 4.254, pertaining to the Accumulation of Vacation Time, to increase the maximum amount of accumulated vacation time from two to three annual vacation periods effective September 1, 2019, for non-represented employees.

Attachments B-I and B-II cover the salary range adjustments and wages for the majority of existing general managers. The recommended wages are consistent with the

adjustments being recommended for the other non-represented classifications. In accordance with City Charter Section 508(f), the salaries of the Chief of Police and the General Managers of the Fire and Police Pension System, the Los Angeles City Employees Retirement System, and the Proprietary Departments shall be adjusted by the appointing commissions within salary guidelines established by the Council through this report.

In addition to the above general manager salary increases, the Mayor has approved a 13.75% salary adjustment for the Director, Bureau of Sanitation (Class Code 7236) to establish an appropriate salary differential between the Director and Assistant Director classes. This salary adjustment is to be effective on January 19, 2020.

FISCAL IMPACT

The annual ongoing cost is \$11.82M after the implementation of all of the salary adjustments. This includes \$8.23M in general salary adjustments, \$0.86M in special adjustments, and \$2.73M in pension costs. In addition, there is a one-time non-pensionable payment of \$1.25M in 2019-20.

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Attachments