

WASHOE COUNTY

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STAFF REPORT **BOARD MEETING DATE: February 23. 2016**

| CM/ACM |
|----------|
| Finance |
| DA |
| Risk Mgt |
| HR |
| Other |

DATE:

February 10, 2016

TO:

Board of County Commissioners

FROM:

Joey Orduna Hastings, Assistant County Manager

ihastings@washoecounty.us, 328-2016

THROUGH: John Slaughter, County Manager

islaughter@washoecounty.us, 328-2000

In coordination with:

Honorable Pete Sferrazza, Chief Judge, Reno Justice Court

Honorable Kevin Higgins, Chief Judge, Sparks Justice Court

Honorable Alan Tiras, Judge, Incline Village Justice Court

Honorable Terry Graham, Judge, Wadsworth Justice Court

SUBJECT:

Direction and possible action to rescind the November 2006 Memorandum of Understanding (MOU) between the Justices of the Peace and the Washoe County Board of County Commissioners which recognizes the National Center for State Courts (NCSC) judicial compensation study every even-numbered years for the purpose of recommending appropriate salary adjustments for the Justices of the Peace. Request the Board of County Commissioners align the Justices of the Peace salary schedule increases with the elected officials listed in NRS 245.043 and further provide the Justices of the Peace 3% salary increases pursuant to Senate Bill 482 (2015 Legislature) for fiscal years 2015-16 (retroactive), 2016-2017, 2017-2018 and 2018-2019. [Fiscal impact estimated retroactive to July 1, 2015 is approximately \$34,839.81. Overall fiscal impact for all Justices of the Peace for the four fiscal years is approximately \$223,100.43.] (All Commission Districts)

SUMMARY

Direction and possible action to rescind the November 2006 Memorandum of Understanding (MOU) between the Justices of the Peace and the Washoe County Board of County Commissioners which recognizes the National Center for State Courts (NCSC) judicial compensation study every even-numbered years for the purpose of recommending appropriate salary adjustments for the Justices of the Peace. Request the Board of County Commissioners align the Justices of the Peace salary schedule increases with the elected officials listed in NRS 245.043 and further provide the Justices of the Peace 3% salary increases pursuant to Senate Bill 482 (2015 Legislature) for fiscal years

2015-16 (retroactive), 2016-2017, 2017-2018 and 2018-2019. [Fiscal impact is estimated retroactive to July 1, 2015 is approximately \$34,839.81. Overall fiscal impact for all Justices of the Peace for the four fiscal years is approximately \$223,100.43.

As a result of this new alignment the Justices of the Peace will receive salary adjustments concurrently with elected officials, per NRS 245.043, as voted on by the Nevada Legislature and ultimately approved by the Board of County Commissioners. This process will be the method for determining the Justices of the Peace salary schedules and evaluations conducted by the NCSC will no longer be used to inform this determination.

County Priority /Goal supported by this item: Stewardship of our community; and Valued, engaged employee workforce.

PREVIOUS ACTION

Due to the absence of a consistent method for determining fair compensation for Washoe County Justices of the Peace, the Board of County Commissioners entered into a MOU over the years to include November of 2006 (attached), with the Washoe County Justice Courts to conduct a judicial salary study, using the NCSC, every even-numbered year after the initial report in 2006. Per the MOU, recommendations from these studies were presented to the Board after representatives from County Management Office have had an opportunity to meet with Court Administration to review and discuss the results of these surveys.

BACKGROUND

Due to the absence of a consistent method for determining fair compensation for Washoe County Justices of the Peace, the Board of County Commissioners entered into an agreement in November of 2006 with the Washoe County Justice Courts to conduct a judicial salary study using the National Center of State Courts every two years after the original report of 2006. Recommendations from these studies are to be presented to the Board after representatives from the County Management Office have had an opportunity to meet with Court Administration to discuss the results of the surveys. If, at any time, a representative from the County Management Office requested a conference call with the author(s) of the reports to further discuss their findings, Court Administration would promptly schedule such a meeting.

The Board of County Commissioners and the Justices of the Peace in Washoe County are committed to continue to work in cooperation to serve the citizens of this community in an efficient and effective manner. The recommendation to rescind the November 2006 MOU and align the Justices of the Peace salary schedule to the elected officials, consistent with NRS 245.043 furthers that ongoing relationship.

This recommendation will supersede any and all historical agreements, written or oral, and will remain in place for the future until rescinded.

FISCAL IMPACT

The financial impact to the general fund budget to align the Justices of the Peace salary schedule with the elected officials listed in NRS 245.043 and further provide the Justices of the Peace 3% salary increases pursuant to Senate Bill 482 (2015 Legislature) for fiscal years 2015-16 (retroactive), 2016-2017, 2017-2018 and 2018-2019 will be approximately

\$223,100.43. The Fiscal impact estimated retroactive to July 1, 2015 is approximately \$34,839.81. Due to the mid-year adjustment, the funds in the court's existing FY16 salaries and benefits budgets will be used. If necessary, the courts' budgets will be adjusted at year end if necessary. If salary schedule alignment is approved, the courts' FY17 budget will reflect the new salary

RECOMMENDATION

Recommend the Board of County Commissioners Direction and possible action to rescind the November 2006 Memorandum of Understanding (MOU) between the Justices of the Peace and the Washoe County Board of County Commissioners which recognizes the National Center for State Courts judicial compensation study every even-numbered years for the purpose of recommending appropriate salary adjustments for the Justices of the Peace. Request the Board of County Commissioners align the Justices of the Peace salary schedule increases with the elected officials listed in NRS 245.043 and further provide the Justices of the Peace 3% salary increases pursuant to Senate Bill 482 (2015 Legislature) for fiscal years 2015-16 (retroactive), 2016-2017, 2017-2018 and 2018-2019. [Fiscal impact estimated retroactive to July 1, 2015 is approximately \$34,839.81. Overall fiscal impact for all Justices of the Peace for the four fiscal years is approximately \$223,100.43.] (All Commission Districts)

POSSIBLE MOTION

Move the Board of County Commissioners to Direction and possible action to rescind the November 2006 Memorandum of Understanding (MOU) between the Justices of the Peace and the Washoe County Board of County Commissioners which recognizes the National Center for State Courts judicial compensation study every even-numbered years for the purpose of recommending appropriate salary adjustments for the Justices of the Peace. Request the Board of County Commissioners align the Justices of the Peace salary schedule increases with the elected officials listed in NRS 245.043 and further provide the Justices of the Peace 3% salary increases pursuant to Senate Bill 482 (2015 Legislature) for fiscal years 2015-16 (retroactive), 2016-2017, 2017-2018 and 2018-2019. [Fiscal impact estimated retroactive to July 1, 2015 is approximately \$34,839.81. Overall fiscal impact for all Justices of the Peace for the four fiscal years is approximately \$223,100.43.] (All Commission Districts)



CASHOE COUNT

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STAFF REPORT BOARD MEETING DATE: November 13, 2006

| CM/ACM_ | |
|-----------|--|
| Finance_ | |
| DA_ | |
| Risk Mgt. | |
| HR | |
| Other | |

DATE:

September 20, 2006

TO:

Board of County Commissioners

FROM:

John Berkich, Assistant County Manager

jberkich@washoecounty.us

11110001

THROUGH: Katy Singlaub, County Manager

SUBJECT:

Establishment of minimum compensation for the Justice of the Peace. for the Townships of Reno, Sparks, Incline, and Wadsworth in accordance with N.R.S. 4.040, effective retroactive to July 1, 2006, approval of a five percent salary adjustment establishing a minimum compensation of \$128,835.20 for Justice of the Peace Reno Township and Sparks Township, a minimum compensation of \$115,939.20 for Justice of Peace Incline Township, and a minimum compensation of \$67,579.20 for Justice of Peace Wadsworth Township; and effective July 1, 2007 an additional five percent salary adjustment establishing a minimum compensation of \$135,283.20, for Justice of the Peace Reno Township and Sparks Township, a minimum compensation of \$121,742.40 for Justice of Peace Incline Township, and a minimum compensation of \$70,948.80 for Justice of Peace Wadsworth Township; and approval of a memorandum of understanding regarding the process to be used for future salary adjustments.

SUMMARY

In February 2005, the Board of County Commissioners, Reno Justice Court, and Sparks Justice Court entered into a Memorandum of Understanding regarding compensation for Justices of the Peace. The County has not had a methodology for the regular adjustment of the Justices' compensation. The intent of the MOU was for the National Center for State Courts (NCSC) to provide a guiding methodology to be used for future compensation adjustments in accordance with the provisions of NRS Chapter 4.040. Subsequent to the MOU with RJC and SJC, the Board entered in MOUs with Incline Justice Court and Wadsworth Justice Court regarding compensation. Each of the subsequent MOUs has correlated the compensation for Incline and Wadsworth Justice Courts to the level and method used to determine the compensation for Reno and Sparks Justice Courts.

The NCSC has conducted the study pursuant to the terms of the MOU and made a recommendation for a methodology and a recommendation for a salary adjustment. Staff, the NCSC, and the Justices of the Peace have worked together to develop the

recommended salary adjustment and prospective methodology as required by the MOU, and are requesting Board approval of the recommendations.

County Priority/Goal supported by this item: Workforce Development

PREVIOUS ACTION

In February 2005, the Board of County Commissioner adjusted the salary for Reno and Sparks Justice Courts based on NCSC study and entered into MOU.

August 2005, Establishment of Minimum Compensation for the Justice of the Peace for the Wadsworth Township and MOU

April2006, Establishment of Minimum Compensation for Justice of the Peace for Incline Township and MOU

BACKGROUND

In February 2005, the Board of County Commissioners, Reno Justice Court, and Sparks Justice Court entered into a Memorandum of Understanding regarding compensation for Justices of the Peace. The County has not had a methodology for the regular adjustment of the Justices compensation. The intent of the MOU was for the National Center for State Courts (NCSC) to provide a guiding methodology to be used for future compensation adjustments in accordance with the provisions of NRS Chapter 4.040. Subsequent to the MOU with RJC and SJC, the Board entered into MOUs with Incline Justice Court and Wadsworth Justice Court regarding compensation.

In June 2006, the NCSC was contracted with to review methodologies used across the country and in the state to periodically adjust judicial salaries and recommend a methodology. NCSC was also contracted to compare the current Justice of the Peace compensation to other courts in the state and recommend a salary adjustment, if needed.

The NCSC review identified that across the country three types of methods are customarily used to adjust judicial pay:

- 1) Judicial salary commissions:
- 2) Annual indexing to a automatic salary escalator such as CPI or indexing to increases given to other government employees; and
- 3) Use of longevity pay dependent upon length of service.

From a national standpoint, NSCS recommends annual adjustment based on CPI. However a review of methods used in Nevada compared to compensation packages identifies that no judges in Nevada receive both an annual index adjustment plus longevity pay. Therefore, staff and the Justices of the Peace do not recommend an automatic annual escalator. Rather, staff and Justice of the Peace recommend the NCSC conduct a comparative salary study every two years and the Board of County Commissioners set the minimum compensation considering the recommendation of the

NCSC. The attached Memorandum of Understanding sets forth recommended terms for the use of the methodology to review and adjust minimum compensation.

The NSCS conducted a comparative review of judicial salaries in Nevada based on salary data as of January 1, 2006. Based on the review, the NCSC recommends the minimum compensation for the Justice of the Peace in the Reno and Sparks Townships be increased to\$128,700 plus a 50% deferred compensation match. Taking into consideration the County does not offer a deferred compensation match benefit, staff and the Justices of the Peace have reached agreement to recommend an increase in the minimum compensation by 10% up to \$135,283.20 phased in over two years in 5% increments. Consistent with the terms of the MOUs with Incline and Wadsworth Justice Court, staff recommends commensurate increases for those Justices of the Peace.

If entered into by the Board, the attached MOU specifies that July 2008 would be the next time the compensation of the Justices of the Peace would be eligible for review and increase.

FISCAL IMPACT

The proposal creates an incremental annual cost increase of \$60,170 for fiscal year 2007 and \$63,178 for fiscal year 2008 to bring the total two year fiscal impact to \$123,349.

RECOMMENDATION

Establishment of minimum compensation for the Justice of the Peace for the Townships of Reno, Sparks, Incline, and Wadsworth in accordance with N.R.S. 4.040, effective retroactive to July 1, 2006, approval of a five percent salary adjustment establishing a minimum compensation of \$128,835.20 for Justice of the Peace Reno Township and Sparks Township, a minimum compensation of \$115,939.20 for Justice of Peace Incline Township, and a minimum compensation of \$67,579.20 for Justice of Peace Wadsworth Township; and effective July 1, 2007 an additional five percent salary adjustment establishing a minimum compensation of \$135,283.20, for Justice of the Peace Reno Township and Sparks Township, a minimum compensation of \$121,742.40 for Justice of Peace Incline Township, and a minimum compensation of \$70,948.80 for Justice of Peace Wadsworth Township; and approval of a memorandum of understanding regarding the process to be used for future salary adjustments.

POSSIBLE MOTION

Move to establish the minimum compensation for the Justice of the Peace for the Townships of Reno, Sparks, Incline, and Wadsworth in accordance with N.R.S. 4.040, effective retroactive to July 1, 2006, approval of a five percent salary adjustment establishing a minimum compensation of \$128,835.20 for Justice of the Peace Reno Township and Sparks Township, a minimum compensation of \$115,939.20 for Justice of Peace Incline Township, and a minimum compensation of \$67,579.20 for Justice of Peace Wadsworth Township; and effective July 1, 2007 an additional five percent salary adjustment establishing a minimum compensation of \$135,283.20, for Justice of the Peace Reno Township and Sparks Township, a minimum compensation of \$121,742.40 for Justice of Peace Incline Township, and a minimum compensation of \$70,948.80 for

Justice of Peace Wadsworth Township; and approval of a memorandum of understanding regarding the process to be used for future salary adjustments.

CC:

Reno Justice Court Judges

Sparks Justice Court Judges

James Mancuso, Judge Incline Justice Court

Terry Graham, Judge Wadsworth Justice Court

Joanne Ray, HR Director

Patrick Morton, Senior Fiscal Analyst

Darin Conforti, Reno Justice Court Administrator

Janine Baker, Sparks Justice Court Administrator

MEMORANDUM OF UNDERSTANDING BETWEEN WASHOE COUNTY AND THE JUSTICES OF THE PEACE OF THE TOWNSHIPS OF RENO, SPARKS, INCLINE VILLAGE AND WADSWORTH

Whereas, historically Washoe County (hereinafter "Washoe County") has used various methods to set the salaries of the Justices of the Peace of the Townships of Reno, Sparks, Incline and Wadsworth (hereinafter "Justices"), and

Whereas, Washoe County and the Justices have entered into prior memorandums of understanding calling for the establishment of a methodology for the adjustment of judicial salaries, and

Whereas, the County and the Justices believe the hourly compensation for Justices of the Peace should be equal for the Justices in all townships and that any differences in compensation should be based on the number of hours for each Justice of the Peace position, and

Whereas, the County and the Justices recognize the value in routinely reviewing and adjusting judicial compensations to ensure salaries remain competitive to retain and attract persons to the service of the judicial branch, and

Whereas, the County and the Justices recognize the National Center for State Courts (hereinafter "NCSC") as a professional organization with the experience, expertise, and credibility for conducting judicial salary studies, and

Whereas, the National Center for State Courts has conducted a review of judicial compensation methods used in the United States, including the State of Nevada, and

Whereas, the National Center for State Courts finds judicial compensation packages vary in the State of Nevada and across the country, and further finds there is no standard method for the routine adjustment of judicial compensation, and

Whereas, section 4.040 of the Nevada Revised Statutes requires that the Board of County Commissioners set the minimum compensation of the Justices in July of any year in which an election of the Justices is held.

Now, therefore, in consideration of the aforesaid premises, the parties mutually agree as follows:

 Beginning in July of 2008, and in each even-numbered year thereafter, the NCSC will conduct a study of the salary of the Justices' salary and prepare a recommendation for the Washoe County Board of County Commissioners to use as a reference in the decision-making process.

- The parties agree that County staff, together with representatives of the Justices of Reno, Sparks, Incline Village and Wadsworth, will meet with the NCSC to review the study results and develop a recommendation to the Board of County Commissioners for appropriate salary adjustments for the Justices.
- 3. Upon receipt of the recommendation, and at a regular meeting of the Board of County Commissioners not later than July 31st of that year, the Board will set the minimum compensation for the Justices, as mandated by law, giving due consideration to the recommendation from the NCSC for adjusting the salaries of the Justices pursuant to section 4.040 of the Nevada Revised Statutes. Any salary increases will be subject to a finding by the Board of available funding.
- 4. The minimum compensation established for the Justices of the Peace will be based on an equal hourly wage for all Justices of the Peace and any differences in compensation will be based on the number of hours funded for a Justice of the Peace position.
- The parties acknowledge that nothing in this memorandum of understanding is intended to bind a future exercise of discretion by the Washoe County Board of Commissioners.

6. This memorandum of understanding supersedes all prior memorandums regarding judicial compensation for the Justices of the Peace and will remain in effect until rescinded by any of the parties.

Robert Larkin, Chairman

Washoe County Commission

Jack Schroeder, Ch Reno Justice Court

Susan Deriso, Administrative Judge

Sparks Justice Court

James Mancuso, Judge Incline Justice Court

Terry Graham, Judge

Wadsworth Justice Court