



# WASHOE COUNTY

"Dedicated To Excellence in Public Service"

www.washoecounty.us

CM/ACM	✓
Finance	MM   CH
DA	MK
Risk Mgt.	NA
HR	NA
Other	_____

**STAFF REPORT**  
**BOARD MEETING DATE: September 13, 2016**

**DATE:** August 30, 2016  
**TO:** Board of County Commissioners  
**FROM:** John Listinsky, Director of Human Resources/Labor Relations  
 328-2089, [jlistinsky@washoecounty.us](mailto:jlistinsky@washoecounty.us),  
**THROUGH:** John Slaughter, County Manager

**SUBJECT:** Recommendation to approve Cost of Living Adjustments in base wage of 3% retroactive to July 1, 2016 [FY 16/17 estimated fiscal impact \$1,219,812], 3.5% beginning July 1, 2017 [FY 17/18 estimated impact \$1,465,807], and 2.5% beginning July 1, 2018 [FY 18/19 estimated impact \$1,083,650]; and updated sick leave/bereavement calculations, holidays and health plans; for Unclassified Management and Non-Represented Confidential employees, District Court employees, Justice Courts employees (excluding Justices of the Peace), Juvenile Services employees, and Truckee River Flood Management Authority's Executive Director and General Counsel. [Estimated total fiscal impact \$3,769,269.] (All Commission Districts.)

## SUMMARY

The Board has in the past adopted the similar salary and benefits for employees not covered by a bargaining agreement. If approved, a Cost of Living Adjustment (COLA) of 3% retroactive to July 1, 2016, and 3.5% beginning July 1, 2017, and updated sick leave/bereavement calculations, holidays and health plans for Unclassified Management and Non-Represented Confidential employees, District Court employees, Justice Courts employees (excluding Justices of the Peace), Juvenile Services employees, and Truckee River Flood Management Authority's Executive Director and General Counsel is the same as the applicable provisions in the negotiated Collective Bargaining Agreements with the Washoe County Employee's Association (WCEA).

In addition a COLA of 2.5% beginning July 1, 2018 for the same employees is commensurate with the COLA's negotiated with the Washoe County Nurses Association, Washoe County Sheriff's Supervisory Deputies Association, and the Washoe County District Attorney Investigators' Association, and applied to Chief Investigator.

**Washoe County Strategic Objective supported by this item:** Valued, engaged employee workforce.

## **PREVIOUS ACTION**

On August 11, 2015 the Board approved 3% Cost of Living Adjustment to base wages for Unclassified Management, Non-Represented Confidential employees, District Court employees, Justice Courts employees (excluding Justices of the Peace), and Juvenile Services employees effective July 1, 2015.

On June 17, 2014 the Board approved for Unclassified Management and Non-Represented Confidential employees a 1.5% Cost of Living Adjustment effective July 1, 2014; a 1% Cost of Living Adjustment effective January 1, 2015; and effective in Pay Period #16/14 a recognition one-time only lump sum payment of \$1,000 for full-time employees and \$500 for part-time employees that received a wage concession reduction effective July 1, 2010 (Unclassified Management) or July 19, 2010 (Non-Represented Confidential).

On June 17, 2014 the Board also approved for Non-Represented Juvenile Services, Second Judicial District Court, and Justice Court employees (excluding Justice of the Peace) a 1.5% Cost of Living Adjustment effective July 1, 2014; a 1% Cost of Living Adjustment effective January 1, 2015; and effective in Pay Period #16/14 a recognition one-time only lump sum payment of \$1,000 for full-time employees and \$500 for part-time employees that received a wage concession reduction in FY 2010/2011 and were on payroll as of July 19, 2010.

On September 24, 2013 the Board approved a 1% Cost of Living Adjustment effective July 1, 2013, a 1% PERS contribution in lieu of a wage increase effective July 15, 2013, and a 1% Cost of Living Adjustment effective January 1, 2014 for Unclassified Management and non-represented Confidential employees; and effective October 28, 2013 a 5% differential for pre-identified Confidential employees utilized by the County to provide bilingual skills when bilingual skills are not a minimum qualification for their job classification.

In August of 2012 the Board approved the elimination of wage and benefits concessions and reinstated merit increases and career incentive payments for the County Manager, Assistant County Manager, appointed department heads, non-represented division managers, and Chief Deputies and the Undersheriff; and eliminated the salary concessions for County Commissioners; and stopped wage concessions for Confidential Employees.

On June 12, 2012 the Board approved wage and benefit concession adjustments from 5% to 4.5% and discontinued health cost benefit contributions for the County Manager, Assistant County Manager, appointed Department Heads, and non-represented Division Managers; approved wage and benefit concessions adjustments from 5% to 4.5% and discontinued health cost benefit contributions for the Chief Deputies and Undersheriff; approved wage and benefit concession adjustments from 8.6% to 4.5% for the Board of County Commissioners; and acknowledged a staff recommendation to revisit these reductions for possible reconciliation should association(s) agree to or are awarded a different percentage reduction or cost-of-living increase.

## **BACKGROUND**

Represented employees' salaries are primarily governed by provisions within their negotiated contracts; unrepresented employees are primarily governed by the Washoe County Code Sections 5.109 through 5.147. The Board of County Commissioners has in the past adopted the

same salary and benefits for unrepresented employees as have been negotiated for represented employees. The recommendation for salaries for these groups is a COLA of 3% retroactive to July 1, 2016, and 3.5% beginning July 1, 2017. In addition a COLA of 2.5% beginning July 1, 2018 for the same employees is commensurate with the COLAs negotiated with the Washoe County Nurses Association, Washoe County Sheriff's Supervisory Deputies Association, and the Washoe County District Attorney Investigators Association, and applied to Chief Investigator.

Also, the Board is requested to approve changes to sick leave/bereavement calculations, holidays, and health plans for Unclassified Management and Non-Represented Confidential employees, District Court employees, Justice Courts employees (excluding Justices of the Peace), Juvenile Services employees, and Truckee River Flood Management Authority's Executive Director and General Counsel, consistent with the applicable provisions in the negotiated Collective Bargaining Agreements with the WCEA. Where necessary, changes to County Code to reflect these changes will be handled through the preparation of a proposed ordinance pursuant to Washoe County Code 2.040. Following is a summary explanation of the substantive changes:

#### Holiday Pay

Allows employees to be compensated at 1½ times their rate of pay for all hours worked on the actual traditional holiday, and to clarify that "holiday pay" shall be defined as an increment of pay equal to the work hours of the employee's regularly scheduled shift.

#### Sick Leave

Allows the use of sick leave for attending the funeral of a family member including travel to and from, and attending to any family related business matters (bereavement leave) will not count towards the total sick leave usage when calculating personal leave. This change is effective December 26, 2016.

#### Health Plan

Requires new employees (hired or rehired on or after July 1, 2016) to enroll in the County's High Deductible Health Plan for a minimum of two years. As with all other health plans, the County will pay 100% of the employee's coverage and 50% of their dependent coverage, if applicable. The updated health plan provision reflects our proactive approach to reduce the values of Washoe County health insurance plans to avoid the "Cadillac Tax," an excise tax which will be imposed on health plans that exceed federally defined values, scheduled to be implemented in calendar year 2020.

Also, the addition of Washoe County medical premium subsidy rate schedules for post 97/98 retirees, both over and under age 65, to replace the previously utilized PEBP non-state retiree subsidy schedule. Effective January 1, 2019, these subsidy rates shall be adjusted using the CPI Medical Index.

### **FISCAL IMPACT**

The annual FY 16/17 fiscal impact associated with these recommendations is estimated at \$1,219,812. These cost increases may necessitate a budget augmentation during the fiscal year. The Budget Office will monitor the budget status related to these contracts and propose necessary budget adjustments as needed.

The annual FY 17/18 fiscal impact, estimated at \$1,465,807, will be included in the FY 17/18 Budget.

The annual FY 18/19 fiscal impact, estimated at \$1,083,650, will be included in the FY 18/19 Budget.

### **RECOMMENDATION**

It is recommended that the Board of County Commissioners approve Cost of Living Adjustments in base wage of 3% retroactive to July 1, 2016 [FY 16/17 estimated fiscal impact \$1,219,812], 3.5% beginning July 1, 2017 [FY 17/18 estimated impact \$1,465,807], and 2.5% beginning July 1, 2018 [FY 18/19 estimated impact \$1,083,650]; and updated sick leave/bereavement calculations, holidays and health plans; for Unclassified Management and Non-Represented Confidential employees, District Court employees, Justice Courts employees (excluding Justices of the Peace), Juvenile Services employees, and Truckee River Flood Management Authority's Executive Director and General Counsel. [Estimated total fiscal impact \$3,769,269.]

### **POSSIBLE MOTION**

Should the Board agree with staff's recommendations a possible motion would be:

Move to approve Cost of Living Adjustments in base wage of 3% retroactive to July 1, 2016 [FY 16/17 estimated fiscal impact \$1,219,812], 3.5% beginning July 1, 2017 [FY 17/18 estimated impact \$1,465,807], and 2.5% beginning July 1, 2018 [FY 18/19 estimated impact \$1,083,650]; and updated sick leave/bereavement calculations, holidays and health plans; for Unclassified Management and Non-Represented Confidential employees, District Court employees, Justice Courts employees (excluding Justices of the Peace), Juvenile Services employees, and Truckee River Flood Management Authority's Executive Director and General Counsel. [Estimated total fiscal impact \$3,769,269.]