



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: OCTOBER 1, 2019

FROM: HUMAN RESOURCES DEPARTMENT WARDS: ALL

SUBJECT: REVISIONS TO THE CITY OF RIVERSIDE LABOR MARKET AND UTILITY LABOR MARKET AGENCIES

ISSUE:

Approve revisions to the City of Riverside Labor Market and Utility Labor Market Agencies.

RECOMMENDATION:

That the City Council approve revisions to the City of Riverside Labor Market and Utility Labor Market Agencies to be used for compensation and classification studies for all City classifications.

BACKGROUND:

Pursuant to the Human Resources Policy and Procedure II-3 - Salary Plan Administration, The Human Resources Director is responsible for the maintenance of the Salary Plan for approval by the City Manager and City Council. This includes adjustments to the salary range of a class or group of classes based on the prevailing rate of pay in the labor market.

In 2006, the City Council adopted the City's current labor market basket. The labor market is used to establish the prevailing rate when a request is submitted to the Human Resources Department to evaluate the rate of pay of a class or group of classes for all employee groups. Additionally, the labor market basket is used for classification studies.

It is a best practice to evaluate the labor market to account for changes in economics, demographics, or services provided by agencies to ensure a fair and accurate sampling of comparable agencies.

DISCUSSION:

The Human Resources Department, along with Public Sector Personnel Consultants, conducted a review of the City's existing approved labor market and utility labor market. The objective of the review was to assess and determine if the existing labor market agencies are suitable

comparable agencies; and to refresh the labor market agencies based on the results of the review.

Public Sector Personnel Consultants compiled data from municipalities within the Counties of Riverside, San Bernardino, Orange, Los Angeles, San Diego, and Ventura. The review of municipalities focused on the following factors: number of services provided that were similar to the City of Riverside (Fire, Library, Police, Water, Wastewater, Power, Solid Waste); population; proximity to Riverside; cost of living; number of employees; and the number of City of Riverside employees who live in that city. Additionally, a review of the particular agency's CalPERS unfunded liability (UAL) was completed. Although the CalPERS UAL is an important factor, it is difficult to determine a particular agency's financial future and stability and its ability to meet their UAL obligations.

After consideration of all factors, the Human Resources Department, with the input and approval of all union groups, determined that the following agencies would be removed from the current market basket: City of San Bernardino; City of Garden Grove; and City of Pomona. Additionally, it is recommended that Coachella Valley Water District and Imperial Irrigation Water District also be removed from the Utility Labor Market. To maintain the same amount of agencies, it was recommended and agreed to by all parties to add City of Anaheim, which is one of the City's current Utility labor market agencies, and the City of Murrieta and City of Redlands. It is also recommended to add Inland Empire Utilities Agency and Irvine Ranch Water District to the Utility Labor Market.

The proposed new City of Riverside Labor Market is as follows:

15 Labor Market Agencies	Additional Utility Labor Market Agencies
Anaheim, City of (NEW)	Eastern Municipal Water District
Burbank, City of	Inland Empire Utilities Agency
Corona, City of	Irvine Ranch Water District
Costa Mesa, City of	Los Angeles Department of Water and Power
Escondido, City of	Western Municipal Water District
Fullerton, City of	
Glendale, City of	
Huntington Beach, City of	
Long Beach, City of	
Murrieta, City of (NEW)	
Oceanside, City of	
Ontario, City of	
Pasadena, City of	
Redlands, City of (NEW)	
Riverside, County of	

FISCAL IMPACT:

There is no fiscal impact associated with the proposed changes to the City of Riverside Labor Market and Utility Labor Market Agencies.

Prepared by:

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Certified as to availability

of funds:

Edward Enriquez, Chief Financial Officer/City Treasurer

Approved by:

Rafael Guzman, Assistant City Manager

Approved as to form:

Gary Geuss, City Attorney

Attachments:

Labor Market Basket Comparison Spreadsheet