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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Baren E. Duff
EXECUTIVE SECRETARY

July 26, 1994

To: Board of Directors (Organization & Personnel Committee--Action)
From: General Manager
Subject: Salaries and Benefits for Unrepresented Managers

Report

At the end of each fiscal year, the General Manager recommends to the Board the compensation program for the unrepresented employees for the upcoming fiscal year (1994-95). At its July 12, 1994 meeting, the Board approved a new Memorandum of Understanding (MOU) between Metropolitan and the Management and Professional Employees Association (MAPA). This agreement included an across the board salary increase for each classification in the bargaining unit, an adjustment in Metropolitan's contribution to the Public Employment Retirement System (PERS), and an agreement to establish a pay for performance plan during the first year of the contract. A similar adjustment is being recommended by the General Manager for unrepresented management classifications.

The proposed adjustments in total remuneration for the unrepresented management classifications (Attachment A), effective July 3, 1994, are as follows:

1. Salaries. A 10th step is to be added to the current salary ranges for unrepresented classifications. Unrepresented employees who are currently on the 9th step of the existing salary range are eligible for a 10th step merit increase contingent upon receiving a good performance evaluation on their anniversary date. The salary ranges of the Assistant Department Heads have also been adjusted to establish consistency with the adjustments made in fiscal year 1992-93 for all other unrepresented classifications. These adjustments in salary ranges represent an increase of 0.58 (\$31,919) percent in payroll for fiscal year 1994-95.

2. Public Employees' Retirement System (PERS). The District shall contribute to PERS, a employer-paid member contribution of four (4) percent of the total seven (7) percent normal member contributions to PERS for employee retirement. In addition, the district shall report, as Tax Deferred Member Contributions, the remaining three (3) percent of the total seven (7) percent. This represents as 2.20 percent (\$123,416) increase in payroll for fiscal year 1994-95.

3. Pay for Performance Plan. Increase the pay for performance plan by \$5,200. This would provide a pay for performance program for fiscal year 1994-95 of \$155,200. This was originally implemented so that both the District-wide and individual performance could be measured and rewarded. Because considerable effort is expended on the part of the senior management team to focus on team work and shared goals, it is important that the senior management group continue to be measured and rewarded as team members on its ability to achieve the District's highest priority objectives.

4. Car Allowance. Current unrepresented employees with District provided vehicles will have the option of retaining those vehicles, or receiving Car Allowance of \$400.00 per month for Assistant Division Managers, \$500.00 per month for Division Managers, and \$600.00 per month for Deputy General Managers. The General Manager would make a determination for new unrepresented employees, whether or not the employee would receive a car allowance or a District provided vehicle.

We are also recommending a title change for the classifications of Director of Finance and the Assistant Director of Finance to Chief Financial Officer and Assistant Chief Financial Officer respectively.

Board Committee Assignment

This letter is referred for action to the Organization and Personnel Committee because of its responsibility to study, advise, and make recommendations with regard to relations between the District and its

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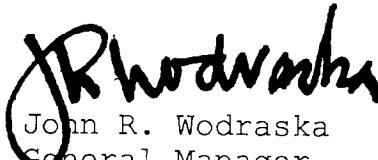
employees including all matters affecting wages, hours, pension plans and other employee benefits, and other terms and conditions of employment, pursuant to Administrative Code Section 2471 (c).

Recommendation

Organization and Personnel Committee For Action

1. It is recommended that the Board of Directors authorize increases of 2.8% in payroll for salary and benefits for unrepresented management classifications effective July 1, 1994, and that Administrative Code Section 6500 be amended as set forth in Attachment "A" to reflect these increases.

2. It is recommended that the Board of Directors authorize the provision of benefits to unrepresented management employees consistent with the benefits of those provided to the Management and Professional Employees Association and those described in this letter.


John R. Wodraska
General Manager

SG/dc
attachment

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ATTACHMENT A

§ 6500. Hourly Pay Rate Schedule

(a) Effective ~~June 21, 1992~~ July 3, 1994, the hourly pay rate (as that term is defined in subdivision (i) of Section 6200) schedule of positions occupied by management and confidential not in an appropriate unit recognized pursuant to Section 6108 employees shall be as follows:

Grade	Range	Title	Positions Authorized	Total
58	32.60-40.37 <u>41.47</u> (68,069- 84,293 <u>86,258</u>)	*Executive Secretary	1	1
60	33.21-41.12 <u>34.40-43.75</u> (69,342-85,859) <u>(71,552-91,000)</u>	**Asst. Auditor	1	1
63	37.23-46.15 <u>47.41</u> (77,736- 96,361) <u>98,613</u>	*Asst. Dir., Information Systems	2 <u>1</u>	
		*Sr. Asst. Dir. Public Affairs	1	
		*Asst. Dir. of Human Resources	1	
		*Asst. Right of Way and Land Program Manager	1	
		*Asst. Director of Admin. Services	1	6 <u>4</u>
	100,275 (FR)	*Auditor	1	1
65	39.33-48.71 <u>50.01</u> (82,121- 101,706) <u>104,021</u>	*Assoc. Director of Water Quality	1	
		<u>*Assoc. Director of Planning and Resources</u>	1	2
68	42.59-52.79 <u>54.24</u> (88,928- 110,226) <u>112,819</u>	*Director of Public Affairs	1	
		*Director of Water Quality	1	
		*Director, Information Systems	1	
		*Director of Human Resources	1	
		*Right of Way and Land Program Manager	1	
		*Dir. of Admin. Services	1	
		*Dir. of Environmental Compliance	1	

		*Asst. Chief Engineer	2	
		*Asst. Chief of Operations	2	
		*Exec. Asst. for Strategic Policy Development	± 2	
		*Asst. Chief of Planning and Resources	4	
		<u>*Asst. Chief Financial Officer</u>	1	16 18
71	46.15- 57.26 58.86	*Exec. Asst. to General Manager	1	
	(96,361- 119,559)	*Legislative Representative	1	2
	<u>122,429</u>			
74	50.01- 62.13 63.82	*Chief Engineer	1	
	(104,421- 129,727)	*Director of Finance	±	
	<u>132,746</u>	<u>*Chief Financial Officer</u>	<u>1</u>	
		*Chief of Operations	1	
		*Chief of Planning and Resources	1	4
		*		
76	50.97-63.34 52.79-67.40	**Asst. General Counsel	1	1
	(106,425-132,254)			
	<u>(109,803-140,192)</u>			
		*		
80	56.83-70.57 58.86-75.11	**Asst. General Manager	1	1
	(118,661-147,350)	*Deputy General Manager	2	2
	<u>(122,429-156,229)</u>			
	149,000 (FR)	*General Counsel	1	1
	<u>156,555</u> ***			
	179,000 (FR)	*General Manager	1	1
	<u>183,000</u>			
		TOTAL		<u>39</u>

() = Shows approximate annual salary range for convenience,
Board approved rates are hourly

*Not eligible for overtime

**Salary not adjusted during 1992/93 fiscal year

*** Effective January 1, 1995 increase to \$164,383

(FR) = Designates flat rate annual salary