

## RESOLUTION NO. 2013-033

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROHNERT PARK ADOPTING A COMPENSATION PHILOSOPHY

**WHEREAS**, the City Council adopted Resolution 2011-121 on December 13, 2011, approving the City's Strategic Plan as a guide for policy and financial decisions; and

**WHEREAS**, City Council recognizes the fundamental importance of establishing a responsible and sustainable framework for the City's commitment to employee compensation which is consistent with the City's values, vision and mission;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Rohnert Park that it does hereby authorize and approve the the adoption of the City of Rohnert Park Compensation Philosophy attached hereto as Exhibit "A".

**BE IT FURTHER RESOLVED** that the City Manager is hereby authorized and directed to apply and utilize same for and on behalf of the City of Rohnert Park.

**DULY AND REGULARLY ADOPTED** by the City Council of the City of Rohnert Park this 26<sup>th</sup> day of February, 2013.

#### CITY OF ROHNERT PARK

Pam Stafford  
Pam Stafford, Mayor

#### ATTEST:

JoAnne Buergler  
JoAnne Buergler, City Clerk

Attachment: Compensation Philosophy



AHANOTU: AYE BELFORTE: ABSENT MACKENZIE: AYE CALLINAN: AYE STAFFORD: AYE  
AYES: ( 4 ) NOES: ( 0 ) ABSENT: ( 1 ) ABSTAIN: ( 0 )

## **CITY OF ROHNERT PARK COMPENSATION PHILOSOPHY**

### **Purpose**

The Compensation Philosophy supports the City of Rohnert Park's Strategic Plan values of integrity, fiscal responsibility and sustainability, innovation and leadership, accountability, and commitment to equity and fairness. The purpose of this Philosophy is to connect the vision, goals and values of the City with its compensation practices. Consistent with the Strategic Plan, the Compensation Philosophy provides a responsible and sustainable framework for the City's commitment to employee compensation.

This Philosophy applies to all represented and unrepresented miscellaneous and public safety City employees covered by the Personnel Rules and Regulations, including unrepresented management employees that have entered into individual at-will employment agreements with the City.

### **Compensation Philosophy**

The City's total compensation for any employee group or individual compensation package for unrepresented management employees (collectively, "total compensation") should consider comparably situated public employees and the ability to recruit and retain employees. The total compensation should also consider the ability over the long term to keep pace with inflationary cost of living. Any compensation increase must be conditioned upon the current and long-term fiscal ability of the City to pay for that level of total compensation without compromising the City's ability to continue the level and mix of services and to maintain prudent reserves.

#### **1. Total Compensation**

The City considers the complete picture when reviewing compensation. Total compensation includes:

- Direct wage compensation;
- City-paid contributions to health insurance;
- City-paid retirement costs; and
- All other City-paid costs tied to salary and/or benefits including premiums, accrual of paid leave time, including vacations, holidays, other excused time, and training funds.

For purposes of this philosophy, the application of appropriate merit increases is not considered an increase in total compensation.

## 2. Market Competitiveness

The City's desire is to be an employer of choice and maintain workforce stability. However, the City's ability to offer a sustainable compensation package that attracts and retains the highest quality candidates and employees is interwoven with its commitment to serve the public well by maintaining sound fiscal direction. Total compensation increases must never result in diminished service to the public or increased budget deficits. Consistent with this philosophy, the City's intention is to typically consider increasing total compensation through equity adjustments or cost-of-living increases for one or more positions when the following conditions exist:

- Total compensation is no longer competitive in the marketplace as measured by the appropriate comparators; and
- The City has experienced demonstrable recruitment and/or retention issues

It should be noted that Cost of Living Adjustments (COLA) and equity adjustments are not synonymous.

- Equity adjustments are negotiated with the intent of bringing total compensation for particular jobs/classifications in line with the labor market.
- Cost of Living Adjustments, or COLAs, are negotiated with the intent of providing general pay increases to maintain or increase employee buying power in a shifting economy.

## 3. Labor Market Comparators

Labor market comparators are the City's market competition – the entities with which the City competes for employees. The City selects comparators based upon the following criteria, which are consistent with public sector best practice and published works on economic factors that determine compensation.

### 3.1 Similarity of agencies in terms of revenue mix, size, and services provided.

This generally means:

- Other cities with comparable funding and revenue growth;
- Other cities with comparable number of employees;
- Other cities that provide similar municipal services to the public and seek similarly qualified employees to provide public service; and
- Population served is also of a comparable size.

### 3.2 Geographical location and, often, proximity to the City of Rohnert Park.

- This reflects the typical geographic areas of recruitment and retention. Agencies from the greater Bay Area tend to be those from which the City draws applicants. The City's main competitors are often close by geographically, and may have similar cost of living requirements.

### 3.3 Regional Economic Area for purposes of establishing the Cost of Living.

- The City uses the Bureau of Labor Statistics San Francisco-Oakland-San Jose, CA – Urban Wage Workers and Clerical Workers for data on the Consumer Price Index.

## 4. Integrity, Fiscal Responsibility, Sustainability, and Collaboration

At the most fundamental level, integrity and fiscal responsibility means that overall compensation structures must be sustainable. The City must balance competing priorities related to the public interest without sacrificing the level of services, maintenance of the City's infrastructure or prudent reserves. Accordingly, prior to making any changes to the total compensation package, the City will carefully consider:

- The current and anticipated budget;
- Organizational staffing and structure issues;
- Projections of revenues and expenditures; and
- Level of service and community demand for services.

In reaching decisions about total compensation, the City will also consider the need to maintain an engaged and effective workforce with the City's duty and responsibility to provide services and programs that the community and the taxpayers pay for and expect.

Within the limits of sustainable compensation, the City is committed to open dialog, innovative approaches and collaborative efforts with employee groups, unrepresented management employees, benefit providers, and other public agencies.

The City will anticipate and plan for increases in benefit costs, either through setting aside funds, compensation package redesign, cost-sharing partnerships or other appropriate methods. The City will ensure that compensation information is transparently communicated, so that meaningful collaboration can occur.

## 5. Employee Recognition and Support – Accomplishment of City Vision and Goals

The City of Rohnert Park recognizes that City employees exemplify the City's values. Only through a joint commitment to those values will the vision and goals of the City be realized. To that end, City employees possess the following qualities:

- A passion to help and support others, both citizens and coworkers;
- An ongoing practice of fiscal responsibility with public resources;
- A desire to perform work of the highest quality possible; and
- A commitment to do what is right.

To foster and develop these qualities, the City of Rohnert Park offers rewards to employees for sustained performance. Rewards for performance presently exist in the form of retention, merit increases, promotion and transfer opportunity, special assignment pays, and individual recognition and appreciation. The City recognizes that non-monetary rewards are also critical to a productive and happy workforce.

The City is committed to enhancing the work experience for its employees and is committed to:

- Fostering a culture of empowered leadership at all levels;
- Forming good working relationships and support networks between employees at all levels;
- Providing coaching/mentoring/training to all staff;
- Developing a management culture of genuine care and concern for each employee;
- Maintaining employment policies which are sensitive to life/work balances, and a willingness to be creative and flexible in finding solutions that balance operational and employee needs;
- Honest and open communication at all levels;
- Respect and appreciation for excellent contributions, ideas, and customer service;
- Providing interesting and challenging work for all employees;
- Providing growth opportunities, both laterally and upward within the organization; and
- Investing in equipment, tools and technology to increase efficiencies and aid employees in the performance of their duties.