



San Gabriel Basin Water Quality Authority

1720 W. Cameron Avenue, Suite 100, West Covina, CA 91790 • 626-338-5555 • Fax 626-338-5775

**WQA ADMINISTRATIVE/FINANCE COMMITTEE
TO BE HELD ON TUESDAY, NOVEMBER 7, 2023 AT 10:00 A.M.
AT
1720 W. CAMERON AVE., SUITE 100 IN WEST COVINA, CA**

Zoom Registration Link:

<https://us06web.zoom.us/meeting/register/tZUqceirrD0vG9XiAcA89zRizFD1uzD7tupk>

AGENDA

Committee Members: Lynda Noriega, Mark Paulson and Robert DiPrimio

Liaison Member: Dave Michalko

- I. Call to Order
- II. Remote Participation Declaration - AB 2449
[Government Code Section 54953(f)]
 - a. Notification of Just Cause
 - b. Emergency Circumstances Requests
- III. Public Comment
- IV. Discussion Regarding Administrative Procedure No. 40: PERSONNEL – Merit Salary Increases and Annual Cost of Living Allowance (“COLA”) Policy [enc]
- V. Executive Director’s Report
- VI. Adjournment



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AGENDA SUBMITTAL

To: WQA Administrative / Finance Committee
From: Randy Schoellerman, Executive Director
Date: November 7, 2023
Subject: Administrative Procedure No. 40: PERSONNEL – Merit Salary Increases and Annual Cost of Living Allowance (“COLA”) Policy

Discussion

Staff brought Procedure No. 40 to the Administrative and Finance Committee on October 10, 2023 for review at the request of the Board during the June 2023 Board meeting. At the June Board meeting several members of the Board noted that the Board has often deviated from the COLA procedure and recommended having the Administrative / Finance committee review the COLA policy to see if any modifications need to be made.

Procedure No. 40 establishes the COLA procedures for WQA employees. The COLA increase is based on the April Consumer Price Index for All Urban Consumers (“CPI-U”). The procedure, subject to Board approval, annually increases the salary ranges and salaries for employees, except for the Executive Director, by the April CPI-U.

After discussion at the Committee in October, staff was instructed to bring the Procedure back to the Committee with the following updates.

- Include provisions for Board flexibility in approving and applying the COLA.
- Include the specific COLA index in the Procedure, which is the April CPI-U index for selected local areas “Los Angeles-Long Beach-Anaheim, CA”.
- Define Eligibility.
- Define Employees.

Recommendation

Review the attached revision of Procedure No. 40 COLA Policy.

Enclosure

Administrative Procedure 40: PERSONNEL – Merit Salary Increases and Annual Cost of Living Allowance (“COLA”) Policy

DRAFT

ADMINISTRATIVE PROCEDURES

No. 40

Date: June 19, 2007

Revised: October 20, 2021

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PERSONNEL – Merit Salary Increases and Annual Cost of Living Allowance (“COLA”) Policy

1. Purpose

To define policies and procedures regarding the San Gabriel Basin Water Quality Authority merit salary increases and annual cost of living allowance (“COLA”) for both exempt and non-exempt employees. This policy applies to all WQA employees with the exception of the Executive Director.

2. Background

As described in the employee manual, employees are eligible for merit raises, up to the limit of the salary range for their position. An annual COLA is also considered on July 1st of each year. Several years ago, the Board of Directors directed staff to use the April cost of living index each year to gauge and propose the employee COLA. This was done to create a consistent benchmark (i.e., time and CPI) for determining a proposed COLA instead of subjectively developing a percentage. Accordingly, the April CPI-U index for selected local areas, “Los Angeles-Long Beach – Anaheim, CA” is used to determine the annual COLA. The Executive Director makes a recommendation for the COLA, based on the April Consumer Price Index CPI-U, to the Administrative / Finance Committee, and then to the full Board of Directors based on the Committee’s recommendation.

3. Policy

The merit salary increase and COLA policy shall be as follows:

3.1 In June of each fiscal year, the April COLA index for selected local areas, “Los Angeles-Long Beach – Anaheim, CA” is researched by staff and submitted by the Executive Director to the Administrative/Finance Committee. The Administrative/Finance Committee will prepare a recommendation which is then submitted by the Executive Director to the full Board of Directors at the June board meeting.

3.2 All employees shall receive an annual performance evaluation in writing. If deemed necessary by the Executive Director or the Assistance Executive Director, more frequent evaluations may be conducted.

3.3 Unless authorized by the Board of Directors, no employee shall receive annual compensation above their respective salary range. Salary ranges can only be adjusted by

ADMINISTRATIVE PROCEDURES

PERSONNEL – Merit Salary Increases and Annual Cost of Living Allowance (“COLA”) Policy

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board action, either through the COLA process or individually if recommended by the Executive Director.

~~3.4 The defined salary ranges for Exempt and Non-exempt Employees positions are increased by the same percentage as the COLA adjustment, effective July 1st. The Board has the following options for approving a CPI-U COLA adjustment:~~

- ~~a) Approve the same percentage as the April CPI-U index~~
- ~~b) Approve a percentage higher than the April CPI-U index~~
- ~~c) Approve a percentage lower than the April CPI-U index~~
- ~~b)d) Decline to approve a COLA for the year.~~

~~3.5 Employees in good-standing who are permanent full-time (30 plus hours a week), regular part-time (20 hours to less than 30 hours a week), and part-time (less than 20 hours a week) are eligible to receive an increase in salary in the amount of the approved COLA as approved by the Board in Section 3.4, effective July 1. Additionally, salary ranges are updated in accordance with the Board-approved COLA.~~

3.6 Employees are also eligible for merit salary increases, up to the limit of the salary range for their position. The eligibility for an employee to receive a merit salary increase shall be determined: 1) with written review; 2) authorized by the Executive Director; and 3) based on demonstrated performance.

4. Definitions of Exempt and Non-Exempt Employees:

Each staff position is categorized as exempt or non-exempt according to federal and state wage hour laws.

4.1 A non-exempt full-time employee is paid a monthly salary, with the regular rate determined by multiplying the monthly rate by 12 to get the annual salary, dividing the annual salary by 52 weeks to get the weekly salary and dividing the weekly salary by the number of regular hours to get the regular hourly salary. A non-exempt employee is eligible for overtime pay or compensatory time off. Currently, non-exempt employee positions include the Project Resource Manager, Executive Assistant/Public Outreach Coordinator, and Administrative/Accounting Assistant.

4.2 An exempt employee is paid a regular monthly salary based on an annual salary divided by 12 calendar months and does not qualify for overtime pay. California law classifies an exempt employee as an executive, administrative or professional employee. The same law specifically defines what duties meet the eligibility requirements of an exempt employee. Currently, exempt employee positions include the Executive Director, Assistant Executive Director/Sr. Project Manager, and the Director of Finance.

ADMINISTRATIVE PROCEDURES

PERSONNEL – Merit Salary Increases and Annual Cost of Living Allowance (“COLA”) Policy

5. Current Positions and Monthly Salary Ranges

	<u>Low</u>	<u>High</u>
<u>Exempt Positions</u>		
Executive Director	N/A – by contract	
Assistant Executive Director/Sr. Project Manager	\$8,858	\$16,517
Director of Finance	\$7,792	\$15,434
 <u>Non-Exempt Positions</u>		
Project Resource Manager	\$4,459	\$9,689
Executive Assistant/Public Outreach Coordinator	\$4,329	\$8,969
Admin/Accounting Assistant	\$3,636	\$7,053