



Memorandum

Date: 10.30.15 **RE:** Personnel Committee
November 4, 2015

To: Personnel Committee: Commissioners Wiener (Chair), Tang (Vice Chair), and Avalos

From: Cynthia Fong – Deputy Director for Finance and Administration *CF*

Through: Tilly Chang –Executive Director *TC*

Subject: **ACTION** – Recommend Adoption of the Revised Salary Structure for Selected Job Classifications

Summary

The Transportation Authority's Personnel Manual calls for a periodic review of the Transportation Authority job classification structure to benchmark the Transportation Authority's remuneration package against comparable agencies, and to recommend modifications as appropriate. The Transportation Authority Board last approved revisions to the Transportation Authority's job classification structure in May 2013 (Resolution 13-50), using Fiscal Year (FY) 2012/13 as the base year for salary ranges for all staff job classifications, while the Executive Director job classification was last approved in FY 2005/06 (Resolution 06-65). We contracted with Koff & Associates, Inc. (Koff), a human resources consulting firm experienced in compensation and employee benefits surveys and analysis, to conduct a total compensation study (Attachment 1) for the Transportation Authority's 23 job classifications. The study included a comprehensive review of the Transportation Authority's job classifications, descriptions, base compensation and benefits. Koff externally compared 15 classifications against 6 comparator agencies, and used these results to internally align the balance of the classifications using internal equity principles. The results of this review were compiled and analyzed, and provided the basis for the proposed changes to the salary structure (Attachment 2). Adoption of the revised salary structure does not have immediate budgetary implications because salary increases are only granted on the basis of performance, not for inflation or as blanket cost-of-living increases. In addition, funding for range adjustments for current positions are subject to the Transportation Authority's annual budget approval process.

BACKGROUND

The Transportation Authority does not follow the "step" compensation structure found in many public agencies, with standard percentage increments established between steps and automatic salary increases based on seniority, cost of living or other indices. Salary adjustments are based on on-the-job performance and on the Transportation Authority's budget. However, the Transportation Authority's goal is to optimize personnel recruitment and retention by making every effort to compensate employees fairly and equitably, and remaining competitive with similar agencies in its compensation practices. Consequently, and as called for in the Transportation Authority's Personnel Manual, periodic reviews of the job classification structure are performed to benchmark the Transportation Authority's remuneration package against comparable agencies, and to recommend modifications as appropriate. The Transportation Authority Board last approved revisions to the Transportation Authority's job

classification structure in May 2013 (Resolution 13-50), using Fiscal Year (FY) 2012/13 as the base year for salary ranges for all staff job classifications, while the Executive Director job classification was last approved in FY 2005/06 (Resolution 06-65). In addition, Commissioner Avalos requested at the December 2014 Personnel Committee meeting that a compensation study be performed before the Executive Director's next annual performance review.

DISCUSSION

The purpose of this memorandum is to brief the Personnel Committee on the methodology and results of the attached total compensation study, and to recommend a revised salary structure.

We contracted with Koff & Associates, Inc. (Koff), a human resources consulting firm experienced in compensation and employee benefits surveys and analysis, to conduct a total compensation study for the Transportation Authority's 24 job classifications. The study included a comprehensive review of the Transportation Authority job classifications, descriptions, base compensation and benefits. Koff externally compared 15 classifications against 6 comparator agencies, and used these results to internally align the balance of the classifications using internal equity principles.

Market Survey Methodology: The following nine classifications were not benchmarked for the study: Controller, Deputy Director for Policy and Programming, Principal Engineer, Principal Management Analyst, Planner, and Principal Planner, Senior Communications Officer, Senior Graphic Designer, and Staff Accountant. For these positions, internal alignments with other classifications were considered, either in the same class series or those classifications that have similar scope of work and level of responsibility, and internal worth to the organization.

Since comparators would not be 100% equivalent to the Transportation Authority's classifications, rather than identifying possible matches by job titles at comparable agencies, Koff analyzed each class description before including it as a comparator. Comparators were evaluated on an approximate 70% "likeness" to Transportation Authority classifications based on factors such as education, experience, scope and complexity of work performed, level of authority and responsibility, and working conditions.

To determine appropriate agencies for comparison, Koff first defined the Transportation Authority's labor market (a group of organizations with which an agency competes in terms of recruiting and retaining personnel). This included several agencies that are not in its immediate geographic vicinity but that provide services similar to the Transportation Authority's and that have a similar organizational structure. Koff and Transportation Authority staff agreed to include the following six agencies as comparators for the purpose of this study: Alameda County Transportation Commission, Contra Costa Transportation Authority, San Francisco Municipal Transportation Agency, Metropolitan Transportation Commission, Santa Clara Valley Transportation Authority, and San Mateo County Transportation Authority.

Compensation Study Results: The analysis includes the average and median comparator data for each benchmarked classification. Koff recommends using the median methodology because it is not skewed by extremely high or low salary values, while the average is more likely to get skewed by those values. Overall results indicated the Senior Engineer and Senior Transportation Planner job classifications were the lowest rank paid among the comparator agencies and the Executive Director job classification has the highest percentage of median below comparator agencies of all job classifications surveyed. Attachment 1 provides results compiled and analyzed for the Senior Engineer, Senior Transportation Planner, and Executive Director positions, and provided the basis for the proposed changes to the salary structure. The results show that the total monthly salary for these three current classifications at the

Transportation Authority is paid 9.0% to 14.1% below the market median.

Salary Structure Recommendations: Currently, about 87% of the Transportation Authority’s benchmark classifications are paid below the market median. We are recommending to revise only positions with a below the market median of 9% or more, as shown in Table 1 below.

Table 1

Proposed Salary Structure						
Class Title	Range¹	Current Max. Monthly Salary²	Market Placement (Median)³	Proposed Min. Monthly Salary⁴	Proposed Max. Monthly Salary⁵	Current vs. Proposed Max. Monthly Salary Difference
Executive Director	65	\$19,031	\$21,724	\$16,285	\$21,985	15.52%
Planner ⁴	27	\$7,793	Did Not Benchmark	\$6,372	\$8,602	10.38%
Principal Engineer ⁴	50	\$13,417	Did Not Benchmark	\$11,244	\$15,180	13.14%
Principal Planner ⁴	39	\$10,481	Did Not Benchmark	\$8,570	\$11,569	10.38%
Senior Engineer	40	\$10,481	\$11,690	\$8,784	\$11,858	13.14%
Senior Planner	33	\$9,038	\$9,853	\$7,390	\$9,976	10.38%

¹ Range numbers correspond to the compensation study in Attachment 2.

² The top of the salary range.

³ The median is the exact midpoint of all the market data we collected, with 50% of market data below and 50% of market data above.

⁴ The bottom of the salary range.

⁵ This classification was not benchmarked for the study. For all classifications that were not benchmarked, internal alignments with other classifications were considered, either in the same class series or those classifications that have similar scope of work, level of responsibility, and “worth” to the Transportation Authority.

Based on the study results and in an effort to continue allowing for flexibility and fostering exemplary performance, but also to be more consistent and allow for ease of administration, Koff and the Transportation Authority developed the proposed salary structure detailed in Attachment 2.

ALTERNATIVES

1. Recommend adoption of the revised salary structure for selected job classifications, as requested.
2. Recommend adoption of the revised salary structure for selected job classifications, with modifications.
3. Defer action, pending additional information or further staff analysis.

CAC POSITION

None. The CAC does not take action on personnel matters.

FINANCIAL IMPACTS

Adoption of the revised salary structure does not have immediate budgetary implications because salary increases are only granted for performance, not for inflation or as blanket increases for cost of living expenses. Range adjustments are subject to the Transportation Authority's annual budget approval process.

RECOMMENDATION

Recommend adoption of the revised salary structure for selected job classifications.

Attachments (2):

1. Compensation Study
2. Proposed Salary Structure

Attachment 1
San Francisco County Transportation Authority
Top Monthly Salary Data

Executive Director							
Rank	Comparator Agency	Class Title	Top Monthly Salary	Top Annual Salary	Effective Date	Next Salary Increase	Next Percentage Increase
1	Contra Costa Transportation Authority	Executive Director	\$29,200	\$350,400	07/01/15	7/1/2016	Up to 3.5%
2	San Mateo County Transportation Authority	Deputy Chief Executive Officer	\$23,244	\$278,923	06/29/15	7/1/2016	Unknown
3	Alameda County Transportation Commission	Executive Director	\$22,480	\$269,756	07/01/14	Unknown	Unknown
4	Metropolitan Transportation Commission	Deputy Executive Director	\$20,967	\$251,608	07/01/15	7/1/2016	2.6%
5	San Francisco County Transportation Authority	Executive Director	\$19,031	\$228,368	01/01/13		
6	Santa Clara Valley Transportation Authority	Director of Planning & Program Development	\$18,935	\$227,219	03/06/15	3/1/2016	Unknown
7	City and County of San Francisco ^a	Deputy Director II, MTA	\$17,663	\$211,952	10/10/15	7/1/2016	2.25-3.25%
Average of Comparators			\$22,081				
% SFCTA Above/Below			-16.0%				
Median of Comparators			\$21,724				
% SFCTA Above/Below			-14.1%				
Number of Matches			6				

NOTE: All calculations exclude SFCTA

N/C - Non Comparator

^a All City and County of San Francisco comparable matches are classifications allocated to the Municipal Transportation Agency.

Attachment 1
San Francisco County Transportation Authority
Top Monthly Salary Data

Senior Engineer								
Rank	Comparator Agency	Class Title	Top Monthly Salary	Top Annual Salary	Effective Date	Next Salary Increase	Next Percentage Increase	
1	Contra Costa Transportation Authority	Engineering Manager ¹	\$13,849	\$166,188	07/01/15	7/1/2016	Up to 3.5%	
2	Alameda County Transportation Commission	Senior Transportation Engineer / Principal Transportation Engineer ²	\$12,126	\$145,511	07/01/14	Unknown	Unknown	
3	Metropolitan Transportation Commission	Senior Program Coordinator	\$11,799	\$141,591	07/01/15	7/1/2016	2.6%	
4	City and County of San Francisco ^a	Engineer	\$11,581	\$138,970	10/10/15	7/1/2016	2.25-3.25%	
5	San Mateo County Transportation Authority	Senior Engineer	\$11,509	\$138,113	06/29/15	7/1/2016	Unknown	
6	Santa Clara Valley Transportation Authority	Senior Transportation Engineer	\$10,756	\$129,071	03/06/15	3/1/2016	Unknown	
7	San Francisco County Transportation Authority	Senior Engineer	\$10,481	\$125,772	05/02/13			
Average of Comparators			\$11,937					
% SFCTA Above/Below			-13.9%					
Median of Comparators			\$11,690					
% SFCTA Above/Below			-11.5%					
Number of Matches			6					

NOTE: All calculations exclude SFCTA

N/C - Non Comparator

^a All City and County of San Francisco comparable matches are classifications allocated to the Municipal Transportation Agency.

1- Engineering Manager is responsible for evaluating, monitoring, programming, and expediting the delivery of diverse transportation projects and functions as a team leader for planning and coordinating a multitude of projects concurrently.

2- This match is a span in scope bracket to represent the scope of responsibilities performed by the Senior Engineer at SFCTA. These duties are performed by more than one class at the comparator agency. The salary displayed is the average of the matches.

Attachment 1
San Francisco County Transportation Authority
Top Monthly Salary Data

Senior Planner								
Rank	Comparator Agency	Class Title	Top Monthly Salary	Top Annual Salary	Effective Date	Next Salary Increase	Next Percentage Increase	
1	Alameda County Transportation Commission	Senior Transportation Planner	\$10,173	\$122,077	07/01/14	Unknown	Unknown	
2	Contra Costa Transportation Authority	Associate Transportation Planner / Senior Transportation Planner ²	\$9,945	\$119,334	07/01/15	7/1/2016	Up to 3.5%	
3	City and County of San Francisco ^a	Transportation Planner III / Transportation Planner IV ²	\$9,911	\$118,937	10/10/15	7/1/2016	2.25-3.25%	
4	Santa Clara Valley Transportation Authority	Senior Transportation Planner - Modeling & Analysis / Programming & Grants ¹	\$9,795	\$117,539	03/06/15	3/1/2016	Unknown	
5	Metropolitan Transportation Commission	Associate Planner/Analyst ³	\$9,637	\$115,644	07/01/15	7/1/2016	2.6%	
6	San Mateo County Transportation Authority	Senior Planner	\$9,152	\$109,829	06/29/15	7/1/2016	Unknown	
7	San Francisco County Transportation Authority	Senior Planner	\$9,038	\$108,453	05/02/13			
Average of Comparators			\$9,769					
% SFCTA Above/Below			-8.1%					
Median of Comparators			\$9,853					
% SFCTA Above/Below			-9.0%					
Number of Matches			6					

NOTE: All calculations exclude SFCTA

N/C - Non Comparator

a All City and County of San Francisco comparable matches are classifications allocated to the Municipal Transportation Agency.

1- This match is a functional bracket to represent the breadth of functional duties performed by the Senior Planner at SFCTA. These duties are performed by more than one class at the comparator agency. The salary displayed is typically the higher of the matches. In this case the salaries are the same.

2- This match is a span in scope bracket to represent the scope of responsibilities performed by the Senior Planner at SFCTA. These duties are performed by more than one class at the comparator agency. The salary displayed is the average of the matches.

3- Associate Planner/Analyst is the intermediate-level in the Planner/Analyst class series.

Attachment 2
San Francisco County Transportation Authority
Proposed Salary Schedule

Range #	Monthly Salary Range		
	Min	Midpoint	Max
1	\$3,353	\$3,940	\$4,527
2	\$3,437	\$4,039	\$4,640
3	\$3,523	\$4,139	\$4,756
4	\$3,611	\$4,243	\$4,875
5	\$3,701	\$4,349	\$4,997
6	\$3,794	\$4,458	\$5,122
7	\$3,889	\$4,569	\$5,250
8	\$3,986	\$4,683	\$5,381
9	\$4,086	\$4,801	\$5,515
10	\$4,188	\$4,921	\$5,653
11	\$4,292	\$5,044	\$5,795
12	\$4,400	\$5,170	\$5,940
13	\$4,510	\$5,299	\$6,088
14	\$4,622	\$5,431	\$6,240
15	\$4,738	\$5,567	\$6,396
16	\$4,856	\$5,706	\$6,556
17	\$4,978	\$5,849	\$6,720
18	\$5,102	\$5,995	\$6,888
19	\$5,230	\$6,145	\$7,060
20	\$5,361	\$6,299	\$7,237
21	\$5,495	\$6,456	\$7,418
22	\$5,632	\$6,618	\$7,603
23	\$5,773	\$6,783	\$7,793
24	\$5,917	\$6,953	\$7,988
25	\$6,065	\$7,126	\$8,188
26	\$6,217	\$7,305	\$8,392
27	\$6,372	\$7,487	\$8,602
28	\$6,531	\$7,674	\$8,817
29	\$6,695	\$7,866	\$9,038
30	\$6,862	\$8,063	\$9,264
31	\$7,034	\$8,264	\$9,495
32	\$7,209	\$8,471	\$9,733
33	\$7,390	\$8,683	\$9,976
34	\$7,574	\$8,900	\$10,225
35	\$7,764	\$9,122	\$10,481
36	\$7,958	\$9,350	\$10,743
37	\$8,157	\$9,584	\$11,012
38	\$8,361	\$9,824	\$11,287
39	\$8,570	\$10,069	\$11,569
40	\$8,784	\$10,321	\$11,858
41	\$9,004	\$10,579	\$12,155
42	\$9,229	\$10,844	\$12,459
43	\$9,459	\$11,115	\$12,770
44	\$9,696	\$11,393	\$13,089
45	\$9,938	\$11,677	\$13,417
46	\$10,187	\$11,969	\$13,752
47	\$10,441	\$12,269	\$14,096
48	\$10,702	\$12,575	\$14,448
49	\$10,970	\$12,890	\$14,809
50	\$11,244	\$13,212	\$15,180
51	\$11,525	\$13,542	\$15,559
52	\$11,813	\$13,881	\$15,948

Attachment 2
San Francisco County Transportation Authority
Proposed Salary Schedule

Range #	Monthly Salary Range		
	Min	Midpoint	Max
53	\$12,109	\$14,228	\$16,347
54	\$12,411	\$14,583	\$16,755
55	\$12,722	\$14,948	\$17,174
56	\$13,040	\$15,322	\$17,604
57	\$13,366	\$15,705	\$18,044
58	\$13,700	\$16,097	\$18,495
59	\$14,042	\$16,500	\$18,957
60	\$14,394	\$16,912	\$19,431
61	\$14,753	\$17,335	\$19,917
62	\$15,122	\$17,769	\$20,415
63	\$15,500	\$18,213	\$20,925
64	\$15,888	\$18,668	\$21,448
65	\$16,285	\$19,135	\$21,985
66	\$16,692	\$19,613	\$22,534
67	\$17,109	\$20,103	\$23,098
68	\$17,537	\$20,606	\$23,675
69	\$17,976	\$21,121	\$24,267
70	\$18,425	\$21,649	\$24,874