ITEM TWO

e)

MIAMIBEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: August 21, 2013

SUBJECT: **RECOMMENDATIONS REGARDING PLANNING DAYS AND EMPLOYEES CURRENTLY EARNING THEM**

BACKGROUND

At the February 20, 2013, Finance and City Wide Planning Committee (FCWPC) meeting, planning days and their genesis were discussed as the matter had been referred by Commissioner Libbin at the January 16, 2013, City Commission meeting.

Despite an exhaustive effort, which included reviewing archived records maintained by the City Clerk, staff was unable to ascertain the origin of this employee benefit and only had anecdotal information to relay. The general consensus was that the compensation benefit was instituted in part to address salary compression issues and as a component of an executive benefit package used to assist the City's competitiveness in the labor market.

On February 20, 2013, the Committee was presented with a list of 49 classifications/incumbents earning from a low of two to a high of six planning days each year. Planning days cannot be carried over from one year to another so if they are not used, employees are paid for their value at the end of the calendar year. The current list shows 43 incumbents earning planning days. Of those, 9 are in the deferred retirement option plan (DROP) and will be separating from the City as soon as September 30, 2013 and as late as August 31, 2017.

Also at the February 20, 2013, staff was instructed not to offer planning days to new employees and to propose alternatives at the budget meeting for those employees currently receiving this benefit.

As a result of the Committee's directives, new incumbents in the following classifications, who would have otherwise been eligible for the benefit, do not have planning days as part of their compensation: City Manager; two Assistant City Managers; Building Director; Human Resources Director; OBPI Director; Parks and Recreations Director; Public Works Director and Special Projects Administrator.

Three recently vacated positions may be filled by new employees who will not be eligible for the benefit. They are the Real Estate, Housing and Community Development Director, CIP Director and the Assistant Fire Chief, assuming, of course, that the positions are not filled with current employees already earning the benefit.

STAFF RECOMMENDATION

Eliminating the benefit for current recipients, without recognizing its value, results in salary reductions from a low of $676.00 to a high of $5,271.00 per year.

Given that all recipients of the planning days benefit are unclassified employees whose wages have been mostly stagnant for several fiscal years and that planning days are paid out at the end of the calendar year when not used, it is recommended that you exercise one of the following two options: (1) that the value of the benefit be rolled over into each incumbent's current earnings; or (2) that the benefit be phased out through attrition.

CONCLUSION

The Administration recommends that you exercise one of its two recommended options: (1) that the value of the benefit be rolled over into each incumbent's current earnings; or (2) that the benefit be phased out through attrition.

The benefit offer was made in good faith and accepted by the employees in the same spirit The number of people affected is limited, thereby containing the City's liability; however, their value to the individual employee cannot be overstated. This is particularly true of those long term employees at the maximum of their respective ranges when the cost of living adjustment (COLA) of April 2012, did not extend the pay ranges and made them ineligible for that increase.

JLM/KGB/SC-T

F:\HUMA\Labo\LABORREL\SYLVIA\Finance and Citywide Projects Committee\Finance and City Wide Projects Committe - Planning Days Recommendation.doc

Current Status of Planning Day Benefits: August 2013

TITLE	GRADE	PLANNING DAYS	ANNUAL VALUE
Public Safety Special Projects Coordinator	o017	2	$676
Human Resources Assistant Director	o019	4	$1,395
Code Compliance Director	o019	4	$1,464
Assistant Director - Parking	o018	4	$1,528
Police Captain	o019	4	$1,843
Police Captain	o019	4	$1,843
Police Captain	o019	4	$1,843
Police Captain	o019	4	$1,917
Sanitation Director	o019	4	$1,982
Police Captain	o019	4	$1,994
Procurement Department Director	o019	4	$2,000
Assistant Director - Parks	o019	4	$2,039
Bass Museum Director	o019	4	$2,060
Acting Director, CIP	o019	4	$2,185
Division Commander	o020	4	$2,185
Infrastructure Division Director	o019	4	$2,198
Police Captain	o019	4	$2,242
Fleet Management Division Director	o019	4	$2,252
Assistant Director - Parks	o019	4	$2,252
Assistant Director - Public Works	o019	4	$2,254
Fire Division Chief	o020	5	$2,329
Information Technology Department Director	o021	4	$2,346
Police Major	o020	4	$2,418
Fire Division Chief	o020	5	$2,433
Assistant Director - Finance	o020	4	$2,447
Police Major	o020	4	$2,447
Police Major	o020	4	$2,447
Fire Division Chief	o020	5	$2,549
Fire Division Chief	o020	5	$2,549
Acting Planning Director	o017	6	$2,752
City Clerk	o021	6	$2,957
Fire Marshall	o020	5	$3,059
Deputy Director - Building	o020	5	$3,070
Tourism and Cultural Development Director	o021	6	$3,754
Assistant Chief of Police	o021	6	$3,785
Parking Director	o021	6	$3,884
Parks and Recreation Director	o021	6	$3,989
Assistant City Manager	o024	6	$4,708
Chief Deputy City Attorney	o424	6	$4,830
Chief Financial Office	o024	6	$5,118
Chief Deputy City Attorney	o424	6	$5,271
Fire Chief	o023	8	$5,558
Police Chief	o023	8	$5,752
43		**TOTAL**	**$118,608**