



VENTURA COUNTY TRANSPORTATION COMMISSION

**AIRPORT LAND USE COMMISSION
SERVICE AUTHORITY FOR FREEWAY EMERGENCIES
CONSOLIDATED TRANSPORTATION SERVICE AGENCY
CONGESTION MANAGEMENT AGENCY**

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ADMINISTRATIVE AND FINANCE COMMITTEE AGENDA

**CITY OF CAMARILLO
601 CARMEN DRIVE
ADMINISTRATIVE CONFERENCE ROOM**

THURSDAY, MARCH 28, 2019

1:00 PM

- 1. CALL TO ORDER**
- 2. PUBLIC COMMENTS**
- 3. VCTC FISCAL YEAR 2019/20 BUDGET**
- 4. RANGE ADJUSTMENTS FOR DIRECTOR AND MANAGER CLASSIFICATIONS**
- 5. ADJOURN**

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Item #3

March 28, 2019

MEMO TO: VENTURA COUNTY TRANSPORTATION COMMISSION

**FROM: DARREN KETTLE, EXECUTIVE DIRECTOR
SALLY DEGEORGE, FINANCE DIRECTOR**

SUBJECT: FISCAL YEAR 2019/2020 DRAFT BUDGET – PUBLIC HEARING

RECOMMENDATION:

- Receive the Fiscal Year 2019/2020 Draft Budget and approve forwarding the Draft Budget to the Commission.

DISCUSSION:

The Draft Fiscal Year 2019/2020 Budget is divided into two main sections: the Main Budget and the Program Task Budgets. The Main Budget contains the program overviews and projections and is intended to provide a general understanding of VCTC's budgeted activities and programs for the coming fiscal year. The Program Task Budgets contain task level detail of the projects including objectives and accomplishments. This task driven budget is designed to provide fiscal transparency and clarity of VCTC's programs and services to the region.

The Draft Budget is in many ways a "continuation" budget for the majority of VCTC programs and projects. At \$77,356,095, the Fiscal Year 2019/2020 Draft Budget is \$2,773,439 or 3.5% lower than Fiscal Year 2018/2019. The Draft budget is a balanced budget with an estimated ending fund balance of \$15,636,477. The draft budget contains six programs:

- Transit and Transportation program at \$17,651,800
- Highway program at \$8,590,000
- Rail program at \$13,309,574
- Commuter Assistance program at \$589,900
- Planning and Programming program at \$35,930,921
- General Government program at \$1,283,900

Personnel costs for Fiscal Year 2019/2020 are budgeted at \$3,168,200 or 4.1% of the budget, which is an increase of \$101,300 from the previous fiscal year. The increase is largely due to an increase in wages, associated taxes and employee insurances. The wage cost of \$2,100,200 includes approximately a \$41,000 pool for merit increases for employees not at the top of their range. Benefits account for 1.4% of the Draft Budget. Further information about personnel can be found within the Personnel Section of the budget.

Below are some of the major changes in the Draft Fiscal Year 2019/2020 budget as compared to last fiscal year. Additional details of these major changes, as well as smaller changes to all budgets, can be found within the individual budget tasks. The major changes that occurred from last fiscal year include:

- The Regional Transit Technology budget decreased by \$2,118,616 as it is anticipated that the CAD/AVL equipment project will be completed in Fiscal Year 2018/2019.
- The Transit Grant Administration budget decreased by \$5,406,503 as pass-through projects were completed. It is expected to increase with the final budget when new pass-through funds to local agencies are included.
- The VCTC Intercity Service budget decreased by \$762,626 due to the completion of the bus purchase in Fiscal Year 2018/2019 offset by depreciation expense in the current year not previously budgeted.
- The Motorist Aid Services budget (previously the Callbox System budget) decreased by \$581,000 due to the completion of the ADA upgrades and compliance project.
- The Highway Project Management budget increased by \$2,740,080 for the continuation of the U.S. 101 preliminary engineering and environmental documents.
- The Metrolink Commuter Rail budget increased by \$2,841,323 largely due to carry-over of the capital rehabilitation projects funded by SB1/State of Good Repair funds.
- The Rideshare Program budget increased by \$32,800 due to increased database administration and staffing costs.
- The Regional Transit Planning budget decreased by \$346,691 largely due to the completion of consultant studies such as the Origin/Destination Customer Satisfaction Survey and the implementation portion of the College Pass Program.
- The Regional Transportation Planning budget decreased by \$161,500 for partial completion of the multi-modal corridor study of the U.S. 101 and freight corridor extension study.
- The Transportation Development Act budget increased \$836,894 due to increased pass-through funds to local agencies.
- The Management and Administration budget increased by \$137,800 for relocation and furniture and equipment for the new office area and an adjustment for the over collection of the ICAP in a previous fiscal year.

The estimated ending Fiscal Year 2019/2020 fund balance (after contingency set aside) is expected to be \$15.6 million. The Commission's available General Fund balance is estimated at \$48,345. The other funds are restricted and the estimated fund balance are \$43,517 for the Local Transportation Fund (which includes \$571,517 for unallocated Article 3 bicycle and pedestrian funds), \$12 million for the State Transit Assistance fund, \$3.5 million for the Service Authority for Freeway Emergencies fund and a zero balance for the Santa Paula Branch Line, VCTC Intercity Services and Valley Express funds.

VCTC Administrative Committee
March 28, 2019
Item #3
Page #2

It is important to note a few reasons the STA fund balance is at \$12 million. First, the STA fund balance is used for on-going cash flow needs when State and Federal grants are delayed. Also, these funds although not currently budgeted, could be used for nonrecurring capital costs associated with Metrolink capital and rehabilitation expenditures, possible bus purchases for the VCTC Intercity Service or other transit projects benefiting the County.

The Draft Budget is a “work-in-progress” for VCTC as tasks are fine-tuned. Staff will update the final budget with input received from the Commission and new information as it becomes available from local partners such as Metrolink and funding information from the State and Federal governments.

As required by the VCTC Administrative Code, the proposed Draft Fiscal Year 2019/2020 budget is being submitted to the Finance Committee (Chair Minjares, Vice-Chair Craven, and Past-Chair Parks) for review. At the March 28, 2019 Finance Committee meeting, the Draft Budget will be discussed and a recommendation from the Finance Committee will be needed.

As required by the Administrative Code, a public hearing will be held at the April meeting. The final budget is scheduled for adoption at the Commission’s June 2019 meeting, at which time a second public hearing will be held pursuant to the VCTC Administrative Code.



Item #4

March 28, 2019

MEMO TO: ADMINISTRATIVE COMMITTEE - VENTURA COUNTY TRANSPORTATION COMMISSION

FROM: DARREN KETTLE, EXECUTIVE DIRECTOR

SUBJECT: RANGE ADJUSTMENTS FOR DIRECTOR AND MANAGER CLASSIFICATIONS

RECOMMENDATION:

- Adjust Director and Manager salary ranges to bring the classifications up to market standards, effective July 1, 2019. (See Attachment 1)

BACKGROUND:

On a biennial basis VCTC's human resources consultant surveys 21 local cities, counties and transportation agencies for data on wages and benefits in VCTC's region and market agencies. The following considerations are based on the 2019 survey results and are in line with our comparable agencies in the region.

As background, VCTC employees are not unionized and as such VCTC does not have employee negotiations or multi-year contracts. Any adjustments to salary ranges or benefits are brought to the full Commission by the Executive Director.

Market data was collected for several benchmark classifications at VCTC in order to analyze current salary ranges, establish buffers between the classifications that would be consistent with industry norms; as well as collecting data to examine our competitors' current benefit levels provided to employees.

VCTC's current salary ranges are, on average, competitive with our survey agencies with the exceptions of the Director and Manager classifications. As of 2019, the Director salary range was 25.8% behind market. The market norm for a compensation buffer between a Director and their superior, e.g., Executive Director, City Manager, is 30%; VCTC's buffer is 68% which reaffirms the finding that the Director range is well behind market.

It is recommended to increase the salary range for the Director classification by 15% split over two consecutive fiscal years; 7.14% in FY 2019/20 and 7.86% in FY 2020/2021. This proposal is consistent with the prior range correction approved by the Commission for FY 2014/15 and FY 2015/16. VCTC's Director classification pay continues to remain well off the market norm and it has proven to be a severe problem when recruiting for vacancies. This recommendation leaves the range 10% below market but alleviates some of the discrepancy.

VCTC Administrative Committee
March 28, 2019
Item #4
Page #2

The Manager salary range is currently 17.7% behind market. The market norm for a buffer between a Director and a subordinate Manager is 40%. In 2019, VCTC's buffer between a Director and a Manager is 35%, which is within an acceptable range to not create a compaction issue between the classifications.

It is recommended to increase the salary range for the Manager classification by 10% split over two consecutive fiscal years; 5.00% in FY 2019/20 and 5.00% in FY 2020/2021. VCTC's Manager classification is well behind market; recently a Manager vacancy went unfilled for two years due to the issues of recruitment of qualified candidates willing to accept the current salary range. The Manager salary range has also been a retention issue and VCTC has lost staff members to higher paying agencies in the region.

The salary schedule adjustments are not automatic increases for the incumbents; rather it provides the Executive Director with the ability to approve merit increases in the future based on performance. The range adjustment establishes the Director salary range at 53% behind the Executive Director range and 40% above the Manager range, bringing VCTC's salary plan more in line with industry standards. At the range maximum this increase could, for the first year maximum of 5% merit pay, cost \$778 (this is w/ benefits) (\$616 base) per month per incumbent (4 positions currently) or about \$9,335 per year (x 4 incumbents) for a maximum annual total of \$37,341. The second year merit pay maximum of 5% could cost an additional \$1,101 (this is w/ benefits) (\$647 base) per month per incumbent (4 positions currently) or about \$13,208 per year (x 4 incumbents) for a maximum annual total of \$52,832. The two-year total of this recommendation is \$90,173.

The range adjustment establishes the Manager salary range at 40% behind the Director range and 44.5% above the Analyst range, bringing VCTC's salary plan more in line with industry standards. At the range maximum this increase could, for the first year maximum of 5% merit pay, cost \$157 (this is w/ benefits) (\$129 base) per month per incumbent (6 positions currently) or about \$1,887 per year (x 6 incumbents) for a maximum annual total of \$11,323. The second year merit pay maximum of 5% could cost an additional \$629 (this is w/ benefits) (\$428 base) per month per incumbent (6 positions currently) or about \$7,544 per year (x 6 incumbents) for a maximum annual total of \$45,266. The two-year total of this recommendation is \$56,589.

However, as these are recommended range adjustments, they are not automatic increases to compensation; the costs are expected to be less and at the control of the Executive Director. For comparison purposes see Attachment 1, VCTC's current Salary Schedule that includes the proposed recommendations for FY 2019-20 and FY 2020-21.

I am requesting approval of the recommendation to implement the increases to the Director and Manager Salary Range Market Rate Adjustments.

**Ventura County Transportation Commission
Proposed Salary Schedule with
Director Range Adjustment of 7.14% in Fiscal Year 2019/2020 And 7.86% in Fiscal Year 2020/2021
and
Manager Range Adjustment of 5% in both Fiscal Years**

Level	Count	Title	Annual Range Bottom	Annual Range Top	Hourly Range Bottom	Hourly Range Top
Executive Director	1	Executive Director	0.00	248,843	0.00	119.64
Director	4	Director, Bus Transit	109,108	147,921	52.46	71.12
		Director, Finance	109,108	158,482	52.46	76.19
		Director, Planning and Technology		170,939		82.18
		Director, Programming				
Manager	6	Program Manager, GoVentura SmartCard	70,132	109,871	33.72	52.82
		Program Manager, Rail and TDA Programs		115,364		55.46
		Program Manager, Transportation Demand		121,133		58.24
		Program Manager, Contracts				
		Information Technology Systems Analyst				
		Clerk of the Board/Public Information Officer				
Planner/Analyst	3	Transit Planner/Program Analyst*	50,100	88,625	24.09	42.61
Support Staff II	5	Transit Specialist*	43,827	63,545	21.07	30.55
		Administrative Assistant*				
		Lead Customer Service Representative*				
		Receptionist/Secretary*				
		Accounting Technician*				
Support Staff I	1	Customer Service Representative*	24,960	40,331	12.00	19.39
		Intern*				

Current FY 19/20
Year 1 proposed w 7.14% inc
Year 2 Proposed w 7.86% inc

Current FY 19/20
Year 1 proposed w 5% inc
Year 2 Proposed w 5% inc

Executive Director compensation is set by the Commission. All other positions' placement on salary schedule are approved by the Executive Director. Compensation may be set at any place on the schedule between top and bottom range.

* paid on an hourly basis and eligible for overtime compensation (non-exempt status for FLSA purposes).

