

May 20, 2025

Investing in the Workforce Update



Agenda

- Investing in the Workforce, Kristen Schultz, Interim Chief Human Resources Officer.
- Employee Investment Recap, Cassy Fogale, Labor Relations Manager.
 - Labor Relations and Background.
 - Labor Negotiation Leadership Team and Labor Relations Team.
 - Classification and Compensation Overview.
 - Highlights from Negotiations.
 - Non-represented Employees.
- Looking Ahead, Kristen Schultz, Interim Chief Human Resources Officer.

Our Work and Our People

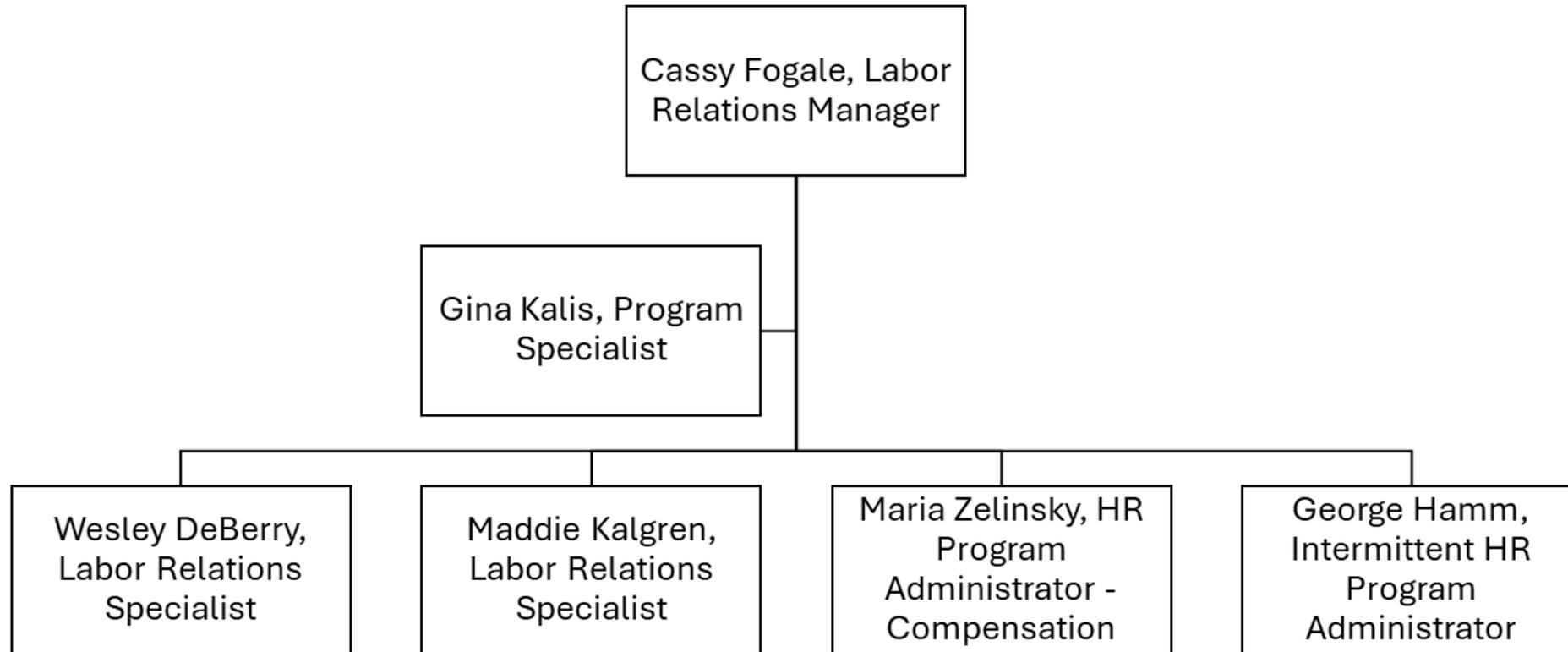


Labor Negotiations Leadership Team

Leadership structure to ensure support, coordination, oversight and focus on continuity with leadership transitions.

- Ling Becker, County Manager.
- Johanna Berg, Deputy County Manager, Organizational Alignment.
- Alex Kotze, Interim Deputy County Manager of Health & Wellness.
- Kristen Schultz, Interim Chief Human Resources Officer.
- Cassy Fogale, Labor Relations Manager.

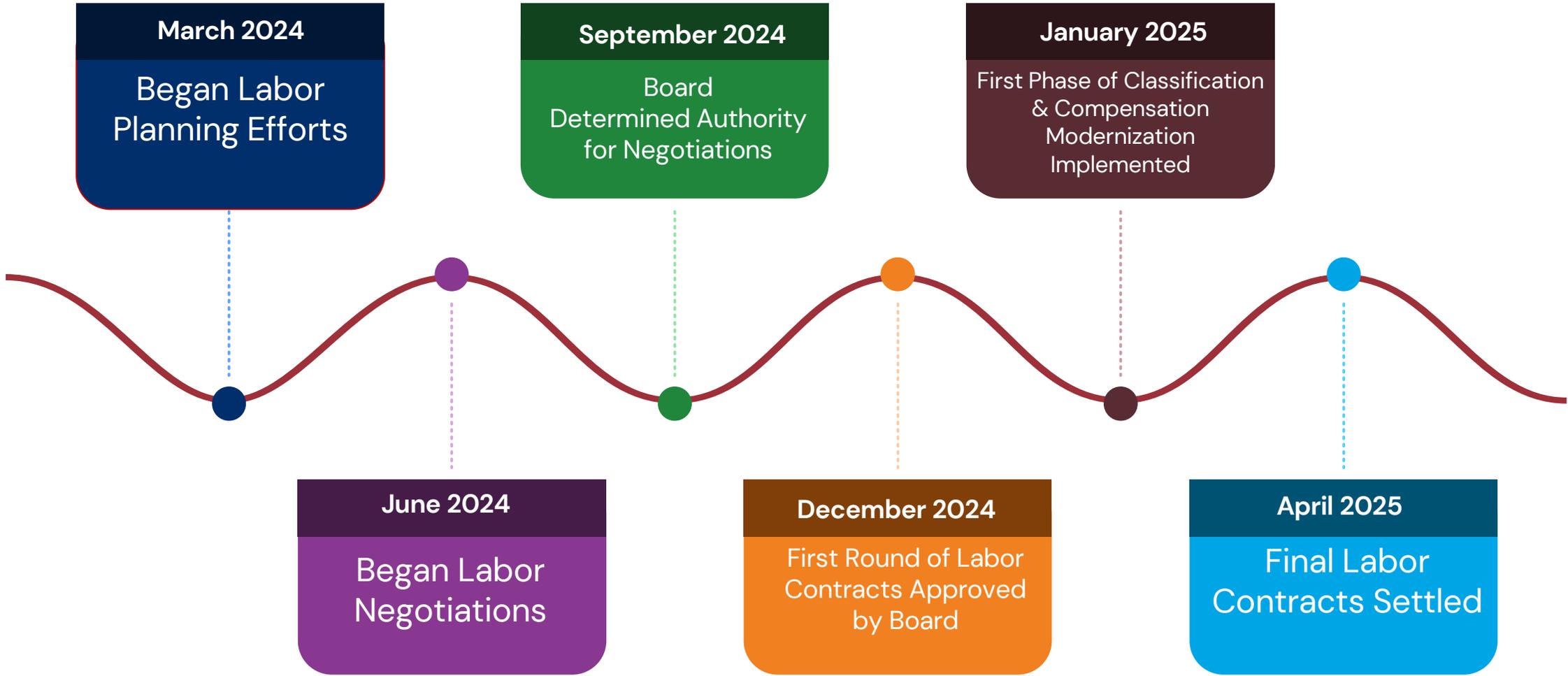
Labor Relations Team



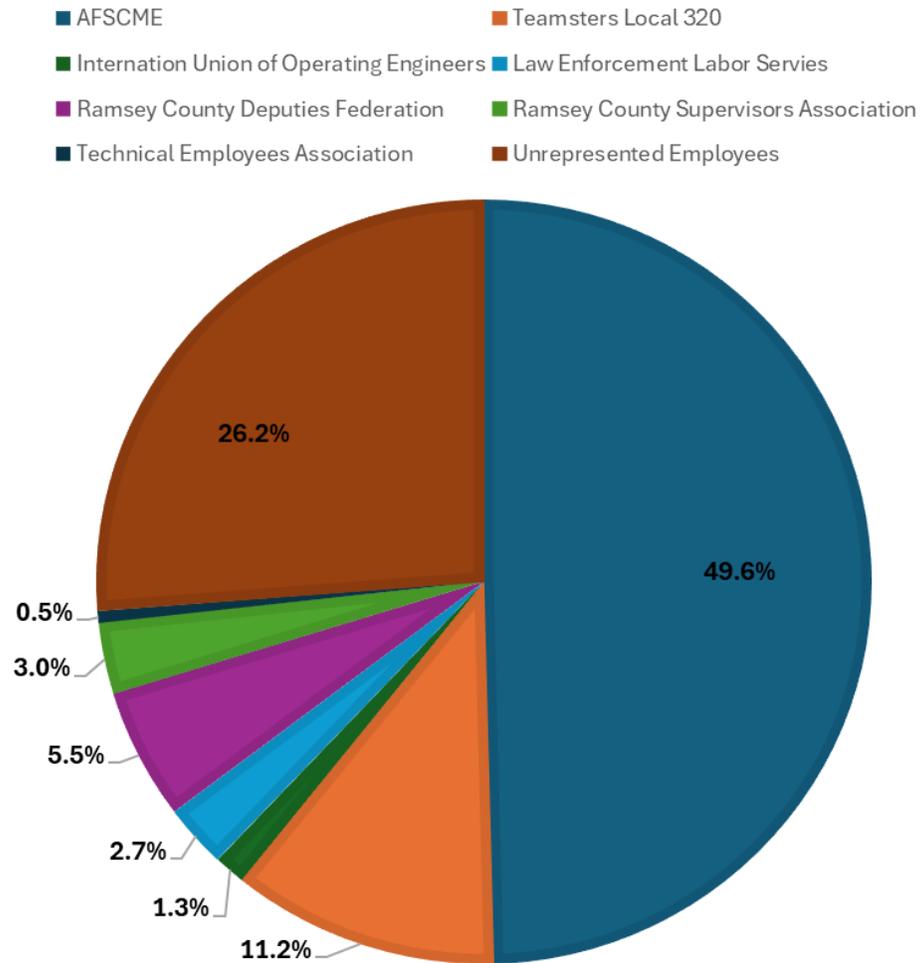
Heading into 2025-2027 Negotiations: External Labor Considerations

- In years leading up to 2024 negotiations, the public sector saw historical strike vote numbers, as well as wage increases.
- Core comparators' annual wage increases (“COLAs”) outpaced Ramsey County over the past several years.
- Surrounding jurisdictions were already considering significant wage increases for labor contracts beginning in 2025.
- Recruitment and retention challenges impacted the county’s ability to provide core resident services.

Timeline



Labor Representation



Union represented employees are a critical part of the work in Ramsey County.

- There are 21 labor union contracts represented by seven different unions.
- Roughly 75% of county employees are represented by a labor union.
- Over half of represented employees are in strike eligible groups.
- All new labor contracts will expire on December 31, 2027.

Labor Negotiations Background

- AFSCME labor contracts require negotiations to begin no later than July 1 of the final year of the contract, so effort began in June of 2024.
- Worked toward negotiating contracts for 2025, 2026 and 2027.
- Entered negotiations aiming to reach agreement on Classification & Compensation Modernization, a long-standing county goal.
- 2022-2025 labor contracts expired on December 31, 2024.
 - Typically, the goal is to have AFSCME negotiations concluded before the Thanksgiving holiday.

Classification and Compensation Overview

As part of the enterprise-wide Talent Attraction, Retention, and Promotion ("TARP") strategic priority, the classification and compensation systems and plans were modernized to:

- Update classifications to reflect current types and levels of work that is flexible and consistent.
- Simplify the classification structure.
- Identify competitiveness.
- Build a salary structure that balances internal equity with external competitiveness of core comparators.
- Resolve pay compression issues.

Ramsey County Core Comparators:



Highlights from Negotiations

- Generated excitement through Classification & Compensation Modernization with nearly all labor groups.
- Built trust with many of the county's labor partners through collaborative and transparent negotiations.
- Reached voluntary agreement with all 21 bargaining agreements without any labor stoppages for the non-essential labor groups or interest arbitrations for essential labor groups.
 - Required mediation with only 4 bargaining units to reach agreement.
 - Settled contract quickly – LELS Local 184 Commanders settled in 5 hours!
 - Successfully avoided a strike by Teamsters Probation Officers.

Negotiations Summary

- General Wage Adjustments
 - 2025: 3.0%
 - 2026: 3.5%
 - 2027: 4.5%
- Implementation of Classification & Compensation Modernization resulted in an average increase of 2% in 2025.
- By 2026, time to move between steps will be reduced from 4+ years to 2 years or less for all salary plans.
- Increased paid parental leave from 3 weeks to 8 weeks.
- Additional 8 hours of floating holiday for a total of 16 hours.

Non-Represented Employees

- Non-represented employees have historically maintained comparable pay and benefits.
- In December of 2024, the board approved Phase 1 of Classification & Compensation Modernization for non-represented employees not on a performance-based salary plan.
 - Also included:
 - The same general wage adjustments for 2025, 2026, and 2027.
 - Increase to paid parental leave from 3 to 8 weeks.
 - 8 additional hours of floating holiday.
- Phase 2 of the Classification & Compensation Modernization for non-represented job classification assigned to the performance-based salary plans.
 - Target completion date of June 30, 2025.

Compensation Structure Maintenance – Market Studies

- Compensation should reflect the local public sector labor markets where the county is competing for employees.
- Regular reviews will ensure competitiveness with the labor market and account for changes in market conditions and trends.
- Currently developing a plan for reoccurring market studies of each job classification at least every 3 years that uses data from a variety of sources and the nine core comparators (where applicable).
 - The plan will consider:
 - Time needed when a data requests is necessary.
 - Contract negotiations timing.

Compensation Structure Maintenance – On-Going Audits

- Currently developing a plan for reoccurring compensation maintenance audits for employees within each job classification.
- Audits will review consistency of internal compensation and ensure employees in similar positions with comparable skills and/or experience receive fair compensation.
 - Contributing to a positive public perception and long-term fiscal responsibility.
 - Directly impacting an organization’s ability to attract, retain, and motivate talented employees.
- Goal for the first full review to be completed no later than December 31, 2026.

Looking Ahead

- Ultimately, investing in employees is an investment in the future success, sustainability, and impact of the organization.
- Ramsey County is an organization of nearly 4,000 employees who deliver critical services, solve complex challenges, and meet the evolving needs of residents every day.
- As the county invests and prioritizes the workforce, a foundation of trust and loyalty is built that can withstand change, disruption, and uncertainty. This ensures residents receive the services they need.
- Paying for employee investments is a major part of the county's budget, and those expenses ultimately impact the tax levy.

