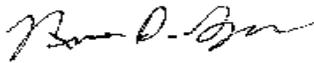


City of Calistoga

Staff Report

TO: Honorable Mayor and City Council
FROM: Richard Spitler, City Manager
DATE: July 16, 2013
SUBJECT: Unrepresented Employees Salary and Benefits

APPROVAL FOR FORWARDING:



Richard Spitler, City Manager

1
2 **ISSUE:** To consider a Resolution to change the salary and labor benefits for
3 unrepresented employees.

4
5 **RECOMMENDATION:** Adopt Resolution.

6
7 **DISCUSSION:** Twelve City employees are not represented by any of the three recognized
8 labor associations. These employees consist of department heads, middle managers and
9 confidential employees. As such, this unrepresented group has no established collective
10 bargaining unit to negotiate a MOU or other regularly negotiated labor contract. The basic
11 terms of employment for the unrepresented employees are outlined in the City's Personnel
12 Rules and Regulations Manual. Because of this, the City Council has authority to
13 determine their salary and benefits and to change them when desirable or necessary.

14 The City Manager has met with these unrepresented employees several times during the
15 last several months to inform them of the City's financial situation and to hear their
16 suggestions.

17 The following are the recommended changes for the unrepresented group through
18 December 31, 2014.

- 19 1. Compensation: Effective January 1, 2013, the unit will receive a wage adjustment
20 of 2%.
21
22 2. Compensation: Effective January 1, 2014, the unit will receive a wage adjustment of
23 1%.
24

- 25 3. Uniform Allowance: The City shall report the value of uniform cleaning and
26 replacement to CalPERS for the Chief of Police, Fire Chief and Police Lieutenant.
27 This is line with the Calistoga Police Officers Association.
28
- 29 4. Bilingual Pay: Employees who qualify shall receive five per cent (5%) of base
30 salary as bilingual differential at the discretion of the City Manager. An employee
31 shall be deemed qualified who is determined by the City to be fluent in an
32 appropriate language as determined by the City Manager.
33
34
- 35 5. Classification and Compensation Survey: On or around June 2014 the City shall
36 request proposals from a Professional Management Consultant to conduct a
37 classification and compensation survey.
38
- 39 6. Service Longevity Pay: Employees shall receive additional compensation,
40 notwithstanding any other salary adjustment based upon their length of service to
41 the City according to the following schedule:
- | | |
|---|-------------------|
| 42 a. Completion of 5 years of service | \$25.00 per month |
| 43 b. Completion of 10 years of service | \$50 per month |
| 44 c. Completion of 15 years of service | \$75 per month |
| 45 d. Completion of 20 years of service | \$100 per month |
| 46 e. Completion of 25 years of service | \$125 per month |
| 47 f. Completion of 30 years of service | \$150 per month |
- 48
- 49 The computation of Service Longevity Pay increases are Persable but shall not be
50 cumulative.
- 51 7. Education Reimbursement: Employees shall be eligible to receive up to \$1,000.00
52 per fiscal year for reimbursement of expenditures on tuition, books, travel and any
53 other costs associated with their successful completion of any professional or
54 educational program approved by the City Manager. This benefit shall be funded at
55 the maximum "pooled" total of \$5,000 per year and is available to any un-
56 represented employee on a first come, first served basis. Once the total annual
57 benefit amount of \$5,000 is reached, the benefit is no longer available to any
58 member until the next fiscal year.
59
- 60 8. Classification Retirement: – Implementation of Public Employees' Pension Reform
61 Act (PEPRA) as required by California Public Employees' Retirement System
62 (CalPERS) effective January 1, 2013.
- 63 9. Employees may have twenty four (24) work hours leave of absence for each death
64 in their immediate family for the purpose of bereavement and for the arranging of,
65 and attendance at the funeral. Immediate family means spouses, domestic

66 partners, parents, grandparents, step-parents, children, step –children, brothers or
67 sisters and legal guardian.

68
69 If an Employee must attend a funeral more than five hundred (500) miles from the
70 City, or if the death is to a member of the Employees extended family, then the
71 employee has the option to use up to three (3) days of sick leave from his/her
72 current sick leave balance in addition to any leave provided available.

73
74 The employee may be required to submit proof of the relative's death before the
75 final approval of leave with pay is granted.

76 This is consistent with other labor groups.

77
78 10. Floating Holidays: Employees shall be granted two (2) floating holidays per calendar
79 year, which may be taken at a time mutually agreeable to the employee and
80 supervisor. Unused holiday time may not be carried over into the following year.
81 Employees hired between May 1 and August 31 will be credited with 12 hours of
82 holiday time for that year and employees hired between September 1 and
83 December 31 will be credited with 8 hours of holiday time. Employees leaving CITY
84 service between January 1 and April 30 will be required to repay the CITY for 12
85 hours and those leaving CITY service between May 1 and August 31 will be
86 required to repay the CITY for 8 hours.

87
88 This is consistent with other labor groups.

89
90 In return for the above this group is giving up on a previous benefit to allow the City
91 Manager to grant up to a 5% annual merit increase for each employee and an automatic
92 CPI increase each year.

93 During the labor negotiations of 2011 the City Council took several actions to reduce
94 expenditures for the unrepresented group which took effect November 1, 2011:

- 95 1. Eliminated funding for 1 department head position and the City Clerk position (these
96 positions have since been filled)
- 97 2. Reduced City salaries by 15% which included higher contributions for health care
- 98 3. Suspended annual lump sum performance bonus up to 5%
- 99 4. Suspended Annual Cost of Living Adjustments (COLA) in July of each year
- 100 5. Reduced budget expenditures for supplies, materials and equipment
- 101 6. Implemented a reduced Public Employee Retirement System (PERS) for future
102 safety and non-safety employees and required all employees to pay the employee
103 PERS contributions

104
105 The total savings achieved by the Unrepresented employee group through concessions
106 was \$181,760 on an annualized basis (all funds) during the 2011 labor negotiations.

107

108 The City has improved financially since 2011 due to the above economic concessions by
109 employees, a general improvement in the economy (which brought in more revenue) and
110 receipt of development impact fees from new development which reduced dependency on
111 the general fund to cover debt payments.

112

113

114 **FISCAL IMPACT:** The fiscal impact of the Unrepresented Group changes is as follows:

115

1. Employee Compensation:

116

a. Fiscal Year 2012/13 Anticipated Fiscal Impact: \$25,062

117

2. Employee Compensation:

118

a. Fiscal Year 2013/14 Additional Anticipated Fiscal Impact: \$33,111

119

b. Fiscal Year 2014/15 Additional Anticipated Fiscal Impact: \$8,049

120

3. Uniform, Bilingual Pay and Service Longevity Pay:

121

a. Fiscal Year 2012/13 No additional fiscal impact

122

b. Fiscal Year 2013/14 \$12,045

123

c. Fiscal Year 2014/15 \$6,023

124

4. Education Reimbursement:

125

a. Fiscal Year 2013/14 Maximum \$5,000

126

b. Fiscal year 2014/15 Maximum \$5,000

127

5. Classification Retirement Implementation:

128

a. Fiscal Year 2013/14 No additional fiscal impact

129

b. Fiscal Year 2014/15 No additional fiscal impact

130

6. Classification and Compensation Survey:

131

a. Staff will be bringing this item back to council for approval of consultant and
132 expenditure. The fiscal year 2013-14 budget has appropriated \$50,000 for
133 the study (to cover all employees).

134

135 Employee compensation for Fiscal Year 2012/13 will be expensed in Fiscal Year 2013/14.
136 The Fiscal Year 2014/15 additional anticipated expense is for the time period of July 2014
137 through December 2014.

138

139 The fiscal impact for FY 2012/13 and FY 2013/14 has been appropriated in the FY
140 2013/14 budget which was adopted on June 18, 2013.

141

142

143

ATTACHMENTS:

144

1. Draft Resolution

145

2. Draft Unrepresented benefits sheet

146