

City of Laguna Beach

AGENDA BILL

No. **20**

Meeting Date: 1/12/16

SUBJECT: ADJUSTMENT TO MANAGEMENT SALARY AND BENEFITS

SUMMARY OF THE MATTER:

The City of Laguna Beach ("City") and the Laguna Beach Municipal Employees' Association ("LBMEA") have recently negotiated a three and one-half year Memorandum of Understanding ("MOU") which will remain in effect from January 1, 2016 to June 30, 2019. With the exception of those in the Police/Fire Management Employee Association, management employees are not covered by any collective bargaining agreement; however, management typically follows LBMEA in terms of the salary changes, retirement benefits, and leave benefits.

During the last three years, management employees agreed to significant cost sharing items where the employees agreed to contribute 8% towards their CalPERS retirement benefit. Sick and vacation leaves were also modified, resulting in savings. In recognition of these concessions and an improving economy, management salaries are recommended to be increased consistent with LBMEA adjustments.

Going forward and similar to the LBMEA agreement, it is recommended management employees receive salary increases of 3 ½ % effective January 4, 2016, 3% effective July 1, 2017 and 3% effective July 1, 2018. Non-Safety Management employees contribute the full 8% employee portion towards retirement benefits. For non-represented Safety Management, the Police Chief and Fire Chief will increase their CalPERS retirement benefit contribution by 1% effective January 4, 2016 and 2% effective July 1, 2017, bringing the contribution to the full amount of 12%. The Chief of Marine Safety will increase his CalPERS retirement benefit contribution by 1% effective January 4, 2016 and 1% effective July 1, 2017, bringing the contribution to the full amount of 11%. The changes to both retirement contributions and salary will be effective the first payroll paid in July of the respective fiscal years. Management employees will participate in the 9/80 alternate work schedule when the trial program is implemented in April.

Also, per the City Personnel Rules, benefits for the City Clerk and City Treasurer are tied to management

RECOMMENDATIONS: It is recommended the City Council: (1) adopt the proposed changes to the management salary and benefits as outlined in the agenda bill, (2) approve the salary schedules for management positions and the elected City Clerk and City Treasurer; and (3) authorize the City Manager to modify future budgets to reflect the changes to management compensation.

Appropriations Requested: _____

Submitted by: Susan Cannan
Susan Cannan, Interim Personnel Svcs. Mgr.

Fund: _____

Coordinated with: Gavin Curran
Gavin Curran, Director of Finance & I.T.

Attachment: Management Salary Schedule

Approved: John Kelly
City Manager

Management Salary & Benefits

January 12, 2016

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benefits but the City Council must set the salary for both positions. Therefore, it is recommended the City Council increase the City Clerk and City Treasurer salary ranges by 3 ½ % effective January 4, 2016, 3% effective July 1, 2017, and 3% effective July 1, 2018, with the effective date of these changes the first payroll paid in July of the respective fiscal year and set the salaries paid to those positions effective January 4, 2016 at \$10,682 per month for the City Clerk and \$7,010 per month for the part-time City Treasurer (25 hours a week), which includes 5% exceptional performance pay approved by the City Council.

The City Manager's benefits, such as salary increases, vacation leave, sick leave, medical, are tied to management benefits unless otherwise provided for by contract, therefore, the 3 ½ % salary, and future salary increases also apply to the City Manager.

Over the next two fiscal years, the management salary adjustments will cost approximately \$70,000 for the remainder of FY 2015-16 and \$140,000 in FY 2016-17. The new salary schedule for management personnel is attached as Exhibit A.

**City of Laguna Beach Salary Schedule
ELECTED and NON-ELECTED MANAGEMENT PERSONNEL
FY 15-16**

EXHIBIT A

<u>NON-ELECTED POSITION TITLE</u>	<u>SALARY RANGE</u>	
Assistant City Manager	\$10,833	\$16,625
Assistant City Manager/Director of Public Works	\$10,833	\$16,625
Director of Public Works/City Engineer	\$10,833	\$16,625
Director of Water Quality	\$10,833	\$16,625
Fire Chief	\$10,833	\$16,625
Police Chief	\$10,833	\$16,625
Deputy City Manager/Director of Community Services	\$9,861	\$15,134
Director of Community Development	\$9,861	\$15,134
Director of Finance and Information Technology	\$9,861	\$15,134
City Engineer	\$9,861	\$15,134
Assistant City Engineer	\$8,490	\$13,073
Assistant Director of Community Development	\$8,490	\$13,073
Finance Officer	\$8,490	\$13,073
Personnel Services/Risk Manager	\$8,490	\$13,073
Building Official	\$8,002	\$12,000
Chief of Marine Safety	\$8,002	\$12,000
Deputy Director of Community Services/Parking & Transit Manager	\$8,002	\$12,000
Deputy Director of Public Works	\$8,002	\$12,000
Planning Manager	\$8,002	\$12,000
Project Director	\$8,002	\$12,000
Zoning Administrator	\$8,002	\$12,000
Executive Assistant	\$4,568	\$6,852
 <u>ELECTED OFFICIAL</u>		
City Clerk	\$7,589	\$10,682 ¹
City Treasurer - (25 Hrs/Week)	\$4,743	\$6,676 ²
1 Actual for FY 15-16 is \$10,682		
2 Actual for FY 15-16 including 5% Exceptional Performance Pay is \$7,010		
 <u>CONTRACT</u>		
City Manager		\$20,984