

**City of Culver City, California
Agenda Item Report**

Meeting Date: 04/08/2013		Item Number: <u>C-7</u>	
CITY COUNCIL AGENDA ITEM: (1) Approval of Side Letters of Agreement with the Culver City Employees Association, the Culver City Management Group, the Culver City Police Management Group, the Culver City Police Officers' Association, the Culver City Fire Management Group, and the Culver City Firefighters' Association; (2) Adoption of Resolutions Approving Related Amendments to the Respective Memorandums of Understanding Consistent with the Side Letters of Agreement; and (3) Adoption of Resolutions Approving Respective Classification and Salary Plans for Safety Employees and Miscellaneous Employees.			
Contact Person/Dept.: Serena Wright		Phone Number: 310-253-5640	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Dates:	
Public Notification: (E-Mail) Agenda and Meetings – City Council (04/02/13); Culver City Employees Association (04/03/13); Culver City Management Group (04/03/13); Culver City Police Management Group (04/03/13); Culver City Police Officers' Association (04/03/13); Culver City Fire Management Group (04/03/13); Culver City Firefighters' Association (04/03/13)			
Department Approval: Serena Wright (03/29/13)		City Attorney Approval: Carol Schwab (by H. Baker) (04/01/13)	
Chief Financial Officer Approval: Jeff Muir (04/02/13)		City Manager Approval: John M. Nachbar (04/02/13)	
<u>RECOMMENDATION:</u> Staff recommends the City Council (1) approve side letters of agreement with the Culver City Employees Association (CCEA), the Culver City Management Group (CCMG), the Culver City Police Management Group (PMG), the Culver City Police Officers' Association (POA), the Culver City Fire Management Group (FMG), and the Culver City Firefighters' Association (FFA); (2) adopt resolutions approving related amendments to the respective Memorandums of Understanding consistent with the Side Letters of Agreement; and (3) adopt resolutions approving respective Classification and Salary Plans for Safety Employees (PMG, FMG, POA and FFA) and Miscellaneous Employees (CCMG and CCEA). <u>BACKGROUND:</u> Culver City has valid Memoranda of Understanding (MOU) with all six of its recognized bargaining units which outline wages, hours, terms and conditions of employment. In light of the implementation of a new Finance/HR system, and as a result of a recent CalPERS audit, staff is proposing various modifications to the existing MOU's. These modifications will simplify many of our administrative			

City of Culver City, California
Agenda Item Report

procedures, reduce the need for manual processing, and ensure that we are compliant with CalPERS regulations. Staff has met and conferred with the bargaining units over these proposed changes.

DISCUSSION:

A summary of the proposed revisions, as specified in the attached side letters of agreement, include:

- Modifying the Acting Pay provision to eliminate the need to manually track employee work hours;
- Replace the Holiday In-Lieu Pay benefit for FMG and PMG with Longevity Pay for the same value; and
- Revise the Salary Schedules to separate special assignment and certificate pays from base salary.

Acting Pay

The purpose of Acting Pay is to compensate employees that are required to take on higher level duties that are outside the scope of their regular job classification. Currently, in order to receive Acting Pay, an employee must work a minimum of 80-hours (or 5 consecutive fire suppression shifts). If an employee takes certain leave time while working that assignment they are precluded from receiving Acting Pay. This requires manually tracking an employee's hours to ensure that they have actually worked the requisite hours. Staff is proposing that Acting Pay, when assigned, be applied to the full pay period and include approved leave of absences.

Holiday In-Lieu Pay

The Holiday In-Lieu Pay benefit is provided to employees that are normally required to work on approved holidays due to the nature of their job. Police and 40-hour Fire Management unit employees accrue 4 hours per pay period (104 hours annually) of Holiday In-Lieu time. This is equivalent to 5% of compensation. Staff is proposing that the Holiday In-Lieu Pay benefit be replaced with a 5% Longevity Pay for all Police and Fire Management employees with the exception of FMG employees working fire suppression. FMG unit employees assigned to fire suppression will continue to accrue Holiday In-Lieu Pay time. The Longevity Pay benefit is currently provided to other employees within CCEA, CCMG, and Executive Management.

Salary Schedules

CalPERS has very specific requirements for reporting compensation. They require that regular reportable earnings (i.e. base salary) be reported separately from special compensation (i.e. certificate pay, special assignment pay, etc). Culver City's current salary schedules have regular reportable earnings and special compensation

City of Culver City, California
Agenda Item Report

combined. In order to properly set-up regular and special compensation in the new payroll system, staff is proposing that all special compensation be removed from base salary. This will allow separate reporting. Some minor upward modifications to the base hourly pay rate are necessary in order to prevent adversely impacting an employee's gross pay. This is due to the way that special compensation was set up in the old system; it created a compounding effect.

FISCAL ANALYSIS:

Acting Pay

The increased annual costs will be less than \$500 annually. The value of staff time saved will greatly exceed this amount.

Holiday In-Lieu Pay

No fiscal impact.

Salary Schedules

The total annual cost to ensure all employees are kept whole is approximately \$50,000. This is a one-time adjustment.

ATTACHMENTS:

1. Side Letters with the six bargaining groups
2. Proposed Resolutions amending the respective MOUs of the six bargaining groups
3. Proposed Resolutions adopting respective Classification and Salary Plans for Safety Employees and Miscellaneous Employees

MOTION:

That the City Council:

1. Approve the Side Letters of Agreement with the Culver City Employees Association, the Culver City Management Group, the Culver City Police Management Group, the Culver City Police Officers' Association, the Culver City Fire Management Group and the Culver City Firefighters' Association; and,
2. Adopt resolutions approving related amendments to the respective MOUs of the Culver City Employees Association, the Culver City Management Group, the Culver City Police Management Group, the Culver City Police Officers'

City of Culver City, California
Agenda Item Report

Association, the Culver City Fire Management Group and the Culver City Firefighters' Association, consistent with the Side Letters of Agreement; and,

3. Adopt resolutions approving respective Classification and Salary Plans for Safety Employees (Culver City Police Officers' Association, Culver City Police Management Group, Culver City Fire Management Group and the Culver City Firefighters' Association) and Miscellaneous Employees (Culver City Employees Association and the Culver City Management Group).