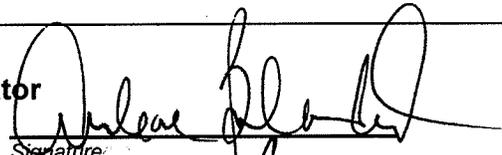


**STAFF REPORT**  
**COUNCIL MEETING DATE**  
**June 25, 2012**

**ITEM FOR COUNCIL CONSIDERATION**

ADOPT RESOLUTIONS NO. 5396 AND 5397 REVISING CONDITIONS OF EMPLOYMENT FOR MANAGEMENT AND MISCELLANEOUS PERSONNEL

Report prepared by: Arlene Balmadrid, HR Administrator

  
Signature

  
Signature

Reviewed by: Dave Durlinger, City Manager

**STAFF RECOMMENDATION**

Action Item X\_; Non-Action Item \_\_\_

Adopt Resolution Nos. 5396 and 5397 approving revisions to the Conditions of Employment for Management and Miscellaneous Personnel and authorize the City Manager to implement the changes effective July 1, 2012.

**Motion:** I move approval of Resolution Nos. 5396 and 5397 as read by title only, adopting revisions to the Conditions of Employment for Management and Miscellaneous Personnel.

**I. BACKGROUND**

The changes in the Conditions of Employment document, which is a non-negotiable contract, is in effect from July 1, 2012 through June 30, 2013 and makes changes regarding employee pension contributions and salary. All other provisions of the conditions of employment will remain unchanged with the exception of A provision that will be updated to reflect changes in the law (i.e. Pregnancy Leave Act).

## **II. DISCUSSION**

The changes to the conditions of employment are compatible with the City's adopted budget and will contain and expand necessary cost savings measures as follows:

- Additional 1.5% employee cost sharing on retirement contribution to CalPERS.
- Base wage adjustment of 1.5%

The 1.5% cost sharing is in addition to the 3% already paid by the employees for a total of 4.5%. The CalPERS member contribution is 7%.

## **III. LEGAL ISSUES**

Changes to the Conditions of Employment for Management and Miscellaneous Personnel were reviewed by Jeffrey Dinkin a labor lawyer with Sheppard Mullin Law Office working on contract for the City.

## **IV. ATTACHMENTS**

- A. Resolution No. 5396
- B. Resolution No. 5397

**RESOLUTION NO. 5396**

**A RESOLUTION OF THE CARPINTERIA CITY COUNCIL  
APPROVING AND ADOPTING REVISIONS TO THE CONDITIONS OF  
EMPLOYMENT FOR MISCELLANEOUS PERSONNEL  
AND AMENDING RESOLUTION NO. 5320**

WHEREAS, the Carpinteria City Council recognizes that the conditions of employment for Unrepresented Miscellaneous Personnel should be addressed separately from classified employees covered under the Memorandum of Understanding between the City of Carpinteria and the Service Employees International Union (SEIU) Local 620; and,

WHEREAS, this classification of employee includes an Assistant Planner, Code Compliance Officers, Community Development Technician, Pool Superintendent, and other clerical positions, the Carpinteria City Council wishes to update the Conditions of Employment and the Compensation Program for this classification to insure that the City remains competitive; and,

WHEREAS, it is the desire of the City Council to amend the Addendum of the conditions of employment for those employees classified as miscellaneous employees as follows:

1. Effective with the first full pay period after July 1, 2012, the affected employees shall have their based wages increased by one and one-half percent (1.5%).
2. The City shall continue to participate in the California Public Employees Retirement System (CalPERS) providing 2% @ 55 full formula benefits to the affected employees.
  - A. Effective with the first pay period after July 1, 2012, the City's contribution toward Employer Paid Member Contribution (EPMC) shall be reduced from seven percent (7%) to five and one-half percent (5.5%) of compensation earnable. Employees shall pay the remaining one and one-half percent (1.5%) of the statutorily mandated employee contribution to California Public Employees' Retirement System (CalPERS) through payroll deductions. The City will report the five and one-half percent (5.5%) employer paid member contribution (EPMC) as "compensation earnable" for purposes of retirement compensation in accordance with Government Code section 20636(c)(4).
  - C. As soon as practicable and upon approval by the City Council, the City shall perform all acts necessary to implement a CalPERS contract amendment to increase the amount employees are allowed to pay (pre-tax) toward a portion of the employer contribution from the current three percent (3%) to four and one-half percent (4.5%) under the cost sharing arrangement set forth in Government Code Section 20516(a).
    1. Effective the first full pay period following the effective date of the amendment to the CalPERS contract, employees will contribute a portion of the required employer contribution equal to four and one-half percent (4.5%) of "compensation earnable" through payroll deductions.
    2. Until the implementation of the cost-sharing contribution described in subsection 1 above, employees shall continue to contribute a portion of the required employer contribution equal to three percent (3%) of "compensation earnable" through payroll deductions.

3. Upon implementation of the cost sharing contribution described in subsection 1 above, the City will resume paying for and reporting the seven percent (7%) employer paid member contribution (EPMC) as "compensation earnable" for purposes of retirement compensation in accordance with Government Code section 20636(c)(4).

D. The City shall continue to report the value of the EPMC on all reportable compensation subject to PERS for all employees in the Management and Miscellaneous Personnel of the City.

All other provisions of the Conditions of Employment for Miscellaneous Personnel will remain unchanged and in effect during the term of the agreement with the exceptions of provisions that will be updated to reflect changes in the law (e.g. Pregnancy and Family Leave Act).

WHEREAS, it is the desire of the City Council to amend the conditions of employment for those employees classified as Miscellaneous Personnel as follows;

NOW, THEREFORE, THE CARPINTERIA CITY COUNCIL HEREBY RESOLVES THAT the amended Conditions of Employment for Miscellaneous Personnel of the City of Carpinteria is hereby approved and implementation by the City Manager is authorized, and

PASSED, APPROVED AND ADOPTED this 25th day of June, 2012 by the following called vote:

AYES: COUNCIL MEMBER:

NOES: COUNCIL MEMBER:

ABSENT: COUNCIL MEMBER:

\_\_\_\_\_  
Mayor, City of Carpinteria

ATTEST:

\_\_\_\_\_  
City Clerk, City of Carpinteria

I hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a special meeting of the City Council of the City of Carpinteria held the 25th day of June, 2012.

\_\_\_\_\_  
City Clerk, City of Carpinteria

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

**RESOLUTION NO. 5397**

**A RESOLUTION OF THE CARPINTERIA CITY COUNCIL  
APPROVING AND ADOPTING REVISIONS TO THE CONDITIONS OF  
EMPLOYMENT FOR MANAGEMENT PERSONNEL  
AND AMENDING RESOLUTION NO. 5319**

WHEREAS, the Carpinteria City Council recognizes that the conditions of employment for at-will management-level employees should be addressed separately from classified employees covered under the Memorandum of Understanding between the City of Carpinteria and the Service Employees International Union (SEIU) Local 620; and,

WHEREAS, this classification of employee includes Department Directors, and other management, mid-management and supervisory positions, the Carpinteria City Council wishes to update the Conditions of Employment and the Classification/Compensation Program for this classification to insure that the City remains competitive; and,

WHEREAS, it is the desire of the City Council to amend the Addendum of the Conditions of Employment for those employees classified as management employees as follows:

1. Effective with the first full pay period after July 1, 2012, the affected employees shall have their based wages increased by one and one-half percent (1.5%).
2. The City shall continue to participate in the California Public Employees Retirement System (CalPERS) providing 2% @ 55 full formula benefits to the affected employees.
  - A. Effective with the first pay period after July 1, 2012, the City's contribution toward Employer Paid Member Contribution (EPMC) shall be reduced from seven percent (7%) to five and one-half percent (5.5%) of compensation earnable. Employees shall pay the remaining one and one-half percent (1.5%) of the statutorily mandated employee contribution to California Public Employees' Retirement System (CalPERS) through payroll deductions. The City will report the five and one-half percent (5.5%) employer paid member contribution (EPMC) as "compensation earnable" for purposes of retirement compensation in accordance with Government Code section 20636(c)(4).
  - C. As soon as practicable and upon approval by the City Council, the City shall perform all acts necessary to implement a CalPERS contract amendment to increase the amount employees are allowed to pay (pre-tax) toward a portion of the employer contribution from the current three percent (3%) to four and one-half percent (4.5%) under the cost sharing arrangement set forth in Government Code Section 20516(a).
    1. Effective the first full pay period following the effective date of the amendment to the CalPERS contract, employees will contribute a portion of the required employer contribution equal to four and one-half percent (4.5%) of "compensation earnable" through payroll deductions.
    2. Until the implementation of the cost-sharing contribution described in subsection 1 above, employees shall continue to contribute a portion of the required employer contribution equal to three percent (3%) of "compensation earnable" through payroll deductions.

3. Upon implementation of the cost sharing contribution described in subsection 1 above, the City will resume paying for and reporting the seven percent (7%) employer paid member contribution (EPMC) as "compensation earnable" for purposes of retirement compensation in accordance with Government Code section 20636(c)(4).

D. The City shall continue to report the value of the EPMC on all reportable compensation subject to PERS for all employees in the Management and Miscellaneous Personnel of the City.

All other provisions of the Conditions of Employment for Miscellaneous Personnel will remain unchanged and in effect during the term of the agreement with the exceptions of provisions that will be updated to reflect changes in the law (e.g. Pregnancy and Family Leave Act).

WHEREAS, it is the desire of the City Council to amend Resolution 5013 relating to conditions of employment for those employees classified as management employees as follows:

NOW, THEREFORE, THE CARPINTERIA CITY COUNCIL HEREBY RESOLVES THAT the amended Conditions of Employment for Management Personnel of the City of Carpinteria is hereby approved and implementation by the City Manager is authorized, and

PASSED, APPROVED AND ADOPTED this 25th day of June, 2012 by the following called vote:

AYES: COUNCIL MEMBER:

NOES: COUNCIL MEMBER:

ABSENT: COUNCIL MEMBER:

\_\_\_\_\_  
Mayor, City of Carpinteria

ATTEST:

\_\_\_\_\_  
City Clerk, City of Carpinteria

I hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a special meeting of the City Council of the City of Carpinteria held the 25th day of June, 2012.

\_\_\_\_\_  
City Clerk, City of Carpinteria

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney