



# *CITY COUNCIL AGENDA REPORT*

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MEETING DATE: November 19<sup>th</sup>, 2013

ITEM NUMBER:

**SUBJECT: SALARY RESOLUTIONS FOR CLASSIFICATIONS REPRESENTED BY THE COSTA MESA POLICE ASSOCIATION (CMPA) AND COSTA MESA POLICE MANAGEMENT ASSOCIATION (CMPMA)**

**DATE: November 5, 2013**

**FROM: CEO'S OFFICE - HUMAN RESOURCES DIVISION**

**PRESENTATION BY: LANCE NAKAMOTO, HUMAN RESOURCES MANAGER**

**FOR FURTHER INFORMATION CONTACT: LANCE NAKAMOTO, AT (714) 754 - 5172**

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## **RECOMMENDATION:**

Staff recommends that the City Council:

1. Adopt Resolution Number 13-\_\_\_\_\_, which implements salary range adjustments for job classifications represented by the CMPA (Attachment I).
2. Adopt Resolution Number 13-\_\_\_\_\_, which implements salary range adjustments for job classifications represented by the CMPMA (Attachment II).
3. Approve Budget Adjustment 14-016, in the amount of \$911,450 (Attachment III).

## **BACKGROUND:**

During spring through fall of 2010, the City and the CMPA and CMPMA respectively met and conferred regarding wages, benefits and other terms and conditions of employment, which resulted in two (2) respective side letters to the Memorandum of Understanding between the parties. These side letters include language regarding salary adjustments. The implementation of potential salary adjustments were agreed upon for the third year (July 1, 2013) of the side letters. Approval of the recommended actions will authorize 4% salary range increases to be effective June 30<sup>th</sup>, 2013 inclusive of the pay period that includes July 1 as stipulated in each of the CMPA and CMPMA side letters.

## **ANALYSIS:**

The following excerpt is the identical language from each respective CMPA/CMPMA side letter:

- a. If the combined revenues totals for Sales Tax, Property Tax, and Transient Occupancy Tax (TOT) increase and return to 07/08 revenues (\$72,499,107), then a 2% COLA adjustment will be implemented, or

- b. If the combined revenue totals for Sales Tax, Property Tax and Transient Occupancy Tax increase to 5% or more above 07/08 revenues (**\$76,124,063**), then the higher of:
  - i. A 4% COLA adjustment will be implemented, or
  - ii. A CPI\* adjustment will be implemented up to a maximum of 6%  
*\*CPI = The change in the Department of Labor's actual April Consumer Price Index, All Items (CPI-W) for Urban Wage Earners and Clerical Workers for the Los Angeles-Riverside-Orange Co. region for the period of April 2012 to April 2013.*

The recently completed audit shows the FY 2012-13 total sales, tax, property tax and transient occupancy tax is \$77,163,320. Based upon the language in the side letter, the combined total of these revenues results in a 4% COLA adjustment.

**ALTERNATIVES CONSIDERED:**

Under the terms of the side letters, the City will implement the salary adjustments as stipulated.

**FISCAL REVIEW:**

The estimated total annual cost for CMPA represented members is \$826,388 in salary and \$320,171 in related benefits. Similarly, the estimated total annual cost for CMPMA represented members is \$85,062; \$54,362 in salary and \$30,700 in related benefits Budget adjustment 14-016 in the amount of \$911,450 is necessary to provide an adequate appropriation for the contract costs from the effective date of June 30, 2013, through June 30, 2014. The appropriation will be transferred from undesignated fund balance.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed the attached documents and, where appropriate, approved them as to form.

**CONCLUSION:**

As provided in the 2010 CMPA and CMPMA Side Letters, staff recommends that the City Council adopt the attached resolutions that implements salary range adjustments effective June 30, 2013.

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LANCE M. NAKAMOTO  
Human Resources Manager

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THOMAS R. HATCH  
Chief Executive Officer

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STEPHEN DUNIVENT  
Interim Director of Finance

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THOMAS DUARTE  
City Attorney

DISTRIBUTION: Chief Executive Officer  
City Clerk

ATTACHMENTS: I [Salary Resolution 13 - xx CMPA](#)  
II [Salary Resolution 13 - xx CMPMA](#)  
III [Budget Adjustment 14 - 016](#)

111913 Salary Adjustment Staff Report

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