



Legislation Text

File #: 22-0471, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Lisa Jenkins, Human Resources Director

SUBJECT:

Consideration of a Resolution Approving Amendments to the Compensation Plan for Full-Time Unrepresented Employees to Add the Division Chief (Human Resources Director Jenkins).

ADOPT RESOLUTION NO. 22-0157

RECOMMENDATION:

Staff recommends that the City Council adopt Resolution No. 22-0157 amending the compensation plan for full-time unrepresented employees of the City of Manhattan Beach to add the position of Division Chief (Fire).

FISCAL IMPLICATIONS:

In comparison to the current compensation and benefits provided, the changes to compensation and benefits outlined in the unrepresented compensation plan are estimated to cost \$100,370 annually.

With two vacant Battalion Chief positions, the salary savings are sufficient to cover the increase of costs for the remainder of FY 2023. Subsequent years will be budgeted accordingly.

BACKGROUND:

In recent years, the City has had seven bargaining units, including the Fire Management Association (FMA), representing the City's three Battalion Chief positions. The Fire Management Association was organized in 2017 and prior to the employees organizing, the positions had historically been unrepresented by a labor organization.

In November 2020, the City and the FMA entered into an agreement regarding terms and conditions of employment. The agreement included a 2% salary increase, employees paying an additional 3% employee cost share toward their retirement, and the existing employees being grandfathered to receive a 15% longevity increment, meaning that existing employees would retain the incentive but newly hired or promoted employees would not be eligible for the incentive. Additionally, the overtime calculation for Battalion Chiefs working suppression shifts was modified from time and one half to straight time overtime. The three Battalion Chiefs who were grandfathered to receive longevity are no longer with the City, and therefore, the longevity increment is no longer in effect. While the City and the Fire Management Association reached an agreement on terms through December 31, 2021, a Memorandum of Understanding (MOU) was never formulated. Therefore, the terms and conditions of employment have been partially contained in the City's Personnel Rules as well as a tentative

agreement document approved by the City Council on November 4, 2020.

The City Council has recently been in ongoing negotiations with the Manhattan Beach Firefighters Association (MBFA) and desired to resolve those labor negotiations before considering the compensation and benefits of the Fire Managers. With the resolution of these negotiations via implementation of the City's Last Best and Final Offer on September 20, 2022, the Council met in closed session to consider adjustments to the compensation of the Fire Management employees.

Concurrently, the City's sole member of the FMA requested to dissolve the Association and become a part of the City's Unrepresented Employees group. Additionally, the Fire Chief requested that the Battalion Chief position be retitled to a Division Chief title, to reflect the range of administrative and management functions required of the position.

DISCUSSION:

In March 2022, the City Council approved a compensation plan for full-time unrepresented employees that centralizes the compensation and benefits for unrepresented employees into a dedicated document. The provisions previously contained only in the Personnel Rules were concurrently removed from the Personnel Rules, thereby making the Compensation Plan the centralized document for all compensation and terms of employment. In response to the request of the represented Battalion Chief(s) to move to the unrepresented employees association, staff recommends that the City Council approve amendments to the unrepresented compensation plan to add the Division Chief (retitled from Battalion Chief), and concurrently removing the corresponding provisions from the Personnel Rules. In addition, the City Council authorized in closed session changes to the salary for the Division Chief. The key changes to compensation and terms include the following:

1. Salary: Initial 15% adjustment to the salary range for Division Chief, along with cost of living (COLA) increases to the salary range in line with those existing in the current compensation plan for unrepresented employees (3% upon Council approval, 3% effective January 1, 2023, 3% effective January 1, 2024, and 1.5% effective January 1, 2025).
2. Performance Bonus: Like other unrepresented non-executive management employees, the Division Chief will be eligible for a bonus of up to 2.5% in recognition of exemplary performance or completion of a special project exceeding the general and customary duties of their classification.
3. Medical Insurance Contribution: Instead of the current City contribution to medical of 95% of the PORAC premium for FMA, the Division Chief will receive the contribution provided to unrepresented employees, which is a flat dollar amount contribution outlined within the compensation plan.
4. Deferred Compensation Contribution: Like other sworn unrepresented positions, the Division Chief will receive a 2.5% City contribution to a 401(a) plan.

The salary adjustment provided ensures that there is a differential in pensionable income between the top step Fire Captain/Paramedic (including specialty pays) and the Division Chief (Battalion

Chief), thereby providing an incentive for internal promotion. The benefits outlined (such as the 2.5% deferred compensation incentive) offer additional enhancements to the compensation package. Other compensation and terms of employment for the position not expressly identified within the staff report that have been incorporated into the compensation plan are consistent with the current benefits provided. Additional clean up and clarifying language has also been added as part of this compensation plan update.

PUBLIC OUTREACH:

Staff has determined that public outreach was not required for this issue.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

Special Counsel has approved the compensation plan as to form.

ATTACHMENTS:

1. Resolution No. 22-0157
2. Compensation Plan - Full-time Unrepresented Employees
3. Compensation Plan - Full-time Unrepresented Employees (Tracked Changed)