



Legislation Text

File #: 18-331, **Version:** 1

Report Prepared by: Steven S. Carrigan, City Manager

SUBJECT: Compensation Plan for Management Employees

REPORT IN BRIEF

Considers approving Compensation Plan for Management Employees.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving **Resolution 2018-50**, a Resolution of the City Council of the City of Merced, California, adopting a compensation plan for the executive management, middle management, supervisory management, and confidential management employees; and,
- B. Authorizing the City Manager or Assistant City Manager to execute the necessary documents.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Deny; or
3. Refer back to staff with instructions.

AUTHORITY

Resolution No. 80-106 - Resolution of the City Council of the City of Merced establishing an Employer-Employee Organizations Relations Policy.

Meyers Milias Brown Act

CITY COUNCIL PRIORITIES

As provided for in the 2018-19 Adopted Budget

DISCUSSION

The Compensation Plan for Management Employees has been updated at the direction of the City Council and provides base wage increases and other benefits in accordance with the anticipated revenue forecast along with updating language to align with new state and federal laws. The City Manager recommends adoption of the Resolution approving the Memorandum of Understanding.

A summary of the items agreed upon in this Memorandum of Understanding are as follows:

- Term: Two years - the term of the agreement shall be effective January 1, 2018 and shall remain in effect through December 31, 2019.
- Wages: Base wage increases will be effective the first pay period of the fiscal year as follows: year one (2018) 2.50% and year two (2019) 2.50%.
- Management Categories: Additional management categories have been created to allow for the implementation of the Classification Study, non-exempt confidential, exempt confidential, non-exempt supervisory and exempt supervisory. Positions have been re-classified in accordance with the FLSA audit.
- Non-Exempt Overtime: For purposes of computing overtime hours worked and hours worked and time during which an employee is excused from work because of vacation, holiday, sick or authorized compensatory time off (CTO) shall be considered as time worked by employee.
- Stand by Pay: Exempt Supervisory and Middle Management have been included in the Stand by Pay.
- Vacation: Additional hours of vacation will be granted to employees completing 15 years of service.
- Vacation Payout: Allow employees the option to annually cash out a maximum of 20 accrued vacation hours.
- Administrative Pay Changes: Exempt Supervisory will receive a total of 40 hours, Middle Management will receive a total of 60 hours. Administrative pay cash out will be capped at 40 hours.
- Uniform Allowance: Increase of Fire Uniform Allowance to \$1,050 annually.

IMPACT ON CITY RESOURCES

The total impact of the Compensation Plan on General Fund and other operating funds is approximately \$108,532. Funding has been included in the City Manager's Recommended FY 2018/19 budget. No additional budget appropriation is necessary.

ATTACHMENTS

1. Resolution 2018-50
2. Compensation Plan for Management Employees