



# ***Agenda Report***

## ***Fullerton City Council***

**MEETING DATE:** MARCH 17, 2020

**TO:** CITY COUNCIL / CITY MANAGER

**SUBMITTED BY:** KENNETH A. DOMER, CITY MANAGER

**PREPARED BY:** ELLIS CHANG, DIRECTOR OF ADMINISTRATIVE SERVICES

**SUBJECT:** REVISED RESOLUTION RELATING TO COMPENSATION FOR CONFIDENTIAL/NONREPRESENTED EMPLOYEES: ADMINISTRATIVE ASSISTANT/HUMAN RESOURCES, HUMAN RESOURCES TECHNICIAN I, HUMAN RESOURCES TECHNICIAN II, PAYROLL TECHNICIAN I, PAYROLL TECHNICIAN II, EMPLOYEE BENEFITS SPECIALIST, EXECUTIVE ASSISTANT, HUMAN RESOURCES/RISK MANAGEMENT ANALYST, BUDGET ANALYST, PUBLIC INFORMATION COORDINATOR, HUMAN RESOURCES MANAGER I, HUMAN RESOURCES MANAGER II, FISCAL SERVICES MANAGER, RISK MANAGER, CITY CLERK/CLERK SERVICES MANAGER, ASSISTANT TO THE CITY MANAGER/ECONOMIC DEVELOPMENT MANAGER

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### **SUMMARY**

Proposed revision to the Resolution Relating to Compensation for Confidential/Nonrepresented employees: Administrative Assistant/Human Resources, Human Resources Technician I, Human Resources Technician II, Payroll Technician I, Payroll Technician II, Employee Benefits Specialist, Executive Assistant, Human Resources/Risk Management Analyst, Budget Analyst, Public Information Coordinator, Human Resources Manager I, Human Resources Manager II, Fiscal Services Manager, Risk Manager, City Clerk/Clerk Services Manager, and Assistant to the City Manager/Economic Development Manager.

### **RECOMMENDATION**

1. Adopt Resolution No. 2020-XX.

RESOLUTION NO. 2020-XX – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, RELATING TO COMPENSATION

FOR CONFIDENTIAL/NONREPRESENTED EMPLOYEES AND  
SUPERSEDING RESOLUTION NO. 2018-11

2. Authorize appropriation of \$30,822 to cover the cost of implementing the aforementioned resolution.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement/s:

- Fiscal and Organizational Stability.

FISCAL IMPACTS

The fiscal impact of the new provisions in this proposed resolution are reflected in the attached audited fiscal analyses. Listed here is the estimated overall increase per fiscal year. Fiscal Year 2020-21 includes \$22,479 of employer costs pertaining to changes in the CalPERS cost sharing provision applicable to classic members of the unit discussed below.

Fiscal Year 2019-20	Fiscal Year 2020-21*
\$30,822	\$31,626

DISCUSSION

Employees covered by the Resolution under consideration are those serving in the twelve budgeted positions of: Administrative Assistant / Human Resources, Human Resources Technician I/II (2 positions), Payroll Technician I/II (2 positions), Executive Assistant, Human Resources / Risk Management Analyst, Budget Analyst, Human Resources Manager I, Human Resources Manager II, Fiscal Services Manager, and City Clerk / Clerk Services Manager.

The Employee Benefits Specialist, Public Information Coordinator, Risk Manager and Assistant to the City Manager / Economic Development Manager positions are not budgeted for the current fiscal year.

Employees in this unit are not represented by a recognized bargaining unit. Rather, parameters for compensation and other terms of employment are set by City Council resolution. In keeping with the objectives of the City Council, proposed changes for this resolution are similar to those recently implemented for the Fullerton Municipal Employees Federation (FMEF) and the Fullerton Management Association (FMA).

Attached to this agenda letter is both a final copy of the proposed amended resolution, as well as a redlined version, reflecting all changes. Substantive changes include the following:

Section 5: The SCHEDULE OF BASE SALARY RATES and the ALLOCATION OF CLASSES TO SALARY RANGES

Deletion of outdated language related to an across-the-board salary increase, no such across-the-board salary increases are included in the proposed revised resolution.

Section 12: CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS)

This section has been updated to reflect the 1% reduction to the normal member contribution, decreasing the City paid portion to 6% for classic members (employees that were hired prior to January 1, 2013). This action became effective on July 14, 2018.

Per the City's contract with CalPERS, dated February 6, 2013, this section is also amended to address a change to cost sharing for the classic members of the unit. Effective the first full pay period after March 1, 2020, the contribution made by employees decreases from 5.696% to 1.958%. This lesser contribution will offset any entitlement to the \$3,000 reimbursement for health expenditures, as addressed in Section 15: Health Insurance. However, there is a provision for payout to the classic members should the cost sharing contribution be increased or the unit is dissolved prior to July 1, 2021.

#### Section 15: HEALTH INSURANCE

Updated to remove language regarding insurance plans no longer available and reflect only the current applicable fixed medical contributions.

Additions to this section include:

- A one-time \$3,000 reimbursement of health expenditures for the CalPERS PEPRAs ("new members", hired on or after January 1, 2013) employees in the unit;
- Implementation of "flex credit" contribution of \$50/mo. as of January 1, 2021;
- Implementation of a voluntary supplemental benefit plan.

#### Section 19: VISION INSURANCE

Extension of vision insurance eligibility for employees enrolled in the Kaiser medical plan.

#### Section 23: HOLIDAYS and Section 24: HOLIDAY LEAVE PROGRAM

Restructuring of holiday program in line with the recently approved MOA's for the FMEF and FMA.

Additional changes include clean up language and formatting.

#### Attachments:

- Attachment 1 – PowerPoint Presentation
- Attachment 2 – Draft Resolution 2020-XX (redline)
- Attachment 3 – Draft Resolution 2020-XX
- Attachment 4 – Financial Analyses of Costs