



STAFF REPORT

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TO: Andrew P. Powers, City Manager

FROM: Tim Giles, Human Resources Director

DATE: June 20, 2023

SUBJECT: Memoranda of Understanding with Represented Bargaining Units and Salary Schedules and Hourly Employees Salary Schedule

RECOMMENDATION:

1. Adopt resolution adopting Memorandum of Understanding (MOU) with Thousand Oaks City Employee Association (TOCEA) and rescinding Resolution No. 2021-026.
2. Adopt resolution establishing new salary schedule for General Employees (TOCEA) and General Hourly Employees and rescinding Resolution No. 2022-033.
3. Adopt resolution adopting MOU with Thousand Oaks Management Association (TOMA) and rescinding Resolution No. 2021-028.
4. Adopt resolution establishing new salary schedule for Professional Employees (TOMA) and Professional Hourly Employees, and rescinding Resolution No. 2022-034.
5. Adopt resolution adopting MOU with Senior Management Association (SMA) and rescinding Resolution No. 2021-030.
6. Adopt resolution establishing new salary schedule for Senior Management, Confidential, and Supervisory Employees (SMA) and SMA Hourly Employees, and rescinding Resolution No. 2022-035.
7. Adopt resolution establishing new salary schedule for Hourly Employees and rescinding Resolution No. 2022-036.
8. Find that this action is not a project as defined in the California Environmental Quality Act.

FINANCIAL IMPACT:

No Additional Funding Requested. The annual estimated total compensation proposed adjustments for TOCEA, TOMA, and SMA is 5.74 percent in FY 2023-24 and 3.94 percent in FY 2024-25. Adequate funding of \$2,914,549 in FY 2023-24 and \$2,115,667 in FY 2024-25 is included in the Adopted FYs 2023-2025 Operating Budget (all funds) to cover the proposed cost adjustments.

BACKGROUND:

The majority of full-time and Designated Part-Time (DPT) City employees are represented by one of three bargaining units. Current collective bargaining agreements between the City and TOCEA, TOMA, and SMA will expire on June 30, 2023. Beginning in March 2023, City management and bargaining unit representatives met in good faith to discuss wages, hours, and other terms and conditions of employment. Following meetings that spanned several months, negotiations concluded in June 2023. Two-year agreements for the period of July 1, 2023, through June 30, 2025, were approved by TOMA and SMA negotiating teams and ratified by their membership within authority delegated by City Council. The City's final proposal for a successor MOU was ratified by TOCEA membership within authority delegated by City Council. This report includes the terms of the agreement.

The MOUs between the City and TOCEA (Attachment #1), TOMA (Attachment #3), and SMA (Attachment #5) are within the authority provided by the City Council and are presented herein for adoption.

DISCUSSION/ANALYSIS:

Total compensation adjustments based on market conditions are included in the new two-year agreements. Detailed summaries of the proposed changes are presented below. Multiple proposed resolutions are attached which approve the MOUs, establish salary schedules for FYs 2023-2025, and implement various MOU provisions (Attachment #1-6). Summaries of the proposed adjustments to TOCEA, TOMA, and SMA MOUs are presented below.

General Employees – TOCEA

The proposed TOCEA MOU contains the following revisions:

1. Term: July 1, 2023 – June 30, 2025.
2. Salary: 6.0 percent salary adjustment effective July 8, 2023, and an additional 4.0 percent salary adjustment effective July 6, 2024.

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3. One-time payment: Effective July 8, 2023, employees shall receive a one-time, non-PERSable \$600 payment. Only employees who are active (employed by the City) as of July 1, 2023, are eligible for this payment.

4. Cafeteria Plan Adjustment: Cafeteria Plan contribution will be adjusted by \$175, from \$980 to \$1,155 per month effective January 1, 2024. Cafeteria Plan contribution will be adjusted by \$175, from \$1,155 to \$1,330 per month effective January 1, 2025. Total City contributions toward health insurance include the Public Employees' Medical and Hospital Care Act (PEMHCA) contribution of \$435 per month. Effective January 1, 2024, total City contributions toward health and welfare benefits is \$1,590 per month, and effective January 1, 2025, will be \$1,765 per month.

5. Classification Range Adjustments: Salary range adjustments to address internal equity to eight (8) classifications (Senior Administrative Secretary, Environmental Compliance Inspector II, Senior Environmental Compliance Inspector, Senior Instrumentation & Electrical Technician, Senior Recording Secretary, Senior Records Management Specialist, Utilities Equipment Operator, Utilities Maintenance Crew Leader) ranging from 0.5 to 6.7 percent.

6. Classifications: Retitle of Administrative Secretary and Senior Administrative Secretary to Administrative Specialist and Senior Administrative Specialist. This change is limited to position title and does not impact position duties, responsibilities, or the number of City authorized positions.

7. Deferred Compensation: Adjustment of City contribution to 401(a) plan from \$120 per month to \$150 per month.

8. Retiree Health Savings Plan (RHS): Adjustment of City contribution to RHS from \$400 annually to \$500 annually.

9. Bilingual Pay: Adjustment from \$25.00 biweekly to \$40.00 biweekly.

10. Safety Shoe Allowance: Adjustment to annual allowance from \$200 to \$225.

11. Certification Pay: Adjustment to annual differential from \$750 to \$1,000.

12. On-Call Pay: Adjustment to on-call pay by \$30 for non-regular workdays from \$70 to \$100 for acting supervisory duties and by \$30 from \$50 to \$80 for general employees responding to emergencies.

13. Holidays: Addition of a Floating Holiday at 10 hours for a total of 120 holiday hours per calendar year.

14. Dental Plan Insurance: Effective January 1, 2024, adjustment in the annual coverage limit from \$2,000 to \$2,500.

15. Sick Leave Cash-Out: Adjustment to accumulated sick leave balance from 200 hours to 160 hours to be eligible for cash-out.

16. Employee Rideshare Administrative Policy APP No 16.009: Updating employee cost-sharing rates to reflect the current fuel and maintenance costs of the program and will be reviewed and updated biennially.

17. Safety Award Administrative Policy APP No 16.027: Program modified with a phase-out of eligibility. Employees hired July 1, 2023, or later will not be eligible for the program.

18. Language Modifications/Clean Up:

a. Language clarification and cleanup for inclusive verbiage, non-discrimination, demotion, miscellaneous account, seniority, transfer, order of layoff, eligibility for increases within the range, exceptional salary increases, salary and reinstatement on or after voluntary demotion, out-of-class assignments, on call, call out, bilingual pay, family sick leave, physician's certificate, bereavement, safety shoes, deferred compensation, and employee status.

b. Article 29 Maternity Leave renamed to Pregnancy Leave.

Professional Employees – TOMA

The proposed TOMA MOU contains the following revisions:

1. Term: July 1, 2023 – June 30, 2025.

2. Salary & Pay for Performance: Effective July 8, 2023, employees with a performance rating of at least "good work" (2.0 or higher) will receive a 2.0 percent salary adjustment in addition to and concurrent with any adjustment based on the performance merit guide. Employees newly integrated into the pay for performance program will receive a prorated pay for performance adjustment. No adjustments will result in employee salaries exceeding the 120 percent comparatio.

Effective July 6, 2024, employees with a performance rating of at least "good work" (2.0 or higher) will receive a 1.0 percent salary adjustment in addition to and concurrent with any adjustment based on the performance merit guide. Employees newly integrated into the pay for performance program will receive a prorated pay for performance adjustment. No adjustments will result in employee salaries exceeding the 120 percent comparatio.

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3. One-time payment: Effective July 8, 2023, employees shall receive a one-time, non-PERSable \$500 payment. Only employees who are active (employed by the City) as of July 1, 2023, are eligible for this payment.

4. Cafeteria Plan Adjustment: Cafeteria Plan contribution will be adjusted by \$175, from \$980 to \$1,155 per month effective January 1, 2024. Cafeteria Plan contribution will be adjusted by \$175, from \$1,155 to \$1,330 per month effective January 1, 2025. Total City contributions toward health insurance include the Public Employees' Medical and Hospital Care Act (PEMHCA) contribution of \$435 per month. Effective January 1, 2024, total City contributions toward health and welfare benefits is \$1,590 per month, and effective January 1, 2025, will be \$1,765 per month.

5. Classification Range Adjustments: Effective July 8, 2023, there will be a 5.0 percent range adjustment for all classifications at the 100 percent comparatio midpoint. Effective July 6, 2024, there will be a 5.0 percent range adjustment for all classifications at the 100 percent comparatio midpoint.

6. Classifications: Addition of Community Services Analyst and Utilities SCADA Analyst position titles. Community Services Analyst is a title change of an existing Associate Analyst position and does not result in a change in the number of City authorized positions. Utilities SCADA Analyst is a new position added in the City's Adopted FY 2024-25 Operating Budget.

7. Dental Plan Insurance: Effective January 1, 2024, adjustment in the annual coverage limit from \$2,000 to \$2,500.

8. Holidays: Addition of a Floating Holiday at 10 hours for a total of 120 holiday hours per calendar year.

9. Prior Sick Time Accruals: Adjustment to a provision in the use of prior accumulated sick time. Change from the use of 40 consecutive hours of annual leave to 40 hours of annual leave in the calendar year.

10. Bilingual Pay: Adjustment from \$25 biweekly to \$40 biweekly.

11. Exceptional Performance Award: Revised exceptional performance award to a fixed amount of \$1,000 after taxes from a lump sum payment equivalent up to 2 percent of annual base rate.

12. Public Transit Incentive: A one-year pilot program effective July 1, 2023, to provide a \$50 per month reimbursement to employees who use public transit to commute to and from work. The program is limited to five (5) employees on a first-come, first-served basis and will be reviewed in May 2024 for a potential

extension.

13. Employee Rideshare Administrative Policy APP No 16.009: Employee cost-sharing rates were updated to reflect current fuel and maintenance costs of the program and will be reviewed and updated biennially.

14. Language Modifications/Clean Up:

a. Language clarification and cleanup for inclusive verbiage, non-discrimination, demotion, employee, seniority, transfer, salary, and reinstatement on or after voluntary demotion, salary policy and procedure, salary distribution, performance merit guide, out-of-class assignment, work schedules, physician's certificate, bereavement, safety shoes, and exceptional performance award.

b. Article 24 Cell Phone Stipend moved to Administrative Policy No. 14-4.006.

c. Article 29 Maternity Leave renamed to Pregnancy Leave.

Senior Management, Confidential, and Supervisory Employees – SMA

The proposed SMA MOU contains the following revisions:

1. Term: July 1, 2023 – June 30, 2025.

2. Salary & Pay for Performance: Effective July 8, 2023, employees with a performance rating of at least "good work" (2.0 or higher) will receive a 2.0 percent salary adjustment in addition to and concurrent with any adjustment based on the performance merit guide. Employees newly integrated into the pay for performance program will receive a prorated pay for performance adjustment. No adjustments will result in employee salaries exceeding the 120 percent comparatio.

Effective July 6, 2024, employees with a performance rating of at least "good work" (2.0 or higher) will receive a 1.0 percent salary adjustment in addition to and concurrent with any adjustment based on the performance merit guide. Employees newly integrated into the pay for performance program will receive a prorated pay for performance adjustment. No adjustments will result in employee salaries exceeding the 120 percent comparatio.

3. One-time payment: Effective July 8, 2023, employees shall receive a one-time, non-PERSable \$300 payment. Only employees who are active (employed by the City) as of July 1, 2023, are eligible for this payment.

4. Cafeteria Plan Adjustment: Cafeteria Plan contribution will be adjusted by \$175, from \$980 to \$1,155 per month effective January 1, 2024. Cafeteria Plan contribution will be adjusted by \$175, from \$1,155 to \$1,330 per month effective January 1, 2025. Total City contributions toward health insurance include the

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Public Employees' Medical and Hospital Care Act (PEMHCA) contribution of \$435 per month. Effective January 1, 2024, total City contributions toward health and welfare benefits is \$1,590 per month, and effective January 1, 2025, will be \$1,765 per month.

5. Classification Range Adjustments: Effective July 8, 2023, there will be a 5.0 percent range adjustment for all classifications at the 100 percent comparatio midpoint. Effective July 6, 2024, there will be a 5.0 percent range adjustment for all classifications at the 100 percent comparatio midpoint.

6. Classifications: Addition of Guest Services Manager position title and a retitle of Disaster Services Program Coordinator to Emergency Programs Administrator. These changes do not result in a total change in the number of City authorized positions.

7. Dental Plan Insurance: Effective January 1, 2024, adjustment in the annual coverage limit from \$2,000 to \$2,500.

8. Holidays: Addition of a Floating Holiday at 10 hours for a total of 120 holiday hours per calendar year.

9. Employee Rideshare Administrative Policy APP No 16.009: Employee cost-sharing rates were updated to reflect the current fuel and maintenance costs of the program and will be reviewed and updated biennially.

10. Exceptional Performance Award: Revised exceptional performance award to a fixed amount of \$1,000 after taxes from a lump sum payment equivalent up to 2 percent of the annual base rate.

11. Language Modifications/Clean-Up:

a. Language clarification and cleanup for inclusive verbiage, non-discrimination, classifications covered, demotion, employee, seniority, transfer, the order of layoff, eligibility for increases within the range, salary on appointment to an equivalent classification, salary and reinstatement on or after voluntary demotion, range adjustment during term, performance merit guide, one-time payment, out-of-class assignment, work schedules, family illness-related usage, physician's certificate, filing an industrial accident report, bereavement, safety shoes, health and cafeteria plan, and exceptional performance award.

b. Article 24 Cell Phone Stipend moved to Administrative Policy No. 14-4.006.

c. Article 29 Maternity Leave renamed to Pregnancy Leave.

COUNCIL GOAL COMPLIANCE:

Meets the following City Council goals:

C. Operate City government in a fiscally and managerially responsible and prudent manner to ensure that the City of Thousand Oaks remains one of California's most desirable places to live, work, visit, recreate, and raise a family.

K. Prepare for transition of City workforce by ensuring that sufficient succession planning takes place to develop an employment base which is reflective of the community's demographics.

PREPARED BY: Cara Noddings, Assistant HR Analyst

Attachments:

- Attachment #1 – Resolution adopting MOU with TOCEA
- Attachment #2 – Resolution establishing New Salary Schedule for TOCEA
- Attachment #3 – Resolution adopting MOU with TOMA
- Attachment #4 – Resolution establishing New Salary Schedule for TOMA
- Attachment #5 – Resolution adopting MOU with SMA
- Attachment #6 – Resolution establishing New Salary Schedule for SMA
- Attachment #7 – Resolution establishing New Salary Schedule for Hourly Employees