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FEB 20 2019

City of South Gate
CITY COUNCIL

Item No. 20

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

5:20pm

AGENDA BILL

For the Regular Meeting of: February 26, 2019
Originating Department: Administrative Services

Department Director: Jackie Acosta
Jackie Acosta

City Manager: Michael Flad
Michael Flad FOR MICHAEL FLAD

SUBJECT: CONSIDERATION OF A SALARY INCREASE FOR THE CITY CLERK

PURPOSE: To consider providing a salary increase for the City Clerk.

RECOMMENDED ACTION: Consider and provide direction regarding the City Clerk's salary.

FISCAL IMPACT: Will depend on the action of the City Council.

ANALYSIS: On April 24, 2018, the City Council approved a 3.5% salary increase for the City Clerk, effective February 18, 2018, and directed staff to bring this item back in one year to consider whether additional salary increases would be provided.

BACKGROUND: This item is currently on the agenda at the request of Mayor Bernal. In the fall of 2017 and beginning of 2018, the City's negotiating team reached agreement with the various bargaining units on three-year contracts which included salary increases over the three-year term. The City's sworn employees received 3.7%, 3.7% and 3.6% increases over the three-year term. The City's miscellaneous employees received 3.5%, 3.5% and 3.5% increases over the three-year term. Subsequent to those negotiations, the City Council considered similar salary increases for the City Clerk. Attached is a copy of the staff report from April 24, 2018. Ultimately, the City Council's direction was to give the City Clerk a 3.5% salary increase effective retroactively to February 18, 2018, and then for staff to bring the issue back to the City Council in one year for further consideration.

ATTACHMENTS: A. April 24, 2018 Agenda Bill and attachments
B. Resolution No. 7808

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Item No. 9

APR 18 2018

City of South Gate
CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

7:30pm

AGENDA BILL

For the Regular Meeting of: April 24, 2018
Originating Department: Administrative Services

Department Head: Jackie Acosta
Jackie Acosta

City Manager: Michael Flad
Michael Flad

SUBJECT: RESOLUTION INCREASING THE CITY CLERK'S MONTHLY SALARY AND APPROVING A SCHEDULE OF SALARY AND BENEFITS

PURPOSE: To provide the City Clerk with the same salary increases recently approved for other City employees and to approve a Schedule of Salary and Benefits delineating the salary and benefits provided to the City Clerk.

RECOMMENDED ACTION: Adopt Resolution amending Resolution No. 6454 (Salary Resolution and Position Classification Plan) increasing the salary of the City Clerk and approving the Schedule of Salary and Benefits for the City Clerk.

FISCAL IMPACT: The average annual cost for these increases is \$3,400.

ANALYSIS: None.

BACKGROUND: The City's full-time employees recently negotiated the terms of three-year labor agreements. The City Council is requested to consider providing the City Clerk with the same 3.5%, 3.5% and 3.5% salary increases received by Top Management, the Division Management Association (DMA), the Professional and Mid-Management Association (PMMA) and the Municipal Employees Association (MEA), plus the one-time, lump sum payment of \$500.00.

ATTACHMENTS: Proposed Resolution (with attached Schedule of Salary and Benefits)

RESOLUTION NO. _____

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,
CALIFORNIA, AMENDING RESOLUTION NO. 6454 (SALARY RESOLUTION
AND POSITION CLASSIFICATION PLAN) INCREASING THE
SALARY OF THE CITY CLERK AND APPROVING THE SCHEDULE OF
SALARY AND BENEFITS FOR THE CITY CLERK**

WHEREAS, the City may, from time to time, amend the salary and benefits of the various bargaining units and/or elected officials; and

WHEREAS, the salary and benefits of the City Clerk has not been changed since early 2014; and

WHEREAS, the City Clerk currently receives a salary of \$6,954.00 per month; and

WHEREAS, the City Clerk currently receives a car allowance of \$475.00 per month; and

WHEREAS, the City Clerk currently receives a communications allowance of \$100.00 per month; and

WHEREAS, the City Clerk currently receives other benefits such as retirement, health insurance and life insurance; and

WHEREAS, City employees recently successfully negotiated 3-year labor agreements which resulted in salary increases over the next three years; and

WHEREAS, the salary increases proposed herewith for the City Clerk are the same as those recently approved for the City's miscellaneous employees in their 3-year labor agreements;

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE DOES
HEREBY RESOLVE AS FOLLOWS:**

SECTION 1. The City Council desires to provide a one-time, lump sum payment of \$500.00 effective April 29, 2018. (So that there is no misunderstanding regarding this one-time, lump sum payment, CalPERS considers this type of payment to be Off-Salary-Schedule Pay, and per CalPERS Circular Letter 200-048-16, dated November 10, 2016, it would be reportable only for classic members and only when a pay increase has not been granted in the same fiscal year. Accordingly, the City believes that this payment will not be reportable to CalPERS because the City Clerk is also receiving a salary increase in the same fiscal year.)

SECTION 2. The City Council desires to increase the City Clerk's salary by 3.5% from \$6,954.20 per month to \$7,197.60 per month, effective April 29, 2018.

SECTION 3. The City Council desires to increase the City Clerk's salary by 3.5% from \$7,197.60 per month to \$7,449.52, effective June 24, 2018.

SECTION 4. The City Council desires to increase the City Clerk's salary by 3.5% from \$7,449.52 per month to \$7,710.25, effective June 23, 2019.

SECTION 5. The City Council hereby approves and adopts the new "Schedule of Salary and Benefits – City Clerk" attached hereto as "Exhibit No. 1" which serves to document the salary and benefits provided to the City Clerk.

SECTION 6. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

PASSED, APPROVED and ADOPTED this 24th day of April 2018.

CITY OF SOUTH GATE:

María Belén Bernal, Mayor

ATTEST:

Carmen Avalos, City Clerk

(SEAL)

APPROVED AS TO FORM:

Raul F. Salinas (DZ)
Raul F. Salinas, City Attorney

**SCHEDULE OF SALARY AND BENEFITS
CITY CLERK**

**ARTICLE I
COMPENSATION**

SECTION 1 – SALARY:

- Prior to April 29, 2018, the monthly salary was set at \$6,954.20 per month.
- Effective April 29, 2018, the monthly salary shall be increased by 3.5% to \$7,197.60 per month.
- Effective June 24, 2018, the monthly salary shall be increased by 3.5% to \$7,449.52 per month.
- Effective June 23, 2019, the monthly salary shall be increased by 3.5% to \$7,710.25 per month.

SECTION 2 – AUTO ALLOWANCE:

The City shall continue to reimburse the City Clerk for the use of her personal automobile to conduct City business at the rate of \$475.00 per month, which shall be taxable as compensation.

SECTION 3 – COMMUNICATIONS ALLOWANCE:

The City shall continue to reimburse the City Clerk for the use of her personal communication device to conduct City business at the rate of \$100.00 per month, which shall be taxable as compensation.

**ARTICLE II
INSURANCE BENEFITS**

SECTION 1 – MEDICAL INSURANCE:

- 1.1 The City will pay the premium for health insurance coverage for the City Clerk and legal dependents up to the maximum of the Employee+2 (family) Kaiser insurance premium. If the City Clerk selects a more expensive plan, she shall be responsible for the difference in premiums.

- 1.2 If the City Clerk demonstrates proof of insurance by other means, and elects not to participate in the City's medical plan, the City will contribute the sum of \$360.60 per month to the City Clerk's deferred compensation account.

SECTION 2 – DENTAL & VISION INSURANCE:

- 2.1 The City will pay the premium for dental insurance coverage for the City Clerk and legal dependents up to the maximum of the family HMO plan premium. If the City Clerk selects a more expensive plan, she shall be responsible for the difference in premiums.
- 2.2 The City will pay the premium for vision insurance coverage for the City Clerk and legal dependents up to the maximum of the family HMO plan premium. If the City Clerk selects a more expensive plan, she shall be responsible for the difference in premiums.
- 2.3 If the City Clerk demonstrates proof of insurance by other means, and elects not to participate in the City's dental plan, the City will contribute the sum of \$17.95 per month to the City Clerk's deferred compensation account.

SECTION 3 – LIFE INSURANCE:

The City will provide a \$20,000.00 Term Life Insurance policy and a \$20,000.00 Accidental Death and Dismemberment policy for the City Clerk at no cost to the City Clerk. Consistent with current industry standards, coverage will reduce with age. Additional voluntary life insurance coverage is also available at the City Clerk's own expense.

**ARTICLE III
RETIREMENT BENEFITS**

SECTION 1 – RETIREMENT PLAN:

The City provides the City Clerk with a defined benefit retirement plan through the California Public Employees' Retirement System (CalPERS). Classic Members (those hired prior to January 1, 2013) are covered under the 2.7% at 55 retirement formula, with the City paying the 8% employee share on behalf of the City Clerk. If a future City Clerk is elected and falls under the category of a PEPR Member (those first hired on or after January 1, 2013), that City Clerk will be covered under the 2% at 62 retirement formula, with the City Clerk paying the 6.75% employee share.

SECTION 2 – DEFERRED COMPENSATION PLAN:

- 2.1 The City sponsors a voluntary deferred compensation plan in which City Clerk may participate.
- 2.2 The City Clerk shall be eligible for a "dollar-for-dollar" benefit which matches of the City Clerk's contribution into the City's 457 deferred compensation plan, subject to the terms of said plan. For purposes of this Agreement, the City agrees to match the City Clerk's contribution in the 457 deferred compensation plan, provided that such matching sum, when combined with the City Clerk's contribution, shall not exceed the maximum regular contribution limit as defined by the Internal Revenue Service (IRS) at the time.

**ARTICLE IV
MISCELLANEOUS BENEFITS**

SECTION 1 – SECTION 125 PLAN:

The City will provide an Internal Revenue Code (IRC) Section 125 plan in order for the City Clerk to deduct excess health insurance premiums, unreimbursed medical expenses, and/or child care expenses before taxes.

SECTION 2 – FITNESS BENEFIT:

The City Clerk will receive a free membership at the South Gate Sports Center which will include privileges for a spouse and up to three (3) dependent children under the age of 18.

**ARTICLE V
OTHER**

SECTION 1 – DURATION:

This Schedule of Salary and Benefits for the City Clerk shall be in full force and effect from April 29, 2018, until such time as it is amended by the City Council by subsequent resolution.

RESOLUTION NO. 7808

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,
CALIFORNIA, AMENDING RESOLUTION NO. 6454 (SALARY RESOLUTION
AND POSITION CLASSIFICATION PLAN) INCREASING THE
SALARY OF THE CITY CLERK AND APPROVING THE SCHEDULE OF
SALARY AND BENEFITS FOR THE CITY CLERK**

WHEREAS, the City may, from time to time, amend the salary and benefits of the various bargaining units and/or elected officials; and

WHEREAS, the salary and benefits of the City Clerk has not been changed since early 2014; and

WHEREAS, the City Clerk currently receives a salary of \$6,954.20 per month; and

WHEREAS, the City Clerk currently receives a car allowance of \$475.00 per month; and

WHEREAS, the City Clerk currently receives a communications allowance of \$100.00 per month; and

WHEREAS, the City Clerk currently receives other benefits such as retirement, health insurance and life insurance; and

WHEREAS, City employees recently successfully negotiated three-year labor agreements which resulted in salary increases over the next three years;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council desires to increase the City Clerk's salary by 3.5% from \$6,954.20 per month to \$7,197.60 per month, effective February 18, 2018.

SECTION 2. The City Council desires that the City Clerk's salary be reviewed and considered again in April 2019.

SECTION 3. The City Council hereby approves and adopts the new “Schedule of Salary and Benefits – City Clerk” attached hereto as “Exhibit No. 1” which serves to document the salary and benefits provided to the City Clerk.

SECTION 4. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

PASSED, APPROVED and ADOPTED this 24th day of April 2018.

CITY OF SOUTH GATE:

María Belén Bernal, Mayor

ATTEST:

Carmen Avalos, City Clerk

(SEAL)

APPROVED AS TO FORM:

Raul F. Salinas, City Attorney

**SCHEDULE OF SALARY AND BENEFITS
CITY CLERK**

**ARTICLE I
COMPENSATION**

SECTION 1 – SALARY:

- Prior to April 24, 2018, the monthly salary was set at \$6,954.20 per month.
- At the City Council meeting of April 24, 2018, the City Council approved a 3.5% salary increase which set the monthly salary at \$7,197.60 per month, effective back to February 18, 2018.

SECTION 2 – AUTO ALLOWANCE:

The City shall continue to reimburse the City Clerk for the use of her personal automobile to conduct City business at the rate of \$475.00 per month, which shall be taxable as compensation. **(Per Agenda Bill dated January 28, 2014).**

SECTION 3 – COMMUNICATIONS ALLOWANCE:

The City shall continue to reimburse the City Clerk for the use of her personal communication device to conduct City business at the rate of \$100.00 per month, which shall be taxable as compensation.

**ARTICLE II
INSURANCE BENEFITS**

SECTION 1 – MEDICAL INSURANCE:

- 1.1 The City will pay the premium for health insurance coverage for the City Clerk and legal dependents up to the maximum of the Employee+2 (family) Kaiser insurance premium. If the City Clerk selects a more expensive plan, she shall be responsible for the difference in premiums.
- 1.2 If the City Clerk demonstrates proof of insurance by other means, and elects not to participate in the City's medical plan, the City will contribute the sum of \$360.60 per month to the City Clerk's deferred compensation account.

SECTION 2 – DENTAL & VISION INSURANCE:

- 2.1 The City will pay the premium for dental insurance coverage for the City Clerk and legal dependents up to the maximum of the family HMO plan premium. **(Resolution No. 6454 - September 22, 1998)**. If the City Clerk selects a more expensive plan, she shall be responsible for the difference in premiums.
- 2.2 The City will pay the premium for vision insurance coverage for the City Clerk and legal dependents up to the maximum of the family HMO plan premium. If the City Clerk selects a more expensive plan, she shall be responsible for the difference in premiums.
- 2.3 If the City Clerk demonstrates proof of insurance by other means, and elects not to participate in the City's dental plan, the City will contribute the sum of \$17.95 per month to the City Clerk's deferred compensation account.

SECTION 3 – LIFE INSURANCE:

The City will provide a \$20,000.00 Term Life Insurance policy and a \$20,000.00 Accidental Death and Dismemberment policy for the City Clerk at no cost to the City Clerk. Consistent with current industry standards, coverage will reduce with age. **(Resolution No. 6454 - September 22, 1998)**. Additional voluntary life insurance coverage is also available at the City Clerk's own expense.

ARTICLE III RETIREMENT BENEFITS

SECTION 1 – RETIREMENT PLAN:

The City provides the City Clerk with a defined benefit retirement plan through the California Public Employees' Retirement System (CalPERS). Classic Members (those hired prior to January 1, 2013) are covered under the 2.7% at 55 retirement formula, with the City paying the 8% employee share on behalf of the City Clerk.

SECTION 2 – RETIREE MEDICAL:

If City Clerk retires with twenty (20) years or more of City service, and remains so retired, she shall receive a medical insurance premium benefit as defined in the appropriate salary resolution, plus the current CalPERS administrative fee paid directly to CalPERS. **(Resolution No. 6454 – September 22, 1998)**. This section specifically makes no provision for any dependents of the retiree. The retired City Clerk will continue to have the option to purchase medical insurance for herself and dependents, as currently provided.

SECTION 3 – DEFERRED COMPENSATION PLAN:

- 3.1 The City sponsors a voluntary deferred compensation plan in which City Clerk may participate.
- 3.2 The City Clerk shall be eligible for a "dollar-for-dollar" benefit which matches the City Clerk's contribution into the City's 457 deferred compensation plan, subject to the terms of said plan. For purposes of this Agreement, the City agrees to match the City Clerk's contribution in the 457 deferred compensation plan, provided that such matching sum shall not exceed 50% of the maximum regular contribution limit as defined by the Internal Revenue Service (IRS) at the time. The City's match shall be deposited into the City's 401(a) deferred compensation plan.

**ARTICLE IV
MISCELLANEOUS BENEFITS**

SECTION 1 – SECTION 125 PLAN:

The City will provide an Internal Revenue Code (IRC) Section 125 plan in order for the City Clerk to deduct excess health insurance premiums, unreimbursed medical expenses, and/or child care expenses before taxes.

SECTION 2 – FITNESS BENEFIT:

The City Clerk will receive a free membership at the South Gate Sports Center which will include privileges for a spouse and up to three (3) dependent children under the age of 18.

**ARTICLE V
OTHER**

SECTION 1 – DURATION:

This Schedule of Salary and Benefits for the City Clerk shall be in full force and effect from April 24, 2018, until such time as it is amended by the City Council by subsequent resolution.