

# Lompoc City Council Agenda Item



**City Council Meeting Date:** January 20, 2015

**TO:** Patrick Wiemiller, City Administrator

**FROM:** Gabriel Garcia, Human Resources Manager  
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**SUBJECT:** Adoption of Resolution No. 5961(15) Approving Compensation Plans for Management, Supervisory, & Confidential (MS&C), Unrepresented (UR), Library Unrepresented (LUR), and Library Management, Supervisory & Confidential (LMS&C) Employees

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## **Recommendation:**

Staff recommends the City Council Adopt Resolution No. 5961(15) (Attachment 1) approving the Compensation Plans for MS&C and UR employees effective January 20, 2015; recognizing the approval of the Compensation Plans for LUR and LMS&C employees by the Library Board of Trustees; and approving supplemental appropriations and revenues to fund such compensation plans.

## **Background:**

Rule IV, Section 1 and 2 of the City of Lompoc Personnel Ordinance and Rules provides that employee compensation plans may be amended from time to time by action of the City Council. The four compensation plans being amended at this time are for the following employee groups:

- 1) City Management, Supervisory and Confidential (MS&C);
- 2) City Unrepresented (UR);
- 3) Library Management, Supervisory and Confidential (LMS&C); and
- 4) Library Unrepresented (LUR).

All other City employees are represented by various unions and their compensation and benefits plans will be adjusted following completion of union negotiations.

The Compensation Plans for the City MS&C and UR groups were last amended effective July 1, 2013. The LUR and LMS&C (Library) plans were also amended effective July 16, 2013; however, due to lack of resources for the Library, staff was directed to return to the City Council with a contribution to the Library to provide the resources to adopt similar plan adjustments as provided to the MS&C and UR groups. Resolution No. 5867(13) was adopted on August 20, 2013, providing the additional contribution to the Library to provide for the changes in the LMS&C and LUR

compensation plans, effective July 16, 2013, coinciding with the effective changes to the MS&C and UR compensation plan changes.

The Library is governed by the Library Board of Trustees (Board) pursuant to Education Code sections 18900 *et seq.* While the Board has jurisdiction regarding the LMS&C and LUR compensation plans pursuant to Education Code section 18921, many operational functions of the Library are comingled with City operations including payroll and budgeting. The LMS&C and LUR compensation plans were submitted to, and approved by, the Library Board of Trustees at their meeting of January 12, 2015.

(Copies of the four plans with the changes highlighted are attached for reference as Attachments 2 through 5.)

**Discussion:**

The primary changes to each of the four Compensation Plans include the following cost-of-living increases:

<b><u>Effective Pay Period Beginning</u></b>	<b><u>Salary Increase</u></b>
January 24, 2015	1.00%
June 13, 2015	2.00%
June 11, 2016	<u>3.00%</u>
TOTAL	6.00%

In addition, each of the Compensation Plans has also been revised to account for a minor modification mandated by CalPERS beginning January 1, 2015, to the City's CalPERS Health Benefit Program. Effective January 1, 2015, the required direct health benefits contribution to CalPERS from each City and Library employee increased to \$122 per month, an increase from \$115 and \$108 per month respectively.

**Fiscal impact:**

The implementation of the Compensation Plans requires a supplemental appropriation of \$41,859 for the remainder of the FY 2013-15 Budget cycle. The supplemental appropriations are broken down as follows:

<b><u>MS&amp;C and UR compensation plans</u></b>	
• General Fund:	\$25,007
• Other funds:	\$15,221
<b><u>LMS&amp;C and LUR compensation plans</u></b>	\$1,631

Resolution No. 5961(15) provides for the appropriation of funds associated with the costs resulting from the approval of the MS&C, UR, LMS&C and LUR Compensation Plans.

The proposed adjustments effective for FY 2015-16 and FY 2016-17 will be incorporated into the FY 2015-17 Budget preparation process.

**Conclusion:**

The new Compensation Plans will be effective upon City Council adoption. The effective date of the first cost-of-living increase will be January 24, 2015.

Respectfully submitted,

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Gabriel Garcia, Human Resources Manager

**APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:**

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Patrick Wiemiller, City Administrator

- Attachments: 1) [Resolution No. 5961\(15\)](#)  
2) [Draft MS&C Compensation Plan](#)  
3) [Draft UR Compensation Plan](#)  
4) [Draft LMS&C Compensation Plan](#)  
5) [Draft LUR Compensation Plan](#)