

# City of La Quinta

CITY COUNCIL MEETING: August 4, 2015

## STAFF REPORT

---

**AGENDA TITLE:** ADOPT RESOLUTION TO APPROVE BENEFIT ADJUSTMENTS FOR MANAGEMENT, CONTRACT EMPLOYEES AND CONFIDENTIAL EMPLOYEES THROUGH FISCAL YEAR 2016/17

---

### RECOMMEDATION

Adopt a Resolution approving benefit adjustments for Management, Contract Management, and Confidential Employees for Fiscal Year 2015/16 and Fiscal Year 2016/17.

### EXECUTIVE SUMMARY

- The La Quinta City Employees' Association (LQCEA) has accepted a new Memorandum of Understanding (MOU) that is in effect to June 30, 2017, which includes adjustments to medical benefits and floating holiday hours.
- The benefit adjustments also affect Management, Contract Management and Confidential Employees who are not represented by the LQCEA.

### FISCAL IMPACT

The cost to implement the medical benefit cap increase for the remainder of 2015/16 for Management, Contract Management, Confidential Employees and City Council is \$8,700, and the additional floating hours cost is \$5,073, totaling \$13,773. Funds are available in the unappropriated General Fund Reserves.

### BACKGROUND/ANALYSIS

When the City elects to change salaries and benefit packages for the LQCEA, it has also provided the Management, Contract Management and Confidential employees the same salary and benefit adjustments. A new agreement has been reached with the LQCEA; staff is recommending that the following benefits be provided to Management, Contract Management and Confidential employees.

- A reopener in Fiscal Year 2016/17 to discuss a World at Work salary range adjustment.
- A Request for Reconsideration of the Performance Evaluation as a secondary review and communication measure.
- Increase the medical cap from \$1,312 to \$1,370 monthly, starting January 2016 (this increase also applies to City Council).
- A cash buyout for medical benefits of \$250 per month for employees with alternative coverage.
- A fourth tier to provide 100 percent sick leave payout for employees who have worked 20 years or more for the City.

- An additional 8 hours of bereavement leave to 32 hours per occurrence.
- Adds 4 floating hours to the floating leave bank, an increase to 20 hours annually.
- Incorporates various legislative and procedural amendments to the Personnel Policies reviewed and approved by LQCEA.

### **ALTERNATIVES**

The Council may elect to not provide the same salary and benefit changes to the unrepresented employees.

Report prepared by: Terry Deeringer, Human Resources/Risk Manager

Report approved by: Frank J. Spevacek, City Manager

**RESOLUTION NO. 2015 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA QUINTA, CALIFORNIA, APPROVING BENEFIT ADJUSTMENTS FOR NON-REPRESENTED MANAGEMENT, CONTRACT MANAGEMENT AND CONFIDENTIAL EMPLOYEES, COMMENCING ON JULY 1, 2015, AND TERMINATING JUNE 30, 2017**

**WHEREAS**, the City of La Quinta, hereinafter referred to as “City” desires to make benefit adjustments for non-represented management, contract management and confidential employees commencing on July 1, 2015 and terminating June 30, 2017.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of La Quinta, California, as follows:

SECTION 1. The City does hereby ratify and approve, ratify and authorize for non-represented management, contract management and confidential employees implementation of fringe benefit adjustments for Fiscal Year 2014/2015, as set forth in Exhibit “A” attached hereto.

SECTION 2. The City recognizes contract management positions as the City Clerk, City Manager, Deputy City Manager/Community Services Director, Community Development Director, Finance Director, Principal Engineer, and Public Works Director.

**PASSED, APPROVED and ADOPTED** at a regular meeting of the La Quinta City Council held on this 4<sup>th</sup> day of August, 2015, by the following vote:

**AYES: Council Members Franklin, Osborne, Peña, Radi, Mayor Evans**

**NOES: None**

**ABSENT: None**

**ABSTAIN: None**

---

LINDA EVANS, Mayor  
City of La Quinta, California

**ATTEST:**

---

SUSAN MAYSELS, City Clerk  
City of La Quinta, California

(CITY SEAL)

**APPROVED AS TO FORM:**

---

WILLIAM H. IHRKE, City Attorney  
City of La Quinta, California

## EXHIBIT A

### City of La Quinta Salary and Benefit Adjustments for Non-Represented Employees July 1, 2015

Term	2-year term beginning 7/1/15 and ending 6/30/17 with reopeners for World at Work survey and 2017 medical rates
Salary	No change to salary ranges
Pay for Performance Class & Comp System	Consider 2016 World at Work survey for range adjustments Full Fox Lawson market survey to be conducted in 2018 Allow a Request for Reconsideration of Performance Evaluation Compensation Methodology as set forth in Personnel Policies
Medical/Dental/Vision/ Life	Raise medical cap from \$1,312 per month to \$1,370 per month Provide a \$250/month medical opt-out payment to employees choosing alternative insurance
Holidays	Increase floating holiday hours from 16 to 20 per year
Vacation	Permit optional buy-backs twice a year (May and November)
Sick Leave	Permit optional pay-backs twice a year (May and November) Add a 4 <sup>th</sup> tier to sick leave pay back (20 yrs or more = 100%) Increase bereavement leave from 24 to 32 hours per occurrence
Personnel Policy Revisions	Section 1.10 Application & Exceptions Section 3.50 Reclassifications Section 3.51 Temporary Assignment Pay Section 5.10 Employee Performance Evaluations Section 6.05 Work Week and Overtime Section 6.30 Lunch and Break Policy Section 7.25 Family and Medical Leave Section 14.05 Health, Dental, Vision and Life Benefits Section 14.06 Patient Protection and Affordable Care Act (ACA) Section 14.10 Holidays

Personnel Policy

Revisions (continued)

Section 14.15.4 Vacation Buy-Back

Section 14.20 Sick Leave

Section 14.20.6 Sick Leave Pay Back

Section 14.25 Bereavement Leave

Section 14.30 Administrative Leave

Section 15.30 Travel & Expense Policy

Exhibit A – Computer Loan Program Criteria