



# City of Chula Vista

## Legislation Details (With Text)

**File #:** 14-0470 **Name:** Compensation Schedule Changes  
**Type:** Consent Item **Status:** Passed  
**In control:** City Council  
**On agenda:** 8/12/2014 **Final action:** 8/12/2014  
**Title:** A. RESOLUTION NO. 2014-160 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA SETTING THE ANNUAL SALARY FOR THE ELECTED CITY ATTORNEY EFFECTIVE ON JUNE 27, 2014 AT \$214,244 AND EFFECTIVE DECEMBER 2, 2014 AT \$184,610

B. RESOLUTION NO. 2014-161 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AMENDING THE CITY COUNCIL DEPARTMENT BUDGET TO APPROPRIATE \$6,034 FOR SALARY INCREASES TO BE OFFSET BY UNANTICIPATED REVENUES (4/5 VOTE REQUIRED)

C. RESOLUTION NO. 2014-162 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING THE REVISED FISCAL YEAR 2014-2015 COMPENSATION SCHEDULE AS REQUIRED BY CALIFORNIA CODE OF REGULATIONS, TITLE 2, SECTION 570.5

D. RESOLUTION NO. 2014-163 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING THE ELIMINATION OF 1.0 DIRECTOR OF FINANCE FROM THE FINANCE DEPARTMENT, THE ADDITION OF 1.0 DEPUTY CITY MANAGER TO THE ADMINISTRATION DEPARTMENT, SETTING THE DEPUTY CITY MANAGER ANNUAL SALARY AT \$202,980, AND AMENDING THE BUDGET ACCORDINGLY (4/5 VOTE REQUIRED)

**Sponsors:**

**Indexes:** 1. Operational Excellence

**Code sections:**

**Attachments:** 1. Item 3 - Attachment 1, 2. Item 3 - Attachment 2, 3. Item 3 - Attachment 3, 4. Item 3 - Resolution A, 5. Item 3 - Resolution B, 6. Item 3 - Resolution C, 7. Item 3 - Resolution D - DCM

Date	Ver.	Action By	Action	Result
8/12/2014	1	City Council	approve	Pass

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## AMENDING THE BUDGET ACCORDINGLY (4/5 VOTE REQUIRED)

### RECOMMENDED ACTION

Council adopt the resolutions.

### SUMMARY

Section 503(c) of the City of Chula Vista City Charter establishes the minimum compensation of the City Attorney based upon a formula set forth in that Section. Chula Vista Municipal Code Section 2.11.030 sets forth the process by which the minimum compensation required by Section 503(c) of the Charter is to be calculated. The City Council must set the compensation of the City Attorney at not less than the minimum amount. For the fiscal year 2014-15, the minimum amount is \$214,244. However, a voter approved chart amendment will result in a change in the salary effective the new term of the City Attorney beginning December 2, 2014. Effective December 2, 2014, the City Attorney salary will be \$184,610.

Staff is also recommending an appropriation to the City Council budget to address salary changes and approval of the updated Compensation Schedule to reflect salary changes.

### ENVIRONMENTAL REVIEW

The Development Services Director has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378(b)(2) of the State CEQA Guidelines because it is a personnel related action; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

### BOARD/COMMISSION RECOMMENDATION

### DISCUSSION

#### City Attorney

In November of 2008, the residents of the City of Chula Vista approved Proposition Q, which amended Sections 500 and 503 of the Chula Vista City Charter to make the office of City Attorney an elected office of the City. Among other things, Proposition Q amended Section 503(c) of the City Charter to establish a minimum compensation for the City Attorney based upon a formula that considered the compensation of the city attorney's in similarly situated cities.

On December 8, 2009, the City Council approved the addition of Chapter 2.11 to the Chula Vista Municipal Code to implement the requirements of Section 503 of the Charter, including the formula for the minimum compensation of the City Attorney. To implement this formula, Section 2.11.030 of the Chula Vista Municipal Code provides that the City Council shall, as of February of each year, use the most current annual population estimates published by the California Department of Finance to determine the six California cities whose populations are closest to the City as specified by the measure. In the event that the city attorney of any comparable city is not an employee of that city, the compensation for such city attorney shall not be used as a comparison and the city with the next higher and/or next lower population, as applicable, shall be used in the comparison. The Human Resources Department has gathered the information and in accordance with the City of Chula Vista Municipal Code Section 2.11.0.030, the City Attorney minimum salary is set at \$214,244 for fiscal year 2014-15 (Attachment 1).

Staff requested clarification from outside legal counsel on the manner in which the minimum compensation of the City Attorney required by Section 503(c) of the City Charter must be implemented. A memorandum dated 10/5/11 from outside legal counsel is contained in Attachment 2. This salary will be effective from June 27, 2014 to December 1, 2014.

In June 2012, voters approved an amendment to the City Charter that set the annual salary of the elected City Attorney to be equivalent to the salary of a Judge of the Superior Court of the State of California. This salary change will be effective upon the start of the new term of the City Attorney, which is scheduled to begin December 2, 2014. The annual salary for the City Attorney as of December 2, 2014 will be \$184,610 based on the most recent information available for the position of Judge of the Superior Court of the State of California.

### **City Council**

Earlier this year, the City received notification of a salary change for the position of Judge of the Superior Court of the State of California. Per the City Charter, the Mayor shall receive an annual salary equivalent to 66% of the salary of a Judge of the Superior Court of the State of California. The City Charter further sets the annual salary for Councilmembers at 40% of the salary of the Mayor. Based on a letter from the Judicial Council of California dated July 18, 2014, the position of Judge of the Superior Court of the State of California will receive a salary increase of 1.83% effective July 1, 2014. The Compensation Schedule has been updated to reflect the corresponding change to the salary for the Mayor and Councilmembers.

### **Compensation Schedule**

California Code of Regulations, Title 2, Section 570.5 requires that, for purposes of determining a retiring employee's pension allowance, the pay rate be limited to the amount listed on a pay schedule that meets certain requirements and be approved by the governing body in accordance with the requirements of the applicable public meeting laws. The Fiscal Year 2014-2015 Compensation Schedule ("Compensation Schedule") was originally approved by the City Council at their meeting of July 8, 2014.

The Compensation Schedule presented here reflects the following changes:

- Revised City Attorney salary adjusted to reflect the salary survey conducted in February 2014
- Revised Mayor and City Council salary adjusted to reflect the salary increase for Judge of the Superior Court of the State of California as reflected in the letter from the Judicial Council of California dated July 18, 2014
- Revised salaries for the following employee groups - Chula Vista Employees Association SEIU -Local 221 (CVEA/SEIU), Mid-Managers/Professional/SEIU Local 221 (MM/Prof/SEIU), Western Council of Engineers (WCE), Executives, Senior Managers, unrepresented Mid Managers and Professionals, Confidential, and Unclassified Hourly employees. These salary increases are discussed in a separate report that is being considered by the City Council this afternoon.

Approval of Resolution C will approve the revised Compensation Schedule to reflect the fore mentioned salary adjustments in compliance with California Code of Regulations, Title 2, Section 570.5.

### **Deputy City Manager**

The City Manager is recommending changes in the City management structure to reflect two Deputy City Managers. The Deputy City Managers will share oversight of City departments with the

exception of the Public Safety departments that will continue to report directly to the City Manager. In order to effect this change, the Director of Finance position will be eliminated from the Finance Department and a Deputy City Manager position will be added to the Administration Department. These changes result in no net change to the authorized position count in the General Fund.

The Assistant City Manager position authorized in the Administration Department is not anticipated be filled in the near future. Based upon the duties assigned to the Deputy City Manager positions, a salary adjustment is recommended for this position; the annual salary recommended for this position is \$199,000. This position would also receive the 2% salary adjustment recommended for all non-safety employees, which would set the annual salary at \$202,980. The recommended salary creates internal alignment between the Deputy City Manager and the Department Director classifications.

The newly created Deputy City Manager will continue to act as the Director of Finance and will also oversee the following Departments/Functions - Development Services, Public Works, Communications, and Economic Development.

### **DECISION-MAKER CONFLICT**

Staff has determined that the action contemplated by this item is ministerial, secretarial, manual, or clerical in nature and, as such, does not require the City Council members to make or participate in making a governmental decision, pursuant to California Code of Regulations Title 2, section 18702.4 (a). Consequently, this item does not present a conflict under the Political Reform Act (Cal. Gov't Code § 87100, et seq.). Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

### **LINK TO STRATEGIC GOALS**

The City's Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy Community, Strong and Secure Neighborhoods and a Connected Community. These changes support City Initiative 1.2.3 Retain and attract quality employees under the Operational Excellence goal. Employee compensation is instrumental to recruiting and retaining quality employees.

### **CURRENT YEAR FISCAL IMPACT**

The fiscal year 2015 adopted budget includes sufficient funds for the City Attorney salary changes. No budget changes are proposed at this time.

The salary changes for the Mayor and City Council are anticipated to result in additional annual cost of \$6,034. Approval of this resolution will result in the appropriation of \$6,034 to the Personnel Services budget of the City Council department. This appropriation will be offset by unanticipated property tax revenues resulting in no net fiscal impact.

The fiscal impact of the changes to the Compensation Schedule for the various employee groups are discussed in a separate staff report being considered by Council this afternoon.

The fiscal impact of the changes related to the Deputy City Manager salary adjustment will be offset by salary savings from the vacant Assistant City Manager position.

## **ONGOING FISCAL IMPACT**

The annualized costs for the salary changes will be incorporated into the fiscal year 2015/16 baseline budget and will be brought to Council for approval as part of the normal budget adoption process.

The Five Year Financial Forecast will be updated once fiscal year 2013/14 has been closed, updated revenue information is received, and negotiations with the bargaining groups have concluded. The updated Five Year Financial Forecast will be provided to City Council in the fall.

## **ATTACHMENTS**

- (1) Informational Item Memo to Honorable Mayor & Council re: Salary Recommendation for Elected City Attorney dated 2/17/14
- (2) Memorandum date 10/5/11 from Shawn Hagerty, Best, Best & Krieger LLP
- (3) Revised Fiscal Year 2014-2015 Compensation Schedule

*Staff Contact: Irene Mosley*