

STAFF REPORT

City Council Business Agenda Item

DATE: February 22, 2022

TO: Honorable Mayor and Council Members

FROM: Merritt Perry, City Manager

SUBJECT: Establish and Authorize Supplemental Compensation and Benefits for Management and Confidential Employees, *Resolution 2022-04*

STAFF RECOMMENDATION:

Staff is recommending the Council Consider establishing and authorizing supplemental compensation and benefits for management and confidential employees by adopting *Resolution 2022-04*.

EXECUTIVE SUMMARY:

The City's Management and Confidential employee classifications consist of both sworn (police) and general employees that are unrepresented, which means they have not engaged in collective bargaining with the City on matters related to wages, benefits and other terms and conditions of employment. As negotiations for Memorandum of Understandings (MOU's) are reaching conclusion for the represented employee groups, it is recommended that Council also consider addressing wages, benefits and other terms and conditions of employment that pertain to the City's unrepresented classifications.

Although the Management and Confidential employees have not negotiated and therefore do not have an MOU, I have drafted a Supplemental Compensation and Benefits Resolution, for Council consideration that is intended to operate in much the same way as an MOU.

This Resolution can be amended if Council authorizes future changes in compensation and benefits for these unrepresented classifications. While not specifically outlined in the current draft Resolution, the unrepresented group is requesting that Council will take this into consideration at times and in amounts generally consistent with settlements negotiated with the City's employee groups which consist of the Fortuna Police Employees Association (FPEA) and the Fortuna Employees Association (FEA).

FISCAL IMPACT

All fiscal impacts associated with the terms of the resolution have been reviewed by Council during the negotiations process. The chart below summarizes the increased costs associated with the adoption of this resolution.

Unrepresented Resolution	Estimated Cost for April - June 2022	Estimated Cost for July 2022 - June 2023

8% COLA upon ratification of MOU and 2% July 1, 2023	33,892.00	135,568.00
Add Juneteenth (June 19th) as a paid holiday	-	-
Add longevity pay at 15 years and 20 years at two percent per milestone	4,045.75	16,183.00
<i>TOTAL</i>	\$ 37,937.75	\$ 151,751.00

It is anticipated that the additional costs shown above will be covered by increased revenue receipts, primarily sales tax revenue. The City of Fortuna's Bradley Burns sales tax for next year is anticipated to increase by \$228,000 over this year's budgeted amount and the Measure E transaction and use tax for next year is anticipated to increase by \$265,000 over this year's budgeted amount.

RECOMMENDED COUNCIL ACTION:

1. Receive staff presentation and review Council questions with staff
2. Open Public Comment
3. Close Public Comment
4. Motion to Adopt *Resolution 2022-04*, and read by title only. Roll Call vote.

ATTACHMENTS:

- *Resolution 2022-04; A Resolution Of The City Council Of The City Of Fortuna Establishing and Authorizing Supplemental Compensation and Benefits For Management and Confidential Employees Effective April 1, 2022 through June 30, 2024.*