



CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and City Council **DATE:** November 18, 2019

FROM: Matthew Bronson, City Manager

PREPARED BY: Karla Mattocks, Management Analyst / Human Resources
John Peters, Chief of Police

SUBJECT: Amendment to the Classification and Compensation Plan for Police Sergeant, Police Commander and Administrative Assistant / Public Safety (Confidential)

RECOMMENDATION

Adopt the Resolution amending the Classification and Compensation Plan for the Police Sergeant, Police Commander and Administrative Assistant / Public Safety (Confidential) and approve the Side Letter Agreement modifying the Memorandum of Understanding for the Grover Beach Police Management and Confidential Employees Group.

BACKGROUND

The Police Department continues to be in a constant recruitment effort for multiple sworn and non-sworn positions. The latest recruitment process included the new Sergeant position approved in the FY 2019-20 budget and scheduled to be filled in January 2020. The Human Resources Department conducted a lengthy recruitment for the Sergeant position but only four applications were received with only two deemed complete. This was highly unusual to have such a low number of applicants for a supervisory position and caused staff to review characteristics of this position given potential concern not only for future recruitments but also retention of existing employees.

Staff conducted inquiries of potential candidates locally and outside the area and found a common theme that the Sergeant's salary compensation is low and not competitive to other police agencies. The potential external candidates commented that their current salary was equivalent to or in some cases higher than the Sergeant's salary in Grover Beach. Staff further determined the current Sergeant's salary schedule is also not competitive within our own agency as currently a Senior Police Officer (SPO) salary is nearly equivalent to the Step C salary of a Sergeant. Any promotion of an SPO to Sergeant would require the candidate to start at a minimum of Step D of the Sergeant's salary schedule. The salary compaction between these two positions is contrary to providing a competitive salary for the additional supervisory responsibilities of the Sergeant position.

As a result of this information, staff completed a compensation study for the Sergeant and Commander positions within the municipal police departments in San Luis Obispo County. The study determined the annual Sergeant's salary was \$13,139 below the average Sergeant salary in the county and the annual Commander's salary was \$12,915 below the average Commander salary in the county. The reason for including the Commander's salary in the compensation study is because the Memorandum of Understanding between the Grover Beach Police Management and Confidential Employees Group, which represents the Commanders, and the City has a stated

5% salary compaction clause between the police ranks of Sergeant and Commander. Any increase in the Sergeant's salary schedule would activate this clause since the two salary schedules are only separated by 5% currently. The below information is the top step salary information from each city surveyed.

	<u>Sergeant</u>	<u>Commander</u>
Arroyo Grande	\$106,603	\$130,548
Atascadero	\$105,580	\$117,769
Grover Beach	\$100,512	\$128,328
Paso Robles	\$120,708	\$155,628
Pismo Beach	\$117,074	\$141,273
San Luis Obispo	\$131,430	\$173,914
County Average	\$113,651	\$141,243

Staff is recommending an adjustment to the salaries for the Sergeant and Commander positions. The adjustment for the Sergeant position would be a 10% increase in the salary schedule effective upon passage of the Resolution. This increase would bring the top step salary of Sergeant to about \$110,544 annually which still below the county average, however the current Grover Beach Police Officers' Association Memorandum of Understanding does call for an additional 5% increase for all represented sworn members in July 2020. The combined adjustment and previously approved increase scheduled for July 2020, will allow the Sergeant salary to stay near the county average for the duration of the current bargaining agreement. The fiscal impact for this adjustment would be approximately \$37,393 this fiscal year and \$74,786 for next fiscal year.

The recommended adjustment to the Commander position would also be a 10% increase in the salary schedule effective upon passage of the Resolution. The Commander increases would be offset by a change in their Grover Beach Police Management and Confidential Employees Group Memorandum of Understanding that would eliminate the current 5% management incentive pay and would convert this into the salary schedule. The remaining 5% increase would be added as an adjustment to the top step Commander's salary schedule bringing it to a total of \$141,161 annually.

The Memorandum of Understanding that the Commanders fall under calls for a 2% increase in July 2020. The recommended adjustment combined with the previously approved MOU increase will allow the Commander salary to stay near the county average for the duration of the current bargaining agreement. There would be an estimated fiscal impact of \$12,920 for the remainder of this fiscal year and \$25,841 for next fiscal year. The Grover Beach Police Management and Confidential Employees Group Memorandum of Understanding will need to be modified by the attached side letter (Attachment 2) indicating the elimination of the management incentive pay and converting that benefit into the adjusted salary schedule as presented in the Resolution.

The modification of the language in the Grover Beach Police Management and Confidential Employees Group Memorandum of Understanding regarding the conversion of the management incentive pay to the salary schedule will also affect the one Police Department Administrative Assistant / Public Safety (Confidential) employee. This employee currently receives the management incentive pay so there would be no fiscal impact to the General Fund.

Staff believes that completion of these two salary schedule adjustments will assist future recruitment for supervisory and management positions. Increasing the competitiveness in these key positions will ensure proper succession planning and supervision of police department personnel as outlined in the 2018 Police Department Audit Report.

FISCAL IMPACT

The estimated impact would be approximately \$50,313 to the General Fund for the remainder of this fiscal year which will be covered by salary savings from the Police Department budget. For FY 2020-21, the estimated impact would be approximately \$100,627 to the General Fund.

ALTERNATIVES

The City Council has the following alternatives to consider:

1. Adopt the Resolution amending the Classification and Compensation Plan for the Police Sergeant, Police Commander and Administrative Assistant / Public Safety (Confidential) and approve the Side Letter Agreement modifying the Memorandum of Understanding for the Grover Beach Police Management and Confidential Employees Group; or
2. Provide staff with direction.

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act.

ATTACHMENTS

1. Resolution No. 19-__ - Amending Resolution No. 19-XX amending the Classification and Compensation Plan for the Police Sergeant, Police Commander and Administrative Assistant / Public Safety (Confidential).
2. Exhibit A - Side Letter Agreement for the Grover Beach Police Management and Confidential Employees Group Memorandum of Understanding.
3. Exhibit B- Salary Schedule

RESOLUTION NO. 19-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GROVER BEACH, CALIFORNIA, AMENDING THE CLASSIFICATION AND COMPENSATION PLAN FOR THE POLICE SERGEANT, POLICE COMMANDER AND ADMINISTRATIVE ASSISTANT / PUBLIC SAFETY (CONFIDENTIAL) AND APPROVING THE SIDE LETTER AGREEMENT MODIFYING THE MEMORANDUM OF UNDERSTANDING FOR THE GROVER BEACH POLICE MANAGEMENT AND CONFIDENTIAL EMPLOYEES GROUP

WHEREAS, on June 19th, 2018, the City Council of Grover Beach adopted Resolution No. 18-54 for the purpose of adopting the Memorandum of Understanding (MOU) between the City of Grover Beach and the Grover Beach Police Management and Confidential Employee Group; and

WHEREAS, subsequent to the adoption of the MOU, the City of Grover Beach and the Grover Beach Police Management and Confidential Employee Group agreed to changes to the MOU that are reflected in a Side Letter of Agreement between the City of Grover Beach and the Grover Beach Police Management and Confidential Employee Group (Exhibit A). The Side Letter of Agreement pertains to the City of Grover Beach’s removal of Article XI, Section 11.1 D item titled “Management Incentive Pay” and converting that 5% into the Salary Schedule; and

WHEREAS, the City Council is desirous of amending the classification and compensation plan for the positions of Police Sergeant, Police Commander and Administrative Assistant / Public Safety (confidential);

NOW, THEREFORE, BE IT RESOLVED that the City and the Group agree as follows:

1. The Side Letter of Agreement attached hereto as Exhibit A is approved and adopted; and
2. The Side Letter of Agreement amends the MOU between the City of Grover Beach and the Grover Beach Police Management and Confidential Employee Group; and
3. The salary schedule attached hereto as Exhibit B is approved and adopted.

On motion by Council Member _____, seconded by Council Member _____, and on the following roll-call vote, to wit:

AYES:	Council Members -
NOES:	Council Members -
ABSENT:	Council Members -
ABSTAIN:	Council Members -

the foregoing Resolution was **PASSED, APPROVED,** and **ADOPTED** at a meeting of the City Council of the City of Grover Beach, California this __ day of _____.

**** D R A F T ****

JEFF LEE, MAYOR

Attest:

WENDI SIMS, CITY CLERK

THE SIDE LETTER AGREEMENT AMENDING
THE 2018-2021 MEMORANDUM OF
UNDERSTANDING BETWEEN THE CITY OF
GROVER BEACH AND THE
GROVER BEACH POLICE MANAGEMENT AND CONFIDENTIAL EMPLOYEES
GROUP

On June 29th, 2018, the City of Grover Beach (the "City") and the Grover Beach Police Management and Confidential Employees Group (the "Group" and together with the City, the "Parties") executed a Memorandum of Understanding (MOU) for the period of July 1st, 2018 through June 30, 2021.

Included in the MOU is within Article XI – Management Compensation and Incentives, Section 11.1 - Education which states:

- D. Management Incentive Pay - Employees may receive five percent (5%) Management Incentive Pay to their base pay salary. The additional pay provides eligible Employees extra pay in recognition of the unique nature of their management or executive level positions and the special skills, knowledge, and abilities required of those positions. The compensation is paid as earned for normally required duties performed during normal work hours. It is not compensation in lieu of any other benefits.

Effective _____ this section would be changed to read:

- D. Management Incentive Pay – this incentive will be eliminated effective with this side letter dated _____ and the 5% converted into the salary schedule.

As part of this Side Letter, the Parties have agreed that the remaining terms of the agreement shall remain in full force and effect except as set forth in this Side Letter.

The City and the Group agree as follows:

Effective _____ the following terms of agreement will be in effect.

Article XI – Management Compensation and Incentives, Section 11.1 – Education:

- D. Management Incentive Pay will be eliminated effective with this side letter dated _____ and the 5% converted into the salary schedule.

GBPMCEG Group

City of Grover Beach

Exhibit B

City of Grover Beach
STAFFING DETAIL & SALARY SCHEDULE

Compensation Plan - Monthly Salary
Ranges

Current Salary Schedule:

<u>Section 3 – Police Management & Confidential</u>		A	B	C	D	E	
Police Commander	*	8798	9238	9700	10185	10694	
Administrative Assistant/Public Safety (Conf.)		4131	4338	4555	4783	5022	

<u>Section 4 - Competitive Service</u>		A	B	C	D	E	F
Police Sergeant		6562	6890	7235	7597	7977	8376

Proposed Salary Schedule:

<u>Section 3 – Police Management & Confidential</u>		A	B	C	D	E	
Police Commander	*	9678	10162	10670	11203	11764	
Administrative Assistant/Public Safety (Conf.)		4338	4554	4782	5021	5272	

<u>Section 4 - Competitive Service</u>		A	B	C	D	E	F
Police Sergeant		7218	7579	7958	8356	8774	9212