



**CITY OF COSTA MESA
HUMAN RESOURCES / RISK MANAGEMENT
SUPPLEMENTAL MEMORANDUM**

TO: THE HONORABLE CITY COUNCIL

FROM: KASAMA LEE, HUMAN RESOURCES MANAGER

DATE: JUNE 5, 2023

SUBJECT: AGENDA ITEM NO. PH-4: FISCAL YEAR 2023-24 PROPOSED OPERATING AND CAPITAL IMPROVEMENT PROGRAM AND HOUSING AUTHORITY BUDGET

Please see corrections below to Attachment 9A: Resolution No. 2023-XX for No. NB-4, establishing new job classifications and revising the executive compensation plan and executive salary schedule.

- The salary ranges for Assistant Fire Chief (Operations) is corrected as follows:

0222	Assistant Fire Chief (Operations)	859	\$13,900	\$14,595	\$15,325	\$16,091	\$16,896	\$17,741	\$18,628	Monthly
			\$166,800	\$175,140	\$183,900	\$193,092	\$202,752	\$212,892	\$223,536	Annual
			\$80.19	\$84.20	\$88.41	\$92.83	\$97.48	\$102.35	\$107.47	Hourly

- The Deputy City Manager salary ranges that were previously approved by the City Council were inadvertently omitted and have been included in the corrected resolution.
- A reference to changes effective July 2023 for the Classic 3@50 PERS benefit was added to Section 7.3 for CalPERS – Safety Fire Members. Previously, there were no employees eligible for the Classic 3@50 PERS benefit in the Executive group, but now there is with the addition of the Assistant Fire Chief (Operations) classification.

Please also see corrections below to Attachment 9B: Resolution No. 2023-XX for No. NB-4, establishing new job classifications and pay ranges for the Costa Mesa City Employees Association.

- The title of the resolution was corrected to reflect the establishment of the new job classifications.
- The Animal Control Supervisor was retitled to Animal Services Supervisor.

If you have any questions, please let me know.

c. Lori Ann Farrell Harrison, City Manager
Kimberly Hall Barlow, City Attorney
Brenda Green, City Clerk
Carol Molina, Finance Director

RESOLUTION NO. 2023-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ESTABLISHING NEW JOB CLASSIFICATIONS AND REVISING THE EXECUTIVE COMPENSATION PLAN AND EXECUTIVE SALARY SCHEDULE.

THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA HEREBY FINDS, DETERMINES, AND DECLARES AS FOLLOWS:

WHEREAS, on March 21, 2023, the City Council adopted Resolution No. 2023-11, revising the pay ranges for job classifications in the Executive Salary Schedule; and

WHEREAS, on March 21, 2023, the City Council adopted Resolution No. 2023-14, establishing the classification of and pay ranges for the Deputy City Manager and Deputy Police Chief and revising the pay ranges for Assistant City Manager; and

WHEREAS, the City Council desires to establish the new job classifications of Assistant Fire Chief (Operations) and Assistant Fire Chief (Fire Marshal/Community Risk Reduction) and to establish the pay ranges and benefits for the new job classifications; and

WHEREAS, the City Council desires to repeal and replace Resolutions No. 2023-11 and 2023-14 to revise the pay ranges and benefits for the classifications specified herein; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Costa Mesa as follows:

SECTION 1. The Costa Mesa City Council previously established the Executive Compensation Plan to: 1) promote maximum commitment by City executives to objectives and standards of the City Council and City Manager; 2) establish a system in which compensation serves as an effective device for promoting better job performance; 3) foster the identification of an executive employee group and recognize the distinct character of executive jobs; and, 4) improve the City's ability to attract and retain outstanding executives.

SECTION 2. The following job classifications, placed under the Executive Salary Schedule, are hereby revised to reflect the salary ranges and monthly rates of pay specified, effective the pay period including January 1, 2023 or March 26, 2023 as indicated. The rate of pay for individual executives may be anywhere within the monthly minimum and maximum salary steps.

APPOINTED AT-WILL EXECUTIVES										
Class Code	Class Title	Grade	Step							
			1	2	3	4	5	6	7	
0075	Assistant City Manager	810	\$13,782	\$14,471	\$15,195	\$15,955	\$16,753	\$17,591	\$18,471	Monthly
			\$165,384	\$173,652	\$182,340	\$191,460	\$201,036	\$211,092	\$221,652	Annual
			\$79.51	\$83.49	\$87.66	\$92.05	\$96.65	\$101.49	\$106.56	Hourly
0075	Assistant City Manager <i>Effective 3/26/23</i>	775	\$15,866	\$16,659	\$17,492	\$18,367	\$19,285	\$20,249	\$21,261	Monthly
			\$190,392	\$199,908	\$209,904	\$220,404	\$231,420	\$242,988	\$255,132	Annual
			\$91.53	\$96.11	\$100.92	\$105.96	\$111.26	\$116.82	\$122.66	Hourly
0027	Deputy City Manager <i>Effective 3/26/23</i>	853	\$12,686	\$13,320	\$13,986	\$14,685	\$15,419	\$16,190	\$17,000	Monthly
			\$152,232	\$159,840	\$167,832	\$176,220	\$185,028	\$194,280	\$204,000	Annual
			\$73.19	\$76.85	\$80.69	\$84.72	\$88.96	\$93.40	\$98.08	Hourly
APPOINTED AT-WILL SWORN DEPARTMENT DIRECTORS										
Class Code	Class Title	Grade	Step							
			1	2	3	4	5	6	7	
0223	Fire Chief	793	\$15,527	\$16,303	\$17,118	\$17,974	\$18,873	\$19,817	\$20,808	Monthly
			\$186,324	\$195,636	\$205,416	\$215,688	\$226,476	\$237,804	\$249,696	Annual
			\$89.58	\$94.06	\$98.76	\$103.70	\$108.88	\$114.33	\$120.05	Hourly
0207	Police Chief	792	\$15,527	\$16,303	\$17,118	\$17,974	\$18,873	\$19,817	\$20,808	Monthly
			\$186,324	\$195,636	\$205,416	\$215,688	\$226,476	\$237,804	\$249,696	Annual
			\$89.58	\$94.06	\$98.76	\$103.70	\$108.88	\$114.33	\$120.05	Hourly
APPOINTED AT-WILL DEPARTMENT DIRECTORS										
Class Code	Class Title	Grade	Step							
			1	2	3	4	5	6	7	
0091	Administrative Services Director	775	\$10,867	\$11,410	\$11,980	\$12,579	\$13,208	\$13,868	\$14,561	Monthly
			\$130,404	\$136,920	\$143,760	\$150,948	\$158,496	\$166,416	\$174,732	Annual
			\$62.69	\$65.83	\$69.12	\$72.57	\$76.20	\$80.01	\$84.01	Hourly
0080	Economic and Development Services Director	850	\$13,767	\$14,455	\$15,178	\$15,937	\$16,734	\$17,571	\$18,450	Monthly
			\$165,204	\$173,460	\$182,136	\$191,244	\$200,808	\$210,852	\$221,400	Annual
			\$79.43	\$83.39	\$87.57	\$91.94	\$96.54	\$101.37	\$106.44	Hourly
0069	Finance Director	772	\$13,790	\$14,480	\$15,204	\$15,964	\$16,762	\$17,600	\$18,480	Monthly
			\$165,480	\$173,760	\$182,448	\$191,568	\$201,144	\$211,200	\$221,760	Annual
			\$79.56	\$83.54	\$87.72	\$92.10	\$96.70	\$101.54	\$106.62	Hourly

0049	Information Technology Director	851	\$13,056	\$13,709	\$14,394	\$15,114	\$15,870	\$16,664	\$17,497	Monthly
			\$156,672	\$164,508	\$172,728	\$181,368	\$190,440	\$199,968	\$209,964	Annual
			\$75.32	\$79.09	\$83.04	\$87.20	\$91.56	\$96.14	\$100.94	Hourly
0306	Parks and Community Services Director	735	\$11,584	\$12,163	\$12,771	\$13,410	\$14,080	\$14,784	\$15,523	Monthly
			\$139,008	\$145,956	\$153,252	\$160,920	\$168,960	\$177,408	\$186,276	Annual
			\$66.83	\$70.17	\$73.68	\$77.37	\$81.23	\$85.29	\$89.56	Hourly
0117	Public Works Director	791	\$13,767	\$14,455	\$15,178	\$15,937	\$16,734	\$17,571	\$18,450	Monthly
			\$165,204	\$173,460	\$182,136	\$191,244	\$200,808	\$210,852	\$221,400	Annual
			\$79.43	\$83.39	\$87.57	\$91.94	\$96.54	\$101.37	\$106.44	Hourly
SWORN DIVISION MANAGERS IN THE CLASSIFIED SERVICE										
Class Code	Class Title	Grade	Step							
			1	2	3	4	5	6	7	
0209	Deputy Police Chief <i>Effective 3/26/23</i>	857	\$13,238	\$13,900	\$14,595	\$15,325	\$16,091	\$16,896	\$17,741	Monthly
			\$158,856	\$166,800	\$175,140	\$183,900	\$193,092	\$202,752	\$212,892	Annual
			\$76.37	\$80.19	\$84.20	\$88.41	\$92.83	\$97.48	\$102.35	Hourly

SECTION 3. The following new job classifications are hereby established: Assistant Fire Chief (Operations) and Assistant Fire Chief (Fire Marshal/Community Risk Reduction) effective the pay period including July 1, 2023.

SECTION 4. The following job classifications, placed under the Executive Salary Schedule, are hereby revised to reflect the salary ranges and monthly rates of pay specified, effective the pay period including July 1, 2023. The rate of pay for individual executives may be anywhere within the monthly minimum and maximum salary steps.

APPOINTED AT-WILL EXECUTIVES										
Class Code	Class Title	Grade	Step							
			1	2	3	4	5	6	7	
0075	Assistant City Manager	775	\$16,659	\$17,492	\$18,367	\$19,285	\$20,249	\$21,261	\$22,324	Monthly
			\$199,908	\$209,904	\$220,404	\$231,420	\$242,988	\$255,132	\$267,888	Annual
			\$96.11	\$100.92	\$105.96	\$111.26	\$116.82	\$122.66	\$128.79	Hourly
0027	Deputy City Manager	853	\$13,320	\$13,986	\$14,685	\$15,419	\$16,190	\$17,000	\$17,850	Monthly
			\$159,840	\$167,832	\$176,220	\$185,028	\$194,280	\$204,000	\$214,200	Annual
			\$76.85	\$80.69	\$84.72	\$88.96	\$93.40	\$98.08	\$102.98	Hourly

APPOINTED AT-WILL SWORN DEPARTMENT DIRECTORS

Class Code	Class Title	Grade	Step							
			1	2	3	4	5	6	7	
0223	Fire Chief	793	\$16,303	\$17,118	\$17,974	\$18,873	\$19,817	\$20,808	\$21,848	Monthly
			\$195,636	\$205,416	\$215,688	\$226,476	\$237,804	\$249,696	\$262,176	Annual
			\$94.06	\$98.76	\$103.70	\$108.88	\$114.33	\$120.05	\$126.05	Hourly
0207	Police Chief	792	\$16,303	\$17,118	\$17,974	\$18,873	\$19,817	\$20,808	\$21,848	Monthly
			\$195,636	\$205,416	\$215,688	\$226,476	\$237,804	\$249,696	\$262,176	Annual
			\$94.06	\$98.76	\$103.70	\$108.88	\$114.33	\$120.05	\$126.05	Hourly

APPOINTED AT-WILL DEPARTMENT DIRECTORS

Class Code	Class Title	Grade	Step							
			1	2	3	4	5	6	7	
0091	Administrative Services Director	775	\$11,410	\$11,980	\$12,579	\$13,208	\$13,868	\$14,561	\$15,289	Monthly
			\$136,920	\$143,760	\$150,948	\$158,496	\$166,416	\$174,732	\$183,468	Annual
			\$65.83	\$69.12	\$72.57	\$76.20	\$80.01	\$84.01	\$88.21	Hourly
0080	Economic and Development Development Services Director	850	\$14,455	\$15,178	\$15,937	\$16,734	\$17,571	\$18,450	\$19,373	Monthly
			\$173,460	\$182,136	\$191,244	\$200,808	\$210,852	\$221,400	\$232,476	Annual
			\$83.39	\$87.57	\$91.94	\$96.54	\$101.37	\$106.44	\$111.77	Hourly
0069	Finance Director	772	\$14,480	\$15,204	\$15,964	\$16,762	\$17,600	\$18,480	\$19,404	Monthly
			\$173,760	\$182,448	\$191,568	\$201,144	\$211,200	\$221,760	\$232,848	Annual
			\$83.54	\$87.72	\$92.10	\$96.70	\$101.54	\$106.62	\$111.95	Hourly
0049	Information Technology Director	851	\$13,709	\$14,394	\$15,114	\$15,870	\$16,664	\$17,497	\$18,372	Monthly
			\$164,508	\$172,728	\$181,368	\$190,440	\$199,968	\$209,964	\$220,464	Annual
			\$79.09	\$83.04	\$87.20	\$91.56	\$96.14	\$100.94	\$105.99	Hourly
0306	Parks and Community Services Director	735	\$12,163	\$12,771	\$13,410	\$14,080	\$14,784	\$15,523	\$16,299	Monthly
			\$145,956	\$153,252	\$160,920	\$168,960	\$177,408	\$186,276	\$195,588	Annual
			\$70.17	\$73.68	\$77.37	\$81.23	\$85.29	\$89.56	\$94.03	Hourly
0117	Public Works Director	791	\$14,455	\$15,178	\$15,937	\$16,734	\$17,571	\$18,450	\$19,373	Monthly
			\$173,460	\$182,136	\$191,244	\$200,808	\$210,852	\$221,400	\$232,476	Annual
			\$83.39	\$87.57	\$91.94	\$96.54	\$101.37	\$106.44	\$111.77	Hourly

SWORN DIVISION MANAGERS IN THE CLASSIFIED SERVICE

Class Code	Class Title	Grade	Step							
			1	2	3	4	5	6	7	
0222	Assistant Fire Chief (Operations)	859	\$13,900	\$14,595	\$15,325	\$16,091	\$16,896	\$17,741	\$18,628	Monthly
			\$166,800	\$175,140	\$183,900	\$193,092	\$202,752	\$212,892	\$223,536	Annual
			\$80.19	\$84.20	\$88.41	\$92.83	\$97.48	\$102.35	\$107.47	Hourly
0209	Deputy Police Chief	857	\$13,900	\$14,595	\$15,325	\$16,091	\$16,896	\$17,741	\$18,628	Monthly
			\$166,800	\$175,140	\$183,900	\$193,092	\$202,752	\$212,892	\$223,536	Annual
			\$80.19	\$84.20	\$88.41	\$92.83	\$97.48	\$102.35	\$107.47	Hourly

NON SWORN DIVISION MANAGERS IN THE CLASSIFIED SERVICE

Class Code	Class Title	Grade	Step							
			1	2	3	4	5	6	7	
0224	Assistant Fire Chief (Fire Marshal / Community Risk Reduction	860	\$11,750	\$12,338	\$12,955	\$13,603	\$14,283	\$14,997	\$15,747	Monthly
			\$141,000	\$148,056	\$155,460	\$163,236	\$171,396	\$179,964	\$188,964	Annual
			\$67.79	\$71.18	\$74.74	\$78.48	\$82.40	\$86.52	\$90.85	Hourly

SECTION 5. Effective the payroll period that includes January 1 of each year commencing on January 1, 2023, the City Manager is eligible to move to the next step in the salary range which equates to a three percent (3%) base salary increase, pursuant to the terms of her Employment Agreement.

Class Code	Class Title	Pay Grade No.	Eff	Eff	Eff	Eff	Eff	
			12/19/2021	1/1/2023	1/1/2024	1/1/2025	1/1/2026	
			1	2	3	4	5	
0076	City Manager	850	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138	Monthly
			\$300,000	\$309,000	\$318,270	\$327,818	\$337,656	Annual
			\$144.23	\$148.56	\$153.01	\$157.60	\$162.33	Hourly

SECTION 6. Except as expressly provided in the City Manager’s Employment Agreement, the City Manager shall receive the same benefits as the other Executives.

SECTION 7. The City of Costa Mesa has contracted with the California Public Employees Retirement System (CalPERS) to provide retirement benefits to eligible City employees.

7.1 CalPERS - Miscellaneous Members

Employees covered by this resolution who do not meet the definition of “new member” under the California Public Employees’ Pension Reform Act of 2013 (PEPRA) (those unit members shall be referred to as “classic members”) are enrolled in either the CalPERS retirement plan provided for by Government Code § 21354.4, and commonly referred to as the 2.5% at age 55 retirement plan (“tier 1”), or the 2% at 60 formula provided for by Government Code § 21353 (“tier 2”).

A. Classic Members:

Effective April 16, 2017, the total contribution for tier 1 (2.5% @ 55) unit members will be 12% of compensation earnable, inclusive of statutory employee contributions and all cost sharing. The total contribution for tier 2 (2% @ 60) unit members will be 10% of compensation earnable, inclusive of statutory employee contributions and all cost sharing.

Effective the pay period that includes July 1, 2023, classic member employees subject to the 2.5%@55 formula shall have their cost sharing per Government Code section 20516(a) reduced by 1.469% for a net contribution of one percent (1%) and cost sharing pursuant to 20516(f) will be reduced from 1.531% to 0%.

Effective the pay period that includes July 1, 2023, classic member employees subject to the 2%@60 formula shall have their cost sharing per Government Code section 20516(f) reduced by 1% for a net contribution of two percent (2%).

B. New Members: Under PEPRA (see section 3.4 below):

Effective April 16, 2017, the total contribution for PEPRA tier 3 (2% @ 62) unit members will be 9% of pensionable compensation, inclusive of statutory employee contributions and cost sharing.

7.2 CalPERS - Safety Police Members

Employees covered by this resolution who do not meet the definition of “new member” under the California Public Employees’ Pension Reform Act of 2013 (PEPRA) (those unit members shall be referred to as “classic members”) are enrolled in the CalPERS retirement plan provided for by Government Code § 21362.2, and commonly referred to as the 3% at age 50 retirement plan (“tier 1”).

A. Classic Members:

Effective April 16, 2017, the total contribution for tier 1 (3% @ 50) unit members will be 12% of compensation earnable, inclusive of statutory employee contributions and all cost sharing.

B. New Members: Under PEPRA (see section 3.4 below):

Effective April 16, 2017, the total contribution for PEPRA tier 2 (2.7% @ 57) unit members will be 9% of pensionable compensation, inclusive of statutory employee contributions and cost sharing.

7.3 CalPERS – Safety Fire Members

Employees covered by this resolution who do not meet the definition of “new member” under the California Public Employees’ Pension Reform Act of 2013 (PEPRA) (those unit members shall be referred to as “classic members”) are enrolled in either the CalPERS retirement plan provided for by Government Code § 21362.2, and commonly referred to as the 3% at age 50 retirement plan (“tier 1”) or the 2% at 50 formula provided for by Government Code § 21362 (“tier 2”).

A. Classic Members:

Effective June 21, 2020, the total contribution for tier 1 (3% @ 50) unit members will be 15% of compensation earnable, inclusive of statutory employee contributions and all cost sharing. The total contribution for tier 2 (2% @ 50) unit members will be 15% of compensation earnable, inclusive of statutory employee contributions and all cost sharing.

Effective the pay period that includes July 1, 2023, classic member employees subject to the 3%@50 formula shall have their cost sharing per Government Code section 20516(a) reduced by 2% for a net contribution of three percent (3%).

Effective the pay period that includes July 1, 2023, classic member employees subject to the 2%@50 formula shall have their cost sharing per Government Code section 20516(f) reduced by 2% for a net contribution of three percent (3%).

B. New Members: Under PEPRA:

Upon adoption of this resolution by the City Council, the total contribution for PEPRA tier 3 (2.7% @ 57) will be 9% of pensionable compensation, inclusive of statutory employee contributions and cost sharing.

7.4 THE CALIFORNIA PUBLIC EMPLOYEES' PENSION REFORM ACT OF 2013 (PEPRA)

As it may from time to time exist, the PEPRA shall in its entirety be given full force and effect. PEPRA includes, but is not limited to, the provisions described below:

Members hired on and after January 1, 2013, deemed to be a "new member" as defined in Government Code § 7522.04, shall individually pay an initial Member CALPERS contribution rate of 50% of the normal cost rate for the Defined Benefit Plan in which said "new member" is enrolled, rounded to the nearest quarter of 1%, or the current contribution rate of similarly situated employees, whichever is greater.

Members who are "new members" on and after January 1, 2013, shall be enrolled in the PEPRA provided for 2% @ 62 retirement formula for miscellaneous employees (Govt. Code § 7522.20), or 2.7% @ 57 for safety employees (Govt. Code § 7522.25(d)).

Members who are "new members" on and after January 1, 2013, shall have "final compensation" measured by the highest average annual pensionable compensation earned by the member during a period of at least 36 consecutive months (Section 7522.32.), and their retirement benefits shall be calculated based on "pensionable compensation" (Section 7522.10) rather than "compensation earnable" (Section 20636).

SECTION 8. The following classifications shall be provided with a City vehicle or monthly automobile allowance:

Assigned City Vehicle: Fire Chief, Police Chief

Assigned City Vehicle or up to \$650 Monthly Automobile Allowance, except as expressly provided in the City Manager's Employment Agreement: City Manager

\$575 Monthly Automobile Allowance: Administrative Services Director, Assistant

City Manager, Deputy City Manager, Economic and Development Services Director, Finance Director, Information Technology Director, Parks and Community Services Director, Public Works Director

In all situations, the City Manager has the sole discretion to grant, modify or deny use of a City vehicle or grant an allowance for employees covered by this resolution.

SECTION 9. Employees covered by this resolution shall be provided with a \$75 monthly technology allowance. The City Manager has the sole discretion to grant, modify or deny an allowance for employees covered by this resolution.

SECTION 10. With exception of the City Manager, a pay-for-performance evaluation and compensation system will be utilized for all employees in executive job classifications. All compensation increases for executives will be based upon continued meritorious service to the City. Though the City Manager may receive labor marketplace salary adjustments, annual performance evaluations for this position will be conducted in the fall of each year by the City Council.

SECTION 11. Effective the pay period that includes January 1, 2023, Sworn Executives and Managers are eligible to participate in the Management Certification/Education Program based upon the following achievements and criteria:

<u>Certification/ Degree</u>	<u>Eligible Classification</u>	<u>Award</u>
P.O.S.T. Executive Certificate	Police Chief	5.0%
FBI Academy	Police Chief	2.5%*
Command College	Police Chief	2.5%*
P.O.S.T. Management Certificate	Deputy Police Chief	5.0%
CA State Fire Chief	Fire Chief	5.0%*
National Fire Academy - Executive Fire Officer	Fire Chief	2.50%
Master's Degree	Fire Chief	2.50%
CA State Chief Fire Officer	Assistant Fire Chief (Operations)	5.0%

**Effective 1/1/23 – in lieu of receiving holiday pay*

Awards are based on a percentage of base salary. The maximum cumulative award payable to any employee shall not exceed 10.0% of base salary. These awards shall be reported to PERS as "compensation earnable" and will be included as an element of total compensation in the annual calculation.

An award may be granted, rejected or removed at any time. The City Manager may review and update this program on a periodic basis to ensure its vitality and relevance.

SECTION 12. Effective the pay period including the pay date of January 6, 2023, Sworn Division Managers who have been employed in a full-time sworn law enforcement position (as defined by California Penal Code sections 830.1, 830.2, 830.32 and 830.33 or the out-of-state equivalent as determined by the Chief of Police) for twenty-five (25) years or more (with a maximum of 10 years in such a position outside of the City of Costa Mesa) shall receive recruitment and retention incentive pay of ten percent (10%).

Effective the pay period including the pay date of January 6, 2023, employees in Sworn Division Managers who have been employed in a full-time sworn fire classification (i.e. Firefighter, Fire Engineer, Fire Captain, Battalion Chief or Fire Division Chief) in a municipal, state or federal fire department or other agency (as determined by the Fire Chief) for twenty-five (25) years or more (with a maximum of 10 years in such a position outside of the City of Costa Mesa) shall receive recruitment and retention incentive pay of ten percent (10%).

SECTION 13. Sworn Division Managers who work without regards to holiday may elect to use available holiday time for additional time off or they may cash out available holiday time for pay of 104 hours per calendar year. The irrevocable election must be made at the beginning of each calendar year. The holiday in lieu pay shall be reported to CalPERS as compensation earnable pursuant to California Code of Regulations section 571(a)(5).

SECTION 14. The City shall contribute an amount toward the executive flexible benefit plan bucket for the payment of premiums for affected employees and dependents based upon the following criteria:

- Full family coverage for the PERS Platinum medical plan under the California Public Employees' Retirement System (CALPERS) health insurance programs
- Full family coverage for the Dental Indemnity plan
- Full premium payment for Life Insurance
- For Department Directors, Long Term Disability premium will be based upon the top step salary of the highest-salaried Department Director
- For Division Managers, Long Term Disability premium will be based upon the top step salary of the highest-salaried Division Manager within the classified service

Any amounts necessary to maintain benefit premiums in excess of the City contribution specified above shall be borne entirely by the executive employee.

SECTION 15. Effective October 15, 2017, employees covered by this resolution shall accrue vacation leave at the following rates and shall be capped at the following maximum levels:

<u>Years of Service</u>	<u>Annual Accrual 40-Hour</u>	<u>Maximum Accrual 40-Hour</u>
1-2	92	184
3-4	116	232
5-9	140	280
10-14	164	320
15-19	188	320
20+	212	320

Vacation Leave Cash-Outs – Each fiscal year, employees will have the following cash-out options: 1) One eighty (80) hour cash-out any time during the fiscal year, regardless of the employee's maximum accrual and regardless of the employee's Vacation Leave usage; and, 2) Up to four cash-outs per fiscal year, any time during the fiscal year (irrespective of quarter), based on a "2 for 1" usage ratio, up to a maximum of 80-hours for each cash out. For example, if an employee uses 10 hours of Vacation Leave, the employee could cash out up to 20 hours of Vacation Leave; in order for an employee to cash-out the maximum of 80-hours Vacation Leave, the employee would need to use 40 hours of Vacation Leave.

All employees who are at the Maximum Accrual Level or who may reach the

Maximum Accrual Level shall utilize the "Cash-Out" and/or "Vacation Leave" options so as to NOT exceed the Vacation Accrual Ceiling. Other than exceptions granted based upon City and/or Departmental needs as approved by the City Manager, there will no other cash-out of Vacation Leave time beyond the Maximum Accrual rates that have been established.

SECTION 16. Effective December 24, 2017, the City shall grant Executive Leave to management personnel not to exceed forty (40) hours per year. The City Manager may grant up to an additional sixty (60) hours of Executive Leave.

SECTION 17. Pursuant to the Executive Professional Development Reimbursement Program, the City agrees to reimburse Department Directors up to \$2,000 per fiscal year for activities, materials, equipment or fees that will aid in their individual professional development. The intent of this program is to encourage and recognize executive staff for pursuing educational, professional or community-oriented activities, enhancing job skills and expertise, and/or purchasing materials/equipment, which improve the executive's performance. These activities, materials, equipment or fees are intended to be beyond what is budgeted for individuals through the annual budget cycle. The reimbursement options available include the following:

- Professional memberships, licenses and certificates that are job-related
- Professional conferences that are job-related including fees and other expenses while attending
- Membership dues in community organizations relevant to the executive's job assignment
- Purchase of job-related professional journals, periodicals, books or other written materials which further knowledge or improvement of effectiveness in performance of duties
- Education fees that exceed the City's annual \$1,250 tuition reimbursement limit
- Direct purchase of qualifying computer equipment defined in Administrative Regulation 2.29

The Assistant City Manager must approve participation in the activities and/or

purchase of the materials/equipment in advance. Claims for reimbursement must be accompanied by documentation that an eligible expense has been incurred during the fiscal year for the executive employee only. Any portion of the reimbursement amount not incurred within the fiscal year shall remain City funds unless prior approval has been received by the City Manager. Requests to carry forward unencumbered amounts to the next fiscal year must receive approval by the City Manager prior to the end of the fiscal year. All payments will be in the form of reimbursement and no executive employee will directly receive cash for this benefit. Reimbursements, which are subject to taxation, will be processed through the payroll system. The Finance Department shall administer this program in accordance to the stated purpose and will provide the appropriate forms and procedures. This reimbursement program does not prohibit individual departments from continuing to budget funds for executive staff attendance at professional conferences and seminars, for the payment of professional membership dues, and/or for the purchase of books, journals and written materials that are job-related and will enhance an executive's knowledge or expertise.

SECTION 18. The 401(a) deferred compensation plan provides executives with another tax-deferred savings plan for future financial planning. Effective August 29, 2021, Executives and Department Directors covered by the Executive Compensation Plan and executive salary schedule shall receive a \$15,000 annual contribution to the City's 401(a) plan. Division Managers covered by the Executive Compensation Plan and executive salary schedule shall receive 0.5% per pay period for those who elect to participate in the 401(a) plan.

Except as provided in the City Manager's Employment Agreement, executives must make any and all 457 deferred compensation contributions. The City shall contribute to City Manager's 457 account the maximum annual contribution permitted, including applicable catch-up provisions. The City will also calculate a contribution to a defined contribution plan for the Fire Chief in an amount to be determined by an actuarial valuation performed by a professional actuary.

SECTION 19. All resolutions and parts of resolutions in conflict herewith are hereby rescinded.

PASSED AND ADOPTED this 6th day of June, 2023.

John Stephens, Mayor

ATTEST:

APPROVED AS TO FORM:

Brenda Green, City Clerk

Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, **BRENDA GREEN**, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 2023-XX and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 6th day of June, 2023, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 7th day of March, 2023.

Brenda Green, City Clerk

RESOLUTION NO. 2023-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AMENDING RESOLUTIONS NO. 2022-69, 2022-70, 2022-71 ~~TO RENAME AND REVISE THE PAY RANGES FOR VARIOUS CLASSIFICATIONS OF EMPLOYEES ESTABLISHING NEW CLASSIFICATIONS REPRESENTED BY THE COSTA MESA CITY EMPLOYEES ASSOCIATION AND ESTABLISHING THE PAY RANGES FOR THE NEW CLASSIFICATIONS.~~

THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA HEREBY FINDS, DETERMINES, AND DECLARES AS FOLLOWS:

WHEREAS, on November 15, 2022, the City Council adopted Resolutions No. 2022-69, 2022-70, and 2022-71 revising the pay ranges for job classifications represented by the Costa Mesa City Employees Association; and

WHEREAS, on March 21, 2023, the City Council adopted Resolution 2023-15 amending Resolutions No. 2022-69, 2022-70, and 2022-71 approving updates to various classifications; and

WHEREAS, the City Council desires to amend Resolutions 2022-70 and 2022-71 to establish the new job classifications of Animal ~~Control~~ Services Supervisor and Cyber Security Analyst and to establish the pay ranges for the new classifications; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Costa Mesa as follows:

SECTION 1. The following pay ranges and monthly rates of pay for the identified job classifications are hereby established and placed under the Basic Salary Administration Plan effective the pay period that includes July 1, 2023. The monthly rate of pay may also be in increments between the monthly minimum and maximum pay step.

Class Code	Class Title	Grade	Step							
			1	2	3	4	5	6	7	
0470	Animal Control <u>Services</u> Supervisor	734	\$8,494	\$8,919	\$9,365	\$9,833	\$10,325	\$10,841	\$11,383	Monthly
			\$101,928	\$107,028	\$112,380	\$117,996	\$123,900	\$130,092	\$136,596	Annual
			\$49.00	\$51.46	\$54.03	\$56.73	\$59.57	\$62.54	\$65.67	Hourly
0037	Cyber Security Analyst	735	\$9,478	\$9,952	\$10,450	\$10,973	\$11,522	\$12,098	\$12,703	Monthly
			\$113,736	\$119,424	\$125,400	\$131,676	\$138,264	\$145,176	\$152,436	Annual
			\$54.68	\$57.42	\$60.29	\$63.31	\$66.47	\$69.80	\$73.29	Hourly

SECTION 2. The following pay ranges and monthly rates of pay for the identified job classifications are hereby established and placed under the Basic Salary Administration Plan effective the pay period that includes July 1, 2024. The monthly rate of pay may also be in increments between the monthly minimum and maximum pay step.

Class Code	Class Title	Grade	Step							
			1	2	3	4	5	6	7	
0470	Animal Control Services Supervisor	734	\$8,750	\$9,187	\$9,646	\$10,128	\$10,634	\$11,166	\$11,724	Monthly
			\$105,000	\$110,244	\$115,752	\$121,536	\$127,608	\$133,992	\$140,688	Annual
			\$50.48	\$53.00	\$55.65	\$58.43	\$61.35	\$64.42	\$67.64	Hourly
0037	Cyber Security Analyst	735	\$9,764	\$10,252	\$10,765	\$11,303	\$11,868	\$12,461	\$13,084	Monthly
			\$117,168	\$123,024	\$129,180	\$135,636	\$142,416	\$149,532	\$157,008	Annual
			\$56.33	\$59.15	\$62.11	\$65.21	\$68.47	\$71.89	\$75.48	Hourly

SECTION 3. Except as modified by this Resolution, Resolutions No. 2022-69, 2022-70, 2022-71, 2023-15 shall remain in full force and effect.

PASSED AND ADOPTED this 6th day of June, 2023.

John Stephens, Mayor

ATTEST:

APPROVED AS TO FORM:

Brenda Green, City Clerk

Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, **BRENDA GREEN**, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 2023-XX and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 6th day of June, 2023, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 7th = day of June, 2023.

Brenda Green, City Clerk

(SEAL)