

RESOLUTION NO. 2024-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, REVISING THE PAY RANGES AND BENEFITS FOR CLASSIFICATIONS IN THE CONFIDENTIAL MANAGEMENT UNIT

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

WHEREAS, the City Council previously adopted Resolution No. 2023-12, revising the pay ranges and benefits for job classifications in the Confidential Management Unit; and

WHEREAS, the City Council desires to repeal and replace Resolution No. 2023-12 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. Employer-Employee Organization Relations Resolution No. 95-63, as authorized under the California Government Code (Section 3500, et seq.), defines “Employee, Confidential” as any employee whose normal duties would give the employee access to decisions or the decision-making processes of the City concerning any matters relating to employer-employee relations; and said Resolution sets forth the “Policy and Standards for Determination of Appropriate Units”, including the provision that confidential responsibilities are determining factors in establishing appropriate units. Accordingly, specific positions have been determined by the City Manager (Employee Relations Officer) as having access to or preparing confidential materials and/or information and/or recommendations on behalf of the City in matters relating to employer-employee relations and are included in this Confidential Management Unit.

SECTION 2. The following positions in the Office of the City Manager, Finance Department and Information Technology Department, placed under the Confidential Management Unit Salary Schedule, are hereby revised to reflect the salary ranges and monthly rates of pay specified, 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	
0068	Assistant Finance Director	750	\$13,007	\$13,657	\$14,340	\$15,057	\$15,810	\$16,601	\$17,431	Monthly
			\$156,084	\$163,884	\$172,080	\$180,684	\$189,720	\$199,212	\$209,172	Annual
			\$75.04	\$78.79	\$82.73	\$86.87	\$91.21	\$95.78	\$100.56	Hourly
0092	Assistant to the City Manager	896	\$9,783	\$10,272	\$10,786	\$11,325	\$11,891	\$12,486	\$13,110	Monthly
			\$117,396	\$123,264	\$129,432	\$135,900	\$142,692	\$149,832	\$157,320	Annual
			\$56.44	\$59.26	\$62.23	\$65.34	\$68.60	\$72.03	\$75.63	Hourly
0059	Budget and Purchasing Manager	740	\$10,640	\$11,172	\$11,731	\$12,318	\$12,934	\$13,581	\$14,260	Monthly
			\$127,680	\$134,064	\$140,772	\$147,816	\$155,208	\$162,972	\$171,120	Annual
			\$61.38	\$64.45	\$67.68	\$71.07	\$74.62	\$78.35	\$82.27	Hourly
0023	City Clerk	892	\$11,395	\$11,965	\$12,563	\$13,191	\$13,851	\$14,544	\$15,271	Monthly
			\$136,740	\$143,580	\$150,756	\$158,292	\$166,212	\$174,528	\$183,252	Annual
			\$65.74	\$69.03	\$72.48	\$76.10	\$79.91	\$83.91	\$88.10	Hourly
0171	Finance Manager	727	\$11,395	\$11,965	\$12,563	\$13,191	\$13,851	\$14,544	\$15,271	Monthly
			\$136,740	\$143,580	\$150,756	\$158,292	\$166,212	\$174,528	\$183,252	Annual
			\$65.74	\$69.03	\$72.48	\$76.10	\$79.91	\$83.91	\$88.10	Hourly
0090	Human Resources Manager	748	\$11,767	\$12,355	\$12,973	\$13,622	\$14,303	\$15,018	\$15,769	Monthly
			\$141,204	\$148,260	\$155,676	\$163,464	\$171,636	\$180,216	\$189,228	Annual
			\$67.89	\$71.28	\$74.84	\$78.59	\$82.52	\$86.64	\$90.98	Hourly
0047	Information Technology Manager	741	\$12,368	\$12,986	\$13,635	\$14,317	\$15,033	\$15,785	\$16,574	Monthly
			\$148,416	\$155,832	\$163,620	\$171,804	\$180,396	\$189,420	\$198,888	Annual
			\$71.35	\$74.92	\$78.66	\$82.60	\$86.73	\$91.07	\$95.62	Hourly

SECTION 3. The following positions of the Office of the City Manager, Finance Department and Information Technology Department, placed under the Confidential Management Unit Salary Schedule, are hereby revised to reflect the salary ranges and monthly rates of pay specified, effective the pay period that includes July 1, 2025. 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	
0068	Assistant Finance Director	750	\$13,495	\$14,170	\$14,879	\$15,623	\$16,404	\$17,224	\$18,085	Monthly
			\$161,940	\$170,040	\$178,548	\$187,476	\$196,848	\$206,688	\$217,020	Annual
			\$77.86	\$81.75	\$85.84	\$90.13	\$94.64	\$99.37	\$104.34	Hourly
0092	Assistant to the City Manager	896	\$10,150	\$10,657	\$11,190	\$11,750	\$12,337	\$12,954	\$13,602	Monthly
			\$121,800	\$127,884	\$134,280	\$141,000	\$148,044	\$155,448	\$163,224	Annual
			\$58.56	\$61.48	\$64.56	\$67.79	\$71.18	\$74.73	\$78.47	Hourly
0059	Budget and Purchasing Manager	740	\$11,039	\$11,591	\$12,171	\$12,780	\$13,419	\$14,090	\$14,795	Monthly
			\$132,468	\$139,092	\$146,052	\$153,360	\$161,028	\$169,080	\$177,540	Annual
			\$63.69	\$66.87	\$70.22	\$73.73	\$77.42	\$81.29	\$85.36	Hourly
0023	City Clerk	892	\$11,823	\$12,414	\$13,035	\$13,687	\$14,371	\$15,090	\$15,844	Monthly
			\$141,876	\$148,968	\$156,420	\$164,244	\$172,452	\$181,080	\$190,128	Annual
			\$68.21	\$71.62	\$75.20	\$78.96	\$82.91	\$87.06	\$91.41	Hourly
0171	Finance Manager	727	\$11,823	\$12,414	\$13,035	\$13,687	\$14,371	\$15,090	\$15,844	Monthly
			\$141,876	\$148,968	\$156,420	\$164,244	\$172,452	\$181,080	\$190,128	Annual
			\$68.21	\$71.62	\$75.20	\$78.96	\$82.91	\$87.06	\$91.41	Hourly
0090	Human Resources Manager	748	\$12,208	\$12,818	\$13,459	\$14,132	\$14,839	\$15,581	\$16,360	Monthly
			\$146,496	\$153,816	\$161,508	\$169,584	\$178,068	\$186,972	\$196,320	Annual
			\$70.43	\$73.95	\$77.65	\$81.53	\$85.61	\$89.89	\$94.38	Hourly
0047	Information Technology Manager	741	\$12,831	\$13,473	\$14,147	\$14,854	\$15,597	\$16,377	\$17,196	Monthly
			\$153,972	\$161,676	\$169,764	\$178,248	\$187,164	\$196,524	\$206,352	Annual
			\$74.03	\$77.73	\$81.62	\$85.70	\$89.98	\$94.48	\$99.21	Hourly

SECTION 4. The following positions of the Office of the City Manager, Finance Department and Information Technology Department, placed under the Confidential Management Unit Salary Schedule, are hereby revised to reflect the salary ranges and monthly rates of pay specified, effective the pay period that includes July 1, 2026. 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	
0068	Assistant Finance Director	750	\$13,969	\$14,667	\$15,400	\$16,170	\$16,978	\$17,827	\$18,718	Monthly
			\$167,628	\$176,004	\$184,800	\$194,040	\$203,736	\$213,924	\$224,616	Annual
			\$80.59	\$84.62	\$88.85	\$93.29	\$97.95	\$102.85	\$107.99	Hourly

Class Code	Class Title	Grade	Step							
			1	2	3	4	5	6	7	
0092	Assistant to the City Manager	896	\$10,506	\$11,031	\$11,583	\$12,162	\$12,770	\$13,408	\$14,078	Monthly
			\$126,072	\$132,372	\$138,996	\$145,944	\$153,240	\$160,896	\$168,936	Annual
			\$60.61	\$63.64	\$66.83	\$70.17	\$73.67	\$77.35	\$81.22	Hourly
0059	Budget and Purchasing Manager	740	\$11,428	\$11,999	\$12,599	\$13,229	\$13,890	\$14,584	\$15,313	Monthly
			\$137,136	\$143,988	\$151,188	\$158,748	\$166,680	\$175,008	\$183,756	Annual
			\$65.93	\$69.23	\$72.69	\$76.32	\$80.13	\$84.14	\$88.34	Hourly
0023	City Clerk	892	\$12,237	\$12,849	\$13,491	\$14,166	\$14,874	\$15,618	\$16,399	Monthly
			\$146,844	\$154,188	\$161,892	\$169,992	\$178,488	\$187,416	\$196,788	Annual
			\$70.60	\$74.13	\$77.83	\$81.73	\$85.81	\$90.10	\$94.61	Hourly
0171	Finance Manager	727	\$12,237	\$12,849	\$13,491	\$14,166	\$14,874	\$15,618	\$16,399	Monthly
			\$146,844	\$154,188	\$161,892	\$169,992	\$178,488	\$187,416	\$196,788	Annual
			\$70.60	\$74.13	\$77.83	\$81.73	\$85.81	\$90.10	\$94.61	Hourly
0090	Human Resources Manager	748	\$12,636	\$13,268	\$13,931	\$14,628	\$15,359	\$16,127	\$16,933	Monthly
			\$151,632	\$159,216	\$167,172	\$175,536	\$184,308	\$193,524	\$203,196	Annual
			\$72.90	\$76.55	\$80.37	\$84.39	\$88.61	\$93.04	\$97.69	Hourly
0047	Information Technology Manager	741	\$13,281	\$13,945	\$14,642	\$15,374	\$16,143	\$16,950	\$17,798	Monthly
			\$159,372	\$167,340	\$175,704	\$184,488	\$193,716	\$203,400	\$213,576	Annual
			\$76.62	\$80.45	\$84.47	\$88.70	\$93.13	\$97.79	\$102.68	Hourly

SECTION 5. The City of Costa Mesa has contracted with the California Public Employees Retirement System (CalPERS) to provide retirement benefits to eligible City employees.

5.1 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 5.2 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.

5.2 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).

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 6. 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 7. The City shall contribute an amount toward the 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
- 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 confidential management employee.

SECTION 8. 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 both the Department Director and the City Manager there will no other cash-out of Vacation Leave time beyond the Maximum Accrual rates that have been established.

SECTION 9. Effective December 24, 2017, the City shall grant Executive Leave to confidential management personnel not to exceed forty (40) hours per year. The City Manager may grant up to an additional forty (60) hours of Executive Leave.

SECTION 10. Pursuant to the Executive Professional Development Reimbursement Program, the City agrees to reimburse Confidential Management employees up to \$1,300 per fiscal year for activities, materials, equipment or fees that will aid in their individual professional development or support employee wellness, mental and physical health. 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 and well-being. 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
- Activities, materials, equipment or fees that promote employee wellness, mental and physical health
- Direct purchase of qualifying computer equipment defined in Administrative Regulation 2.29

The Department Director and 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. Employee may not request reimbursement for any activities, materials, equipment or fees that have already been reimbursed through a Flexible Spending Account, Health Savings Account or similar

program. 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 with 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 11. The 401(a) deferred compensation plan provides executives with another tax-deferred savings plan for future financial planning. The City will provide a 0.5% per pay period employer contribution for any executive whose management group elects to participate in the 401(a) plan. The employer contribution will be reflected in that executive's annual total compensation calculation. However, the City will not provide an employer contribution to the current 457 deferred compensation plan and the executive must make all 457 contributions.

SECTION 12. Amendments made pertaining to the fringe benefits, City Rules and Regulations and other employment conditions for employees represented by the Costa Mesa Division Managers Association shall also apply to "Confidential" unrepresented management employees unless specifically excluded. Any positions that may qualify to be part of this unrepresented unit shall be added as part of the process of adoption of salary schedules after consultation with the bargaining unit and employees.

SECTION 13. All resolutions and parts of resolutions in conflict herewith are hereby rescinded.

PASSED AND ADOPTED this 19th day of November, 2024.

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. 2024-XX and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 19th day of November, 2024, 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 20th day of November, 2024.

Brenda Green, City Clerk

(SEAL)