

# SUPPLEMENTAL COUNCIL REPORT



## COUNCIL REPORT

**DATE:** June 25, 2024

**CATEGORY:** New Business

**DEPT.:** City Manager’s Office and Human Resources

**TITLE:** **Resolutions Governing Employee Compensation for International Association of Firefighters (IAFF), Police Officers Association (POA), EAGLES, Service Employees International Union (SEIU), Unrepresented Employees, and Hourly Employees**

### RECOMMENDATION

1. Adopt a Resolution of the City Council of the City of Mountain View Authorizing the City Manager or Designee to Amend the Memorandum of Understanding Between the International Association of Firefighters, Local 1965, and the City for the Period of July 1, 2024 through June 30, 2027, and Revise the City’s Salary Plan to Reflect These Compensation Changes, to be read in title only, further reading waived (Attachment 1 to the Council report).
2. Adopt a Resolution of the City Council of the City of Mountain View Authorizing the City Manager or Designee to Amend the Memorandum of Understanding Between the Mountain View Police Officers Association and the City for the Period of July 1, 2024 through June 30, 2027, and Revise the City’s Salary Plan to Reflect These Compensation Changes, to be read in title only, further reading waived (Attachment 2 to the Council report).
3. Adopt a Resolution of the City Council of the City of Mountain View Authorizing the City Manager or Designee to Modify Compensation for Unrepresented Confidential Employees, Fire Managers, Police Managers, Department Heads, and Council Appointees for the Period of July 1, 2024 through June 30, 2027, and Revise the City’s Salary Plan to Reflect These Compensation Changes, to be read in title only, further reading waived (Attachment 3 to the Council report).
4. Adopt a Resolution of the City Council of the City of Mountain View Authorizing the City Manager or Designee to Modify Compensation for Hourly Employees for the Period of July 1, 2024 through June 30, 2027, and Revise the City’s Salary Plan to Reflect These

Compensation Changes, to be read in title only, further reading waived (Attachment 4 to the Council report).

5. Adopt a Resolution of the City Council of the City of Mountain View Authorizing the City Manager or Designee to Amend the Memorandum of Understanding Between the EAGLES and the City of Mountain View, for the Period of July 1, 2024 through June 30, 2027, and Revise the City's Salary Plan to Reflect These Compensation Changes, to be read in title only, further reading waived (Attachment 6 to the Council report).
6. Adopt a Resolution of the City Council of the City of Mountain View Authorizing the City Manager or Designee to Amend the Memorandum of Understanding Between the Service Employees International Union (SEIU), Local 521 and the City of Mountain View, for the Period of July 1, 2024 through June 30, 2027, and Revise the City's Salary Plan to Reflect These Compensation Changes, to be read in title only, further reading waived (Attachment 8 to the Council report).

## **BACKGROUND**

EAGLES represents approximately 255.5 full-time equivalent positions in a wide range of management, professional, and front-line classifications. The current Memorandum of Understanding (MOU) for EAGLES is scheduled to expire June 30, 2024. Beginning in March 2024, representatives of the City have met and collaborated with representatives of EAGLES to reach agreement regarding wages and other terms and conditions of employment. The new proposed three-year agreement for EAGLES covers the period of July 1, 2024 through June 30, 2027. The MOU changes recommended in this report for Council consideration and approval have been ratified by EAGLES members.

## **SUMMARY OF PROPOSED CHANGES**

The proposed changes to the MOU for employees represented by EAGLES are summarized below and detailed in the resolution included as Attachment 6.

### **Provisions for EAGLES members**

Term: Three-year compensation packages beginning July 1, 2024 and ending June 30, 2027.

4.0% COLA, Fiscal Year 2024-25: Effective the beginning of the pay period including July 1, 2024, or the first pay period following Council adoption, whichever is later, the City shall amend the salary plan to increase the salary ranges of all classifications of EAGLES employees by a four percent (4%) COLA.

3.0% COLA, Fiscal Year 2025-26: Effective the beginning of the pay period, including July 1, 2025, the City shall amend the salary plan to increase the salary ranges of all classifications of EAGLES employees by a three percent (3%) COLA.

3.0% COLA, Fiscal Year 2026-27: Effective the beginning of the pay period, including July 1, 2026, the City shall amend the salary plan to increase the salary ranges of all classifications of EAGLES employees by a three percent (3%) COLA.

Deferred Compensation Auto-Enrollment: As soon as administratively possible, all new hires and employees not currently enrolled will be automatically enrolled in the City's deferred compensation program with a one percent (1%) employee contribution. Employees may opt out.

One-Time Deferred Compensation Employer Contributions: Effective the first full pay period in January 2025, the City will contribute a one-time, lump sum of Two Thousand Five Hundred Dollars (\$2,500) (prorated for regular part-time employees) to the deferred compensation 457(b) pretax account for each EAGLES member in paid status on the date of payment.

Effective the first full pay period in January 2026, the City will contribute a one-time, lump sum of Two Thousand Five Hundred Dollars (\$2,500) (prorated for regular part-time employees) to the deferred compensation 457(b) pretax account for each EAGLES member in paid status on the date of payment.

Effective the first full pay period in January 2027, the City will contribute a one-time, lump sum of Two Thousand Five Hundred Dollars (\$2,500) (prorated for regular part-time employees) to the deferred compensation 457(b) pretax account for each EAGLES member in paid status on the date of payment.

Holidays: Upon City Council adoption of a resolution amending City-observed holidays, anticipated by January 1, 2025, the City shall observe 13 scheduled eight-hour paid holidays each calendar year, which adds Cesar Chavez Day and Juneteenth (hereinafter individually "New Holiday" or collectively "New Holidays"). In the event that a resolution adding the New Holidays to the Citywide holiday schedule has not been adopted before the date one or both of these New Holidays occur, EAGLES employees will receive one eight-hour floating holiday for the New Holiday(s) that occurred before adoption.

Flexible Spending Account: Effective January 1, 2025, increase the maximum amount employees may contribute to a medical Flexible Spending Account from \$2,500 to \$3,200 (or the IRS maximum, whichever is less) annually, to be administered in accordance with IRS guidelines.

*Front-line Employee Development Funds:* Effective Fiscal Year 2024-25, front-line employees represented by EAGLES will be eligible for \$600 reimbursement for professional development related to municipal/government professions such as training, conferences, and other educational programs.

*Bilingual Pay:* Effective the pay period including July 1, 2024, or the first pay period following Council adoption, whichever is later, employees who meet the criteria, as determined by the Human Resources Department, shall be entitled to receive \$300 per month (\$138.46 biweekly based on 26 pay periods in one year).

*Sick Leave Incentive:* In 2012, EAGLES employees agreed to reduce their sick leave incentive benefit during an economic downturn. This benefit will be restored effective the first pay period ending in July 2024, or the pay period following Council adoption, whichever is later. Employees who do not use sick leave for each payroll calendar quarter shall be provided eight (8) hours of vacation per quarter.

*Personal Leave:* Effective the payroll calendar year following MOU adoption, EAGLES employees shall be allowed to convert an additional eight (8) hours of accrued sick leave for the purpose of community volunteering or any other personal leave purpose (total of 24 hours per payroll calendar year).

*City Health Savings Account Contribution for New Enrollees in Kaiser High-Deductible Health Plan (HDHP):* For EAGLES employees who elect to participate in the HDHP, the following Health Savings Account (HSA) contribution schedule will apply for Fiscal Year 2023-24 through Fiscal Year 2026-27. When an employee enrolls in an HDHP for the first time, the City will contribute 100% of the plan deductible (\$1,600 for employee-only and \$3,200 for employee plus one or more dependents) into the employee's HSA as defined by the IRS. During one subsequent enrollment year, the City will contribute 50% of the plan deductible (\$800 for employee-only and \$1,600 for employee plus one or more dependents) into the employee's HSA as defined by the IRS. If an employee leaves the HDHP after their first year, and later returns to the plan, the City will contribute 50% of the plan deductible into the employee's HSA as defined by the IRS. Employees may contribute additional funds into their HSA up to the IRS annual maximums. Since HSA contribution limits are determined on a calendar/tax-year basis, a midyear enrollment in an HSA may be subject to a prorated HSA contribution limit, including a prorated City HSA contribution. Contributions in excess of the IRS limit may be subject to tax penalties. The combination of employee, employer, and third-party contributions may not exceed the annual IRS limits. The City may change the contribution to the HSA after Fiscal Year 2026-27.

*Compensatory Time Off:* The annual payout of Compensatory Time Off for eligible employees will be automatically processed in the last pay period of December of each year to address the constructive receipt issue.

*Other Changes:* Clean up and modification of MOU language to make updates and address operational issues and/or compliance in a variety of areas, including labor/management committee, certification pay, floating holiday, leave payouts, out-of-class pay, and uniforms.

### **FISCAL IMPACT**

The fiscal impact of the proposed COLAs and compensation packages for all EAGLES employees will be reflected in the Fiscal Year 2024-25 Adopted Budget and the General Operating Fund Five-Year Financial Forecast. A salary plan reflecting wage increases for EAGLES is included as Exhibit A to Attachment 6. Staff has included the costs of the proposed ongoing compensation adjustments and one-time compensation in current budget forecasts and will also include them in the development of the Fiscal Year 2025-26 and Fiscal Year 2026-27 Recommended Budgets.

### **ALTERNATIVES**

1. Do not adopt the proposed resolution governing compensation for EAGLES employees and revising the City's salary plan.
2. Provide other direction.

**PUBLIC NOTICING**

Supplemental Attachment subsequently added consistent with Agenda posting.

Prepared by:

Maxine Gullo  
Human Resources Director

Lindsey Bishop  
Human Resources Manager

Approved by:

Kimbra McCarthy  
City Manager

Arn Andrews  
Assistant City Manager

MG-LB/4/CAM  
032-06-25-24CR-1  
204071

- Attachments:
1. Resolution—IAFF Employees
  2. Resolution—POA Employees
  3. Resolution—Unrepresented Employees
  4. Resolution—Hourly Employees
  5. Supplemental Council Report—EAGLES Employees
  6. Resolution—EAGLES Employees
  7. Supplemental Council Report—SEIU Employees
  8. Resolution—SEIU Employees