

Employee Compensation

July 1, 2022 – June 30, 2025

Town Council – May 11, 2022

BACKGROUND

In 2019, the Town Council adopted four resolutions covering all its employee groups that expire on June 30, 2022

The Moraga employee groups are as follows:

- 1) Department Directors (Directors)
- 2) Mid-Management/Professional Employees (Mid-Managers)
- 3) Moraga Employees Association (MEA) and
- 4) Moraga Police Officers Association (MPOA)

PROCESS

The Town Council provided the Town Manager the authority to negotiate on their behalf within the parameters provided by the Town Council at two Closed Session meetings.

The tentative agreements have been agreed to by the Town and the four employee bargaining groups.

RECRUITMENT AND RETENTION

- Institutional knowledge and experience are important to the success and productivity of the organization
- High employee retention reduces costs associated with training, recruitments, consultants and temporary employees
- There is significant competition between public agencies for talented, experienced employees in the current job market
- High inflation is a significant employee concern

KEY PROVISIONS

Agreement Length

- 3 Year Term
- Effective July 1, 2022 to June 30, 2025

Year 1 Salary Adjustment

- Directors – Equity adjustment to Median Salary of Comparable Cities
- MPOA – 8% equity adjustment towards Median Salary of Comparable Cities
- Mid Managers, MEA – 5.2% COLA

Years 2 and 3 Salary Adjustment

- Directors, Mid Managers, MEA & MPOA – 3% COLA

KEY PROVISIONS continued

Mid-Managers

- Revise Recreation Coordinator II position to Recreation Supervisor (no change to job description or salary)

MEA

- Increased Comp Time accrual by 20 hours to 60 hours per fiscal year (not MPOA)
- Added Comp Time cash out of 60 hours per fiscal year
- Base salary of Assistant Planner and Engineering Technician/Inspector classifications adjustment to market differential between Associate Planner and Assistant Engineer respectively
- Equity adjustment to the part-time hourly Accounting Technician classification
- COLA provided will be the same as that provided to other groups during the term of the MOU

MPOA

- Increased Detective Differential pay to 5%

DIRECTOR COMPENSATION STUDY

Completed by Koff & Associates

Comparable Cities Criteria

- Organization Type
- Structure
- Population
- Staff
- Operational Budgets
- Scope of Services provided
- Labor Market
- Geographic Location

Comparable Cities

- El Cerrito
- Emeryville
- Hercules
- Lafayette
- Orinda
- Piedmont
- Pinole
- Pleasant hill
- San Pablo
- Danville

Methodology and Evaluation Factors

- Definition and typical job functions
- Distinguishing characteristics
- Level within a class series
- Reporting relationship structure
- Education and experience requirements
- Knowledge, abilities and skills required
- Scope and complexity of the work
- Independence of action/responsibility
- Contacts with others
- Consequences of action and decisions

DIRECTOR COMPENSATION STUDY continued

- The study compared the salary ceiling for each position to determine the median top salary to enable the Town to successfully recruit for and retain Directors
- The percentage increases for the six Director positions range from 1.8% to 12.3%
- The adjustments are in lieu of a cost of living adjustment

Note: Government agencies are not like private companies. It is not possible to negotiate a contract with an individual one-on-one, nor is the negotiation process nimble.

POLICE COMPENSATION STUDY

- The Police Officer salary was compared to the median of seven of the comparable agencies (three jurisdictions contract with the County for service)
- MPOA agreed to an 8% equity adjustment, which is less than the 13.3% adjustment that would be necessary to increase the salaries to median market
- The equity adjustment is in lieu of a cost of living adjustment

Note: Moraga has the lowest per capita cost of Police services in Contra Costa County and Moraga's Police were the lowest paid and provided the lowest CALPERS retirement plan.

COST OF LIVING ADJUSTMENT

- Year 1 - CPI-All Urban Consumers for SF Oak San Jose vs Moraga COLA

	CPI	Moraga COLA
Feb 2018 – Feb 2019	3.5%	3.0%
Feb 2019 – Feb 2020	2.9%	2.5%
Feb 2020 – Feb 2021	1.6%	2.5%
Feb 2021 – Feb 2022	5.2%	5.2%
Cumulative Increase	13.83%	13.84%

- Years 2 & 3- 3% based on the economy and in line with what comparable agencies have agreed to or are negotiating

Recommendation for Future Negotiations

Staff recommends that the Town budget to engage a professional to complete a salary survey of the ten comparable cities in FY 2024/25 for all positions prior to the 2025 negotiations to apply the compensation methodology equally

FISCAL IMPACT

The FY 2022/23 fiscal impact of the tentative agreements, including CalPERS, health, insurance and workers' compensation rates, is projected at \$317,000

The FY 2021/22 Budget projected salary increases of \$131,000 and a \$258,630 operating surplus.

The draft 5-year projections for the term of the labor agreements show the Town can meet its 50% General Fund Reserve goal

RECOMMENDATION

Staff recommends that the Town Council adopt the following resolutions:

- Establishing the compensation package for Department Directors
- Establishing the compensation package for Mid-Managers
- Approving the Memorandum of Understanding between the Town of Moraga and the Moraga Employees Association
- Approving the Memorandum of Understanding between the Town of Moraga and the Moraga Police Officers Association
- Amending the Town of Moraga Salary Schedule for Fiscal Year 2022/23 Consistent with the Provisions in the Memoranda of Understanding between the Town of Moraga and the Moraga Employees Association and the Town of Moraga and the Moraga Police Officers Association, and Compensation Resolutions Covering Department Directors and Mid-Management/Professional Employees Effective July 3, 2022