



CITY COUNCIL STAFF REPORT



May 21, 2024

ITEM TITLE

Employee Compensation and Bargaining Agreement: Approve an Amendment to the Memorandum of Understanding with Chula Vista Police Officer's Association; Revised Compensation Schedule; and Budget Amendments

Report Number: 24-0171

Location: No specific geographic location

Department: Human Resources

G.C. § 84308: No

Environmental Notice: The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required

Recommended Action

Adopt resolutions: A) Approving a Third Amendment to the Memorandum of Understanding ("MOU") between the City of Chula Vista and Chula Vista Police Officer's Association ("POA") Covering the Period of May 4, 2021, to June 30, 2024, Extending Labor Contract Through Fiscal Year 2026-2027; B) Approving the revised Fiscal Year 2023-24 Compensation Schedule effective May 17, 2024, as required by California Code of Regulations, Title 2, Section 570.5; and C) Amending the Fiscal Year 2023-24 budget to appropriate funds, accordingly. **(4/5 Vote Required)**

SUMMARY

On May 4, 2021, the City Council approved a Memorandum of Understanding between the City of Chula Vista and the Chula Vista Police Officer's Association ("POA") related to wages and other terms and conditions of employment. In April and May 2024, the City and POA engaged in informal discussions and after good faith negotiations, an agreement was reached to extend the term of the MOU to June 30, 2027.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under

Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

On May 4, 2021, the City Council approved a Memorandum of Understanding between the City of Chula Vista and the Chula Vista Police Officer's Association ("POA") related to wages and other terms and conditions of employment. In April and May 2024, the City and POA engaged in informal discussions and after good faith negotiations, an agreement was reached to extend the term of the MOU to June 30, 2027. Below is a summary of the contract amendment:

1. Salary and Equity Adjustments
 - a. 6% salary increase for all members effective the beginning of the pay period in which the City Council adopts via resolution in open session
 - b. 5% salary increase for all members the first full pay period of July 2025
 - c. 5% salary increase for all members the first full pay period of July 2026
2. Longevity – Effective the first full pay period in July 2026:
 - a. 5% increase in base pay after serving fifteen (15) or more complete years of fulltime service with the Chula Vista Police Department in a classification represented by POA.
 - b. 7% increase in base pay after serving twenty (20) or more complete years of fulltime service with the Chula Vista Police Department in a classification represented by the POA.
 - c. Only one of the longevity pay amounts may be paid and they may not be combined with each other.

The POA membership completed their vote and ratified the third amendment to the POA MOU to include the proposed salary changes on May 13, 2024.

Approval of Resolution A approves the Third Amendment to the 2021-2024 Memorandum of Understanding between the City of Chula Vista and POA.

Compensation Schedule Requirement

California Code of Regulations, Title 2, Section 570.5 requires that, for purposes of determining a retiring employee's pension allowance, the pay rate be limited to the amount listed on a pay schedule that meets certain requirements and be approved by the governing body in accordance with the requirements of the applicable public meeting laws. The Fiscal Year 2023-2024 Compensation Schedule ("Compensation Schedule") was approved by the City Council at their meeting of February 13, 2024.

Adoption of Resolution B approves the revised Compensation Schedule effective May 17, 2024, which reflects the salary adjustments for positions represented by the POA.

Budget Amendments

Approval of Resolution C will amend the budget and appropriate funds in the amount of \$248,364 to the fiscal year 2023-24 General Fund budget in the Police Department.

DECISION-MAKER CONFLICT

Staff has determined that the action contemplated by this item is ministerial, secretarial, manual, or clerical in nature and, as such, does not require the City Council members to make or participate in making a governmental decision, pursuant to California Code of Regulations Title 2, section 18702.4(a). Consequently, this item does not present a conflict under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

Approval of this action will increase estimated revenues, increasing the Property Tax category for one-time revenues, and increase appropriations in the Personnel Services expenditure category of the General Fund by \$248,364, resulting in no net fiscal impact. Costs of \$43,005 in the Measure A Fund and \$7,847 in the State Grants Fund will be absorbed by existing salary savings in their respective funds. Any additional adjustments necessary will be incorporated in the fiscal year third quarter report. Staff is requesting proposed budgetary adjustments reflected in the table below:

Fund	Personnel	Revenue	Net Impact
General Fund	\$ 248,364	\$ 248,364	\$ -
Total Budget Adjustments	\$ 248,364	\$ 248,364	\$ -

ONGOING FISCAL IMPACT

The ongoing fiscal impact to the General Fund in fiscal year 2024-25 is \$2,364,339, of which \$1,908,377 is incorporated in the fiscal year 2024-25 Proposed Budget, making the additional fiscal impact to the General Fund in fiscal year 2024-25 \$455,962. This shortfall will be addressed during the Quarterly Financial Report process. The fiscal impact in various funds is reflected in the table below:

Fund	FY 2024-25
General Fund	\$ 455,962
Measure A Fund	76,127
State Grants Fund	11,239
Total Budget Adjustments	\$ 543,328

The ongoing impact to the General Fund in fiscal year 2025-26 is \$4,414,386 and \$6,817,453 in fiscal year 2026-27. Ongoing salary costs will be incorporated into subsequent fiscal year budgets. The fiscal impact in various funds is reflected in the table below:

Fund	FY 2025-26	FY 2026-27
General Fund	\$ 4,414,386	\$ 6,817,453
Measure A Fund	739,780	1,141,064
State Grants Fund	125,750	191,375
Total Budget Adjustments	\$ 5,279,916	\$ 8,149,892

ATTACHMENTS

1. Third Amendment to the Memorandum of Understanding (“MOU”) between the City of Chula Vista and Chula Vista Police Officer’s Association (“POA”) Covering the Period of May 4, 2021, to June 30, 2024, Extending Labor Contract Through Fiscal Year 2026-2027
2. Revised Fiscal Year 2023-2024 Compensation Schedule effective May 17, 2024

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