



CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council
FROM: Leticia Livian, Human Resources Manager
MEETING DATE: September 19, 2018
SUBJECT: An ordinance to amend the City Salary Classification Schedule for Extra Help Retired Annuitant
CEQA: Does not constitute a "Project" under California Environmental Quality Act (CEQA) Guidelines Section 15378 (b)

RECOMMENDATION

Introduce and hold first reading of an ordinance to amend the salary classification schedule to (1) establish a salary range for Extra-Help Retired Annuitant; (2) approve the amendment; and (3) direct that a summary of a proposed ordinance be published as approved by the City Attorney.

DISCUSSION

The City of Pacific Grove's (City) salary schedule identifies job classifications that have been approved by Council (e.g., Administrative Technician) and the hourly rates of pay for each classification at each step authorized by the Personnel Rules. Pursuant to City Charter Article 25 and the Pacific Grove Municipal Code (PGMC) Section 4.20.280, amendment to the salary schedule must be adopted by the Council. The requested change to the salary classification schedule impacts the Extra Help Retired Annuitant classification only; all other salaries in the classification schedule remain the same. To view the entire salary schedule, please refer to the City's website, <http://www.cityofpacificgrove.org/about-city/human-resources/salaries-benefits-and-mous>.

Extra-Help Retired Annuitants are subject to the requirements of California Public Employees' Pension Reform Act (PEPRA), which added sections 7522.56 and 7522.57 to the Government Code effective January 1, 2013. PEPRA sets forth post-retirement employment requirements applicable to all retirees who are employed by CalPERS employers on or after January 1, 2013. To ensure compliance with this new law, the City should create a new classification for Extra-Help Retired Annuitant.

When the City hires an Extra-Help Retired Annuitant to perform extra-help work, it must meet the following requirements:

1. 180-Day Wait Period – The City can only hire an Extra-Help Retired Annuitants after they have been retired 180 days from their retirement date. There are some exceptions for work that is critical and approved by City Council, or work performed by a retired firefighter or police officer.
2. Limited duration – The City must insure the individuals have the skills to perform work for a limited duration and are needed to prevent an emergency, to prevent stoppage of

public business, or supplement work of regular staff (eliminate backlog, special project, work in excess of what regular staff can do). While there is no limitation on how many years the person can work for the employer, as soon as the work/situation for which the City hired the Extra-Help Retired Annuitant is completed, the employment must end.

3. Compensation – The hourly rate for the Extra-Help Retired Annuitant cannot be less than the minimum or exceed the maximum paid to other employees performing comparable duties. Extra-Help Retired Annuitants cannot receive other benefits or compensations in addition to the hourly rate of pay.
4. 960-Hour Limit – The hours worked by the Extra-Help Retired Annuitant cannot exceed 960 in a fiscal year for employment with all CalPERS employers combined. There are no exceptions.
5. Unemployment Insurance Payments – The City cannot hire an Extra-Help Retired Annuitant that has received unemployment insurance payments from a CalPERS employer within 12 months of appointment by the City. As soon as the Extra-Help Retired Annuitant accepts employment with the City, he or she must certify in writing compliance with this requirement.

The City employs such retired individuals and has complied with these requirements; however, recent publication from CalPERS clearly provide that these Extra-Help Retired Annuitants must be placed in a separate classification, and may be in the same classification as their regular employee counterparts.

The creation of this unique and separate classification will ensure Extra-Help Retired Annuitants are appropriately classified, assist the City to more efficient track and monitor their work status in a limited, temporary capacity, and allow fully compliance with the requirements of PEPR.

Salary Schedule for this classification with an hourly rate range of \$11.50 - \$92.91

Staff recommends Council approve this classification and salary to comply with PEPR.

OPTIONS

1. Take no action.
2. Provide alternative direction to staff.

FISCAL IMPACT

There are no direct fiscal implications involved with creating a classification for Extra-Help Retired Annuitants.

GOAL ALIGNMENT

Operational excellence

ATTACHMENTS

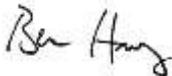
- 1. Ordinance amending the salary classification schedule

RESPECTFULLY SUBMITTED:



Leticia Livian
Human Resources Manager

REVIEWED BY:



Ben Harvey
City Manager

ORDINANCE NO. 18-_____

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE
AMENDING THE CLASSIFICATION SCHEDULE FOR EXTRA HELP RETIRED
ANNUITANTS**

Findings

1. Amendment to the City classification plan must be adopted by the City Council pursuant to Charter Article 25 and Pacific Grove Municipal Code (PGMC) Section 4.20.280; and
2. Extra-Help Retired Annuitants are subject to the requirements of California Public Employees' Pension Reform Act (PEPRA), which added section 7522.56 and 7522.57 to the Government Code effective January 1, 2013; and
3. It sets forth post-retirement employment requirements applicable to all retirees who are employed by CalPERS employers on or after January 1, 2013; and
4. The City employs such retired individuals; and
5. To ensure compliance with this law, the City should create a new classification for Extra-Help Retired Annuitant; and
6. CalPERS has clearly stated that these Extra-Help Retired Annuitants should be placed in a classification designated only for Extra-Help Retired Annuitants, and not in the same classification as their regular employee counterparts; and
7. The creation of this unique and separate classification will ensure that Extra-Help Retired Annuitants are appropriately classified, will assist with more efficient tracking and monitoring of their status to work in a limited, temporary capacity, and allow the City to fully comply with the provisions requires by PEPRA to safeguard that there is no impact to an Extra-Help Retired Annuitants retirement benefits; and
8. The salary schedule for the identified position is amended accordingly; and
9. All other salaries the in classification schedule will remain unchanged; and
10. Any amendment to the classification plan must be adopted by the City Council pursuant to Pacific Grove Municipal Code (PGMC) Section 4.20.280; and
11. In the enactment of this ordinance, the City followed the guidelines adopted by the State of California and published in the California Code of Regulations, Title 14, Section 15000, et seq. Enactment of this ordinance action does not constitute a "project" as defined by California Environmental Quality Act (CEQA) because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment pursuant Section 15378.

Ordinance

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE:

SECTION 1. The foregoing findings of the City Council are incorporated into this Ordinance as if set forth in full.

SECTION 2. The position classification plan approved and adopted by the City Council pursuant to Charter Article 15 and PGMC § 4.20.280 is established for the Extra Help Retired Annuitant classification, with the following salary schedule:

	Hourly Range (\$)	
	From	To
Extra Help Retired Annuitant	\$11.50	\$92.91

SECTION 3. The City Manager is directed to execute all documents and to perform all other necessary City acts to implement this Ordinance.

SECTION 4. In accord with Article 15 of the City Charter, this ordinance shall become effective on the thirtieth (30th) day following passage and adoption hereof.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE
this ____ day of September, 2018, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

BILL. KAMPE, Mayor

ATTEST:

SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

DAVID C. LAREDO, City Attorney