



Central Marin Police Authority

Staff Report

TO: Central Marin Police Council

FROM: Michael Norton, Interim Chief of Police

DATE: February 2, 2017

RE: **AMENDMENTS TO RESOLUTION 2013/01, RESOLUTION 2015/09, AND RESOLUTION 2016/10 OF THE CENTRAL MARIN POLICE AUTHORITY BASED ON FINDINGS OF THE CALPERS COMPENSATION REVIEW AUDIT**

ACTION REQUESTED

That Council hear the staff report, take comment, and adopt Resolution No. 2017/02, amending Resolution 2013/01, Resolution 2015/09, and Resolution 2016/10 of the Central Marin Police Authority (CMPA).

FISCAL IMPACT

None.

SUMMARY AND BACKGROUND

In 2016, CalPERS conducted a public agency review of the CMPA. At the conclusion of this review, six findings were made with regards to compensation review (refer to attachment #1). CMPA Finance Director Cathy Orme worked with Charles Miller of the CalPERS Compensation and Employer Review Unit and formulated several proposed corrections to former CMPA/CMPOA MOUs and former CMPA resolutions.

In the CalPERS review, finding #1 stated that some employees were not listed in the yearly resolution which establishes authorized positions in the competitive service and assigns a salary range to each position. In 2016, Finance Director Cathy Orme and Charles Miller of the CalPERS Compensation and Employer Review Unit proposed resolution amendments that would rectify this issue.



Central Marin Police Authority

Staff Report

Amendments to Resolution 2013/01, Resolution 2015/09, and Resolution 2016/10 add the positions and salary ranges of Chief's Administrative Assistant and Police Secretary to the Resolutions (refer to attachments #2, #3, and #4).

During the CalPERS review it was discovered that no resolution was passed in 2014 regarding the establishment of authorized positions in the competitive service and assignment of a salary range to each position. This issue is addressed in Business Item C of the February 2, 2017 CMPA Police Council Agenda.

STAFF RECOMMENDATION

Staff recommends Council adopt Resolution 2017/02.

Respectfully submitted,

Michael A. Norton
Interim Chief of Police

Attachments:

1. Correspondence between CalPERS and CMPA regarding public agency review findings and proposed resolutions
2. Amended Resolution 2013/01
3. Amended Resolution 2015/09
4. Amended Resolution 2016/10
5. Resolution 2017/02

From: Miller, Charles [mailto:Charles.Miller@calpers.ca.gov]
Sent: Monday, May 09, 2016 10:45 AM
To: Cathy Orme <corme@cityoflarkspur.org>
Cc: Balzouman, Michelle <Michelle.Balzouman@calpers.ca.gov>; Lueras, Lolita <Lolita.Lueras@calpers.ca.gov>
Subject: Initial Contact - Calpers Public Agency Review - The Central Marin Police Authority

Hello,

My name is Charles Miller and I am representing the CalPERS Compensation and Employer Review Unit. I have been tasked with assisting the Central Marin Police Authority with ameliorating all of the issues concerning the compensation review findings present in the recently performed public agency review. Per the final report, released April 2016, there are 6 findings that pertain to compensation review. The findings and proposed resolutions are as follows:

Finding #1: The Agency's pay schedule did not meet all of the Government Code and CCR requirements.

The Agency's pay schedule effective January 1, 2013 did not meet all the requirements of the Government Code and CCR. The Agency did not have one pay schedule that listed the position titles and payrates for every employee position.

Proposed Resolution

1. First, please begin to amend the January 1, 2013 and current pay schedule(s) to include the missing information for compliance with CCR 570.5 (cited below). The document must include *all* positions and their corresponding payrates on one pay schedule, and the timebase for that payrate.
 - a. If an example is needed, please let me know.
2. Once I verify that the pay schedules are sufficient, please begin to submit the current and January 1, 2013 pay schedule(s) to the Agency's governing body for approval.
3. I will then need the meeting minutes or agenda for the meeting that address the approval of the schedules as well as the subsequent signed meeting minutes approving the previous minutes. Specifically, the January 1, 2013 pay schedule (with effective date) named in the audit report must be explicitly listed in the meeting minutes.

California Code of Regulations § 570.5

- (a) For purposes of determining the amount of "compensation earnable" pursuant to Government Code Sections 20630, 20636, and 20636.1, payrate shall be limited to the amount listed on a pay schedule that meets all of the following requirements:
 - (1) Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
 - (2) **Identifies the position title for every employee position;**
 - (3) Shows the payrate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
 - (4) Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
 - (5) Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
 - (6) Indicates an effective date and date of any revisions;
 - (7) Is retained by the employer and available for public inspection for not less than five years; and
 - (8) Does not reference another document in lieu of disclosing the payrate.

- (b) Whenever an employer fails to meet the requirements of subdivision (a) above, the Board, in its sole discretion, may determine an amount that will be considered to be payrate, taking into consideration all information it deems relevant including, but not limited to, the following:
- (1) Documents approved by the employer's governing body in accordance with requirements of public meetings laws and maintained by the employer;
 - (2) Last payrate listed on a pay schedule that conforms to the requirements of subdivision (a) with the same employer for the position at issue;
 - (3) Last payrate for the member that is listed on a pay schedule that conforms with the requirements of subdivision (a) with the same employer for a different position;
 - (4) Last payrate for the member in a position that was held by the member and that is listed on a pay schedule that conforms with the requirements of subdivision (a) of a former CalPERS employer.

Finding #2A: The Agency did not report special compensation in accordance with the Government Code and CCR.

The Agency incorrectly reported Uniform Allowance as a lump sum amount for a police lieutenant. Specifically, the Agency's Memorandum of Understanding (written labor agreement) for police officers provided a Uniform Allowance of \$450.00 to police lieutenants assigned as detectives. Although the Agency did not provide documentation of the police lieutenant's assignment as a detective, Uniform Allowance is required to be reported as earned. Government Code Section 20636 requires the Agency to identify the pay period(s) in which the special compensation was earned.

Proposed Resolution

1. It would be easier to see if there is any overlap between this finding, and finding 2B. Since we may be changing uniform language to include the monetary value of maintenance, we would also have to go back and increase the uniform allowance as well. Meaning that we would only have to make payroll corrections once, if we resolve finding 2B first.
2. Prospectively, please begin to report uniform allowance every pay period. Because you pay the allowance before the time is actually worked, the Authority should report this every period as it's earned.
 - a. For example, in bi-weekly reporting, the \$225 per bi-annual period would be reported as \$17.31 per pay period. In this way, we eliminate issues where an employee was paid uniform allowance from Jan-June, but retires prior to June, which would thereby be unnecessarily increasing their retirement benefit.
3. Also, please provide a list of impacted employees that had uniform allowance reported as a lump sum. This should include *all* active, retired, or terminated employees.
4. Once we determine whether or not Detectives are impacted by finding 2B, we will need to go back and make corrections back to the date of inception, or when this error first occurred. If this is impossible due to not having documentation or the capacity, we may be willing to just go back to the beginning of the scope period, January 1, 2010
 - a. This would entail going into the system, reversing the lump sum, and then reporting the \$225 of uniform allowance with an effective date of either 01/01/2010-06/30/2010, or 07/01/2010-12/31/2010, for example. In this way, the lump sum is prorated across the 6 month period in which it was earned.

Finding #2B: The Agency did not report special compensation in accordance with the Government Code and CCR.

The Agency's written labor policy containing the provision for uniforms did not include the conditions for payment of the uniforms. Specifically, the written labor policy did not identify an amount or the monetary value for the maintenance of uniforms. CCR 571 (b) requires that the written labor policy or agreement must contain the conditions for payment including, but not limited to, eligibility for, and amount of, the special compensation.

Proposed Resolution

1. Please provide a list of employees that are impacted by this finding. Or all impacted, retired, or terminated employees that had uniform maintenance provided to them.
 - a. Please also provide the actual cost that is associated with providing uniform maintenance for employees. This can be done by taking the total cost and dividing by the number of employees that receive this, as long as all employees have the same number of uniforms maintained.
2. Next, we will need to amend the relevant labor policies to include this condition of payment. This can be done through a side letter, Lett of Understanding, resolution or another document that is approved by the Authority's governing body in open session.
3. Once the language is drafted, please send it to me prior to approving the new language, to ensure it complies with CCR 571.
4. Then, it will need to be approved and the signed meeting minutes will need to be sent to me.

Finding #2C: The Agency did not report special compensation in accordance with the Government Code and CCR.

The Agency incorrectly reported Bonus Pay as special compensation for two police officers. Specifically, the Agency reported Bonus Pay for performing training duties associated with a formal training program on an as-needed basis. However, the Bonus Pay as defined by the Agency's written labor policy did not meet the definition of special compensation as defined in the Government Code and CCR. Therefore, Bonus Pay is not reportable as special compensation.

Proposed Resolution

1. Unfortunately, this compensation is not performed routinely and consistently, and therefore does not qualify as "Training Premium", and does not qualify as "Bonus Pay" as stated in the finding language.
2. As such, all instances of this compensation will need to be backed out from the system.
3. Please provide a list of impacted employees that had this compensation reported. This should include *all* active, retired, or terminated employees.
4. We will need to go back and make corrections back to the date of inception, or when this error first occurred. If this is impossible due to not having documentation or the capacity, we may be willing to just go back to the beginning of the scope period, January 1, 2010.

Finding #2D: The Agency did not report special compensation in accordance with the Government Code and CCR.

The Agency incorrectly reported Holiday Pay in the pay period ended November 23, 2014. Specifically, the Agency's written labor agreement for miscellaneous and police employees provided cash-outs for Holiday Pay twice a year at straight-time. However, the Agency included special compensation when calculating the Holiday Pay cash-outs. In addition, the Agency reported the Holiday Pay cash-outs as lump sum amounts. Government Code Section 20630 requires the Agency to identify the pay period(s) in which special compensation was earned.

Proposed Resolution

1. Please state whether or not it was the Authority's intent to include special compensation items in the calculation of Holiday Pay.

2. If so, we can resolve this finding by drafting and approving language in a side letter, resolution etc. explicitly stating which items are included in this calculation as well as amending the current Holiday pay language to not say that it is paid and calculated at straight time.

a. if not, then we will have to make payroll corrections to all instances of Holiday pay where this issue occurred.

3. If an example is needed, please let me know. And if the Authority wishes to go the route of approving new, transparent language, then please send draft language to me prior to approval, to ensure that it complies with all pertinent Government Codes and California Codes and regulations.

4. In addition, if the Authority wishes to approve new language, corrections will still have to be made by backing out the current lump sums and reporting the correct effective dates to comply "being reported as earned". Since this is paid twice a year, each effective date would need to encompass a 6 month period.

a. So, please also provide a list of impacted employees back to the date of inceptions, or when Holiday pay was first paid and reported as a lump sum, if taking the route to approve new language. Or back to when Holiday pay was reported as a lump sum and also calculated including special compensation, if it was not the Authority's intent to calculate Holiday pay this way. If this is impossible due to not having documentation or the capacity, we may be willing to just go back to the beginning of the scope period, January 1, 2010.

Finding #2E: The Agency did not report special compensation in accordance with the Government Code and CCR.

The Agency incorrectly reported Educational Incentive Pay for a police lieutenant with a Bachelor's Degree. Specifically, the Agency's written labor agreement provided Education Incentive Pay of five percent of salary for employees with a Bachelor's Degree and six percent of salary for employees with a Master's Degree. The police lieutenant was eligible for Education Incentive Pay of five percent or \$238.85. However, the Agency reported Education Incentive Pay of \$278.68. As a result, Education Incentive Pay was over reported.

Proposed Resolution

1. Please provide a list of impacted employees who had their Educational Incentive incorrectly calculated and reported.

a. Also, was there a reason that this was calculated incorrectly? Did it include other compensation items?

2. Once we identify the impacted employees, we will need to go back to the date of inception, or the first instance of educational incentive being reported incorrectly, and making payroll corrections to convey the correct amount of educational incentive. If this is impossible due to not having documentation or the capacity, we may be willing to just go back to the beginning of the scope period, January 1, 2010.

I am looking forward to resolving these issues with you in a timely and cooperative manner. If you have any questions or concerns, please don't hesitate to call or email at the number and email below. Or if you require assistance with payroll corrections, please let me know.

Thank you,

Charles F. Miller
CalPERS 400 P street

Employer Account Management Division
Retirement Program Specialist 1
(916) 795 3740
Charles.Miller@CalPERS.CA.GOV

**CENTRAL MARIN POLICE AUTHORITY
RESOLUTION NO. 13/01**

**A RESOLUTION OF THE CENTRAL MARIN POLICE COUNCIL ESTABLISHING
AUTHORIZED POSITIONS IN THE COMPETITIVE SERVICE AND ASSIGNING A
SALARY RANGE TO EACH POSITION**

BE IT RESOLVED by the Central Marin Police Authority Council that effective February 7, 2013, the following positions and salary ranges are hereby effective:

<u>POSITION</u>	<u>MONTHLY SALARY RANGE</u>
Police Chief	\$13,166 to \$14,473
Police Captain	\$9,946 to \$11,267
Police Lieutenant	\$8,457 to \$9,904
Chief's Administrative Assistant	\$4,170 to \$5,265 <u>\$5,449 to \$5,449</u>
Police Sergeant	\$6,861 to \$7,929
Police Corporal	\$5,887 to \$6,925
Police Officer	\$5,190 to \$6,596
Police Officer Trainee	\$4,973 to \$4,973
Police Communications Supervisor	\$5,289 to \$6,441
Public Safety Dispatcher	\$4,170 to \$5,267
Police Records Specialist	\$3,800 to \$4,804
Property Technician	\$3,189 to \$4,679
Community Service Officer	\$3,189 to \$4,395

IT IS HEREBY CERTIFIED that the foregoing resolution was duly adopted by the Twin Cities Police Council at a special meeting held on the 7th day of February 2013, by the following vote, to wit:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:
ATTEST:

Dana L. Unruh, Clerk
Central Marin Police Authority

Council Chair
Central Marin Police Authority

**CENTRAL MARIN POLICE AUTHORITY
RESOLUTION NO. 2015/09**

**A RESOLUTION OF THE CENTRAL MARIN POLICE COUNCIL
ESTABLISHING AUTHORIZED POSITIONS AND ASSIGNING A SALARY RANGE
TO EACH POSITION**

BE IT RESOLVED by the Central Marin Police Authority Council that effective the first full pay period of July 2015, the following positions and salary ranges are hereby effective:

<u>POSITION</u>	<u>MONTHLY SALARY RANGE</u>
Police Chief	\$13,166 to \$15,729
Police Captain	\$9,946 to \$12,245
Police Lieutenant	\$8,457 to \$10,764
Police Sergeant	\$7,208 to \$8,663
Police Corporal	\$6,185 to \$7,566
Police Officer	\$5,452 to \$7,206
Police Officer Trainee	\$5,224 to \$5,224
Police Comm/Records Supervisor	\$5,530 to \$6,734
Chief's Administrative Assistant	\$4,170 to \$5,669 <u>\$5,723 to \$5,895</u>
Public Safety Dispatcher	\$4,360 to \$5,507
Police Records Specialist	\$3,974 to \$5,123
Property Technician	\$3,336 to \$4,990
Community Service Officer	\$3,468 to \$4,779
<u>Police Secretary</u>	<u>\$5,449 to \$5,503</u>

IT IS HEREBY CERTIFIED that the foregoing resolution was duly adopted by the Central Marin Police Council at a special meeting held on the 23rd day of April 2015, by the following vote, to wit:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:
ATTEST:

Zaneta Feleo, Authority Clerk

Tom McInerney, Council Chair

Consent Business Item D-B - Attachment 3

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Central Marin Police Authority

Central Marin Police Authority

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Consent Business Item D-B - Attachment 3

**CENTRAL MARIN POLICE AUTHORITY
RESOLUTION NO. 2016/10**

**A RESOLUTION OF THE CENTRAL MARIN POLICE COUNCIL ESTABLISHING
AUTHORIZED POSITIONS AND ASSIGNING A SALARY RANGE TO EACH
POSITION**

BE IT RESOLVED by the Central Marin Police Authority Council that effective the first full pay period of July 2016, the following positions and salary ranges are hereby effective:

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<u>POSITION</u>	<u>MONTHLY SALARY RANGE</u>
Police Chief	\$13,166 to \$15,729
Police Captain	\$9,946 to \$12,674 <u>\$10,426 to \$12,673</u>
Police Lieutenant	\$8,457 to \$11,140 ⁺
Police Sergeant	\$7,208 to \$8,966
Police Corporal	\$6,185 to \$7,831
Police Officer	\$5,452 to \$7,458
Police Officer Trainee	\$5,224 to \$5,224
<u>Police Comm/Records Supervisor</u>	<u>\$5,530 to \$6,734</u>
Chief's Administrative Assistant	\$4,170 to \$5,669 <u>\$5,723 to \$5,895</u>
Police Records Specialist	\$4,053 to \$5,225
Property Technician	\$3,403 to \$5,090
Property Technician/Records Clerk	\$3,120 to \$3,467
<u>Police Secretary</u>	<u>\$5,449 to \$5,503</u>

IT IS HEREBY CERTIFIED that the foregoing resolution was duly adopted by the Central Marin Police Council at a special meeting held on the 21st day of April 2016, by the following vote, to wit:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:
ATTEST:

Zaneta Feleo, Authority Clerk
Central Marin Police Authority

Diane Furst, Council Chair
Central Marin Police Authority

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**CENTRAL MARIN POLICE AUTHORITY
RESOLUTION NO. 2017/02**

**A RESOLUTION OF THE CENTRAL MARIN POLICE COUNCIL OF THE CENTRAL
MARIN POLICE AUTHORITY AMENDING RESOLUTION 2013/01, RESOLUTION
2015/09, AND RESOLUTION 2016/10 OF THE CENTRAL MARIN POLICE
AUTHORITY**

WHEREAS, it was discovered during a CalPERS audit that not all employee classifications were included in the yearly resolutions outlining the salary ranges of all Central Marin Police Authority Employees that is sent to CalPERS; and

WHEREAS, the yearly Resolutions establish authorized positions in the competitive service and assign a salary range to each position; and

WHEREAS, Resolution 2013/01, Resolution 2015/09, and Resolution 2016/10 did not include the position and salary range of Chief's Administrative Assistant and Police Secretary; and

NOW, THEREFORE, IT IS HEREBY RESOLVED, that the Central Marin Police Council hereby amends Resolution 2013/01, Resolution 2015/09, and Resolution 2016/10 to include the position and salary range of Chief's Administrative Assistant and Police Secretary as set forth in the amended Resolutions.

IT IS HEREBY CERTIFIED, that the forgoing resolution was duly introduced and adopted at a public meeting of the Central Marin Police Council of the Central Marin Police Authority held on the 2nd day of February 2017 by the following vote, to wit:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:
ATTEST:

Zaneta Feleo, Authority Clerk
Central Marin Police Authority

Diane Furst, Council Chair
Central Marin Police Authority