



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 22, 2015

TO: Mayor and Councilmembers

FROM: Helene Schneider, Mayor

SUBJECT: City Attorney Salary Increase And Future CPI Adjustments

RECOMMENDATION:

That Council approve, and authorize the Mayor to execute, an amendment to Agreement No. 24,713, the employment agreement between the City and Ariel P. Calonne, City Attorney, to increase base salary by 4.5% effective June 27, 2015 and to provide for an annual cost of living salary adjustment beginning in Fiscal Year 2017.

DISCUSSION:

The Council wishes to amend the contract of the City Attorney to provide for a 4.5% salary increase retroactive to June 27, 2015, and to provide for automatic cost of living adjustments in future years.

The proposed amendment to the City Attorney's contract will provide annual adjustments equivalent to the change in the California Consumer Price Index for Urban Wage Earners and Clerical Workers as calculated by the California Department of Industrial Relations (CPI). The City Attorney will receive ½ of the June-May CPI percentage increase or decrease each year, beginning in Fiscal Year 2017, with a maximum adjustment of 4.5% each year. Every three years, the City Attorney will receive an additional "true up" adjustment to equal the remaining full CPI percentage increase or decrease over the three year period. The total salary adjustment will be limited to a maximum 14.2% over the three years (approx. 4.5% per year compounded).

BUDGET/FINANCIAL INFORMATION:

The increase to salary will cost \$3,608 in Fiscal Year 2016, with a \$4,244 per year ongoing cost. It is anticipated that this cost will be able to be absorbed within the existing City Attorney's Office Fiscal Year 2016 budget, so no additional funds are requested at this time. The cost increase or decrease in future years will depend on the increase or decrease in the cost of living index. A copy of the full contract/agreement is available for public review in the City Clerk's Office.

ATTACHMENT: Proposed Amended Language
PREPARED BY: Kristine Schmidt, Director of Administrative Services
SUBMITTED BY: Helene Schneider, Mayor
APPROVED BY: City Administrator's Office

Proposed Changes to Contract
Ariel Calonne, City Attorney

1. Increase current base salary by 4.5% effective June 27, 2015 (retroactive) from \$228,178.86 to \$238,466.91.
2. Replace Section 3(B) (“Changes to Compensation”) with the following:

“B. Changes to Compensation

- 1) Annual Cost of Living Adjustments. Commencing on the first day of the pay period which includes July 1, 2016 and on the first day of the pay period which includes July 1 of each year thereafter, Employee’s base annual salary shall be automatically adjusted without further Council action by a percentage amount equal to one-half (1/2) of any increase or decrease in the Consumer Price Index (CPI) during the preceding June through May twelve month period. The CPI used shall be the California Consumer Price Index for Urban Wage Earners and Clerical Workers as calculated by the California Department of Industrial Relations. Such annual increase or decrease to salary shall be capped at a maximum of 4.5%
- 2) Triennial Cost of Living True Up. Beginning on July 1, 2018, and at the end of each three years thereafter, Employee’s base salary shall be automatically adjusted without further Council action to include an additional adjustment that, when added to the annual cost of living adjustment for that year and the immediately prior two years, equals the full compounded change to the CPI at the end of the three year period, not to exceed a total compounded increase or decrease of 14.12% over the three year period.”