



**City of Santa Ana**  
**20 Civic Center Plaza, Santa Ana, CA 92701**  
**Staff Report**  
**July 18, 2023**

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**TOPIC:** MOU between the City of Santa Ana and the Confidential Association of Santa Ana and Resolution for Associated Unrepresented Classifications

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**AGENDA TITLE**

Adoption of a Memorandum of Understanding Establishing the Terms and Conditions of Employment for Classifications Represented by the Confidential Association of Santa Ana, effective July 1, 2022 through June 30, 2025, and adoption of a Resolution updating the salary schedule for Associated Unrepresented Classifications

**RECOMMENDED ACTION**

1. Authorize the City Manager to execute a Memorandum of Understanding with the Confidential Association of Santa Ana ("CASA") regarding wages, hours, and other terms and conditions of employment effective July 1, 2022 through June 30, 2025 and authorize non-substantive changes which may be necessary to implement the agreement; and
2. Approve a Resolution updating the salary schedule for associated unrepresented classifications.

**DISCUSSION**

The City recently reached a tentative agreement with CASA on a three-(3) year successor Memorandum of Understanding ("MOU") effective July 1, 2022 through June 30, 2025. The tentative agreement has been ratified by CASA membership. The major provisions of the agreement include: salary increases of three percent (3%) effective the first full pay period following July 1, 2023, three percent (3%) effective the first pay period following City Council approval of the MOU, and three percent (3%) in July 2024; providing a one (1) time lump sum payment of three thousand three hundred dollars (\$3,300) effective the first full pay period following City Council approval of the MOU; recognizing Cesar Chavez holiday; winter holiday closure language; increasing City medical contributions by one hundred dollars (\$100) per month effective the first full pay period following City Council approval of the MOU, fifty dollars (\$50) per month in January 2024, and fifty dollars (\$50) per month in January 2025; and City contribution of one percent (1%) to employees' retirement health savings accounts.

Notably, at staff recommendation, the parties agreed to provide eligible employees with up to eight (8) weeks of City (employer)-paid parental leave for the birth, adoption, or foster of a child. The City of Santa Ana will be the first public agency in Orange County

and one of the first, if not the first, public agency in California and/or United States to offer such a benefit.

Other key terms of the agreement include: updated discipline and grievance processes; acting pay language; constructive receipt language; addressing specific classification pay equity; one-year probationary period for current employees; bilingual pay recertification every three (3) years (for employees who receive bilingual pay); medical cashback language equivalent to City's management unit; reducing the number of unused sick leave hours that may be converted to CalPERS service credit to eighty (80) for current employees and eliminating the option to convert unused sick leave hours to CalPERS service credit for future employees; modifying the maximum amount of sick leave that may be converted to employees' retirement health savings or 457 deferred compensation accounts from one thousand two hundred (1,200) hours to one thousand six hundred (1,600) hours; new employees hired after City Council approval of the MOU will accrue a maximum of three hundred fifty-two (352) sick leave hours with any accrued hours over the maximum cashed out into employees' retirement health savings accounts in January each year; and clarifying language on issues of employment.

Lastly, pursuant to Resolution No. 2021-026, there are unrepresented classifications that mirror the salary increases and terms and conditions of employment of CASA. The attached Resolution merely updates the respective salary schedule of the unrepresented classifications as a result of the salary increases provided to CASA.

### **FISCAL IMPACT**

The estimated annual cost of the agreement during the three (3) year period is \$762,492 for FY 2023-24 and \$829,731 for FY 2024-25, for a total estimated cost of \$1,592,222. The estimated annual cost for the associated unrepresented classifications during the three (3) year period is \$52,528 for FY 2023-24 and \$56,884 for FY 2024-25, for a total estimated cost of \$109,412.

The budgeted increase for FY2023-24 was approximately \$664,277. The combined FY2023-24 estimated cost of \$815,020 (\$762,492 + \$52,528) exceeds the budgeted increase, primarily due to the one-time lump-sum payments. In September, staff will request a carryover of the unused FY22-23 budget to fund the additional \$150,743 (\$815,020 estimated cost, less the \$664,277 budgeted increase).

### **EXHIBIT(S)**

1. Memorandum of Understanding between the City of Santa Ana and the Confidential Association of Santa Ana
2. Resolution for associated unrepresented classifications

Submitted By: Jason R. Motsick, Executive Director of Human Resources

Approved By: Kristine Ridge, City Manager