

**CITY OF TEMECULA  
AGENDA REPORT**

**TO:** City Manager/City Council

**FROM:** Becky Obmann, Assistant Director of Human Resources

**DATE:** July 8, 2025

**SUBJECT:** Approve Side Letter to the Memorandum of Understanding; Approve the Amended and Restated Management Compensation Plan; Revise the Salary Schedule Approved on May 27, 2025, to Correct a Clerical Error (\$146.85) in the Calculation of the Cost-of-Living Adjustment for the City Manager Which Brings the Monthly Salary to a Corrected Amount of \$29,894.05

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**PREPARED BY:** Becky Obmann, Assistant Director of Human Resources

**RECOMMENDATION:** That the City Council:

1. Approve a Side Letter to the Memorandum of Understanding between the City of Temecula and the General Employees of the City of Temecula, represented by the California Teamsters Union, Local 911, to update the provisions concerning holiday pay for temporary employees; and
2. Approve the Amended and Restated Management Compensation Plan; and
3. Revise the Salary Schedule approved on May 27, 2025, to bring the City Manager's salary to a corrected amount of \$29,894.05 with no other changes to the Salary Schedule.

**BACKGROUND:**

1. The City of Temecula (City) and the Teamsters Local 911 (Union) have a Memorandum of Understanding (MOU) in place with a term of July 1, 2022, through June 30, 2026. On October 10, 2023, AB 1484 was signed into law which took effect on January 1, 2024, and amends Section 3507.7 of the Government Code. AB 1484 applies to all California public employers, including the City of Temecula. The City and Union were required to bargain for wages, hours and other terms and conditions of employment for temporary employees. The terms and conditions of employment for temporary employees were successfully negotiated between the City and Union and the amended MOU was adopted by City Council on July 23, 2024.

This Side Letter serves to amend Appendix E, Section 6 of the MOU to clarify and update the provisions related to holiday pay for temporary employees.

Under the revised language, all temporary employees covered by the MOU, regardless of their standard work schedule, will receive eight (8) hours of holiday pay for each City-recognized holiday. Additionally, if a temporary employee is required to work on a designated holiday, they will receive overtime compensation for all hours worked on that day, in addition to the eight (8) hours of holiday pay.

The City Council discussed the details associated with this amendment to the MOU in closed session on February 25, 2025.

2. Section 25 of the Management Compensation Plan (MCP), Uniform Allowance and Boot Reimbursement have been amended to match current practice and address reportability requirements to CalPERS.

Uniform Allowance has been amended at the request of CalPERS concerning the reportability of Uniform Allowance. Uniform Allowance is paid the first full pay period of July but will be reported in equal amounts with payroll throughout the fiscal year. This section also clarifies that safety shoes, safety clothing and safety equipment are not reportable to CalPERS.

Boot Allowance has been amended to reflect current practice. Effective July 1, 2024 the City no longer paid employees eligible for boot allowance \$175.00 annually. It was determined that some employees were not purchasing boots annually and many were not wearing properly classified and rated footwear required for their positions. This amendment provides employees required to wear safety footwear with a \$175.00 credit available for use July 1<sup>st</sup> of each fiscal year. The credit is available for use at a specified vendor determined by Human Resources and Risk Management. Only properly rated safety footwear is available for purchase at the determined vendor.

3. The City Council adopted a Salary Schedule effective June 28, 2025. The City Manager's salary was incorrectly reported on that salary schedule. The salary schedule has been updated to reflect the correct hourly, monthly and annual salary.

No salary or benefit adjustments are being recommended for any Executive staff members, management or confidential employees or staff represented by Teamsters Local 911.

#### **FISCAL IMPACT:**

1. While the exact fiscal impact is difficult to determine, as it depends on the number of temporary employees hired in any given year, the estimated annual cost is approximately \$150,000.
2. None

3. The City Manager's salary and benefits are included in the Fiscal Year 2025-26 Adopted Operating Budget.

**ATTACHMENTS:**

1. Side Letter to the Memorandum of Understanding (MOU)
2. Amended and Restate Management Compensation Plan (MCP)  
– July 8, 2025
3. Salary Schedule (effective June 28, 2025)