

## RESOLUTION NO. 2011-

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A WAGE AND BENEFIT PACKAGE FOR THE NON-REPRESENTED FULL-TIME MANAGEMENT & CONFIDENTIAL EMPLOYEES

**WHEREAS**, the City Council is committed to a compensation policy that strengthens the recruitment and retention of well qualified and effective managers and confidential employees; and

**WHEREAS**, back in 2003, the Santa Maria Association of City Management Employees (SMACME) initiated a petition to decertify its bargaining group, a bargaining group comprised of full-time management & confidential employees; and

**WHEREAS**, SMACME granted its request to decertify enabling their members the ability to represent themselves as a group in informal discussions with the City Manager over wages, hours, and other terms and conditions of employment; and

**WHEREAS**, the City Manager has entered into discussions with these unrepresented employees and has assembled a wage and benefit package incorporated herein, that outlines and delineates the benefit structure for these employees which includes concessions consistent with other employee bargaining groups;

**NOW, THEREFORE, IT IS HEREBY RESOLVED** by the City Council of the City of Santa Maria, California, that the compensation plan for the non-represented full-time management & confidential employees, unless otherwise specified, shall become effective the payroll period starting December 17, 2011 as follows:

#### 1. **MANDATORY TIME OFF (MTO) PROGRAM**

The following MTO Program shall be implemented during the 2012 payroll calendar year and shall be applicable to all non-represented management & confidential employees.

From December 17, 2011 through December 28, 2012, said employees will not work on thirteen (13) eight-hour MTO days. In recognition of having these thirteen (13) days off, employees shall have a five percent (5%) negative premium charged to their base salary pay rate per payroll period, and will not work on the following MTO days:

- January 20
- February 17
- March 16
- April 20
- May 18
- June 15
- July 20
- August 17
- September 21
- October 19
- November 16
- December 14
- December 24 (Christmas Eve)

## **MANDATORY TIME OFF (MTO) PROGRAM (con't)**

Unless otherwise indicated, all City facilities (except certain City recreational facilities, park restrooms [for public health reasons] and the City landfill) will be closed for business on the above identified thirteen (13) days.

To avoid fluctuations in the aforementioned employees' bi-weekly pay, the five percent negative premium will be charged evenly over the MTO Program (each pay period) and will result in each MTO day taken being paid.

If an employee works other than an 8-hour day on a regularly scheduled basis, s/he will be charged eight (8) hours of MTO time and have the option of using vacation time, floating holiday time, management leave or compensatory time (if applicable) to cover the remaining hours in an MTO day.

For employees who work other than a Monday-Friday schedule, if a scheduled MTO day falls on an employee's regularly scheduled day off or the day of a City-sponsored event, the regularly scheduled work day preceding the designated MTO day or (with the supervisor's approval) another day during the work week shall be the employee's MTO day.

Credit toward sick leave, vacation and other benefit calculations (such as step advancements) that are based on time-in-service will continue to be earned as participation in the MTO Program and shall not count as a break in service and shall not affect seniority.

Employees shall continue to make his/her same pre MTO Program contributions to all employee benefits, such as retirement and dependent health premiums (if applicable).

Employees may continue to request approval to participate in the Voluntary Time Off (VTO) Program, as outlined in current CAM 1993-01, if they so choose.

This MTO Program will sunset on December 28, 2012.

## **2. SALARY SURVEY PROCEDURES**

For purposes of preparing a salary survey for wage and benefit consideration, the City will add 1.67% to the top step salary of the benchmarked management positions (for salary comparison purposes only), in recognition of the City reporting the employer paid members contribution (EPMC) benefit to CalPERS as special compensation. In December 2010, an additional 2.3% will be added to the benchmarked management positions' top salary step for a total of 3.97% (for salary survey comparison purposes), until such time as all surveyed CalPERS agencies have the EPMC benefit. Notwithstanding this provision, said salary survey procedures shall not be interpreted to mandate the setting of salary and/or other forms of compensation at the level indicated in the salary survey.

## **3. BILINGUAL PAY (See CAM 93-2)**

The City will pay employees bilingual pay of \$45 per month for basic level skills and \$90 per month for advanced level skills to those employees that are required by their department head to use both English and Spanish in communicating with the general public on a regular basis while performing the duties of his/her position.

**4. EDUCATIONAL INCENTIVE PAY (See CAM 76-4)**

Upon the approval of the City Manager, educational incentive pay shall be paid in addition to regular pay when education is in addition to the regular requirements of the job specifications and is work-related. An employee may not receive more than 5% in education incentive pay. The City agrees to provide the following educational incentive pay upon date of hire.

A.A. Degree = 2.5%

B.A. Degree = 5%

M.A. Degree = 5%

**5. OVERTIME (See CAM 76-7)**

The Dispatch Supervisor, Human Resources Assistant, and Human Resources Clerk shall be designated as non-exempt positions for the purposes of overtime. These employees will receive hourly time and one-half pay or compensatory time off for each hour paid in excess of the forty (40) hour work week. The maximum accumulation of compensatory time shall be 120 hours. No other compensation or benefits will be afforded to these employees in consideration for overtime.

**6. MANAGEMENT LEAVE**

Management leave is designed to recognize and compensate for work in excess of forty (40) hours per week by exempt employees. While management leave is not based on overtime hours worked on an hour-for-hour basis, it does allow employees to take paid time off in recognition of time worked in excess of eighty (80) hours per pay period.

During the first payroll period of each new payroll calendar year all eligible exempt employees shall be credited with a designated amount of management leave time (rounded to the nearest half-hour) to be used during that payroll calendar year. No portion of the management leave hours may be accumulated or rolled over from one payroll calendar year to another and all unused management leave will automatically be erased from the books at the end of the payroll calendar year. For employees separating service or starting during the calendar year, management leave will be pro-rated (to the nearest half-hour) based on the number of full pay periods elapsed or remaining during the payroll year. If an employee, prior to separating service, used more management leave than the pro-rated amount for the payroll year, the excess used management leave will be deducted from the employee's final pay check without the necessity of the City securing a judgment. Accordingly, management leave is a "use it or lose it" benefit and no unused management leave will be cashed out.

Department heads on at-will employment contracts will receive eighty (80) hours of management leave. The following classifications shall be placed in the second tier of the management leave program and receive sixty-four (64) hours of management leave per calendar year: Accounting and Budget Manager, Advance Planner, Assistant City Attorney, Building Division Manager, Chief Deputy City Clerk, Community Programs Manager, Human

## **MANAGEMENT LEAVE (con't.)**

Resources Manager, Information Technology Manager, Parks Services Manager, Planning Division Manager, Principal Civil Engineer (attending planning commission), Recreation Services Manager, Senior Assistant City Attorney, Senior System Analyst, Solid Waste Manager, Transit Services Manager, Water Resources Manager, and Utilities Engineer.

All remaining exempt classifications within the City's management structure shall be placed in the lower tier of the program and receive thirty-two (32) hours of management leave per calendar year.

### **7. HOLIDAYS (See CAM 78-2)**

The City will recognize seven (eight hour) holidays as fixed holidays: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, the day after Thanksgiving Day, and Christmas. Employees will be eligible to receive, on a pro-rated basis, five additional days [forty (40) hours] of floating holidays time on the first pay period in the payroll calendar year to be scheduled off by formal request of each individual employee with the approval of the department head and/or City Manager.

Employees are eligible to cash-out or sell-back up to forty (40) hours of floating holiday time on one occasion anytime during the (payroll) calendar year, but prior to the first pay period in December. After the last pay period in November, the City will contribute 100% of any unused floating holiday hours to the Insurance Premium Reimbursement Account (Post Employment Health Plan) during the final pay period in the payroll calendar year.

For employees separating service or starting during the calendar year, floating holidays will be pro-rated (rounded to the nearest half-hour) based on the number of full pay periods elapsed or remaining during the payroll year. If an employee, prior to separating service, used more floating holiday time than the pro-rated amount for the payroll year, the excess used floating holiday time will be deducted from the employee's final pay check without the necessity of the City securing a judgment.

### **8. MOVE-UP PAY (See CAM 77-3)**

Up to a five percent (5%) differential in salary shall be allowed for those personnel who may be required to perform duties above their classification for ten (10) consecutive working days. If an employee is functioning in an acting department head capacity for more than the above stated timeframe, the employee may be placed at the appropriate step in the department head range to compensate him/her for the lengthy assignment. The employee working in a higher classification shall be compensated back to and including the first day that s/he works in the higher classification.

### **9. TUITION REIMBURSEMENT (See CAM 76-4)**

The City will reimburse employees up to \$1,000 per calendar year for the cost of tuition and books if a grade of "C" or better is obtained for undergraduate and "B" or better for post graduate work.

## 10. VACATIONS

With the exception of department heads on at-will employment contracts, management and/or confidential employee shall be entitled to take all vacation accrued to him/her after six months of employment. Vacation accrual shall be as follows:

Years	0-5	6-9	10	11-19	20
Working Days/Year	10	15	16	20	21

The maximum amount of vacation accumulation at any one time shall be 336 hours for employees and 416 hours of department heads on at-will employment contracts. When an employee reaches the maximum allowable vacation credit, no additional vacation credit shall be accrued until the vacation balance is below the maximum.

During the calendar year, employees performing at an acceptable or superior level are eligible to cash-out or sell-back up to forty (40) hours of vacation time at straight time on two occasions anytime during the payroll calendar year, so long as they have (after said cash-out) a minimum vacation balance of at least forty (40) hours on the books. This cash-out request may be requested anytime during the payroll calendar year, but no request shall be implemented if submitted later than the first payroll in December of each calendar year.

The City will reinstate vacation accrual rates for previous years of service for former City employees who have completed their probationary period after returning to City employment.

## 11. SICK LEAVE

Sick leave will be granted to employees when they are incapacitated for the performance of duties by sickness, injury, or for medical, dental or optical examination or treatment, and a new full-time employee shall be eligible to use sick leave for bona fide illness as it is accumulated.

Each management employee will accumulate 3.69 hours of sick leave per payroll period with no maximum accumulation.

Up to five days per calendar year may be used for family bereavement leave charged to sick leave. The term "family" in this subsection shall be defined as anyone related to the employee by blood, marriage, or by law within the third degree of consanguinity.

An employee may use up to half of his/her annually accrued sick leave for family illness. The term "family" in this subsection shall be defined as anyone related to the employee by blood, marriage, or by law within the second degree of consanguinity. Family illness in this regard shall be defined as when a child, spouse, or parent of the employee is ill and the nature of their condition requires that the employee provides care. Family Illness may also be used by an employee when s/he is responsible (primary care giver) for the care of said family member and said member is seeking medical, dental or optical treatment.

Unused sick leave at time of retirement, for which there is no compensation or remuneration at all to the employee, will be converted to additional service credit at the rate of 0.004 years of service credit for each full day, i.e. 250 days of sick leave for one additional year of service credit. Sick leave hours will be converted to days in the following manner: the unused hours of sick leave for which there is no compensation or remuneration will be divided by eight (8). Any fraction of a day will not be counted toward service credit. There is no limit on the amount of accumulated sick leave that can be converted to service credit. PERS rules mandate that this

## **SICK LEAVE (con't.)**

benefit shall apply to members whose effective date of retirement is within four months of separation from employment and who retire after the effective date of this benefit in the agency's contract. For purpose of reporting sick leave hours to PERS under the sick leave credit benefit option, sick leave hours shall be reduced only by the actual hours paid under the sick leave incentive program.

The City's sick leave incentive program shall compensate employees at the rate of 50 percent for all accrued sick leave beyond 480 hours to a maximum of 1,200 hours when the employee leaves City service upon regular retirement, disability retirement, or death.

The City shall retire an employee prior to the exhaustion of sick leave in conjunction with an industrial or non-industrial injury upon a determination that the employee's condition is permanent and stationary for disability retirement purposes. The employee's unused sick leave shall be compensated pursuant to the terms of the City's sick leave incentive program as described above. These provisions are intended to contravene Government Code Section 21025.2 insofar as it provides that an employee's disability retirement will not commence until all sick leave benefits are exhausted.

The City will reinstate unused sick leave balances for former City employees upon receiving documented proof from the employee as to the amount of sick leave that was unused at the time of separation for said former City employee who has returned to City employment and has completed his/her probationary period.

## **12. RETIREMENT**

The City will provide the 2.7% @ 55 CalPERS retirement benefit, based on the single highest year (one year final compensation) retirement formula for employees hired before July 1, 2011 with the City's contribution to the employee's share of retirement being eight percent (8%) and the City reporting to CalPERS the employer paid members contribution (EPMC) benefit as special compensation for retirement purposes.

For employees hired on or after July 1, 2011, the City will provide the 2% @ 55 CalPERS retirement benefit, based on the last 36 months of employment (three-year average highest compensation), and the employee shall be required to pay the entire members' contribution.

The City will provide employees with the CalPERS Section 21024 Military Service Credit as a public service benefit; the CalPERS credit for unused sick leave benefit (see Section 11); the 1959 CalPERS Survivor Benefit Level 4 benefit; the Pre-Retirement Option 2W Death Benefit, Section 21548; and the Post Retirement Survivors Allowance benefit.

## **13. DEFERRED RETIREMENT**

The City will contribute \$11.54 per pay period toward a 457 deferred compensation plan for all employees except the City Attorney and City Manager.

For the City Attorney and City Manager, the City agrees to provide an IRS approved 401(a) deferred compensation plan and will contribute two percent (2%) of salary per pay period toward the 401(a) plan for these two employees.

**14. DISABILITY INSURANCE**

Employees shall participate in the City's Short/Long-Term Disability (STD/LTD) Program, and shall pay the entire premium themselves. STD/LTD benefits are equal to 66 2/3's percent of the first \$8,000 of monthly earnings, minus the off set amounts from other benefits and other sources of income as described in the group policy schedule. The maximum monthly benefit will be \$6,000 after a 59-day qualifying period.

**15. MEDICAL INSURANCE**

An employee shall be eligible for medical insurance upon his/her first day of employment. The effective date of coverage may vary for new employees based upon whether or not the required premium (necessary to pay for the medical insurance) was deducted in the month prior to the benefit commencing.

The City will contribute \$112.00 per month per employee to be used solely toward City-sponsored health benefits. The monthly optional health insurance contribution, regardless of the health plan chosen, shall be:

Employee Only	\$429.00
Employee plus one	\$673.00
Employee plus two	\$821.00

The City shall provide a pro-rated cash option to those employees who do not elect to fully use the optional health insurance contribution amount provided they are in compliance with the below evidence of coverage provision. If an employee is in a paid status and does not participate in the health program and elects the pro-rated cash option, the employee will receive \$518.00 on a monthly basis while on the City payroll.

Evidence of major medical health insurance coverage will be required for those employees who receive the cash option and who do not elect to use the City-sponsored health benefits. These employees shall show proof of insurance and sign a form ensuring that they have other major medical health insurance coverage. Employees shall provide said evidence of coverage on an annual basis.

**16. LIFE INSURANCE**

The City will provide employees with life and accidental death and dismemberment insurance in the amount equal to one time their annual salary, up to a maximum of \$150,000 upon his/her first day of employment. The employee will pay \$0.53 bi-weekly for the above stated employee only insurance benefit with the City paying the remainder of the premium.

**17. DENTAL AND OPTICAL INSURANCE**

Employees shall be eligible for dental and optical insurance upon his/her first day of employment, and the City shall pay the full cost of the monthly premiums for employee and family coverage. The dental benefit amount is \$2,000 annually, and the City agrees to add posterior composite restoration to the current plan design.

**18. POST EMPLOYMENT HEALTH PLAN**

The City will contribute \$60 per pay period per employee toward a post employment health plan.

**19. PROBATIONARY PERIOD** (See CAM 76-5)

All original and promotional appointments shall be tentative and subject to a probationary period of one (1) year of actual and continuous service. Periods of time on unpaid leave exceeding five (5) consecutive days shall automatically extend the probationary period by at least that number of days the employee is on unpaid leave.

**20. LAYOFF** (See CAM 79-2)

The Layoff Procedures for non-represented management & confidential employees shall be conducted pursuant Appendix C of CAM 79-2 with the exception of the following sections:

- Reduction in Force – Layoff: Except as otherwise provided, whenever there is a reduction in work force, the appointing authority shall secondly lay off employees by class, by the affected department. Those employees with the lowest performance and/or qualifications in that classification shall be laid off first.

Any employee so laid off, for reasons other than disciplinary in nature, will be given thirty (30) days notice, in writing, by the appointing authority. All probationary and regular employees so laid off shall have their names placed on the City re-employment eligibility list.

- Re-employment of Employees Laid Off as a Result of a Reduction in Force: Employees who are laid off and who held probationary or regular City status at the time of layoff shall have their names placed on a re-employment list for classifications in which they previously held status and for classifications at the same or lower salary range for which they qualify in the order of their performance. Vacant positions in such classifications will be offered to eligibles on the re-employment list who qualify for such vacancies prior to an open or promotional recruitment.

Once a person on a re-employment list is reinstated to a regular position as a result of his/her re-employment rights, his/her name shall be removed from the re-employment list for the classification which he/she was reinstated and from all re-employment lists for classifications at the same or lower salary range of the classification in which he/she was reinstated.

- Duration of Reinstatement and Re-employment Lists: The eligibility of individuals on the reinstatement and re-employment lists shall extend for a period of one year from the date of demotion or layoff. Eligibles not responding to written notification of an opening within ten working days from the date the notice is mailed to them shall have their names removed from either the re-employment or reinstatement lists.

An employee's name may be removed from the reinstatement/re-employment list if any of the following occur:

1. The individual indicates that he/she will be unable to return to employment with the City during the life of the list; or
2. The individual cannot be reached after reasonable efforts have been made to do so. The City shall utilize certified mail or personal delivery when contacting individuals.

**LAYOFF (con't.)**

- Obligation to Serve Probationary Period: A person appointed from a re-employment list or classification reinstatement list must serve a new probationary period in order to attain regular status if they are appointed to a different classification or are placed in another department.

If a person is appointed to a position from a re-employment list which he/she has not previously held, the appointment shall be subject to a probationary period. The person would be eligible for a merit increase after satisfactory completion of six months of employment in the position, subject to the limitations of the salary range.

If the employee should fail to pass probation, his/her name shall be placed back on any re-employment list(s) which the employee had initially been on, prior to his/her appointment into the position.

**21. DISASTER PREPAREDNESS TRAINING**

When approved by the City Manager, management employees who are part of an established Red Cross Disaster Services Human Resources System, will be eligible to receive a City match of paid leave time, up to a maximum of forty (40) working hours, when they use their own paid leave accruals when responding to a disaster outside the tri-county area.

**PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Santa Maria held on this 20<sup>th</sup> day of December, 2011.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Chief Deputy City Clerk

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
CITY ATTORNEY

CONTENTS:

BY: \_\_\_\_\_  
DEPARTMENT HEAD

BY: \_\_\_\_\_  
CITY MANAGER