

## **RESOLUTION NO. 15-45**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUSTIN RELATING TO COMPENSATION AND BENEFITS FOR UNREPRESENTED CONFIDENTIAL EMPLOYEES, AND SUPERSEDING RESOLUTION 13-64**

WHEREAS, the employees covered by this Resolution constitute "confidential" personnel; and

WHEREAS, the City Council has consulted with the City Manager concerning the proposed employment terms contained herein;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Tustin (the "City") authorizes staff to implement the provisions of this Resolution and modify the City's Classification and Compensation Plans to reflect the changes approved in this Resolution, and that the wages, hours and conditions of employment be adopted and set forth as follows:

#### **CHAPTER 1 – GENERAL PROVISIONS**

##### **Section 1: Classifications**

A "confidential" employee is broadly defined as an employee who is privy to information that affects employee relations. The employees designated as "confidential" by the City of Tustin are those employees who, in the course of their duties, have access to information relating to the City's administration of the Meyers-Milias-Brown Act (MMBA) (Cal. Gov. Code §3500 et seq.). These employees are not represented by an association or labor organization. The Confidential unit consists of the classifications listed in Appendix A.

##### **Section 2: Effective Dates**

The effective date of each section is July 1, 2015 unless otherwise stated herein.

#### **CHAPTER 2 – COMPENSATION**

##### **Section 3: Salary**

Effective the pay period which includes July 1, 2015, Confidential employees shall receive a three percent (3.0%) base salary increase.

Effective the pay period which includes July 1, 2016, Confidential employees shall receive a three percent (3.0%) base salary increase.

With the paycheck issued for the pay period which includes July 1, 2017, all Confidential

employees who are employed by the City on the effective date will receive a one-time lump sum payment of three thousand, four hundred and eighty-six dollars (\$3,486.00). In accordance with the California Public Employees' Retirement System regulations and definition of Special Compensation (2 CCR §571), this lump sum payment will not be reported to CalPERS for purposes of retirement.

The monthly salaries for employees covered by this Resolution are hereby incorporated and listed in Appendix A. The attached salary ranges shall constitute the basic compensation plan consisting of six (6) steps in each range.

For all employees covered by this Resolution, the hourly rate of pay shall be the monthly rate multiplied by twelve (12) divided by 2080 annual hours.

#### **Section 4: Overtime Compensation**

Unit classifications are designated as non-exempt under the Fair Labor Standards Act and shall receive overtime compensation at the rate of time and one-half (1 ½) for all approved overtime hours worked in excess of 1) regularly scheduled hours per shift or 2) forty (40) hours worked in a seven (7) day work period. General Leave, Compensatory Time and Holiday hours shall be included within the above hours for eligibility. Part-time regular employees shall receive overtime compensation at time and one-half (1 ½) pursuant to the Fair Labor Standards Act (i.e., for working more than forty (40) hours in a defined seven-day work period).

#### **Section 5: Bilingual Pay**

The City shall pay Bilingual Pay in the amount of one hundred dollars (\$100) per month, paid biweekly, to employees in City-designated positions who demonstrate conversational skill in Spanish or another language approved by the Director of Human Resources as necessary for City business.

To qualify for Bilingual Pay, the employee must 1) have a business need to speak Spanish or another City-approved language in the performance of his/her public contact duties on a frequent and recurring basis and 2) successfully pass a City-sponsored examination for conversational skill. The Director of Human Resources may limit the number of employees receiving Bilingual Pay based on the needs of the City and may discontinue Bilingual Pay for any employee who no longer uses bilingual skills in the course of work.

Individuals are eligible to receive Bilingual Pay at the beginning of the first pay period after the Human Resources Department receives the employee's passing test results.

In compliance with the California Public Employees' Retirement System regulations and definition of special compensation (2 CCR §571), the monetary value of bilingual pay (Bilingual Premium) shall be reported to CalPERS as special compensation described in

Title 2 CCR, Section 571(a)(4) as a “special assignment pay” – a type of reportable special compensation.

### CHAPTER 3 – BENEFITS

#### Section 6: Flexible Benefits Plan

The City contracts with the California Public Employees’ Retirement System (CalPERS) for the provision of medical insurance. All Confidential employees shall receive the minimum amount required under the Public Employees’ Medical and Hospital Care Act (PEMHCA) (\$122 for calendar year 2015 and a yet to be determined amount for subsequent calendar years) as well as an additional amount which is provided under a Section 125 Flexible Benefits program. The amounts below include the minimum amount under PEMHCA.

Effective the pay period that includes July 1, 2015, the monthly Flexible Benefits contribution per employee is as follows:

Employee Only	Employee + 1 Dependent	Employee + 2 or more Dependents
\$950	\$1,075	\$1,225

Effective the pay period that includes July 1, 2016, the monthly Flexible Benefits contribution per employee is as follows:

Employee Only	Employee + 1 Dependent	Employee + 2 or more Dependents
\$1,000	\$1,125	\$1,275

Effective the pay period that includes July 1, 2017, the monthly Flexible Benefits contribution per employee is as follows:

Employee Only	Employee + 1 Dependent	Employee + 2 or more Dependents
\$1,050	\$1,175	\$1,325

Designated part-time regular employees shall be eligible for the Flexible Benefits contribution on a pro-rata share based upon position allocation (i.e., a ½ time employee shall receive a 50% contribution; a ¾ time employee shall receive a 75% contribution).

Employees who do not take medical insurance through the program offered by the City shall receive \$400 per month effective the pay period that includes July 1, 2015, \$425 per month effective the pay period that includes July 1, 2016 and \$450 per month effective the pay period that includes July 1, 2017 as the Flexible Benefits Opt-Out contribution. As a condition of receiving such amount, the employee must provide evidence, satisfactory to the City, that he/she has medical insurance coverage

comparable to coverage available through the City program. If the employee also opts out of the City's dental insurance, the employee must also provide evidence, satisfactory to the City, that he/she has dental insurance coverage comparable to coverage available through the City program. Designated part-time regular employees shall be eligible for the Flexible Benefits Opt-Out contribution on a pro-rata share based upon position allocation (i.e., a ½ time employee shall receive a 50% contribution; a ¾ time employee shall receive a 75% contribution).

The Flexible Benefits contribution consists of mandatory and discretionary allocations which may be applied to City sponsored programs, including required payment towards employee medical insurance under the Public Employees' Medical and Hospital Care Act (PEMHCA). Employees may allocate the remaining amount among the following City-sponsored programs:

1. Medical insurance
2. Dental insurance
3. Additional life insurance
4. Vision insurance
5. Deferred compensation
6. Section 125 Flexible Spending Account programs (medical and/or dependent care reimbursement programs)
7. Eligible catastrophic care programs
8. Cash

Discretionary allocations are to be made in accordance with program/City requirements including restrictions as to the time when changes may be made in allocations to the respective programs.

The Flexible Benefits program is governed by Section 125 of the Internal Revenue Code (IRC). The City retains the right to change administrators.

Participation in the Section 125 medical and/or dependent care reimbursement programs is voluntary and employee-funded.

## **Section 7: Retirement**

Employees covered under this Resolution shall be members of the California Public Employees' Retirement System (CalPERS) and are subject to all applicable provisions of the City's contract with CalPERS.

Miscellaneous members employed by the City by December 31, 2011 shall be enrolled in the CalPERS 2% @ 55 plan in accordance with Government Code Section 21354 for Local Miscellaneous members. The plan includes both an employer and employee contribution. Effective the pay period that includes July 1, 2013, the employee is responsible for paying the employee contribution of 7% of the employee's wages

through a pre-tax payroll deduction. The City has adopted the CalPERS resolution in accordance with IRS Code section 414(h)(2) to ensure that the employee contribution is made on a pre-tax. The plan has been amended to include Section 21573 (Third Level of 1959 Survivor Benefits), Section 20042 (One-Year Final Compensation), and Section 21024 (Military Service Credit as Public Service). The employee is responsible for paying the employee portion of the 1959 Survivor benefit premium.

These employees are responsible for paying an additional pension contribution of three percent (3%) as cost sharing in accordance with Government Code section 20516(f), for a total employee pension contribution of ten percent (10%).

Miscellaneous members employed by the City on or after January 1, 2012 who are "classic members" as defined by the Public Employees' Pension Reform Act (PEPRA) of 2013 shall be enrolled in the CalPERS 2% @ 60 plan for Local Miscellaneous members. The plan includes both an employer and employee contribution.

The employee is responsible for paying the employee contribution of 7% of the employee's wages through a payroll deduction. The City has adopted the CalPERS resolution in accordance with IRS Code section 414(h)(2) to ensure that the employee contribution is made on a pre-tax basis. This plan provides retirement benefits based on the highest annual average compensation earnable during the three consecutive years of employment immediately preceding the effective date of his or her retirement or as designated by the employee in accordance with Government Code Section 20037. The plan provides for 3rd level of 1959 Survivor benefits with the employee paying the employee portion of the premium.

These employees are responsible for paying an additional pension contribution of three percent (3%) as cost sharing in accordance with Government Code section 20516(f), for a total employee pension contribution of ten percent (10%).

Individuals first employed by the City on or after January 1, 2013 who are defined as "new members" by the Public Employees' Pension Reform Act (PEPRA) of 2013, shall be enrolled in the CalPERS 2% @ 62 plan for Local Miscellaneous members.

The employee is responsible for paying the employee contribution of one-half of the total normal cost of the plan, as defined by CalPERS, through a payroll deduction. Effective the pay period including July 1, 2015, the employee contribution is 6.25%. This amount will be determined by CalPERS in the future. The City has adopted the CalPERS resolution in accordance with IRS Code section 414(h)(2) to ensure that the employee contribution is made on a pre-tax basis.

This plan provides retirement benefits based on the highest annual average compensation earnable during the three consecutive years of employment immediately preceding the effective date of his or her retirement or as designated by the employee in

accordance with Government Code Section 7522.32(a). The plan provides for 3rd level of 1959 Survivor benefits with the employee paying the employee portion of the premium.

**Section 8: Life Insurance**

The City will provide life insurance for each unit employee and pay the required premiums. The death benefit of said policy shall be the greater of \$100,000 or 100% of the employee's base annual salary, rounded to the next higher multiple of \$1,000, up to a maximum of \$200,000. The City will also provide \$1,000 per dependent of dependent life insurance and pay the required premiums.

**Section 9: Short-Term / Long-Term Disability Insurance**

The City shall provide unit employees with the same short-term disability/long-term disability (STD/LTD) program as is provided to employees in the Tustin Municipal Employees Association (TMEA).

**Section 10: Textbook and Tuition Reimbursement**

The City shall provide unit employees with the same textbook and tuition reimbursement benefit as is provided to employees in the Tustin Municipal Employees Association (TMEA).

**Section 11: Retiree Medical Insurance**

The City shall provide unit employees with the same retiree medical insurance benefit as is provided to employees in the Tustin Municipal Employees Association (TMEA).

**CHAPTER 4 – LEAVES OF ABSENCE**

**Section 12: General Leave**

The City shall provide unit employees with the same paid General Leave benefit as is provided to employees in the Tustin Municipal Employees Association (TMEA).

**Section 13: Compensatory Time Off**

Confidential employees are eligible to accrue and use Compensatory Time Off in the same manner as employees in the Tustin Municipal Employees Association (TMEA).

**Section 14: Holidays**

The following days shall be holidays for which all employees will receive compensation

either in pay or paid time off:

January 1	New Year's Day
Third Monday in January	Martin Luther King Jr. Day
Third Monday in February	Presidents' Day
Last Monday in May	Memorial Day
July 4	Independence Day
First Monday in September	Labor Day
November 11	Veterans Day
Thanksgiving Day	Thanksgiving Day
Day following Thanksgiving Day	Day after Thanksgiving Day
December 24	Christmas Eve
December 25	Christmas Day
December 31	New Year's Eve

Holidays shall be granted, paid and administered for unit employees in the same manner as holidays are provided to employees in the Tustin Municipal Employees Association (TMEA).

#### **Section 15: Bereavement Leave**

The City shall provide unit employees with the same Bereavement Leave benefit as is provided to employees in the Tustin Municipal Employees Association (TMEA).

### **CHAPTER 5 – WORKING CONDITIONS**

#### **Section 16: Alternate Work Schedules**

Confidential employees are eligible to participate in the City's Alternate Work Schedule program under the same terms and conditions as employees in the Tustin Municipal Employees Association (TMEA).

#### **Section 17: Rest Periods**

Confidential employees are entitled to rest periods under the same terms and conditions as employees in the Tustin Municipal Employees Association (TMEA).

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tustin held on the 4<sup>th</sup> day of August 2015.

\_\_\_\_\_  
CHARLES E. PUCKETT  
Mayor

ATTEST:

\_\_\_\_\_  
JEFFREY C. PARKER  
City Clerk

STATE OF CALIFORNIA    )  
COUNTY OF ORANGE    )     SS  
CITY OF TUSTIN         )

I, Jeffrey C. Parker, City Clerk and ex-officio Clerk of the City Council of the City of Tustin, California, do hereby certify that the whole number of the members of the City Council of the City of Tustin is five; that the above and foregoing Resolution No. 15-45 was duly passed and adopted at a regular meeting of the Tustin City Council, held on the 4<sup>th</sup> day of August 2015, by the following vote:

COUNCILMEMBER AYES:                    \_\_\_\_\_  
COUNCILMEMBER NOES:                    \_\_\_\_\_  
COUNCILMEMBER ABSTAINED:            \_\_\_\_\_  
COUNCILMEMBER ABSENT:                \_\_\_\_\_

\_\_\_\_\_  
JEFFREY C. PARKER  
City Clerk

## APPENDIX A – CONFIDENTIAL MONTHLY SALARY RANGES

**Effective the pay period that includes July 1, 2015**

<b>Classification</b>	<b>Step A</b>	<b>Step B</b>	<b>Step C</b>	<b>Step D</b>	<b>Step E</b>	<b>Step F</b>
Administrative Assistant (CONF)	\$3,771.02	\$3,964.12	\$4,167.11	\$4,380.49	\$4,604.79	\$4,835.03
Executive Assistant (CONF)	\$4,380.49	\$4,604.79	\$4,840.58	\$5,088.45	\$5,349.00	\$5,616.45
Executive Coordinator	\$5,025.32	\$5,282.64	\$5,553.14	\$5,837.49	\$6,136.40	\$6,443.23
Management Analyst (CONF)	\$5,443.32	\$5,722.04	\$6,015.05	\$6,323.05	\$6,646.82	\$6,979.16
Management Assistant (CONF)	\$4,304.59	\$4,525.01	\$4,756.72	\$5,000.28	\$5,256.32	\$5,519.14
Sr. Management Assistant (CONF)	\$5,000.28	\$5,256.32	\$5,525.48	\$5,808.41	\$6,105.84	\$6,411.13

**Effective the pay period that includes July 1, 2016**

<b>Classification</b>	<b>Step A</b>	<b>Step B</b>	<b>Step C</b>	<b>Step D</b>	<b>Step E</b>	<b>Step F</b>
Administrative Assistant (CONF)	\$3,884.15	\$4,083.04	\$4,292.12	\$4,511.90	\$4,742.94	\$4,980.09
Executive Assistant (CONF)	\$4,511.90	\$4,742.94	\$4,985.80	\$5,241.10	\$5,509.47	\$5,784.95
Executive Coordinator	\$5,176.07	\$5,441.12	\$5,719.73	\$6,012.62	\$6,320.50	\$6,636.52
Management Analyst (CONF)	\$5,606.61	\$5,893.70	\$6,195.50	\$6,512.74	\$6,846.22	\$7,188.54
Management Assistant (CONF)	\$4,433.73	\$4,660.76	\$4,899.42	\$5,150.29	\$5,414.01	\$5,684.72
Sr. Management Assistant (CONF)	\$5,150.29	\$5,414.01	\$5,691.24	\$5,982.67	\$6,289.01	\$6,603.46