

RESOLUTION NO. 11-65

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUSTIN RELATING TO COMPENSATION AND BENEFITS FOR UNREPRESENTED EXECUTIVE MANAGEMENT AND MANAGEMENT EMPLOYEES, AND SUPERSEDING RESOLUTION 10-46

WHEREAS, the employees covered by this Resolution constitute executive management and management personnel; and

WHEREAS, the City Council has consulted with the City Manager and Director of Human Resources 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

The Executive Management unit includes the classification of Assistant City Manager and those classifications designated by the City as a department head. The Management unit includes all other classifications designated by the City as "management".

Whenever the term "Executive Management" is used in this Resolution, it shall be understood to include the City Manager. The benefits and terms of employment of the City Manager shall be as set forth herein, provided that any contrary written terms established by the City Council, which provide a greater benefit than provided for in this Resolution, shall prevail.

Section 2: Effective Dates

The effective date of each Section is September 6, 2011, unless otherwise stated herein.

CHAPTER 2 – COMPENSATION

Section 3: Salary

The monthly salaries for employees covered by this Resolution are hereby incorporated and listed in Appendix A and Appendix B. The attached salary ranges shall constitute the basic compensation plan consisting of five 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 two-thousand and eighty (2080) annual hours.

Section 4: 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.

Section 5: Uniforms

The City shall provide employees in the classifications of Police Chief and Police Captain with uniforms, including replacements as needed. Additionally, employees in these classifications receive an allowance of \$16.50 per biweekly pay period, up to a maximum of \$429 per year, for care and maintenance of uniforms.

Section 6: Educational Incentive Pay

Employees in the classification of Police Captain who have obtained a master's degree and a POST Management Certificate are eligible to receive Educational Incentive Pay of \$500 per month (\$230.76 per pay period).

Such employees are eligible to receive Educational Incentive Pay at the beginning of the first pay period after Human Resources certifies that the employee has met all of the eligibility requirements.

CHAPTER 3 – BENEFITS

Section 7: Flexible Benefits Plan

The City contracts with the California Public Employees' Retirement System (CalPERS) for the provision of medical insurance. All Executive Management and Management

employees shall receive the minimum amount required under the Public Employees' Medical and Hospital Care Act (PEMHCA) (\$108 for calendar year 2011 and \$112 for calendar year 2012) 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.

The monthly Flexible Benefits contribution per eligible Executive Management employee and Management employee (hired into the Management unit on or before September 3, 2002) is as follows:

Employee Only	Employee + 1 Dependent	Employee + 2 or more Dependents
\$950	\$1168	\$1514

The monthly Flexible Benefits contribution per eligible Management employee (hired into the Management unit on or after September 4, 2002) is as follows:

Employee Only	Employee + 1 Dependent	Employee + 2 or more Dependents
\$750	\$875	\$1025

Employees who do not take medical insurance through the program offered by the City shall receive \$300 per month 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.

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 8: Retirement

Employees covered under this agreement 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. The employee is responsible for paying the employee contribution of the employee's wages through a payroll deduction as follows:

July 1, 2011	4%
July 1, 2012	4%
July 1, 2013	4.5%
July 1, 2014	5.75%
July 1, 2015	7%

The City will pay the remaining employee contribution as Employer Paid Member Contributions. 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.

Miscellaneous members employed by the City on or after January 1, 2012 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. 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.

Safety members employed by the City by December 31, 2011 shall be enrolled in CalPERS 3% @ 50 plan in accordance with Government Code Section 21362.2 for

Local Safety members. The plan includes both an employer and employee contribution. The employee is responsible for paying the employee contribution of the employee's wages through a payroll deduction as follows:

July 1, 2011	4%
July 1, 2012	4%
July 1, 2013	6%
July 1, 2014	7.5%
July 1, 2015	9%

The City will pay the remaining employee contribution as Employer Paid Member Contributions. The plan has been amended to include Section 21574 (Fourth 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.

Safety members employed by the City on or after January 1, 2012 shall be enrolled in the CalPERS 2% @ 50 plan for Local Safety members. The plan includes both an employer and employee contribution. The employee is responsible for paying the employee contribution of 9% of the employee's wages through a payroll deduction. The plan includes Section 21574 (Fourth Level of 1959 Survivor Benefits) and Section 21024 (Military Service Credit as Public Service). The employee is responsible for paying the employee portion of the 1959 Survivor benefit premium. 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.

Section 9: Life Insurance

The City will provide life insurance for each Executive Management and Management employee and pay the required premiums. The death benefit of said policy shall be the greater of \$100,000 or one hundred percent (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 10: Short-Term / Long-Term Disability Insurance

The City shall maintain a short-term / long-term disability (STD/LTD) insurance program for non-industrial illnesses or injuries. Eligibility for benefits is subject to the requirements and approval of the STD/LTD insurance carrier.

An employee who is receiving STD benefits under the City's program will be granted a leave of absence for the duration of his/her non-industrial disability subject to a maximum period of six (6) months. Such leave of absence may be extended for an additional six (6) months under LTD, upon approval of the City Manager.

All unit employees are required to participate in the program. Premiums are deducted from the employee's pay on an after-tax basis.

In the event a non-industrial illness or injury is anticipated to exceed 30 days, the employee is first required to use 80 consecutive hours of his/her accrued leave during the 30 day period beginning with the first day of the leave. In the event no leave time is available, the employee shall be on leave without pay for 80 consecutive hours.

After the first 80 hours of leave, and for the remainder of the 30 day elimination period, the employee shall be compensated by the City at the rate of 60% of the employee's pre-disability base salary. This City payment is taxable income. The employee may supplement this City payment with accrued leave to enable him/her to receive an amount equivalent to no more than 100% of his/her pre-disability earnings.

In the event the employee is eligible for FMLA/CFRA leave, STD/LTD leave shall run concurrently with FMLA/CFRA leave.

For a new employee who has worked for the City for less than 12 consecutive months, and is therefore not eligible for FMLA/CFRA leave, the City will nevertheless provide the employee with the same Flexible Benefits contribution as was provided at the time of the non-industrial injury, for a period not to exceed 90 days. Should an employee receive 90 days of City-paid Flexible Benefits within the 12 month period prior to being eligible for this benefit pursuant to the FMLA/CFRA, and is subsequently eligible to receive this benefit pursuant to the FMLA/CFRA, the employee shall reimburse the City for his/her previous contribution.

Once the employee is on leave without pay, or the first 80 hours of leave has passed (whichever occurs first), no paid leave shall accrue to the employee.

After the 30 day elimination period, the STD/LTD carrier will provide the employee with a benefit of 60% of pre-disability base salary. The employee may supplement the STD/LTD carrier's payment with accrued paid leave to enable him/her to receive an amount equivalent to no more than 100% of his/her pre-disability earnings.

The employee is responsible for all benefit elections and payments during his/her leave unless he/she is eligible to opt out of such elections and chooses to do so. In the event the employee chooses to continue his/her benefit elections, the employee is required to make timely payment to the City for such elections (including the cost of the STD/LTD program). In the event timely payment is not made, the City is authorized to reduce the employee's accrued paid leave accounts, in an amount equivalent to the premiums owed by the employee. In the event no paid leave is available, the City is authorized to cancel the employee's coverage.

An employee is only eligible for the City's 60% STD/LTD salary continuation benefit

once in any rolling 12-month period.

Section 11: Vehicle Allowance

Each Executive Management employee shall have his/her personal vehicle available and shall use his/her personal vehicle for City business. To cover these costs, except as noted below, Executive Management employees shall receive a \$400 monthly vehicle allowance.

In consideration of the duties associated with the classification, employees in the classifications of City Manager, Police Chief and Police Captain are provided with a City vehicle in lieu of a vehicle allowance.

Section 12: Textbook and Tuition Reimbursement

The City shall provide eligible employees with textbook and tuition reimbursement in accordance with the guidelines and procedures specified in the Personnel Rules.

Executive Management and Management employees who have completed their initial probationary period are eligible for reimbursement for up to \$1,000 each calendar year if the employee is attending a community college, \$1,500 each calendar year if the employee is attending a job-related certificate program offered through a California State University or University of California extended education program, or \$2,000 each calendar year if the employee is attending a four-year college or university. If an employee attends both a community college and a four-year college or university in a calendar year, the maximum reimbursement shall be \$1,500 per calendar year.

Employees who leave City of Tustin employment within twelve (12) months of receiving tuition reimbursement must re-pay the City for the amount that was provided. Employees may use accumulated General Leave toward the repayment.

Section 13: Wellness Program

Executive Management and Management employees are eligible to participate in a Wellness Program in which the City will reimburse up to \$400 per employee toward the cost of designated wellness related services. Employees are eligible for this benefit once every two (2) years. Reimbursements are administered in November/December of odd numbered years.

Wellness related services include health assessments, scans, ultrasounds, employee-only gym membership fees, participation in weight loss programs (e.g. Weight Watchers, Jenny Craig, etc.) and physical therapy/chiropractic care. Reimbursement shall only be provided for non-reimbursed costs (i.e. costs covered through insurance coverage are excluded) supported by submission of itemized receipts from service providers. When requested by Human Resources, the employee shall also provide an itemized explanation of benefits from the employee's medical carrier. The Director of Human Resources has sole

discretion in authorizing reimbursement for wellness related activities.

Section 14: Retiree Medical Insurance

The City will reimburse eligible unit employees up to a maximum of \$350 per month for the payment of CalPERS retiree medical insurance premiums. This amount is in addition to the minimum contribution towards retiree medical insurance required under the PEMHCA program (\$108 for calendar year 2011 and \$112 for calendar year 2012).

An employee hired by the City prior to July 1, 2011 is eligible for this benefit provided that he/she has been continuously employed by the City for five (5) full years, retires from the City and CalPERS, and enrolls in a CalPERS medical insurance plan immediately after retirement. Eligible employees who suffer a disability, are unable to return to work, and take a disability retirement from CalPERS may satisfy the five (5) year continuous service requirement using a combination of service with the City and service with any public agency with a reciprocal retirement system.

An employee hired by the City on or after July 1, 2011 is eligible for this benefit provided that he/she has been continuously employed by the City for ten (10) full years, retires from the City and CalPERS, and enrolls in a CalPERS medical insurance plan immediately after retirement. Eligible employees who suffer a disability, are unable to return to work, and take a disability retirement from CalPERS may satisfy the ten (10) year continuous service requirement using a combination of service with the City and service with any public agency with a reciprocal retirement system.

Reimbursement shall not be made until an employee appears on the City's CalPERS insurance billing. In order to maintain the retiree medical insurance stipend throughout retirement, an employee must maintain coverage in a CalPERS medical insurance plan; once coverage is dropped, reimbursement will cease and will not be reinstated.

CHAPTER 4 – LEAVES OF ABSENCE

Section 15: General Leave

Paid General Leave shall be granted to each full-time employee at the rates listed below per year, prorated on a biweekly basis for each biweekly pay period in which the employee is in paid status for at least 40 hours of the pay period. If the employee is in paid status between 40 – 80 hours of a pay period, his/her General Leave will be earned on a prorated basis for the pay period.

<u>Service</u>	<u>Hours Per Year</u>	<u>Maximum Accrual</u>
0 – 5 years	160	400
6 – 10 years	208	520
Over 10 years	248	620

When appointing an individual to an Executive Management classification, the City Manager shall have the authority to consider employment from another city, county, special district or the state government in determining an advanced General Leave accrual rate. If an individual's public agency experience ended within six (6) months of the date of employment with the City of Tustin, the City Manager may use the years of prior public agency service to establish the appointee's initial General Leave accrual rate.

Each January, Executive Management employees are eligible to receive up to two (2) additional days of General Leave for satisfactory performance as determined by the City Manager. Management employees may be entitled to one (1) additional day of General Leave as determined by their Department Head.

Once per fiscal year, Executive Management employees and Management employees with six (6) or more years of City service may request to cash out up to eighty (80) hours of accrued General Leave. Management employees with less than six (6) years of City service may request to cash out up to forty (40) hours of accrued General Leave.

At any time, employees may accumulate General Leave to a maximum of two and one-half (2 ½) times the employee's annual entitlement. Upon reaching the maximum, accrual will cease until leave is used to reduce the accrual below the maximum. Upon separation from City service the employee will be paid for unused Leave, not to exceed the maximum of two and one-half (2 ½) years entitlement, at the employee's then current base salary rate.

Section 16: Administrative Leave

As exempt employees under the Fair Labor Standards Act (FLSA), Executive Management and Management employees are compensated for meeting the requirements and performing the duties of their jobs, regardless of the number or scheduling of hours worked. Such employees may be required periodically or routinely to work long or irregular hours, and to attend various meetings and functions outside of normal "business hours" to fulfill their responsibilities. No overtime compensation shall be provided for Executive Management and Management employees unless otherwise required by State or Federal law.

In lieu of overtime compensation, the City will provide employees with an annual credit of forty (40) hours of paid Administrative Leave each January. During the first calendar year of employment as an employee covered by this Resolution, employees will be granted a prorated share of Administrative Leave at the time of appointment, with the amount dependent upon the employee's hire date as follows:

<u>Hire Date</u>	<u>Administrative Leave</u>
1 st Quarter (January – March)	40 hours
2 nd Quarter (April – June)	30 hours
3 rd Quarter (July – September)	20 hours

Each January, each Executive Management and Management employee is eligible to receive up to an additional forty (40) hours of Administrative Leave pursuant to the recommendation of his/her Department Head or the City Manager, with such recommendation based on the individual's prior year's job performance and his/her commitment of time dedicated to City business in excess of his/her regular work schedule. After the conclusion of the first calendar year of employment, employees shall be eligible for a prorated share of additional Administrative Leave, in accordance with the same guidelines as those governing the initial granting of Administrative Leave at time of appointment, as specified in this Section (e.g. an employee hired in the 3rd Quarter of Year 1 is eligible for up to 20 additional hours of Administrative Leave in January of Year 2). An employee whose performance is in need of improvement, pursuant to a performance evaluation or performance improvement plan, is not eligible to receive additional Administrative Leave. The accrual of Administrative Leave is limited to a maximum of eighty (80) hours at any time. Use of Administrative Leave is completely discretionary upon the approval of the Department Head or the City Manager.

Section 17: 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 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

When a holiday occurs on a Sunday, the following Monday will be observed instead. When a holiday occurs on a Saturday, the preceding Friday will be observed instead. If a holiday falls on a day that is also an employee's regular day off, the employee will accrue nine hours to his/her General Leave bank for the holiday. If a holiday falls on an employee's regularly scheduled working Friday, the employee will receive eight hours of holiday pay and accrue one hour to his/her General Leave bank.

Section 18: Bereavement Leave

Unit employees are allowed up to five (5) days of paid leave for the purpose of Bereavement Leave in the event of a death in the "immediate family". For purposes of this section, "immediate family" is defined as including spouse, registered domestic partner, mother, stepmother, father, stepfather, brother, sister, child, stepchild, grandparent, and grandchild of the employee or the employee's spouse/registered domestic partner.

CHAPTER 5 – WORKING CONDITIONS

Section 19: Alternate Work Schedules

Executive Management and Management employees are eligible for participation in the City's Alternate Work Schedule program. Such work schedules are subject to the needs of the City and the employee's department.

The City Manager has the authority to implement rules, policies and procedures for Alternative Work Schedules for Executive Management and Management employees.

Passed and adopted at a regular meeting of the Tustin City Council held on the 6th day of September 2011.

JERRY AMANTE
Mayor

ATTEST:

PAMELA STOKER
City Clerk

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

I, Pamela Stoker, 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. 11-65 was duly passed and adopted at a regular meeting of the Tustin City Council, held on the 6th day of September 2011, by the following vote:

COUNCILMEMBER AYES: _____
COUNCILMEMBER NOES: _____
COUNCILMEMBER ABSTAINED: _____
COUNCILMEMBER ABSENT: _____

PAMELA STOKER
City Clerk

APPENDIX A – EXECUTIVE MANAGEMENT MONTHLY SALARY RANGES

Effective June 21, 2010

Classification	A	B	C	D	E
Assistant City Manager	12351.40	12983.86	13648.70	14347.59	15082.27
Director of Community Development	10579.97	11121.72	11691.22	12289.87	12919.18
Director of Finance	10766.52	11317.82	11897.35	12506.57	13146.97
Director of Human Resources	9598.28	10089.77	10606.42	11149.53	11720.44
Director of Parks & Recreation	9890.22	10396.66	10929.02	11488.65	12076.93
Director of Public Works / City Engineer	11575.03	12167.74	12790.79	13445.75	14134.25
Police Chief	12351.40	12983.86	13648.70	14347.59	15082.27

APPENDIX B – MANAGEMENT MONTHLY SALARY RANGES

Effective June 21, 2010

Classification	A	B	C	D	E
Accounting Supervisor	7060.16	7421.68	7801.71	8201.20	8621.14
Administrative Services Manager	6920.53	7274.90	7647.42	8039.01	8450.65
Assistant Director of Community Dev.	8817.07	9268.56	9743.16	10242.06	10766.52
Assistant Director of Finance	8201.20	8621.14	9062.60	9526.65	10014.47
Assistant Director of Public Works	9622.28	10114.99	10632.94	11177.40	11749.74
Building Inspection Supervisor	6169.61	6485.53	6817.63	7166.73	7533.70
Building Official	8642.70	9085.25	9550.47	10039.51	10553.59
City Clerk Services Supervisor	5597.15	5883.76	6185.04	6501.74	6834.67
Communications Manager	7220.61	7590.35	7979.01	8387.58	8817.07
Engineering Services Manager	8861.21	9314.96	9791.94	10293.34	10820.41
Field Services Manager	7998.96	8408.55	8839.11	9291.73	9767.52
Finance Manager	7998.96	8408.55	8839.11	9291.73	9767.52
Information Technology Supervisor	7860.37	8262.86	8685.96	9130.74	9598.28
Maintenance Supervisor	5391.40	5667.47	5957.67	6262.74	6583.42
Plan Check Supervisor	6169.61	6485.53	6817.63	7166.73	7533.70
Police Captain	10267.67	10793.43	11346.11	11927.10	12537.83
Police Civilian Commander	8099.45	8514.18	8950.16	9408.46	9890.22
Police Support Services Manager	6920.53	7274.90	7647.42	8039.01	8450.65
Principal Engineer	7899.72	8304.23	8729.45	9176.45	9646.33
Principal Human Resources Analyst	7329.60	7704.92	8099.45	8514.18	8950.16
Principal Planner	7724.18	8119.70	8535.47	8972.54	9431.98
Public Works Inspection Supervisor	5781.82	6077.88	6389.09	6716.25	7060.16
Public Works Manager	8180.75	8599.65	9040.00	9502.90	9989.50
Recreation Superintendent	6972.57	7329.60	7704.92	8099.45	8514.18
Recreation Supervisor	5337.82	5611.15	5898.47	6200.50	6518.00
Redevelopment Program Manager	8180.75	8599.65	9040.00	9502.90	9989.50
Risk Manager	7609.32	7998.96	8408.55	8839.11	9291.73
Senior Financial Analyst	5695.84	5987.50	6294.09	6616.38	6955.18
Senior Human Resources Analyst	6309.83	6632.92	6972.57	7329.60	7704.92
Senior Information Technology Specialist	5695.84	5987.50	6294.09	6616.38	6955.18
Senior Planner	7311.32	7685.70	8079.25	8492.95	8927.84
Senior Redevelopment Project Manager	8039.01	8450.65	8883.37	9338.24	9816.42
Transportation & Dev. Services Manager	8861.21	9314.96	9791.94	10293.34	10820.41
Water Maintenance & Const. Supervisor	5928.00	6231.54	6550.63	6886.06	7238.67
Water Services Manager	9245.44	9718.86	10216.52	10739.67	11289.59
Water Treatment Supervisor	6766.75	7113.25	7477.48	7860.37	8262.86