



COMPENSATION AND BENEFIT RESOLUTION FOR THE CITY OF BENICIA AND SENIOR MANAGEMENT EMPLOYEES ESTABLISHING A SENIOR MANAGEMENT BENEFIT AND COMPENSATION PROGRAM BEGINNING SEPTEMBER 1, 2019.

I. PREAMBLE

This Agreement is adopted to promote the development of a stronger, more effective management team, not merely for purposes of employer-employee relations but also as a means of recognizing outstanding management performance in all public service areas. These general purposes may be achieved through several means; notably training, more effective communication among departments, clearer identification of goals and objectives, and by relating effective job performance to an incentive program. Also, inherent in such a program is the means of retaining good department heads.

Senior Management employees covered by this Agreement shall include the following positions: Finance Director, Public Works Director, Community Development Director, Parks & Community Services Director, Police Chief, Fire Chief, and Director of Library & Cultural Services. The Assistant City Manager position is unrepresented, but will receive insurance and fringe benefits equivalent to other non-safety directors.

II. COMPENSATION

A. Salaries

Effective September 1, 2019, there will be a three and one-half percent (3.5%) cost of living adjustment to the salary ranges. Effective July 1, 2020 there will be a three and one-half percent (3.5%) cost of living adjustment to the salary ranges.

Attachment A lists the Salary Schedule Ranges and effective dates approved by this agreement.

B. Salary Setting Format

Merit increase and market adjustments may be made by the City Manager according to established City policy. Salary reviews will occur no less frequently than annually on an employee's anniversary date.

C. Deferred Compensation

Employees may elect monthly payroll deduction in an amount permissible under the City plan to be placed in a deferred compensation program administered at no cost by the City. Such monies deposited would become tax deferred and would be subject to income taxation in the year they are withdrawn from the deferred compensation program. Effective 7/1/11, the parties agreed to reduce the amount the city contributes from 7% to 4% per year of an employee's salary to a deferred compensation program for non-safety employees, and to 5.5% for the Fire Chief and Police Chief, provided the employee provides a minimum 1% matching share or a maximum amount as defined by federal regulation. Note: The incumbent Fire Chief and incumbent Parks & Community Services Director will receive an additional 5% contribution into deferred compensation. This section is not applicable to the Assistant City Manager.

III. LEAVE

A. Vacation

Senior Management employees shall accumulate vacation time in accordance with the following vacation entitlement schedule:

<u>Years of Service</u>	<u>Weeks of Vacation</u>
0 thru 6 years	3
7 thru 14 years	4
15 thru 20 years	5
21 years and over	6

Upon termination of an employee's service with the City:

1. 100% of unused accumulated vacation leave shall be paid in cash provided he/she has at least 12 month's continuous service.
2. An employee must reimburse the City for credited vacation taken but not earned.
3. The City Manager may approve an employee moving to a higher level of vacation, or advancing to the next level on an accelerated basis, based on their years of service in local government in their respective profession.

An employee may take vacation at times approved by the City Manager. It is the policy of the City that employees take their normal vacation each year. However, an employee may take less than a normal vacation in one year and carry the balance of his/her earned time over to the next year. No employee shall be allowed to accumulate more than 200 hours of earned vacation. On

June 30th of each year, earned vacation time in excess of 200 hours shall be converted to cash and issued to the employee. Employees may take steps to have their cash out paid into their ICMA 457 Deferred Compensation Program (if available to the employee). Although vacation time may be taken in increments of four hours, at least one week of annual vacation must be taken as five consecutive days.

B. Holidays

The City agrees to provide employees covered by this agreement twelve paid holidays per year to include the following:

1. New Year's Day, January 1
2. Martin Luther King Jr.'s Birthday
3. President's Day, 3rd Monday in February
4. Memorial Day, last Monday in May
5. Independence Day, July 4
6. Labor Day, first Monday in September
7. Veterans Day
8. Thanksgiving Day
9. Friday after Thanksgiving
10. Christmas Eve, December 24
11. Christmas Day, December 25
12. New Year's Eve, December 31 (note: this holiday will be effective in year 2020)
13. 2 Personal Leave Days

It is the intent of this agreement that employees covered shall receive twelve paid holidays regardless of their assigned work week. When a holiday falls on a Saturday the preceding Friday shall be deemed a holiday. When a holiday falls on a Sunday the following Monday shall be deemed a holiday. When an employee is required to work on a holiday another day may be selected in lieu of the holiday with the consent of the City Manager.

Personal Leave may be taken at any time during the fiscal year with the approval of the City Manager. Personal Leave may not be accumulated and carried forward to the next fiscal year.

C. Administrative Leave

In recognition of the long hours required to perform at the level of top management, including attendance at numerous meetings outside normal working hours, the following Administrative Leave policy shall be implemented:

1. Upon City Manager approval, each Senior Management employee may receive up to 16 days' administrative leave annually. Administrative Leave is to be taken in increments of one hour or more. (When an employee attends a night meeting or works a late evening, he/she may arrive up to one hour later the next morning & such time is not charged to Administrative Leave.)

2. On June 1st of each year, unused Administrative Leave, up to one-half of the annual authorized Administrative Leave allowance, will be converted to cash and issued to the employee. Employees may individually take steps to have their cash out paid into their ICMA 457 Deferred Compensation Program (if available to the employee) up to the maximum allowed by the IRS. This conversion will be made on the June 30th paycheck.

D. Sick Leave

1. Senior Management employees shall be entitled to one working day of sick leave with pay for each month or major fraction thereof. Sick leave with pay up to the total number of working days accumulated shall be granted by the City Manager in case of bonafide illness or injury.

2. Leave of absence due to pregnancy shall be chargeable to sick leave up to the limit of total accumulated sick leave.

3. Sick leave with pay shall not be granted for any injury attributable to an outside occupation, for which worker's compensation benefits are available and engagement therein has not been authorized by the City Manager.

E. Paid Industrial Accident Leave

The City agrees that each full-time employee shall be granted Paid Industrial Accident Leave (PIA) if the claim is approved by the State Workers' Compensation, with the City paying full, basic salary during such leave. "PIA" shall begin on the first day of said industrial accident and shall extend for a maximum of one year. During such leave, the City shall receive all State Workers' Compensation benefits. When an employee is on "PIA", neither vacation nor sick leave is charged nor is vacation or sick leave accrued.

Safety employees shall be governed by Section 4850 of the Workers' Compensation Act.

F. Leave of Absence

1. Senior Management employees shall be granted a leave of absence with full pay for jury service, appearances required of employee as a witness, or attendance in court resulting from employee's official duties. Any compensation received from those activities shall be remitted to the City.

2. Upon written request, the City Manager may approve in writing a leave of absence without pay for a period not exceeding six months; the City Council may approve such a leave for a period not exceeding one (1) year.

G. Bereavement Leave

Any employee shall obtain the approval of the City Manager in advance of an absence due to a death in the employee's family. Failure to obtain the City Manager's approval shall result in

ineligibility for benefits under this section.

In the event of a death in the immediate family of an employee, he/she shall, upon request, be granted such time off with pay as is necessary to make arrangements for the funeral and attend same, not to exceed three (3) regularly scheduled working days. However, up to an additional two (2) days may be granted for out-of-state funerals. This provision does not apply if the death occurs during the employee's paid vacation, or while the employee is on leave of absence, layoff, or sick leave.

For the purposes of this section immediate family shall be defined as follows: Spouse, children, father, mother, brothers, sisters, mother-in-law, father-in-law, sister-in-law, brother-in-law, grandparents, grandchildren and members of the employee's household.

Additional Bereavement Leave may be granted to an employee to attend the funeral of a person other than a member of the employee's immediate family, chargeable to sick leave, compensatory time, or vacation leave.

H. MOU LEAVE FY 2019/2020 and 2020/2021

Accrual of MOU Leave for FY 2019-20 and FY 2020-21

Effective the pay period following Council approval of this agreement, employees who are in full time status will accrue 40 hours of "MOU leave" for fiscal year 2019-20, and 20 hours of "MOU leave" for fiscal year 2020-21. The MOU leave will be credited to an employee leave bank in a lump sum each fiscal year. For fiscal year 2020-21 the lump sum will be credited in July 2020. Employees hired during the fiscal year will receive a prorated allotment. This accrual shall cease effective June 30, 2021.

Use of MOU Leave

Use of MOU Leave can be used in the same manner as vacation with regards to scheduling and approval.

Payout of MOU Leave

If any employee has not used his or her MOU leave by November 20 of the fiscal year in which it has been accrued, any remaining balance will be paid out at the employee's regular rate of pay in the November paycheck. MOU leave is not carried forward into the next fiscal year.

Sunset

MOU leave sunsets on June 30, 2021.

IV. EDUCATION BENEFITS

Employee plus One:	\$ 1,544.00
Employee plus Family:	\$ 2,105.00

Effective 7/1/2020, the city contributions towards medical premiums shall be a maximum up to the following contributions for any plan:

Employee:	\$ 762.00
Employee plus One:	\$ 1,594.00
Employee plus Family:	\$ 2,180.00

Employees who are legally permitted to opt out due to having an alternate plan that meets the requirements of ACA will be permitted to opt out of the City of Benicia plan and instead receive a maximum of \$682 per month as an opt out stipend.

The City has established an IRS Section 125 tax savings plans for premiums and flexible spending accounts (i.e. medical reimbursements, and dependent care). The employee shall be responsible for any enrollment and administration expenses relating to the flexible spending accounts.

VII. Sick Leave Buyback

1. Senior Managers will be allowed to sell back annual sick leave hours at the following rates:
 - a. 0 to 10 years of service = 50%
 - b. 10 to 20 years of service = 75%
 - c. 20 years or more of service = 100%

These hours will be subtracted from the employee’s sick leave balance at the time.

In addition, upon retirement, an employee may cash out 100% of unused sick leave (not to exceed 500 hours) at the employee’s choice. 100% of unused accumulated vacation leave shall be converted to cash and issued to the employee. Employees may individually take steps to have their cash out paid into their ICMA 457 Deferred Compensation Program (if available to the employee) up to the maximum allowed by the IRS.

In the event of separation from employment, other than for retirement, only the 100% unused accumulated vacation leave shall be converted to cash. Employees may individually take steps to have their cash out paid into their ICMA 457 Deferred Compensation Program (if available to the employee) up to the maximum allowed by the IRS.

VIII. LIFE INSURANCE

The City agrees to pay the premium on term life insurance of \$100,000 for each insurable Senior Management employee.

IX. RETIREMENT

Effective November 1, 2017 Employer Paid Member Contributions were eliminated. The value of such contributions as of October 31, 2017 were rolled into base salary.

For employees hired prior to October 1, 2012:

- A. For non-sworn employees the City shall provide the PERS 2.7% at 55 Local Miscellaneous Members Retirement Program.
- B. For sworn employees the City shall provide PERS three (3) percent at age 50 Local Safety Members' Retirement Program (also known as CHP Plan).
- C. The City's contract with the Public Employees' Retirement System (P.E.R.S.) has been amended and shall provide the following additional benefits:
 - 1. One year highest compensation benefit as outlined in Government Code Section 20042 for Miscellaneous Employees.
 - 2. 1959 Survivor Benefit at the increased level, as provided for in Government Code Section 21573.
 - 3. Credit for unused Sick Leave as provided for in Government Code Section 20965.

Second Tier Retirement System:

The Safety and Miscellaneous employees in the Senior Management Group agreed to the implementation of a new, less costly, CalPERS 2nd tier pension formula for new hires contingent on agreement with all other Safety and Miscellaneous employees to the same and effective thereafter as soon as administratively possible consistent with CalPERS contract amendment requirements.

- D. For non-sworn employees hired on or after October 1, 2012, the City shall provide the PERS 2% at 60 Local Miscellaneous Members Retirement Program.
- E. For sworn employees hired on or after June 1, 2011, the City shall provide PERS three (3) percent at age 55 Local Safety Members' Retirement Program.

The City's contract with PERS shall provide the following additional benefits:

- 1. Three-year average compensation benefit as contained in the Government Code, Section 20037 for miscellaneous employees.
- 2. 1959 Survivor Benefit at the increased level, as provided for in Government Code Section 21573.

3. Credit for unused Sick Leave as provided for in Government Code Section 20965.

F. Employee Cost Share of Employer's Share of Retirement

Effective November 1, 2011, the Police Chief began contributing an additional 5.336% of pensionable compensation towards the employer's share of retirement via a pre-tax payroll contribution, per requirement of CalPERS for the contract amendment to cost share the employer rate of PERS for all sworn police employees. The necessary adjustments were made to the Police Chief's compensation in order to achieve the equivalent in total reductions that the other senior managers agreed to in 2011, as CalPERS required all sworn police to participate in the contract amendment to add the 5.336% cost share of the employer rate of PERS.

Pension Reform (PEPRA):

G. For employees not considered "Classic" by CalPERS standards, the City will comply with all PEPRA laws for new hires after January 1, 2013 or non-classic members as defined by CalPERS.

Member Rate of CalPERS

Employees will pay their full member rate of CalPERS on a pre-tax basis pursuant to the 414(h) resolution previously adopted.

The parties acknowledge that CALPERS is the only entity by statute that determines the persability of any and all pay, incentives or allowances.

X. MISCELLANEOUS PROVISIONS

1. During the term of this agreement, the City agrees to provide to all Senior Management employees, up to six (6) hours financial advice or consultation through a qualified professional financial advisor.
2. Calculations for leave accruals and leave cashout provisions, longevity eligibility, and severance allowance are based on total years of public service in a public agency.

XI. SEVERANCE ALLOWANCE

In order to foster job security within a professional climate, Senior Management employees who receive no protection from the City's Civil Service System will be entitled to severance pay when they are discharged from the City service; provided, however, that the department head has been in the employ of the City for at least one year. In addition, employees shall give 30 days' notice prior to voluntary termination.

Senior Management employees shall be entitled to severance pay per the following schedule:

Length of City Service

Severance Pay Entitlement

Up to 4 years
After 4 years
5 years or more

9 weeks base salary
12 weeks base salary
12 weeks + one additional week of base salary for each year of service, up to a maximum of 18 weeks.

These amounts are additional to any accrued vacation leave, unused at the time of termination. The provisions of this section do not apply to any employee discharged for reasons listed in Government Code Section 19572, or any employee who voluntarily resigns from the City service for personal reasons.

XII. LONGEVITY

Effective July 1, 2006, Senior Management employees shall receive additional compensation based upon their length of service according to the following schedules:

<u>Years of Service</u>	<u>Additional Compensation</u>
Completion of 5 years	1.25%
Completion of 10 years	an additional 1.25%
Completion of 15 years	an additional 1.25%
Completion of 20 years	an additional 1.25%
Completion of 25 years	an additional 1.25%

XIII. Uniform Allowance

The Police Chief shall receive \$100.00 monthly uniform allowance. The Fire Chief shall receive \$100.00 monthly uniform allowance.

IX. SALARY SURVEYS

1. When appropriate, the City shall conduct a Modified Total Compensation Salary and Benefit Survey in order to develop a composite total. Senior management employees shall receive positive salary adjustments that bring their composite total to the mean average of the survey group.
 - a. Salary and Benefit Items to be included shall include the following: Top Step Salary, PERS pick-up, Maximum Healthcare, Vehicle Allowance/Vehicle Usage, Deferred Compensation, Retirement Health Contributions/After Retirement Health Payments, Standard Bonus and Incentive Pays,
 - b. Salary and Benefit Items shall NOT include the following: Personal Accrual or Personal Accrual Trade-ins (such as Vacation Leave, Administrative Leave, Holiday Leave and Sick Leave), Performance-Based Bonus and Incentive Pays, Longevity Pay, Interim Assignment Pay or Acting Pay.

2. Effective July 1, 2006 the following agencies shall be used for the purposes of salary surveys for benchmarked positions:

City of Brentwood	City of Folsom	City of Pinole	City of Vallejo
City of El Cerrito	City of Davis	City of Richmond	City of Pleasant Hill
City of Fairfield	City of Napa	City of Vacaville	City of San Pablo
Contra Costa Fire District		Contra Costa County	Contra Costa Water District
Central Contra Costa Sanitary District		East Bay Municipal Utility District	

X. CLOSING CLAUSE

The terms of this agreement shall remain in effect from date of Council Adoption of September 17, 2019 until otherwise amended and approved by City Council.

Note: Agreement was approved by Resolution 19- on _____

Attachment A – Salary Schedule

9/1/19 3.5% COLA

Community Development Director	\$11,582.26	\$12,161.37	\$12,769.44	\$13,407.91	\$14,078.30
Finance Director	\$11,835.60	\$12,427.38	\$13,048.75	\$13,701.18	\$14,386.24
Fire Chief	\$12,720.60	\$13,356.63	\$14,024.46	\$14,725.68	\$15,461.97
Library Director	\$10,750.00	\$11,287.50	\$11,851.88	\$12,444.47	\$13,066.70
Parks & Community Services Director	\$11,127.60	\$11,683.98	\$12,268.18	\$12,881.59	\$13,525.67
Police Chief	\$13,577.73	\$14,256.62	\$14,969.45	\$15,717.92	\$16,503.82
Public Works Director	\$11,906.88	\$12,502.23	\$13,127.34	\$13,783.70	\$14,472.89

7/1/2020 3.5% COLA

Community Development Director	\$11,987.63	\$12,587.02	\$13,216.37	\$13,877.19	\$14,571.05
Finance Director	\$12,249.84	\$12,862.34	\$13,505.45	\$14,180.72	\$14,889.76
Fire Chief	\$13,165.82	\$13,824.11	\$14,515.32	\$15,241.08	\$16,003.14
Library Director	\$11,126.25	\$11,682.57	\$12,266.70	\$12,880.03	\$13,524.03
Parks & Community Services Director	\$11,517.07	\$12,092.92	\$12,697.57	\$13,332.45	\$13,999.07
Police Chief	\$14,052.95	\$14,755.60	\$15,493.38	\$16,268.05	\$17,081.45
Public Works Director	\$12,323.62	\$12,939.80	\$13,586.79	\$14,266.13	\$14,979.44