

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRIDLEY ADJUSTING
COMPENSATION FOR MANAGEMENT, MID-MANAGEMENT, CONFIDENTIAL
AND UNREPRESENTED EMPLOYEES**

WHEREAS, the City Council, through its negotiator, has been participating in labor negotiations with various bargaining units of the City’s workforce; and

WHEREAS, the City Council wishes to make adjustments to compensation and benefits for Management, Mid-Management, Confidential and Unrepresented employees, and

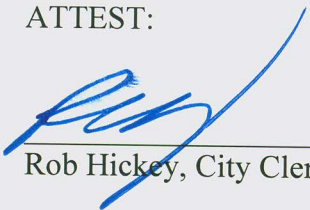
WHEREAS, the employees comprising the Management, Mid-Management, Confidential staff have been consulted regarding changes in compensation and benefits.

NOW, THEREFORE, it is hereby resolved by the City Council of the City of Gridley as follows:

1. Management personnel shall include full time personnel in the positions of Finance Director, Public Works Director, Police Chief, Electric Superintendent and Assistant Police Chief. Mid-Management personnel shall include the Chief Building Official, Information Technology Manager and Recreation Coordinator. Confidential Personnel shall include the Administrative Assistant Confidential.
2. Unrepresented personnel (part time hourly and temporary) shall include the positions of Janitor, Crossing Guard, Relief Building Inspector, Recreation Leader and Recreation Aid. Unrepresented personnel shall receive hourly compensation as described in Exhibit A and benefits provided by law. These positions do not receive benefits provided to full time employees as described in Exhibit B.
3. Management, Mid-Management, Confidential and Unrepresented personnel shall receive a three (3) percent salary increase effective July 1, 2014 as reflected in Exhibit A, and made a part hereto.
4. Management, Mid-Management and Confidential personnel shall be eligible for benefits described in Exhibit B as specified. The retirement health care coverage benefit is only available to Management personnel.
5. All Management, Mid-Management, Confidential and Unrepresented personnel, except the Police Chief and Assistant Police Chief, shall be subject to the drug policy described in Exhibit C. The Police Chief and Assistant Police Chief shall be subject to the drug policy that applies to the Gridley Police Officers Association.

I HEREBY CERTIFY that the foregoing resolution was introduced passed and adopted by the City Council of the City of Gridley at a regular meeting held on the 2nd day of September, 2014 by the following vote:

AYES:	COUNCIL MEMBERS	<u>Mota, Hall, Stiles, Fichter, Draper</u>
NOES:	COUNCIL MEMBERS	<u>none</u>
ABSENT:	COUNCIL MEMBERS	<u>none</u>
ABSTAIN:	COUNCIL MEMBERS	<u>none</u>

ATTEST:

Rob Hickey, City Clerk

APPROVE:

Jeff Draper, Mayor

EXHIBIT A

Effective first pay period in July, 2014 Personnel	2014-15				
	Step 1	Step 2	Step 3	Step 4	Step 5
Police Chief	9,481	9,956	10,455	10,977	11,526
Electric Superintendent	8,501	8,925	9,371	9,840	10,333
Finance Director	8,068	8,472	8,895	9,340	9,807
Assistant Police Chief	8,094	8,499	8,924	9,370	9,838
Public Works Director	6,343	6,660	6,993	7,343	7,711
Chief Building Official	5,862	6,155	6,463	6,787	7,127
Information Technology Manager	4,800	5,040	5,292	5,557	5,834
Administrative Assistant Confidential	3,438	3,610	3,791	3,981	4,180
Recreation Coordinator - hourly equivalent	23	24	25	26	27
Unrepresented (Part time hourly and temporary)					
Relief Building Inspector	23.11				
Janitor	12.61				
Crossing Guard	13.35				
Temp Transit Operator	18.13				
Recreation Aid II	13.58				
Public Works Temp Maintenance	12.36				
Recreation Aid I	9.27				

EXHIBIT B

MANAGEMENT, MID-MANAGEMENT AND CONFIDENTIAL BENEFITS

1. CAFETERIA PLAN

The City has established a cafeteria plan administered by a third party.

2. SALARY ADJUSTMENTS

The City shall increase base salary for all employees by three (3) percent effective July 1, 2014.

3. VACATION BUY BACK

Employees may choose to “cash out” vacation accrual (not to exceed eighty (80) hours) provided the employee submits such request in writing to the Finance Director on or before June 1st each fiscal year, and such request is approved by the City Administrator. The payment for such cash out will be paid in June.

4. TUITION REIMBURSEMENT

Management Personnel shall be eligible for educational cost reimbursement for job related college level courses taken outside of regular work hours. Classes shall be subject to prior approval by the City Administrator. The cost shall not exceed the equivalent cost of registration or tuition for one individual taking one (1) class at Chico State University per semester (up to two semesters per year). The individual shall be responsible for additional costs for books, etc. Reimbursement is to be made following satisfactory completion of class with a grade of 2.5 or above, on a 4 point scale.

5. SICK LEAVE INCENTIVE PROGRAM

Employees will receive a sick leave incentive payment of \$200 per year for said employees who have not used more than three (3) days of sick leave during the previous 12 months (December 1 – November 30) of continuous employment with the City. The incentive is payable during the month of December each year.

6. MANAGEMENT CERTIFICATIONS

The following incentive program is adopted to promote retention and assist in the recruitment of management personnel. **(Not available to employees hired after August 16, 2010)**

<u>Position</u>	<u>Certificate</u>	<u>\$ Amount</u>
Finance Director	Relevant Master's Degree	\$415
Planning Director	AICP/Masters	\$981
Police Chief	Command College	\$294
	Post Executive	\$295
	Relevant Master's Degree	\$446
	National (F.B.I.) Academy	\$186
Public Works Director	Water System (Grade 2)	\$531
	Water Distribution	\$354
	Water Treatment (Grade 2)	\$531
	Class B driver's License	\$354
Assistant Police Chief	Command College	\$186
	Relevant Bachelor's Degree	\$446
	National (F.B.I.) Academy	\$186
	POST Management Certificate	\$186
Recreation Coordinator	Relevant Bachelor's Degree	\$194
Electric Superintendent	Rubber Glove	as specified in IBEW MOU
Chief Building Official	One Additional Bldg. Certification	\$100 (max \$100/mo.)

7. BILINGUAL PAY

Employees who can demonstrate conversational fluency in Spanish, Punjabi or Hmong languages will be entitled to an additional flat rate equal to 5% compensation of their current salary as of July 1, 2012 plus \$50. This amount does not further increase during the term of this agreement. The City Administrator may approve the compensation following proof of fluency in positions where such skills can be effectively used to enhance the performance of official duties. Management employees hired after September 2, 2014, and subject to the above listed qualification criteria, will be compensated at a flat rate of an additional \$110 per month.

8. RISK MANAGER

Any manager authorized by the City Administrator who has been certified as a Risk Manager will be compensated at a flat rate of \$250 per month.

9. RETIREMENT HEALTH CARE COVERAGE

(Vesting health care in retirement for existing management employees)

The City has previously implemented Resolution 2002-R-056: A Resolution electing to establish a health benefit vesting requirement for future retirees under Public Employees'

Medical and Hospital Care Act, changing employer contribution at an amount fixed by Section 22825.1 and 22825.6 of the Government Code for Management Personnel and require a vesting requirement for future hires per Section 228725.5. This Resolution (2002-R-56) went into effect with PERS on 10-1-2005. Management employees hired prior to 10-1-2005 continue to be covered by Resolution 2000-R-69: "A Resolution electing to be subject to Public Employees' Medical and Hospital Care Act only with respect to members of a specific employee organization and fixing the employer's contribution for employees and the employer's contribution for annuitants at different amounts." Further clarified, as it concerns retirement health care vesting management employees hired before 10-1-2005 continue to covered under Resolutions 2000-R-69; 2001-R-68; 2001-R-69; and 2002-R-56 as applicable. **(This benefit will not be available to employees hired after December 31, 2012)**

10. BENEFITS AVAILABLE UPON RETIREMENT

Following is a listing of benefits and their availability upon retirement. This listing is not exhaustive and is only provided as a guide relating to sick and vacation accruals (if any) and remaining balances in the cafeteria plan (if any). Where known, other benefits that extend beyond the retirement date of the employee are also included (dental and health insurance).

- A. Vacation: Balances available at the time of retirement fully accrue to the retiring employee. The employee, at their option, may apply the value equivalent of the vacation accrual to the following:
 - 1. "Cash out" the value of the vacation accrual, less any applicable taxes and deductions. This would apply to anywhere between 0% and 100% of available balances.
 - 2. Request the City, through an ICMA-RC form to contribute the value of the vacation accrual to the employee's existing Retirement Health Savings Plan. This would apply to anywhere between 0% and 100% of the available balances.
 - 3. The employee may utilize both 1 & 2 above in any combination but only up to the total available accrual at the time of retirement for the employee.
- B. Sick Leave: Balances are available to the employee only upon the retirement into the CalPERS retirement system within 120 days of retirement from the City. If the employee retires from the City to CalPERS retirement in this time, the following options are available to the employee:
 - 1. "Cash out" the value of the sick leave accrual, less any applicable taxes and deductions. This would apply to anywhere between 0% and 100% of available balances. **(Not available to employees hired after July 1, 2012)**

2. Request the City, through an ICMA-RC form to contribute the value of the sick leave accrual to the employee's existing Retirement Health Savings Plan. This would apply to anywhere between 0% and 100% of the available balances.
 3. Request the City, through a CalPERS form, to convert the sick leave accrue to service credits at the per hour equivalent described by CalPERS. This would apply to anywhere between 0% and 100% of the available balances.
 4. The employee may utilize 1, 2 & 3 above in any combination but only up to the total available accrual at the time of retirement for the employee.
- C. Dental insurance: The employee, upon separation, may apply with the City for COBRA benefits for dental insurance. The payment of insurance premiums would be the obligation of the employee upon retirement at the rate described in COBRA for a period of up to 18 months (the available time period is also described by COBRA).

11. DEFERRED COMPENSATION

Employees are eligible to participate in deferred compensations plans offered by the City. The City will match deferred compensation contributions for personnel enrolled in a deferred compensation program up to 5% of salary. **(City match not available to employees hired after August 16, 2010)**

12. LIFE INSURANCE

Life Insurance for Management and Mid-Management personnel shall be \$100,000 and Confidential personnel shall be \$50,000.

13. ADMINISTRATIVE LEAVE

Section 13.5 (b) of the Personnel Rules is amended to read as follows;

"Management personnel who are not eligible for overtime pay or the accrual of compensatory time off shall be entitled to administrative leave. The City Administrator and Department Heads and Assistant Police Chief shall be entitled to one hundred twenty (120) hours of paid administrative leave each fiscal year. The Chief Building Official and Recreation Coordinator shall be entitled to 80 hours of paid administrative leave each fiscal year. All unused administrative leave shall be paid in cash to the affected management employee at his/her standard hourly rate of pay. There shall be no accrual of administrative leave from one fiscal year to another." **Employees hired after August 16, 2010 shall have the option to either use the administrative leave by June 30 of each fiscal year or lose any unused administrative leave.**

14. LONGEVITY PAY

Effective 1/1/02 the following percentage will be added to the employee's base salary upon completion of the following years of consecutive service:

Years of Service	Total Longevity Pay
10 years of service	1% of salary
15 years of service	2% of salary
20 years of service	3% of salary
25 years of service	4% of salary

15. MEDICAL

All current 2014 Health and Welfare plan conditions shall remain in full force and effect through December 31, 2014. Effective January 1, 2015, the Management, Mid-Management and Confidential Group will leave CalPERS Medical and the following 18.2 provisions shall become effective:

A. City Medical Plans

The City shall provide the following medical plans:

Anthem Blue Cross HMO – High Option (HMO 1 as outlined in 8-11-14
Company provided summary)
Anthem Blue Cross PPO – High Option (PPO 1 as outlined in 8-11-14
Company provided summary)

B. Employee Contributions

Employees shall continue to contribute the following monthly amounts to participate in the medical plans identified above.

Employee:	\$64.57
Employee + One:	\$104.14
Employee + Family:	\$137.88

Effective January 1, 2015 and thereafter, employees shall contribute the above dollar amounts plus 20% of any premium increase for their selected Blue Cross Plan.

In no event shall employee contributions exceed the following monthly contribution:

Employee:	\$100.00
Employee + One:	\$150.00
Employee + Family:	\$200.00

C. Health Savings Accounts

The City will continue to meet and discuss health care with the Management Group with the intent of establishing a medical plan savings plan/s such as Health Care Savings Accounts (HSA), Health Care Reimbursement Arrangement (HRA), and Retirement Health Savings Accounts (RHS).

D. In Lieu Health Plan Contributions

Any employee who submits a written request to waive health insurance coverage and the City contribution to the cafeteria plan may do so provided they have proof of other health insurance coverage. Such employee shall receive fifty-percent (50%) of the 2014 monthly premium value of the plan tier for which the employee waives coverage, i.e. Employee Only (\$728), Employee +1 (\$1460), Family (\$1,897), and this payment shall be allocated to employee's payroll or to one of the City's tax deferred IRS plans provided herein. An employee may opt out of health coverage only during the regular open enrollment period.

E. IRS 125 Plan/105 Health Savings Accounts

To the extent provided by the applicable IRS regulations, an employee shall have the option to designate salary to the IRS Section 125 Plan during open enrollment for such plan.

F. Vision Plan

City agrees to establish a vision plan for employees

G. Employee PERS Obligation

For employees hired after July 1, 2010 the City shall not make any contribution to the employees PERS obligation as established by the PERS agreement.

16. PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Retiree Medical benefits shall be provided to eligible employees in accordance with the appropriate, then existing, contract between the City and the Public Employees Retirement System (PERS).

The use of terms "Classic Member" and "New Member" shall be as defined by CalPERS and the Public Employee Pension Reform Act of 2013 (PEPRA). A "Classic Member" is defined as any of the following:

- A. A new hire that was brought into CalPERS membership for the first time before January 1, 2013.
- B. A new hire who is brought into CalPERS membership for the first time on or

after January 1, 2013, and who was a member with another qualifying public retirement system prior to January 1, 2013, and is eligible for reciprocity.

- C. A member who first established CalPERS membership prior to January 1, 2013, and who is rehired (by a different CalPERS employer) after a break in service of less than six months.
- D. New member pension shall be calculated on the 36 highest paid consecutive months.

A "New Member" is defined in Government Code section 7522.04(f) as any of the following:

- A. A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who has no prior membership in a qualifying public retirement system; or
- B. A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who was a member with another qualifying public retirement system prior to January 1, 2013, and is not eligible for reciprocity; or
- C. A member who first established CalPERS membership prior to January 1, 2013, and who is rehired (by a different CalPERS employer) after a break in service of greater than six months.

Classic Member Retirement Formulas

- A. The 2% at 55 (3% at 50 for safety) PERS formula shall be provided for Classic Member employees hired prior to January 1, 2012
- B. For employees hired prior to July 1, 2010, the City has implemented the retirement benefit known as "Final Year Compensation", as described in Section 20042 of the Government Code. Employees hired on or after July 1, 2012, shall not be eligible for "Final Year Compensation".

New Member Retirement Formula

- A. 2% at 62 retirement formula shall be provided for all New Member employees.

Employee Contribution

- A. Employees classified as Classic Members:
 - 1. Effective July 1, 2014*. The employee contribution rate shall be 50 percent of the "normal cost" rounded to the nearest quarter of 1 percent (as defined in PEPRA).

2. Shall be notified of the monthly contribution rate for the following fiscal year in the first quarter of each calendar year.
- B. Employees classified as New Members:
1. Shall pay 50% of the PERS “normal costs” rounded to the nearest quarter of 1 percent (as defined in PEPRRA).
 2. Shall be notified of the monthly contribution rate for the following fiscal year in the first quarter of each calendar year.
- C. All applicable contributions identified in (A) or (B) above shall be made through payroll deduction on a pre-tax basis.

*Or as soon as administratively feasible.

17. MILITARY SERVICE CREDIT OPTION

The CITY agrees to make available for all employees the Military Service Credit Option. The Plan is described in Section 20930.3 of California Public Employee’s Retirement Law. The cost of implementing the Military Service Credit Option will be the sole responsibility of the employee.

18. EMPLOYER PAID MEMBER CONTRIBUTION

New employees hired after July 1, 2010 shall not be eligible for EPMC.

19. CELL PHONE ALLOWANCE

City will provide \$55 per month for Management and Mid-Management employees for Cell phone reimbursement. Police Chief cell phone reimbursement will be as per contract.

20. SHORT TERM DISABILITY

The City has implemented a Short Term Disability program at no cost to employees.

21. UNIFORM ALLOWANCE

The Police Chief and Assistant Police Chief shall receive the uniform allowance as specified in the GPOA’s current MOU

22. HOLIDAY ENTITLEMENT

The following are guaranteed holidays for which all regular and probationary employees will be entitled to time off with pay:

- | | | |
|----|-----------------|--------------------------|
| 1. | New Year's Day | January 1 |
| 2. | President's Day | Third Monday in February |

- | | | |
|-----|--|---------------------------------|
| 3. | Memorial Day | Last Monday in May |
| 4. | Independence Day | July 4 |
| 5. | Labor Day | First Monday in September |
| 6. | Thanksgiving Day | Designated Thursday in November |
| 7. | Day after Thanksgiving | |
| 8. | Last Working Day before Christmas | |
| 9. | Christmas Day | December 25 |
| 10. | Last Working Day before New Year's Day | |
| 11. | Floating Holidays (3) | |

When any of the above holidays falls on a Sunday, the Monday following shall be observed as the Holiday. When any of the above Holidays falls on a Saturday, the employee shall receive the preceding normal workday off with pay. Other provisions for observing Holidays may be agreed to by mutual consent of the parties.

23. VACATIONS

Each regular employee in the classified service shall be entitled to:

<u>LENGTH OF SERVICE</u>	<u>ANNUAL RATE IN HOURS</u>	<u>MAXIMUM ACCRUAL</u>
Less than five (5) years of continuous employment.	80 hours per year	160hours
Beginning of the 6 th year to the end of the 10 th year of continuous service	120 hours per year	240 hours
Beginning of the 11 th year to the end of the 20 th year	160 hours per year	320 hours
Beginning of the 21 st year and up of continuous employment	200 hours per year	400 hours

Vacation Accumulation – Earned vacation is credited monthly at rates that are based upon length of continuous employment. Effective July 1, 2003 and thereafter, on a monthly basis, an employee who has exceeded the maximum vacation accrual (for his or her length of employment) will be ineligible to earn additional vacation credit. Monthly vacation accrual would resume after the accumulated balance is reduced below the maximum accrual.

24. SICK LEAVE

The CITY shall not require an employee to take vacation in lieu of sick leave or leave of absence due to illness.

25. UNUSED VACATION

Employees whose employment with the CITY is terminated for any reason shall, at the time of termination, receive pay for any unused vacation period previously earned.

26. EMPLOYEE OBLIGATION TO COMMUNICATE WITH EMPLOYER WHILE ON LEAVE

Employee shall have the obligation to reasonably communicate with the City when Employee is absent from work due to leave. Employee's obligation to communicate during vacation leave shall be at Employee's reasonable discretion, and shall not be a requirement subject to these provisions. At all other times and for all other types of leave, Employee shall be under a duty to return phone calls and other electronic communications from the City from time to time related to Employee's leave status as well as to respond to the City's questions concerning matters relevant to Employee's job with the City. To the extent physically able to do so, Employee shall be obligated to return phone call promptly and within 24 hours if Employee is unable to respond to the telephone when the call is initially placed. As to other electronic communications, employee shall promptly respond within 24 hours (again, assuming Employee is physically able to do so). Additionally, Employee shall, to the extent physically able to do so, make themselves personally available to discuss with the City Employee's job status and matters related thereto as well as to discuss matters relevant to and related to Employee's job with the City. Employee shall report to their regular place of employment or such other location reasonably located within the City as the City may direct from time to time to meet with the City representatives. If Employee is required to physically present themselves they shall be compensated for time spent during such meetings as if they were actually performing work for the City (even though the purpose of such meetings shall be for purposes of communication and not to perform work). Employee shall physically report for face-to-face communications with the City upon 72 hours or more notification of the City's request for a meeting. Except for vacation leave, the Employee shall provide the City with a current telephone number and mailing address at all times while on leave. Employee's failure to communicate with the City as described above shall be grounds for discipline up to and including termination.

Reference Resolutions:

1. RESOLUTION NO. 2000-R-069: RESOLUTION ELECTING TO BE SUBJECT TO PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT ONLY WITH RESPECT TO MEMBERS OF A SPECIFIC EMPLOYEE ORGANIZATION AND FIXING THE EMPLOYER'S CONTRIBUTION FOR EMPLOYEES AND THE EMPLOYER'S CONTRIBUTION FOR ANNUITANTS AT DIFFERENT AMOUNTS
2. RESOLUTION NO. 2001-R-064: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRIDLEY ADJUSTING COMPENSATION FOR MANAGEMENT AND UNREPRESENTED EMPLOYEES
3. RESOLUTION NO. 2001-R-068: RESOLUTION FIXING THE EMPLOYER'S CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT
4. RESOLUTION NO. 2001-R-069. A RESOLUTION TO ESTABLISH A HEALTH BENEFIT VESTING REQUIREMENT FOR FUTURE RETIREES UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT.
5. RESOLUTION NO. 2002-R-056: A RESOLUTION ELECTING TO ESTABLISH A HEALTH BENEFIT VESTING REQUIREMENT FOR FUTURE RETIREES UNDER PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT
6. RESOLUTION NO. 2005-R-028: A RESOLUTION OF THE GRIDLEY CITY COUNCIL TO APPROVE AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE CITY COUNCIL CITY OF GRIDLEY
7. RESOLUTION NO. 2005-R-051: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRIDLEY ADJUSTING COMPENSATION FOR MANAGEMENT AND UNREPRESENTED EMPLOYEES
8. RESOLUTION NO. 2014-R-025: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRIDLEY ELECTING TO CEASE TO BE SUBJECT TO THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT**
9. RESOLUTION NO. 2014-R-026: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRIDLEY ELECTING TO CEASE TO BE SUBJECT TO THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT**