



CITY OF WATSONVILLE

COMPENSATION AND BENEFITS PLAN

ASSISTANT CITY MANAGER, DEPARTMENT DIRECTORS, DEPUTY CITY
MANAGER, CHIEFS OF POLICE AND FIRE

EFFECTIVE FIRST FULL PAY PERIOD ON OR AFTER JULY 1, 2021

Purpose and Intent: On May 14, 2019, the City Council adopted a resolution No. 65-19 (CM) extracting the at-will, general service positions from the Management Bargaining Unit. This Compensation and Benefits Plan (Plan) is intended to establish compensation, benefits and conditions of employment for all at-will positions including the Assistant City Manager, Department Heads, Deputy City Manager, Police Chief, and Fire Chief. These positions are exempt from the Fair Labor Standards Act (FLSA), are at-will employees, serve at the pleasure of the City Manager and can be terminated with or without notice or cause and with no rights of appeal.


1) SALARY BAND—EXECUTIVE TEAM


- a) The City will now maintain two salary bands for members of the Executive Team. Current Executive Team Employees will remain in their existing salary step.

EXECUTIVE TEAM DIRECTOR
<i>Tier A</i>
Assistant City Manager
Police Chief
Public Works
<i>Tier B</i>
Admin Services
Airport
Community Development
Deputy City Manager
Fire Chief
Information Technology
Library
Parks and Community Services

2) SALARY SCHEDULE

- a) Starting on the first pay period after enactment of this Plan, the top step for Tier A is \$16,964.78 per month and the top step for Tier B shall be \$15,773.31 per month.

Executive Tier A		Step 0		Step 6
	Monthly	12,659.36		16,964.78
	Hourly	73.03		97.87

Executive Tier B		Step 0		Step 6
	Monthly	11,711.72		15,773.31
	Hourly	67.57		91.00

- b) Effective on the first full pay period on or after July 1, 2022, all salaries shall be increased by 2.5%

3) ONE TIME PANDEMIC RELIEF

- a) On the first full pay period after City Council approval and unit ratification, all positions under this Compensation and Benefits Plan shall receive a \$1000 one-time payment in recognition of the unique workplace challenges brought upon by the pandemic. For employees hired after April 1, 2020 this one-time payment will be pro-rated by months of service

4) DEFERRED COMPENSATION

- a) Employees may participate in the Deferred Compensation Plan currently. Employees must contribute to deferred compensation plan in order to receive the following matching City contributions. The City will match contributions of up to \$50 per pay check to the deferred compensation plan offered by the City effective the first pay period after July 1, 2022.

5) RETIREMENT

a) Retirement Contribution

- i) **Miscellaneous Employees Retirement Plan.** The City provides the California Public Employees' Retirement System (CalPERS) 2% @ 55 retirement program plan for Miscellaneous employees hired before July 1, 2011, including CalPERS Section 20862.8 - Credit for Unused Sick Leave. Employees shall pay the full 7% of the employee share.
- ii) **Miscellaneous Employees Two-Tier Retirement Plan.** The City shall provide the CalPERS 2% @ 60 retirement program plan for Miscellaneous employees hired on or after July 1, 2011 or upon effective date of CalPERS contract amendment including CalPERS Section 20862.8 - Credit for Unused Sick Leave.

Final compensation for employees hired on or after July 1, 2011 will be based on the average of the highest wages earned in any consecutive 3-year period. Employees shall pay the full 7% of the employee share.

iii) Miscellaneous Employees PEPRA Tier Retirement Plan. Pursuant to California Public Employees' Pension Reform Act of 2013 (PEPRA), the City shall provide the CalPERS 2% at 62 retirement plan for Miscellaneous employees hired on or after January 1, 2013 or as soon as administratively possible. Final compensation will be based on the average of the highest wages earned in any consecutive 3-year period.

(1) Miscellaneous Employees PEPRA Retirement Contribution. Pursuant to California Public Employees' Pension Reform Act of 2013 (PEPRA), Miscellaneous employees hired on or after January 1, 2013 shall pay at least 50% of normal cost of pension or what is determined by CalPERS to be the employee contribution rate.

iv) Public Safety Employees Retirement Plan. Public Safety members of the Management Unit hired prior to July 1, 2011 shall be subject to the same CalPERS retirement program plan provisions outlined in the appropriate public safety bargaining unit MOU.

(1) Public Safety Employees Two-Tier Retirement Plan. Public Safety members of the Management Unit hired on or after July 1, 2011 shall be subject to the same Two-Tier CalPERS retirement program plan provisions outlined in the appropriate public safety bargaining unit MOU. Employees shall pay the full nine percent (9%) of the employee share effective on or after July 1, 2013.

(2) Public Safety Employees PEPRA Tier Retirement Plan. Pursuant to California Public Employees' Pension Reform Act of 2013 (PEPRA), the City shall provide the CalPERS 2.7% at 57 retirement plan for Public Safety employees hired on or after January 1, 2013 or as soon as administratively possible. Final compensation will be based on the average of the highest wages earned in any consecutive 3-year period. Employee will pay the full nine percent (9%) of the employee share effective the first full pay period on or after July 1, 2013.

(a) Public Safety Employees PEPRA Retirement Contribution. Pursuant to California Public Employees' Pension Reform Act of 2013 (PEPRA), Public Safety employees hired on or after January 1, 2013 shall pay at least 50% of normal cost of pension or what is determined by CalPERS to be the employee contribution rate.

b) Retirement Tax Deferment: The City shall maintain the IRS Sec. 414(h)(2) provision allowing employees to make employee retirement contributions with pretax (tax deferred) dollars.

6) ADMINISTRATIVE LEAVE

- a) Employees shall receive Administrative Leave of 13.5 days per year beginning the first full pay period on or after July 1, 2019. Unused Administrative Leave as of June 30 shall be paid off at the regular rate of pay the succeeding month.
- b) Employer shall pro-rate Administrative Leave up to a maximum of 8.66 hours per month for new hires and for every month during the fiscal year for which an employee was employed before termination of City service.

7) OVERTIME PAY-DISASTER RESPONSE

- a) Notwithstanding that employees are exempt from the FLSA, upon issuance of a Proclamation of a local emergency by the City Council or the Director of Emergency Services pursuant to Chapter 2 of Title 4 of the Municipal Code, Unit employees are eligible for overtime compensation. Such overtime eligibility shall cease when the City Manager determines that the disaster response has ended.

8) AUTO

- a) Mileage reimbursement for Unit employees shall be at the Federal IRS allowable reimbursement rate.

9) AT-WILL STATUS AND SEVERANCE PAY

- a) As provided in Section 1001 of the City Charter, the City Manager, City Clerk, City Attorney, and each Department head are in the general service (i.e. at-will). Section 800 of the City Charter provides that the City Council shall establish by ordinance, not inconsistent with the Charter for the organization, conduct and operation of several offices, departments, and other agencies of the City. Section 800 goes on to provide that the City Council may also by ordinance establish additional departments and/or alter or abolish existing departments and/or assign and reassign duties and responsibilities to departments.

At-will status shall mean the right to terminate the employment relationship for any reason, with or without cause, with or without notice, without further obligation or liability except for the severance pay

The City need not state reasons for release of such identified at-will or general service employees, and such employees have no right or expectation to have release or post-release proceedings, hearings, or appeals, except persons subject to the Public Safety Officer Procedural Bill of Rights (Govt. Code Section 3300 et seq). Specifically, the Chief of Police shall be afforded the protections of subdivision (c) of Section 3304 of the Government Code.

As of the date of this Compensation Plan, the following positions are at-will and subject to general service. These employees have no right to return to employment in a former

position or a right to employment in a former position, or a right to employment in any other position within the City by reason of their employment status:

Community Development Director
Administrative Services Director
Library Director
Parks and Community Services Director
Public Works and Utilities Director
Information Technology Director
Airport Director
Assistant City Manager
Deputy City Manager
Fire Chief
Police Chief

No statement, whether oral or written, or conduct may change such status, except a formal resolution of the Council resolved at a duly held meeting adopting a change of the terms of this MOU. Apart from the Council at a duly noticed meeting no person employed by the City has the authority to modify the at-will or general service status of such of head of department employees.

- b) Such at-will general service employees shall be entitled to receive three months severance pay if involuntarily terminated by the City. Excluded from the severance pay provision are terminations for illegal activities, gross malfeasance or dereliction of duties or absence from employment without a good cause.

10) Special Provisions-Public Safety

- a) Uniform Allowance Uniform allowance shall be -Seven Hundred (\$700.00) Dollars per year for public safety members of the Management Unit for the purchase and maintenance of required uniform items and footwear.

11) Bilingual Pay

- a) Eligibility for Level I Written and/or Conversational Premium Pay:

In order to receive Level I Written and/or Conversational Bilingual Premium Pay employees proficient in the Spanish language must meet the following criteria:

- i) The employee must pass the City's bilingual competency test as administered by the Human Resources Department on an annual basis to maintain the premium pay. The City Manager may waive the annual testing requirement for individuals upon recommendation of the Department Head. Annual basis refers to fiscal year; and
- ii) The employee is required to serve as an oral interpreter and provide basic written translations on a regular and on-going basis, as certified by the Department Head

b) Level I Written and Conversational Premium Pay:

- i)** For employees hired after November 1, 2006 the City shall pay a stipend of \$250/month, pro-rated for part time employees.
- ii)** Employees eligible for Level I Premium Pay before November 1, 2006 shall receive premium pay equal to five percent (5%) of his/her base salary as of November 1, 2006, with the premium rounded to the nearest dollar, and exclusive of any retroactive wage increases provided under this agreement. A list of each employee's premium pay under this section will be provided to the Unit. Employees who receive the five percent premium, above, may irrevocably opt into the \$250/month stipend specified in (i) above.

c) Level I Conversational Only Premium Pay:

- i)** For employees who become eligible and receive Level I Bilingual Conversational Premium Pay on or after July 1, 2013 the City shall pay a stipend of \$75/month, pro-rated for part-time, regular employees.
- ii)** Employees currently receiving Level I Written and Conversational Bilingual Premium Pay pursuant to Section 11 shall continue to receive the premium pay.

d) Level II Bilingual Translator Premium Pay:

- i)** In addition to the Level I stipend for Written and Conversational bilingual competency the City will designate a limited number of staff as Level II Bilingual Translators. Such Level II Bilingual Translators shall perform written translations that are viewed by a large audience of City residents (i.e. City mailers, City Council minutes, inserts in City utility bills, etc.). Level II Bilingual Translators must meet all requirements under Level I prior to applying for Level II consideration.

(1) Qualified Level II Translators shall receive the Level I stipend as outlined in 11(b)(ii) and an additional \$100/month.

(2) To evidence competency as a Level II Translator, employees must pass a skills-based test administered by the City to demonstrate competency in written translation.

12) INSURANCE

a) Health Insurance

- i) The City shall maintain in effect current health insurance coverages for all full-time Unit employees in the competitive and general services.
- ii) The City shall contribute the following monthly amounts towards health insurance coverage for full time employees defined above in Section 12.(a)(i)

Per employee ~~\$1,189.78~~

- iii) If plan contribution increases are necessary for the 2018 and 2019 plan years, the City and Employees contribution shall be shared equally, provided that increased City and Employee contributions do not exceed \$45/month per employee. Increases above \$45/month cap are subject to meet and confer process

Should insurance plan changes result in City costs below current costs, the intent of the parties is that the savings shall benefit both the bargaining unit and City equally.

- iv) Regular part-time employees will be fully covered at the employee only level at the City's expense. The employee shall have the option of covering additional dependents at their own expense. This shall be determined by utilizing the three tier rate which the City has established for the COBRA and other purposes (less any surcharges). To cover one (1) dependent, the employee will pay the difference between the employee only rate and the employee plus one rate. To cover the family, the employee will pay the difference between the employee only rate and the full family rate under the three tiers.

The decision to cover family members shall be made during a one time election when this provision becomes effective. Thereafter, employees may only add or delete family members in accordance with plan rules.

- v) For any member of the Unit who uses all leave due to illness or injury, which is not a Workers' Compensation claim, the City shall maintain the health insurance coverage and pay the premium on behalf of the member for an additional thirty (30) days.
- vi) The City and the employees agree to jointly participate in the City Employees Health Committee (CEHC) as outlined in the bylaws dated July 1992.

b) Long Term Disability Insurance

The City shall continue paying the Long Term Disability Insurance premium

c) Life Insurance

Life insurance coverage is Fifty (\$50,000) Thousand Dollars for all Unit employees and Two Thousand (\$2,000) Dollars per dependents.

13) LEAVES

a) Vacation Leave

1st year	12 days
2nd year	13 days
3rd year	14 days
4th year	15 days
5 - 10 years	16 days
11+ years	20 days

- i) Employees with more than two (2) times their annual vacation accrual on the books shall bring their accrual within the accrual maximum by December 31, 2017. After one year of service, each employee will be expected to take during each year the vacation to which he/she is entitled. After December 31, 2017, when an employee's vacation balance reaches two times their annual vacation accrual, the employee will not accrue vacation until the vacation balance is below the accrual maximum. If an employee is denied requested vacation due to the needs of the City, the department must send a memo explaining the situation for consideration by the City Manager prior to the employee reaching the maximum accrual. Only the City Manager may grant temporary exceptions to this section in extraordinary circumstances.

b) Holidays

There shall be fourteen (14) holidays per year as specified below:

January 1 (New Year's Day)
January 21 (Martin Luther King Day)
Lincoln's Birthday (Floating holiday)
Third Monday in February (Washington's Birthday)
March 31 (Cesar Chavez Day)
Last Monday in May (Memorial Day)
July Fourth
First Monday in September (Labor Day)
November 11 (Veterans Day)
Thanksgiving Day
Friday following Thanksgiving (in lieu of Election Day)
December 24 (in lieu of Admission Day)
December 25 (Christmas Day)
December 31 (in lieu of Columbus Day)

Recognized holidays which fall on Saturday shall be observed on the preceding scheduled work day. Recognized holidays which fall on a Sunday shall be observed on the following scheduled work day.

There will be one (1) floating vacation day credited to each employee on

Lincoln's Birthday, which may be taken pursuant to the City's leave regulations.

c) Sick Leave

- i)** Each employee shall accrue sick leave in the amount of one and one quarter (1-1/4) days per month of service (10 hours). Sick leave is payable per City Personnel Rules and Regulations.
- ii)** The maximum accumulation of unused sick leave is 125 days (1,000 hours). Sick leave accumulated in any calendar year in excess of 125 days (1,000 hours) shall be paid at the rate of 50% of such excess on the first payroll of December. The balance of such unused sick leave is lost and the sick leave accrual is reduced to 125 days (1,000 hours).
- iii)** Unused sick leave may not be used to delay the date of an employee's disability retirement.