

RESOLUTION NO. 2015-39

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, ESTABLISHING ANNUAL SALARY RANGES AND BENEFITS FOR MANAGEMENT CLASSIFICATIONS OF THE CITY OF NORCO

WHEREAS, the following Management classifications of the City of Norco ("City") are unrepresented in the employer-employee relationship and, therefore receive consideration from the City Council in recognition of the management nature and responsibility of the positions and contributions to the efficient and effective operations of the City; and

WHEREAS, individuals serving in these Management classifications are "at will" employees who serve at the pleasure of the City Manager; and

WHEREAS, employees in these classifications are exempt under the provisions of the Federal Fair Labor Standards Act.

NOW THEREFORE, BE IT RESOLVED effective July 1, 2015 and July 1, 2016 there shall be a 3% salary range adjustment for classifications covered by this Resolution. Effective July 1, 2015 employees will contribute 6% of the employee's contribution rates toward retirement and effective July 1, 2016 employees will contribute 8% of the employee's contribution rates toward retirement through the CalPERS Retirement System. There will be a change to sick leave benefit to meet the requirement of the Healthy Workplaces/Healthy Families Act of 2014. Employees will be allowed to be paid ("cash-out") up to thirty-six (36) Administrative Leave hours on the last payroll of the fiscal year based on merit at the discretion of the City Manager.

Section 1 **SALARY RANGES**

SALARY SCHEDULE

Effective July 1, 2015 and July 1, 2016 there shall be a 3% salary range adjustment for the following classifications:

City Clerk/Assistant to the City Manager
Deputy City Manager/ Director of Parks, Recreation & Community Services
Finance Officer
Director of Public Works
Director of Planning

Section 2 **BENEFITS**

I **SICK LEAVE**

Accrual Rate. Employees in Management classifications shall accrue sick leave at the rate of 8.1 hours of sick leave per month. One half of an employee's yearly

accrual of sick leave may be used for illness or injury to a parent, child, spouse, or domestic partner.

Employees may use accrued paid sick leave beginning on the 90th day of employment. Sick leave may be used for employee or a family member for diagnosis, care or treatment of an existing health condition or preventive care, or specified purposes for an employee who is a victim of domestic violence, sexual assault or stalking.

After five (5) years of service, the City shall pay fifty percent (50%) of any accumulated sick leave to the employee at the time of separation from the City up to a maximum of ninety (90) paid days.

Buy-Back. At the option of the employee, the City shall pay to each employee on the payroll immediately following December 1 of each year, 40% of the employee's unused sick leave for the previous 12 months with the time paid to be deducted from the employee's total sick leave accumulation.

If the employee is enrolled in the City of Norco deferred compensation program, the employee will have the option of having the money placed in a deferred compensation account.

II ADMINISTRATIVE LEAVE

In recognition of the fact that Management employees are not entitled to receive overtime compensation despite devoting hours beyond the normal workweek, employees shall be allowed to take administrative leave at the discretion of the City Manager.

Management employees shall be allowed to take up to fifty-six (56) hours administrative leave per year. Administrative leave will not be accumulative; any remaining balance shall expire at 2400 hours June 30 of each year. Approval to take administrative leave must be requested and obtained in the same manner as vacation leave.

Employees will be allowed to be paid ("cash-out") up to thirty-six (36) Administrative Leave hours on the last payroll of the fiscal year based on merit at the discretion of the City Manager.

New hires' administrative leave will be pro-rated.

III HOLIDAYS

1. Employees shall receive the following paid days off for holidays each year:
 - New Year's Day
 - Martin Luther King's Birthday

- President’s Day
- Memorial Day
- Independence Day
- Labor Day
- Veteran’s Day
- Thanksgiving Day
- Christmas Eve Day
- Christmas Day
- Birthday

The birthday holiday must be taken within the fiscal year.

- 3 Floating Holidays

New hires’ floating holidays will be pro-rated. If hired between July 1 – October 31 new hires will accrue three (3) floating holidays, if hired between November 1 – February 28 new hires will accrue two (2) floating holidays, if hired between March 1 – June 30 new hires will accrue one (1) floating holiday. New hires are not required to complete probation to use accrued floating holiday(s). Days off must have prior approval by immediate supervisor. All floating holidays must be used or will be lost by June 30 each year.

2. In the event when any holiday falls on a Friday or Saturday the Thursday preceding shall be observed as the holiday, or if the holiday falls on a Sunday, the Monday following shall be observed as the holiday.
3. The City shall pay nine (9) hours for each holiday.

IV VACATION

Employees shall be eligible for bi-weekly vacation accrual as follows:

<u>Annual Increment</u>	<u>Hours Increment</u>	<u>Bi-Weekly Accrual Rate</u>	<u>Annual Accrual Rate</u>	<u>Maximum Accumulation</u>
0 – 4 th yr	Up to 7,488 (4 yrs)	3.32 hrs	86.4 hrs	240 hrs
5 th – 9 th yr	7,489 – 16,847 (9yrs)	4.98 hrs	129.6 hrs	360 hrs
10 th – 14 th yr	16,848 – 26,207 (14 yrs)	5.82 hrs	151.2 hrs	420 hrs
15 th + yrs	26,208 - + (15+ yrs)	6.65 hrs	172.8 hrs	480 hrs

Employees will cease to accrue vacation hours when in any pay period they exceed their annual accrual as determined by their anniversary date.

V PERS BENEFITS / EMPLOYEES HIRED ON/PRIOR TO DECEMBER 31, 2012

1. For employees hired on or prior to December 31, 2012 and new hires who are “Classic” Members, the City has a contract with CalPERS to provide employees with the 2.7% at 55 Full Formula (Section 21354.5).

Other benefits in the CalPERS agreement include:

- a. Section 20965: Credit for Unused Sick Leave. Unused accumulated sick leave at time of retirement may be converted to additional service credit at the rate of 0.004 year of service credit for each day of unused sick leave.
 - b. Section 21574: Fourth Level 1959 Survivors Benefits. This benefit provides a higher level of 1959 Survivor Benefits to survivors of a member who dies prior to retirement.
 - c. Three-year final compensation (36 highest paid consecutive months).
2. **Employees hired on or prior to October 31, 2010:** Effective July 1, 2015, the City has agreed to pay 100% of the employer and 2% of the employee's contribution rates toward retirement through the CalPERS Retirement System and employees will pay 6% of the employee's contribution rates. Effective July 1, 2016 the City will pay 100% of the employer and 0% of the employee's contribution rates and employees will pay 8% of the employee's contribution rates toward retirement through the CalPERS Retirement System.
 3. **Employees hired on or after November 1, 2010 and through December 31, 2012:** The City has agreed to pay 100% of the employer contribution rates toward retirement and the employee will pay 8% of the employee contribution rates toward retirement through the CalPERS Retirement System.
 4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013.

VI PERS BENEFITS / EMPLOYEES HIRED ON/AFTER JANUARY 1, 2013

1. The new retirement formula for miscellaneous employees is 2% at 62, with a maximum benefit of 2.5% at 67.
2. Employees must contribute at least 50% of the normal cost rate for the defined benefit plan, rounded to the nearest quarter percent, currently 6.25%.
3. Employer may not pay any of the employee's share of pension cost.
4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013.

VII HEALTH INSURANCE

1. The City will participate with the State of California for health benefit programs available through CalPERS.
2. The City agrees to pay up to \$1,250 a month for those employees and their dependents enrolled in any of the available CalPERS health plans.
3. Any eligible employee who elects to opt-out of health benefits will be paid a monthly cash amount equal to the lowest basic single rate premium in the

CalPERS Other Southern California Region in lieu of health benefits, providing the following requirements are met:

- a) An election form to opt-out of health benefits is completed.
- b) Satisfactory proof of other coverage is provided.

VIII DENTAL INSURANCE

The City will provide a choice between a HMO dental insurance plan, fully paid by the City for both the employee and dependent coverage, and a PPO dental insurance plan with the City's contribution limited to the cost of the HMO dental insurance premium.

IX VISION INSURANCE

The City will provide a vision care plan that is fully paid by the City for both employee and dependent coverage.

X LIFE INSURANCE

The City will provide term life insurance in the amount of \$125,000, for employees and \$5,000 for dependents, which is fully paid by the City for both employee and dependent coverage.

XI CONTINUOUS SERVICE BONUS

In recognition of years of service to the City, a Continuous Service Bonus shall be given on the anniversary date of the employee as follows:

Five-year anniversary	\$100
Ten-year anniversary	\$300
Fifteen-year anniversary	\$500
Twenty-year anniversary	\$700
Twenty-five year anniversary	\$1,000
Thirty-year anniversary	\$1,250

XII MEDICAL SAVINGS ACCOUNT

The City shall deposit \$25 per month into a medical savings account for each Management employee.

New Hires are enrolled effective the first of the month, after six months of employment. To be eligible for the benefit, employees must enroll in the Medical Savings Plan.

XIII BEREAVEMENT

1. Bereavement leave shall be provided in the amount of three days in the event of the death of a member of the employee's immediate family. Such bereavement leave shall not be deducted from an employee's accumulated sick leave.

2. Employees may use up to three (3) days of accumulated sick leave in addition to the three (3) days bereavement for the death of an immediate family member.
3. Immediate family shall be defined as any relative who is a member of the employee's household, and any parent, grandparent, spouse, domestic partner, child, brother or sister of the employee. The parent, brother or sister of the employee's spouse, domestic partner, ex-spouse, or deceased spouse, regardless of residence or employee's current marital status, is also eligible.

XIV JURY DUTY

1. An employee of the City who is requested to serve on jury duty shall notify his/her supervisor who shall in turn notify his/her department head.
2. While serving on jury duty, an employee shall receive his/her regular salary from the City. The employee shall remit to the City all compensation received as a result of serving on jury duty, except mileage reimbursement.
3. Jury duty limit will be 72 paid hours per fiscal year. An employee must submit documentation of court attendance. Jury duty will be paid for regularly scheduled work days up to the maximum of 72 paid hours per year.

XV TUITION REIMBURSEMENT

The City will provide tuition reimbursement in an amount not to exceed \$400 per quarter, not to exceed \$800 per year, for the purpose of offsetting costs of actual tuition and/or book expense incurred by the employee. This benefit is intended only for courses related to the furtherance of employees' careers with the City.

To be eligible for reimbursement, the course must be pre-approved by the City Manager prior to enrollment. Receipts will be required prior to reimbursement.

All employees participating in the tuition reimbursement program must maintain a passing grade of "C" and submit satisfactory proof to the City Manager. A grade of "B" will be required for master's level class reimbursement.

Should an employee fail to obtain a passing grade of "C" (or "B" for master's level courses) or fail to complete the course, he/she shall be obligated to reimburse the City for his/her reimbursement if prepayment had been made.

XVI LONG TERM DISABILITY INSURANCE

The City of Norco offers an optional Long-Term Disability plan at the employee's expense.

XVII DEFERRED COMPENSATION

The City of Norco offers several deferred compensation plans. Any City full time employee may elect to participate. The plans provide employees the ability to

defer current income from state and federal taxes to provide future payments upon death, disability retirement or separation from the City.

Employees may defer a minimum of \$10 per payroll period up to a maximum that is determined by Internal Revenue Service Code 457(k).

The provisions of deferred compensation are subject to change in accordance with Internal Revenue Code Section 457(k).

XVIII STATE DISABILITY INSURANCE

Employees of the City are covered under State Disability Insurance. The State Disability Insurance (SDI) shall provide benefits to employees consistent with state laws, and shall be paid per state law.

An employee may request to supplement his/her SDI with his/her available sick leave or vacation time to maintain a regular salary while receiving disability benefits.

XIX INJURY ON DUTY – WORKERS COMPENSATION

The City's Worker's Compensation Insurance Program shall provide compensation to employees sustaining injury or illness at work consistent with state workers compensation laws.

XX AUTO ALLOWANCE

Employees shall receive \$400 per month auto allowance or a City owned automobile may be assigned for employee use to facilitate emergency call-back duties at the discretion of the City Manager.

XXI SEVERANCE PAY – LAYOFF

Severance pay shall be one (1) week of compensation at six (6) months employment, two (2) weeks compensation at eighteen (18) months, three (3) weeks compensation at thirty (30) months employment, and four (4) weeks compensation at forty-two (42) months or more of employment.

XXII EMPLOYEE ON LEAVE COMPENSATION

An employee on leave without pay, excluding FMLA, CFRA, Military and Disability, shall receive no compensation, including pay for holidays, and shall accumulate no vacation or sick leave while on such leave but shall continue to receive the benefits of continuous service and insurance coverage. The employee's department head shall approve all leaves without pay. The City shall use any accrued sick or vacation accrual for payment of any elected benefit premiums.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 17, 2015.


Herb Higgins, Mayor
City of Norco, California

ATTEST:


Cheryl L. Link, City Clerk
City of Norco, California

I, CHERYL L. LINK, City Clerk of the City of Norco, California do hereby certify that the foregoing Resolution was introduced and adopted by the City Council of the City of Norco at a regular meeting held on June 17, 2015 by the following vote of the City Council:

AYES:	HIGGINS, BASH, AZEVEDO, HANNA, NEWTON
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on June 17, 2015.


Cheryl Link, City Clerk
City of Norco, California