

RESOLUTION NO. 19-039

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SARATOGA
APPROVING COMPENSATION AND TERMS OF EMPLOYMENT FOR
UNREPRESENTED EMPLOYEES**

WHEREAS, certain City job classifications are unrepresented, which means incumbents do not engage in collective bargaining with the City on matters related to wages, benefits and other terms and conditions of employment; and

WHEREAS, Unrepresented Employees are those employees in unrepresented job classifications who after successful completion of the City's mandatory 12-month probationary period (if applicable), become regular, benefited full-time employees; and

WHEREAS, Unrepresented Employees are subject to the City's Personnel Rules and Policies adopted by the City Council and are subject to the terms in this Resolution (except as modified by subsequent personnel rules and policies and resolutions, if any, applicable to such an unrepresented, regular, full-time employee); and

WHEREAS, this Council finds that the compensation and terms of employment attached (Exhibit A) to this Resolution are fair and proper and in the best interest of the City; and

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Saratoga the compensation and terms of employment attached to said Resolution for Unrepresented Employees is hereby adopted, becomes effective on July 1, 2019, and supersede the terms in Resolution No. 17-002.

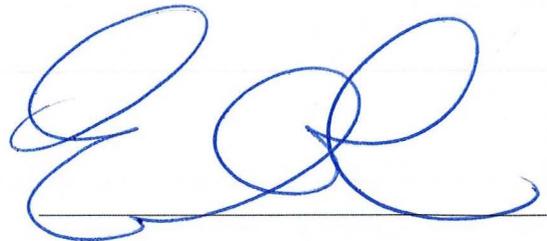
The above and foregoing resolution was passed and adopted by the Saratoga City Council at a regular meeting held on the 19th day of June 2019, by the following vote:

AYES: Mayor E. Manny Cappello, Vice Mayor Howard Miller, Council Members Rishi Kumar, Mary-Lynne Bernald, Yan Zhao

NOES:

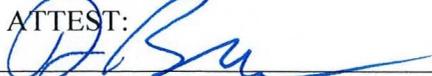
ABSENT:

ABSTAIN:



E. Manny Cappello, Mayor

ATTEST:


Debbie Bretschneider, City
Clerk

DATE:

6/27/2019

**CITY OF SARATOGA
UNREPRESENTED CLASSIFICATIONS
COMPENSATION AND TERMS OF EMPLOYMENT**

I. INTRODUCTION

This Resolution establishes the compensation and other terms for benefited regular full-time unrepresented job classifications that are not included in a collective bargaining agreement, memorandum of understanding, or employment contract.

Unrepresented classifications are subject to the City's Personnel Rules and Policies adopted by the City Council and are subject to the terms in this Resolution (except as modified by subsequent personnel rules and policies and resolutions, if any, applicable to such an unrepresented, regular, full-time employee).

The terms in this document, once adopted by the City Council, supersede the terms in Resolution 17-002.

II. UNREPRESENTED JOB CLASSIFICATIONS

Assistant City Manager
Chief Building Official
City Clerk
Community Development Director
Finance and Administrative Services Director
Finance Manager
Human Resources Manager
Human Resources Technician
Parks Division Manager
Public Information Officer
Public Works Director
Streets and Fleets Division Manager

Any other job classification determined not appropriate to be included in a represented bargaining unit.

III. COST OF LIVING ADJUSTMENT

Each employee shall receive an annual cost-of-living adjustment of no less than one percent (1.0%) and no greater than the following annual maximum, as based upon the annual average for the 12-month period of January to December of the U.S. Department of Labor, Bureau of Labor Statistics, "All Urban Consumers (CPI-U)" for the "San Francisco-Oakland-Hayward" region.

Maximum caps of 3.87% on July 1, 2019, 3.13% on July 1, 2020, 3.00% on July 1, 2021, and 3.00% on July 1, 2022. For each subsequent year, each employee shall receive an annual cost-of-living adjustment of no less than one percent (1.0%) and no greater than two and one-half percent (2.5%) as based upon the annual average for the 12 month period of January to December of the U.S. Department of Labor, Bureau of Labor Statistics, "All Urban Consumers (CPI-U)" for the "San Francisco-Oakland-Hayward" region.

For each subsequent year (starting July 1, 2023), if the annual average falls below one percent (1.0%), each employee shall nevertheless receive a minimum one percent (1.0%) cost-of-living adjustment; if the above Index increases above two and one-half percent (2.5%), each classification shall nevertheless receive a maximum two and one-half percent (2.5%) cost-of-living adjustment.

IV. EMPLOYEE BENEFITS

A. Health and Dental Premium Contributions

Effective January 1, 2016, the City will provide a monthly health insurance contribution for each employee’s selected level of coverage as follows in the chart below:

Employee	Employee Plus One	Employee Plus Two (Family)
\$800.00	\$1,600.00	\$2,080.00

The City’s monthly health insurance contribution will be adjusted annually as follows.

1. Prior to the beginning of the CalPERS open enrollment period, the City will compare the average monthly cost of all plans offered in the next calendar year for each level of coverage (Employee, Employee + 1, and Employee +2) with the current year average monthly costs for each level of coverage. The average will be calculated by adding the cost for each plan at the same level of coverage and then dividing by the number of plans.
2. If the average cost for a level of coverage in the next calendar year will exceed the average cost for the same level in the current year, then the City’s monthly contribution for that level of coverage will be increased by 50% of the difference of the two yearly averages.
3. If the average cost for a level of coverage in the next calendar year is below the average cost for the same level in the current year, then the City monthly contribution for that level of coverage will not change.

The adjusted City contribution for each level of coverage for the next calendar year will be provided to the employees prior to the beginning of the open enrollment period and become effective on January 1 of each year.

Examples:

- (1) The 2016 (base year) City monthly contribution for the family level of coverage is \$2,080 and the average cost of all plans at the family level offered in 2017 will be \$2,366. The City’s monthly contribution will be increased to \$2,168 ($\$2,366 - \$2,190 = \176, 50% of the \$176 difference = an increase of \$88). The employee would pay the balance of \$88 for the plan selected.
- (2) The 2017 average monthly contribution for the family level of coverage is \$2,168 and the average cost of all plans at the family level offered in 2018 will be \$2,554. The City’s monthly contribution for 2018 would be increased from \$2,168 (the 2017 rate) to \$2,262 ($\$2,554 - \$2,366 = \188, 50% of the \$188 difference = an increase of \$94). The employee would pay the balance of \$94 for the plan selected.

If an employee selects a health insurance plan with a monthly premium above the City contribution, the employee will pay the amount above the City contribution as a pre-tax payroll deduction.

Based on this formula, effective January 1, 2019, the City will provide a monthly health insurance contribution for each employee's selected level of coverage as follows in the chart below:

<u>Employee</u>	<u>Employee Plus One</u>	<u>Employee Plus Two (Family)</u>
\$816.00	\$1,632.00	\$2,122.00

The City contributes 100% of the dental premium for regular, full-time employees.

B. Health and Dental -In-Lieu Payments

An employee who completes and submits required documents (1) to prove that the employee has other health insurance coverage and (2) to waive City-provided health insurance coverage will receive a payment per month of \$400.00 as additional taxable wages.

The employee must complete and submit any required documents and provide proof of other health insurance coverage during open enrollment (in or around October) to be eligible for the cash-in-lieu payment beginning the following January 1.

Only qualifying events as defined by law allow employees to make a change to their health, dental, and/or in-lieu enrollment elections during the year (outside of the annual open enrollment period).

Any employee who declines to accept coverage in the Dental Plan, evidenced by signing a waiver form, shall receive a monthly in-lieu payment of \$25.00.

C. Deferred Compensation (457 Plan)

The City provides employees the opportunity to contribute toward an IRS Section 457 deferred compensation plan. Employees may contribute an amount up to a federally mandated maximum per calendar year on a pre-tax basis.

For unrepresented employees that are not at-will, the City will contribute \$50.00 per month to the employee's 457 Plan, which does not require the employee match that amount. In addition, for unrepresented employees that are not at-will, the City will contribute up to \$100.00 per month to the employee's 457 Plan, matching the employee's contribution of up to \$100.00.

V. PTO CASH-OUT OPTION

A PTO Cash-Out Option will not be made other than at the time of termination, except for the optional PTO cash-out plan described as follows:

If an employee has used the required minimum of 80 accrued hours of PTO and/or administrative leave in the prior fiscal year, the employee is eligible to cash out up to a maximum of 200 accrued hours of PTO per fiscal year on approximately September 1 and/or March 1. An employee must maintain a minimum balance of 200 hours of accrued PTO after the cash out.

VI. ADMINISTRATIVE LEAVE

Administrative Leave is compensated time off given to regular, full-time exempt employees of the City. This leave shall be taken in a manner consistent with Paid Time Off (PTO). Use of administrative leave is a privilege and is provided in recognition that City business often requires exempt employees to devote whatever hours are necessary, irrespective of a regular scheduled workweek, to fulfill the obligations of the job.

The number of Administrative Leave hours granted to an exempt position are twenty (20), forty (40), or sixty-five (65) and is based on the level of responsibility of the position within the organization and the expectation of the incumbent in the position to observe their regular work schedule and perform further hours needed to satisfactorily execute the duties and responsibilities of their positions. The number of Administrative Leave hours granted to exempt positions are determined by the City Manager at the time the exempt classification and job description is established, because of a reclassification, or before a vacant classification is re-filled.

Sixty-five (65) hours of Administrative Leave is granted to the following exempt classifications:

- Assistant City Manager
- Chief Building Official
- City Clerk
- Community Development Director
- Finance and Administrative Services Director
- Finance Manager
- Human Resources Manager
- Parks Division Manager
- Public Information Officer
- Public Works Director
- Streets and Fleets Division Manager

Administrative leave cannot be carried over from year to year and must be used by June 30th of the fiscal year in which it was provided. Administrative Leave must be exhausted prior to using PTO.

VII. RETIREMENT (PERS)

The City is a contracting agency of the California Public Employees Retirement System (PERS). Regular employees become members immediately upon employment and become vested after five years of full-time service.

Tier 1: CalPERS Retirement Plan of 2%@55 for Employees Hired Before July 1, 2011: The City, through its contract with PERS, provides for retirement benefits for any employee hired before July 1, 2011 as defined by the 2%@55 retirement plan formula (contract effective date: September 1, 1999). The City's 2%@55 contract with PERS includes Government Code 20042 – the final compensation is the average full-time monthly pay rate for the highest 12 consecutive months.

As of July 1, 2011, each employee covered by the 2%@55 retirement plan formula will pay 7% of the employee's compensation on a pre-tax basis for the employee's 7% fixed share of the CalPERS defined benefit retirement program.

Tier 2: CalPERS Retirement Plan of 2%@60 for Employees Hired July 1, 2011 Through December 31, 2012:

Each employee covered by the 2%@60 plan will pay 7% of the employee's compensation on a pre-tax basis.

New Hire CalPERS Retirement Plan For Employee Hired January 1, 2013 and After: Any employee hired on or after January 1, 2013, who does not meet the exceptions as specified in state law to be a "classic" member of PERS, will receive the following 3rd tier retirement option:

- a) A retirement plan of 2% at 62 as required by state law (PEPRA).
- b) Each employee will pay on a pre-tax basis 100% of the employee's contribution as determined by PERS toward the CalPERS 2%@62 retirement plan.

An employee hired after January 1, 2013 who meets an exception under state law to be a "classic" member of PERS will receive the second tier plan of 2% at 60 noted above.

VIII. 7-STEP SALARY RANGE TABLE

An employee who has received a cumulative rating of "meets expectations" or greater during the fiscal year employee performance evaluation will be eligible to receive a pay increase of five percent (5%) (1 step) above their existing pay while progressing from Step 1 to Step 5.

The employee shall advance to Step 6 after four (4) additional years of service in the same classification at step 5.

The employee shall advance to Step 7, the top of the range, after another additional four (4) years of service in the same classification at step 6.

IX. WORKING CONDITIONS

The City operates on a 9/80 work schedule determined by the City Manager where a full-time work week, constitutes forty (40) hours within seven consecutive 24 hour days, also defined as one hundred sixty-eight (168) hours. Employees on a 9/80 schedule are scheduled to work 8 nine hour days, 1 eight hour day, and have one day off every two weeks. An employee's workweek begins in the middle of the employee's 8 hour day and the employee's day off is on the same day of the week in the following week. For example, the standard 9/80 work schedule is as follows:

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
off	9	9	9	9	4 (end)	off
					4 (start)	
off	9	9	9	9	off (end)	off
					off (start)	
off	9	9	9	9	4 (end)	off
					4 (start)	
off	9	9	9	9	off (end)	off
					off (start)	

The City Manager has discretion to require Unrepresented employees to work a schedule different from the standard 9/80 schedule including a schedule that is not 9/80. Fridays when the City is not open for business are referenced as "off-Fridays."

The work period (pay period) is the period encompassing two consecutive workweeks.

A holiday furlough will exist whereby the City operations are closed from December 24 through January 1 of every year. Two furlough days shall be compensated as a regular day's salary. To be paid for a furlough day, an employee must be on paid status the week of the furlough with the City. All part-time employees and employees on short-term disability shall receive furlough pay on a pro-rata basis.

For any remaining furlough days, employees shall utilize their available balances (earned paid time off or earned compensatory time), if applicable. Employees that utilize unpaid leave due to an insufficient leave balance shall maintain regular benefit status. Employees may not utilize unpaid leave prior to exhausting their available balances, except with prior written authorization signed by the City Manager.

X. AT-WILL EMPLOYEE BENEFITS

The following positions are at-will and serve at the pleasure of the City Manager:

Assistant City Manager
 Community Development Director
 Finance and Administrative Services Director
 Public Works Director

A. Severance

Should the City Manager choose to terminate an at-will employee, the following severance provisions apply and will be made available to the employee if the separated employees signs and agrees to be bound by a written general release agreeing not to sue and waiving claims and recovery against the City and all City representatives and agents.

Starting on the one-year anniversary of the date of hire, employee shall be eligible for a general release agreement with (A) a severance payment equal to three (3) month's salary; and (B) Health Insurance and Dental Insurance benefits specified in this agreement for a three (3) month period after termination. The severance payment and continuation of benefits listed above shall be increased by one (1) month for each year on the employee's anniversary date up to a maximum of six (6) months' severance pay and benefits.

At the discretion of the employee whose employment has been terminated, the severance payment shall be paid either in a lump sum, or in bi-weekly payments, beginning within ten (10) days of the effective date of termination or within ten (10) days of the effective date of the signed general release, whichever is later. If an employee selects bi-weekly payments, the employee may later choose to receive a lump sum payment for the balance of the monthly severance payments. The change from bi-weekly payments to a lump sum payment for the balance will be processed as soon as reasonably feasible and by no later than two weeks after the employee chooses to change to a lump sum payment for the balance. The severance payment shall be based on the employee's then monthly salary.

Severance benefits will be provided as follows:

Health Insurance: The employee must enroll in COBRA, directly through their existing health plan provider, for extended health insurance. The employee must pay the health insurance premium directly to his/her provider and submit a copy of the premium invoice and proof of payment to the City for reimbursement.

Dental Insurance: The City is able to directly enroll the employee in COBRA, through the City's carrier, for extended dental insurance. The employee must contact the Human Resources Division and complete any requested documents to activate acceptance of COBRA for dental insurance.

The Human Resources Division will provide to the employee a letter detailing all of the above instructions, and providing the necessary paperwork in a timely fashion, sufficient to ensure that the employee does not become ineligible for continued coverage.

B. Deferred Compensation (457 Plan)

The City will match at-will employee contributions to a deferred compensation account up to a maximum of \$250.00 per month.

C. Car Allowance

Each at-will employee shall receive a monthly \$275.00 car allowance.

CITY OF SARATOGA
Position Salary Range Table as of July 1, 2019

FY 2019/20

UNREPRESENTED

POSITION TITLE (FLSA Classification)	STEP RANGES						
	1	2	3	4	5	6	7
Administrative Services Director (FLSA Exempt)	6,839.20 177,819.20 85.49	7,180.80 186,700.80 89.76	7,540.00 196,040.00 94.25	7,916.80 205,836.80 98.96	8,312.80 216,132.80 103.91	8,728.80 226,948.80 109.11	9,165.60 238,305.60 114.57
Assistant City Manager (FLSA Exempt)	7,143.20 185,723.20 89.29	7,500.00 195,000.00 93.75	7,875.20 204,755.20 98.44	8,268.80 214,988.80 103.36	8,682.40 225,742.40 108.53	9,116.80 237,036.80 113.96	9,572.80 248,892.80 119.66
Building Official (FLSA Exempt)	4,984.00 129,584.00 62.30	5,233.60 136,073.60 65.42	5,495.20 142,875.20 68.69	5,769.60 150,009.60 72.12	6,058.40 157,518.40 75.73	6,361.60 165,401.60 79.52	6,680.00 173,680.00 83.50
City Clerk (FLSA Exempt)	4,376.00 113,776.00 54.70	4,595.20 119,475.20 57.44	4,824.80 125,444.80 60.31	5,066.40 131,726.40 63.33	5,320.00 138,320.00 66.50	5,586.40 145,246.40 69.83	5,865.60 152,505.60 73.32
Community Development Director (FLSA Exempt)	6,750.40 175,510.40 84.38	7,088.00 184,288.00 88.60	7,442.40 193,502.40 93.03	7,814.40 203,174.40 97.68	8,204.80 213,324.80 102.56	8,615.20 223,995.20 107.69	9,045.60 235,185.60 113.07
Finance Manager (FLSA Exempt)	4,960.00 128,960.00 62.00	5,208.00 135,408.00 65.10	5,468.80 142,188.80 68.36	5,742.40 149,302.40 71.78	6,029.60 156,769.60 75.37	6,331.20 164,611.20 79.14	6,648.00 172,848.00 83.10
Human Resources Manager (FLSA Exempt)	5,546.40 144,206.40 69.33	5,824.00 151,424.00 72.80	6,115.20 158,995.20 76.44	6,420.80 166,940.80 80.26	6,741.60 175,281.60 84.27	7,078.40 184,038.40 88.48	7,432.00 193,232.00 92.90
Human Resources Technician (FLSA Non-Exempt)	3,014.40 78,374.40 37.68	3,164.80 82,284.80 39.56	3,323.20 86,403.20 41.54	3,489.60 90,729.60 43.62	3,664.00 95,264.00 45.80	3,847.20 100,027.20 48.09	4,039.20 105,019.20 50.49
Public Information Officer (FLSA Exempt)	3,816.80 99,236.80 47.71	4,008.00 104,208.00 50.10	4,208.80 109,428.80 52.61	4,419.20 114,899.20 55.24	4,640.00 120,640.00 58.00	4,872.00 126,672.00 60.90	5,116.00 133,016.00 63.95
Public Works Director (FLSA Exempt)	7,019.20 182,499.20 87.74	7,370.40 191,630.40 92.13	7,739.20 201,219.20 96.74	8,126.40 211,286.40 101.58	8,532.80 221,852.80 106.66	8,959.20 232,939.20 111.99	9,407.20 244,587.20 117.59
Public Works Manager - Parks Public Works Manager - Streets (FLSA Exempt)	4,543.20 118,123.20 56.79	4,770.40 124,030.40 59.63	5,008.80 130,228.80 62.61	5,259.20 136,739.20 65.74	5,522.40 143,582.40 69.03	5,798.40 150,758.40 72.48	6,088.00 158,288.00 76.10