

RESOLUTION NO. 4281

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORT HUENEME, CALIFORNIA AMENDING THE BENEFITS AND ADDITIONAL COMPENSATION FOR UNREPRESENTED EXECUTIVE MANAGEMENT AND MANAGEMENT & PROFESSIONAL EMPLOYEES

WHEREAS, the City Council desires to amend the benefits for all unrepresented Executive Management and Management & Professional employees.

WHEREAS, the City Council and the unrepresented Executive Management and Management & Professional employees entered into this resolution for the term from July 1, 2019 through June 30, 2022; and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Port Hueneme does resolve as follows:

SECTION 1.0 – PURPOSE AND INTENT.

The Council hereby memorializes the benefits and additional compensation for all unrepresented employees, specifically to the Executive Management and Management and Professional groups in a single document. The Council retains all rights and authority to amend the benefits and additional compensation at any time as it determines is desirable in its sole and absolute discretion. The Council also has the right to enter into written contracts with employees which may alter the benefits and additional compensation set forth in this resolution. With respect to the City Manager's benefits, the City Manager shall be included in the Executive Management Group, with the exception of any benefits that are specified in an employment agreement.

SECTION 2.0 – APPLICATION OF BENEFITS AND ADDITIONAL COMPENSATION.

Eligibility for the benefits or additional compensation covered by this Resolution shall apply to employees in classifications assigned to Salary Schedules - Executive Management and Management and Professional Classification List, regardless of whether they are at-will, probationary or regular employees.

Members of the City Council and members of appointive boards, commissions and committees, independent contractors and volunteers are not considered employees for the purposes of this Resolution.

- (1) Individual salary and salary ranges for all employees of the Executive Management and Management and Professional Group shall increase by 4% beginning July 15, 2019.
- (2) Individual salary and salary ranges for all employees of the Executive Management and Management and Professional Group shall increase by 3% beginning July 1, 2020.
- (3) Individual salary and salary ranges for all employees of the Executive Management and Management and Professional Group shall increase by 3% beginning July 1, 2021.

LUMP SUM PAYMENTS

- (1) The City shall pay \$3,000 to all members who are employees of the Executive Management and Management and Professional Group as of July 15, 2019. This payment shall be made immediately after adopted and shall not be reported as compensation to CalPERS.
- (2) The City shall pay \$3,000 with the payroll for the pay period starting July 1, 2020 to all members who are employees of the Executive Management and Management and Professional Group. This payment shall not be reported as compensation to CalPERS.

SECTION 3.0 – RETIREMENT CONTRIBUTIONS.

For miscellaneous and safety employees, retirement benefits will be as follows:

- A. All group safety employees defined by the Public Employees' Pension Reform Act of 2013 as "classic" employees will have the following retirement benefits through CalPERS:
 - (1) 3% @ 55, as set forth in California Government Code § 21363.1.
 - (2) Employer payment of the member contribution pursuant to California Government Code § 20691.
 - (3) EPMC Conversion, as set forth in California Government Code § 20692.
 - (4) Employer payment of the member contribution of nine percent (9%) of "member's earnings" as defined in the Public

Employees' Retirement System law, on behalf of the employee, into the employee's account.

- (5) One Year Final Compensation Period, as set forth in California Government Code § 20042.
- (6) Pre-Retirement Optional Settlement 2 Death Benefit pursuant to California Government Code § 21548.

B. All group miscellaneous employees defined by the Public Employees' Pension Reform Act of 2013 as "classic" employees will have the following retirement benefits through CalPERS:

- (1) One Year Final Compensation Period, as set forth in California Government Code § 20042.
- (2) 2.7% @ 55 Retirement Formula pursuant to California Government Code § 21354.5.
- (3) For miscellaneous "classic" employees hired prior to July 1, 2014, employer payment of the member contribution of eight percent (8%) of "member's earnings" as defined in the Public Employees' Retirement System law, on behalf of the employee, into the employee's account.
- (4) EPMC Conversion, as set forth in California Government Code § 20692.

C. Group members hired on and after January 1, 2013, deemed to be a "new member" as defined in Government Code § 7522.04, shall individually pay an initial Member CalPERS contribution rate of 50% of the normal cost rate for the Defined Benefit Plan in which said "new member" is enrolled, rounded to the nearest quarter of 1%, or the current contribution rate of similarly situated employees, whichever is greater (AB 340 – Government Code Section 7522.30).

Group members who are "new members" and miscellaneous employees on and after January 1, 2013, shall be enrolled in the 2% @ 62 retirement formula (Govt. Code § 7522.20), and such "new members" who are safety employees shall be enrolled in the 2.7% @ 57 retirement formula (Section 7522.25)

Group members who are "new members" on and after January 1, 2013, shall have "final compensation" measured by the highest average annual pensionable compensation earned by the member during a period of at least 36 consecutive months (Section 7522.32).

SECTION 4.0 – SOCIAL SECURITY AND MEDICARE TAXES.

The City of Port Hueneme participates in Social Security and Medicare. All employees of the Executive Group and the Management and Professional Group will pay the employee's Social Security and Medicare tax without regard to hire date.

SECTION 5.0 – DEFERRED COMPENSATION.

This benefit shall only apply to deferred compensation plans offered through the City. The City pays contributions to deferred compensation in the method and amount as provided below:

1. Executive Management, Management and Professional Employees shall receive a contribution of 3.0% of base salary, provided an equal matching contribution is made by a participating employee; effective July 2019.

SECTION 6.0 – RETIREMENT HEALTH SAVINGS PLAN.

Employees eligible to receive the City's contribution into the Vantage Care Retirement Health Savings plan RHS ICMA (Plan 800897) must meet the terms and conditions of the program:

- a) Must have a minimum of five years full-time service with the City;
- b) Retirement: a non-disability retirement from the workforce;
- c) The amounts contributed are in addition to the mandated Public Employees' Medical and Hospital Care Act (PEMHCA) minimum contribution by the City to CalPERS.
- d) Term: 3 years following date of retirement, but not after age 65 years;

5-10 years with the City	=	\$100 per month
11-15 years	=	\$150 per month
16-20 years	=	\$175 per month
21-25 years	=	\$200 per month
26+ years	=	\$225 per month

Eligible employees may also be required to make payroll contributions. Eligibility and participation in this program is mandated by the provisions listed in the adoption agreement and can only be changed by contract amendment through Council approval. A copy of the contract and resolution are kept with the City Clerk and Human Resources.

SECTION 7.0 – AUTO ALLOWANCE.

Department Directors, who are not assigned a City vehicle by the City Manager, receive a monthly allowance of \$200 per month.

SECTION 8.0 – HEALTH BENEFITS (MEDICAL, DENTAL AND VISION).

Executive Management and Management and Professional employees are eligible to participate in a flexible benefits program which includes medical insurance, dental insurance, vision insurance and flexible spending accounts (FSAs). Each of these components is outlined below.

Medical Insurance

Executive Management and Management and Professional employees will be covered by the Public Employees' Medical and Hospital Care Act (PEMHCA) and will be eligible to participate in the California Public Employees' Retirement System (CalPERS) Health Program. The City will pay on behalf of all Executive Management and Management and Professional employees and their eligible dependents the minimum amount per month required under Government Code Section 22892 of the PEMHCA for medical insurance through the California Public Employees' Retirement System (CalPERS). If electing to enroll for medical benefits, the employee must select one medical plan from the variety of medical plans offered.

Effective July 1, 2019 the City will contribute the following monthly amounts (called "Benefits Credits") on behalf of each active Executive Management and Management and Professional employee and eligible dependents toward the payment of medical insurance premiums under the CalPERS Health Program and dental and/or vision premiums.

For "employee only" coverage in subsection (a) any unused amounts will be paid as taxable compensation. Employees may also choose to direct funds to an FSA account.

Employees with coverage of "employee plus one dependent" in subsection (b) and "employees with two or more dependents" in subsection (c), may choose to exhaust their Benefits Credits by their choice in premiums. Employees may choose to direct any remaining funds into a flexible spending account (FSA).

- (a) For employees hired prior to July 1, 2014 with "employee only" coverage, the City shall contribute one thousand forty-four dollars (\$1,044) per month. Effective the first full pay period in July 2020 the City shall contribute one thousand one hundred ninety-four dollars (\$1,194) per month. That shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City's total contributions, the employee will pay the difference.

For employees hired after July 1, 2014 with "employee only" coverage, the City shall contribute Six Hundred and Fifty dollars (\$650) per month.

Effective the first full pay period in July 2020 the City shall contribute eight hundred dollars (\$800) per month. That shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City's total contributions, the employee will pay the difference.

- (b) For employees hired prior to July 1, 2014 with "employee plus one dependent" coverage, the City shall contribute one thousand one hundred fifty-nine dollars (\$1,159) per month. Effective the first full pay period in July 2020 the City shall contribute one thousand three hundred and nine dollars (\$1,309) per month. That shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City's total contributions, the employee will pay the difference.

For employees hired after July 1, 2014 with "employee plus one dependent" coverage, the City shall contribute nine hundred fifteen dollars (\$915) per month. Effective the first full pay period in July 2020 the City shall contribute one thousand sixty-five dollars (\$1,065) per month. That shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City's total contributions, the employee will pay the difference.

- (c) For employees hired prior to July 1, 2014 with "employee plus two or more dependents" coverage, the City shall contribute one thousand four hundred and sixty-eight dollars (\$1,468) per month. Effective the first full pay period in July 2020 the City shall contribute one thousand six hundred eighteen dollars (\$1,618) per month. That shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City's total contributions, the employee will pay the difference.

For employees hired after July 1, 2014 with "employee plus two or more dependents" coverage, the City shall contribute one thousand one hundred and fifty dollars (\$1,150) per month. Effective the first full pay period in July 2020 the City shall contribute one thousand three hundred dollars (\$1,300) per month. That shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City's total contributions, the employee will pay the difference.

The increases in employer contributions shall be used for benefits only and shall neither increase the opt out payment, nor increase the maximum cash in lieu available to employees who do not participate in the City's insurance programs. The maximum cash in lieu shall be fixed at the amount that was available as of June 30, 2019 as follows:

	Employer paid Cafeteria Benefit	Lowest Health Insurance PERS Select	Cash in Lieu Excess or (Deficit)
Tier 1			
employee only	\$ 894.00	\$ 420.77	\$ 473.23
employee +1	\$ 1,009.00	\$ 841.54	\$ 167.46
employee +2+	\$ 1,318.00	\$ 1,094.00	\$ 224.00
Tier 2			
employee only	\$ 500.00	\$ 420.77	\$ 79.23
employee +1	\$ 765.00	\$ 841.54	\$ (76.54) *
employee +2+	\$ 1,000.00	\$ 1,094.00	\$ (94.00) *

* No cash out for these categories.

Dental Insurance

Employees are eligible to enroll in a City-sponsored dental insurance plan. Employees may elect to purchase dental insurance or to opt out of the dental insurance program. If the decision is made to purchase dental insurance, the employee may purchase dental insurance at any level of coverage (employee only, employee plus one dependent, employee plus two or more dependents).

Vision Insurance

Employees are eligible to enroll in a City-sponsored vision insurance plan. Employees may elect to purchase vision insurance or to opt out of the vision insurance program. If the decision is made to purchase vision insurance, the employee may purchase vision insurance at any level of coverage (employee only, employee plus one dependent, employee plus two or more dependents).

Opt Out Provision

Employees who do not wish to participate in the CalPERS Health Program will have the choice of opting out of the City's medical insurance program, provided they can show that they are covered under another insurance program.

Any outside plan must meet the Essential Health benefits package described in Section 1302 of the Affordable Care Act which includes: (A) Ambulatory patient services; (B) Emergency services; (C) Hospitalization; (D) Maternity and newborn care; (E) Mental health and substance use disorder services, including behavioral health treatment; (F) Prescription drugs; (G) Rehabilitative and habilitative services and devices; (H) Laboratory services; (I) Preventative and wellness services and chronic disease management; (J) Pediatric services, including oral and vision care. A policy determined to be used as a "Catastrophic" policy, does not meet this criteria.

Effective January 1, 2015, employees hired prior to July 1, 2014 who opt out of the CalPERS Health program will be given a City contribution amount (Cafeteria Allowance) of seven hundred and seventy-five dollars (\$775) per month and five

hundred dollars (\$500) for employees hired after July 1, 2014. These amounts may be applied toward the cost of any dental and/or vision coverage and or Flexible Spending Account (FSA). Any unused amount will be paid to the employee as taxable compensation.

SECTION 9.0 – LIFE INSURANCE.

The City pays for a term life insurance benefit that provides for \$100,000 in coverage.

SECTION 10.0 – SHORT-TERM AND LONG-TERM DISABILITY.

A Short-Term and Long-Term Disability Program are provided to cover all employees subject to the provisions and limitations of the carrier. The premiums for such plan will be paid by the City.

SECTION 11.0 – INDUSTRIAL ACCIDENT LEAVE.

Provisions of this section are described in Section 30.0 of the City's Personnel Handbook.

SECTION 12.0 – PHYSICAL EXAM.

Department Directors are provided with an annual physical exam at the City's expense.

SECTION 13.0 – MANAGEMENT BENEFIT.

Effective January 1, 2015 the Management Benefit is eliminated for all employees in the Executive, Management and Professional groups.

SECTION 14.0 – EXPERIENCE DIFFERENTIAL PAY.

The City provides experience differential payments for eligible regular full-time employees hired prior to September 29, 2014 with ten or more years of service with the City of Port Hueneme and with at least a satisfactory annual review. Employees with ten years of service by December 1st shall receive two percent (2%) of his or her base pay in the first pay period of December. Employees with fifteen or more years of service by December 1st shall receive three and one-half percent (3.5%) of his or her base pay in the first pay period of December.

SECTION 15.0 – BEREAVEMENT LEAVE.

Bereavement Leave is set forth in Section 29 of the City's Personnel Handbook with the following clarification added: One day of bereavement leave may be taken

for the death of an aunt or uncle (this provision applies to spouse's family as well).

SECTION 16.0 – STANDBY PAY

Employees assigned to standby duty by their Director shall be compensated as follows:

Effective July 15, 2019 \$36.40

Effective July 01, 2020 \$37.49

Effective July 01, 2021 \$38.61

SECTION 17.0 – ANNUAL LEAVE AND ANNUAL LEAVE CONVERSION.

Annual leave shall be accrued in hourly amounts according to the schedule in Section 28.6 of the City's Personnel Handbook.

Employees may convert a maximum of one hundred and sixty (160) hours of annual leave to salary compensation per year. Beginning in December 2019, and in each December thereafter, employees who wish to convert vacation hours to salary in the following calendar year, may do so by making an irrevocable election in writing of the number of hours they will accrue in the next calendar year that they choose to cash out. Employees who make the irrevocable election may choose to receive the cash out in July and/or December. The maximum cash out that can be elected to be paid out in July is limited by the employee's accrual from January 1 through June 30. This is in addition to the limitations described below. Such conversions shall be allowed at the first pay period in July and at the second pay period in December of each year.

Maximum accumulation of annual leave to be increased from 700 hours to 750 hours. In order to be eligible to convert annual leave to salary, the employee must: (a) convert a minimum of sixteen (16) hours to pay, and (b) upon making the conversion to pay, the employee must be left with a minimum of one hundred twenty (120) hours of annual leave.

SECTION 18.0 – HOLIDAYS.

Holidays for regular full-time employees of the City are set forth in Section 27 of the City's Personnel Handbook, with addition of Christmas Eve Day-December 24.

SECTION 19.0 – ADMINISTRATIVE LEAVE.

For Executive Management and City Clerk, each regular full-time employee is granted 80 hours of paid Administrative Leave each year, effective July 2019. For Management and Professional Employees, each regular full-time employee is granted 45 hours of paid Administrative Leave each year, effective July 2019.

Administrative leave will be available in an employee's administrative leave bank beginning with the first pay period of the fiscal year (first pay period with a pay date in July). All such administrative leave must be taken by the end of the last pay period of the fiscal year (last pay period with a pay date in June). There shall be no carry over unless authorized by the City Manager. No payment for unused days shall be made upon termination.

Administrative leave with pay may also be granted to cover short periods of absence (less than a full day) for which no accrued leave time is available.

SECTION 20.0 – TUITION REIMBURSEMENT.

Employees shall be entitled to tuition reimbursement of \$2,000 per fiscal year for approved courses in accordance with Section 26.12 of the City's Personnel Handbook or according to employment contract.

SECTION 21.0 – DELEGATION OF AUTHORITY.

When the term City Manager is used in this Resolution, it includes a delegate thereof, if the delegation is in writing and on file with the Human Resources Office.

PASSED, APPROVED, AND ADOPTED this 3rd day of September 2019.



WILL BERG
MAYOR

ATTEST:



KRISTY BUXKEMPER
CITY CLERK

APPROVED AS TO FORM:



CHARLES GREEN
CITY ATTORNEY

APPROVED AS TO CONTENT:



ROD BUTLER
CITY MANAGER

STATE OF CALIFORNIA)
) ss
COUNTY OF VENTURA)

I, Kristy Buxkemper, City Clerk of the City of Port Hueneme, California, do hereby certify that the foregoing Resolution No. 4281 was duly adopted at the Regular meeting of the City Council on the 3rd day of September 2019, by the following vote:

AYES: Muñoz-Schnopp, Hernandez, Gama, Rollins, Berg
NOES:
ABSENT:
ABSTAIN:



Kristy Buxkemper
City Clerk