



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: City Manager's Office

**Prepared by: Cristine Alilovich,
City Manager**

City Manager Approval: _____

TOPIC: SALARY RESOLUTION FOR UNREPRESENTED EXECUTIVE MANAGEMENT EMPLOYEES

SUBJECT: RESOLUTION ESTABLISHING THE COMPENSATION AND WORKING CONDITIONS FOR UNREPRESENTED EXECUTIVE MANAGEMENT EMPLOYEES (JULY 1, 2024, THROUGH JUNE 30, 2027) AND AUTHORIZING THE CITY MANAGER TO ENTER INTO EMPLOYMENT AGREEMENTS WITH THE UNREPRESENTED EXECUTIVE MANAGEMENT EMPLOYEES

RECOMMENDATION:

- Staff recommends that the City Council adopt the Salary Resolution establishing the compensation and working conditions for Unrepresented Executive Management Employees (July 1, 2024, through June 30, 2027), and
- Staff recommends that the City Council authorize the City Manager to enter into employment agreements with the unrepresented executive management employees.

BACKGROUND:

The unrepresented executive management employee group includes eleven positions assigned in various City departments. These executive managers lead and direct the ongoing services and operations around the City to achieve the goals of the City Council. The Unrepresented Executive Management Salary Resolution expires on June 30, 2024. In keeping with the equity adjustment approach used for Unrepresented Mid-Management Employees and employees represented by bargaining groups, salary increases for each position depend on the extent to which each position is behind the labor market average. The recommended base wage increase of three percent (3.0%) and the proposed adjustments to the City's contributions toward the flex cafeteria plan for Unrepresented Mid-Management group is consistent with adopted labor agreements for represented employees over the same three-year period.

ANALYSIS:

The City's executive level positions have fallen significantly behind the labor market versus comparable agencies, as defined in the current salary resolution. This has occurred over time, and the equity adjustments provided in recent years have not been enough to keep pace with the labor market for these positions. In comparison to the labor market average, these positions range from 10% to 35% behind market, in terms of total compensation (without retirement costs).

FOR CITY CLERK ONLY

Council Meeting: _____

Disposition: _____

The following reflects highlights of the proposed Salary Resolution (Attachment 1) and is consistent with the economic guidelines authorized by the City Council. The attached proposed Salary Resolution (Attachment 1) includes all of the recommended changes described below.

1. Term of the Resolution: July 1, 2024, through June 30, 2027

2. Salary Increase:

- All positions in the proposed salary schedule will receive a three percent (3.0%) cost of living adjustment during the three-year term of the resolution.
- For the director level positions, individual classification equity adjustment increases by percentage may be lower or higher than the percentages listed below, based on how far behind the labor market average each individual position is. The proposed salary schedule included in the attached resolution authorizes the new salary for each position. The salary ranges for the director level classifications will be updated as follows:
 - a. Year 1: A 3.0% cost of living increase and up to a 7.0% equity adjustment (dependent upon position) for a total increase of 6.0% to 10.0%
 - b. Year 2: A 3.0% cost of living increase and up to a 6.0% equity adjustment (dependent upon position) for a total increase of 6.0% to 9.0%
 - c. Year 3: A 3.0% cost of living increase and up to a 4.0% equity adjustment (dependent upon position) for a total increase of 3.0% to 7.0%
- The two public safety chief positions, the Police and Fire Chief, have fallen significantly behind their respective labor markets. This has occurred over time, and the equity adjustments provided in recent years have not been enough kept pace with the labor market for these positions. This has resulted in major compaction issues with the direct reports of the two public safety chiefs. In order to appropriately calibrate the compensation structure of these two departments, staff is recommending that the salary range of both public safety chief positions be adjusted upwards, such that over the three year term of the proposed salary resolution, those positions will be brought up to their labor market average, in alignment with the approach that has been taken with all collective bargaining groups during this round of labor negotiations. In addition, staff recommends similarly resetting the salary range of the Assistant City Manager position, to maintain the long-standing practice that the Assistant City Manager position is paid slightly more than the public safety chief positions, such that they can effectively serve as the acting City Manager in the City Manager's absence. The proposed new salary ranges for these three positions can be found in Exhibit A to the Proposed Executive Management Salary Resolution (Attachment 1).
- The salary for the District Manager position of the San Rafael Sanitation District is currently under review and additional compensation analysis with comparable agencies is needed in order to determine if an equity adjustment is warranted. As soon as it is completed in the next few months, the result of that compensation survey will be brought to the San Rafael Sanitation District Board for consideration.

3. Full Flex Cafeteria Plan: To address rising healthcare costs and improve the City's ability to recruit and retain employees and to improve the market position among comparator agencies, employees will receive an increase in their monthly Flex Dollar Allowance as noted below:

Health Tier	Current	Increase	Effective Dec 2024
Employee Only	\$ 735.86	\$ 214.14	\$ 950.00
Employee +1 dependent	\$ 1,471.71	\$ 428.29	\$ 1,900.00
Employee + Family	\$ 1,913.24	\$ 486.76	\$ 2,400.00

For the term of this resolution, on December 15, 2025, and December 15, 2026, the flex dollar amount shall increase up to a maximum of 5%, based on the Kaiser Bay Area premium rate increase. If the Kaiser Bay Area premium rate increase is between 10%-15%, the City and employee will split the cost of the increase above ten percent (10%) evenly. Upon expiration of the resolution, the flex dollar amount increase shall revert back to a maximum of 3%, based on the Kaiser Bay Area premium rate increase.

4. **Severance Pay:** The severance pay amount is tied to years of service up to a maximum of six (6) months' severance pay. Severance pay is contingent upon an employee's release of claims against the City and only applies for terminations that are "not for cause."
5. **Non-Economic Items:** The attached resolution also includes the following changes:
 - Gender Neutral Language: Replaces references to "he," "she," "his," and "hers" with "they," "them," and "their."
 - Holidays: Adds Juneteenth to the list of City holidays and reduces the number of floating holidays from two to one.
 - Bereavement Leave: Updates existing bereavement language to comply with changes in state law.
 - Paid Parental Leave: Provides 300 hours of paid parent leave for employees following the birth or adoption of a child.
 - End of Life Care Leave: Provides up to 80 hours of paid leave for an employee who is providing care for a family member at the end of their life.
 - Wellness Benefit: Broadens use of the exiting benefit to include reimbursement for health and wellness expenses such as wellness counseling, physical therapy, and smoking cessation programs.
 - At-Will Status: Adds language clarifying the at-will status of Executive staff.

Additional Considerations

In addition, due to the consolidation of the Community Development and Economic Development departments this past year, staff recommends deleting the Director of Economic Development & Innovation position, as shown in Exhibit A to the Proposed Executive Management Salary Resolution (Attachment 1).

The City's past practice has been to enter into employment agreements with the public safety chiefs. The City's labor and employment attorney has recommended the City also establish employment agreements with the other Unrepresented Executive Management Employees to confirm their compensation and benefits. Under this proposed resolution, the City Manager would be authorized to enter into employment agreements with each of the Unrepresented Executive Management Employees in accordance with the terms of the proposed Salary Resolution (Attachment 1).

FISCAL IMPACT:

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The current total annual salary and benefit cost to the City for the eleven executive management employees is \$3,677,657. The additional ongoing incremental cost of the recommended salary resolution beyond the FY 2024-25 budget is:

	<u>Incremental FY 2024-25</u>	<u>Incremental FY 2025-26</u>	<u>Incremental FY 2026-27</u>
Wages:			
Salary	\$220,579	\$239,919	\$234,465
Other Costs:			
Pension*	\$107,435	\$117,647	\$117,361
Taxes (Medicare, WC)	\$10,974	\$12,232	\$12,964
Benefits	<u>\$43,922</u>	<u>\$10,320</u>	<u>\$10,836</u>
Total Annual Incremental Costs:	\$382,910	\$380,118	\$375,626
Total Over Term of Contract	\$1,148,730	\$760,236	\$375,626
			\$2,284,595

***This incremental pension cost results only from the negotiated wage increase and does not include the cost of associated MCERA rate changes. The terms and conditions of the pension benefit plan remain unchanged.*

While the incremental cost is \$382,910 for fiscal year 2024-2025, \$380,118 for fiscal year 2025-2026, and \$375,626 for fiscal year 2026-2027, the increases are compounding and therefore the projected cumulative wages and other costs total \$2,284,595. Year 1 funding for these positions is provided for in the fiscal year 2024-25 adopted budget.

OPTIONS:

The City Council has the following options to consider in this matter:

- Accept staff's recommendation to adopt the resolution.
- Adopt resolution with modifications.
- Direct staff to return with more information.
- Take no action.

RECOMMENDED ACTION:

- Staff recommends that the City Council adopt the Salary Resolution establishing the compensation and working conditions for Unrepresented Executive Management Employees (July 1, 2024, through June 30, 2027), and
- Staff recommends that the City Council authorize the City Manager to enter into employment agreements with the unrepresented executive management employees.

ATTACHMENTS:

1. Salary Resolution Establishing the Compensation and Working Conditions for Unrepresented Executive Management Employees (July 1, 2024, through June 30, 2027), with Exhibit A (salary schedule) and additional attachments
2. Salary Resolution with tracked changes

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL ESTABLISHING THE
COMPENSATION AND WORKING CONDITIONS FOR
UNREPRESENTED EXECUTIVE MANAGEMENT EMPLOYEES
(JULY 1, 2024 THROUGH JUNE 30, 2027)
AND AUTHORIZING THE CITY MANAGER TO ENTER INTO EMPLOYMENT AGREEMENTS
WITH THE UNREPRESENTED EXECUTIVE MANAGEMENT EMPLOYEES**

1. EXECUTIVE MANAGEMENT EMPLOYEES

The Executive Management Employees of the City of San Rafael are the Executive Management Job Class Titles (“Executives”) enumerated in Exhibit A, attached hereto and incorporated herein. This Resolution shall constitute the compensation and conditions of employment for the Executives for the period from July 1, 2024, through June 30, 2027.

The City Manager is hereby authorized to enter into employment agreements in accordance with the terms specified herein.

2. SALARY AND COMPENSATION GOALS

A. GOALS AND COMPENSATION DEFINITIONS

It is the goal of the City Council to try to achieve a total compensation package for all Executives that is competitive compared to similar cities in our labor market. The survey cities are Fairfield, Hayward, San Leandro, South San Francisco, Alameda, Napa, Novato, and Santa Rosa. The Council’s goal is to attract and retain the most qualified Executives in accordance with the City’s ability to pay.

Total Compensation for survey purposes shall be defined as: Top step salary (excluding longevity pay steps), educational incentive pay, holiday pay, uniform allowance, auto allowance, employer paid deferred compensation (except for such portion that may be part of employee cafeteria plan), employer’s contribution towards employees’ share of retirement, employer’s retirement contribution, employer paid contributions toward insurance premiums for health, life, long term disability, dental and vision plans, Executive Management allowance, and employer paid cafeteria/flexible spending accounts.

B. COMPENSATION SURVEYS

In order to measure progress towards the above-stated goal, the City shall survey all Executive Management positions in the final year of the Resolution in advance of discussions regarding a successor Resolution.

Identified survey positions from other agencies include positions that are filled as well as those that may be unfilled, so long as the position is identified by the survey agency as being on the salary schedule and having a job class description. The appropriate survey positions will be selected for Executive Management positions based upon similar work and similar job requirements.

The City shall review the survey data for accuracy and completeness. The City shall provide the survey data to all Executives.

C. SALARY INCREASES

Individual classification salary increase percentages depend on the labor market adjustment applied to each position. The salary schedule included with this salary resolution authorizes the proposed new salary for each position.

D. CAR ALLOWANCE

The monthly car allowance paid to the Executives shall be \$350. Executives identified in Exhibit A may be eligible to have use of a city car in lieu of the monthly car allowance at the discretion of the City Manager.

3. INSURANCE

Health & Dental Insurance benefits are prorated for part-time employees in accordance with the percentage of full-time work schedule. Domestic partners who are registered with the Secretary of State and same-sex spouses are considered dependents under these benefits. Pertinent taxes will be applied to coverage provided to registered domestic partners and same sex spouses as required by federal and state laws.

A. HEALTH INSURANCE

- 1. **Health Insurance for Active Employees.** Effective January 1, 2009, the City implemented a full flex cafeteria plan for active employees, in accordance with IRS Code Section 125. Active employees participating in the City’s full flex cafeteria plan shall receive a monthly flex dollar allowance to purchase benefits under the full flex cafeteria plan.

The monthly flex dollar allowance effective the paycheck of July 1, 2024, shall be:

For employee only:	\$ 735.86
For employee and one dependent:	\$ 1,471.71
For employee and two or more dependents:	\$ 1,913.24

The monthly flex dollar allowance effective the paycheck of December 15, 2024, shall be:

For employee only:	\$ 950.00
For employee and one dependent:	\$ 1,900.00
For employee and two or more dependents:	\$ 2,400.00

Effective December 15, 2025, and December 15, 2026, the flex dollar allowances shall increase on the December 15th paycheck up to a maximum of five percent (5.0%) on an annual basis. If the Kaiser Bay Area premium rate increase is less than five percent (5.0%), the flex dollar allowance shall only increase the amount of the Kaiser Bay Area premium increase. In the event that the Kaiser Bay Area premium rate increase for the upcoming calendar year exceeds ten percent (10%) and is less than fifteen percent (15%), the City and the employee will split the cost of the increase above ten percent (10%) evenly; each paying 50% of the dollar value of the increase between 10-15%.

Upon expiration of this resolution, the flex dollar allowances for Executive Management Employees represented by this resolution shall increase on the December 15th paycheck of each subsequent year up to a maximum of three percent (3%) on an annual basis, based on but not to exceed the Kaiser Bay Area premium rate increase for the upcoming calendar year.

The City shall contribute to the cost of medical coverage for each eligible employee and their dependents, an amount not to exceed the California Public Employees' Medical and Hospital Care Act (PEMHCA) contribution, as determined by CalPERS on an annual basis. This portion of the monthly flex dollar allowance is identified as the City's contribution towards PEMHCA. The balance of the monthly flex dollar allowance (after the PEMHCA minimum contribution) may be used in accordance with the terms of the cafeteria plan to purchase health benefits.

Conditional Opt-Out Payment: An employee may elect to waive the City's health insurance coverage and receive the value of the Employee Only contribution as a monthly Opt-Out payment in accordance with the terms of the cafeteria plan, and the Affordable Care Act, if the employee complies with the following conditions:

- 1) The employee certifies that the employee and all individuals in the employee's tax family for whom coverage is waived, have alternative Minimum Essential Coverage as defined by the Patient Protection and Affordable Care Act through a provider other than a federal marketplace, a state exchange, or an individual policy.
- 2) During the City's annual open enrollment period, the employee must complete an annual written attestation confirming that the employee and the other members of the employee's tax family are enrolled in alternative Minimum Essential Coverage. The employee agrees to notify the City no later than 30 days if the employee or other member(s) of the employee's tax family lose coverage under the alternative Minimum Essential Coverage Plan.
- 3) The employee understands that the City is legally required to immediately stop conditional opt-out payments if the City learns that the employee and/or members of the employee's family do not have the alternative Minimal Essential Coverage.

The City reserves the right to modify at any time, the amount an employee is eligible to receive under this paragraph, if required by IRS Cafeteria Plan regulations, other legislation or Federal and/or California agency guidance.

Miscellaneous Allowance for Employees promoted or hired into an Executive position on or before January 1, 2009:

The City shall pay to employees hired on or before January 1, 2009 a miscellaneous allowance in an amount equivalent to the difference between the employee's benefit election for coverage under PEMHCA and their flex dollar allowance, if their benefit election under PEMHCA exceeds their flex dollar allowance. The miscellaneous allowance shall be treated as income. An employee may use the miscellaneous allowance to pay for health coverage on a pre-tax basis as defined under the City's Cafeteria plan.

2. Health Insurance for Retirees

a. Employees promoted or hired into an Executive position prior to April 1, 2007 and who retire from the Marin County Employees' Retirement Association (MCERA) within 120 days of leaving their City of San Rafael Executive Management position (and who comply with the appropriate retirement provisions under the MCERA laws and regulations) are eligible to continue in the City's group health insurance program. The City's contribution towards the coverage of retirees under this subsection (3.A.2.a) shall be the PEMHCA minimum contribution as determined by CalPERS on an annual basis.

On a monthly basis, the City shall make a longevity payment equivalent to the difference between the PEMHCA minimum contribution and the premium cost of coverage, for the retiree and the retiree's spouse/registered domestic partner or surviving spouse/registered domestic partner and/or qualified dependent children's coverage under PEMHCA up to the maximum contribution the City makes towards the cost of coverage of an active employee hired prior to April 1, 2007. The City's longevity contribution shall remain in effect for the retired manager's life and that of the retired manager's spouse/registered domestic partner or surviving spouse/registered domestic partner.

As described in this subsection, the City shall reimburse retired Executives and their spouses or registered domestic partners the Medicare Part B standard premium amount, as determined by the Centers of Medicare and Medicaid Services (CMS) on an annual basis. To initiate reimbursement, retirees must submit proof of payment of the Medicare Part B premiums to the Human Resources Department. If the Medicare Part B is deducted from social security, the retiree/spouse/domestic partner may submit a copy of the social security check, the Medicare Part B bill, or other relevant documentation. Reimbursements will be processed on a quarterly basis. This reimbursement shall remain in effect for the retired Executive's life and that of the retired Executive's spouse/registered domestic partner or surviving spouse/registered domestic partner.

b. Employees promoted or hired into an Executive position on or after April 1, 2007 and who retire from the Marin County Employees' Retirement Association (MCERA) within 120 days of leaving their City of San Rafael position (and comply with the appropriate retirement provisions under the MCERA laws and regulations) are eligible to continue in the City's group health insurance program. The City's contribution towards the coverage of retirees under this subsection (3.A.2.b) shall be the PEMHCA minimum contribution as determined by CalPERS on an annual basis.

On a monthly basis, the City shall make a longevity payment equivalent to the difference between the PEMHCA minimum contribution and the premium cost of coverage, up to \$600, for the retiree. The City shall not be responsible for making any contributions towards the cost of coverage of the retiree's spouse, registered domestic partner or retiree's dependents. The City's longevity contribution shall cease on the retired manager's death. The City shall not be responsible for reimbursing retired Executives and/or their spouses for any Medicare premiums paid by the retired manager and/or the retired manager's spouse or surviving spouse.

c. Employees promoted or hired into an Executive position on or after January 1, 2009 and who retire from the Marin County Employees' Retirement Association (MCERA) within 120 days of leaving their City of San Rafael position (and comply with the appropriate retirement provisions under the MCERA laws and regulations) are eligible to continue in the City's group health insurance program. The City's contribution towards the coverage of retirees under this subsection (3.A.2.c) shall be the PEMHCA minimum contribution as determined by CalPERS on an annual basis. The City shall not be responsible for reimbursing retired Executives and/or their spouses for any Medicare premiums paid by the retired manager and/or the retired manager's spouse or surviving spouse.

The City shall additionally make available a retiree health care trust to enable these employees to prefund retiree health care premiums while employed by the City. The retiree health care trust shall be funded by the mandatory annual conversion of 50 hours of sick time

in service on July 1 of each year, provided an employee has a remaining balance of 75 hours of sick leave after the conversion.

B. LIFE INSURANCE

The City shall provide a basic group life insurance plan in the amount of \$250,000 at no cost to the employee.

C. LONG-TERM DISABILITY INSURANCE

The City shall provide long-term disability (LTD) insurance, at no cost to the employee, with a benefit of two-thirds (2/3) of the employee's monthly salary, up to a maximum benefit of \$7,500 (reduced by any deductible benefits).

D. DENTAL INSURANCE

The City shall pay dental premiums on behalf of the employee and eligible dependents.

E. VISION PLAN

The City will contract for and pay for a vision plan for "employee plus dependent" vision benefits.

F. EMPLOYEE ASSISTANCE PLAN

The City provides an Employee Assistance Program (EAP) with confidential personal counseling on work and family related issues such as eldercare, substance abuse, etc. Supervisors may also utilize the EAP to refer employees to counselors for work-related assistance.

4. RETIREMENT

A. EMPLOYER PAID MEMBER CONTRIBUTION (EPMC)

Each Manager is responsible for paying the full cost of their employee contribution rate as established by the Marin County Employee Retirement Association.

Effective September 1, 2013, in accordance with MCERA and City administrative requirements, all Executive employees will pay an additional contribution of one percent (1%) of pensionable compensation toward the normal cost of pension provided by the Marin County Employees Retirement Association, in addition to the current employee contribution towards pension as determined by MCERA.

The only employees excluded from this payment are long-term City employees with thirty or more years of City service who no longer have to pay any employee contribution to the Marin County Retirement System.

B. COLA

Executives participating in the Marin County Employee Retirement Association will pay their full share of members' cost of living rates as allowed under Articles 6 and 6.8 of the 1937 Retirement Act. Miscellaneous and safety member contribution rates include both the basic and COLA portions (currently 50% of the COLA is charged to members as defined in the 1937 Act).

C. RETIREMENT PLAN

The City shall provide the Marin County Employee Retirement Association 2.7% @55 retirement program to all miscellaneous Executives subject to Marin County Employee Retirement Association procedures and regulations and applicable 1937 Act laws. This is based on an employee's single highest year of compensation.

Employees hired on or after July 1, 2011 will receive an MCERA retirement benefit at the formula 2% at 55, calculated based on the average of their highest three years of compensation, in accordance with MCERA regulations. The annual pension adjustment shall be a maximum of 2% COLA. Minimum retirement age is 55.

Employees hired by the City on or after January 1, 2013 who are defined as “new members” of MCERA in accordance with the Public Employees’ Pension Reform Act (PEPRA) of 2013, shall be enrolled in the MCERA 2% @ 62 plan for Miscellaneous members. The employee is responsible for paying the employee contribution of half of the total normal cost of the plan, as defined by MCERA, through a payroll deduction. Final compensation will be based upon the highest annual average compensation earnable during the thirty-six (36) consecutive months of employment immediately preceding the effective date of their retirement or some other period designated by the retiring employee.

D. SERVICE CREDIT FOR SICK LEAVE

Executives who are eligible to accrue sick leave and who retire from the City of San Rafael, on or after 07/01/95 and within 120 days of leaving City employment (excludes deferred retirements), shall receive employment service credit (incorporated from Resolution #9414, dated July 17, 1995), for retirement purposes only, for all hours of accrued, unused sick leave (exclusive of any sick leave hours they are eligible to receive and they elect to receive in compensation at the time of retirement, pursuant to Section 5-A of this Resolution).

This provision will no longer be available to Executives hired after June 30, 2009.

E. EXECUTIVE MANAGEMENT ALLOWANCE

As of September 16, 2015, the Executive Management Allowance of 4.59% was rolled into base pay for all Unrepresented Executive Management employees.

5. LEAVES OF ABSENCE

A. SICK LEAVE

Executives shall earn sick leave credits at the rate of one (1) working day per month commencing with the date of employment. Accrued sick leave may be used during their probationary period.

Executives who leave City service in good standing shall receive compensation (cash in) of all accumulated, unused sick leave based upon the rate of three percent (3%) for each year of service up to a maximum of fifty percent (50%) of their sick leave balance. In the event of the death of an employee, payment for unused sick leave (based upon the previously stated formula) shall be paid to the employee's designated beneficiary.

Executives may accrue unlimited sick leave for usage purposes. However, a maximum of one thousand, two hundred hours (1,200) accrual applies for cash-in purposes at the time of City separation.

Executives may use sick leave prior to completion of probation. In recognition of Executives’ exempt status under FLSA, time off for sick leave purposes shall not be deducted from a Manager’s sick leave accrual, unless the employee is absent for the full workday.

Use of sick leave for work-related injuries or illnesses shall not be required when it is determined by the treating physician that this status is permanent and stationary.

B. VACATION LEAVE

1. **Vacation Accrual** - Vacation is accrued when an employee is on pay status and is credited on a semi-monthly basis. Eligible employees accrue vacation at the following rate for continuous service performed in pay status:

<u>Years of service</u>	<u>Leave Accrual rate/yearly</u>
1-5 years	15 days
6 years	16 days
7 years	17 days
8 years	18 days
9 years	19 days
10 years	20 days
11 years	21 days
12 years	22 days
13 years	23 days
14 years	24 days
15 plus years	25 days

In recognition of Executives' exempt status under FLSA, time off for vacation leave purposes shall not be deducted from a Manager's vacation accrual unless the employee is absent for the full workday.

2. **Administration of Vacation Leave**

The City Manager may advance vacation leave to a Manager; prior approval is required. Executives may accrue a maximum of 250 hours of vacation. Vacation leave accrual shall resume once the employee's accumulated vacation leave balance falls below the accrual limit of 250 hours. Executives who terminate their employment shall be paid in a lump sum for all accrued vacation leave earned prior to the date of termination. Executives may not utilize accrued vacation, administrative leave time, or personal leave time to extend their retirement date and service credit at the end of their city service. .

3. **Annual Option for Payment of Accrued Vacation Leave**

A Manager who has taken at least ten (10) days of vacation in the preceding twelve (12) months, may request that their accrued vacation, not to exceed fifty-two and 1/2 (52.5) hours, be paid to them in cash. The request may be granted at the discretion of the City Manager. Executives may not cash-in more than fifty-two and 1/2 (52.5) hours within any twelve (12) month period.

C. ADMINISTRATIVE LEAVE

Executives shall receive ten (10) Administrative Leave days (75 hours) each calendar year subject to the approval of the City Manager. An additional three (3) may be granted at the discretion and with approval of the City Manager. Unused Administrative Leave shall not carry over from one calendar year to the next, nor shall unused Administrative Leave balances be paid to a Manager upon their resignation.

In recognition of exempt status under FLSA time off for Administrative leave purposes shall not be deducted from a Manager's administrative leave accrual, unless the employee is absent for the full workday.

D. HOLIDAYS

In order to be eligible for compensation for the paid holiday, the employee must both be in paid status on the day before the holiday and on the day after the holiday.

All employees who are required to work on a day designated as an authorized holiday, other than a day on which an election is held throughout the state, shall be paid at the applicable rate of pay for the number of hours actually worked.

City shall provide twelve designated holidays and one floating holidays per calendar year to Executives. Floating holiday hours are automatically added to an employees' vacation accrual on an annual basis.

E. BEREAVEMENT LEAVE

In the event of the death of a Manager's spouse, registered domestic partner, child, parent, sibling, parent in-laws, grandchild, grandparent, relative who lives or has lived in the home of the employee to such an extent that the relative was considered a member of the immediate family and/or another individual who has a legal familial relationship to the employee and resided in the employee's household, up to five (5) days may be granted for paid bereavement leave. All bereavement leave must be exhausted within 3 months of the date of the death of the family member and may be taken intermittently.

In those cases where the death involves an individual who had such a relationship with the employee, as defined above, the employee shall sign a simple affidavit describing the relationship and submit this to the City Manager as part of the request for bereavement leave. Directors may make a request to the City Manager, to use bereavement leave for a relative other than those listed above.

The above bereavement clause shall also apply in the event of a reproductive loss for an employee. The City agrees to maintain employee confidentiality related to the reproductive loss leave.

F. CATASTROPHIC LEAVE

All Executives shall abide by the City's Catastrophic Leave Policy.

G. PAID PARENTAL LEAVE

Effective July 1, 2024, any employee who has been continuously employed by the City for at least 12 months prior to the start of the leave shall be eligible for Paid Parental Leave (PPL) to use within 12 months of the following eligible events:

1. Birth of a child of the employee, the employee's spouse, or the employee's registered domestic partner.
2. Placement of a child with the employee for adoption.

For the purposes of PPL, the definition of "parent" and "child" are as defined by the California Family Rights Act.

Benefit and Use:

1. Eligible employees shall be granted 300 PPL hours to use within 12 months of the qualifying event for the purposes of disability due to pregnancy and/or baby bonding. Regular part-time employees shall be eligible for a prorated number of PPL hours, based on scheduled and budgeted FTE.

2. PPL is based on a 12-month rolling calendar. No more than 300 PPL hours may be used in any 12- month period. PPL may not be used or extended beyond the 12-month time frame and any accrued and unused PPL will be forfeited at the end of the 12-month period for the qualifying event.
3. Upon termination of the employee's employment at the City, they will not be paid for any accrued and unused PPL for which they were eligible.
4. PPL is based on the employee's regularly scheduled hourly base wage. It is considered "paid status" for the purpose of merit, seniority, benefit premium contributions, retirement service credit, vacation and sick leave accrual, and City benefit eligibility and contributions.
5. PPL shall be used in a block of continuous time or on an intermittent or reduced schedule. Intermittent leaves or reduced schedules must be arranged and approved by the employee's supervisor in advance.
6. PPL shall run concurrently with FMLA/CFRA and with PDL as set forth in paragraph 7, below. Eligible employees will be reinstated to the same or equivalent position in accordance with FMLA/CFRA protections. This may include altered assignments to accommodate the department's operational needs when the employee is working a reduced work schedule.
7. Pregnancy Disability Leave (PDL): An eligible employee on PDL must reduce their sick leave balance to 40 hours or less to use PPL concurrently with PDL. An eligible employee is not required to further reduce their balance once they have reached the initial threshold of 40 hours or less.

Coordination of Benefits & Leaves:

- PPL taken under this policy will run concurrently with leave under the FMLA, CFRA, and PDL once the eligible employee's sick leave balance is reduced to 40 hours or less.
- PPL will be fully integrated with any short-term disability or California Paid Family Leave program but shall not exceed one hundred percent (100%) of the employee's normal gross salary rate.
- The use of Short-Term Disability (STD) and Paid Family Leave (PFL) will not reduce available hours under the PPL leave entitlement.
- For time covered by FMLA/CFRA job protected leave for baby bonding purposes, PPL must be used prior to other accrued leave or unpaid leave except as discussed in number 7 above.
- If an employee has exhausted FMLA/CFRA entitlements for reasons other than baby bonding, PPL must be used prior to other accrued leaves or Leave Without Pay for arranged leaves for the purpose of baby bonding. Scheduling of non-FMLA/CFRA protected PPL is subject to department approval.
- An employee who is eligible for PPL but is on leave for other reasons cannot use PPL except as described in paragraph 7 above.

H. END OF LIFE CARE LEAVE

Eligibility:

Effective July 1, 2024, employees who have been continuously employed by the City for at least 12 months prior to the start of the leave shall be eligible for End of Life Care leave to provide end of life care for an immediate family member, which shall include an employee's spouse, registered domestic partner, child, parent, sibling, parent, parent in-law(s), grandparent, or grandchild.

End of Life care may be used to provide support, assistance and care to an immediate family member, as defined above, who is receiving end of life services through hospice or a medical facility.

Benefit and Use:

1. Eligible employees shall receive 80 hours of End of Life Care leave to be used during their employment with the City for use to support an immediate family member near the end of life, as described above.
2. Upon termination of the employee's employment at the City, they will not be paid for any accrued and unused End of Life Care leave for which they were eligible. Further, if an employee leaves City employment and returns to City service later in their career, the employee shall receive any unused hours from their previous employment with the City but shall not be granted any additional hours of for End of Life Care Leave.
3. End of Life Care leave is based on the employee's regularly scheduled hourly base wage. It is considered "paid status" for the purpose of merit, seniority, benefit premium contributions, retirement service credit, vacation and sick leave accrual, and City benefit eligibility and contributions.
4. End of Life Care leave shall be used in a block of continuous time or on an intermittent or reduced schedule. Intermittent leaves or reduced schedules must be arranged and approved by the employee's supervisor in advance.
5. End of Life Care shall run concurrently with FMLA/CFRA. Eligible employees will be reinstated to the same or equivalent position in accordance with FMLA/CFRA protections. This may include altered assignments to accommodate the department's operational needs when the employee is working a reduced work schedule.
6. An employee who is eligible for End of Life Care Leave but is on leave for other reasons cannot use PPL except as described in paragraph 5 above.

6. EMPLOYMENT TERMS

A. HOURS OF WORK

The WORK WEEK will reflect thirty-seven and one-half (37.5) hours for all job classes. Unless otherwise designated, the normal business hours for vacation, sick and administrative leave deduction and sick and administrative leave accrual purposes for Executives shall be 7.5 hours per day.

B. DRUG FREE WORK PLACE

All Executives shall abide by the City's Drug and Alcohol Policy.

C. FURLOUGH PLAN

Executives endorse the Furlough Program described in Exhibit B.

D. PAY FOR PERFORMANCE EVALUATION SYSTEM

Executives shall be evaluated annually based upon the evaluation program adopted by the City Council in October of 1996 and incorporated by reference herein.

E. OUTSIDE EMPLOYMENT

All Executives shall abide by the City’s Outside Employment Policy.

F. WELLNESS BENEFIT

Employees are eligible to receive up to \$16.50 per month reimbursement for all eligible health and wellness expenses as follows: preventative medical examinations (minus any amount paid by a private insurance plan), paid health or gym club memberships, licensed weight loss facility memberships, physical therapy sessions, smoking cessation programs, wellness counseling, acupuncture, or meditation programs. Such reimbursement shall be reported as taxable income to the employee.

G. PERSONNEL RULES & REGULATIONS

All employees shall follow the City’s Personnel Rules and Regulations located on the City’s website.

H. AT WILL STATUS

All positions covered by this resolution are at-will and as such serve at the pleasure of the appointing authority and may be removed at any time without cause and without right of appeal.

I. SEVERANCE

Except employees who have committed an abuse of office or position as defined by Government Code Section 53243.4 or committed a violation of the Fair Employment and Housing Act, an Unrepresented Executive Management employee who is involuntarily separated shall receive severance pay in a lump sum equal to the following, provided they sign a settlement and general release provided by the City:

- 1 year of service = two months of salary and two months of COBRA health insurance.
- 2 years of service = three months of salary and three months of COBRA health insurance.
- 3 years of service = four months of salary and four months of COBRA health insurance.
- 4 years of service = five months of salary and five months of COBRA health insurance.
- 5 or more years of service = six months of salary and six months of COBRA health insurance.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City held on the 15th day of July 2024 by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, CITY CLERK

**SAN RAFAEL UNREPRESENTED EXECUTIVE MANAGEMENT
SALARY SCHEDULE
Effective July 1, 2024**

Grade	Position	A	B	C	D	E
2501	Assistant City Attorney	\$ 14,635	\$ 15,367	\$ 16,135	\$ 16,942	\$ 17,789
2001	Assistant City Manager	\$ 20,829	\$ 21,871	\$ 22,964	\$ 24,112	\$ 25,318
2300	Director of Community & Economic Development	\$ 15,770	\$ 16,559	\$ 17,387	\$ 18,256	\$ 19,169
4205	Director of Digital Service & Open Government	\$ 14,977	\$ 15,726	\$ 16,512	\$ 17,337	\$ 18,204
2801	Director of Economic Development & Innovation					
2205	District Manager/Engineer (SRSD)	\$ 14,088	\$ 14,792	\$ 15,532	\$ 16,308	\$ 17,124
2140	Finance Director	\$ 14,772	\$ 15,510	\$ 16,286	\$ 17,100	\$ 17,955
7101	Fire Chief	\$ 20,623	\$ 21,654	\$ 22,737	\$ 23,873	\$ 25,067
1106	Human Resources Director	\$ 14,908	\$ 15,654	\$ 16,436	\$ 17,258	\$ 18,121
2406	Library and Recreation Director	\$ 15,516	\$ 16,292	\$ 17,106	\$ 17,961	\$ 18,859
6101	Police Chief	\$ 20,623	\$ 21,654	\$ 22,737	\$ 23,873	\$ 25,067
2201	Public Works Director	\$ 16,075	\$ 16,879	\$ 17,723	\$ 18,609	\$ 19,540

Position	Monthly Salary
City Manager (Appointed)	\$ 24,494

**SAN RAFAEL UNREPRESENTED EXECUTIVE MANAGEMENT
SALARY SCHEDULE
Effective July 1, 2025**

Grade	Position	A	B	C	D	E
2501	Assistant City Attorney	\$ 15,659	\$ 16,442	\$ 17,264	\$ 18,128	\$ 19,034
2001	Assistant City Manager	\$ 21,454	\$ 22,527	\$ 23,653	\$ 24,836	\$ 26,078
2300	Director of Community & Economic Development	\$ 16,716	\$ 17,552	\$ 18,430	\$ 19,351	\$ 20,319
4205	Director of Digital Service & Open Government	\$ 16,325	\$ 17,141	\$ 17,998	\$ 18,898	\$ 19,843
2801	Director of Economic Development & Innovation					
2205	District Manager/Engineer (SRSD)	\$ 14,510	\$ 15,236	\$ 15,998	\$ 16,798	\$ 17,637
2140	Finance Director	\$ 15,953	\$ 16,751	\$ 17,589	\$ 18,468	\$ 19,391
7101	Fire Chief	\$ 21,241	\$ 22,303	\$ 23,419	\$ 24,590	\$ 25,819
1106	Human Resources Director	\$ 16,250	\$ 17,063	\$ 17,916	\$ 18,812	\$ 19,752
2406	Library and Recreation Director	\$ 16,602	\$ 17,432	\$ 18,304	\$ 19,219	\$ 20,180
6101	Police Chief	\$ 21,241	\$ 22,303	\$ 23,419	\$ 24,590	\$ 25,819
2201	Public Works Director	\$ 17,120	\$ 17,976	\$ 18,875	\$ 19,819	\$ 20,810

Position	Monthly Salary
City Manager (Appointed)	\$ 24,494

**SAN RAFAEL UNREPRESENTED EXECUTIVE MANAGEMENT
SALARY SCHEDULE
Effective July 1, 2026**

Grade	Position	A	B	C	D	E
2501	Assistant City Attorney	\$ 16,129	\$ 16,936	\$ 17,782	\$ 18,671	\$ 19,605
2001	Assistant City Manager	\$ 22,098	\$ 23,203	\$ 24,363	\$ 25,581	\$ 26,860
2300	Director of Community & Economic Development	\$ 17,218	\$ 18,079	\$ 18,983	\$ 19,932	\$ 20,929
4205	Director of Digital Service & Open Government	\$ 17,794	\$ 18,684	\$ 19,618	\$ 20,599	\$ 21,629
2801	Director of Economic Development & Innovation					
2205	District Manager/Engineer (SRSD)	\$ 14,946	\$ 15,693	\$ 16,478	\$ 17,302	\$ 18,167
2140	Finance Director	\$ 17,230	\$ 18,091	\$ 18,996	\$ 19,945	\$ 20,943
7101	Fire Chief	\$ 21,879	\$ 22,973	\$ 24,121	\$ 25,327	\$ 26,594
1106	Human Resources Director	\$ 17,550	\$ 18,428	\$ 19,349	\$ 20,316	\$ 21,332
2406	Library and Recreation Director	\$ 17,598	\$ 18,478	\$ 19,402	\$ 20,372	\$ 21,390
6101	Police Chief	\$ 21,879	\$ 22,973	\$ 24,121	\$ 25,327	\$ 26,594
2201	Public Works Director	\$ 17,634	\$ 18,516	\$ 19,441	\$ 20,413	\$ 21,434

Position	Monthly Salary
City Manager (Appointed)	\$ 24,494

EXECUTIVE MANAGEMENT SALARY RESOLUTION
EXHIBIT "B"

FURLOUGH PROGRAM

Both the City of San Rafael and the Management Group employees recognize the current economic condition of the State of California and the City of San Rafael. Through this recognition and in a cooperative spirit the City of San Rafael and these employees have worked expeditiously on the development of a Furlough Program. This does not mean the City will necessarily implement furloughs; but in the event it is necessary to implement due to continued economic problems in the City of San Rafael the procedures for this Furlough Program shall provide for both Voluntary Time Off (herein described as VTO) and Mandatory Time Off (herein described as MTO).

Voluntary Time Off (VTO).

The needs of the City and the respective departments (as determined by the Department Director and City Manager) will need to be considered in the actual granting of VTO. Any VTO time granted and the resulting savings will have a corresponding impact on the time needed through MTO.

1. An employee's VTO time would count in determining how many hours of MTO an employee needed to take during the fiscal year.
2. Employees who take VTO at a time other than when MTO is taken by other employees will have to take vacation leave, compensatory time off or leave without pay if the MTO results in the closure of the department.

Mandatory Time Off (MTO).

The City will attempt to schedule MTO time in blocks of days (between Christmas and New Years) or individual days next to scheduled holidays and/or weekends.

1. Employees may not take paid vacation time in lieu of designated MTO time.
2. For retirement calculation purposes of the MTO, the City shall follow the policies and procedures of the Marin County Employees' Retirement Association (MCERA) at the time of the furlough.
3. Any employee who notifies the City no later than 07/30/11 of their retirement date and retires from the City during FY 11-12 shall be exempted from the MTO requirements. If said employee did not retire during FY 11-12 as stated, said employee would be docked in pay an amount equivalent to the number of MTO hours taken by other represented employees.
4. MTO time shall apply toward time in service for step increases, completion of probation, and related service credit subject to the policies and procedures of the Marin County Employees' Retirement Association (MCERA).

Other Terms and Conditions.

1. The MTO salary reduction shall be limited to a maximum five percent (5%) reduction in work hours/pay for the fiscal year. When the maximum MTO reduction (5%) is implemented, the involved employee shall be credited with three (3) days of float time.
2. Float Time accrued through the MTO Program must be taken in the fiscal year following the furlough, with supervisory approval, or the leave will be forfeited. The float days have no cash value upon termination of employment.
3. Should the City experience a financial windfall during the fiscal year that furloughs are implemented, the City agrees to re-open discussions on this Furlough Program.
4. The VTO/MTO salary reduction is intended to be permanent for the term of this contract.

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL ESTABLISHING THE
COMPENSATION AND WORKING CONDITIONS FOR
UNREPRESENTED EXECUTIVE MANAGEMENT EMPLOYEES
(JULY 1, ~~2021~~2024 THROUGH JUNE 30, ~~2024~~2027)
AND AUTHORIZING THE CITY MANAGER TO ENTER INTO EMPLOYMENT AGREEMENTS
WITH THE UNREPRESENTED EXECUTIVE MANAGEMENT EMPLOYEES**

1. EXECUTIVE MANAGEMENT EMPLOYEES

The Executive Management Employees of the City of San Rafael are the Executive Management Job Class Titles (“Executives”) enumerated in Exhibit A, attached hereto and incorporated herein. This Resolution shall constitute the compensation and conditions of employment for the Executives for the period from July 1, ~~2021~~2024, through June 30, ~~2024~~2027.

The City Manager is hereby authorized to enter into employment agreements in accordance with the terms specified herein.

2. SALARY AND COMPENSATION GOALS

A. GOALS AND COMPENSATION DEFINITIONS

It is the goal of the City Council to try to achieve a total compensation package for all Executives that is competitive compared to similar cities in our labor market. The survey cities are Fairfield, Hayward, San Leandro, South San Francisco, Alameda, Napa, Novato, and Santa Rosa. The Council’s goal is to attract and retain the most qualified Executives in accordance with the City’s ability to pay.

Total Compensation for survey purposes shall be defined as: Top step salary (excluding longevity pay steps), educational incentive pay, holiday pay, uniform allowance, auto allowance, employer paid deferred compensation (except for such portion that may be part of employee cafeteria plan), employer’s contribution towards employees’ share of retirement, employer’s retirement contribution, employer paid contributions toward insurance premiums for health, life, long term disability, dental and vision plans, Executive Management allowance, and employer paid cafeteria/flexible spending accounts.

B. COMPENSATION SURVEYS

In order to measure progress towards the above-stated goal, the City shall survey all Executive Management positions in the final year of the Resolution in advance of discussions regarding a successor Resolution.

Identified survey positions from other agencies include positions that are filled as well as those that may be unfilled, so long as the position is identified by the survey agency as being on the salary schedule and having a job class description. The appropriate survey positions will be selected for Executive Management positions based upon similar work and similar job requirements.

The City shall review the survey data for accuracy and completeness. The City shall provide the survey data to all Executives.

C. SALARY INCREASES

~~Prior year contract extension — restoration of 3% base wage: For FY 20-21, all bargaining groups (except WCE, Local 1, Mid-Management and Executive Management) received a 3% base wage increase for the 1-year contract extension which was implemented for FY 20/21. The timing of the COVID-19 pandemic and the associated financial losses which were projected at that time, resulted in an unintended disparate treatment of the bargaining groups. WCE, Local 1, Mid-Management and Executive Management did not receive this same 3% base wage increase for FY 20-21. However, the City is now in a financial position to “restore” the 3% base wage increase to those groups. The 3% base wage increase will apply to the Elected City Clerk and Elected City attorney positions and is reflected in the salaries listed below.~~

Individual classification salary increase percentages depend on the labor market adjustment applied to each position. The salary schedule included with this salary resolution authorizes the proposed new salary for each position.

D. CAR ALLOWANCE

The monthly car allowance paid to the Executives shall be \$350. Executives identified in Exhibit A may be eligible to have use of a city car in lieu of the monthly car allowance at the discretion of the City Manager.

3. INSURANCE

Health & Dental Insurance benefits are prorated for part-time employees in accordance with the percentage of full-time work schedule. Domestic partners who are registered with the Secretary of State and same-sex spouses are considered dependents under these benefits. Pertinent taxes will be applied to coverage provided to registered domestic partners and same sex spouses as required by federal and state laws.

A. HEALTH INSURANCE

- 1. **Health Insurance for Active Employees.** Effective January 1, 2009, the City implemented a full flex cafeteria plan for active employees, in accordance with IRS Code Section 125. Active employees participating in the City’s full flex cafeteria plan shall receive a monthly flex dollar allowance to purchase benefits under the full flex cafeteria plan.

The monthly flex dollar allowance effective the paycheck of ~~December 15, 2020~~July 1, 2024, shall be:

For employee only:	\$ <u>673.42735.86</u>
For employee and one dependent:	\$ <u>1,346.82471.71</u>
For employee and two or more dependents:	\$ <u>1,750.88913.24</u>

~~Flex~~The monthly flex dollar allowance effective the paycheck of December 15, 2024, shall be:

<u>For employee only:</u>	<u>\$ 950.00</u>
<u>For employee and one dependent:</u>	<u>\$ 1,900.00</u>
<u>For employee and two or more dependents:</u>	<u>\$ 2,400.00</u>

Effective December 15, 2025, and December 15, 2026, the flex dollar allowances shall increase on the December 15th paycheck up to a maximum of five percent (5.0%) on an

annual basis. If the Kaiser Bay Area premium rate increase is less than five percent (5.0%), the flex dollar allowance shall only increase the amount of the Kaiser Bay Area premium increase. In the event that the Kaiser Bay Area premium rate increase –for the upcoming calendar year exceeds ten percent (10%) and is less than fifteen percent (15%), the City and the employee will split the cost of the increase above ten percent (10%) evenly; each paying 50% of the dollar value of the increase between 10-15%.

Upon expiration of this resolution, the Flex–flex dollar allowances for Executive Management Employees represented by this resolution shall increase on the December 15th paycheck of each subsequent year ~~by~~ up to a maximum of three percent (3%) on an annual basis, based on but not to exceed the Kaiser Bay Area premium rate increase for the upcoming calendar year.

The City shall contribute to the cost of medical coverage for each eligible employee and ~~his/her~~their dependents, an amount not to exceed the California Public Employees' Medical and Hospital Care Act (PEMHCA) contribution, as determined by CalPERS on an annual basis. This portion of the monthly flex dollar allowance is identified as the City's contribution towards PEMHCA. The balance of the monthly flex dollar allowance (after the PEMHCA minimum contribution) may be used in accordance with the terms of the cafeteria plan to purchase health benefits ~~or may be converted to taxable income.~~

Conditional Opt-Out Payment: An employee may elect to waive the City's health insurance coverage and receive the value of the Employee Only contribution as a monthly Opt-Out payment in accordance with the terms of the cafeteria plan, and the Affordable Care Act, if the employee complies with the following conditions:

- 1) The employee certifies that the employee and all individuals in the employee's tax family for whom coverage is waived, have alternative Minimum Essential Coverage as defined by the Patient Protection and Affordable Care Act through a provider other than a federal marketplace, a state exchange, or an individual policy.
- 2) During the City's annual open enrollment period, the employee must complete an annual written attestation confirming that the employee and the other members of the employee's tax family are enrolled in alternative Minimum Essential Coverage. The employee agrees to notify the City no later than 30 days if the employee or other member(s) of the employee's tax family lose coverage under the alternative Minimum Essential Coverage Plan.
- 3) The employee understands that the City is legally required to immediately stop conditional opt-out payments if the City learns that the employee and/or members of the employee's family do not have the alternative Minimal Essential Coverage.

The City reserves the right to modify at any time, the amount an employee is eligible to receive under this paragraph, if required by IRS Cafeteria Plan regulations, other legislation or Federal and/or California agency guidance.

Miscellaneous Allowance for Employees promoted or hired into an Executive position ~~hired~~ on or before January 1, 2009:

The City shall pay to employees hired on or before January 1, 2009 a miscellaneous allowance in an amount equivalent to the difference between the employee's benefit election for coverage under PEMHCA and their flex dollar allowance, if their benefit election under

PEMHCA exceeds their flex dollar allowance. The miscellaneous allowance shall be treated as income. An employee may use the miscellaneous allowance to pay for health coverage on a pre-tax basis as defined under the City's Cafeteria plan.

2. Health Insurance for Retirees

a. Employees promoted or hired into an Executives positionHired prior to April 1, 2007 and who retire from the Marin County Employees' Retirement Association (MCERA) within 120 days of leaving their City of San Rafael Executive Management position (and who comply with the appropriate retirement provisions under the MCERA laws and regulations) are eligible to continue in the City's group health insurance program. The City's contribution towards the coverage of retirees under this subsection (3.A.2.a) shall be the PEMHCA minimum contribution as determined by CalPERS on an annual basis.

On a monthly basis, the City shall make a longevity payment equivalent to the difference between the PEMHCA minimum contribution and the premium cost of coverage, for the retiree and the retiree's spouse/registered domestic partner or surviving spouse/registered domestic partner and/or qualified dependent children's coverage under PEMHCA up to the maximum contribution the City makes towards the cost of coverage of an active employee hired prior to April 1, 2007. The City's longevity contribution shall remain in effect for the retired manager's life and that of the retired manager's spouse/registered domestic partner or surviving spouse/registered domestic partner.

As described in this subsection, the City shall reimburse retired Executives and their spouses or registered domestic partners the Medicare Part B standard premium amount, as determined by the Centers of Medicare and Medicaid Services (CMS) on an annual basis. To initiate reimbursement, retirees must submit proof of payment of the Medicare Part B premiums to the Human Resources Department. If the Medicare Part B is deducted from social security, the retiree/spouse/domestic partner may submit a copy of the social security check, the Medicare Part B bill, or other relevant documentation. Reimbursements will be processed on a quarterly basis. This reimbursement shall remain in effect for the retired Executive's life and that of the retired Executive's spouse/registered domestic partner or surviving spouse/registered domestic partner.

b. Employees promoted or hired into an Executives positionhired on or after April 1, 2007 and who retire from the Marin County Employees' Retirement Association (MCERA) within 120 days of leaving their City of San Rafael position (and comply with the appropriate retirement provisions under the MCERA laws and regulations) are eligible to continue in the City's group health insurance program. The City's contribution towards the coverage of retirees under this subsection (3.A.2.b) shall be the PEMHCA minimum contribution as determined by CalPERS on an annual basis.

On a monthly basis, the City shall make a longevity payment equivalent to the difference between the PEMHCA minimum contribution and the premium cost of coverage, up to \$600, for the retiree. The City shall not be responsible for making any contributions towards the cost of coverage of the retiree's spouse, registered domestic partner or retiree's dependents. The City's longevity contribution shall cease on the retired manager's death. The City shall not be responsible for reimbursing retired Executives and/or their spouses for any Medicare premiums paid by the retired manager and/or the retired manager's spouse or surviving spouse.

c. Employees promoted or hired into an Executives position hired on or after January 1, 2009 and who retire from the Marin County Employees' Retirement Association (MCERA) within 120 days of leaving their City of San Rafael position (and comply with the appropriate retirement provisions under the MCERA laws and regulations) are eligible to continue in the City's group health insurance program. The City's contribution towards the coverage of retirees under this subsection (3.A.2.c) shall be the PEMHCA minimum contribution as determined by CalPERS on an annual basis. The City shall not be responsible for reimbursing retired Executives and/or their spouses for any Medicare premiums paid by the retired manager and/or the retired manager's spouse or surviving spouse.

The City shall additionally make available a retiree health care trust to enable these employees to prefund retiree health care premiums while employed by the City. The retiree health care trust shall be funded by the mandatory annual conversion of 50 hours of sick time in service on July 1 of each year, provided an employee has a remaining balance of 75 hours of sick leave after the conversion.

B. LIFE INSURANCE

The City shall provide a basic group life insurance plan in the amount of \$250,000 at no cost to the employee.

C. LONG-TERM DISABILITY INSURANCE

The City shall provide long-term disability (LTD) insurance, at no cost to the employee, with a benefit of two-thirds (2/3) of the employee's monthly salary, up to a maximum benefit of \$7,500 (reduced by any deductible benefits).

D. DENTAL INSURANCE

~~The City shall make available to employees an additional flex dollar allowance equal to \$113 per month to purchase dental coverage under the City's dental plan.~~ The City shall pay dental premiums on behalf of the employee and eligible dependents.

E. VISION PLAN

The City will contract for and pay for a vision plan for "employee plus dependent" vision benefits.

F. EMPLOYEE ASSISTANCE PLAN

The City provides an Employee Assistance Program (EAP) with confidential personal counseling on work and family related issues such as eldercare, substance abuse, etc. Supervisors may also utilize the EAP to refer employees to counselors for work-related assistance.

4. RETIREMENT

A. EMPLOYER PAID MEMBER CONTRIBUTION (EPMC)

Each Manager is responsible for paying the full cost of their employee contribution rate as established by the Marin County Employee Retirement Association.

Effective September 1, 2013, in accordance with MCERA and City administrative requirements, all Executive employees will pay an additional contribution of one percent (1%) of pensionable compensation toward the normal cost of pension provided by the Marin County Employees Retirement Association, in addition to the current employee contribution towards pension as determined by MCERA.

The only employees excluded from this payment are long-term City employees with thirty or more years of City service who no longer have to pay any employee contribution to the Marin County Retirement System.

B. COLA

Executives participating in the Marin County Employee Retirement Association will pay their full share of members' cost of living rates as allowed under Articles 6 and 6.8 of the 1937 Retirement Act. Miscellaneous and safety member contribution rates include both the basic and COLA portions (currently 50% of the COLA is charged to members as defined in the 1937 Act).

C. RETIREMENT PLAN

The City shall provide the Marin County Employee Retirement Association 2.7% @55 retirement program to all miscellaneous Executives subject to Marin County Employee Retirement Association procedures and regulations and applicable 1937 Act laws. This is based on an employee's single highest year of compensation.

Employees hired on or after July 1, 2011 will receive an MCERA retirement benefit at the formula 2% at 55, calculated based on the average of their highest three years of compensation, in accordance with MCERA regulations. The annual pension adjustment shall be a maximum of 2% COLA. Minimum retirement age is 55.

Employees hired by the City on or after January 1, 2013 who are defined as "new members" of MCERA in accordance with the Public Employees' Pension Reform Act (PEPRA) of 2013, shall be enrolled in the MCERA 2% @ 62 plan for Miscellaneous members. The employee is responsible for paying the employee contribution of half of the total normal cost of the plan, as defined by MCERA, through a payroll deduction. Final compensation will be based upon the highest annual average compensation earnable during the thirty-six (36) consecutive months of employment immediately preceding the effective date of ~~his or her~~their retirement or some other period designated by the retiring employee.

D. SERVICE CREDIT FOR SICK LEAVE

Executives who are eligible to accrue sick leave and who retire from the City of San Rafael, on or after 07/01/95 and within 120 days of leaving City employment (excludes deferred retirements), shall receive employment service credit (incorporated from Resolution #9414, dated July 17, 1995), for retirement purposes only, for all hours of accrued, unused sick leave (exclusive of any sick leave hours they are eligible to receive and they elect to receive in compensation at the time of retirement, pursuant to Section 5-A of this Resolution).

This provision will no longer be available to Executives hired after June 30, 2009.

E. EXECUTIVE MANAGEMENT ALLOWANCE

As of September 16, 2015, the Executive Management Allowance of 4.59% was rolled into base pay for all Unrepresented Executive Management employees.

5. LEAVES OF ABSENCE

A. SICK LEAVE

Executives shall earn sick leave credits at the rate of one (1) working day per month commencing with the date of employment. Accrued sick leave may be used during their probationary period.

Executives who leave City service in good standing shall receive compensation (cash in) of all accumulated, unused sick leave based upon the rate of three percent (3%) for each year of service up to a maximum of fifty percent (50%) of their sick leave balance. In the event of the death of an employee, payment for unused sick leave (based upon the previously stated formula) shall be paid to the employee's designated beneficiary.

Executives may accrue unlimited sick leave for usage purposes. However, a maximum of one thousand, two hundred hours (1,200) accrual applies for cash-in purposes at the time of City separation.

Executives may use sick leave prior to completion of probation. In recognition of Executives' exempt status under FLSA, time off for sick leave purposes shall not be deducted from a Manager's sick leave accrual, unless the employee is absent for the full workday.

Use of sick leave for work-related injuries or illnesses shall not be required when it is determined by the treating physician that this status is permanent and stationary.

B. VACATION LEAVE

1. **Vacation Accrual** - Vacation is accrued when an employee is on pay status and is credited on a semi-monthly basis. Eligible employees accrue vacation at the following rate for continuous service performed in pay status:

<u>Years of service</u>	<u>Leave Accrual rate/yearly</u>
1-5 years	15 days
6 years	16 days
7 years	17 days
8 years	18 days
9 years	19 days
10 years	20 days
11 years	21 days
12 years	22 days
13 years	23 days
14 years	24 days
15 plus years	25 days

In recognition of Executives' exempt status under FLSA, time off for vacation leave purposes shall not be deducted from a Manager's vacation accrual unless the employee is absent for the full workday.

2. **Administration of Vacation Leave**

The City Manager may advance vacation leave to a Manager; prior approval is required. Executives may accrue a maximum of 250 hours of vacation. Vacation leave accrual shall resume once the employee's accumulated vacation leave balance falls below the accrual limit of 250 hours. Executives who terminate their employment shall be paid in a lump sum for all accrued vacation leave earned prior to the date of termination. Executives may not utilize accrued vacation, administrative leave time, or personal leave time to extend their retirement date and service credit at the end of their city service. ~~The vacation accrual may be increased to a maximum of 300 hours at the discretion of the City Manager.~~

3. **Annual Option for Payment of Accrued Vacation Leave**

A Manager who has taken at least ten (10) days of vacation in the preceding twelve (12) months, may request that ~~his/her~~their accrued vacation, not to exceed fifty-two and 1/2 (52.5) hours, be paid to ~~him/her~~them in cash. The request may be granted at the discretion of the City Manager. Executives may not cash-in more than fifty-two and 1/2 (52.5) hours within any twelve (12) month period.

C. ADMINISTRATIVE LEAVE

Executives shall receive ten (10) Administrative Leave days (75 hours) each calendar year subject to the approval of the City Manager. An additional three (3) days may be granted at the discretion and with approval of the City Manager. Unused Administrative Leave shall not carry over from one calendar year to the next, nor shall unused Administrative Leave balances be paid to a Manager upon ~~his/her~~their resignation.

In recognition of exempt status under FLSA time off for Administrative leave purposes shall not be deducted from a Manager's administrative leave accrual, unless the employee is absent for the full workday.

D. HOLIDAYS

In order to be eligible for compensation for the paid holiday, the employee must both be in paid status on the day before the holiday and on the day after the holiday.

All employees who are required to work on a day designated as an authorized holiday, other than a day on which an election is held throughout the state, shall be paid at the applicable rate of pay for the number of hours actually worked.

City shall provide ~~eleven~~twelve designated holidays and ~~two~~one floating holidays per calendar year to Executives. ~~The hours for the f~~loating holiday hours are automatically added to an employees' vacation accrual on ~~a~~n ~~semi~~-annual basis.

E. BEREAVEMENT LEAVE

In the event of the death of a Manager's spouse, registered domestic partner, child, parent, ~~brother, sister, sibling, parent~~ in-law(s), laws, grandchild, grandparent, relative who lives or has lived in the home of the employee, to such an extent that the relative was considered a member of the immediate family and/or another individual who has a legal familial relationship to the employee and resided in the employee's household, ~~the City shall provide~~up to five (5) days may be granted for paid bereavement leave ~~up to a maximum of three (3) days. All bereavement leave must be exhausted within 3 months of the date of the stated death of the family member and five (5) days out of state may be taken intermittently.~~

In those cases where the death involves an individual who had such a relationship with the employee, as defined above, the employee shall sign a simple affidavit describing the relationship and submit this to the City Manager as part of the request for bereavement leave. Directors may make a request to the City Manager, to use bereavement leave for a relative other than those listed above.

The above bereavement clause shall also apply in the event of a reproductive loss for an employee. The City agrees to maintain employee confidentiality related to the reproductive loss leave.

F. CATASTROPHIC LEAVE

All Executives shall abide by the City's Catastrophic Leave Policy.

G. PAID PARENTAL LEAVE

Effective July 1, 2024, any employee who has been continuously employed by the City for at least 12 months prior to the start of the leave shall be eligible for Paid Parental Leave (PPL) to use within 12 months of the following eligible events:

1. Birth of a child of the employee, the employee's spouse, or the employee's registered domestic partner.
2. Placement of a child with the employee for adoption.

For the purposes of PPL, the definition of "parent" and "child" are as defined by the California Family Rights Act.

Benefit and Use:

1. Eligible employees shall be granted 300 PPL hours to use within 12 months of the qualifying event for the purposes of disability due to pregnancy and/or baby bonding. Regular part-time employees shall be eligible for a prorated number of PPL hours, based on scheduled and budgeted FTE.
2. PPL is based on a 12-month rolling calendar. No more than 300 PPL hours may be used in any 12-month period. PPL may not be used or extended beyond the 12-month time frame and any accrued and unused PPL will be forfeited at the end of the 12-month period for the qualifying event.
3. Upon termination of the employee's employment at the City, they will not be paid for any accrued and unused PPL for which they were eligible.
4. PPL is based on the employee's regularly scheduled hourly base wage. It is considered "paid status" for the purpose of merit, seniority, benefit premium contributions, retirement service credit, vacation and sick leave accrual, and City benefit eligibility and contributions.
5. PPL shall be used in a block of continuous time or on an intermittent or reduced schedule. Intermittent leaves or reduced schedules must be arranged and approved by the employee's supervisor in advance.
6. PPL shall run concurrently with FMLA/CFRA and with PDL as set forth in paragraph 7, below. Eligible employees will be reinstated to the same or equivalent position in accordance with FMLA/CFRA protections. This may include altered assignments to accommodate the department's operational needs when the employee is working a reduced work schedule.
7. Pregnancy Disability Leave (PDL): An eligible employee on PDL must reduce their sick leave balance to 40 hours or less to use PPL concurrently with PDL. An eligible employee is not required to further reduce their balance once they have reached the initial threshold of 40 hours or less.

Coordination of Benefits & Leaves:

- PPL taken under this policy will run concurrently with leave under the FMLA, CFRA, and PDL once the eligible employee's sick leave balance is reduced to 40 hours or less.
- PPL will be fully integrated with any short-term disability or California Paid Family Leave program but shall not exceed one hundred percent (100%) of the employee's normal gross salary rate.

- The use of Short-Term Disability (STD) and Paid Family Leave (PFL) will not reduce available hours under the PPL leave entitlement.
- For time covered by FMLA/CFRA job protected leave for baby bonding purposes, PPL must be used prior to other accrued leave or unpaid leave except as discussed in number 7 above.
- If an employee has exhausted FMLA/CFRA entitlements for reasons other than baby bonding, PPL must be used prior to other accrued leaves or Leave Without Pay for arranged leaves for the purpose of baby bonding. Scheduling of non-FMLA/CFRA protected PPL is subject to department approval.
- An employee who is eligible for PPL but is on leave for other reasons cannot use PPL except as described in paragraph 7 above.

H. END OF LIFE CARE LEAVE

Eligibility:

Effective July 1, 2024, employees who have been continuously employed by the City for at least 12 months prior to the start of the leave shall be eligible for End of Life Care leave to provide end of life care for an immediate family member, which shall include an employee's spouse, registered domestic partner, child, parent, sibling, parent, parent in-law(s), grandparent, or grandchild.

End of Life care may be used to provide support, assistance and care to an immediate family member, as defined above, who is receiving end of life services through hospice or a medical facility.

Benefit and Use:

1. Eligible employees shall receive 80 hours of End of Life Care leave to be used during their employment with the City for use to support an immediate family member near the end of life, as described above.
2. Upon termination of the employee's employment at the City, they will not be paid for any accrued and unused End of Life Care leave for which they were eligible. Further, if an employee leaves City employment and returns to City service later in their career, the employee shall receive any unused hours from their previous employment with the City but shall not be granted any additional hours of for End of Life Care Leave.
3. End of Life Care leave is based on the employee's regularly scheduled hourly base wage. It is considered "paid status" for the purpose of merit, seniority, benefit premium contributions, retirement service credit, vacation and sick leave accrual, and City benefit eligibility and contributions.
4. End of Life Care leave shall be used in a block of continuous time or on an intermittent or reduced schedule. Intermittent leaves or reduced schedules must be arranged and approved by the employee's supervisor in advance.
5. End of Life Care shall run concurrently with FMLA/CFRA. Eligible employees will be reinstated to the same or equivalent position in accordance with FMLA/CFRA protections. This may include altered assignments to accommodate the department's operational needs when the employee is working a reduced work schedule.
6. An employee who is eligible for End of Life Care Leave but is on leave for other reasons cannot use PPL except as described in paragraph 5 above.

6. EMPLOYMENT TERMS

A. HOURS OF WORK

The WORK WEEK will reflect thirty-seven and one-half (37.5) hours for all job classes. Unless otherwise designated, the normal business hours for vacation, sick and administrative leave deduction and sick and administrative leave accrual purposes for Executives shall be 7.5 hours per day.

B. DRUG FREE WORK PLACE

All Executives shall abide by the City's Drug and Alcohol Policy.

C. FURLOUGH PLAN

Executives endorse the Furlough Program described in Exhibit B.

D. PAY FOR PERFORMANCE EVALUATION SYSTEM

Executives shall be evaluated annually based upon the evaluation program adopted by the City Council in October of 1996 and incorporated by reference herein.

E. OUTSIDE EMPLOYMENT

All Executives shall abide by the City's Outside Employment Policy.

F. ~~F. GYM REIMBURSEMENT~~ WELLNESS BENEFIT

Employees are eligible to receive up to \$16.50 per month reimbursement for all eligible health and wellness expenses as follows: preventative medical examinations (minus any amount paid by a private insurance plan), paid health or gym club memberships, licensed weight loss facility memberships, physical therapy sessions, smoking cessation programs, wellness counseling, acupuncture, or meditation programs. Employees are eligible to receive up to \$16.50 per month reimbursement for paid gym memberships. Such reimbursement shall be reported as taxable income to the employee.

G. PERSONNEL RULES & REGULATIONS

All employees shall follow the City's Personnel Rules and Regulations located on the City's website.

H. ~~G. AT WILL STATUS~~

All positions covered by this resolution are at-will and as such serve at the pleasure of the appointing authority and may be removed at any time without cause and without right of appeal.

I. ~~H. SEVERANCE~~

Except employees who have committed an abuse of office or position as defined by Government Code Section 53243.4 or committed a violation of the Fair Employment and Housing Act, an Unrepresented Executive Management employee who is involuntarily separated shall receive severance pay in a lump sum equal to the following, provided they sign a settlement and general release provided by the City:

- 1 year of service = two months of salary and two months of COBRA health insurance.
- 2 years of service = three months of salary and three months of COBRA health insurance.
- 3 years of service = four months of salary and four months of COBRA health insurance.
- 4 years of service = five months of salary and five months of COBRA health insurance.
- 5 or more years of service = six months of salary and six months of COBRA health insurance.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City held on the ~~19th~~15th day of ~~July 2021~~July 2024 by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, CITY CLERK