

# COMPENSATION PLAN

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City of Novato  
and  
Confidential Employees  
(Unit F)

Term of Agreement  
July 1, 2019 – June 30, 2021

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## CONFIDENTIAL EMPLOYEES (UNIT F)

### 1. SALARY COMPENSATION

#### 1.1 Salary Schedule

Each unit member shall be paid in accordance with his/her placement on the Salary Schedule.

#### 1.2 Salary Adjustment

Effective the first full pay period following approval by the Novato City Council, unit members shall receive a general wage adjustment of 2.5%. An additional 3.0% salary adjustment shall be granted to the position of Executive Assistant/Deputy City Clerk classification in recognition of the additional role, responsibilities and associated duties of this position.

#### 1.3 One-Time Dollars

In addition to the salary increases as outline above, each person who is employed in a unit position shall receive lump sum payments as specified below. The payments will be made as separate direct deposits in conjunction with the regular payroll for the first pay period after adoption by the Novato City Council:

Upon approval of Council	\$2,500
July 1, 2020	\$2,500
January 1, 2021	\$1,000

- Except for the 2019 payment, only unit members hired prior to July 1, 2019 are eligible for the July 1, 2020 and January 1, 2021 payments.

#### 1.4 Special Leave Days

Each person who has been a City employee since July 1, 2019, will continue to receive two (2) days of special leave annually. These days may be:

- a) Scheduled and used as paid days off;
- b) Redeemed for cash.

The special leave days must be used or redeemed within the fiscal year they are earned. This provision will expire on June 30, 2021.

## **1.5 Bilingual Pay**

Upon recommendation of the City Manager or designee, each person who has demonstrated Spanish language fluency to provide bilingual translation services shall receive an additional three percent (3%) of base compensation. To receive bilingual pay, the unit member shall have demonstrated language fluency in the designated language to the City's satisfaction and must provide bilingual services within the scope of their position and as otherwise directed by the City.

## **2. EXTENDED SALARY RANGE (ESR)**

ESR payments shall be directly related to exceptional work requirements. ESR payments may be authorized for a maximum of six (6) months but may be extended upon recommendation of the Department Head and approval by the City Manager or designee. Such payments terminate at the conclusion of the period of exceptional requirements. ESR payments shall be made as detailed in Administration Policy 3.14.

## **3. MERIT STEP SALARY ADMINISTRATION**

Employees are eligible for an annual review for a merit step salary adjustment of 5%, on the anniversary of the employee's appointment date. This shall in no way limit the City Manager's ability to reduce an employee in pay as provided for in the Personnel Ordinance of the City of Novato. Merit increases will become effective on the employment anniversary date of the employee upon receiving a successful performance evaluation of "meets standard" or above, as stated in the ratings section of the City's performance evaluation document.

## **4. HOURLY RATES**

Hourly rates shall be calculated by dividing an employee's annual salary by 2080.

## **5. REGULAR RATE OF PAY**

Subject to State and Federal law and PERS regulations, items included in determining the employee's regular rate of pay for purposes of calculating overtime, retirement and other regular pay calculations shall include the pay rate as established in the pay range of the employee's classification plus education incentive pay, extended salary pay, shift differential and other payments regarded as a part of regular compensation.

## **6. CLASS TITLES**

All class titles used herein refer to the specification adopted by the City Council of the City of Novato for said classification.

## **7. SALARY ADMINISTRATION**

Salaries paid to occupants of said positions shall be administered in accordance with the Personnel Rules and Regulations and administrative policies established by the City Manager.

## **8. HOURS OF WORK**

### **8.1 Regular Work Day**

Except as provided below, the regular working day of City employees observing a 9/80 schedule is nine (9) hours of work within a period not to exceed ten (10) consecutive hours, interrupted by a lunch break of not less than one-half hour, nor more than one (1) hour.

#### **8.1.2 Alternative Work Schedules**

Other alternative work schedules, up to an including a 4/10 schedule, may be approved by the City Manager or designee. In addition to alternative work schedules, the City will, on a limited basis, implement a pilot Tele-Commute Program in Fiscal Year 2020. Participants will be selected by the City Manager or designee based on the type(s) of work performed and the needs of the City. The initial phase of the Tele-Commute Program will be implemented by November 1, 2019, on a limited basis for a period of one year, during which time the City will evaluate the overall effectiveness and viability of the program.

### **8.2 Paid Meal Break**

The regular working day of employees in the classification of Administrative Assistant who are assigned to the Police Department shall include a meal break of forty-five (45) minutes. The meal break is a paid meal break and is therefore encumbered. As a result, such employees must remain available for duty during meal time and may be ordered to return to work from their meal break.

### **8.3 Regular Work Period**

A regular work period shall be forty (40) hours to be worked within a seven (7) day period. In general, the seven day period shall begin at 12:01 a.m. on Sunday and end at 12 midnight on Saturday. However, in accordance with the Alternate Work Schedule.

### **8.4 Standard Hours and Days of Work**

The standard work week shall consist of five (5) days, Monday through Friday, inclusive; the regular work day shall begin at 8 a.m. and end at 5 p.m. unless the employee is working a 9/80 schedule. This standard shall not apply to employees of departments which require a different schedule of work to meet operational and service objectives of City departments. Nonstandard hours and days of work for employees shall be as established in writing by the City Manager.

### **8.5 Hours**

Hours worked shall be as defined in City's Administrative Policy.

## **8.6 FLSA**

Any position or class of positions which are declared exempt from the overtime compensation requirements of the Fair Labor Standards Act (FLSA) are accountable for results rather than time worked. Such positions or class of positions, designated as executive, administrative or professional, are not required to be present at the work place or be in active work status for the full Regular Work Day, but may adjust time and location of work to suit workload needs. Employee(s) occupying such positions or class of positions may be absent from work for less than a regular day, and the time of such absences shall not be charged against any earned or accumulated leave. Notwithstanding the above, performance or work product standards, as defined by the department head, may require such an employee's presence at the work place at given time periods. Furthermore, one full work day's absence will reduce leave balances by one full work day's work hours, and the Flexible Hour Program does not apply to these positions or class of positions.

## **8.7 Overtime**

### **A. General**

1. FLSA Standard - Except as otherwise specified in this resolution, all overtime shall be paid in accordance with the Fair Labor Standards Act (FLSA).
2. Eligible Classifications - The classification of Human Resources Assistant is a time-related position that is eligible for overtime.
3. Overtime Rates - In addition to daily overtime based on the unit member's daily scheduled hours, the following special overtime rates shall apply:
  - (a) double time (2.0) for time worked in excess of sixteen (16) consecutive hours;
  - (b) double time (2.0) for hours worked on a holiday;
  - (c) overtime shall be compensated to the nearest one-quarter (1/4 hour).
4. Overtime Approval

Except in emergency circumstances, all overtime must be approved in advance by a supervisor.
5. Compensatory Time Off (CTO) In Lieu of Pay
  - (a) With the approval of the unit member's supervisor, a unit member may elect to receive CTO in lieu of overtime pay.
  - (b) CTO shall be earned and accrued at the rate appropriate for either overtime or extra hours.

B. Compensatory Time Off (CTO)

1. Eligibility - Only unit members eligible for overtime may accumulate CTO.
2. Eighty Hour Cap - A unit member may accumulate up to eighty (80) hours of CTO which may be carried beyond the established work period.
3. Scheduling and Use - All CTO must be scheduled in advance and requires supervisory approval. CTO may be taken off in minimum increments of one-quarter (1/4) hour increments.

**9. WORK IN HIGHER CLASSIFICATIONS**

An employee in the competitive service who is assigned to work in a higher position for forty (40 hours) or more in a fiscal year shall receive compensation for the time worked based on the rate of pay for the higher classification, but in an amount not less than one hundred five percent (105%) of his/her regular rate of pay. Such assignment shall be by the department head with the prior approval of the City Manager or designee. To qualify for work in a higher class, the employee must substantially perform the duties of the higher class. This provision shall not apply to employees performing higher duties as a result of a written training program for higher classifications.

**10. HOLIDAYS**

A. All employees shall receive thirteen (13) paid holidays per year.

New Year's Day	January 1 <sup>st</sup>
Martin Luther King Day	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4 <sup>th</sup>
Labor Day	First Monday in September
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25
New Year's Eve	December 31

Two (2) Floating Holidays

B. It is the intent of this resolution that all full-time employees receive thirteen (13) paid holidays paid at nine (9) hours regardless of their assigned work week. When a holiday falls on a Saturday, the preceding Friday shall be deemed a holiday. When a holiday falls on a Sunday, the following Monday shall be deemed a holiday. When the holiday falls on an employee's regular day off, he/she shall receive straight time payment for that day or may choose not to take payment but select another day as holiday leave with pay during the fiscal year with the consent of the department



head. Employees not in a pay status, excluding disciplinary action, on the day preceding a holiday shall not receive the benefit of a paid holiday.

- C. Employees shall be paid at ten (10) hours per holiday when they are working a 4/10 schedule. All other provisions concerning the payment of holidays included in Section B above shall apply.
- D. The floating holidays may be taken at any time during the fiscal year with the approval of the employee's department head. Each floating holiday is earned at the rate of one (1) day for six (6) months or less of service in the fiscal year or two (2) days for more than six months' service. The floating holiday may not be accumulated and carried forward to the next fiscal year.

## **11. VACATION**

### **11.1 Vacation Entitlement**

Employees covered under this resolution shall earn vacation in accordance with the following vacation entitlement schedule:

<u>Service</u>	<u>Hours Earned</u>
First Year	80 hours / 3.08 per pay period
Second Year	88 hours / 3.38 per pay period
Third Year	96 hours / 3.69 per pay period
Fourth Year	104 hours / 4.00 per pay period
Fifth Year	112 hours / 4.31 per pay period
Sixth Year	120 hours / 4.62 per pay period
Seventh Year	128 hours / 4.92 per pay period
Eighth Year	136 hours / 5.23 per pay period
Ninth Year	144 hours / 5.54 per pay period
Tenth Year	152 hours / 5.85 per pay period
Twelfth Year	160 hours / 6.15 per pay period
Fifteenth Year	168 hours / 6.46 per pay period
Seventh Year	176 hours / 6.77 per pay period
Twenty-first Year	184 hours / 7.08 per pay period

### **11.2 Vacation Credit**

- a) An employee shall begin earning vacation upon the first day of employment. Vacation leave time shall be accrued as it is earned; odd fractions rounded to the nearest hundredth. Vacation time shall not be taken until earned and shall be subject to all other provisions of this resolution. When an employee is on a leave without pay status, he/she shall not be entitled to earn vacation. For purposes of calculating vacation earned upon termination, the entitlement is earned on a monthly basis calculated by multiplying the annual entitlement times 8 hours and dividing by 12. Odd fractions will be rounded to the nearest hundredth. Upon termination of an employee's service with the City, he/she shall be paid a lump sum for all earned vacation not taken.

- b) The times during which an employee may take vacation shall be as approved by the department head or his/her immediate supervisor, provided that if the requirements of the City service are such that part or all of an employee's vacation must be deferred beyond a calendar year, the employee may take vacation during the following calendar year.
- c) It is the policy of the City that employees take their normal vacation each year; provided, however, an employee may take less than a normal vacation in one year and carry the balance of his/her earned time over to the next year. However, no employee shall be allowed to carry over more than 270 hours of earned vacation to the next year. At least one (1) week of annual vacation must be taken as five (5) consecutive days
- d) It shall be at the employee's discretion to decide which type of paid leave (other than sick leave) they wish to use as vacation time.

### **11.3 Effect of Termination on Vacation**

Upon termination of an employee's service with the City, he/she shall be paid a lump sum for all accrued vacation hours.

### **11.4 Vacation Accrual**

- a) Employees may accrue no more than 270 hours of vacation time. When an employee reaches their maximum vacation accrual, no further vacation will accrue until the employee's accrual is decreased below the allowed maximum of 270 hours.
- b) For employees with over 230 hours that are denied their vacation request by the department, the employee will be allowed to accrue more than the 270 hour maximum until the department grants the request for vacation.

### **11.5 Vacation Redemption**

Employees may cash out up to forty (40) hours of vacation once per fiscal; the employee may request the cash out at any time during the fiscal year.

### **11.6 Status Report/Accrued Vacation Leave**

The City will provide regularly to each employee on his/her paycheck stub an official record of his/her then current accrued vacation leave. Verification of an employee's official accrued vacation leave record will be provided by the City based on a reasonable request for such verification.

## **12. SICK LEAVE**

### **12.1 General**

- a) Each employee in the competitive service shall be entitled to one working day of sick leave with pay for each month or major fraction thereof served. Sick leave will accrue at 9 hours per month for Confidential employees who work a 9/80 schedule. When an employee is on leave without pay, sick leave credit will not be accumulated.
- b) Sick leave with pay up to the total number of accumulated sick days shall be granted by the department head in case of bona fide illness or injury of employee or the employee's spouse, child or stepchild. Immediately upon return to work, the employee shall complete and submit the City's Absence and Leave Affidavit to his/her immediate supervisor. The City may determine, by reasonable means, the validity of any sick leave usage either as a condition of continuing an employee on sick leave status or as a requirement of returning to work. Additionally, if the City suspects an employee is abusing or has abused sick leave, the City may require the employee to be examined by the City's medical examiner at no cost to the employee.
- c) For absence of more than three (3) days, an employee may be required to present a medical doctor's certificate verifying the personal illness or injury and/or a medical authorization to return to work.
- d) The City acknowledges its obligation to comply with the requirements of the Family Medical Leave Act (FMLA) and California Family Rights Act.

### **12.2 Bereavement and Special Sick Leave**

Leave with pay up to forty (40) hours per year shall be granted by the department head in case of the death or serious illness of a mother, father, spouse, sister, brother, son or daughter, aunt, uncle, step-parents, step-children, in-laws and grandparents. Bereavement leave or special sick leave in case of death or serious illness of other persons may be granted only upon approval of the City Manager or designee. Bereavement or special sick leave shall be charged against accumulated sick leave.

### **12.3 Exceptions**

Sick leave with pay shall not be granted for any injury attributable to an outside occupation (for which Workers' Compensation benefits are available and engagement therein has not been authorized).

### **12.4 Exhaustion of Sick Leave**

When an employee is on sick leave status and such sick leave time due the employee has been exhausted, subsequent leave of absence may first be charged to compensatory time accruals and then to vacation accruals subject to City Manager or designee approval.

## **12.5 Sick Leave Credit**

Accumulated sick leave will be credited to employee's length of service upon retirement from the City of Novato and will become a part of the calculation upon which PERS retirement benefits are established.

## **12.6 Doctor /Dentist Visits**

Sick leave may be used for doctor or dentist visits or to obtain medical or dental care, subject to advance approval by the department head.

## **12.7 Personal Necessity Leave**

Employees represented by this resolution may convert one day of sick leave to personal necessity leave provided that the employee has a bank of at least 40 hours sick leave remaining after the conversion. Such leave shall be treated in the same manner as vacation leave for the purposes of reporting and scheduling but shall not accrue beyond the fiscal year.

## **12.8 Sick Leave Transfer**

Confidential employees may transfer earned sick leave to one another and to employees in other units participating in this program, subject to the following conditions.

1. The transferee shall have or shall expect to have a total accrued sick leave time of less than 24.0 hours at the time of the transfer.
2. No one can, by use of this transfer, reduce his or her accrued sick leave to less than 40.0 hours.
3. All such transfers shall be approved by the Assistant City Manager.
4. The maximum donation from one employee to another employee shall be eighty (80) hours during a one year period.
5. An employee who is separating from employment for any reason may not donate sick leave under this program.
6. All transfers shall be anonymous to the transferee.
7. Sick leave transfer is intended to address an employee's need for leave due to his or her own medical emergency or the medical emergency of a dependent. The medical condition must be serious, unexpected, immediate in nature and will preclude the employee from returning to work for an extended period of time.
8. Medical emergencies shall be verified by a doctor's certification and shall include the anticipated duration of the emergency.

### 13. INDUSTRIAL ACCIDENT LEAVE

- A. In cases where Workers' Compensation is not immediately payable, City will provide full pay, without charge against sick leave, during the first five (5) days off work and any portion thereof, following an industrial accident, provided the City determines that:
1. The accident is, in fact, work-related.
  2. Time off work is necessary as determined by City physician.
  3. The duration of the time off work is necessary as determined by City medical examiner.
- Any compensation insurance payments received by the employee, except for payments received for permanent or partial disability not associated with current injury, shall be deposited in the City treasury for this five day period.
- B. After the first five days, or if not in conformance with the above criteria, accumulated sick leave shall be applied to time off work following an industrial accident in a proportionate amount which, when added to worker's compensation benefits, provides compensation benefits equal to 86% of the employee's wage or salary.
- C. The employee has the right to notify the City, in writing, prior to an injury, of his/her choice of physician should the employee be injured. If the employee does not make this prior notification, the City has the right to require that the treatment be provided by a City designated medical examiner during the first 30 days after the injury in accordance with Section 4600 and 4601 of the Labor Code. This does not preclude the employee from seeking emergency treatment from a physician of the employee's choice, or from being evaluated by a doctor of the employee's choice even while under treatment from the City's medical examiner. In such circumstances other than in emergency situations, use of a personal physician would be at employee's expense.

If the employee is still in need of medical care 30 days after the work-related and reported injury, the employee has the right to be treated by a doctor of his/her choice.

Industrial accident leave shall begin on the first day of such absence and shall continue for the length of the approved medical leave.

When an employee is on industrial accident leave status and such industrial accident leave time due the employee has been exhausted, subsequent leave of absence shall first be charged to sick leave accruals, then to compensatory time accruals and then to vacation accruals. An exception shall be made if such would cause an employee to lose vacation which could not be carried forward.

## **14. SPECIAL LEAVE**

### **14.1 Miscellaneous Leave with Pay**

- A. An employee in the competitive service shall be granted leave of absence with full pay for:
1. Jury service;
  2. Subpoena of him/her as a witness; or
  3. Attendance in court resulting from his/her official duties as assigned by the City Manager
- B. Any extra compensation received by the employee for the above (travel time exempt) shall be remitted by the employee to the City.

### **14.2 Leave of Absence without Pay**

Upon the written request of any employee, leave of absence without pay may be approved as follows: for a period of five days by the Assistant City Manager for a period in excess of five days and up to three months by the City Manager. The City Council may approve such a leave for a period not exceeding one year. All such leave of pay shall be granted in writing. During such leave of absence, benefits will not be paid unless employee elects to reimburse the City for cost; sick leave, vacation or holiday benefits will not be accrued or paid.

Leave of absence without pay will also be granted in accordance with the Federal Family and Medical Leave Act of 1993 and the California Family Rights Act of 1991.

### **14.3 Holiday Closure**

Members of the Confidential group shall be entitled to the same holiday closure benefits granted to other employee groups during the term of this resolution.

## **15. ADMINISTRATIVE LEAVE**

### **15.1 Eligibility and Administration**

In recognition of the irregular hours and time required by confidential employees, an administrative leave program is established. Each FLSA exempt employee may receive up to twelve (12) days administrative leave annually paid at nine (9) hours. Unit members may cash out up to 50% of Administrative Leave annually, which may be cashed out once per fiscal the employee may request the cash out at any time during the fiscal year. Administrative Leave can be taken in increments of one hour once leave balance is ten (10) hours or less.

## 15.2 Night Meetings

- A. When an employee attends a night meeting or works a late evening, he/she may arrive up to one hour later the next morning and such time is not charged to administrative leave.
- B. Employees required to attend a night meeting shall upon presentation of a receipt be reimbursed for up to twenty dollars (\$20) for a meal.

## 16. BENEFITS AND INSURANCES

### 16.1 Eligibility

When an employee commences work with the City, his/her benefit distribution selection effective date of coverage depends on times established by the individual carriers. In most cases, coverage begins the first of the month following date of hire.

### 16.2 Benefit Enrollments

#### Mandatory

Dental Insurance

Vision Insurance

Employee Life Insurance (Basic \$50,000, AD&D)

#### Optional

Health Insurance/Health and Welfare Programs (Medical carriers as provided by PERS health Plan):

Employee only

Employee and one dependent

Employee and two or more dependents

### 16.3 Benefit and Insurance Amounts and Distribution

Effective the first full pay period following approval by the Novato City Council, the City shall contribute the following amounts towards employee health care premiums based on the applicable participation levels:

- a. Employees at the “employee” only level shall receive \$1,050 per month or the amount of the Kaiser Region 1 premium, whichever is greater.
- b. Employees at the “employee plus one” level shall receive \$1,725 per month or the amount of the Kaiser Region 1 Two-Party premium, whichever is greater.
- c. Employees at the “employee plus two or more” level shall receive \$1,975 per month or the amount of the Kaiser Region 1 Family premium, whichever is greater.

- d. Employees hired on or before August 24, 2010, may cash any unused portion of the contribution as taxable income to the member.
- e. Employees hired on or after August 25, 2010, who enroll in a medical care plan through the City, shall receive no cash out of the City's contribution for health care premiums if the contribution exceeds the amount required to pay the premium. Such employees who do not enroll in a medical plan through the City shall be limited to health care cash out of no more than Two Hundred and Fifty Dollars (\$250.00) per month, which shall constitute taxable income to the member.
- f. Employees who were not enrolled in a health plan through the City as of July 1, 2014, may continue to cash any unused portion of the contribution as taxable income to the member during the term of the agreement. However, once these "grandfathered" members enroll into medical coverage with the City, they will lose their grandfathered status and will be subject to section 16.2(e).

#### **16.4 Selection**

- a) Employees will choose from available optional health programs and/or health and welfare plans at such times as carriers allow for open enrollment periods. Dependent coverage may be added or deleted between open enrollment periods, subject to conditions imposed by the selected carriers. Mandatory coverage means that member participation is required. The times at which enrollment in or withdrawal from nonmandatory group life and disability income insurance plans is authorized shall be as established by City policy subject to requirements of the insurance carriers.
- b) If the status of an employee's dependent changes, the employee is responsible for notifying Human Resources within thirty (30) days of the effective date of the change to ensure that the City's contribution rate is properly adjusted, if necessary. Failure to notify Human Resources of such change within thirty (30) days could result in the employee being held financially responsible for any benefit overpayment, if retroactive removal is required by law or benefit plan agreements. The employee will be required to reimburse the City via payroll deduction for any such benefit overpayment.
- c) On an annual basis, any employee will be required to verify his/her dependent status, in writing, to ensure that the City is contributing the appropriate amount towards health insurance premiums and to conform the employees compliance with the Patient Protection Act and Affordable Care Act. The City will use the Cal PERS definition of the term "dependent." The City reserves the right to request a new employee attestation of dependent status upon changes in benefit enrollments
- d) Unit members will be begin participating in State of California Disability Insurance program no later than September 1, 2019.



## **16.5 Vision Coverage**

Regular employees are eligible for vision insurance coverage for the employee and eligible dependents. The City pays one hundred percent (100%) of the monthly vision plan insurance premium rate for the standard plan on behalf of each regular full-time employee and his/her eligible dependents.

## **16.6 Life Insurance**

The City will provide \$50,000 life insurance for each employee represented by the Confidential Unit. The City pays one hundred percent (100%) of the monthly life insurance premium on behalf of each regular full-time employee.

## **16.7 Domestic Partners**

Health and welfare benefits available to employees shall also be available to domestic partners so long as the provider of the benefit covers domestic partners. To qualify for domestic partner benefits, the employee and his or her domestic partner shall be subject to the eligibility and registration requirements established by Section 297 of the State of California Family Code and by the California Secretary of State, as well as any requirements of the benefit provider. This shall include any requirements established by the California Public Employees' Retirement System as a provider of health benefits.

Employees shall also be entitled to bereavement, special sick leave, FMLA and other types of qualifying leave resulting from a domestic partner relationship.

## **16.8 BENEFITS FOR PART-TIME EMPLOYEES**

Regular employees working half-time or more, but working less than a full schedule, shall be entitled to all benefits provided on a reduced time or payment basis computed on the ratio of allocated part-time employment to full-time employment.

## **17. RETIREMENT PLAN BENEFITS**

### **17.1 Retirement Plans**

The City will continue its participation in the State of California Public Employees' Retirement System (PERS) for members as follows:

- a.) Tier One – Applicable to employees who are not defined as “New Members” in Government Code Section 7522.04 and were hired into the City of Novato before September 25, 2011, are eligible for a 2% @ 55 benefit formula with a one-year highest compensation benefit.
- b.) Tier Two – Applicable to employees who are not defined as “New Members” in Government Code Section 7522.04 and were hired into the City of Novato on/after

September 25, 2011, are eligible for a 2% @ 55 benefit formula with a three-year highest compensation benefit.

- c.) Tier Three – Applicable to employees who are defined as “New Members” in Government Code Section 7522.04 and were hired on/after January 1, 2013 are eligible for the 2% @ 62 benefit formula.
- d.) The City will continue to provide the following benefits through its contract with the California Public Employees’ Retirement System (PERS) for a retirement plan:
  - Level 4 1959 Survivors Benefits
  - Sick leave service credit

## **17.2 Member Contributions**

- a.) Effective the first full pay period following approval by the Novato City Council, all Tier I and Tier II employees shall contribute 2.5% towards the employer share of PERS contributions resulting in a total employee contribution of 9.5%. The City will amend its agreement with Cal PERS to reflect the increased employee contribution rate.
- b.) Tier III employees, who are defined as “New Members” hired on/after January 1, 2013, shall continue to contribute 50% of the total normal cost, unless otherwise determined by CalPERS, or the PERS retirement plan.
- c.) Employee contributions paid by members will be deducted on a pre-tax basis, in accordance with IRC Section 414(h)(2).

## **18. EDUCATIONAL INCENTIVE**

The following tuition reimbursement and education incentive payments will be made available:

1. Tuition reimbursement may be made up to \$1,250 per fiscal year in accordance with established City policy.
2. Educational incentive payments may be made in the amount of \$50 per month for level one reimbursement, and \$75 per month for level two reimbursement.

## **19. DEFERRED COMPENSATION**

Employees may elect a monthly payroll deduction in an amount permissible under the City plan to be placed in a deferred compensation program administered at no cost to the City. Such monies deposited would become tax deferred and would be subject to income taxation in the year they are withdrawn from the deferred compensation program.

## **20. CAREER LADDERS**

Specific career ladders shall be maintained and extended where possible. This program shall be supported by budgetary position allocation which permits promotion through ranks to the highest nonsupervisory, nonspecialized position in a series upon qualifying therefore. The City maintains the right, based on program needs and service demands, to set standards of service and determine allocation of positions to meet these needs.

The various City departments are considering restructuring and reorganization. The Confidential Unit and City agree to meet and discuss the impacts of department reorganization that may be implemented during the term of this resolution.

## **21. PROFESSIONAL MEMBERSHIP FEES**

Most confidential personnel are expected to maintain membership in appropriate professional organizations. These memberships serve to acquaint the City with the current state-of-the-art in these professional areas by means of publications and special activities. The City will include the costs of these membership fees in the respective department budgets, subject to approval by the City Manager or designee.

## **22. PERFORMANCE EVALUATIONS**

Performance evaluations shall be completed one-week prior to the employment anniversary date of the employee, but no later than sixty (60) days after this date. Employees who do not receive their evaluation within the sixty (60) day period should contact their immediate supervisor, Department Head or the Personnel Department.

## **23. DIRECT DEPOSIT**

All employees shall establish a direct deposit account in order to receive their pay checks.

## **24. PROBATIONARY PERIOD**

The probationary period for Confidential employees newly hired or promoted into or within the unit shall be twelve (12) months.