

**CITY OF DIXON**

**COMPENSATION PLAN FOR  
CONFIDENTIAL SENIOR MANAGEMENT  
CLASSIFICATIONS**

**FEBRUARY 9, 2016**

**THROUGH**

**JUNE 30, 2017**

**Adopted by Resolution No. 16-014**

**February 9, 2016**

**COMPENSATION PLAN FOR  
CONFIDENTIAL SENIOR MANAGEMENT**

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## **ARTICLE 1 GENERAL**

### 1.1 Term of Plan

This Compensation plan shall be effective through June 30, 2017 or until the City Council acts to approve a new or amended plan. It is the intent of the City to consider a new or amended plan in accordance with any future modifications to the Confidential Mid-Management and Professional Employee Compensation Plan.

### 1.2 At-Will Employment Status

Unit classifications serve in “at will” positions, meaning they serve at the will of the City Manager. Unlike represented employees, the tenure of a Senior Manager is far less secure. These unit classifications can be terminated with or without notice and with or without cause.

### 1.3 Applicability

This compensation plan applies to unit classifications of the City of Dixon, who are employed in job classifications listed below and which are not represented by any recognized bargaining unit.

City Engineer/Public Works Director  
Community Development Director  
Deputy City Manager/Admin Services  
Finance & Technology Director  
Fire Chief  
Human Resources Director  
Police Chief

### 1.4 Employment Contracts

If any provision in this Compensation plan conflicts with any of the covered employees’ individual employment contracts, the individual employment contract supersedes the Compensation plan if the benefits afforded in the contract is greater than what is provided for in this Compensation plan.

## **ARTICLE 2 COMPENSATION**

### 2.1 Salary

As negotiated in employment contract.

### 2.2 Severance Payment

As negotiated in employment contract.

### 2.3 Mileage Reimbursement

Mileage reimbursement, at the rate established by the Federal Government, IRS, will be paid to unit classifications (per Resolution 99-088). Mileage reimbursement will be subject to approval of the City Manager.

### 2.4 Educational Reimbursement Program

Employees who have completed one year of service are eligible to participate in the Educational Reimbursement Program as described in the City of Dixon Administrative Policy and Procedure, Education Reimbursement Program.

### 2.5 Bilingual Pay

2.5.1 Employees who apply for bilingual pay, and who are certified by the City as possessing appropriate Spanish language skills, shall receive a differential of one hundred dollars (\$100.00) per month.

2.5.2 Recertification of bilingual skills may be required every three (3) years. Recertification shall be at the City's discretion and expense.

### 2.6 Longevity Pay

An employee who has rendered at least five (5) consecutive years of service to the City may be considered for Longevity Pay. Longevity Pay shall not be automatic, but shall be granted only upon the completion of a performance evaluation with at least an overall rating of "Meets Standards." The longevity pay will be paid in the month of July of the fiscal year earned as a one-time lump sum payment, as set forth in the following chart:

Years of Service	One-time Lump Sum Payment
After completion of 5 years of service	\$500
After completion of 10 years of service	\$1,000
After completion of 15 years of service	\$1,500
After completion of 20 years of service	\$2,000
After completion of 25 years of service	\$2,500
After completion of 30 years of service	\$3,000
After completion of 35 years of service	\$3,500

This provision is in lieu of participation in the City's Awards & Recognition Program's Service Award Program.

## 2.7 Deferred Compensation

To promote retention, and to reward longevity, the City shall provide a deferred compensation incentive for unit classifications. Unit classifications who have completed sixty (60) consecutive months of service to the City of Dixon shall receive a City contribution for deposit into a deferred compensation retirement account. The City contribution shall be one percent (1%) of base pay each month after the sixtieth (60th) month, unless otherwise negotiated in the employment contract at a higher percentage.

## 2.8 Police and Fire: Uniform Allowance

The Police Chief and Fire Chief shall receive a uniform allowance. The uniform allowance shall be eight hundred fifty dollars (\$850.00) per year. The Police Chief and Fire Chief shall receive their uniform allowance for the preceding six (6) months on a semi-annual basis (January & July). Any extraordinary costs necessitated by a City ordered changed in the basic uniform required to be worn by the Police Chief and Fire Chief shall be borne by the City.

## 2.9 Police and Fire: Physical Fitness Program

### 2.9.1 Police Chief

The Police Chief is eligible to receive Physical Fitness Incentive benefits as follows:

One hundred twenty dollars (\$120.00) per month for achieving the "gold" rating.

Ninety-five dollars (\$95.00) per month for achieving the "silver" rating.

Seventy dollars (\$70.00) per month for achieving the "bronze" rating.

Receipt of benefits shall be subject to an in conformance with all rules and regulations governing said program.

## 2.9.2 Fire Chief

The Fire Chief shall be eligible to participate in, and receive benefits of, the Fire Physical Fitness Program. Compensation for Employee's participation in the Fire Physical Fitness Program is as follows:

One hundred fifty dollars (\$150.00) per month for employees achieving a "passing" rating.

Receipt of benefits shall be subject to and in conformance with all rules and regulations governing said program.

## 2.10 Fire Chief Standby Pay

The Fire Chief shall be paid standby pay as follows: forty dollars (\$40.00) each weekday evening, and one hundred dollars (\$100.00) each weekend day and one hundred dollars (\$100.00) a day on holidays as defined in Personnel Rule 4.6.1. When the Fire Chief works on behalf of the City of Winters under an Agreement approved by the City Council on October 28, 2014; he or she will be paid at the rate of eighty dollars (\$80.00) each weekday evening, two hundred dollars (\$200.00) each weekend day, and two hundred dollars (\$200.00) each holiday day.

Standby duty requires that the employee:

- Be ready to respond immediately when called for emergency service;
- Be reachable by telephone, page, vehicle radio, or cellular phone;
- Remain within a reasonable distance from the City to be able to respond to the scene of the emergency within a reasonable time, approximately one-half (1/2) hour; and,
- Refrain from activities which might impair the ability of the employee to perform the assigned duties.

If the Fire Chief is not assigned to standby duty and carries a pager or cellular phone for personal convenience, he or she shall not be compensated for standby. If the Fire Chief is carrying a pager or cellular phone, but is not compensated for standby duty, he or she shall not be restricted in his or her activities, location.

## 2.11 Police Professionalization Program

In accordance with the existing Police Professionalization Program, the Chief of Police shall be entitled to receive one of the following:

**EITHER** an additional two and one half percent (2.5%) of base pay for either:

- (a) The possession of a POST Intermediate Certificate; or
- (b) The completion of sixty (60) college semester units.

**OR** an additional five percent (5%) of base pay for either:

- (a) The possession of a POST advance Certificate; or
- (b) The completion of one hundred twenty (120) college semester units.

## **ARTICLE 3 BENEFITS**

### 3.1 Retirement

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

Miscellaneous employees:

- Tier One – Applicable to employees who are not defined as “New Members” in Government Code Section 7522.04 and were hired before December 16, 2012 are eligible for a 2.5% @ 55 benefit formula, with single highest year average compensation.
- Tier Two – Applicable to employees who are not defined as “New Members” in Government Code Section 7522.04 and were hired on/after December 16, 2012 are eligible for a 2% @ 60 benefit formula, with a three year average compensation formula.
- 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, with a three year average compensation formula.

Public Safety-Fire employee(s):

- Tier One – Applicable to employees who are not defined as “New Members” in Government Code Section 7522.04 and were hired before August 12, 2012 are eligible for a 3% @ 50 benefit formula, with a three year average compensation.
- Tier Two – Applicable to employees who are not defined as “New Members” in Government Code Section 7522.04 and were hired on/after August 12, 2012 are eligible for a 3% @ 55 benefit formula, with a three year average compensation formula.
- 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 2.7% @ 57 benefit formula, with a three year average compensation formula.

Public Safety Police employee(s):

- Tier One – Applicable to employees who are not defined as “New Members” in Government Code Section 7522.04 and were hired before November 20, 2011 are eligible for a 3% @ 50 benefit formula, with a three year average compensation.
- Tier Two – Applicable to employees who are not defined as “New Members” in Government Code Section 7522.04 and were hired on/after November 20, 2011 are eligible for a 3% @ 55 benefit formula, with a three year average compensation formula.
- 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 2.7% @ 57 benefit formula, with a three year average compensation formula.

### 3.1.2 Employee PERS Contributions

Employees’ contribution rate for the retirement plans are as follows:

	Employee Share	Employee Paid Portion of Employer Share
Miscellaneous (Tier 1)	8%	0%
Miscellaneous (Tier 2)	7%	0%
Public Safety (Tiers 1 & 2)	9%	4% (Total Employee contribution: 13%)

	Employee Share
Miscellaneous & Public Safety (Tier 3)	50% of total normal cost, as determined annually by PERS

## 3.2 Monthly Benefit Allowance

### 3.2.1 Eligibility Date

Commencing with the first day of the first full month after the date of initial employment, employee will receive a Monthly Benefit Allowance (“MBA”) at the applicable rate referenced in Sections 3.2.2 (a) or (b) below.

### 3.2.2 City Contribution

The City's required MBA shall be as follows:

a) Full-Time Employees:

Employee Only	\$1,216/month
Employee + one (1)	\$1,216/month
Employee + two or more (family)	\$1,305/month

b) Permanent Part-Time Employees: (working 20 hours/week or more, but less than 40 hours per week)

Permanent Part-Time employees who are eligible for this benefit shall be eligible for the pro-rated portion of the current MBA based on the number of hours regularly worked.

c) For purposes of establishing the first full day of the first full month for a unit classifications entitlement to receive the MBA, see the following examples:

Example:	<u>Employment Date</u>	<u>Benefit Date</u>
	June 9	July 1
	June 30	July 1
	July 1	August 1

### 3.2.3 Distribution

- (a) The City's MBA will be added to the employee's earnings as taxable income and may be used for benefits under the IRC Section 125 (cafeteria) or other pre-tax program options offered by the City. The MBA will not be added to base salary for purposes of calculating PERS contributions or other salary-based incentive pay/benefits.
- (b) If employee chooses to enroll in plans that cost more than the City's MBA, he or she shall pay the additional cost by deduction from gross salary payroll.
- (c) If no medical plan is chosen the unit member receives fifty percent (50%) of the MBA as taxable income.

### 3.2.4 Dependent Status Change/Verification

If an employee's dependent status changes, the employee is responsible for notifying Human Resources in writing within thirty (30) days of the effective date of the change to ensure that the City's contribution rate is properly adjusted if necessary. The employee's new rate will take effect on the first of the month following the prior's month's notification. Under no conditions will a rate change be made retroactive to this date. Failure to notify Human Resources of such a change within thirty (30) days could result in the employee being held financially responsible for any benefit overpayment. The employee will be required to reimburse the City via payroll deduction for any such benefit overpayment.

On an annual basis, the City will require the employee to verify his or her dependent status in writing to ensure that the City is contributing the appropriate amount toward health and dental insurance premiums, and MBA options. The City will use the CalPERS definition of the term "dependent." The City reserves the right to conduct random checks of dependent status.

### 3.2.5 CalPERS Medical: Unequal Contribution Method

- (a) From the appropriate MBA amount set forth above, the City will contribute under the PERS Medical Unequal Contribution Method for each employee, the amount necessary to pay the costs of his or her enrollment, including the enrollment of family members in the CalPERS health benefits plan.
- (b) The City will contribute under the PERS Medical Unequal Contribution Method for each annuitant the amount necessary to pay for the costs of his or her enrollment, including the enrollment of family members in the CalPERS health benefits plan.
- (c) The City shall pay the current CalPERS monthly administrative fees.

### 3.2.6 IRC Section 125 Plan (Cafeteria Plan)

- (a) The City will maintain an IRC Section 125 Plan (Cafeteria Plan) for the benefit of unit classifications.
- (b) After making the required contribution for medical insurance under the PERS Medical Unequal Contribution Method (see Section 3.2.5 above), the remaining dollars may be used by the employee either to purchase medical insurance through CalPERS Health or to

purchase any other optional plans that may be offered by the City in accordance with a qualified plan.

- (c) Plans currently offered include: Dental, Voluntary Vision, Long Term Care, Voluntary Group Life Insurance, and Supplemental Insurance Options.
- (d) The choice of insurance plan(s) is made once a year by unit classifications during the open enrollment period, at time of hire for new employees, or when employee's dependent status changes. Insurance premiums will be deducted from gross pay each payroll period throughout the plan year as pre-tax contributions.

### 3.2.7 Flexible Spending Account (“FSA”) – Unreimbursed Medical/Dependent Care

FSA participation begins January 1<sup>st</sup> of each year. Allocation amounts or modifications to these accounts must be determined for a full twelve (12) month period (i.e., the calendar year) during the open enrollment period, at time of hire for new employees, or when an employee's dependent status changes. Services must be received during the plan period, which is January 1 through December 31. Any unused allocations may be forfeited (for plan details, contact Human Resources). Administration costs associated with the Flexible Spending Account plan(s) will be paid by the City.

### 3.2.8 Medical after Retirement

- (a) Employees who retire from the City during the term of this compensation plan shall receive the following City paid medical benefits after retirement:
  - The dollar equivalent of one (1) month's premium for the PERS Kaiser Plan (County rate in which you reside, i.e., Bay Area or Sacramento Area) for the employee plus one dependent at the rate of one (1) month's premium for each full year worked in the employ of the City prior to retirement.
  - The total time period of these payments shall not exceed twenty-four (24) months.
- (b) Thereafter, for CalPERS retirees enrolled in CalPERS Retiree Medical, the City shall contribute under the PERS Medical Unequal Contribution Method, as required by CalPERS for each annuitant the amount necessary to pay for the costs of his or her enrollment,

including the enrollment of family members in the CalPERS health benefits plan.

- (c) Said payment shall be extended to the surviving spouse or dependent of a deceased retiree, to the extent that said payments would have been made had the employee not died.

### 3.2.9 Health Insurance Plan Waiver Option

All employees shall be covered by a health insurance plan, either as offered by the City or from another source.

- (a) If an employee is covered by a health insurance plan other than offered by the City, he or she has the option to waive the City's health insurance.
- (b) The employee must complete a City provided Health Insurance Waiver Form and provide proof of alternative health insurance plan coverage.

### 3.2.10 Deferred Compensation Plans

All permanent and temporary employees regularly scheduled to work twenty (20) or more hours per week may participate in the Deferred Compensation Plans offered by the City by directing a portion of their salary on a tax deferred basis to the plan through a payroll deduction. Current federal regulations concerning maximum annual contributions apply. See current plan for details.

### 3.2.11 Long-Term Disability

Effective January 1, 2015, the City shall provide for a long-term disability plan for all employees who are regularly scheduled to work at least twenty (20) hours per week. Benefits are payable after sixty (60) days of employment at the rate of two-thirds (2/3) of base salary up to the maximum as designated in the plan agreement. The monthly premium is paid by the City.

### 3.2.12 Term Life Insurance

The City shall provide a fifty thousand dollars (\$50,000) term life insurance policy for each employee during their term of employment.

**ARTICLE 4  
LEAVES**

4.1 Sick Leave

4.1.1 General

The purpose of sick leave is to provide income protection if an employee must be absent from work due to his or her injury or illness or due to the illness or injury of a family member. A family member includes child, parent (including parent-in-law), spouse, registered domestic partner, grandparent, grandchild, or sibling. Sick leave may be used only in the case of sickness, disability, medical or dental care.

4.1.2 Accrual Rates

- (a) Full-time unit classifications will accrue sick leave at the rate of eight (8) hours for each full month of service completed. There is no maximum accrual of sick leave credits.
- (b) Permanent part-time unit classifications accrue sick leave on a pro-rated basis depending on the number of hours they are regularly scheduled to work.

4.1.3 Payment upon Termination

- (a) For unit classifications that have completed at least two (2) years of service to the City, a portion of his or her accrued unused sick leave may be converted to cash upon separation from the City or retirement according to the following schedule:

<b>Years of Service</b>	<b>Conversion Percentage</b>
1 – 2	0%
3 – 5	20%
6 – 10	30%
11 +	30% + 2% for each year after ten (10) to a maximum of 50%

- (b) For retiring unit classifications, any portion of the sick leave balance that is not cashed out is placed into the PERS sick leave

conversion program.

#### 4.1.4 Family Illness

- (a) In catastrophic circumstances, with medical verification and City Manager approval, additional family sick leave may be used.
- (b) The City shall provide all rights and benefits to unit classifications that are required by the Family Medical Leave Act ("FMLA"), the California Family Rights Act ("CFRA"), and any other Federal or State laws governing employee leave rights.

#### 4.1.5 Sick Leave Bank

The City will provide Sick Leave Bank utilization consistent with the City's Emergency Leave Bank Policy with any of the other represented or non-represented groups.

### 4.2 Vacation

#### 4.2.1 Accrual Rates

- (a) Full-time unit classifications shall earn monthly vacation:

Upon initial hire	12 days/year (96 hours)*
Upon completion of five (5 )years of service	18 days/year (144 hours)
Upon completion of ten (10) years of service	20 days/year (160 hours)
Upon completion of fifteen (15) years of service	25 days/year (200 hours)

- (b) Permanent part-time unit classifications shall earn vacation on a pro-rated basis depending on the number of hours they are regularly scheduled to work.

\* Unless otherwise negotiated in the employment contract at a higher accrual level.

4.2.2 No employee shall have credited to his or her account, at any time, more than four (4) times the current annual accrual. When employee reaches their maximum vacation accrual, no further vacation will accrue until the employee's accrual is decreased below the allowed maximum.

4.2.3 Upon separation, unit classifications are entitled to receive payment at their current base pay for all vacation time earned but not taken as of the effective date of separation.

### 4.3 Administrative Leave

#### 4.3.1 FLSA Exempt

All unit classifications are exempt from coverage under the Fair Labor Standards Act (“FLSA”). As such, they do not receive overtime compensation for hours worked over forty (40) per week.

#### 4.3.2 Full-Time

In recognition of the extra hours required, each full time employee shall earn one hundred twenty (120) hours of administrative leave per year. This leave shall be used in the same manner as vacation.

(a) Upon the employee’s request, administrative leave can be cashed out each year.

- The permissible cash-out shall be fifty-seven (57) hours per year in years one (1) through three (3).
- The cash out rate shall increase by five (5) hours each year commencing with the fourth (4<sup>th</sup>) year of City employment, to a maximum of one hundred twenty (120) hours.
- Payout may either be taken in cash or directed to a Deferred Compensation Plan subject to annual limits.

(b) Any unused Administrative Leave balance remaining as of June 30 each year will be lost.

#### 4.3.3 Part-Time

(a) Part-time permanent employee shall be paid for any extra hours worked over twenty (20) hours and up to forty (40) hours in a week.

(b) Part-time permanent employee shall receive a pro-rated amount of the Administrative Leave provided to a full-time employee (one hundred twenty (120) hours per year). Pro-rating shall be based on the number of hours in his or her base assignment as compared to a full-time assignment.

4.3.4 Upon separation, unit classifications are entitled to receive payment for any accrued and unused administrative leave as of the effective date of separation.

#### 4.4 Bereavement Leave

In the event of a death in the immediate family, each full-time or benefited part time employee will be granted up to three (3) working days of paid bereavement leave per incident.

As soon as the need for a bereavement leave is known, the employee, or someone on his or her behalf, must notify the employee's immediate supervisor. The employee is responsible for certifying as to his or her need for the use of a bereavement leave on a City approved Request for Bereavement Leave Form.

All bereavement leave must be used within fourteen (14) calendar days following the death of the immediate family member. Under extreme circumstances, the fourteen (14) day requirement may be waived by the City Manager. The decision of the City Manager in this regard shall be final, with no process for further appeal.

## **ARTICLE 5 HOLIDAYS**

### 5.1 Fixed Holidays

5.1.1 The City shall observe eleven (11) fixed date holidays as follows:

January 1	New Years Day
3 <sup>rd</sup> Monday in January	Martin Luther King's Birthday
3 <sup>rd</sup> Monday in February	Washington's Birthday
Last Monday in May	Memorial Day
July 4	Independence Day
1 <sup>st</sup> Monday in Sept.	Labor Day
November 11	Veterans Day
4 <sup>th</sup> Thursday in November	Thanksgiving Day
4 <sup>th</sup> Friday in November	Day after Thanksgiving
December 24	Day before Christmas
December 25	Christmas Day

5.1.2 When a holiday falls on a Sunday, the following Monday is observed. When a holiday falls on a Saturday, the following Friday is observed.

5.1.3 Full-time unit classifications who have reached the maximum accrual fifty-six (56) hours for holiday compensation shall receive straight time pay for any holidays due the employee while they are at the accrual maximum.

### 5.2 Floating Holidays

During each Fiscal Year, the City will provide two (2) floating holidays per employee, which may be taken by the employee at a time selected by the employee and subject to operational requirements and approval of the City Manager. Upon separation, unit members are entitled to receive payment for any accrued and unused floating holidays as of the effective date of separation.

### 5.3 Part-Time Accrual Rates

Permanent part-time unit classifications shall receive holiday pay on a pro-rated basis depending on the number of hours they are regularly scheduled to work.

## **ARTICLE 6 OTHER**

### 6.1 Employee Assistance Program

The City shall provide an Employee Assistance Program. For further information, contact the Human Resources Department.

### 6.2 Personal Equipment Replacement

With prior approval of the City Manager, the City will provide for reimbursement to employees for wristwatches, prescription eyewear, or other similar personal equipment lost or damaged during performance of duty.

### 6.3 Direct Deposit

The City shall continue to make available to employees a direct deposit system.

### 6.4 Indemnification

By separate Resolution, No. 02-073, the City Council has adopted reasonable policies to ensure that, consistent with state and federal laws, the City provides for the full defense and indemnification of employees who, as a result of their employment and managerial activities on behalf of the City, become involved in legal or administrative proceedings in state or federal courts or before state or federal administrative tribunals.

### 6.5 Technology Stipend

Unit members will receive a monthly stipend to use towards the cost of, and in lieu of, a City provided cell phone for use at work. This stipend will be governed by the City of Dixon Mobile Phone Stipend Policy.