



**COMPREHENSIVE SUMMARY OF
CITY OF STOCKTON
UNREPRESENTED MANAGEMENT/CONFIDENTIAL AND LAW
EMPLOYEES'
COMPENSATION PLAN**

The City's Unrepresented Management/Confidential employees designated Management MA (Department Heads), Management MV (Assistant Department Heads and other Middle-Management), Confidential MW (Administrative/Support Staff in the City Manager's Office, the Human Resources Department, and the City Auditor's Office), Law Department employees designated "Executive Plan" (EP), "Professional Plan" (PP), and "Support Plan" (SP) are hereby accorded compensation and benefits as outlined in this Plan consistent with the Stockton City Council's objective to fairly and equitably provide for its Unrepresented Management/Confidential and Law employees.

The Unrepresented Management/Confidential and Law Employees' Compensation Plan, as amended shall be effective July 1, 2016.

Unrepresented Management/Confidential Employees' Compensation Plan

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Unrepresented Management/Confidential Employees' Compensation Plan

The Unrepresented Management/Confidential and Law Employees' Compensation Plan, consists of a salary administration program and certain benefits specific to six (6) categories of non-represented employees listed in this Plan. This Plan shall be administered by the City Manager who is the City Council's designated representative for determining compensation and benefits for regular status Unrepresented Management/Confidential and Law Employees.

Management Plan "MA" includes the Assistant City Manager, Deputy City Managers and Department Heads. Management Plan "MV" includes Assistant Department Heads, other Middle-Management classifications and the Liability Claims Investigator I/Is. Confidential Plan "MW" includes other administrative and support staff in the City Manager's Office, City Auditor's Office, City Clerk's Office, and the departments of Human Resources, Administrative Services, Municipal Utilities, Fire, and Police. Executive Plan "EP" includes the City Attorney and the Assistant City Attorney. Professional Plan "PP" includes the Deputy City Attorneys. Support Plan "SP" includes all other Law Department personnel.

Unless specifically identified, all terms of this Compensation Plan apply to all groups listed above.

NON-DISCRIMINATION

There shall be no discrimination of any kind because of age (over 40), race, creed, color, religion, national origin, ancestry, veterans status, physical or mental disability, marital status, sexual orientation, sex, (sexual, gender based, pregnancy/childbirth), physical or mental disability, political affiliation, sexual orientation, concerted labor activity or other protected activity or status, or on any other basis prohibited by applicable Federal and State law against any employee or applicant for employment.

Employees shall cooperate with the City, to the extent authorized by Federal and State laws and regulations, in furthering the objective of Equal Employment Opportunities as defined by Federal and State regulations.

Section 1. Retirement Benefits

1.1 Retirement Benefits

- (a) Effective August 1, 2011, miscellaneous employees' covered by this Plan, shall pay their own statutory employee contribution. Employees will pay 7% of their current base salary and other compensation as qualified by state law toward Public Employees' Retirement System (PERS) for the employee's PERS contribution.

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- (b) Effective August 1, 2011, safety employees covered by this Plan shall pay their own statutory employee contribution. Employees will pay 9% of their current base salary and other compensation as qualified by state law toward PERS for the employee's PERS contribution.
- (c) Under IRS 414h, previously adopted by resolution by the City, the employee's payment will be paid by the employee on a pre-tax basis. Such amounts will be applied to the employee's individual accounts in accordance with California Government Code section 20691.

1.2 Public Employees' Retirement System Benefits for Unit Employees hired on or before December 28, 2012.

- (a) The City's PERS retirement plan for miscellaneous employees is two percent (2%) at age 55. The City's PERS retirement plan is modified to reflect California Government Code section 21024 (Military Service Credit as Public Service) and section 21027 (Military Service Credit for Retired Persons), as hereinafter may be amended. The City provides PERS California Government Code section 20692 (Employer Paid Member Contributions Converted to Pay rate during the Final Compensation Period) as an added PERS benefit. Internal Revenue Service (IRS) Code 414H(2) will be concurrently implemented with PERS California Government Code section 20692. The City provides PERS California Government Code section 20965 (Credit for Unused Sick Leave) as an added PERS benefit, and the City will provide PERS California Government Code section 21335 up to a 5% Annual Cost-of-Living Allowance, as an added PERS benefit.
- (b) The City's PERS retirement plan for safety employees shall be the same plan in effect for other similar safety employees in other units.

1.3 PERS Cost sharing for Sworn Fire Unrepresented Employees.

Pursuant to the cost share provisions proposed and agreed to by the Fire and Fire Management bargaining units, the Sworn Fire Unrepresented employees shall have a PERS cost sharing arrangement effective with the adoption of the PERS 20516 contract amendment.

(a) PERS 20516 Employee Cost-Share of Employer Contribution.

The parties understand a vote of all individuals covered by the CalPERS agreement is required to implement this CalPERS contract amendment. Upon

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successful vote by the covered individuals, the City shall implement the cost sharing amendment under Government Code Section 20516 as soon as possible consistent with CalPERS regulation. The City's contract with CalPERS will be amended to allow for cost sharing for sworn Fire personnel up to a maximum of 14.138%. In accordance with CalPERS regulations, all employees covered by the Fire group under the PERS contract must be treated equally with respect to cost sharing provisions.

Through the cost share provisions, sworn fire employees are to pay 9% towards Employer's required PERS contribution.

The City is implementing this CalPERS contract amendment with the following understandings as listed in sections 1.3 (b) and (c) below.

(b) Cost Sharing for the Employer's Pick-up of the Employee's 9% PERS Contribution.

The employee will cost share an employee contribution in the amount of 9% of the employee's current base salary (employee contribution) and other compensation as qualified by PERS towards the employer's share of cost for PERS pension on a pre-tax basis. If PERS determines that the maximum contribution through a PERS Section 20516 amendment is less than the 9% and/or some or all of the contributions sunset at specific time in the future, the City shall deduct the percentage up to 9% not covered by the PERS amendment process through a payroll reduction. If legislation is enacted and becomes effective requiring employees under the PERS retirement system to pay all or part of the employees share of retirement thus reducing or eliminating EPMC (Employer Paid Member Contribution), as soon as administratively possible and consistent with PERS regulations, employee's contribution will be converted to the employers' share under this 20516 cost share contract amendment to the employee share towards retirement for the percentage required by the new legislation.

(c) Cost Sharing Period

Effective July 1, 2015, the employer cost-share contributions made by these employees will be 9%.

1.4 Public Employee Retirement System Benefits for Unit Employees hired on or after December 29, 2012.

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The City amended its PERS contract to provide a new tier of retirement benefits for employees hired by the City after the PERS amendment goes into effect.

- (a) For Miscellaneous employees, the new tier shall have a retirement formula of 2% at 60 with three year average salary formula, standard PERS COLA, and no other additional PERS benefits for all unit employees. All unit employees shall pay the entire seven percent (7%) of the employee's current base salary and any other compensation as qualified by state law towards PERS retirement benefit through a payroll deduction.
- (b) PERS Benefits for Miscellaneous Employees hired on or after January 1, 2013.

Employees with Reciprocity:

Employees who had service under another CalPERS agency or public retirement system with reciprocity prior to January 1, 2013, and a break in service of less than 6 months and are considered legacy employees by PERS AB 340, shall be subject to the PERS pension formula of 2% at 60 with no optional pension enhancements and the other provisions of the retirement tier they were hired under. Employees shall pay the employee's statutory contribution for these benefits of 7%

Employees without Reciprocity:

Employees hired on or after January 1, 2013, shall be subject to the AB340 PERS pension formula of 2% at 62 with no optional pension enhancements and the other provisions of the retirement tier they were hired under. Employees shall pay 50% of the City normal cost rate for the 2% at 62 as determined by CalPERS.

(c) PERS Benefits for Safety Employees

The new tiers for Safety employees shall be the same as the Fire employees or Police employees as appropriate under the applicable PERS contract.

Employees with Reciprocity:

Safety employees who had service under another CalPERS agency or public retirement system with reciprocity prior to January 1, 2013, and a

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break in service of less than 6 months and are considered legacy employees by PERS AB 340, shall pay the entire nine percent (9%) of the employee's current base salary and any other compensation as qualified by state law towards PERS retirement benefit through a payroll deduction.

Employees without Reciprocity:

Safety employees hired on or after January 1, 2013 shall be subject to the AB340 PERS and shall pay 50% of the City normal cost rate for his/her applicable PERS contract as determined by CalPERS. The City provides PERS California Government Code section 21574 (Fourth Level of 1959 Survivor Benefits) as an added PERS benefit for.

1.5 PERS Pick-Up Contribution for Police Chief and Deputy Police Chiefs

Effective July 1, 2016, unrepresented police personnel (regardless of status under the PEPRA) shall pay an additional 3% toward the employer contribution of PERS. For example, Classic Members will pay a total of 12% (9% plus 3%). The parties recognize that this contribution satisfies the provision of California Government Code 20516.5(b).

Section 2. Group Life Insurance Coverage

Each participant in the program will receive group life insurance coverage paid for by the City of Stockton.

Effective July 1, 2012, the City shall provide, at no cost to the employee, a term life and accidental death and dismemberment insurance policy with a value of \$50,000. In addition, employees may have the opportunity to purchase additional voluntary life insurance through the City's IRS 125 plan vendor.

Section 3. Long Term Disability (LTD) Insurance Coverage

Employees covered by this Compensation Plan, except as provided below will receive long term disability insurance coverage. The benefits of this plan shall be included in the Plan document or contract but are generally summarized as follows:

- (a) Each disability - approximately 66 2/3% of salary for MA, MV, MW, EP, PP, and SP employees up to the maximum salary replacement amount as specified in the City's long term disability plan.

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- (b) Disability income payments shall commence after a ninety (90) day waiting period and exhaustion of sick leave accruals. (c) Benefit payable up to age sixty-five (65).
- (d) The City shall continue its normal contribution for employee medical premiums during the ninety (90) days waiting period.
- (e) Effective May 1, 2010, Fire Management will receive LTD insurance coverage through the California Association of Professional Firefighters. The City pays the cost of the insurance premium.

Section 4. Health and Dental Insurance

4.1 Employee Coverage

(a) **Choice of Health Plans.** Employees covered by this Compensation Plan shall have a choice of enrolling themselves and their eligible dependents in any of the City-sponsored medical, dental and vision plans. Each plan will offer an Employee only, Employee plus One and Employee plus two or more dependents coverage.

(b) **Eligibility.** Employees shall become eligible for Medical and vision insurance on the first day of the month subsequent to completion of thirty (30) days of continuous service with the City. Employees shall become eligible for Dental insurance on the first day of the month subsequent to completion of sixty (60) days continuous service with the City. An eligible employee and eligible dependent may be enrolled in a City offered medical plan either as a subscriber or, as the dependent spouse/registered domestic partner or another eligible City employee, but not both. If an employee is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee plan (i.e., an employee and his or her dependent cannot be covered by more than one City-offered health plan).

(c) City Insurance Contribution.

(1) Effective July 1, 2016:

- The City shall contribute up to \$619.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

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- The City shall contribute up to \$1,124.00 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.
- The City shall contribute up to \$1,496.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

2) Effective July 1, 2017:

- Up to \$631.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.
- Up to \$1,146.00 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.
- Up to \$1,526.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

3) Effective July 1, 2018:

- Up to \$644.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.
- Up to \$1,169.00 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.
- Up to \$1,557.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

(d) These contributions are based on full-time employment; regular part-time employees shall receive a prorated contribution based on their percentage of full-time employment. The employee, through payroll

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deductions, shall pay insurance plan premiums that exceed the City's monthly contribution. The City shall maintain its IRS Section 125 Plan to allow for employee contributions for medical/visions/dental to be pre-tax premium conversion.

- (e) Plan Rules. Employees may insure themselves and their eligible dependents under the medical, vision and dental plans provided by the City, in accordance with the rules and regulations applicable to the selected Plan. Benefits in the Plan shall be in accordance with the Plan document.

4.3 Health and Welfare Benefits During Layoff

Regular status employees who are laid off will have an option of maintaining their existing health and welfare benefits for thirty-six (36) months from the date of layoff, provided timely payments of the premiums by the employee are made to the City, according to City regulations, and provided the employee otherwise meets the requirements of Federal and State regulations.

4.4 Retirement Medical Eligibility and Allowance

- (a) Eligibility. An eligible retiree and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee/retiree, but not both. If an employee/retiree is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee or retiree's plan (i.e., a retiree and his or her dependent cannot be covered by more than one City-offered health plan).
- (b) Retirees may enroll themselves or their dependents at their own expense in City sponsored medical plans only. The City reserves the right to set benefit levels in medical plans for retirees and at its exclusive option only provide fully insured plan choices to retirees for enrollment. The City reserves the right to discontinue inclusion of retirees in City sponsored medical plans at any time.

The City's commitment to provide retiree medical benefits is to the retiree and shall end upon the death of the retiree. Surviving spouses shall not be eligible for any city paid benefit after the death of the city retiree. Any benefits previously paid to surviving spouses have been paid in error and without the approval of the City

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Council.

- (c) Retirees shall not be eligible to participate in the City's vision or dental plans.

Nothing in this section shall be construed to create vested rights to benefits for employees or retirees after the expiration of this Compensation Plan.

Section 5. Holidays

5.1 Qualifying for Holiday Pay

All regular employees, excluding provisional and temporary employees, shall be entitled to take all authorized holidays at full pay not to exceed eight (8) hours for any one (1) holiday.

5.2 Holidays Observed by the City

- (1) January 1New Year's Day
- (2) Third Monday in January.....Martin Luther King Jr.'s Birthday
- (3) Second Monday in FebruaryLincoln's Birthday
- (4) Third Monday in FebruaryWashington's Birthday
- (5) March 31 (FLOATING).....Cesar Chavez Birthday
- (6) Last Monday in May.....Memorial Day
- (7) July 4.....Independence Day
- (8) First Monday in September.....Labor Day
- (9) Second Monday in OctoberColumbus Day
- (10) November 11.....Veteran's Day
- (11) Fourth Thursday in November.....Thanksgiving
- (12) Fourth Friday in November.....day after Thanksgiving
- (13) December 25.....Christmas Day

FLOATING holiday must be used within the calendar year. Floating holiday hours (8 total per calendar year) may be taken in one (1) hour increments. Any hours not used by December 31 of each year expire and are not carried forward into the subsequent year. There is no cash value for any unused floating holiday hours. Employees have not earned and cannot use the floating holiday hours until the actual holiday occurs (March 31).

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If any of said holidays fall on a Sunday, the following Monday shall be observed as a holiday. If any of said holidays fall on a Saturday, the preceding Friday shall be observed as a holiday.

In order to receive Holiday Pay the employee must be in a paid status the day before and the day after the holiday.

For employees on the 9/80 alternative workweek schedule, employees may request to shift their work schedule so that their 8 hour day falls on the designated holiday with the approval of their supervisor or manager, and the additional hour must be worked in the same FLSA work period so as to not require overtime.

5.3 Compensation for Holidays Worked

Prior approval for holiday work must be secured from the City Manager except in emergency situations where said approval cannot be obtained beforehand.

If an employee works on a holiday, the employee will receive 8 hours of holiday pay at their regular rate of pay, actual hours worked will be paid at the time and one half (up to 8 hours) and holiday hours will not be counted as time worked. If an employee works only partial hours on a holiday, partial holiday hours will be counted as time worked for FLSA overtime calculation purposes (up to 8 hours combined maximum).

5.4 Police Chief and Deputy Police Chiefs Holiday Compensation

The Police Chief and Deputy Police Chiefs shall receive a 5% holiday in lieu add pay (equivalent to 8 hours holiday pay for each of the holidays listed in 5.2 above). This pay is in exchange for the elimination of observed holidays.

When the police Department Administrative offices are closed on a regularly scheduled work day, staff shall use the appropriate number of hours from their personal leave time to take the day off. However, at the sole discretion of the Chief or designee, staff may be scheduled to work on a day when the Police Department offices are closed. In the event the Police Chief or Deputy Chief is scheduled to work on a day when the Police Department offices are closed, he or she will not be required to use vacation and will be paid for actual hours worked at straight time.

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Section 6. Vacation Leaves

The following shall be the vacation leave benefits for all employees covered by this Plan.

For purposes of determining eligibility for Sections 6(a) and (b) below, all Department Heads and Deputy City Managers (MA and EP employees) are to be considered as having been employed by the City of Stockton for at least 7.5 Years and shall receive benefits based on that number of years of service. For purposes of determining eligibility for Sections 6(a) and (b) all assistant Department Heads and mid-management (MV and PP employees) are to be considered as having been employed by the City of Stockton for at least 1.5 years and shall receive benefits based on that number of years of service.

(a) Vacation Accrual.

FLSA non-exempt employees. All regular employees that are FLSA overtime non-exempt, excluding provisional and temporary, shall accrue vacation leave with pay in accordance with the following schedule:

- (1) Less than one and one-half (1-1/2) years continuous employment.....80 hours/year.
- (2) After one and one-half (1-1/2) to seven and one-half (7-1/2) years continuous employment.....108 hours/year.
- (3) After seven and one-half (7-1/2) to fifteen (15) years continuous employment.....144 hours/year.
- (4) After fifteen (15) to twenty-five (25) years continuous employment.....189 hours/year.
- (5) Thereafter, seven (7) additional hours for each completed year of service in excess of twenty-five (25) years.

FLSA exempt employees. All regular employees that are FLSA overtime exempt, excluding provisional and temporary, shall accrue vacation leave with pay in accordance with the following schedule:

- (1) Less than one and one-half (1-1/2) years continuous employment.....120 hours/year.

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- (2) After one and one-half (1-1/2) to seven and one-half (7-1/2) years continuous employment.....148 hours/year.
- (3) After seven and one-half (7-1/2) to fifteen (15) years continuous employment.....188 hours/year.
- (4) After fifteen (15) to twenty-five (25) years continuous employment.....229 hours/year.
- (5) Thereafter, seven (7) additional hours for each completed year of service in excess of twenty-five (25) years.

Employees shall accrue their vacation allowance in 24 equal amounts on a twice-monthly payroll basis (24 pay periods).

- (b) Maximum Vacation Accrual. Employees reaching the maximum hours provided here shall stop accruing additional vacation hours until they are below the caps listed here. No vacation hours maybe added to sick leave balances without exception.

Maximum Vacation Accrual Caps.

40 hour employee (FLSA non-exempt employee)

Under 1.5 yrs.	120 hours
1.5-7.5 yrs.	240 hours
7.5-15 yrs.	280 hours
15-25yrs.	320 hours
26 yrs.	328 hours
27 yrs.	336 hours
28 yrs.	344 hours
29 yrs.	352 hours

Over 29 years shall receive an additional 7 hours for each year of service.

40 hour employee (FLSA exempt employee)

Under 1.5 yrs.	200 hours
1.5-7.5 yrs.	320 hours
7.5-15 yrs.	360 hours
15-25yrs.	400 hours
26 yrs.	408 hours
27 yrs.	416 hours
28 yrs.	424 hours
29 yrs.	431 hours

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Over 29 years shall receive an additional 7 hours for each year of service

- (c) Vacation Scheduling. Vacation leaves shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of the City business. Vacation requests are accepted on a day for day basis.
- (d) Holiday during Vacation. If any such paid holidays fall within an employee's vacation leave, the employee will not be charged vacation accrual for that day.
- (e) Cash Payment Option. Effective FY 2017/2018 and 2018/2019 only, an employee may elect to receive a cash payment for a maximum of forty (40) hours of unused accumulated vacation balance after the use of a scheduled vacation of forty (40) hours or more in that same or prior fiscal year. To utilize this option, employees must maintain a balance of (forty) 40 accrued vacation hours after the cash payment. When in effect, this option may be exercised once per fiscal year. Employees may elect this option by December 31 of each year for the cash out the following fiscal year. The cash out election is irrevocable and the City will follow IRS regulations regarding cash payment of leave.
- (f) Vacation Cash Out Upon Separation. An eligible employee separating from City service effective July 1, 2014 for any reason who has unused vacation time shall be paid for such vacation time up to the effective date of the last day of employment with the City. Payment for unused vacation shall be made at the final rate of pay. Payment for the unused vacation hours shall be paid post separation date at no later than the second regularly scheduled pay period pay date following separation. Prior to separation from City service, the City does not provide to employees any vacation cash-out or sell back for accrued but unused vacation hours.

Section 7. Mileage Reimbursement for Private Vehicle Use

The private vehicle mileage reimbursement will be paid to employees who use their private vehicle for City business travel within the City or out of the City limit. Such usage must be documented. Mileage reimbursement for use of personal vehicle shall be compensated at the current Internal Revenue Service (IRS) rate.

Reimbursement for average mileage on City business greater than 1,000 miles per month will be determined by the City Manager, provided no such reimbursement shall exceed IRS mileage reimbursement rate then in effect.

Section 8 Sick Leave

8.1 **Sick Leave Use**

- (a) **Accrual.** All regular full-time employees, except provisional and temporary employees, shall accrue sick leave at the rate of eight (8) hours for each month of completed service.

All regular employees, except provisional and temporary employees, scheduled to work less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accrue from year to year. Employees shall continue to accrue sick leave while off duty on authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.

- (b) **Usage.** Employees are entitled to sick leave pay for those hours, which the employee would normally have worked, to a maximum of the hours accrued, described as:

Preventive medical, dental, optical care, illness, injury or exposure to contagious disease which incapacitates the employee from performing normal work duties. This includes disabilities caused or contributed by pregnancy, miscarriage, abortion, childbirth and recovery there from.

- (c) **Family Sick Leave.** Employees may utilize up to one-half of their annual sick leave accrual in the case of illness or injury in the employee's immediate family when such illness or injury requires personal care, except in instances where the employee is on approved FMLA or CFRA leave.

Such leave shall be restricted to the employee's parents, spouse, registered domestic partner, mother-in-law, father-in-law, child, stepchild, brother, sister, brother-in-law, sister-in-law, grandparent and grandchild, and legal dependent. The employee's child includes a biological, foster, or adopted child, a stepchild, a legal ward, a child of the employee's registered domestic partner, or a child to whom the employee stands *in loco parentis*.

It is not the intent of this provision to conflict with any state or federally mandated policies, such as the Family Medical Leave Act

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(FMLA), the California Family Rights Act (CFRA), or Pregnancy Disability Leave (PDL).

- (d) Reporting Procedures for Sick Leave. When the requirement for sick leave is known to the employee in advance of the absence (for example, including but not limited to scheduled medical, dental or vision appointments), the employee shall request authorization for such sick leave from the Department Head prior to such absence.

If an employee is not able to report due to illness or injury, the employee shall report as soon as possible to the appropriate supervisor, but in no case more than thirty (30) minutes after the start of the work day, except for extenuating circumstances prohibiting giving notice.

Failure to notify as soon as possible and in conforming to the thirty (30) minute notification shall be cause for disciplinary action as determined by the appointing authority.

- (e) Verification Procedures

(1) Before being paid for the use of accrued sick leave, the employee shall submit a signed statement to the Department Head, on a prescribed form, stating the dates and hours of absence, the exact reason, and such other information as is necessary for the request to be evaluated. If an employee doesn't return to work prior to the preparation of the payroll, other arrangements may be made with the Department Head.

- (2) Doctor's Certificate or Other Proof.

The Department Head or designee may require a doctor's certificate or other reasonable proof of illness as he/she deems necessary in order for an employee to receive an excused absence from work and sick leave pay. The employee shall be given notice prior to returning to work that he or she will be required to provide such documentation. Employees who have unscheduled absences due to illness on a scheduled work day preceding or following a holiday may be required to bring a doctor's certificate or other reasonable proof of illness in order to receive an excused absence and sick leave pay. If an employee's illness results in an absence from work for more than three (3) consecutive

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days, a doctor's certificate or other reasonable proof of illness may be required. In addition, the City may monitor and control the appropriate use of sick leave by employees and if reasonable cause is articulated, can limit use of sick leave and require additional verification.

The Department Head or designee may make such sick leave usage reviews and may require such additional documentation including a physician's statement as he/she deems necessary before approving the sick leave benefit.

- (3) If the City has a reasonable basis to believe that an employee is abusing the sick leave benefit, the City or the employee's supervisor must first meet with the employee to:
 - 1) explain the reasonable basis for the believed abuse, and
 - 2) discuss the reasons for the employee's absence. After such meeting, and depending on the factual circumstances, the City may:
 - (a) Place the employee on restricted sick leave for a period of not more than four (4) months, under the direction of the Director of Human Resources pursuant to section 8.1 (e) and sub section (2) above;
 - (b) Suspend the employee without pay for up to five (5) days for abuse of sick leave; or dismissal from employment if a prior suspension involved abuse of sick leave;
 - (c) Place the employee in an employee assistance program, if agreed to by the employee.
- (f) Use of Sick Leave while on Vacation. An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:
 - (1) Was hospitalized during the period for which sick leave is claimed, or
 - (2) Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.

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8.2 Unused Sick Leave Upon Separation

(a) Payment for Unused Sick Leave

Effective February 17, 2012, all accumulated or future accruals of sick leave shall have no cash value upon separation of employment and employees shall not be allowed to cash out unused sick leave except as provided below.

(b) CalPERS Service Credit for Unused Sick Leave

Employees shall be eligible for CalPERS service credit for any unused sick leave at retirement not otherwise compensated for in (c) below. Employees hired after the City amends its CalPERS contract to eliminate service credit for unused sick leave shall not be eligible for this service credit.

(c) Sick Leave Retention Benefit

If, after subtracting the equivalent of one full year of service credit (2080 hours), which may be applied to CALPERS service credit, any balance remaining upon separation shall be paid as follows to employees who have remained in City service until the dates specified:

- (1) Separation prior to July 1, 2014, no payment of unused sick leave at separation shall occur for separating employees before this date;
- (2) Separation between July 1, 2014 and June 30, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 35% of its cash value to separating employees between these dates; and
- (3) Separation after July 1, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 50% of its cash value to separating employees after this date.
- (4) Service credit for unused sick leave shall be in accordance with PERS regulations.

Section 9 Longevity Pay (Professional Growth Pay)

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Effective August 1, 2011, all longevity pay shall be eliminated for all employees covered by this Plan. However, the City shall grandfather only those employees who have completed twelve (12) continuous years of service with the City as of July 1, 2012, and who are receiving a Longevity Pay of 2.5% as of that date. Employees as of August 1, 2011 receiving a higher Longevity Pay based on benefits received by another unit shall also be grandfathered but they shall have their current Longevity Pay reduced by 2.5% and then frozen at those levels at that time. As of July 1, 2012, longevity incentive pay allowance for these grandfathered employees shall be reduced to one and one-half percent (1.5%). Employees receiving a higher Longevity Pay based on benefits received by another unit shall have their remaining longevity reduced by one percent (1.0%) effective July 1, 2012.

Unrepresented Police Safety personnel shall be eligible to receive the same longevity incentive pay allowance as Stockton Police Management Association members, as follows:

- (a) If the Unrepresented Police Safety employee is not otherwise eligible for the grandfathered Unrepresented Longevity Pay, the City shall pay three-quarters of one percent (.75%) of base salary for longevity pay, upon completion of twelve (12) years of continuous service as a public safety member of the Stockton Police Department.
- (b) The City shall pay an additional one and three-quarters percent (1.75%) for a total of two and one half percent (2.5%), upon completion of eighteen (18) years of continuous service as a public safety member of the Stockton Police Department.
- (c) The City shall pay an additional two percent (2%) for a total of percent (4.5%), upon completion of twenty-four (24) years of continuous service as a public safety member of the Stockton Police Department.

Section 10 Other Leaves With Pay

- 10.1 **Bereavement Leave.** In the event of a death in the immediate family of an employee, he/she shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his/her accumulated sick leave credits or vacation eligibility. The Department Head or his/her designee may grant an additional two (2) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits in cases where extensive travel is required to attend the funeral. For the purposes of this paragraph, the immediate family shall be

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restricted to the employee's parents, current step parents, spouse, mother-in-law, father-in-law, child, stepchild, brother, sister, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent, grandchild, and registered domestic partner.

In the event of the death of a person not immediately related to an employee as defined above, the employee's department head may grant up to three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

- 10.2 Jury Duty Leave/Court Appearance. Upon approval by the department head, an employee, other than a provisional or temporary employee, shall be permitted authorized absence from duty for appearance in court because of jury service, in obedience to subpoena or by direction of proper authority, in accordance with the following provisions:

Said covered absence will be for actual hours served (including travel time) on jury duty or testifying as a witness in a criminal case, other than a defendant. Authorized absence for jury or court leave shall include the time from when the employee is ordered to appear until the time the employee is released from the court. As a condition of receiving such pay, the employee must remit to the City, through the employee's department head, within fifteen (15) days after receipt, all fees received except those specifically allowed for mileage and expenses.

If an employee is not due to appear for jury duty or as a witness until an afternoon court session, the employee will be expected to work his or her usual morning schedule. Upon being excused from the court each day, the employee must return to work if he or she has more than two (2) hours remaining before the end of his or her workday.

Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City through the employee's department.

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is not a party, together with travel time necessarily involved, shall not be considered absent from work within the meaning of this Section.

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- 10.3 Military Leave. An employee of the City who is a member of the National Guard or Naval Militia or a member of Reserve Corps or Force of the Federal Military, Naval or Marine Service and is ordered to duty shall be granted leave with pay while engaged therein, provided the leave does not exceed thirty (30) calendar days in any calendar year.

All regular employees in the service of the City shall be allowed leave of absence without pay for the duration of a national emergency who have been inducted into the Army, Navy, Marine Corps, Air Force or any other branch of the Military Service of the United States or the State of California. Said employees shall be reinstated in the service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

All probationary employees inducted into the Military Service not having served the minimum probationary period of six (6) months, shall be allowed leave of absence without pay for the duration of a national emergency, but said employees shall be placed at the head of the eligible list for such position in the order of their seniority of employment and when appointed to a vacant position, they must be physically fit as above specified and shall serve the balance of their probationary period before attaining the status of a regular employee.

Two or more regular employees granted military leave of absence without pay from the same position shall be reemployed according to their seniority of employment providing they are physically fit as above specified.

- 10.4 Management Time Leave. The Chief of Police, Deputy Chief of Police II, and Deputy Chief of Police I shall receive forty (40) hours of paid-management time-leave each fiscal year. The management time-leave of forty (40) hours may not carry over from fiscal year to fiscal year, be used for sell-back purposes, or paid for any unused leave-time upon separation of City employment.

Section 11 Workers' Compensation Leave

- 11.1 Workers' Compensation Leave

- (a) Workers' Compensation Benefits shall be provided in accordance with State law and schedules whenever an employee is absent from duty

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because of disability caused by illness or injury arising out of and in the course of employment which has been declared to be compensable under the Workers' Compensation Law. Any salary continuation program benefits that are in addition to the State benefits that were in effect on July 31, 2011 shall be eliminated effective August 1, 2011. An employee on Workers' Compensation may use accrued leave, if needed, to supplement benefits, up to the amount required to receive a full paycheck.

- (b) Forms and Procedures. Workers' compensation processing shall be consistent with City procedures and in accordance with state workers' compensation regulations. An employee who sustains a work-related injury or illness shall immediately inform his/her supervisor no matter how minor an on-the-job injury may appear. An employee who sustains a work-related injury or illness is required to seek medical care at facilities designated by the City unless they have filed a pre-designation of personal physician prior to sustaining the work-related injury or illness. For a list of City designated medical care facilities and/or physicians, please contact Human Resources.

Section 12 Leave of Absence

12.1 Leave of Absence

Employees shall not be entitled to leave of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the same time the leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the Department Head under this Section shall be subject to review by the Director of Human Resources, whose ruling shall be final.

- (a) Purpose and Length. Only employees occupying regular positions on a regular basis are eligible for leaves of absence without pay under the provisions of this Section.

An appointing authority may grant leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Human Resources.

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Leaves of absence without pay on account of illness or injury, which are not job incurred, may be granted for a maximum period of twelve (12) months with approval of the Director of Human Resources.

Such a leave will be granted only after all accrued sick leave credits have been used and shall be substantiated by a physician's statement.

(b) Application for and Approval of Leave of Absence Without Pay.

Employees shall not be entitled to Leave of Absence Without Pay as a matter of right, but only upon the determination of the City that it is in the best interest of public service and that there is a presumption that the employee intends to return to work upon the expiration of the leave of absence. In order to receive leave without pay, an employee must submit a request on the prescribed form to his/her Department Head and the Director of Human Resources describing the reasons for the request and all other information required for the Department Head or his/her representative, to evaluate the request. Leaves without pay may be cancelled by the department at any time.

(c) Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereinafter.

The entitlement to City payment of premium shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health and dental insurance plan by prepayment of the full monthly premium during the authorized leave of absence.

Authorized absence without pay which exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his/her position by reason of any injury or disease for which he/she is entitled to and currently receiving Workers' Compensation benefits shall be included in computing length of service for the purpose of determining that employee's salary adjustment.

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12.2 Absence Without Official Leave (AWOL)

- (a) Failure to Report to Duty or Failure to Return After Leave. Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved, revoked, or cancelled or at the expiration for a leave shall be considered an absence without official leave and the employee shall be subject to discipline.
- (b) Voluntary Resignation. Any employee without official leave for two (2) or more consecutive scheduled days or absent an aggregate of sixteen (16) hours in any calendar month without a satisfactory explanation as approved by the Director of Human Resources shall be deemed to have voluntarily resigned from the City of Stockton, except if the absence is due to a verified illness or injury.

Section 13 Salary Plan

For a current Salary Schedule, please visit www.stocktongov.com.

13.1 Salary Increases

Employees will receive a base salary increase of 6% on July 1, 2016.

The classifications listed in Appendix A will receive market salary adjustments beginning July 1, 2016, according to the updated salary schedules listed in Appendix A.

Salary step increases will be effective the first day of the pay period following appointment or revision. If the date of appointment or revision is the first day of a pay period, salary step increases will be as of that date.

13.2 Salary Step when Salary Range is Increased

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the employee's step held in the previous range, unless otherwise specifically provided by the Director of Human Resources.

13.3 Salary Step after Promotion or Demotion

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When an employee is promoted from a position in one rank to a position in a higher rank and at the time of promotion is receiving a base salary equal to, or greater than, the minimum base step rate for the higher rank, that employee shall be entitled to a step in the range of the higher rank which is at least five percent (5%) above the employee's current base salary, except that the next step shall not exceed the maximum salary of the higher rank. Add pays are not included in the calculation of base salary for purposes of this section. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee's compensation shall be adjusted to the salary prescribed for the class to which demoted.

13.4 Acting Pay

An employee who is assigned in writing to work in a higher paid classification and who performs a majority of the duties of that higher position after five (5) days shall receive the rate of pay in a step of the higher classification which would have been received if the employee had been promoted into that classification.

The increased rate of pay will commence with the first day of the assignment; however, to qualify the employee must meet the above conditions before being eligible for Acting Pay.

13.5 Pay Equity Adjustments

The City recognizes that there may be a need for special salary adjustments for selected classifications as a result of recruitment problems, reclassifications, and/or organizational changes. The City, in its sole discretion, may make such adjustments.

13.6 Special Assignment Pay

The Department Head and the concurrence of the Director of Human Resources may approve additional compensation in an amount not to exceed one additional salary step when an employee is assigned to perform additional duties and responsibilities for the duration of the special assignment.

13.7 Temporary Upgrade Pay

Hourly or daily rate of pay upgrade for employees who are assigned to temporarily perform the duties of other employees of a higher level classification. The employee must not perform any of the duties for their own job classification while working in the higher level classification.

13.8 Salary Step after Military Leave

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All employees who have been granted military leave shall, upon their return to City service, be entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

13.9 Uniform Allowance

Employees required to wear uniforms shall be paid an annual uniform allowance, one-half payable in April and one-half payable in October each year. Employees in the following classifications receive the following annual uniform allowance:

- Chief of Police - \$1,200.00
- Deputy Chief of Police II - \$1,200.00
- Deputy Chief of Police I - \$1,200.00
- Fire Chief - \$950.00
- Deputy Fire Chief II - \$950.00
- Deputy Fire Chief I - \$950.00

13.10 Certificate Incentive Pay-Sworn Police Chiefs or Deputy Chiefs

- (a) The City shall pay six percent (6.0%) of the top step in rank for sworn personnel who attain a P.O.S.T. Supervisory Certificate.
- (b) The City shall pay an additional five percent (5.0%) for a total of eleven percent (11%) of top salary step in rank for sworn personnel who attain a P.O.S.T. Management certificate or higher, upon completion of two (2) continuous years of service in rank and upon completion of management course.

13.11 Bi-Weekly Pay Period

The City may move to bi-weekly pay as soon as it is administratively possible. This may not be administratively possible until the City implements a new payroll system.

Section 14. Work Schedule

- 14.1 Employees in FLSA exempt job classifications shall not be eligible for overtime for extra hours worked to perform duties of their assigned position.
- 14.2 Department Heads are responsible for personally approving any overtime pay for FLSA non-exempt employees within their respective departments,

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with a report submitted to the City Manager at the end of each pay period explaining the overtime.

14.3 Overtime

Non-exempt employees will receive overtime at the appropriate rate when authorized in writing by the Department Head prior to the overtime worked. The following provisions pertaining to authorized statutorily required overtime work shall apply to Fair Labor Standards Act (FLSA) non-exempt employees:

- (a) Statutory overtime shall be paid on actual time worked in excess of forty (40) hours in any workweek. Such overtime shall be paid for at time and one-half (1-1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein. Observed holidays, floating holidays, jury duty leave, bereavement leave, and sick leave hours taken shall be considered as time worked for overtime calculation purposes. Vacation, or other time taken as compensated time off shall not be considered as actual time worked for overtime calculation purposes.
- (b) Employees assigned to an alternate work schedule (e.g. 4/10, 9/80, etc.) shall be compensated at the overtime rate for all time worked in excess of their regularly scheduled hours.
- (c) Temporary Upgrade Pay. Employees assigned to work overtime in a position or classification other than the position or classification to which they are permanently appointed will be paid overtime at the hourly rate attached to the position or classification in which they are performing such overtime work.

14.4 Compensatory Time Off (CTO)

- (a) Definition. As used in this Section, the term Compensatory Time Off (CTO) refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. For the purpose of this Section, Compensatory Time shall apply only to Non-Exempt employees.
- (b) CTO in Lieu of Overtime Compensation. Employees may voluntarily elect to receive overtime compensation in the form of CTO at the rate of one and one-half (1-1/2) hours of CTO for each hour of overtime earned under section 14.3 (a).

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Appendix A: Market Salary Adjustments

Year 1- eff. 7/1/16; Year 2- eff. 7/1/17; Year 3- eff. 7/1/18	Steps					
	1	2	3	4	5	6
Accounting Manager	6,618.78	6,958.44	7,315.44	7,689.78	8,083.50	8,498.64
COLA year 1 (6%)	397.13	417.51	438.93	461.39	485.01	509.92
MA year 1 (4%)	264.75	278.34	292.62	307.59	323.34	339.95
Year 1 - With Market Adjustment	7,280.66	7,654.28	8,046.98	8,458.76	8,891.85	9,348.50
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (.5%)	33.09	34.79	36.58	38.45	40.42	42.49
Year 2 - With Market Adjustment	7,313.75	7,689.08	8,083.56	8,497.21	8,932.27	9,391.00
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (0%)	-	-	-	-	-	-
Year 3 - With Market Adjustment	7,313.75	7,689.08	8,083.56	8,497.21	8,932.27	9,391.00
Assistant City Clerk	5,349.90	5,624.28	5,911.92	6,214.86	6,534.12	6,868.68
COLA year 1 (6%)	320.99	337.46	354.72	372.89	392.05	412.12
MA year 1 (4%)	214.00	224.97	236.48	248.59	261.36	274.75
Year 1 - With Market Adjustment	5,884.89	6,186.71	6,503.11	6,836.35	7,187.53	7,555.55
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (1.1%)	58.85	61.87	65.03	68.36	71.88	75.56
Year 2 - With Market Adjustment	5,943.74	6,248.58	6,568.14	6,904.71	7,259.41	7,631.10
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (0%)	-	-	-	-	-	-
Year 3 - With Market Adjustment	5,943.74	6,248.58	6,568.14	6,904.71	7,259.41	7,631.10
Deputy City Clerk I	2,556.12	2,686.68	2,824.38	2,969.22	3,121.20	3,281.34
COLA year 1 (6%)	153.37	161.20	169.46	178.15	187.27	196.88
MA year 1 (4%)	102.24	107.47	112.98	118.77	124.85	131.25
Year 1 - With Market Adjustment	2,811.73	2,955.35	3,106.82	3,266.14	3,433.32	3,609.47
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (10%)	255.61	268.67	282.44	296.92	312.12	328.13
Year 2 - With Market Adjustment	3,067.34	3,224.02	3,389.26	3,563.06	3,745.44	3,937.61
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (8.2%)	209.60	220.31	231.60	243.48	255.94	269.07
Year 3 - With Market Adjustment	3,276.95	3,444.32	3,620.86	3,806.54	4,001.38	4,206.68
Deputy City Clerk II	2,816.22	2,961.06	3,112.02	3,272.16	3,439.44	3,615.90
COLA year 1 (6%)	168.97	177.66	186.72	196.33	206.37	216.95
MA year 1 (4%)	112.65	118.44	124.48	130.89	137.58	144.64
Year 1 - With Market Adjustment	3,097.84	3,257.17	3,423.22	3,599.38	3,783.38	3,977.49
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (10%)	281.62	296.11	311.20	327.22	343.94	361.59
Year 2 - With Market Adjustment	3,379.46	3,553.27	3,734.42	3,926.59	4,127.33	4,339.08
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (8.2%)	230.93	242.81	255.19	268.32	282.03	296.50
Year 3 - With Market Adjustment	3,610.39	3,796.08	3,989.61	4,194.91	4,409.36	4,635.58
Senior Administrative Analyst (Conf)	5,905.65	6,208.53	6,526.27	6,861.15	7,212.04	7,582.35
COLA year 1 (6%)	354.34	372.51	391.58	411.67	432.72	454.94
MA year 1 (4%)	236.23	248.34	261.05	274.45	288.48	303.29
Year 1 - With Market Adjustment	6,496.22	6,829.38	7,178.90	7,547.27	7,933.24	8,340.59
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (3.9%)	230.32	242.13	254.52	267.58	281.27	295.71
Year 2 - With Market Adjustment	6,726.54	7,071.52	7,433.42	7,814.85	8,214.51	8,636.30
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (0%)	-	-	-	-	-	-
Year 3 - With Market Adjustment	6,726.54	7,071.52	7,433.42	7,814.85	8,214.51	8,636.30
Senior Deputy City Clerk	3,839.28	4,036.14	4,243.20	4,460.46	4,688.94	4,928.64
COLA year 1 (6%)	230.36	242.17	254.59	267.63	281.34	295.72
MA year 1 (4%)	153.57	161.45	169.73	178.42	187.56	197.15
Year 1 - With Market Adjustment	4,223.21	4,439.75	4,667.52	4,906.51	5,157.83	5,421.50
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (10%)	383.93	403.61	424.32	446.05	468.89	492.86
Year 2 - With Market Adjustment	4,607.14	4,843.37	5,091.84	5,352.55	5,626.73	5,914.37
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (8.2%)	314.82	330.96	347.94	365.76	384.49	404.15
Year 3 - With Market Adjustment	4,921.96	5,174.33	5,439.78	5,718.31	6,011.22	6,318.52
Senior Economic Development Analyst (conf)	6,008.95	6,316.36	6,641.05	6,980.70	7,338.78	7,714.12
COLA year 1 (6%)	360.54	378.98	398.46	418.84	440.33	462.85
MA year 1 (4%)	240.36	252.65	265.64	279.23	293.55	308.56
Year 1 - With Market Adjustment	6,609.85	6,948.00	7,305.16	7,678.77	8,072.66	8,485.53
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (5.3%)	318.47	334.77	351.98	369.98	388.96	408.85
Year 2 - With Market Adjustment	6,928.32	7,282.76	7,657.13	8,048.75	8,461.61	8,894.38
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (0%)	-	-	-	-	-	-
Year 3 - With Market Adjustment	6,928.32	7,282.76	7,657.13	8,048.75	8,461.61	8,894.38

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	Steps					
	1	2	3	4	5	6
Administrative Analyst I (Confidential)	4,211.16	4,427.10	4,653.30	4,892.08	5,142.28	5,406.19
COLA year 1 (6%)	252.67	265.63	279.20	293.52	308.54	324.37
MA year 1 (3.4%)	143.18	150.52	158.21	166.33	174.84	183.81
Year 1 - With Market Adjustment	4,607.01	4,843.25	5,090.71	5,351.94	5,625.65	5,914.37
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (0%)	-	-	-	-	-	-
Year 2 - With Market Adjustment	4,607.01	4,843.25	5,090.71	5,351.94	5,625.65	5,914.37
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (0%)	-	-	-	-	-	-
Year 3 - With Market Adjustment	4,607.01	4,843.25	5,090.71	5,351.94	5,625.65	5,914.37
Administrative Analyst II (Confidential)	4,896.65	5,147.99	5,411.91	5,688.39	5,980.86	6,287.05
COLA year 1 (6%)	293.80	308.88	324.71	341.30	358.85	377.22
MA year 1 (3.4%)	166.49	175.03	184.00	193.41	203.35	213.76
Year 1 - With Market Adjustment	5,356.94	5,631.90	5,920.63	6,223.10	6,543.06	6,878.03
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (0%)	-	-	-	-	-	-
Year 2 - With Market Adjustment	5,356.94	5,631.90	5,920.63	6,223.10	6,543.06	6,878.03
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (0%)	-	-	-	-	-	-
Year 3 - With Market Adjustment	5,356.94	5,631.90	5,920.63	6,223.10	6,543.06	6,878.03
City Clerk	8,205.90	8,626.14	9,068.82	9,532.92	10,021.50	10,530.48
COLA year 1 (6%)	492.35	517.57	544.13	571.98	601.29	631.83
MA year 1 (0.7%)	57.44	60.38	63.48	66.73	70.15	73.71
Year 1 - With Market Adjustment	8,755.70	9,204.09	9,676.43	10,171.63	10,692.94	11,236.02
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (0%)	-	-	-	-	-	-
Year 2 - With Market Adjustment	8,755.70	9,204.09	9,676.43	10,171.63	10,692.94	11,236.02
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (0%)	-	-	-	-	-	-
Year 3 - With Market Adjustment	8,755.70	9,204.09	9,676.43	10,171.63	10,692.94	11,236.02
Legal Secretary	3,678.12	3,865.80	4,064.70	4,272.78	4,491.06	4,721.58
COLA year 1 (6%)	220.69	231.95	243.88	256.37	269.46	283.29
MA year 1 (1.9%)	69.88	73.45	77.23	81.18	85.33	89.71
Year 1 - With Market Adjustment	3,968.69	4,171.20	4,385.81	4,610.33	4,845.85	5,094.58
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (0%)	-	-	-	-	-	-
Year 2 - With Market Adjustment	3,968.69	4,171.20	4,385.81	4,610.33	4,845.85	5,094.58
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (0%)	-	-	-	-	-	-
Year 3 - With Market Adjustment	3,968.69	4,171.20	4,385.81	4,610.33	4,845.85	5,094.58
Deputy Fire Chief I	10,072.50	10,581.48	11,129.22	11,690.22	12,298.14	12,923.40
COLA year 1 (6%)	604.35	634.89	667.75	701.41	737.89	775.40
MA year 1 (2.3%)	231.67	243.37	255.97	268.88	282.86	297.24
Year 1 - With Market Adjustment	10,908.52	11,459.74	12,052.95	12,660.51	13,318.89	13,996.04
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (0%)	-	-	-	-	-	-
Year 2 - With Market Adjustment	10,908.52	11,459.74	12,052.95	12,660.51	13,318.89	13,996.04
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (0%)	-	-	-	-	-	-
Year 3 - With Market Adjustment	10,908.52	11,459.74	12,052.95	12,660.51	13,318.89	13,996.04
Deputy Fire Chief II	10,326.48	10,848.72	11,409.72	11,992.14	12,604.14	13,254.90
COLA year 1 (6%)	619.59	650.92	684.58	719.53	756.25	795.29
MA year 1 (2.3%)	237.51	249.52	262.42	275.82	289.90	304.86
Year 1 - With Market Adjustment	11,183.58	11,749.16	12,356.73	12,987.49	13,650.28	14,355.06
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (0%)	-	-	-	-	-	-
Year 2 - With Market Adjustment	11,183.58	11,749.16	12,356.73	12,987.49	13,650.28	14,355.06
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (0%)	-	-	-	-	-	-
Year 3 - With Market Adjustment	11,183.58	11,749.16	12,356.73	12,987.49	13,650.28	14,355.06
Human Resources Manager/Safety Officer	7,260.09	7,622.95	8,003.94	8,403.96	8,823.99	9,265.00
COLA year 1 (6%)	435.61	457.38	480.24	504.24	529.44	555.90
MA year 1 (0.2%)	14.52	15.25	16.01	16.81	17.65	18.53
Year 1 - With Market Adjustment	7,710.22	8,095.57	8,500.18	8,925.01	9,371.08	9,839.43
COLA year 2 (0%)	-	-	-	-	-	-
MA year 2 (0%)	-	-	-	-	-	-
Year 2 - With Market Adjustment	7,710.22	8,095.57	8,500.18	8,925.01	9,371.08	9,839.43
COLA year 3 (0%)	-	-	-	-	-	-
MA year 3 (0%)	-	-	-	-	-	-
Year 3 - With Market Adjustment	7,710.22	8,095.57	8,500.18	8,925.01	9,371.08	9,839.43



**COMPREHENSIVE SUMMARY OF
CITY OF STOCKTON
UNREPRESENTED MANAGEMENT/CONFIDENTIAL AND LAW
EMPLOYEES'
COMPENSATION PLAN**

The City's Unrepresented Management/Confidential employees designated Management MA (Department Heads), Management MV (Assistant Department Heads and other Middle-Management), Confidential MW (Administrative/Support Staff in the City Manager's Office, the Human Resources Department, and the City Auditor's Office), Law Department employees designated "Executive Plan" (EP), "Professional Plan" (PP), and "Support Plan" (SP) are hereby accorded compensation and benefits as outlined in this Plan consistent with the Stockton City Council's objective to fairly and equitably provide for its Unrepresented Management/Confidential and Law employees.

The Unrepresented Management/Confidential and Law Employees' Compensation Plan, as amended shall be effective August 18, 2015.

Unrepresented Management/Confidential Employees' Compensation Plan

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Unrepresented Management/Confidential Employees' Compensation Plan

The Unrepresented Management/Confidential and Law Employees' Compensation Plan, consists of a salary administration program and certain benefits specific to six (6) categories of non-represented employees listed in this Plan. This Plan shall be administered by the City Manager who is the City Council's designated representative for determining compensation and benefits for regular status Unrepresented Management/Confidential and Law Employees.

Management Plan "MA" includes the Assistant City Manager, Deputy City Managers and Department Heads. Management Plan "MV" includes Assistant Department Heads, other Middle-Management classifications and the Liability Claims Investigator I/II's. Confidential Plan "MW" includes other administrative and support staff in the City Manager's Office, City Auditor's Office, City Clerk's Office, and the departments of Human Resources, Administrative Services, Municipal Utilities, Fire, and Police. Executive Plan "EP" includes the City Attorney and the Assistant City Attorney. Professional Plan "PP" includes the Deputy City Attorneys. Support Plan "SP" includes all other Law Department personnel.

Unless specifically identified, all terms of this Compensation Plan apply to all groups listed above.

NON-DISCRIMINATION

There shall be no discrimination of any kind because of age (over 40), race, creed, color, religion, national origin, ancestry, veterans status, physical or mental disability, marital status, sexual orientation, sex, (sexual, gender based, pregnancy/childbirth), physical or mental disability, political affiliation, sexual orientation, concerted labor activity or other protected activity or status, or on any other basis prohibited by applicable Federal and State law against any employee or applicant for employment.

Employees shall cooperate with the City, to the extent authorized by Federal and State laws and regulations, in furthering the objective of Equal Employment Opportunities as defined by Federal and State regulations.

Unrepresented Management/Confidential Employees' Compensation PlanSection 1 Retirement Benefits1.1 Retirement Benefits

- (a) Effective August 1, 2011, miscellaneous employees' covered by this Plan, shall pay their own statutory employee contribution. Employees will pay 7% of their current base salary and other compensation as qualified by state law toward Public Employees' Retirement System (PERS) for the employee's PERS contribution.
- (b) Effective August 1, 2011, safety employees covered by this Plan shall pay their own statutory employee contribution. Employees will pay 9% of their current base salary and other compensation as qualified by state law toward PERS for the employee's PERS contribution.
- (c) Under IRS 414h, previously adopted by resolution by the City, the employee's payment will be paid by the employee on a pre-tax basis. Such amounts will be applied to the employee's individual accounts in accordance with California Government Code section 20691.

1.2 Public Employees' Retirement System Benefits for Unit Employees hired on or before August 1, 2011.

- (a) The City's PERS retirement plan for miscellaneous employees is two percent (2%) at age 55. The City's PERS retirement plan is modified to reflect California Government Code section 21024 (Military Service Credit as Public Service) and section 21027 (Military Service Credit for Retired Persons), as hereinafter may be amended. The City provides PERS California Government Code section 20692 (Employer Paid

Unrepresented Management/Confidential Employees' Compensation Plan

Member Contributions Converted to Pay rate during the Final Compensation Period) as an added PERS benefit. Internal Revenue Service (IRS) Code 414H(2) will be concurrently implemented with PERS California Government Code section 20692. The City provides PERS California Government Code section 20965 (Credit for Unused Sick Leave) as an added PERS benefit, the City provides PERS California Government Code section 21574 (Fourth Level of 1959 Survivor Benefits) as an added PERS benefit. The City will provide PERS California Government Code section 21335 up to a 5% Annual Cost-of-Living Allowance, as an added PERS benefit.

- (b) The City's PERS retirement plan for safety employees shall be the same plan in effect for other similar safety employees in other units.

1.3 PERS Cost sharing for Sworn Fire Unrepresented Employees.

Pursuant to the cost share provisions proposed and agreed to by the Fire and Fire Management bargaining units, the Sworn Fire Unrepresented employees shall have a PERS cost sharing arrangement effective with the adoption of the PERS 20516 contract amendment.

(a) PERS 20516 Employee Cost-Share of Employer Contribution.

The parties understand a vote of all individuals covered by the CalPERS agreement is required to implement this CalPERS contract amendment. Upon successful vote by the covered individuals, the City shall implement the cost sharing amendment under Government Code Section 20516 as soon as possible consistent with CalPERS regulation. The City's contract with CalPERS will be amended to allow for cost sharing for sworn Fire personnel up to a maximum of 14.138%. In accordance with CalPERS regulations, all employees

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covered by the Fire group under the PERS contract must be treated equally with respect to cost sharing provisions.

Through the cost share provisions, sworn fire employees are to pay 9% towards Employer's required PERS contribution.

The City is implementing this CalPERS contract amendment with the following understandings as listed in sections 1.3 (b) and (c) below.

(b) Cost Sharing for the Employer's Pick-up of the Employee's 9% PERS Contribution.

The employee will cost share an employee contribution in the amount of 9% of the employee's current base salary (employee contribution) and other compensation as qualified by PERS towards the employer's share of cost for PERS pension on a pre-tax basis. If PERS determines that the maximum contribution through a PERS Section 20516 amendment is less than the 9% and/or some or all of the contributions sunset at specific time in the future, the City shall deduct the percentage up to 9% not covered by the PERS amendment process through a payroll reduction. If legislation is enacted and becomes effective requiring employees under the PERS retirement system to pay all or part of the employees share of retirement thus reducing or eliminating EPMC (Employer Paid Member Contribution), as soon as administratively possible and consistent with PERS regulations, employee's contribution will be converted to the employers' share under this 20516 cost share contract amendment to the employee share towards retirement for the percentage required by the new legislation.

(c) Cost Sharing Period

Effective July 1, 2015, the employer cost-share contributions made by these employees will be 9%.

Unrepresented Management/Confidential Employees' Compensation Plan

1.4 **Public Employee Retirement System Benefits for Unit Employees hired on or after December 29, 2012.**

The City amended its PERS contract to provide a new tier of retirement benefits for employees hired by the City after the PERS amendment goes into effect.

- (a) For Miscellaneous employees, the new tier shall have a retirement formula of 2% at 60 with three year average salary formula, standard PERS COLA, and no other additional PERS benefits for all unit employees hired on or after December 29, 2012. All unit employees shall pay the entire seven percent (7%) of the employee's current base salary and any other compensation as qualified by state law towards PERS retirement benefit through a payroll deduction.
- (b) PERS Benefits for Miscellaneous Employees hired on or after December 29, 2012.

Employees with Reciprocity:

Employees hired on or after December 29, 2012, who had service under another CalPERS agency or public retirement system with reciprocity prior to January 1, 2013, and a break in service of less than 6 months and are considered legacy employees by PERS AB 340, shall be subject to the PERS pension formula of 2% at 60 with no optional pension enhancements and the other provisions of the retirement tier they were hired under. Employees shall pay the employee's statutory employee's contribution for these benefits of 7%

Employees without Reciprocity:

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Employees hired on or after January 1, 2013, shall be subject to the AB340 PERS pension formula of 2% at 62 with no optional pension enhancements and the other provisions of the retirement tier they were hired under. Employees shall pay 50% of the City normal cost rate for the 2% at 62 as determined by CalPERS.

(c) PERS Benefits for Safety Employees

The new tiers for Safety employees shall be the same as the Fire employees or Police employees as appropriate under the applicable PERS contract.

Employees with Reciprocity:

Safety employees who had service under another CalPERS agency or public retirement system with reciprocity prior to January 1, 2013, and a break in service of less than 6 months and are considered legacy employees by PERS AB 340, shall pay the entire nine percent (9%) of the employee's current base salary and any other compensation as qualified by state law towards PERS retirement benefit through a payroll deduction.

Employees without Reciprocity:

Safety employees hired on or after January 1, 2013 shall be subject to the AB340 PERS and shall pay 50% of the City normal cost rate for his/her applicable PERS contract as determined by CalPERS.

Section 2 Group Life Insurance Coverage

Each participant in the program will receive group life insurance coverage paid for by the City of Stockton.

Unrepresented Management/Confidential Employees' Compensation Plan

Effective July 1, 2012, the City shall provide, at no cost to the employee, a term life and accidental death and dismemberment insurance policy with a value of \$50,000. In addition, employees may have the opportunity to purchase additional voluntary life insurance through the City's IRS 125 plan vendor.

Section 3 Long Term Disability (LTD) Insurance Coverage

Employees covered by this Compensation Plan, except as provided below will receive long term disability insurance coverage. The benefits of this plan shall be included in the Plan document or contract but are generally summarized as follows:

- (a) Each disability - approximately 66 2/3% of salary for MA, MV, MW, EP, PP, and SP employees up to the maximum salary replacement amount as specified in the City's long term disability plan.
- (b) Disability income payments shall commence after ninety (90) day waiting period. Employees may use sick leave and other leave balances to cover this waiting period, or leave without pay.
- (c) Benefit payable up to age sixty-five (65).
- (d) The City shall continue its normal contribution for employee medical premiums during the ninety (90) days waiting period.
- (e) Effective May 1, 2010, Fire Management will receive LTD insurance coverage through the California Association of Professional Firefighters. The City pays the cost of the insurance premium.

Section 4 Health and Dental Insurance**4.1 Employee Coverage**

Unrepresented Management/Confidential Employees' Compensation Plan

- (a) Choice of Health Plans -Employees covered by this Plan shall have a choice of enrolling themselves and their eligible dependents in any of the City-sponsored medical, dental and vision plans. The City's Modified Plan, revised as of September 1, 2011, or any other city sponsored plan that the City shall offer to regular employees, shall be available to employees in this group. For the modifications to the City's Modified Plan, which are effective September 1, 2011, the revised annual deductible shall be effective on January 1, 2012.
- (b) Eligibility. Employees shall become eligible for Medical and vision insurance on the first day of the month subsequent to completion of thirty (30) days of continuous service with the City. Employees shall become eligible for Dental insurance on the first day of the month subsequent to completion of sixty (60) days continuous service with the City. An eligible employee and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee, but not both. If an employee is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee plan (i.e., an employee and his or her dependent cannot be covered by more than one City-offered health plan).
- (c) City Insurance Contribution. Effective July 1, 2015:
- (1) The City shall contribute up to \$543.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.
 - (2) The City shall contribute up to \$988.00 per month toward the cost of the monthly premium for

Unrepresented Management/Confidential Employees' Compensation Plan

employee plus one dependent medical/dental/vision plan coverage.

(3) The City shall contribute up to \$1,313.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

(4) These contributions are based on full-time employment; regular part-time employees shall receive a prorated contribution based on their percentage of full-time employment. The employee, through payroll deductions, shall pay insurance plan premiums that exceed the City's monthly contribution. The City shall maintain its IRS Section 125 Plan to allow for employee contributions for medical/visions/dental to be pre-tax premium conversion.

(d) Plan Rules. Employees may insure themselves and their eligible dependents under the medical/vision and dental plans provided by the City, in accordance with the rules and regulations applicable to the selected Plan. Benefits in the Plan shall be in accordance with the Plan document.

(e) Provisional and temporary employees are not eligible for any of the above benefits.

(f) Employees receive benefits in the City's Modified Plan, which is referred to in this resolution as "Modified Employee Medical Plan." Modifications to the City's Modified Plan shall be effective September 1, 2011.

4.3 Health and Welfare Benefits During Layoff

Regular status employees who are laid off will have an option of maintaining their existing health and welfare benefits for

Unrepresented Management/Confidential Employees' Compensation Plan

thirty-six (36) months from the date of layoff, provided timely payments of the premiums by the employee are made to the City, according to City regulations, and provided the employee otherwise meets the requirements of Federal and State regulations.

4.4 Retirement Medical Eligibility and Allowance

- (a) Eligibility. An eligible retiree and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee/retiree, but not both. If an employee/retiree is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee or retiree's plan (i.e., a retiree and his or her dependent cannot be covered by more than one City-offered health plan).
- (b) Retirees may enroll themselves or their dependents at their own expense in City sponsored medical plans only. The City reserves the right to set benefit levels in medical plans for retirees and at its exclusive option only provide fully insured plan choices to retirees for enrollment. The City reserves the right to discontinue inclusion of retirees in City sponsored medical plans at any time.

The City's commitment to provide retiree medical benefits during the 2014-2015 Fiscal Year is to the retiree and shall end upon the death of the retiree. Surviving spouses shall not be eligible for any city paid benefit after the death of the city retiree. Any benefits previously paid to surviving spouses have been paid in error and without the approval of the City Council.

- (c) Retirees shall not be eligible to participate in the City's dental plans.

Unrepresented Management/Confidential Employees' Compensation Plan

- (d) Retiree Vision benefits are not offered to current employees (future retirees) and current retirees.

Nothing in this section shall be construed to create vested rights to benefits for employees or retirees after the expiration of this Compensation Plan.

Section 5 Holidays

5.1 Qualifying for Holiday Pay

All regular employees, excluding provisional and temporary employees, shall be entitled to take all authorized holidays at full pay not to exceed eight (8) hours for any one (1) holiday.

5.2 Holidays Observed by the City

- (1) January 1 New Year's Day
- (2) Third Monday in January Martin Luther King Jr.'s Birthday
- (3) Second Monday in February Lincoln's Birthday
- (4) Third Monday in February Washington's Birthday
- (5) March 31 (FLOATING)..... Cesar Chavez Birthday
- (6) Last Monday in May..... Memorial Day
- (7) July 4 Independence Day
- (8) First Monday in September..... Labor Day
- (9) Second Monday in October Columbus Day
- (10) November 11 Veteran's Day
- (11) Fourth Thursday in November Thanksgiving
- (12) Fourth Friday in November..... day after Thanksgiving
- (13) December 25 Christmas Day

FLOATING holiday to be taken within ninety (90) work days on or after the observed holiday.

If any of said holidays fall on a Sunday, the following Monday shall be observed as a holiday. If any of said holidays fall on a Saturday, the preceding Friday shall be observed as a holiday.

Unrepresented Management/Confidential Employees' Compensation Plan

In order to receive Holiday Pay the employee must be in a paid status the day before and the day after the holiday.

For employees on the 9/80 alternative workweek schedule, employees may request to shift their work schedule so that their 8 hour day falls on the designated holiday with the approval of their supervisor or manager, and the additional hour must be worked in the same FLSA work period so as to not require overtime.

5.3 Compensation for Holidays Worked

Prior approval for holiday work must be secured from the City Manager except in emergency situations where said approval cannot be obtained beforehand.

If an employee works on a holiday, the employee will receive 8 hours of holiday pay at their regular rate of pay, actual hours worked will be paid at the time and one half (up to 8 hours) and holiday hours will not be counted as time worked. If an employee works only partial hours on a holiday, partial holiday hours will be counted as time worked for FLSA overtime calculation purposes (up to 8 hours combined maximum).

Section 6 Vacation Leaves

The following shall be the vacation leave benefits for all employees covered by this Plan.

For purposes of determining eligibility for Sections 6(a) and (b) below, all Department Heads and Deputy City Managers (MA and EP employees) are to be considered as having been employed by the City of Stockton for at least 7.5 Years and shall receive benefits based on that number of years of service. For purposes of determining eligibility for Sections 6(a) and (b) all assistant Department Heads and mid-management (MV and PP employees) are to be considered as having been employed by the City of

Unrepresented Management/Confidential Employees' Compensation Plan

Stockton for at least 1.5 years and shall receive benefits based on that number of years of service.

(a) Vacation Accrual.

FLSA non-exempt employees. All regular employees that are FLSA overtime non-exempt, excluding provisional and temporary, shall accrue vacation leave with pay in accordance with the following schedule:

- (1) Less than one and one-half (1-1/2) years continuous employment.....80 hours/year.
- (2) After one and one-half (1-1/2) to seven and one-half (7-1/2) years continuous employment. 108 hours/year.
- (3) After seven and one-half (7-1/2) to fifteen (15) years continuous employment...144 hours/year.
- (4) After fifteen (15) to twenty-five (25) years continuous employment..... 189 hours/year.
- (5) Thereafter, seven (7) additional hours for each completed year of service in excess of twenty-five (25) years.

FLSA exempt employees. All regular employees that are FLSA overtime exempt, excluding provisional and temporary, shall accrue vacation leave with pay in accordance with the following schedule:

- (1) Less than one and one-half (1-1/2) years continuous employment.....120 hours/year.
- (2) After one and one-half (1-1/2) to seven and one-half (7-1/2) years continuous employment.148 hours/year.

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- (3) After seven and one-half (7-1/2) to fifteen (15) years continuous employment.....188 hours/year.
- (4) After fifteen (15) to twenty-five (25) years continuous employment..... 229 hours/year.
- (5) Thereafter, seven (7) additional hours for each completed year of service in excess of twenty-five (25) years.

Employees shall accrue their vacation allowance in 24 equal amounts on a twice-monthly payroll basis (24 pay periods).

- (b) Maximum Vacation Accrual. Employees reaching the maximum hours provided here shall stop accruing additional vacation hours until they are below the caps listed here. No vacation hours maybe added to sick leave balances without exception.

Maximum Vacation Accrual Caps.

40 hour employee (FLSA non-exempt employee)

Under 1.5 yrs	120 hours
1.5-7.5 yrs	240 hours
7.5-15 yrs	280 hours
15-25yrs	320 hours
26 yrs	328 hours
27 yrs	336 hours
28 yrs	344 hours
29 yrs	352 hours

Over 29 years shall receive an additional 7 hours for each year of service.

40 hour employee (FLSA exempt employee)

Under 1.5 yrs	200 hours
1.5-7.5 yrs	320 hours
7.5-15 yrs	360 hours

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15-25yrs	400 hours
26 yrs	408 hours
27 yrs	416 hours
28 yrs	424 hours
29 yrs	431 hours

Over 29 years shall receive an additional 7 hours for each year of service

- (c) Vacation Scheduling. Vacation leaves shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of the City business. Vacation requests are accepted on a day for day basis.
- (d) Holiday during Vacation. If any such paid holidays fall within an employee's vacation leave, the employee will not be charged vacation accrual for that day.
- (f) Vacation Cash Out Upon Separation. An eligible employee separating from City service effective July 1, 2014 for any reason who has unused vacation time shall be paid for such vacation time up to the effective date of the last day of employment with the City. Payment for unused vacation shall be made at the final rate of pay. Payment for the unused vacation hours shall be paid post separation date at no later than the second regularly scheduled pay period pay date following separation. Prior to separation from City service, the City does not provide to employees any vacation cashout or sell back for accrued but unused vacation hours.

Section 7 Mileage Reimbursement for Private Vehicle Use

The private vehicle mileage reimbursement will be paid to employees who use their private vehicle for City business travel within the City or out of the City limit. Such usage must be documented. Mileage reimbursement for use of personal vehicle shall be compensated at the current Internal Revenue Service (IRS) rate.

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Reimbursement for average mileage on City business greater than 1,000 miles per month will be determined by the City Manager, provided no such reimbursement shall exceed IRS mileage reimbursement rate then in effect.

Section 8 Sick Leave**8.1 Sick Leave Use**

- (a) Accrual. All regular full-time employees, except provisional and temporary employees, shall accrue sick leave at the rate of eight (8) hours for each month of completed service.

All regular employees, except provisional and temporary employees, scheduled to work less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accrue from year to year. Employees shall continue to accrue sick leave while off duty on authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.

- (b) Usage. Employees are entitled to sick leave pay for those hours, which the employee would normally have worked, to a maximum of the hours accrued, described as:

Preventive medical, dental, optical care, illness, injury or exposure to contagious disease which incapacitates the employee from performing normal work duties. This includes disabilities caused or contributed by pregnancy, miscarriage, abortion, childbirth and recovery there from.

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- (c) Family Sick Leave. Employees may utilize up to one-half of their annual sick leave accrual in the case of illness or injury in the employee's immediate family when such illness or injury requires personal care, except in instances where the employee is on approved FMLA or CFRA leave.

Such leave shall be restricted to the employee's parents, spouse, registered domestic partner, mother-in-law, father-in-law, child, stepchild, brother, sister, brother-in-law, sister-in-law, grandparent and grandchild, and legal dependent. The employee's child includes a biological, foster, or adopted child, a stepchild, a legal ward, a child of the employee's registered domestic partner, or a child to whom the employee stands *in loco parentis*.

It is not the intent of this provision to conflict with any state or federally mandated policies, such as the Family Medical Leave Act (FMLA), the California Family Rights Act (CFRA), or Pregnancy Disability Leave (PDL).

- (d) Reporting Procedures for Sick Leave. When the requirement for sick leave is known to the employee in advance of the absence (for example, including but not limited to scheduled medical, dental or vision appointments), the employee shall request authorization for such sick leave from the Department Head prior to such absence.

If an employee is not able to report due to illness or injury, the employee shall report as soon as possible to the appropriate supervisor, but in no case more than thirty (30) minutes after the start of the work day, except for extenuating circumstances prohibiting giving notice.

Failure to notify as soon as possible and in conforming to the thirty (30) minute notification shall be cause for disciplinary action as determined by the appointing authority.

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(e) Verification Procedures

- (1) Before being paid for the use of accrued sick leave, the employee shall submit a signed statement to the Department Head, on a prescribed form, stating the dates and hours of absence, the exact reason, and such other information as is necessary for the request to be evaluated. If an employee doesn't return to work prior to the preparation of the payroll, other arrangements may be made with the Department Head.
- (2) Doctor's Certificate or Other Proof.

The Department Head or designee may require a doctor's certificate or other reasonable proof of illness as he/she deems necessary in order for an employee to receive an excused absence from work and sick leave pay. The employee shall be given notice prior to returning to work that he or she will be required to provide such documentation. Employees who have unscheduled absences due to illness on a scheduled work day preceding or following a holiday may be required to bring a doctor's certificate or other reasonable proof of illness in order to receive an excused absence and sick leave pay. If an employee's illness results in an absence from work for more than three (3) consecutive days, a doctor's certificate or other reasonable proof of illness may be required. In addition, the City may monitor and control the appropriate use of sick leave by employees and if reasonable cause is articulated, can limit use of sick leave and require additional verification.

The Department Head or designee may make such sick leave usage reviews and may require such

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additional documentation including a physician's statement as he/she deems necessary before approving the sick leave benefit.

- (3) If the City has a reasonable basis to believe that an employee is abusing the sick leave benefit, the City or the employee's supervisor must first meet with the employee to: 1) explain the reasonable basis for the believed abuse, and 2) discuss the reasons for the employee's absence. After such meeting, and depending on the factual circumstances, the City may:
 - (a) Place the employee on restricted sick leave for a period of not more than four (4) months, under the direction of the Director of Human Resources pursuant to section 8.1 (e) and sub section (2) above;
 - (b) Suspend the employee without pay for up to five (5) days for abuse of sick leave; or dismissal from employment if a prior suspension involved abuse of sick leave;
 - (c) Place the employee in an employee assistance program, if agreed to by the employee.
- (f) Use of Sick Leave while on Vacation. An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:
 - (1) Was hospitalized during the period for which sick leave is claimed, or

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- (2) Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.

8.2 Unused Sick Leave Upon Separation

(a) Payment for Unused Sick Leave

Effective February 17, 2012, all accumulated or future accruals of sick leave shall have no cash value upon separation of employment and employees shall not be allowed to cash out unused sick leave except as provided below.

(b) CalPERS Service Credit for Unused Sick Leave

Employees shall be eligible for CalPERS service credit for any unused sick leave at retirement not otherwise compensated for in (c) below. Employees hired after the City amends its CalPERS contract to eliminate service credit for unused sick leave shall not be eligible for this service credit.

(c) Sick Leave Retention Benefit

If, after subtracting the equivalent of one full year of service credit (2080 hours), which may be applied to CALPERS service credit, any balance remaining upon separation shall be paid as follows to employees who have remained in City service until the dates specified:

- (1) Separation prior to July 1, 2014, no payment of unused sick leave at separation shall occur for separating employees before this date;
- (2) Separation between July 1, 2014 and June 30, 2015, payment of unused sick leave which the

Unrepresented Management/Confidential Employees' Compensation Plan

employee held on 2/16/12 shall be paid at 35% of its cash value to separating employees between these dates; and

- (3) Separation after July 1, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 50% of its cash value to separating employees after this date.
- (4) Service credit for unused sick leave shall be in accordance with PERS regulations.

Section 9 Longevity Pay (Professional Growth Pay)

Effective August 1, 2011, all longevity pay shall be eliminated for all employees covered by this Plan. However, the City shall grandfather only those employees who have completed twelve (12) continuous years of service with the City as of July 1, 2012, and who are receiving a Longevity Pay of 2.5% as of that date. Employees as of August 1, 2011 receiving a higher Longevity Pay based on benefits received by another unit shall also be grandfathered but they shall have their current Longevity Pay reduced by 2.5% and then frozen at those levels at that time. As of July 1, 2012, longevity incentive pay allowance for these grandfathered employees shall be reduced to one and one-half percent (1.5%). Employees receiving a higher Longevity Pay based on benefits received by another unit shall have their remaining longevity reduced by one percent (1.0%) effective July 1, 2012.

Section 10 Other Leaves With Pay

- 10.1 Bereavement Leave. In the event of a death in the immediate family of an employee, he/she shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his/her accumulated sick leave credits or vacation eligibility. The Department Head or his/her designee may grant an

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additional two (2) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits in cases where extensive travel is required to attend the funeral. For the purposes of this paragraph, the immediate family shall be restricted to the employee's parents, current step parents, spouse, mother-in-law, father-in-law, child, stepchild, brother, sister, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent, grandchild, and registered domestic partner.

In the event of the death of a person not immediately related to an employee as defined above, the employee's department head may grant up to three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

- 10.2 Jury Duty Leave/Court Appearance. Upon approval by the department head, an employee, other than a provisional or temporary employee, shall be permitted authorized absence from duty for appearance in court because of jury service, in obedience to subpoena or by direction of proper authority, in accordance with the following provisions:

Said covered absence will be for actual hours served (including travel time) on jury duty or testifying as a witness in a criminal case, other than a defendant. Authorized absence for jury or court leave shall include the time from when the employee is ordered to appear until the time the employee is released from the court. As a condition of receiving such pay, the employee must remit to the City, through the employee's department head, within fifteen (15) days after receipt, all fees received except those specifically allowed for mileage and expenses.

If an employee is not due to appear for jury duty or as a witness until an afternoon court session, the employee will be expected to work his or her usual morning schedule. Upon being excused from the court each day, the employee must return to work if he

Unrepresented Management/Confidential Employees' Compensation Plan

or she has more than two (2) hours remaining before the end of his or her workday.

Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City through the employee's department.

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is not a party, together with travel time necessarily involved, shall not be considered absent from work within the meaning of this Section.

10.3 Military Leave. An employee of the City who is a member of the National Guard or Naval Militia or a member of Reserve Corps or Force of the Federal Military, Naval or Marine Service and is ordered to duty shall be granted leave with pay while engaged therein, provided the leave does not exceed thirty (30) calendar days in any calendar year.

All regular employees in the service of the City shall be allowed leave of absence without pay for the duration of a national emergency who have been inducted into the Army, Navy, Marine Corps, Air Force or any other branch of the Military Service of the United States or the State of California. Said employees shall be reinstated in the service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

All probationary employees inducted into the Military Service not having served the minimum probationary period of six (6) months, shall be allowed leave of absence without pay for the

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duration of a national emergency, but said employees shall be placed at the head of the eligible list for such position in the order of their seniority of employment and when appointed to a vacant position, they must be physically fit as above specified and shall serve the balance of their probationary period before attaining the status of a regular employee.

Two or more regular employees granted military leave of absence without pay from the same position shall be reemployed according to their seniority of employment providing they are physically fit as above specified.

10.4 Management Time Leave. The Chief of Police, Deputy Chief of Police II, and Deputy Chief of Police I shall receive forty (40) hours of paid-management time-leave each fiscal year. The management time-leave of forty (40) hours may not carry over from fiscal year to fiscal year, be used for sell-back purposes, or paid for any unused leave-time upon separation of City employment.

10.5 Retention Bonus

Effective the first full pay period following Council approval of this Compensation Plan, the City will credit any Chief of Police, Deputy Chief of Police I, or Deputy Chief of Police II who has been continuously employed by the City from July 1, 2014 through the first full pay period following Council approval with 27 hours of leave as a retention bonus.

Leave time under this provision will have no cash value at separation and employees may not elect to cash out the time. However, any time not used by the last pay period of fiscal year 2015/2016 (pay period of June 16-30, 2016) will automatically be cashed out at each employee's base rate of pay plus applicable add pays.

Leave usage under this provision is subject to the normal rules (request and approval) for vacation and compensatory time off.

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The payout of these leave balances is not pensionable compensation.

Section 11 Workers' Compensation Leave

11.1 Workers' Compensation Leave

(a) Workers' Compensation Benefits shall be provided in accordance with State law and schedules whenever an employee is absent from duty because of disability caused by illness or injury arising out of and in the course of employment which has been declared to be compensable under the Workers' Compensation Law. Any salary continuation program benefits that are in addition to the State benefits that were in effect on July 31, 2011 shall be eliminated effective August 1, 2011. An employee on Workers' Compensation may use accrued leave, if needed, to supplement benefits, up to the amount required to receive a full paycheck.

(b) Forms and Procedures. Workers' compensation processing shall be consistent with City procedures and in accordance with state workers' compensation regulations. An employee who sustains a work-related injury or illness shall immediately inform his/her supervisor no matter how minor an on-the-job injury may appear. An employee who sustains a work-related injury or illness is required to seek medical care at facilities designated by the City unless they have filed a pre-designation of personal physician prior to sustaining the work-related injury or illness. For a list of City designated medical care facilities and/or physicians, please contact Human Resources.

Section 12 Leave of Absence

12.1 Leave of Absence

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Employees shall not be entitled to leave of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the same time the leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the Department Head under this Section shall be subject to review by the Director of Human Resources, whose ruling shall be final.

- (a) Purpose and Length. Only employees occupying regular positions on a regular basis are eligible for leaves of absence without pay under the provisions of this Section.

An appointing authority may grant leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Human Resources.

Leaves of absence without pay on account of illness or injury, which are not job incurred, may be granted for a maximum period of twelve (12) months with approval of the Director of Human Resources.

Such a leave will be granted only after all accrued sick leave credits have been used and shall be substantiated by a physician's statement.

- (b) Application for and Approval of Leave of Absence Without Pay.

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Employees shall not be entitled to Leave of Absence Without Pay as a matter of right, but only upon the determination of the City that it is in the best interest of public service and that there is a presumption that the employee intends to return to work upon the expiration of the leave of absence. In order to receive leave without pay, an employee must submit a request on the prescribed form to his/her Department Head and the Director of Human Resources describing the reasons for the request and all other information required for the Department Head or his/her representative, to evaluate the request. Leaves without pay may be cancelled by the department at any time.

- (c) Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereinafter.

The entitlement to City payment of premium shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health and dental insurance plan by prepayment of the full monthly premium during the authorized leave of absence.

Authorized absence without pay which exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his/her position by reason of any injury or disease for which he/she is entitled to and currently receiving Workers' Compensation benefits shall be included in computing length of service for the purpose of determining that employee's salary adjustment.

12.2 Absence Without Official Leave (AWOL)

Unrepresented Management/Confidential Employees' Compensation Plan

- (a) Failure to Report to Duty or Failure to Return After Leave. Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved, revoked, or cancelled or at the expiration for a leave shall be considered an absence without official leave and the employee shall be subject to discipline.

- (b) Voluntary Resignation. Any employee without official leave for two (2) or more consecutive scheduled days or absent an aggregate of sixteen (16) hours in any calendar month without a satisfactory explanation as approved by the Director of Human Resources shall be deemed to have voluntarily resigned from the City of Stockton, except if the absence is due to a verified illness or injury.

Section 13 Salary Plan

13.1 Wage Increases

Employees will receive a base salary increase of 2% on July 1, 2015.

13.2 Salary Step when Salary Range is Increased

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the employee's step held in the previous range, unless otherwise specifically provided by the Director of Human Resources.

13.3 Salary Step after Promotion or Demotion

When an employee is promoted from a position in one rank to a position in a higher rank and at the time of promotion is receiving a base salary equal to, or greater than, the minimum

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base step rate for the higher rank, that employee shall be entitled to a step in the range of the higher rank which is at least five percent (5%) above the employee's current base salary, except that the next step shall not exceed the maximum salary of the higher rank. Add pays are not included in the calculation of base salary for purposes of this section. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee's compensation shall be adjusted to the salary prescribed for the class to which demoted.

13.4 Acting Pay

An employee who is assigned in writing to work in a higher paid classification and who performs a majority of the duties of that higher position after five (5) days shall receive the rate of pay in a step of the higher classification which would have been received if the employee had been promoted into that classification.

The increased rate of pay will commence with the first day of the assignment; however, to qualify the employee must meet the above conditions before being eligible for Acting Pay.

13.5 Pay Equity Adjustments

The City recognizes that there may be a need for special salary adjustments for selected classifications as a result of recruitment problems, reclassifications, and/or organizational changes. The City, in its sole discretion, may make such adjustments.

13.6 Special Assignment Pay

The Department Head and the concurrence of the Director of Human Resources may approve additional compensation in an amount not to exceed one additional salary step when an employee is assigned to perform additional duties and responsibilities for the duration of the special assignment.

Unrepresented Management/Confidential Employees' Compensation Plan

13.7 Salary Step after Military Leave

All employees who have been granted military leave shall, upon their return to City service, are entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

13.8 Uniform Allowance

Employees required to wear uniforms shall be paid an annual uniform allowance, one-half payable in April and one-half payable in October each year. Employees in the following classifications receive the following annual uniform allowance:

- Chief of Police - \$950.00
- Deputy Chief of Police II - \$950.00
- Deputy Chief of Police I - \$950.00
- Fire Chief - \$725.00
- Deputy Fire Chief II - \$725.00
- Deputy Fire Chief I - \$725.00

13.9 Certificate Incentive Pay-Sworn Police Chiefs or Deputy Chiefs

- (a) The City shall pay six percent (6.0%) of the top step in rank for sworn personnel who attain a P.O.S.T. Supervisory Certificate.
- (b) The City shall pay an additional three percent (3.0%) for a total of nine percent (9%) of top salary step in rank for sworn personnel who attain a P.O.S.T. Management certificate or higher, upon completion of two (2) continuous years of service in rank and upon completion of management course.

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Section 14 Work Schedule

14.1 Employees in FLSA exempt job classifications shall not be eligible for overtime for extra hours worked to perform duties of their assigned position.

14.2 Department Heads are responsible for personally approving any overtime pay for FLSA non-exempt employees within their respective departments, with a report submitted to the City Manager at the end of each pay period explaining the overtime.

14.3 Overtime

Non-exempt employees will receive overtime at the appropriate rate when authorized in writing by the Department Head prior to the overtime worked. The following provisions pertaining to authorized statutorily required overtime work shall apply to Fair Labor Standards Act (FLSA) non-exempt employees:

(a) Statutory overtime shall be paid on actual time worked in excess of forty (40) hours in any workweek. Such overtime shall be paid for at time and one-half (1-1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein. Holiday hours taken and observed holidays where the City is closed shall be considered as time worked for overtime calculation purposes. Sick leave, vacation, or other time taken as compensated time off shall not be considered as actual time worked for overtime calculation purposes.

(b) Employees assigned to an alternate work schedule (e.g. 4/10, 9/80, etc.) shall be compensated at the overtime rate for all time worked in excess of their regularly scheduled hours.

14.4 Compensatory Time Off (CTO)

Unrepresented Management/Confidential Employees' Compensation Plan

- (a) Definition. As used in this Section, the term Compensatory Time Off (CTO) refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. For the purpose of this Section, Compensatory Time shall apply only to Non-Exempt employees.

- (b) CTO in Lieu of Overtime Compensation. Employees may voluntarily elect to receive overtime compensation in the form of CTO at the rate of one and one-half (1-1/2) hours of CTO for each hour of overtime earned under section 14.3 (a).



**COMPREHENSIVE SUMMARY OF
CITY OF STOCKTON
UNREPRESENTED MANAGEMENT/CONFIDENTIAL AND LAW
EMPLOYEES'
COMPENSATION PLAN**

The City's Unrepresented Management/Confidential employees designated Management MA (Department Heads), Management MV (Assistant Department Heads and other Middle-Management), Confidential MW (Administrative/Support Staff in the City Manager's Office, the Human Resources Department, and the City Auditor's Office), Law Department employees designated "Executive Plan" (EP), "Professional Plan" (PP), and "Support Plan" (SP) are hereby accorded compensation and benefits as outlined in this Plan consistent with the Stockton City Council's objective to fairly and equitably provide for its Unrepresented Management/Confidential and Law employees.

The Unrepresented Management/Confidential and Law Employees' Compensation Plan, as amended shall be effective July 1, 2014.

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Unrepresented Management/Confidential Employees' Compensation Plan

The Unrepresented Management/Confidential and Law Employees' Compensation Plan, consists of a salary administration program and certain benefits specific to six (6) categories of non-represented employees listed in this Plan. This Plan shall be administered by the City Manager who is the City Council's designated representative for determining compensation and benefits for regular status Unrepresented Management/Confidential and Law Employees.

Management Plan "MA" includes the Assistant City Manager, Deputy City Manager II and Department Heads. Management Plan "MV" includes Assistant Department Heads, other Middle-Management classifications and the Liability Claims Investigator I/II's. Confidential Plan "MW" includes other administrative and support staff in the City Manager's Office, City Auditor's Office, City Clerk's Office, and the departments of Human Resources, Administrative Services, Municipal Utilities, Fire, and Police. Executive Plan "EP" includes the City Attorney and the Assistant City Attorney. Professional Plan "PP" includes the Deputy City Attorneys. Support Plan "SP" includes all other Law Department personnel.

Unless specifically identified, all terms of this Compensation Plan apply to all groups listed above.

NON-DISCRIMINATION

There shall be no discrimination of any kind because of age (over 40), race, creed, color, religion, national origin, ancestry, veterans status, physical or mental disability, marital status, sexual orientation, sex, (sexual, gender based, pregnancy/childbirth), physical or mental disability, political affiliation, sexual orientation, concerted labor activity or other protected activity or status, or on any other basis prohibited by applicable Federal and State law against any employee or applicant for employment.

Employees shall cooperate with the City, to the extent authorized by Federal and State laws and regulations, in furthering the objective of Equal Employment Opportunities as defined by Federal and State regulations.

Section 1 Retirement Benefits

1.1 Retirement Benefits

- (a) Effective August 1, 2011, miscellaneous employees' covered by this Plan, shall pay their own statutory employee contribution. Employees will pay 7% of their current base salary and other compensation as qualified by state law toward Public Employees' Retirement System (PERS) for the employee's PERS contribution.
- (b) Effective August 1, 2011, safety employees covered by this Plan shall pay their own statutory employee contribution. Employees will pay 9% of their current base salary and other compensation as qualified by state law toward PERS for the employee's PERS contribution.
- (c) Under IRS 414h, previously adopted by resolution by the City, the employee's payment will be paid by the employee on a pre-tax basis. Such amounts will be applied to the employee's individual accounts in accordance with California Government Code section 20691.

1.2 Public Employees' Retirement System Benefits for Unit Employees hired on or before August 1, 2011.

- (a) The City's PERS retirement plan for miscellaneous employees is two percent (2%) at age 55. The City's PERS retirement plan is modified to reflect California Government Code section 21024 (Military Service Credit as Public Service) and section 21027 (Military Service Credit for Retired Persons), as hereinafter may be amended. The City provides PERS California Government Code section 20692 (Employer Paid Member Contributions Converted to Pay rate during the Final Compensation Period) as an added PERS benefit. Internal Revenue Service (IRS) Code 414H(2) will be concurrently

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implemented with PERS California Government Code section 20692. The City provides PERS California Government Code section 20965 (Credit for Unused Sick Leave) as an added PERS benefit, the City provides PERS California Government Code section 21574 (Fourth Level of 1959 Survivor Benefits) as an added PERS benefit. The City will provide PERS California Government Code section 21335 up to a 5% Annual Cost-of-Living Allowance, as an added PERS benefit.

- (b) The City's PERS retirement plan for safety employees shall be the same plan in effect for other similar safety employees in other units.

1.3 PERS Cost sharing for Sworn Fire Unrepresented Employees.

Pursuant to the cost share provisions proposed and agreed to by the Fire and Fire Management bargaining units, the Sworn Fire Unrepresented employees shall have a PERS cost sharing arrangement effective with the adoption of the PERS 20516 contract amendment.

(a) PERS 20516 Employee Cost-Share of Employer Contribution.

The parties understand a vote of all individuals covered by the CalPERS agreement is required to implement this CalPERS contract amendment. Upon successful vote by the covered individuals, the City shall implement the cost sharing amendment under Government Code Section 20516 as soon as possible consistent with CalPERS regulation. The City's contract with CalPERS will be amended to allow for cost sharing for sworn Fire personnel up to a maximum of 14.138%. In accordance with CalPERS regulations, all employees covered by the Fire group under the PERS contract must be treated equally with respect to cost sharing provisions.

Through the cost share provisions, sworn fire employees are to pay 9% towards Employer's required PERS contribution, and employees will pay an additional 1.31% contribution for a total of 10.31%

Unrepresented Management/Confidential Employees' Compensation Plan

employer contribution. In return for the unrepresented Fire employees contributing the additional 1.31% cost share amount to PERS, a Management Incentive Add Pay of 1.31% will be implemented for the sworn Fire personnel.

The City is implementing this CalPERS contract amendment with the following understandings as listed in sections 1.4 (b) and (c) below.

(b) Cost Sharing for the Employer's Pick-up of the Employee's 9% PERS Contribution.

The employee will cost share an employee contribution in the amount of 9% of the employee's current base salary (employee contribution) and other compensation as qualified by PERS towards the employer's share of cost for PERS pension on a pre-tax basis. If PERS determines that the maximum contribution through a PERS Section 20516 amendment is less than the 9% and/or some or all of the contributions sunset at specific time in the future, the City shall deduct the percentage up to 9% not covered by the PERS amendment process through a payroll reduction. If legislation is enacted and becomes effective requiring employees under the PERS retirement system to pay all or part of the employees share of retirement thus reducing or eliminating EPMC (Employer Paid Member Contribution), as soon as administratively possible and consistent with PERS regulations, employee's contribution will be converted to the employers' share under this 20516 cost share contract amendment to the employee share towards retirement for the percentage required by the new legislation.

(c) Cost Sharing Period

For the period of adoption of the PERS 20516 contract amendment through June 30, 2015 only, an additional cost sharing of 1.31% for a total of 10.31% contribution. During this same period, unrepresented sworn Fire personnel will receive a 1.31% Management Incentive Add Pay. Should the cost share arrangement change with the Fire and Fire Management bargaining units during the fiscal year

Unrepresented Management/Confidential Employees' Compensation Plan

2014/2015, the City will implement the same PERS contribution and Management Incentive Add Pay changes to the unrepresented fire personnel. Effective June 30, 2015, the cost share amendment shall be changed to reflect a decrease in the cost-sharing amount from 10.31% to 9%.

Effective June 30, 2015, the Management Incentive Add Pay will be eliminated. Effective July 1, 2015, the employer cost-share contributions made by these employees will be 9%.

1.4 Public Employee Retirement System Benefits for Unit Employees hired on or after December 29, 2012.

The City amended its PERS contract to provide a new tier of retirement benefits for employees hired by the City after the PERS amendment goes into effect.

(a) For Miscellaneous employees, the new tier shall have a retirement formula of 2% at 60 with three year average salary formula, standard PERS COLA, and no other additional PERS benefits for all unit employees hired on or after December 29, 2012. All unit employees shall pay the entire seven percent (7%) of the employee's current base salary and any other compensation as qualified by state law towards PERS retirement benefit through a payroll deduction.

(b) PERS Benefits for Miscellaneous Employees hired on or after December 29, 2012.

Employees with Reciprocity:

Employees hired on or after December 29, 2012, who had service under another CalPERS agency or public retirement system with reciprocity prior to January 1, 2013, and a break in service of less than 6 months and are considered legacy employees by PERS AB 340, shall be subject to the PERS pension formula of 2% at 60 with no optional pension enhancements and the other provisions

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of the retirement tier they were hired under. Employees shall pay the employee's statutory employee's contribution for these benefits of 7%

Employees without Reciprocity:

Employees hired on or after January 1, 2013, shall be subject to the AB340 PERS pension formula of 2% at 62 with no optional pension enhancements and the other provisions of the retirement tier they were hired under. Employees shall pay 50% of the City normal cost rate for the 2% at 62 as determined by CalPERS.

(c) PERS Benefits for Safety Employees

The new tiers for Safety employees shall be the same as the Fire employees or Police employees as appropriate under the applicable PERS contract.

Employees with Reciprocity:

Safety employees who had service under another CalPERS agency or public retirement system with reciprocity prior to January 1, 2013, and a break in service of less than 6 months and are considered legacy employees by PERS AB 340, shall pay the entire nine percent (9%) of the employee's current base salary and any other compensation as qualified by state law towards PERS retirement benefit through a payroll deduction.

Employees without Reciprocity:

Safety employees hired on or after January 1, 2013 shall be subject to the AB340 PERS and shall pay 50% of the City normal cost rate for his/her applicable PERS contract as determined by CalPERS.

Section 2 Group Life Insurance Coverage

Each participant in the program will receive group life insurance coverage paid for by the City of Stockton.

Effective July 1, 2012, the City shall provide, at no cost to the employee, a term life and accidental death and dismemberment insurance policy with a value of \$50,000. In addition, employees may have the opportunity to purchase additional voluntary life insurance through the City's IRS 125 plan vendor.

Section 3 Long Term Disability (LTD) Insurance Coverage

Employees covered by this Compensation Plan, except as provided below will receive long term disability insurance coverage. The benefits of this plan shall be included in the Plan document or contract but are generally summarized as follows:

- (a) Each disability - approximately 66 2/3% of salary for MA, MV, MW, EP, PP, and SP employees up to the maximum salary replacement amount as specified in the City's long term disability plan.
- (b) Disability income payments shall commence after ninety (90) day waiting period. Employees may use sick leave and other leave balances to cover this waiting period, or leave without pay.
- (c) Benefit payable up to age sixty-five (65).
- (d) The City shall continue its normal contribution for employee medical premiums during the ninety (90) days waiting period.

- (e) Effective May 1, 2010, Fire Management will receive LTD insurance coverage through the California Association of Professional Firefighters. The City pays the cost of the insurance premium.

Section 4 Health and Dental Insurance

4.1 Employee Coverage

- (a) Choice of Health Plans -Employees covered by this Plan shall have a choice of enrolling themselves and their eligible dependents in any of the City-sponsored medical, dental and vision plans. The City's Modified Plan, revised as of September 1, 2011, or any other city sponsored plan that the City shall offer to regular employees, shall be available to employees in this group. For the modifications to the City's Modified Plan, which are effective September 1, 2011, the revised annual deductible shall be effective on January 1, 2012.
- (b) Eligibility. Employees shall become eligible for Medical and vision insurance on the first day of the month subsequent to completion of thirty (30) days of continuous service with the City. Employees shall become eligible for Dental insurance on the first day of the month subsequent to completion of sixty (60) days continuous service with the City. An eligible employee and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee, but not both. If an employee is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee plan (i.e., an employee and his or her dependent cannot be covered by more than one City-offered health plan).
- (c) City Insurance Contribution. Effective July 1, 2014:

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- (1) The City shall contribute up to \$532.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.
 - (2) The City shall contribute up to \$969.00 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.
 - (3) The City shall contribute up to \$1,287.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.
 - (4) These contributions are based on full-time employment; regular part-time employees shall receive a prorated contribution based on their percentage of full-time employment. The employee, through payroll deductions, shall pay insurance plan premiums that exceed the City's monthly contribution. The City shall maintain its IRS Section 125 Plan to allow for employee contributions for medical/visions/dental to be pre-tax premium conversion.
- (d) Plan Rules. Employees may insure themselves and their eligible dependents under the medical/vision and dental plans provided by the City, in accordance with the rules and regulations applicable to the selected Plan. Benefits in the Plan shall be in accordance with the Plan document.
- (e) Provisional and temporary employees are not eligible for any of the above benefits.
- (f) Employees receive benefits in the City's Modified Plan, which is referred to in this resolution as "Modified Employee Medical Plan." Modifications to the City's Modified Plan shall be effective September 1, 2011.

4.3 Health and Welfare Benefits During Layoff

Regular status employees who are laid off will have an option of maintaining their existing health and welfare benefits for thirty-six (36) months from the date of layoff, provided timely payments of the premiums by the employee are made to the City, according to City regulations, and provided the employee otherwise meets the requirements of Federal and State regulations.

4.4 Retirement Medical Eligibility and Allowance

(a) Eligibility. An eligible retiree and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee/retiree, but not both. If an employee/retiree is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee or retiree's plan (i.e., a retiree and his or her dependent cannot be covered by more than one City-offered health plan).

(b) Retirees may enroll themselves or their dependents at their own expense in City sponsored medical plans only. The City reserves the right to set benefit levels in medical plans for retirees and at its exclusive option only provide fully insured plan choices to retirees for enrollment. The City reserves the right to discontinue inclusion of retirees in City sponsored medical plans at any time.

The City's commitment to provide retiree medical benefits during the 2014-2015 Fiscal Year is to the retiree and shall end upon the death of the retiree. Surviving spouses shall not be eligible for any city paid benefit after the death of the city retiree. Any benefits previously paid to surviving spouses have been paid in error and without the approval of the City Council.

(c) Retirees shall not be eligible to participate in the City's

dental plans.

- (d) Retiree Vision benefits are not offered to current employees (future retirees) and current retirees.

Nothing in this section shall be construed to create vested rights to benefits for employees or retirees after the expiration of this Compensation Plan.

Section 5 Holidays

5.1 Qualifying for Holiday Pay

All regular employees, excluding provisional and temporary employees, shall be entitled to take all authorized holidays at full pay not to exceed eight (8) hours for any one (1) holiday.

5.2 Holidays Observed by the City

- (1) January 1 New Year's Day
- (2) Third Monday in January Martin Luther King Jr.'s Birthday
- (3) Second Monday in February Lincoln's Birthday
- (4) Third Monday in February Washington's Birthday
- (5) March 31 (FLOATING)..... Cesar Chavez Birthday
- (6) Last Monday in May..... Memorial Day
- (7) July 4 Independence Day
- (8) First Monday in September..... Labor Day
- (9) Second Monday in October Columbus Day
- (10) November 11 Veteran's Day
- (11) Fourth Thursday in November Thanksgiving
- (12) Fourth Friday in November..... day after Thanksgiving
- (13) December 25 Christmas Day

FLOATING holiday to be taken within ninety (90) work days on or after the observed holiday.

If any of said holidays fall on a Sunday, the following Monday shall be observed as a holiday. If any of said holidays fall on a Saturday, the preceding Friday shall be observed as a holiday.

In order to receive Holiday Pay the employee must be in a paid status the day before and the day after the holiday.

For employees on the 9/80 alternative workweek schedule, employees may request to shift their work schedule so that their 8 hour day falls on the designated holiday with the approval of their supervisor or manager, and the additional hour must be worked in the same FLSA work period so as to not require overtime.

5.3 Compensation for Holidays Worked

Prior approval for holiday work must be secured from the City Manager except in emergency situations where said approval cannot be obtained beforehand.

If an employee works on a holiday, the employee will receive 8 hours of holiday pay at their regular rate of pay, actual hours worked will be paid at the time and one half (up to 8 hours) and holiday hours will not be counted as time worked. If an employee works only partial hours on a holiday, partial holiday hours will be counted as time worked for FLSA overtime calculation purposes (up to 8 hours combined maximum).

Section 6 Vacation Leaves

The following shall be the vacation leave benefits for all employees covered by this Plan.

For purposes of determining eligibility for Sections 6(a) and (b) below, all Department Heads and Deputy City Managers (MA and EP employees) are to be considered as having been employed by the City of Stockton for at least 7.5 Years and shall receive benefits based on that number of years of service. For purposes of determining eligibility for Sections 6(a) and (b) all assistant Department Heads and mid-management (MV and PP employees) are to be considered as having been employed by the City of Stockton for at least 1.5 years and shall receive benefits based on that number of years of service.

Unrepresented Management/Confidential Employees' Compensation Plan

(a) Vacation Accrual.

FLSA non-exempt employees. All regular employees that are FLSA overtime non-exempt, excluding provisional and temporary, shall accrue vacation leave with pay in accordance with the following schedule:

- (1) Less than one and one-half (1-1/2) years continuous employment.....80 hours/year.
- (2) After one and one-half (1-1/2) to seven and one-half (7-1/2) years continuous employment. 108 hours/year.
- (3) After seven and one-half (7-1/2) to fifteen (15) years continuous employment...144 hours/year.
- (4) After fifteen (15) to twenty-five (25) years continuous employment..... 189 hours/year.
- (5) Thereafter, seven (7) additional hours for each completed year of service in excess of twenty-five (25) years.

FLSA exempt employees. All regular employees that are FLSA overtime exempt, excluding provisional and temporary, shall accrue vacation leave with pay in accordance with the following schedule:

- (1) Less than one and one-half (1-1/2) years continuous employment.....120 hours/year.
- (2) After one and one-half (1-1/2) to seven and one-half (7-1/2) years continuous employment.148 hours/year.
- (3) After seven and one-half (7-1/2) to fifteen (15) years continuous employment.....188 hours/year.
- (4) After fifteen (15) to twenty-five (25) years continuous employment..... 229 hours/year.

Unrepresented Management/Confidential Employees' Compensation Plan

- (5) Thereafter, seven (7) additional hours for each completed year of service in excess of twenty-five (25) years.

Employees shall accrue their vacation allowance in 24 equal amounts on a twice-monthly payroll basis (24 pay periods).

- (b) Maximum Vacation Accrual. Employees reaching the maximum hours provided here shall stop accruing additional vacation hours until they are below the caps listed here. No vacation hours maybe added to sick leave balances without exception.

Maximum Vacation Accrual Caps.

40 hour employee (FLSA non-exempt employee)

Under 1.5 yrs	120 hours
1.5-7.5 yrs	240 hours
7.5-15 yrs	280 hours
15-25yrs	320 hours
26 yrs	328 hours
27 yrs	336 hours
28 yrs	344 hours
29 yrs	352 hours

Over 29 years shall receive an additional 7 hours for each year of service.

40 hour employee (FLSA exempt employee)

Under 1.5 yrs	200 hours
1.5-7.5 yrs	320 hours
7.5-15 yrs	360 hours
15-25yrs	400 hours
26 yrs	408 hours
27 yrs	416 hours
28 yrs	424 hours
29 yrs	431 hours

Over 29 years shall receive an additional 7 hours for each year of service

- (c) Vacation Scheduling. Vacation leaves shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of the City business. Vacation requests are accepted on a day for day basis.
- (d) Holiday during Vacation. If any such paid holidays fall within an employee's vacation leave, the employee will not be charged vacation accrual for that day.
- (f) Vacation Cash Out Upon Separation. An eligible employee separating from City service effective July 1, 2014 for any reason who has unused vacation time shall be paid for such vacation time up to the effective date of the last day of employment with the City. Payment for unused vacation shall be made at the final rate of pay. Payment for the unused vacation hours shall be paid post separation date at no later than the second regularly scheduled pay period pay date following separation. Prior to separation from City service, the City does not provide to employees any vacation cashout or sell back for accrued but unused vacation hours.

Section 7 Mileage Reimbursement for Private Vehicle Use

The private vehicle mileage reimbursement will be paid to employees who use their private vehicle for City business travel within the City or out of the City limit. Such usage must be documented. Mileage reimbursement for use of personal vehicle shall be compensated at the current Internal Revenue Service (IRS) rate.

Reimbursement for average mileage on City business greater than 1,000 miles per month will be determined by the City Manager, provided no such reimbursement shall exceed IRS mileage reimbursement rate then in effect.

Section 8 Sick Leave

8.1 Sick Leave Use

- (a) Accrual. All regular full-time employees, except provisional and temporary employees, shall accrue sick leave at the rate of eight (8) hours for each month of completed service.

All regular employees, except provisional and temporary employees, scheduled to work less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accrue from year to year. Employees shall continue to accrue sick leave while off duty on authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.

- (b) Usage. Employees are entitled to sick leave pay for those hours, which the employee would normally have worked, to a maximum of the hours accrued, described as:

Preventive medical, dental, optical care, illness, injury or exposure to contagious disease which incapacitates the employee from performing normal work duties. This includes disabilities caused or contributed by pregnancy, miscarriage, abortion, childbirth and recovery there from.

- (c) Family Sick Leave. Employees may utilize up to one-half of their annual sick leave accrual in the case of illness or injury in the employee's immediate family when such illness or injury requires personal care, except in instances where the employee is on approved FMLA or CFRA leave.

Such leave shall be restricted to the employee's parents, spouse, registered domestic partner, mother-in-law, father-in-law, child, stepchild, brother, sister, brother-in-

law, sister-in-law, grandparent and grandchild, and legal dependent. The employee's child includes a biological, foster, or adopted child, a stepchild, a legal ward, a child of the employee's registered domestic partner, or a child to whom the employee stands *in loco parentis*.

It is not the intent of this provision to conflict with any state or federally mandated policies, such as the Family Medical Leave Act (FMLA), the California Family Rights Act (CFRA), or Pregnancy Disability Leave (PDL).

- (d) Reporting Procedures for Sick Leave. When the requirement for sick leave is known to the employee in advance of the absence (for example, including but not limited to scheduled medical, dental or vision appointments), the employee shall request authorization for such sick leave from the Department Head prior to such absence.

If an employee is not able to report due to illness or injury, the employee shall report as soon as possible to the appropriate supervisor, but in no case more than thirty (30) minutes after the start of the work day, except for extenuating circumstances prohibiting giving notice.

Failure to notify as soon as possible and in conforming to the thirty (30) minute notification shall be cause for disciplinary action as determined by the appointing authority.

- (e) Verification Procedures

- (1) Before being paid for the use of accrued sick leave, the employee shall submit a signed statement to the Department Head, on a prescribed form, stating the dates and hours of absence, the exact reason, and such other information as is necessary for the request to be evaluated. If an employee doesn't return to work prior to the preparation of the payroll, other arrangements may be made with the Department Head.

(2) Doctor's Certificate or Other Proof.

The Department Head or designee may require a doctor's certificate or other reasonable proof of illness as he/she deems necessary in order for an employee to receive an excused absence from work and sick leave pay. The employee shall be given notice prior to returning to work that he or she will be required to provide such documentation. Employees who have unscheduled absences due to illness on a scheduled work day preceding or following a holiday may be required to bring a doctor's certificate or other reasonable proof of illness in order to receive an excused absence and sick leave pay. If an employee's illness results in an absence from work for more than three (3) consecutive days, a doctor's certificate or other reasonable proof of illness may be required. In addition, the City may monitor and control the appropriate use of sick leave by employees and if reasonable cause is articulated, can limit use of sick leave and require additional verification.

The Department Head or designee may make such sick leave usage reviews and may require such additional documentation including a physician's statement as he/she deems necessary before approving the sick leave benefit.

- (3) If the City has a reasonable basis to believe that an employee is abusing the sick leave benefit, the City or the employee's supervisor must first meet with the employee to: 1) explain the reasonable basis for the believed abuse, and 2) discuss the reasons for the employee's absence. After such meeting, and depending on the factual circumstances, the City may:

- (a) Place the employee on restricted sick leave for a period of not more than four (4) months, under the direction of the Director of Human Resources pursuant to section 8.1 (e) and sub section (2) above;
 - (b) Suspend the employee without pay for up to five (5) days for abuse of sick leave; or dismissal from employment if a prior suspension involved abuse of sick leave;
 - (c) Place the employee in an employee assistance program, if agreed to by the employee.
- (f) Use of Sick Leave while on Vacation. An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:
- (1) Was hospitalized during the period for which sick leave is claimed, or
 - (2) Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.

8.2 Unused Sick Leave Upon Separation

(a) Payment for Unused Sick Leave

Effective February 17, 2012, all accumulated or future accruals of sick leave shall have no cash value upon separation of employment and employees shall not be allowed to cash out unused sick leave except as provided below.

(b) **CalPERS Service Credit for Unused Sick Leave**

Employees shall be eligible for CalPERS service credit for any unused sick leave at retirement not otherwise compensated for in (c) below. Employees hired after the City amends its CalPERS contract to eliminate service credit for unused sick leave shall not be eligible for this service credit.

(c) **Sick Leave Retention Benefit**

If, after subtracting the equivalent of one full year of service credit (2080 hours), which may be applied to CALPERS service credit, any balance remaining upon separation shall be paid as follows to employees who have remained in City service until the dates specified:

- (1) Separation prior to July 1, 2014, no payment of unused sick leave at separation shall occur for separating employees before this date;
- (2) Separation between July 1, 2014 and June 30, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 35% of its cash value to separating employees between these dates; and
- (3) Separation after July 1, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 50% of its cash value to separating employees after this date.
- (4) Service credit for unused sick leave shall be in accordance with PERS regulations.

Section 9 State Disability Insurance (SDI)

Pursuant to procedures established by the state, and as soon as administratively possible, unrepresented employees may elect to receive State Disability Insurance (SDI) coverage at their own expense. SDI will be coordinated with other benefits.

Section 10 Longevity Pay (Professional Growth Pay)

Effective August 1, 2011, all longevity pay shall be eliminated for all employees covered by this Plan. However, the City shall grandfather only those employees who have completed twelve (12) continuous years of service with the City as of July 1, 2012, and who are receiving a Longevity Pay of 2.5% as of that date. Employees as of August 1, 2011 receiving a higher Longevity Pay based on benefits received by another unit shall also be grandfathered but they shall have their current Longevity Pay reduced by 2.5% and then frozen at those levels at that time. As of July 1, 2012, longevity incentive pay allowance for these grandfathered employees shall be reduced to one and one-half percent (1.5%). Employees receiving a higher Longevity Pay based on benefits received by another unit shall have their remaining longevity reduced by one percent (1.0%) effective July 1, 2012.

Section 11 Other Leaves With Pay

11.1 Bereavement Leave. In the event of a death in the immediate family of an employee, he/she shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his/her accumulated sick leave credits or vacation eligibility. The Department Head or his/her designee may grant an additional two (2) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits in cases where extensive travel is required to attend the funeral. For the purposes of this paragraph, the immediate family shall be restricted to the employee's parents, current step parents, spouse, mother-in-law, father-in-law, child, stepchild, brother, sister, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent, grandchild, and registered domestic partner.

In the event of the death of a person not immediately related to an employee as defined above, the employee's department head may grant up to three (3) days bereavement leave upon

request which shall be charged against the employee's accumulated sick leave credits.

- 11.2 Jury Duty Leave/Court Appearance. Upon approval by the department head, an employee, other than a provisional or temporary employee, shall be permitted authorized absence from duty for appearance in court because of jury service, in obedience to subpoena or by direction of proper authority, in accordance with the following provisions:

Said covered absence will be for actual hours served (including travel time) on jury duty or testifying as a witness in a criminal case, other than a defendant. Authorized absence for jury or court leave shall include the time from when the employee is ordered to appear until the time the employee is released from the court. As a condition of receiving such pay, the employee must remit to the City, through the employee's department head, within fifteen (15) days after receipt, all fees received except those specifically allowed for mileage and expenses.

If an employee is not due to appear for jury duty or as a witness until an afternoon court session, the employee will be expected to work his or her usual morning schedule. Upon being excused from the court each day, the employee must return to work if he or she has more than two (2) hours remaining before the end of his or her workday.

Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City through the employee's department.

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is not a party, together with travel time necessarily

involved, shall not be considered absent from work within the meaning of this Section.

- 11.3 Military Leave. An employee of the City who is a member of the National Guard or Naval Militia or a member of Reserve Corps or Force of the Federal Military, Naval or Marine Service and is ordered to duty shall be granted leave with pay while engaged therein, provided the leave does not exceed thirty (30) calendar days in any calendar year.

All regular employees in the service of the City shall be allowed leave of absence without pay for the duration of a national emergency who have been inducted into the Army, Navy, Marine Corps, Air Force or any other branch of the Military Service of the United States or the State of California. Said employees shall be reinstated in the service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

All probationary employees inducted into the Military Service not having served the minimum probationary period of six (6) months, shall be allowed leave of absence without pay for the duration of a national emergency, but said employees shall be placed at the head of the eligible list for such position in the order of their seniority of employment and when appointed to a vacant position, they must be physically fit as above specified and shall serve the balance of their probationary period before attaining the status of a regular employee.

Two or more regular employees granted military leave of absence without pay from the same position shall be reemployed according to their seniority of employment providing they are physically fit as above specified.

- 11.4 Management Time Leave. The Chief of Police, Deputy Chief of Police II, and Deputy Chief of Police I shall receive forty (40) hours of paid-management time-leave each fiscal year. The management time-leave of forty (40) hours may not carry over from fiscal year to fiscal year, be used for sell-back purposes,

or paid for any unused leave-time upon separation of City employment.

Section 12 Workers' Compensation Leave

12.1 Workers' Compensation Leave

(a) Workers' Compensation Benefits shall be provided in accordance with State law and schedules whenever an employee is absent from duty because of disability caused by illness or injury arising out of and in the course of employment which has been declared to be compensable under the Workers' Compensation Law. Any salary continuation program benefits that are in addition to the State benefits that were in effect on July 31, 2011 shall be eliminated effective August 1, 2011. An employee on Workers' Compensation may use accrued leave, if needed, to supplement benefits, up to the amount required to receive a full paycheck.

(b) Forms and Procedures. Workers' compensation processing shall be consistent with City procedures and in accordance with state workers' compensation regulations. An employee who sustains a work-related injury or illness shall immediately inform his/her supervisor no matter how minor an on-the-job injury may appear. An employee who sustains a work-related injury or illness is required to seek medical care at facilities designated by the City unless they have filed a pre-designation of personal physician prior to sustaining the work-related injury or illness. For a list of City designated medical care facilities and/or physicians, please contact Human Resources.

Section 13 Leave of Absence

13.1 Leave of Absence

Employees shall not be entitled to leave of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise

provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the same time the leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the Department Head under this Section shall be subject to review by the Director of Human Resources, whose ruling shall be final.

- (a) Purpose and Length. Only employees occupying regular positions on a regular basis are eligible for leaves of absence without pay under the provisions of this Section.

An appointing authority may grant leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Human Resources.

Leaves of absence without pay on account of illness or injury, which are not job incurred, may be granted for a maximum period of twelve (12) months with approval of the Director of Human Resources.

Such a leave will be granted only after all accrued sick leave credits have been used and shall be substantiated by a physician's statement.

- (b) Application for and Approval of Leave of Absence Without Pay.

Employees shall not be entitled to Leave of Absence Without Pay as a matter of right, but only upon the determination of the City that it is in the best interest of public service and that there is a presumption that the employee intends to return to work upon the expiration of the leave of absence. In order to receive leave without

pay, an employee must submit a request on the prescribed form to his/her Department Head and the Director of Human Resources describing the reasons for the request and all other information required for the Department Head or his/her representative, to evaluate the request. Leaves without pay may be cancelled by the department at any time.

- (c) Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereinafter.

The entitlement to City payment of premium shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health and dental insurance plan by prepayment of the full monthly premium during the authorized leave of absence.

Authorized absence without pay which exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his/her position by reason of any injury or disease for which he/she is entitled to and currently receiving Workers' Compensation benefits shall be included in computing length of service for the purpose of determining that employee's salary adjustment.

13.2 Absence Without Official Leave (AWOL)

- (a) Failure to Report to Duty or Failure to Return After Leave. Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved, revoked, or cancelled or at the expiration for a leave shall be considered an absence without official leave and the employee shall be subject to discipline.

- (b) Voluntary Resignation. Any employee without official leave for two (2) or more consecutive scheduled days or absent an aggregate of sixteen (16) hours in any calendar month without a satisfactory explanation as approved by the Director of Human Resources shall be deemed to have voluntarily resigned from the City of Stockton, except if the absence is due to a verified illness or injury.

Section 14 Salary Plan

14.1 Wage Increases

No salary increases for fiscal year 2014-2015.

14.2 Salary Step when Salary Range is Increased

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the employee's step held in the previous range, unless otherwise specifically provided by the Director of Human Resources.

14.3 Salary Step after Promotion or Demotion

When an employee is promoted from a position in one rank to a position in a higher rank and at the time of promotion is receiving a base salary equal to, or greater than, the minimum base step rate for the higher rank, that employee shall be entitled to a step in the range of the higher rank which is at least five percent (5%) above the employee's current base salary, except that the next step shall not exceed the maximum salary of the higher rank. Add pays are not included in the calculation of base salary for purposes of this section. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee's compensation shall be adjusted to the salary prescribed for the class to which demoted.

14.4 Acting Pay

An employee who is assigned in writing to work in a higher paid classification and who performs a majority of the duties of that higher position after five (5) days shall receive the rate of pay in a step of the higher classification which would have been received if the employee had been promoted into that classification.

The increased rate of pay will commence with the first day of the assignment; however, to qualify the employee must meet the above conditions before being eligible for Acting Pay.

14.5 Pay Equity Adjustments

The City recognizes that there may be a need for special salary adjustments for selected classifications as a result of recruitment problems, reclassifications, and/or organizational changes. The City, in its sole discretion, may make such adjustments.

14.6 Special Assignment Pay

The Department Head and the concurrence of the Director of Human Resources may approve additional compensation in an amount not to exceed one additional salary step when an employee is assigned to perform additional duties and responsibilities for the duration of the special assignment.

14.7 Salary Step after Military Leave

All employees who have been granted military leave shall, upon their return to City service, be entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

14.8 Uniform Allowance

Employees required to wear uniforms shall be paid an annual uniform allowance, one-half payable in April and one-half

payable in October each year. Employees in the following classifications receive the following annual uniform allowance:

- Chief of Police - \$950.00
- Deputy Chief of Police II - \$950.00
- Deputy Chief of Police I - \$950.00
- Fire Chief - \$625.00
- Deputy Fire Chief II - \$625.00
- Deputy Fire Chief I - \$625.00

14.9 Certificate Incentive Pay-Sworn Police Chiefs or Deputy Chiefs

- (a) The City shall pay six percent (6.0%) of the top step in rank for sworn personnel who attain a P.O.S.T. Supervisory Certificate.
- (b) The City shall pay an additional three percent (3.0%) for a total of nine percent (9%) of top salary step in rank for sworn personnel who attain a P.O.S.T. Management certificate or higher, upon completion of two (2) continuous years of service in rank and upon completion of management course.

Section 15 Work Schedule

15.1 Employees in FLSA exempt job classifications shall not be eligible for overtime for extra hours worked to perform duties of their assigned position.

15.2 Department Heads are responsible for personally approving any overtime pay for FLSA non-exempt employees within their respective departments, with a report submitted to the City Manager at the end of each pay period explaining the overtime.

15.3 Overtime

Non-exempt employees will receive overtime at the appropriate rate when authorized in writing by the Department Head prior to the overtime worked. The following provisions pertaining to

authorized statutorily required overtime work shall apply to Fair Labor Standards Act (FLSA) non-exempt employees:

- (a) Statutory overtime shall be paid on actual time worked in excess of forty (40) hours in any workweek. Such overtime shall be paid for at time and one-half (1-1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein. Holiday hours taken and observed holidays where the City is closed shall be considered as time worked for overtime calculation purposes. Sick leave, vacation, or other time taken as compensated time off shall not be considered as actual time worked for overtime calculation purposes.
- (b) Employees assigned to an alternate work schedule (e.g. 4/10, 9/80, etc.) shall be compensated at the overtime rate for all time worked in excess of their regularly scheduled hours.

15.4 Compensatory Time Off (CTO)

- (a) Definition. As used in this Section, the term Compensatory Time Off (CTO) refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. For the purpose of this Section, Compensatory Time shall apply only to Non-Exempt employees.
- (b) CTO in Lieu of Overtime Compensation. Employees may voluntarily elect to receive overtime compensation in the form of CTO at the rate of one and one-half (1-1/2) hours of CTO for each hour of overtime earned under section 15.3 (a).



**COMPREHENSIVE SUMMARY OF
CITY OF STOCKTON
UNREPRESENTED MANAGEMENT/CONFIDENTIAL AND LAW
EMPLOYEES'
COMPENSATION PLAN**

The City's Unrepresented Management/Confidential employees designated Management MA (Department Heads), Management MV (Assistant Department Heads and other Middle-Management), Confidential MW (Administrative/Support Staff in the City Manager's Office, the Human Resources Department, and the City Auditor's Office), Law Department employees designated "Executive Plan" (EP), "Professional Plan" (PP), and "Support Plan" (SP) are hereby accorded compensation and benefits as outlined in this Plan consistent with the Stockton City Council's objective to fairly and equitably provide for its Unrepresented Management/Confidential and Law employees.

The Unrepresented Management/Confidential and Law Employees' Compensation Plan, as amended shall be effective July 1, 2013.

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Unrepresented Management/Confidential Employees' Compensation Plan

The Unrepresented Management/Confidential and Law Employees' Compensation Plan, consists of a salary administration program and certain benefits specific to six (6) categories of non-represented employees listed in this Plan. This Plan shall be administered by the City Manager who is the City Council's designated representative for determining compensation and benefits for regular status Unrepresented Management/Confidential and Law Employees.

Management Plan "MA" includes the Assistant City Manager, Deputy City Manager II and Department Heads. Management Plan "MV" includes Assistant Department Heads, other Middle-Management classifications and the Liability Claims Investigator I/II's. Confidential Plan "MW" includes other administrative and support staff in the City Manager's Office, City Auditor's Office, City Clerk's Office, and the departments of Human Resources, Administrative Services, Municipal Utilities, Fire, and Police. Executive Plan "EP" includes the City Attorney and the Assistant City Attorney. Professional Plan "PP" includes the Deputy City Attorneys. Support Plan "SP" includes all other Law Department personnel.

Unless specifically identified, all terms of this Compensation Plan apply to all groups listed above.

NON-DISCRIMINATION

There shall be no discrimination of any kind because of age (over 40), race, creed, color, religion, national origin, ancestry, veterans status, physical or mental disability, marital status, sexual orientation, sex, (sexual, gender based, pregnancy/childbirth), physical or mental disability, political affiliation, sexual orientation, concerted labor activity or other protected activity or status, or on any other basis prohibited by applicable Federal and State law against any employee or applicant for employment.

Employees shall cooperate with the City, to the extent authorized by Federal and State laws and regulations, in furthering the objective of Equal Employment Opportunities as defined by Federal and State regulations.

Section 1 Retirement Benefits

1.1 Retirement Benefits

- (a) Effective August 1, 2011, miscellaneous employees' covered by this Plan, shall pay their own statutory employee contribution. Employees will pay 7% of their current base salary and other compensation as qualified by state law toward Public Employees' Retirement System (PERS) for the employee's PERS contribution.
- (b) Effective August 1, 2011, safety employees covered by this Plan shall pay their own statutory employee contribution. Employees will pay 9% of their current base salary and other compensation as qualified by state law toward PERS for the employee's PERS contribution.
- (c) Under IRS 414h, previously adopted by resolution by the City, the employee's payment will be paid by the employee on a pre-tax basis. Such amounts will be applied to the employee's individual accounts in accordance with California Government Code section 20615.

1.2 Public Employees' Retirement System Benefits for Unit Employees hired on or before August 1, 2011.

- (a) The City's PERS retirement plan for miscellaneous employees is two percent (2%) at age 55. The City's PERS retirement plan is modified to reflect California Government Code section 21024 (Military Service Credit as Public Service) and section 21027 (Military Service Credit for Retired Persons), as hereinafter may be amended. The City provides PERS California Government Code section 20692 (Employer Paid Member Contributions Converted to Pay rate during the Final Compensation Period) as an added PERS benefits. Internal Revenue Service (IRS) Code 414H(2) will be concurrently

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implemented with PERS California Government Code section 20692. The City provides PERS California Government Code section 20965 (Credit for Unused Sick Leave) as an added PERS benefits, the City provides PERS California Government Code section 21574 (Fourth Level of 1959 Survivor Benefits) as added PERS benefits. The City will provide PERS California Government Code section 21335 up to a 5% Annual Cost-of-Living Allowance, as an added PERS benefit.

- (b) The City's PERS retirement plan for safety employees shall be the same plan in effect for other similar safety employees in other units.

1.3 PERS Cost sharing for Sworn Fire Unrepresented Employees.

Pursuant to the cost share provisions proposed and agreed to by the Fire and Fire Management bargaining units, the Sworn Fire Unrepresented employees shall have a PERS cost sharing arrangement effective with the adoption of the PERS 20516 contract amendment.

(a) PERS 20516 Employee Cost-Share of Employer Contribution.

The parties understand a vote of all individuals covered by the CalPERS agreement is required to implement this CalPERS contract amendment. Upon successful vote by the covered individuals, the City shall implement the cost sharing amendment under Government Code Section 20516 as soon as possible consistent with CalPERS regulation. The City's contract with CalPERS will be amended to allow for cost sharing for sworn Fire personnel up to a maximum of 14.138%. In accordance with CalPERS regulations, all employees covered by the Fire group under the PERS contract must be treated equally with respect to cost sharing provisions.

Through the cost share provisions, sworn fire employees are to pay 9% towards Employer's required PERS contribution, and employees will pay an additional 2.02% contribution for a total of 11.02%

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employer contribution. In return for the unrepresented Fire employees contributing the additional 2.02% cost share amount to PERS, a Management Incentive Add Pay of 2.02% will be implemented for the sworn Fire personnel.

The City is implementing this CalPERS contract amendment with the following understandings as listed in sections 1.4 (b) and (c) below.

(b) Cost Sharing for the Employer's Pick-up of the Employee's 9% PERS Contribution.

The employee will cost share an employee contribution in the amount of 9% of the employee's current base salary (employee contribution) and other compensation as qualified by PERS towards the employer's share of cost for PERS pension on a pre-tax basis. If PERS determines that the maximum contribution through a PERS Section 20516 amendment is less than the 9% and/or some or all of the contributions sunset at specific time in the future, the City shall deduct the percentage up to 9% not covered by the PERS amendment process through a payroll reduction. If legislation is enacted and becomes effective requiring employees under the PERS retirement system to pay all or part of the employees share of retirement thus reducing or eliminating EPMC (Employer Paid Member Contribution), as soon as administratively possible and consistent with PERS regulations, employee's contribution will be converted to the employers' share under this 20516 cost share contract amendment to the employee share towards retirement for the percentage required by the new legislation.

(c) Cost Sharing Period

For the period of adoption of the PERS 20516 contract amendment through June 30, 2014 only, an additional cost sharing of 2.02% for a total of 11.02% contribution. During this same period, unrepresented sworn Fire personnel will receive a 2.02% Management Incentive Add Pay. Should the cost share arrangement change with the Fire and Fire Management bargaining units during the fiscal year

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2013/2014, the City will implement the same PERS contribution and Management Incentive Add Pay changes to the unrepresented fire personnel. Effective June 30, 2014, the cost share amendment shall be changed to reflect a decrease in the cost-sharing amount from 11.02% to 9%.

Effective June 30, 2014, the Management Incentive Add Pay will be eliminated. Effective July 1, 2014, the employer cost-share contributions made by these employees will be 9%.

1.4 Public Employee Retirement System Benefits for Unit Employees hired on or after August 1, 2011.

The City will amend its PERS contract effective August 1, 2011, or as soon thereafter as possible, to provide a new tier of retirement benefits for employees hired by the City after the PERS amendment goes into effect.

- (a) For Miscellaneous employees, the new tier shall have a retirement formula of 2% at 60 with three year average salary formula, standard PERS COLA, and no other additional PERS benefits for all unit employees hired on or after July 1, 2011, or as soon as administratively possible consistent with PERS contract process. All unit employees shall pay the entire seven percent (7%) of the employee's current base salary and any other compensation as qualified by state law towards PERS retirement benefit through a payroll deduction.
- (b) The new tier for Safety employees shall be the same as the Fire employees or Police employees as appropriate under the applicable PERS contract. All safety employees shall pay the entire nine percent (9%) of the employee's current base salary and any other compensation as qualified by state law towards PERS retirement benefit through a payroll deduction.

Section 2 Group Life Insurance Coverage

Each participant in the program will receive group life insurance coverage paid for by the City of Stockton.

Effective July 1, 2012, the City shall provide, at no cost to the employee, a term life and accidental death and dismemberment insurance policy with a value of \$50,000. Employees may have the opportunity to purchase additional life insurance for coverage up to three times their annual salary, at their own expense, provided the City's insurance carrier provides such insurance options.

Section 3 Long Term Disability (LTD) Insurance Coverage

Employees covered by this Plan, except as provided below will receive long term disability insurance coverage. The benefits of this plan shall be included in the Plan document or contract but are generally summarized as follows:

- (a) Each disability - approximately 66 2/3% of salary for MA, MV, MW, EP, PP, and SP employees up to the maximum salary replacement amount as specified in the City's long term disability plan.
- (b) Disability income payments shall commence after ninety (90) day waiting period. Employees may use sick leave and other leave balances to cover this waiting period, or leave without pay.
- (c) Benefit payable up to age sixty-five (65).
- (d) The City shall continue its normal contribution for employee medical premiums during the ninety (90) days waiting period.
- (e) Effective May 1, 2010, Fire Management will receive LTD insurance coverage through the California Association of Professional Firefighters. The City pays the cost of the insurance premium.

Section 4 Health and Dental Insurance

4.1 Employee Coverage

- (a) Choice of Health Plans -Employees covered by this Plan shall have a choice of enrolling themselves and their eligible dependents in any of the City-sponsored medical, dental and vision plans. The City's Modified Plan, revised as of September 1, 2011, or any other city sponsored plan that the City shall offer to regular employees, shall be available to employees in this group. For the modifications to the City's Modified Plan, which are effective September 1, 2011, the revised annual deductible shall be effective on January 1, 2012.
- (b) Eligibility. Employees shall become eligible for Medical and vision insurance on the first day of the month subsequent to completion of thirty (30) days of continuous service with the City. Employees shall become eligible for Dental insurance on the first day of the month subsequent to completion of sixty (60) days continuous service with the City. An eligible employee and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee, but not both. If an employee is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee plan (i.e., an employee and his or her dependent cannot be covered by more than one City-offered health plan).
- (c) City Insurance Contribution. Effective July 1, 2013:
- (1) The City shall contribute up to \$522.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

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- (2) The City shall contribute up to \$950.00 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.
 - (3) The City shall contribute up to \$1,262.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.
 - (4) These contributions are based on full-time employment; regular part-time employees shall receive a prorated contribution based on their percentage of full-time employment. The employee, through payroll deductions, shall pay insurance plan premiums that exceed the City's monthly contribution. The City shall maintain its IRS Section 125 Plan to allow for employee contributions for medical/visions/dental to be pre-tax premium conversion.
- (d) Plan Rules. Employees may insure themselves and their eligible dependents under the medical/vision and dental plans provided by the City, in accordance with the rules and regulations applicable to the selected Plan. Benefits in the Plan shall be in accordance with the Plan document.
- (e) Provisional and temporary employees are not eligible for any of the above benefits.
- (f) Employees receive benefits in the City's Modified Plan, which is referred to in this resolution as "Modified Employee Medical Plan." Modifications to the City's Modified Plan shall be effective September 1, 2011.

4.3 Health and Welfare Benefits During Layoff

Regular status employees who are laid off will have an option of maintaining their existing health and welfare benefits for

thirty-six (36) months from the date of layoff, provided timely payments of the premiums by the employee are made to the City, according to City regulations, and provided the employee otherwise meets the requirements of Federal and State regulations.

4.4 Retirement Medical Eligibility and Allowance

- (a) Eligibility. An eligible retiree and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee/retiree, but not both. If an employee/retiree is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee or retiree's plan (i.e., a retiree and his or her dependent cannot be covered by more than one City-offered health plan).
- (b) City Contribution for the Period July 1, 2012 through June 30, 2013. Effective July 1, 2012, for employees hired on or before June 30, 2011, at retirement only, the City shall provide to employees retiring from the City the following contributions, if any, towards the costs of retiree medical insurance:
 - (1) Employees with less than 10 years of service for the City shall not be eligible for a city contribution towards retiree medical.
 - (2) Employees retiring with over 10 years of full time service with the City of Stockton as a regular employee shall receive a City contribution of \$150 a month towards the cost of retiree medical insurance.
 - (3) Employees retiring with over 20 years of full time service with the City of Stockton as a regular employee shall receive a City contribution of \$300 a

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month towards the cost of retiree medical insurance.

- (4) Employees retiring with over 30 years of full time service with the City of Stockton as a regular employee shall receive a City contribution of \$450 a month towards the cost of retiree medical insurance.
 - (5) Benefits for part time employees who retire are prorated based on their full time equivalent.
 - (6) The City contributions shall end with the death of the retiree and no survivor benefits are provided.
 - (7) Effective June 30, 2013, the City shall no longer provide a contribution towards the cost of retiree medical insurance for current employees (future retirees) and current retirees.
- (c) Retirees may enroll themselves or their dependents at their own expense in City sponsored medical plans only. The City reserves the right to set benefit levels in medical plans for retirees and at its exclusive option only provide fully insured plan choices to retirees for enrollment. The City reserves the right to discontinue inclusion of retirees in City sponsored medical plans at any time.

The City's commitment to provide retiree medical benefits during the 2012-2013 Fiscal Year is to the retiree and shall end upon the death of the retiree. Surviving spouses shall not be eligible for any city paid benefit after the death of the city retiree. Any benefits previously paid to surviving spouses have been paid in error and without the approval of the City Council.

- (d) Elimination of Retiree Dental Benefits to Current and Retired Department Heads. Effective July 1, 2012, the City shall no longer provide a contribution towards the cost of retiree dental insurance for current employees

(future retirees) and current retirees. Retirees shall not be eligible to participate in the City's dental plans.

- (e) Retiree Vision benefits are not offered to current employees (future retirees) and current retirees.

4.5 Alternative Retirement Medical Plans

Employees may choose to enroll in one of the additional health plans offered by the City instead of the City Modified Plan (including but not limited to Kaiser Senior Advantage).

This language sets forth the conditions in which current employees, when they retire from the City and otherwise qualify for a retiree medical benefit from the City, may also choose to enroll in City sponsored alternative plans in the same manner as when they were employees, as well as retiree only medical plans. The following conditions shall apply:

- (a) If an employee is in a City sponsored alternative plan at the time of retirement, the employee shall be allowed to continue in that Plan.
- (b) Employees not in an alternative Plan at the time of retirement shall not be allowed to enroll in any alternative plan except that; any retiree may voluntarily enroll in a City sponsored retiree only Plan.

A retiree may only enroll in alternative plans other than the City Modified Plan when:

- (a) The retiree selecting a plan other than the City's Modified Plan must agree that the City's financial contribution to a premium payment for any other Plan shall not exceed the current contribution amount the City would pay if the retiree is enrolled in the City Modified Plan, and
- (b) The individual retiree will be required to sign a form that indicates his/her agreement with these conditions.

The City reserves the right to eliminate these additional plans and the choice of multiple plans is not a vested right. Like the City Modified Plan, the City reserves the right to make plan design changes as necessary in these Alternative Plans.

4.6 Medicare Supplemental Coverage Requirements only for Employees Hired on or Before June 30, 2011.

The City reserves the right to terminate reimbursement payments for Part A Medicare coverage, in which event the retiree will receive the City's modified medical plan which includes medical design changes effective September 1, 2011 as the primary health coverage, with the premiums for such coverage to be paid by the City. The coverage provided pursuant to this section shall apply to the retiree and his/her spouse.

Under the federal Health Care Reform Plan, sponsors may modify the medical benefits provided to retirees only. The City will modify its retiree health care plan to reflect the following:

- (a) Return Plan benefits for Acupuncture to 12 visits per year (instead of unlimited) and returns the payment percentage paid to 60% (instead of 80%);
- (b) Return Plan benefits for Alcohol and Drug Treatment admissions to 30 days and 3 lifetime admissions (instead of unlimited);
- (c) Return Plan benefits for Outpatient Mental Health or Nervous Disorder services to 15 visit maximum (instead of unlimited);
- (d) Change Plan benefits for Preventative care and wellness to 80% instead of current 100%;
- (e) Return Plan benefits on the lifetime cap on plan benefits to \$2.5 million (instead of unlimited);

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- (f) Return Plan benefits on the maximum age of dependent children to be enrolled in the Plan to age 19 unmarried, and not serving in the armed forces to 23 if attending school full time and qualifies as a dependent for federal income tax purposes.(instead of age 26); and
- (g) Change Plan benefits for Emergency room benefits.

4.7 Elimination of Retiree Medical Benefits.

The City will not provide a retiree medical allowance for employees hired on or after July 1, 2011.

Nothing in this section shall be construed to create vested rights to benefits for employees or retirees after the expiration of this Compensation Plan.

Section 5 Holidays

5.1 Qualifying for Holiday Pay

All regular employees, excluding provisional and temporary employees, shall be entitled to take all authorized holidays at full pay not to exceed eight (8) hours for any one (1) holiday.

5.2 Holidays Observed by the City

- (1) January 1 New Year's Day
- (2) Third Monday in January Martin Luther King Jr.'s Birthday
- (3) Second Monday in February Lincoln's Birthday
- (4) Third Monday in February Washington's Birthday
- (5) March 31 (FLOATING)..... Cesar Chavez Birthday
- (6) Last Monday in May..... Memorial Day
- (7) July 4 Independence Day
- (8) First Monday in September..... Labor Day
- (9) Second Monday in October Columbus Day
- (10) November 11 Veteran's Day
- (11) Fourth Thursday in November Thanksgiving
- (12) Fourth Friday in November..... day after Thanksgiving
- (13) December 25 Christmas Day

FLOATING holiday to be taken within ninety (90) work days on or after the observed holiday.

If any of said holidays fall on a Sunday, the following Monday shall be observed as a holiday. If any of said holidays fall on a Saturday, the preceding Friday shall be observed as a holiday.

In order to receive Holiday Pay the employee must be in a paid status the day before and the day after the holiday.

For employees on the 9/80 alternative workweek schedule, employees may request to shift their work schedule so that their 8 hour day falls on the designated holiday with the approval of their supervisor or manager, and the additional hour must be worked in the same FLSA work period so as to not require overtime.

5.3 Compensation for Holidays Worked

Prior approval for holiday work must be secured from the City Manager except in emergency situations where said approval cannot be obtained beforehand.

Employees who are not regularly scheduled to work holidays shall be paid for 8 hours regular pay plus time and one-half (1½) for actual time worked on a holiday observed by the City.

Section 6 Vacation Leaves

Effective August 1, 2011, the following shall be the vacation leave benefits for all employees covered by this Plan. For employees having already received their annual vacation benefit for 2011/12 on July 1, 2011, the provisions of 6 (a) shall not go into effect until July 1, 2012.

For purposes of determining eligibility for Sections 6(a) and (b) below, all Department Heads and Deputy City Managers (MA and EP employees) are to be considered as having been employed by the City of Stockton for at least 7.5 Years and shall receive benefits based on that number of years of

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service. For purposes of determining eligibility for Sections 6(a) and (b) all assistant Department Heads and mid-management (MV and PP employees) are to be considered as having been employed by the City of Stockton for at least 1.5 years and shall receive benefits based on that number of years of service.

(a) Vacation Accrual.

Non overtime exempt employees. All regular employees, excluding provisional and temporary, shall accrue vacation leave with pay in accordance with the following schedule:

- (1) Less than one and one-half (1-1/2) years continuous employment.....80 hours/year.
- (2) After one and one-half (1-1/2) to seven and one-half (7-1/2) years continuous employment. 108 hours/year.
- (3) After seven and one-half (7-1/2) to fifteen (15) years continuous employment...144 hours/year.
- (4) After fifteen (15) to twenty-five (25) years continuous employment..... 189 hours/year.
- (5) Thereafter, seven (7) additional hours for each completed year of service in excess of twenty-five (25) years.

Overtime exempt employee. All overtime exempt employees, excluding provisional and temporary, shall accrue vacation leave with pay in accordance with the following schedule:

- (1) Less than one and one-half (1-1/2) years continuous employment.....120 hours/year.
- (2) After one and one-half (1-1/2) to seven and one-half (7-1/2) years continuous employment.148 hours/year.
- (3) After seven and one-half (7-1/2) to fifteen (15) years continuous employment.....188 hours/year.

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- (4) After fifteen (15) to twenty-five (25) years continuous employment..... 229 hours/year.
- (5) Thereafter, seven (7) additional hours for each completed year of service in excess of twenty-five (25) years.

Employees shall accrue their vacation allowance in 24 equal amounts on a twice-monthly payroll basis (24 pay periods).

(b) Maximum Vacation Accrual. Employees reaching the maximum hours provided here shall stop accruing additional vacation hours until they are below the caps listed here. No vacation hours maybe added to sick leave balances without exception. For employees who on August 1, 2011 have vacation balances that exceed their maximum, shall have one year to use sufficient vacation to get under the maximum allowed. If an employee does not get below the maximum by that date, they shall retain their existing earned vacation but shall not earn any additional vacation until they are under the maximum vacation allowed. MA and EP employees shall have two years to use sufficient vacation to get under the maximum allowed.

Maximum Vacation Accrual Caps.

40 hour employee (Non overtime exempt employee)

Under 1.5 yrs	120 hours
1.5-7.5 yrs	240 hours
7.5-15 yrs	280 hours
15-25yrs	320 hours
26 yrs	328 hours
27 yrs	336 hours
28 yrs	344 hours
29 yrs	352 hours

Over 29 years shall receive an additional 7 hours for each year of service.

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40 hour employee (Overtime exempt employee)

Under 1.5 yrs	200 hours
1.5-7.5 yrs	320 hours
7.5-15 yrs	360 hours
15-25yrs	400 hours
26 yrs	408 hours
27 yrs	416 hours
28 yrs	424 hours
29 yrs	431 hours

Over 29 years shall receive an additional 7 hours for each year of service

- (c) Vacation Scheduling. Vacation leaves shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of the City business. Vacation requests are accepted on a day for day basis.
- (d) Holiday during Vacation. If any such paid holidays fall within an employee's vacation leave, the employee will not be charged vacation accrual for that day.
- (e) Cash Payment Option for Vacation.
 - (1) Effective August 1, 2011, an employee may elect to receive cash payment for up to a maximum of forty (40) hours annually except that all cash outs shall be suspended during furlough or fiscal emergency periods and during the period of July 1, 2013 through June 30, 2014. To qualify for this sell-back benefit, an employee must have used, either in the preceding or current fiscal year, an equivalent number of vacation days to the number of sell-back days.
- (f) Vacation Cash Out Upon Separation. When an employee is separated from the service between February 17, 2012 and July 1, 2014, the employee's remaining vacation balance, if any, shall be paid as follows:

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- (1) Upon separation, employees shall receive one third (1/3) or \$10,000, whichever is greater, of the total of his/her unused accumulated vacation hours.
- (2) On the one year anniversary of employee's separation, he/she shall receive the second payment of one third (1/3) or \$10,000, whichever is greater, of the balance of his/her unused accumulated vacation hours.
- (3) On the second anniversary of separation, he/she shall receive the balance payment of the unused accumulated vacation hours.
- (4) Employees who are involuntarily separated shall have their unused accumulated vacation hours, if any, added to his/her final compensation.

Section 7 Mileage Reimbursement for Private Vehicle Use

The private vehicle mileage reimbursement will be paid to employees who use their private vehicle for City business travel within the City or out of the City limit. Such usage must be documented. Mileage reimbursement for use of personal vehicle shall be compensated at the current Internal Revenue Service (IRS) rate.

Reimbursement for average mileage on City business greater than 1,000 miles per month will be determined by the City Manager, provided no such reimbursement shall exceed IRS mileage reimbursement rate then in effect.

Section 8 Sick Leave

8.1 Sick Leave Use

- (a) Accrual. All regular full-time employees, except provisional and temporary employees, shall accrue sick

leave at the rate of eight (8) hours for each month of completed service.

All regular employees, except provisional and temporary employees, scheduled to work less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accrue from year to year. Employees shall continue to accrue sick leave while off duty on authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.

- (b) Usage. Employees are entitled to sick leave pay for those hours, which the employee would normally have worked, to a maximum of the hours accrued, described as:

Preventive medical, dental, optical care, illness, injury or exposure to contagious disease which incapacitates the employee from performing normal work duties. This includes disabilities caused or contributed by pregnancy, miscarriage, abortion, childbirth and recovery there from.

- (c) Family Sick Leave. Employees may utilize up to one-half of their annual sick leave accrual in the case of illness or injury in the employee's immediate family when such illness or injury requires personal care, except in instances where the employee is on approved FMLA or CFRA leave.

Such leave shall be restricted to the employee's parents, spouse, registered domestic partner, mother-in-law, father-in-law, child, stepchild, brother, sister, brother-in-law, sister-in-law, grandparent and grandchild, and legal dependent. The employee's child includes a biological, foster, or adopted child, a stepchild, a legal ward, a child of the employee's registered domestic partner, or a child to whom the employee stands *in loco parentis*.

It is not the intent of this provision to conflict with any state or federally mandated policies, such as the Family Medical Leave Act (FMLA), the California Family Rights Act (CFRA), or Pregnancy Disability Leave (PDL).

- (d) Reporting Procedures for Sick Leave. When the requirement for sick leave is known to the employee in advance of the absence (for example, including but not limited to scheduled medical, dental or vision appointments), the employee shall request authorization for such sick leave from the Department Head prior to such absence.

If an employee is not able to report due to illness or injury, the employee shall report as soon as possible to the appropriate supervisor, but in no case more than thirty (30) minutes after the start of the work day, except for extenuating circumstances prohibiting giving notice.

Failure to notify as soon as possible and in conforming to the thirty (30) minute notification shall be cause for disciplinary action as determined by the appointing authority.

- (e) Verification Procedures

(1) Before being paid for the use of accrued sick leave, the employee shall submit a signed statement to the Department Head, on a prescribed form, stating the dates and hours of absence, the exact reason, and such other information as is necessary for the request to be evaluated. If an employee doesn't return to work prior to the preparation of the payroll, other arrangements may be made with the Department Head.

(2) Doctor's Certificate or Other Proof.

The Director of Human Resources may require a doctor's certificate or other reasonable proof of illness as he/she deems necessary in order for an

employee to receive an excused absence from work and sick leave pay. The employee shall be given notice prior to returning to work that he or she will be required to provide such documentation. Employees who have unscheduled absences due to illness on a scheduled work day preceding or following a holiday may be required to bring a doctor's certificate or other reasonable proof of illness in order to receive an excused absence and sick leave pay. If an employee's illness results in an absence from work for more than three (3) consecutive days, a doctor's certificate or other reasonable proof of illness may be required. In addition, the City may monitor and control the appropriate use of sick leave by employees and if reasonable cause is articulated, can limit use of sick leave and require additional verification.

The Director of Human Resources may make such sick leave usage reviews and may require such additional documentation including a physician's statement as he/she deems necessary before approving the sick leave benefit.

- (3) If the City has a reasonable basis to believe that an employee is abusing the sick leave benefit, the City or the employee's supervisor must first meet with the employee to: 1) explain the reasonable basis for the believed abuse, and 2) discuss the reasons for the employee's absence. After such meeting, and depending on the factual circumstances, the City may:
 - (a) Place the employee on restricted sick leave for a period of not more than four (4) months, under the direction of the Director of Human Resources pursuant to section 8.1 (e) and sub section (2) above;

- (b) Suspend the employee without pay for up to five (5) days for abuse of sick leave; or dismissal from employment if a prior suspension involved abuse of sick leave;
- (c) Place the employee in an employee assistance program, if agreed to by the employee.
- (f) Use of Sick Leave while on Vacation. An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:
 - (1) Was hospitalized during the period for which sick leave is claimed, or
 - (2) Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.

8.2 Unused Sick Leave Upon Separation

(a) Payment for Unused Sick Leave

Effective February 17, 2012, all accumulated or future accruals of sick leave shall have no cash value upon separation of employment and employees shall not be allowed to cash out unused sick leave except as provided below.

(b) CalPERS Service Credit for Unused Sick Leave

Employees shall be eligible for CalPERS service credit for any unused sick leave at retirement not otherwise compensated for in (c) below. Employees hired after the City amends its CalPERS contract to eliminate service

credit for unused sick leave shall not be eligible for this service credit.

(c) **Sick Leave Retention Benefit**

If, after subtracting the equivalent of one full year of service credit (2080 hours), which may be applied to CALPERS service credit, any balance remaining upon separation shall be paid as follows to employees who have remained in City service until the dates specified:

- (1) Separation prior to July 1, 2014, no payment of unused sick leave at separation shall occur for separating employees before this date;
- (2) Separation between July 1, 2014 and June 30, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 35% of its cash value to separating employees between these dates; and
- (3) Separation after July 1, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 50% of its cash value to separating employees after this date.
- (4) Service credit for unused sick leave shall be in accordance with PERS regulations.

Section 9 Educational Incentive Pay

Effective August 1, 2011, the Educational Incentive Pay of 3% will be eliminated.

Section 10 Longevity Pay (Professional Growth Pay)

Effective August 1, 2011, all longevity pay shall be eliminated for all employees covered by this Plan. However, the City shall grandfather

only those employees who have completed twelve (12) continuous years of service with the City as of July 1, 2012, and who are receiving a Longevity Pay of 2.5% as of that date. Employees as of August 1, 2011 receiving a higher Longevity Pay based on benefits received by another unit shall also be grandfathered but they shall have their current Longevity Pay reduced by 2.5% and then frozen at those levels at that time. As of July 1, 2012, longevity incentive pay allowance for these grandfathered employees shall be reduced to one and one-half percent (1.5%). Employees receiving a higher Longevity Pay based on benefits received by another unit shall have their remaining longevity reduced by one percent (1.0%) effective July 1, 2012.

Section 11 Other Leaves With Pay

11.1 Bereavement Leave. In the event of a death in the immediate family of an employee, he/she shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his/her accumulated sick leave credits or vacation eligibility. The Department Head or his/her designee may grant an additional two (2) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits in cases where extensive travel is required to attend the funeral. For the purposes of this paragraph, the immediate family shall be restricted to the employee's parents, current step parents, spouse, mother-in-law, father-in-law, child, stepchild, brother, sister, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent, grandchild, and registered domestic partner.

In the event of the death of a person not immediately related to an employee as defined above, the employee's department head may grant up to three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

11.2 Jury Duty Leave/Court Appearance. Upon approval by the department head, an employee, other than a provisional or temporary employee, shall be permitted authorized absence

from duty for appearance in court because of jury service, in obedience to subpoena or by direction of proper authority, in accordance with the following provisions:

Said covered absence will be for actual hours served (including travel time) on jury duty or testifying as a witness in a criminal case, other than a defendant. Authorized absence for jury or court leave shall include the time from when the employee is ordered to appear until the time the employee is released from the court. As a condition of receiving such pay, the employee must remit to the City, through the employee's department head, within fifteen (15) days after receipt, all fees received except those specifically allowed for mileage and expenses.

If an employee is not due to appear for jury duty or as a witness until an afternoon court session, the employee will be expected to work his or her usual morning schedule. Upon being excused from the court each day, the employee must return to work if he or she has more than two (2) hours remaining before the end of his or her workday.

Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City through the employee's department.

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is not a party, together with travel time necessarily involved, shall not be considered absent from work within the meaning of this Section.

- 11.3 Military Leave. An employee of the City who is a member of the National Guard or Naval Militia or a member of Reserve Corps or Force of the Federal Military, Naval or Marine Service and is ordered to duty shall be granted leave with pay while engaged

therein, provided the leave does not exceed thirty (30) calendar days in any calendar year.

All regular employees in the service of the City shall be allowed leave of absence without pay for the duration of a national emergency who have been inducted into the Army, Navy, Marine Corps, Air Force or any other branch of the Military Service of the United States or the State of California. Said employees shall be reinstated in the service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

All probationary employees inducted into the Military Service not having served the minimum probationary period of six (6) months, shall be allowed leave of absence without pay for the duration of a national emergency, but said employees shall be placed at the head of the eligible list for such position in the order of their seniority of employment and when appointed to a vacant position, they must be physically fit as above specified and shall serve the balance of their probationary period before attaining the status of a regular employee.

Two or more regular employees granted military leave of absence without pay from the same position shall be reemployed according to their seniority of employment providing they are physically fit as above specified.

- 11.4 Management Time Leave. The Chief of Police, Deputy Chief of Police II, and Deputy Chief of Police I shall receive forty (40) hours of paid-management time-leave each fiscal year. The management time-leave of forty (40) hours may not carry over from fiscal year to fiscal year, be used for sell-back purposes, or paid for any unused leave-time upon separation of City employment.

Section 12 Workers' Compensation Leave

12.1 Workers' Compensation Leave

- (a) Workers' Compensation Benefits shall be provided in accordance with State law and schedules whenever an employee is absent from duty because of disability caused by illness or injury arising out of and in the course of employment which has been declared to be compensable under the Workers' Compensation Law. Any salary continuation program benefits that are in addition to the State benefits that were in effect on July 31, 2011 shall be eliminated effective August 1, 2011. An employee on Workers' Compensation may use accrued leave, if needed, to supplement benefits, up to the amount required to receive a full paycheck.
- (b) Forms and Procedures. Workers' compensation processing shall be consistent with City procedures and in accordance with state workers' compensation regulations. An employee who sustains a work-related injury or illness shall immediately inform his/her supervisor no matter how minor an on-the-job injury may appear. An employee who sustains a work-related injury or illness is required to seek medical care at facilities designated by the City unless they have filed a pre-designation of personal physician prior to sustaining the work-related injury or illness. For a list of City designated medical care facilities and/or physicians, please contact Human Resources.

Section 13 Leave of Absence

13.1 Leave of Absence

Employees shall not be entitled to leave of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the same time the leave was granted. The granting of any leave of absence shall be based on the presumption that the

employee intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the Department Head under this Section shall be subject to review by the Director of Human Resources, whose ruling shall be final.

- (a) Purpose and Length. Only employees occupying regular positions on a regular basis are eligible for leaves of absence without pay under the provisions of this Section.

An appointing authority may grant leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Human Resources.

Leaves of absence without pay on account of illness or injury, which are not job incurred, may be granted for a maximum period of twelve (12) months with approval of the Director of Human Resources.

Such a leave will be granted only after all accrued sick leave credits have been used and shall be substantiated by a physician's statement.

- (b) Application for and Approval of Leave of Absence Without Pay.

Employees shall not be entitled to Leave of Absence Without Pay as a matter of right, but only upon the determination of the City that it is in the best interest of public service and that there is a presumption that the employee intends to return to work upon the expiration of the leave of absence. In order to receive leave without pay, an employee must submit a request on the prescribed form to his/her Department Head and the Director of Human Resources describing the reasons for the request and all other information required for the Department Head or his/her representative, to evaluate

the request. Leaves without pay may be cancelled by the department at any time.

- (c) Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereinafter.

The entitlement to City payment of premium shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health and dental insurance plan by prepayment of the full monthly premium during the authorized leave of absence.

Authorized absence without pay which exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his/her position by reason of any injury or disease for which he/she is entitled to and currently receiving Workers' Compensation benefits shall be included in computing length of service for the purpose of determining that employee's salary adjustment.

13.2 Absence Without Official Leave (AWOL)

- (a) Failure to Report to Duty or Failure to Return After Leave. Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved, revoked, or cancelled or at the expiration for a leave shall be considered an absence without official leave and the employee shall be subject to discipline.
- (b) Voluntary Resignation. Any employee without official leave for two (2) or more consecutive days or absent an aggregate of sixteen (16) hours in any calendar month without a satisfactory explanation shall be deemed to

have voluntarily resigned from the City of Stockton, except if the absence is due to a verified illness or injury.

Section 14 Salary Plan

14.1 Wage Increases

Effective July 1, 2011, no salary increases for fiscal years 2012-2013 and 2013-2014.

14.2 Salary Step when Salary Range is Increased

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the employee's step held in the previous range, unless otherwise specifically provided by the Director of Human Resources.

14.3 Salary Step after Promotion or Demotion

When an employee is promoted from a position in one rank to a position in a higher rank and at the time of promotion is receiving a base salary equal to, or greater than, the minimum base step rate for the higher rank, that employee shall be entitled to a step in the range of the higher rank which is at least five percent (5%) above the rate the employee has been receiving, except that the next step shall not exceed the maximum salary of the higher rank. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee's compensation shall be adjusted to the salary prescribed for the class to which demoted.

14.4 Acting Pay

An employee who is assigned in writing to work in a higher paid classification and who performs a majority of the duties of that higher position after five (5) days shall receive the rate of pay in a step of the higher classification which would have been

received if the employee had been promoted into that classification.

The increased rate of pay will commence with the first day of the assignment; however, to qualify the employee must meet the above conditions before being eligible for Acting Pay.

14.5 Pay Equity Adjustments

The City recognizes that there may be a need for special salary adjustments for selected classifications as a result of recruitment problems, reclassifications, and/or organizational changes. The City, in its sole discretion, may make such adjustments.

14.6 Special Assignment Pay

The Department Head and the concurrence of the Director of Human Resources may approve additional compensation in an amount not to exceed one additional salary step when an employee is assigned to perform additional duties and responsibilities for the duration of the special assignment.

14.7 Salary Step after Military Leave

All employees who have been granted military leave shall, upon their return to City service, be entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

14.8 Uniform Allowance

Employees required to wear uniforms shall be paid an annual uniform allowance, one-half payable in April and one-half payable in October each year. Employees in the following classifications receive the following annual uniform allowance:

- Chief of Police - \$950.00
- Deputy Chief of Police II - \$950.00

Unrepresented Management/Confidential Employees' Compensation Plan

- Deputy Chief of Police I - \$950.00
- Fire Chief - \$625.00
- Deputy Fire Chief II - \$625.00
- Deputy Fire Chief I - \$625.00

14.9 Certificate Incentive Pay-Sworn Police Chiefs or Deputy Chiefs

- (a) The City shall pay six percent (6.0%) of the top step in rank for sworn personnel who attain a P.O.S.T. Supervisory Certificate.
- (b) The City shall pay an additional three percent (3.0%) for a total of nine percent (9%) of top salary step in rank for sworn personnel who attain a P.O.S.T. Management certificate or higher, upon completion of two (2) continuous years of service in rank and upon completion of management course.

Section 15 Work Furloughs

15.1 Work Furloughs

- (a) 62 Furlough Hours in Fiscal Year 2012-2013. Each unit employee shall take sixty-two (62) furlough hours (leave from work without pay).
- (b) Equalized Payroll Deductions. Payroll deductions for the sixty-two (62) furlough hours described in section 15.1, paragraph (a) above, shall be equalized so that each unit employee shall have 2.98% at the employee's regular hourly rate of pay deducted from each of the twenty-four (24) pay periods between July 1, 2012 and June 30, 2013.
- (c) Furlough days shall be considered time worked for the purposes of overtime.

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- (d) If a furlough is scheduled before or after a City holiday, the employee will, nevertheless, be eligible for holiday pay.
- (e) The Citywide Furlough Schedule for the Fiscal Year 2012-2013 is as follows:

November 21, 2012
December 24, 26, 27, and 31, 2012
March 25, 2013
April 26, 2013

- (f) Exception to Standard Furlough Days for Some Employees. Employees shall adhere to the citywide furlough schedule, except where it is impracticable for certain City departments or operations; for those employees, furlough hours must be scheduled with his/her manager and taken no later than June 30, of each corresponding fiscal year.
- (g) Separation from City Service before June 30, 2013. Any employee who separates from City service before the final 2.98% furlough deduction on July 7, 2013, for the pay period ending June 30, 2013, and after having used furlough hours, shall have his or her final compensation reduced by the sum of the number of furlough hours the employee has actually used minus the number of furlough hours actually deducted from the employee's pay warrants multiplied by the employee's regular hourly rate of pay. Conversely, any employee who separates from City service before June 30, 2013, having suffered furlough deductions in excess of the actual number of furlough hours the employee has used, shall have his or her final compensation credited by like amount.

Section 16 Work Schedule

16.1 MA, MV, EP, and PP employees shall not be eligible for overtime for extra hours worked to perform duties of their assigned position.

16.2 Department Heads are responsible for personally approving any overtime pay for MW and SP employees within their respective departments, with a report submitted to the City Manager at the end of each pay period explaining the overtime.

16.3 Overtime

Non-exempt employees will receive overtime at the appropriate rate when authorized in writing by the Department Head prior to the overtime worked. The following provisions pertaining to authorized statutorily required overtime work shall apply to non FLSA exempt employees:

- (a) Statutory overtime shall be paid on actual time worked in excess of forty (40) hours in any workweek. Such overtime shall be paid for at time and one-half (1-1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein. Furlough hours taken, holiday hours taken and observed holidays where the City is closed shall be considered as time worked for overtime calculation purposes. Sick leave, vacation, or other time taken as compensated time off shall not be considered as actual time worked for overtime calculation purposes.
- (b) Employees assigned to an alternate work schedule (e.g. 4/10, 9/80, etc.) shall be compensated at the overtime rate for all time worked in excess of their regularly scheduled hours.
- (c) Employees who are not regularly scheduled to work holidays shall be paid for 8 hours regular pay plus time

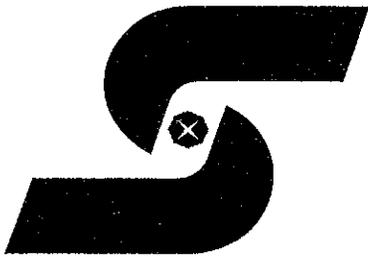
and one-half (1½) for actual time worked on a holiday observed by the City.

16.4 Compensatory Time Off (CTO)

- (a) Definition. As used in this Section, the term Compensatory Time Off (CTO) refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. For the purpose of this Section, Compensatory Time shall apply only to Non-Exempt employees.

- (b) CTO in Lieu of Overtime Compensation. Employees may voluntarily elect to receive overtime compensation in the form of CTO at the rate of one and one-half (1-1/2) hours of CTO for each hour of overtime earned under section 16.3 (a).





**COMPREHENSIVE SUMMARY OF
CITY OF STOCKTON
UNREPRESENTED MANAGEMENT/CONFIDENTIAL AND LAW
EMPLOYEES'
COMPENSATION PLAN**

The City's Unrepresented Management/Confidential employees designated Management MA (Department Heads), Management MV (Assistant Department Heads and other Middle-Management), Confidential MW (Administrative/Support Staff in the City Manager's Office, the Human Resources Department, and the City Auditor's Office), Law Department employees designated "Executive Plan" (EP), "Professional Plan" (PP), and "Support Plan" (SP) are hereby accorded compensation and benefits as outlined in this Plan consistent with the Stockton City Council's objective to fairly and equitably provide for its Unrepresented Management/Confidential and Law employees.

The Unrepresented Management/Confidential and Law Employees' Compensation Plan, as amended shall be effective August 1, 2011.

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Unrepresented Management/Confidential Employees' Compensation Plan

The Unrepresented Management/Confidential and Law Employees' Compensation Plan, consists of a salary administration program and certain benefits specific to six (6) categories of non-represented employees listed in this Plan. This Plan shall be administered by the City Manager who is the City Council's designated representative for determining compensation and benefits for regular status Unrepresented Management/Confidential and Law Employees.

Management Plan "MA" includes the Assistant City Manager, Deputy City Manager II and Department Heads. Management Plan "MV" includes Assistant Department Heads, other Middle-Management classifications and the Liability Claims Investigator I/II's. Confidential Plan "MW" includes other administrative and support staff in the City Manager's Office, City Auditor's Office, City Clerk's Office, and the departments of Human Resources, Administrative Services, Municipal Utilities, Fire, and Police. Executive Plan "EP" includes the City Attorney and the Assistant City Attorney. Professional Plan "PP" includes the Deputy City Attorneys. Support Plan "SP" includes all other Law Department personnel.

Unless specifically identified, all terms of this Compensation Plan apply to all groups listed above.

Section 1 Retirement Benefits

1.1 Retirement Benefits

(a) Effective August 1, 2011, miscellaneous employees' covered by this Plan, shall pay their own statutory employee contribution. Employees will pay 7% of their current base salary and other compensation as qualified by state law toward Public Employees' Retirement System (PERS) for the employee's PERS contribution.

(b) Effective August 1, 2011, safety employees covered by this Plan shall pay their own statutory employee contribution. Employees will pay

Unrepresented Management/Confidential Employees' Compensation Plan

9% of their current base salary and other compensation as qualified by state law toward PERS for the employee's PERS contribution.

(c) Under IRS 414h, previously adopted by resolution by the City, the employee's payment will be paid by the employee on a pre-tax basis. Such amounts will be applied to the employee's individual accounts in accordance with California Government Code section 20615.

1.2 Public Employees' Retirement System Benefits for Unit Employees hired on or before August 1, 2011.

(a) The City's PERS retirement plan for miscellaneous employees is two percent (2%) at age 55. The City's PERS retirement plan is modified to reflect California Government Code section 21024 (Military Service Credit as Public Service) and section 21027 (Military Service Credit for Retired Persons), as hereinafter may be amended. The City provides PERS California Government Code section 20692 (Employer Paid Member Contributions Converted to Payrate during the Final Compensation Period) as an added PERS benefits. Internal Revenue Service (IRS) Code 414H(2) will be concurrently implemented with PERS California Government Code section 20692. The City provides PERS California Government Code section 20965 (Credit for Unused Sick Leave) as an added PERS benefits, the City provides PERS California Government Code section 21574 (Fourth Level of 1959 Survivor Benefits) as added PERS benefits. The City will provide PERS California Government Code section 21335 up to a 5% Annual Cost-of-Living Allowance, as an added PERS benefit.

(b) The City's PERS retirement plan for safety employees shall be the same plan in effect for other similar safety employees in other units.

1.3 Public Employee Retirement System Benefits for Unit Employees hired on or after August 1, 2011.

The City will amend its PERS contract effective August 1, 2011, or as soon thereafter as possible, to provide a new tier of retirement benefits

Unrepresented Management/Confidential Employees' Compensation Plan

for employees hired by the City after the PERS amendment goes into effect.

(a) For Miscellaneous employees, the new tier shall have a retirement formula of 2% at 60 with three year average salary formula, standard PERS COLA, and no other additional PERS benefits for all unit employees hired on or after July 1, 2011, or as soon as administratively possible consistent with PERS contract process. All unit employees shall pay the entire seven percent (7%) of the employee's current base salary and any other compensation as qualified by state law towards PERS retirement benefit through a payroll deduction.

(b) The new tier for Safety employees shall be the same as the Fire employees or Police employees as appropriate under the applicable PERS contract. All safety employees shall pay the entire nine percent (9%) of the employee's current base salary and any other compensation as qualified by state law towards PERS retirement benefit through a payroll deduction.

Section 2 Group Life Insurance Coverage

Each participant in the program will receive group life insurance coverage paid for by the City of Stockton.

Effective January 1, 2001, MA and EP employees will receive life insurance coverage equal to three and one-half ($3 \frac{1}{2}$) times their annual salary.

Effective January 1, 2001, MV and PP employees will receive coverage equal to two and three-quarter ($2 \frac{3}{4}$) times their annual salary.

Effective January 1, 2001, MW and SP employees will receive coverage equal to life insurance coverage will be two (2) times their annual salary.

In all instances, coverage will be rounded to the nearest ONE THOUSAND DOLLARS (\$1,000).

Unrepresented Management/Confidential Employees' Compensation Plan

Section 3 Long Term Disability (LTD) Insurance Coverage

Employees covered by this Plan, except as provided below, and will receive long term disability insurance coverage. The benefits of this plan shall be included in the Plan document or contract but are generally summarized as follows:

- (a) Each disability - approximately 66 2/3% of salary for MA, MV, MW, EP, PP, and SP employees.
- (b) A 30-day is waiting period before eligibility for benefit.
- (c) Benefit payable up to age sixty-five (65).

Effective May 1, 2010, Fire Management will receive LTD insurance coverage through the California Association of Professional Firefighters. The City pays the cost of the insurance premium.

Section 4 Health and Dental Insurance

4.1 Employee Coverage

- (a) Choice of Health Plans -Employees covered by this Plan shall have a choice of enrolling themselves and their eligible dependents in any of the City-sponsored medical, dental and vision plans. The City's Modified Plan, revised as of September 1, 2011, or any other city sponsored plan that the City shall offer to regular employees, shall be available to employees in this group. For the modifications to the City's Modified Plan, which are effective September 1, 2011, the revised annual deductible shall be effective on January 1, 2012.
- (b) Eligibility. Employees shall become eligible for Medical and vision insurance on the first day of the month subsequent to completion of thirty (30) days of continuous service with the City. Employees shall become eligible for Dental insurance on the first day of the

Unrepresented Management/Confidential Employees' Compensation Plan

month subsequent to completion of sixty (60) days continuous service with the City.

(c) City Insurance Contribution. Employee contributions in effect on July 1, 2011, shall remain in effect until September 1, 2011, when they shall be replaced with the following. Effective September 1, 2011:

1) The City shall contribute up to \$481.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

2) The City shall contribute up to \$875.00 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.

3) The City shall contribute up to \$1,165.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

4) These contributions are based on full-time employment; regular part-time employees shall receive a prorated contribution based on their percentage of full-time employment. The employee, through payroll deductions, shall pay insurance plan premiums that exceed the City's monthly contribution. The City shall maintain its IRS Section 125 Plan to allow for employee contributions for medical/visions/dental to be pre-tax premium conversion.

(d) Plan Rules. Employees may insure themselves and their eligible dependents under the medical/vision and dental plans provided by the City, in accordance with the rules and regulations applicable to the selected Plan. Benefits in the Plan shall be in accordance with the Plan document.

Unrepresented Management/Confidential Employees' Compensation Plan

(e) Provisional and temporary employees are not eligible for any of the above benefits.

4.2 Effective January 1, 1997, the City will continue the above-stated medical coverage benefits for spouse/registered domestic partner, and eligible dependents upon the death of an employee while employed with the City of Stockton. When the spouse or registered domestic partner becomes age 65, City medical coverage shall be secondary coverage and supplemental to Medicare.

4.3 Health and Welfare Benefits During Layoff Regular status employees who are laid off will have an option of maintaining their existing health and welfare benefits for thirty-six (36) months from the date of layoff, provided timely payments of the premiums by the employee are made to the City, according to City regulations, and provided the employee otherwise meets the requirements of Federal and State regulations.

4.4 Retirement Medical Allowance

(a) For unit members hired prior to August 1, 2011, and who meet the requirements below, the City shall pay a premium for the purpose of providing hospital-medical and prescription benefits for each employee covered by this Plan who has retired. Such coverage shall include one (1) dependent. The medical plan for employees retiring shall be the City's Modified Plan, which includes changes effective September 1, 2011. In addition, MA and EP employees will be provided dental coverage upon retirement until age 65.

(b) Normal Service Retirement

Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to April 1, 1983, and who have retired at age fifty (50) or later. Such allowance shall terminate at age sixty-five (65).

Unrepresented Management/Confidential Employees' Compensation Plan

(c) Disability Retirement

Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to April 1, 1983, and such allowance shall be limited to a maximum of fifteen (15) years or the attainment of age sixty-five (65), whichever occurs first.

4.5 Supplemental Retiree Medical Insurance Allowance and Coordination with Medicare after Age 65.

For unit members hired prior to August 1, 2011, and who retired after January 1993, and eligible for retiree medical insurance allowance as provided in this section, shall continue to be eligible to participate in the City's Modified Plan, which includes changes effective September 1, 2011, for retired employee and one (1) eligible dependent when both persons reach age sixty-five (65) or at the age when eligible for Medicare, whichever occurs later. The City's retiree medical insurance plan shall be supplemental and secondary to Medicare medical coverage or any other medical benefit coverage available to the retired employee and eligible dependent.

4.6 Retiree Medical Benefits for employees hired by the City after August 1, 2011

Unit members with a City hire date on or after August 1, 2011, will not be eligible for any retiree medical benefit or contribution including either the regular Retirement Benefit Allowance (to age 65) or the Supplemental Allowance (after age 65) as set forth above in sections 4.4 and 4.5 above.

Unrepresented Management/Confidential Employees' Compensation Plan

Section 5 Holidays

5.1 Qualifying for Holiday Pay

All regular employees, excluding provisional and temporary employees, shall be entitled to take all authorized holidays at full pay not to exceed eight (8) hours for any one (1) holiday.

5.2 Holidays Observed by the City

- (1) January 1 New Year's Day
- (2) Third Monday in January .. Martin Luther King Jr.'s Birthday
- (3) Second Monday in February Lincoln's Birthday
- (4) Third Monday in February Washington's Birthday
- (5) March 31 (FLOATING) Cesar Chavez Birthday
- (6) Last Monday in May Memorial Day
- (7) July 4 Independence Day
- (8) First Monday in September Labor Day
- (9) Second Monday in October Columbus Day
- (10) November 11 Veteran's Day
- (11) Fourth Thursday in November..... Thanksgiving
- (12) The day following the day known as Thanksgiving
- (13) December 25 Christmas Day
- (14) Employee's Birthday (FLOATING)

FLOATING holidays to be taken within ninety (90) work days on or after the observed holiday.

In addition, the City shall observe a day appointed by the President or Governor as a public holiday and ratified by the City Council.

If any of said holidays fall on a Sunday, the following Monday shall be observed as a holiday. If any of said holidays fall on a Saturday, the proceeding Friday shall be observed as a holiday.

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In order to receive Holiday Pay the employee must be in a paid status the day before and the day after the holiday.

5.3 Compensation for Holidays Worked

Prior approval for holiday work must be secured from the City Manager except in emergency situations where said approval cannot be obtained beforehand.

Section 6 Vacation Leaves

Effective August 1, 2011, the following shall be the vacation leave benefits for all employees covered by this Plan. For employees having already received their annual vacation benefit for 2011/12 on July 1, 2011, the provisions of 6 (a) shall not go into effect until July 1, 2012.

For purposes of determining eligibility for Sections 6(a) and (b) below, all Department Heads and Deputy City Managers (MA and EP employees) are to be considered as having been employed by the City of Stockton for at least 7.5 Years and shall receive benefits based on that number of years of service.

For purposes of determining eligibility for Sections 6(a) and (b) all assistant Department Heads and mid-management (MV and PP employees) are to be considered as having been employed by the City of Stockton for at least 1.5 years and shall receive benefits based on that number of years of service.

(a) Vacation Allowance. All regular employees, excluding provisional and temporary, shall accrue vacation leave with pay in accordance with the following schedule:

Unrepresented Management/Confidential Employees' Compensation Plan

- (1) Less than one and one-half (1-1/2) years continuous employment 80 hours/year.
- (2) After one and one-half (1-1/2) to seven and one-half (7-1/2) years continuous employment 108 hours/year.
- (3) After seven and one-half (7-1/2) to fifteen (15) years continuous employment 144 hours/year.
- (4) After fifteen (15) to twenty-five (25) years continuous employment 189 hours/year.
- (5) Thereafter, seven (7) additional hours for each completed year of service in excess of twenty-five (25) years.
- (6) Employees who are in classifications exempt from earning overtime shall accrue an additional 40 hours of vacation each year.
- (7) Employees shall accrue their vacation allowance in 24 equal amounts on a twice-monthly payroll basis (24 pay periods).

(b) Maximum Vacation Accrual. Effective August 1, 2011, employees reaching the maximum hours provided here shall stop accruing additional vacation hours until they are below the caps listed here. No vacation hours may be added to sick leave balances without exception. For employees who on August 1, 2011 have vacation balances that exceed their maximum, shall have one year to use sufficient vacation to get under the maximum allowed. If an employee does not get below the maximum by that date, they shall retain their existing earned vacation but shall not earn any additional vacation until they are under the maximum vacation allowed. MA and EP employees shall have two years to use sufficient vacation to get under the maximum allowed.

Unrepresented Management/Confidential Employees' Compensation Plan

Maximum Vacation Accrual Caps.

40 hour employee (Non overtime exempt employee)

Under 1.5 yrs 120 hours (15 days)

1.5-7.5 yrs 240 hours (30 days)

7.5-15 yrs 280 hours (35 days)

15-25yrs 320 hours (40 days)

26 yrs 328 hours (41 days)

27 yrs 336 hours (42 days)

28 yrs 344 hours (43 days)

29 yrs 352 hours (44 days)

Over 30 years shall receive an additional 7 hours for each year of service.

40 hour employee (Overtime exempt employee)

Under 1.5 yrs 200 hours (20 days)

1.5-7.5 yrs 320 hours (35 days)

7.5-15 yrs 360 hours (40 days)

15-25yrs 400 hours (45 days)

26 yrs 408 hours (46 days)

27 yrs 416 hours (47 days)

28 yrs 424 hours (48 days)

29 yrs 432 hours (49 days)

Over 30 years shall receive an additional 7 hours for each year of service

(c) Vacation Scheduling. Vacation leaves shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of the City business. Vacation requests are accepted on a day for day basis.

(d) Holiday during Vacation. If any such paid holidays fall within an employee's vacation leave, the employee will not be charged vacation accrual for that day.

Unrepresented Management/Confidential Employees' Compensation Plan

(f) Cash Payment Option for Vacation.

(1) Effective August 1, 2011, an employee may elect to receive cash payment for up to a maximum of forty (40) hours, or eighty (80) hours for employees in classifications exempt from earning overtime, of accumulated hours annually except that all cash outs shall be suspended during furlough periods.

(2) Unused vacation hours are payable at separation.

Section 7 Mileage Reimbursement for Private Vehicle Use

The private vehicle mileage reimbursement will be paid to employees who use their private vehicle for City business travel within the City or out of the City limit. Such usage must be documented. Mileage reimbursement for use of personal vehicle shall be compensated at the current Internal Revenue Service (IRS) rate.

Reimbursement for average mileage on City business greater than 1,000 miles per month will be determined by the City Manager, provided no such reimbursement shall exceed IRS mileage reimbursement rate then in effect.

Section 8 Sick Leave

8.1 Sick Leave Use

(a) Accrual. All regular full-time employees, except provisional and temporary employees, shall accrue sick leave at the rate of eight (8) hours for each month of completed service.

All regular employees, except provisional and temporary employees, scheduled to work less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accrue from year to year. Employees shall continue to accrue sick leave while off duty on

Unrepresented Management/Confidential Employees' Compensation Plan

authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.

(b) Usage. Employees are entitled to sick leave pay for those days, which the employee would normally have worked, to a maximum of the hours accrued, described as:

Preventive medical, dental, optical care, illness, injury or exposure to contagious disease which incapacitates the employee from performing normal work duties. This includes disabilities caused or contributed by pregnancy, miscarriage, abortion, childbirth and recovery there from.

(c) Family Sick Leave. Employees may utilize up to one-half of their annual sick leave accrual in the case of illness or injury in the employee's immediate family when such illness or injury requires personal care that otherwise would not be covered by the FMLA or CFRA leaves.

Such leave shall be restricted to the employee's parents, spouse, registered domestic partner, mother-in-law, father-in-law, child, stepchild, brother, sister, brother-in-law, sister-in-law, grandparent and grandchild, and legal dependent.

It is not the intent of this provision to conflict with any state or federally mandated policies, such as the Family Medical Leave Act (FMLA), the California Family Rights Act (CFRA), or Pregnancy Disability Leave (PDL).

(d) Reporting Procedures for Sick Leave. When the requirement for sick leave is known to the employee in advance of the absence (for example, including but not limited to scheduled medical, dental or vision appointments), the employee shall request authorization for such sick leave from the Department Head prior to such absence.

Unrepresented Management/Confidential Employees' Compensation Plan

If an employee is not able to report due to illness or injury, the employee shall report as soon as possible to the appropriate supervisor, but in no case more than thirty (30) minutes after the start of the work day, except for extenuating circumstances prohibiting giving notice.

Failure to notify as soon as possible and in conforming to the thirty (30) minute notification shall be cause for disciplinary action as determined by the appointing authority.

(e) Verification Procedures

(1) Before being paid for the use of accrued sick leave, the employee shall submit a signed statement to the Department Head, on a prescribed form, stating the dates and hours of absence, the exact reason, and such other information as is necessary for the request to be evaluated. If an employee doesn't return to work prior to the preparation of the payroll, other arrangements may be made with the Department Head.

(2) Doctor's Certificate or Other Proof. If an employee's illness results in an absence from work for more than three (3) consecutive days, a doctor's certificate or other reasonable proof of illness may be required.

The Director of Human Resources may make such sick leave usage reviews and may require such additional documentation, including a physician's statement, as he/she deems necessary before approving the sick leave benefit.

(3) If the City has a reasonable basis to believe that an employee is abusing the sick leave benefit, the City or the employee's supervisor must first meet with the employee to: 1) explain the reasonable basis for the believed abuse, and 2) discuss the reasons for the employee's absence. After such meeting, and depending on the factual circumstances, the City may:

Unrepresented Management/Confidential Employees' Compensation Plan

- (a) Place the employee on restricted sick leave for a period of not more than four (4) months, under the direction of the Director of Human Resources pursuant to section (e)(2) above;
 - (b) Suspend the employee without pay for up to five (5) days for abuse of sick leave; or dismissal from employment if a prior suspension involved abuse of sick leave;
 - (c) Place the employee in an employee assistance program, if agreed to by the employee.
- (f) Use of Sick Leave while on Vacation. An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:
- (1) Was hospitalized during the period for which sick leave is claimed, or
 - (2) Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.

8.2 Payment for Unused Sick Leave

- (a) Payment for Unused Sick Leave for Unit Employees Hired on or Before July 31, 2011

Upon separation with ten (10) years or more of employment, or upon separation of employment by reason of death, service or disability retirement, the employee or the employee's estate will be paid 50% of the total unused sick leave balance as of July 31, 2011 at its current cash value as of July 31, 2011. Any sick leave accrued on or after

Unrepresented Management/Confidential Employees' Compensation Plan

August 1, 2011, shall have no cash value. Unused sick leave that is not cashed out shall be used for service credit under the CalPERS contract.

(b) Payment for Unused Sick Leave for Unit Employees Hired on or after August 1, 2011

(1) Employees covered by this Plan who have a City hire date on or after August 1, 2011 shall not receive any cash payout of any sick leave upon separation from City employment for any reason.

(2) Employees hired by the City are eligible to convert unused sick leave towards CalPERS service credit based on the PERS contract benefits in effect at the time of their hire by the City.

Section 9 Educational Incentive Pay

Effective August 1, 2011, the Educational Incentive Pay of 3% will be eliminated.

Section 10 Longevity Pay (Professional Growth Pay)

Effective August 1, 2011, all longevity pay shall be eliminated for all employees covered by this Plan. However, the City shall grandfather only those employees who have completed twelve (12) continuous years of service with the City as of August 1, 2011, and who are receiving a Longevity Pay of 2.5% as of that date. Employees as of August 1, 2011 receiving a higher Longevity Pay based on benefits received by another unit shall also be grandfathered but they shall have their current Longevity Pay reduced by 2.5% and then frozen at those levels at that time.

Unrepresented Management/Confidential Employees' Compensation Plan

Section 11 Workers' Compensation Leave

11.1 Workers' Compensation Leave

(a) Workers' Compensation Benefits shall be provided in accordance with State law and schedules whenever an employee is absent from duty because of disability caused by illness or injury arising out of and in the course of employment which has been declared to be compensable under the Workers' Compensation Law. Any salary continuation program benefits that are in addition to the State benefits that were in effect on July 31, 2011 shall be eliminated effective August 1, 2011.

(b) Forms and Procedures. Workers' compensation processing shall be consistent with City procedures and in accordance with state workers' compensation regulations.

Section 12 Leave of Absence

12.1 Leave of Absence

Employees shall not be entitled to leave of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the same time the leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the Department Head under this Section shall be subject to review by the Director of Human Resources, whose ruling shall be final.

Unrepresented Management/Confidential Employees' Compensation Plan

(a) Purpose and Length. Only employees occupying regular positions on a regular basis are eligible for leaves of absence without pay under the provisions of this Section.

An appointing authority may grant leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Human Resources.

Leaves of absence without pay on account of illness or injury, which are not job incurred, may be granted for a maximum period of twelve (12) months with approval of the Director of Human Resources.

Such a leave will be granted only after all accrued sick leave credits have been used and shall be substantiated by a physician's statement.

(b) Application for and Approval of Leave of Absence Without Pay.

In order to receive leave without pay, an employee must submit a request on the prescribed form to his/her Department Head and the Director of Human Resources describing the reasons for the request and all other information required for the Department Head, or his/her representative, to evaluate the request. Leaves without pay may be cancelled by the department at any time.

(c) Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereinafter.

The entitlement to City payment of premium shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health and dental insurance plan by prepayment of the full monthly premium during the authorized leave of absence.

Unrepresented Management/Confidential Employees' Compensation Plan

Authorized absence without pay which exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his/her position by reason of any injury or disease for which he/she is entitled to and currently receiving Workers' Compensation benefits shall be included in computing length of service for the purpose of determining that employee's salary adjustment.

12.2 Absence Without Official Leave (AWOL)

(a) Failure to Report to Duty or Failure to Return After Leave. Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved, revoked, or cancelled or at the expiration for a leave shall be considered an absence without official leave and the employee shall be subject to discipline.

(b) Voluntary Resignation. Any employee without official leave for two (2) or more consecutive days or absent an aggregate of sixteen (16) hours in any calendar month without a satisfactory explanation shall be deemed to have voluntarily resigned from the City of Stockton, except if the absence is due to a verified illness or injury.

Section 13 Salary Plan

13.1 Wage Increases

Effective July 1, 2011, no salary increases for fiscal year 2011/12.

13.2 Salary Step when Salary Range is Increased

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the

Unrepresented Management/Confidential Employees' Compensation Plan

employee's step held in the previous range, unless otherwise specifically provided by the Director of Human Resources.

13.3 Salary Step after Promotion or Demotion

When an employee is promoted from a position in one rank to a position in a higher rank and at the time of promotion is receiving a base salary equal to, or greater than, the minimum base step rate for the higher rank, that employee shall be entitled to a step in the range of the higher rank which is at least five percent (5%) above the rate the employee has been receiving, except that the next step shall not exceed the maximum salary of the higher rank. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee's compensation shall be adjusted to the salary prescribed for the class to which demoted.

13.4 Acting Pay

An employee who is assigned in writing to work in a higher paid classification and who performs a majority of the duties of that higher position after five (5) days shall receive the rate of pay in a step of the higher classification which would have been received if the employee had been promoted into that classification.

The increased rate of pay will commence with the first day of the assignment; however, to qualify the employee must meet the above conditions before being eligible for Acting Pay.

13.5 Pay Equity Adjustments

The City recognizes that there may be a need for special salary adjustments for selected classifications as a result of recruitment problems, reclassifications, and/or organizational changes. The City, in its sole discretion, may make such adjustments.

Unrepresented Management/Confidential Employees' Compensation Plan

13.6 Special Assignment Pay

The Department Head and the concurrence of the Director of Human Resources may approve additional compensation in an amount not to exceed one additional salary step when an employee is assigned to perform additional duties and responsibilities for the duration of the special assignment.

13.7 Salary Step after Military Leave

All employees who have been granted military leave shall, upon their return to City service, be entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

Section 14 Work Furloughs

14.1 Work Furloughs

(a) 96 Furlough Hours in Fiscal Year 2011-2012. Each unit employee shall take ninety-six (96) furlough hours (leave from work without pay).

(b) Equalized Payroll Deductions. Payroll deductions for the ninety six (96) furlough hours described in section 14.1, paragraph (a) above, shall be equalized so that each unit employee shall have four (4) hours at the employee's regular hourly rate of pay deducted from each of the twenty four (24) pay warrants of each fiscal year.

(c) Furlough days off shall be set by the City and shall be in the same manner as for Fiscal Year 2010-11 as designated in the City Office Business Calendar as attached. Furlough days shall be considered time worked for the purposes of overtime.

Unrepresented Management/Confidential Employees' Compensation Plan

(d) If a furlough is scheduled before or after a City holiday, the employee will, nevertheless, be eligible for holiday pay.

(e) Separation from City Service before June 30, 2012. Any employee who separates from City service before the final four (4) hour furlough deduction on July 7, 2012, for the pay period ending June 30, 2012, and after having used furlough hours, shall have his or her final compensation reduced by the sum of the number of furlough hours the employee has actually used minus the number of furlough hours actually deducted from the employee's pay warrants multiplied by the employee's regular hourly rate of pay.

Section 15 Work Schedule

- 15.1 MA, MV, EP, and PP employees shall not be eligible for overtime for extra hours worked to perform duties of their assigned position.
- 15.2 Department Heads are responsible for personally approving any overtime pay for MW and SP employees within their respective departments, with a report submitted to the City Manager at the end of each pay period explaining the overtime.

Unrepresented Management/Confidential Employees' Compensation Plan

APPENDIX A

**OVERVIEW OF THE CITY OF STOCKTON'S MODIFIED MEDICAL PLAN AS OF
SEPTEMBER 1, 2011**

The following is an overview of the City's Modified Medical Plan provided to eligible active and retired Employees and their eligible Family Members. Since this is only a summary of the benefits, you should refer to the full Summary Plan Description for a more complete description of Plan benefits, limitations and exclusions.

Plan Feature	Coverage Amount	
	When Provided by a Participating Provider	When Provided by a Non-Participating Provider
Calendar year deductible (<i>only Allowable Charges for Covered Services in Article 3 of this document can be applied toward the deductible</i>)	\$500 per person; \$1,500 maximum per family	\$1,500 per person; \$3,000 maximum per family
Calendar year out-of-pocket maximum on Allowable Charges (<i>only Allowable Charges for Covered Services in Article 3 of this document can be applied toward the out-of-pocket maximum</i>)	\$5,000 per person; \$10,000 maximum per family	None
Overall lifetime maximum benefit	None	None
Hospital		
Inpatient confinement	80% of Allowable Charges after a copayment of \$75 per admission	50% of Allowable Charges after a copayment of \$200 per admission
Outpatient department	80% of Allowable Charges	50% of Allowable Charges
Emergency room	80% of Allowable Charges; 50% of Allowable Charges if it is determined that an	80% of Allowable Charges; 50% of Allowable Charges if it is determined that an

Unrepresented Management/Confidential Employees' Compensation Plan

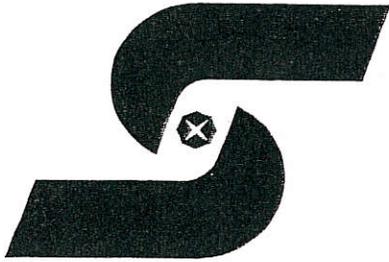
Plan Feature	Coverage Amount	
	When Provided by a Participating Provider	When Provided by a Non-Participating Provider
	Emergency did not exist (refer to Article 1 for the Plan's definition of Emergency)	Emergency did not exist (refer to Article 1 for the Plan's definition of Emergency)
Skilled Nursing Facility	80% of Allowable Charges after a copayment of \$75 per admission	50% of Allowable Charges after a copayment of \$200 per admission
Outpatient therapy (<i>physical, respiratory, cardiac & speech</i>)	80% of Allowable Charges	50% of Allowable Charges
Home health care	80% of Allowable Charges	Not covered
Hospice care	80% of Allowable Charges	Not covered
Mental or nervous disorder		
Inpatient confinement	80% of Allowable Charges after a copayment of \$75 per admission	50% of Allowable Charges after a copayment of \$200 per admission
Outpatient services	80% of Allowable Charges	50% of Allowable Charges
Substance abuse treatment		
Inpatient confinement	80% of Allowable Charges after a copayment of \$75 per admission	50% of Allowable Charges after a copayment of \$200 per admission
Outpatient services	80% of Allowable Charges	50% of Allowable Charges
Outpatient diagnostic radiology & laboratory	80% of Allowable Charges	50% of Allowable Charges
Radiation therapy, chemotherapy & dialysis treatment	80% of Allowable Charges	50% of Allowable Charges
Physician services		
Office & hospital visits	80% of Allowable Charges	50% of Allowable Charges
Emergency room care	80% of Allowable Charges; 50% of Allowable Charges if it is determined that an Emergency did not exist	80% of Allowable Charges; 50% of Allowable Charges if it is determined that an Emergency did not exist

Unrepresented Management/Confidential Employees' Compensation Plan

Plan Feature	Coverage Amount	
	When Provided by a Participating Provider	When Provided by a Non-Participating Provider
	(refer to Article 1 for the Plan's definition of Emergency)	(refer to Article 1 for the Plan's definition of Emergency)
Surgery	80% of Allowable Charges	50% of Allowable Charges
Anesthesia and its administration	80% of Allowable Charges	50% of Allowable Charges
Preventive Care (<i>physical exam, screenings, tests & immunizations as recommended by certain government agencies – refer to the definition of Preventive Care Services in Article 1</i>)	Not subject to the calendar year deductible; 100% of Allowable Charges	Calendar year deductible applies; 50% of Allowable Charges
Dental treatment	Not covered except 80% of Allowable Charges for treatment of Accidental Injury to natural teeth	Not covered except for 50% of Allowable Charges for treatment of Accidental Injury to natural teeth
Chiropractic services	80% of Allowable Charges	50% of Allowable Charges
Pregnancy & childbirth (<i>dependent children are not covered by this benefit</i>)	Covered on the same basis as an illness	Covered on the same basis as an illness
Infertility	80% of Allowable Charges	50% of Allowable Charges
Organ & tissue transplants	Payable on the same basis as any other illness	Payable on the same basis as any other illness
Ambulance service	80% of Allowable Charges	50% of Allowable Charges
Prosthetics & orthotics	80% of Allowable Charges	50% of Allowable Charges
Durable medical equipment	80% of Allowable Charges	50% of Allowable Charges
Hearing aids	80% of Allowable Charges; maximum benefit of \$6,000 per lifetime	80% of Allowable Charges; maximum benefit of \$6,000 per lifetime
Prescription Drug Program (<i>no calendar year</i>)	When Dispensed at a Participating Pharmacy	When Dispensed at a Non-Participating Pharmacy

Unrepresented Management/Confidential Employees' Compensation Plan

Plan Feature	Coverage Amount	
	When Provided by a Participating Provider	When Provided by a Non-Participating Provider
<i>deductible applies)</i>		
Retail pharmacy (30 day supply limit)	\$10 copayment for a generic drug; \$35 copayment for a non-generic formulary drug; no coverage for non-formulary drugs	Not covered
Mail service pharmacy (90 day supply limit)	\$20 copayment for a generic drug; \$70 copayment for a non-generic formulary drug; no coverage for non-formulary drugs	Not covered
Mandatory Mail Order for Maintenance Medications		



**COMPREHENSIVE SUMMARY OF
CITY OF STOCKTON
UNREPRESENTED MANAGEMENT/CONFIDENTIAL
EMPLOYEES'
COMPENSATION PLAN**

The City's Unrepresented Management/Confidential employees designated Management MA (Department Heads), Management MV (Assistant Department Heads and other Middle-Management), and Confidential MW (Administrative/Support Staff in the City Manager's Office, the Personnel Services Department, and the City Auditor's Office) are hereby accorded compensation and benefits as outlined in this Plan consistent with the Stockton City Council's objective to fairly and equitably provide for its Unrepresented Management/Confidential employees.

The Unrepresented Management/Confidential Employees' Compensation Plan shall be effective January 1, 1997, through December 31, 2008, and beyond that date until amended by action of the Stockton City Council.

City of Stockton
UNREPRESENTED MANAGEMENT/CONFIDENTIAL EMPLOYEES'
COMPENSATION PLAN

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Unrepresented Management/Confidential Employees' Compensation Plan

The Unrepresented Management/Confidential Employees' Compensation Plan consists of a salary administration program and certain benefits specific to three (3) categories of non-represented employees listed in this Plan. This Plan shall be administered by the City Manager who is the City Council's designated representative for determining compensation and benefits for Unrepresented Management and Confidential Employees. Management Plan "MA" includes the Assistant City Manager, Deputy City Manager II and Department Heads. Management Plan "MV" includes Assistant Department Heads and other Middle-Management classifications. Confidential Plan "MW" includes other administrative and support staff in the City Manager's Office the Personnel Services Department, and the City Auditor's Office.

Section 1. Retirement Contribution Supplement

1.1 The City will pay seven percent (7%) of the MA/MV/MW employees' current base salary and other compensation as qualified by state law toward Public Employees' Retirement System (P.E.R.S.). Such amounts will be applied to the employee's individual accounts in accordance with California Government Code section 20615.

The City's P.E.R.S. retirement plan is modified to reflect two percent (2%) at age 55, effective January, 1993.

1.2 The City will pay nine percent (9%) of the Police Chief, the Fire Chief and Deputy Fire Chief's current base salary and other compensation as qualified by state law toward P.E.R.S. Such amounts will be applied to the employee's individual account in accordance with California Government Code section 20615.

1.3 The City will provide military service credit pursuant to the provisions of California Government Code section 20930.3 at the employee's expense.

Unrepresented Management/Confidential Employees' Compensation Plan

- 1.4 Effective January 1, 1997, the City will make application to provide P.E.R.S. California Government Code section 20615.5 (Employer Paid Member Contributions Converted to Payrate during the Final Compensation Period) as added P.E.R.S. benefits. At the beginning of employee's last year of employment, the employee will pay their employees' seven percent (7%) benefit cost through an automatic payroll deduction. The City will increase the base salary for those employees by the same seven percent (7%) for the last twelve (12) months of employment. Internal Revenue Service (IRS) Code 414H(2) will be concurrently implemented with P.E.R.S. California Government Code section 20615.5, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.
- 1.5 Effective, January 1, 1997, the City will make application to provide P.E.R.S. California Government Code section 20965 (Credit for Unused Sick Leave) as added P.E.R.S. benefits, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.
- 1.6 Effective January 1, 1998, the City will make application to provide P.E.R.S. California Government Code section 21382.5 (Fourth Level of 1959 Survivor Benefits) as added P.E.R.S. benefits, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.
- 1.7 The City will make application to provide PERS California Government Code Section 21335 (5% Annual Cost of Living Allowance Increase) as added PERS benefits, to be effective upon adoption by the Stockton City Council and PERS benefits, to be effective upon adoption by the Stockton City Council and PERS Administration Board. The intended implementation date base year will be 2001. The first application date will be April 1, 2003.

Unrepresented Management/Confidential Employees' Compensation Plan

Section 2. Group Life Insurance Coverage

Each participant in the program will receive group life insurance coverage paid for by the City of Stockton.

- 2.1 MA employees will receive life insurance coverage equal to twice times their annual salary. Effective January 1, 1997, MA employees will receive an additional fifty percent (50%) life insurance coverage. The life insurance coverage will be three (3) times their annual salary.

Effective January 1, 2001, MA employees will receive an additional half percent (.5%) life insurance coverage. The life insurance coverage will be three and one-half (3 ½) times their annual salary.

- 2.2 MV employees will receive coverage equal to one and one-half time their annual salary. Effective January 1, 1997, MV employees will receive an additional fifty percent (50%) life insurance coverage. The life insurance coverage will be two and one-quarter (2 ¼) times their annual salary.

Effective January 1, 2001, MV employees will receive an additional half percent (.5%) life insurance coverage. The life insurance coverage will be two and three-quarter (2 ¾) times their annual salary.

- 2.3 MW employees will receive coverage equal to their annual salary. Effective January 1, 1997, MW employees will receive an additional fifty percent (50%) life insurance coverage. The life insurance coverage will be one and one-half (1 ½) times their annual salary.

Effective January 1, 2001, MW employees will receive an additional half percent (.5%) life insurance coverage. The life insurance coverage will be two (2) times their annual salary.

Unrepresented Management/Confidential Employees' Compensation Plan

In all instances, coverage will be rounded to the nearest ONE THOUSAND DOLLARS (\$1,000).

Section 3. Long Term Disability Insurance Coverage

MA, MV, and MW employees will receive long term disability insurance coverage. Essentially, this is an income protection plan which provides disability income for Unrepresented Management/Confidential employees as follows:

- (a) Each disability - approximately 66 2/3% of salary for MA, MV, and MW employees.
- (b) A 30-day waiting period before eligibility for benefit.
- (c) Benefit payable until age sixty-five (65).

Section 4. Deferred Compensation

- 4.1 MA, MV, and MW employees will receive Deferred Compensation as a supplement to voluntary Deferred Compensation plans. The City will provide, in addition to normal salary, a contribution to expand retirement benefits as follows:
- 4.2 MA employees will receive four and one-half percent (4 1/2%) of annual salary in Deferred Compensation. Effective January 1, 1997, the City will contribute an additional one-half percent (1/2%) for a total of five percent (5%); effective January 1, 1998, an additional one-half percent (1/2%) for a total of five and one-half percent (5 1/2%); effective January 1, 1999, an additional one-half percent (1/2%) for a total of six percent (6%); and effective January 1, 2000, an additional one-half percent (1/2%) for a total of six and one-half percent (6 1/2%); effective January 1, 2001, an additional one-half percent (1/2%) for a total of seven percent (7%); and effective January 1, 2002, an additional one-half percent (1/2%) for a total of seven and one-half percent (7 1/2%).

Unrepresented Management/Confidential Employees' Compensation Plan

- 4.3 MV employees will receive three and one-half percent (3 1/2%) of annual salary in Deferred Compensation. Effective January 1, 1997, the City will contribute an additional one-half percent (1/2%) for a total of four percent (4%); effective January 1, 1998, an additional one-half percent (1/2%) for a total of four and one-half percent (4 1/2%); effective January 1, 1999, an additional one-half percent (1/2%) for a total of five percent (5%); and effective January 1, 2000, an additional one-half percent (1/2%) for a total of five and one-half percent (5 1/2%).
- 4.4 MW employees will receive two and one-half percent (2 1/2%) of annual salary in Deferred Compensation. Effective January 1, 1997, the City will contribute an additional one-half percent (1/2%) for a total of three percent (3%); effective January 1, 1998, an additional one-half percent (1/2%) for a total of three and one-half percent (3 1/2%); effective January 1, 1999, an additional one-half percent (1/2%) for a total of four percent (4%); and effective January 1, 2000, an additional one-half percent (1/2%) for a total of four and one-half percent (4 1/2%).
- 4.5 Public Safety MA employees shall receive this benefit at the rate of two percent (2%) of annual salary. Effective January 1, 1997, the City shall contribute an additional one-half percent (1/2%) for a total of two and one-half percent (2 1/2%); effective January 1, 1998, an additional one-half percent (1/2%) for a total of three percent (3%); effective January 1, 1999, an additional one-half percent (1/2%) for a total of three and one-half percent (3 1/2%); and effective January 1, 2000, an additional one-half percent (1/2%) for a total of four percent (4%).

Unrepresented Management/Confidential Employees' Compensation Plan

4.6 Effective March 1, 2000, the City's obligation to make a deferred compensation contribution in the employees' names above and beyond employees' voluntary contributions shall cease. Instead, the value of this deferred compensation benefits payable as of January 1, 2000, shall be paid directly to employees as base pay. Employees may elect to defer the amount of additional pay that would be received pursuant to this section by directing that the total amount, or any portion thereof, be deposited in or distributed among any of the City's deferred compensation plans. In no event will the total City/employee contribution exceed that amount allowed by law. Participants will receive this benefit may participate during employment with the City of Stockton and generally cannot withdraw the funds until retirement or service termination.

Section 5. Physical Examination

- 5.1 MA employees may schedule a physical examination annually. Cost of the examination will be paid at ONE HUNDRED PERCENT (100%) by the City of Stockton. [To include physical examination; hearing test; resting EKG (stress EKG if indicated); blood screen (serum chemistry with complete lipid and complete blood count); PSA; urinalysis; colonoscopy; and mammogram or other tests as recommended by the City Physician.]
- 5.2 MV employees may schedule a physical examination annually. Cost of the examination, not to exceed ONE HUNDRED FIFTY DOLLARS (\$150), will be paid by the City of Stockton.
- 5.3 MW employees may schedule a physical examination annually. Cost of the examination, not to exceed ONE HUNDRED FIFTY DOLLARS (\$150), will be paid by the City of Stockton.

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Section 6. Health and Dental Insurance

- 6.1 The City will provide MA, MV, and MW employees with a comprehensive health, dental/orthodontic, vision and prescription insurance program, as designated by the City of Stockton. The premiums for these coverages for employees and their eligible dependents shall be paid by the City.
- 6.2 The medical deductible is ONE HUNDRED FIFTY DOLLARS (\$150) per person with a maximum of three (3) deductibles required per family per calendar year.
- 6.3 The maximum coverage per year for dental insurance shall be ONE THOUSAND DOLLARS (\$1,000).

Effective January 1, 2005, the maximum per year will be increased to ONE THOUSAND TWO HUNDRED DOLLARS (\$1,200). Effective January 1, 2008, the maximum per year will be increased to ONE THOUSAND FOUR HUNDRED DOLLARS (\$1,400).

Effective January 1, 1997, the orthodontic benefits coverage will increase from ONE THOUSAND DOLLARS (\$1,000) to TWO THOUSAND DOLLARS (\$2,000) lifetime maximum.

- 6.4 The City will provide MA, MV, and MW employees with a modified major medical plan effective January 1, 1993, the provisions of which are summarized in Appendix "A," attached hereto.
- 6.5 Effective January 1, 1997, the City will continue the above-stated medical coverage benefits for spouse and eligible dependents upon the death of an employee while employed with the City of Stockton. At age sixty-five (65), the spouse's City medical coverage shall be secondary coverage and supplemental to Medicare.

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6.6 Health and Welfare Benefits During Layoff

Permanent employees who are laid off will have an option of maintaining their existing health and welfare benefits for thirty-six (36) months from the date of layoff, provided timely payments of the premiums by the employee are made to the City, according to City regulations, and provided the employee otherwise meets the requirements of Federal and State regulations.

Section 7. Retirement Medical Allowance

7.1 Maintenance of Benefits for Retirees

The City will contribute all premiums necessary for the purpose of providing hospital-medical and prescription benefits for each City employee who has retired. In addition, MA employees will be provided dental coverage. Such coverage shall include one (1) dependent and shall be determined by the eligible date noted below.

(a) Normal Service Retirement

Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to April 1, 1983, and who have retired at age fifty (50) or later. Such allowance shall terminate at age sixty-five (65).

(b) Disability Retirement

Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to April 1, 1983, and such allowance shall be limited to a maximum of fifteen (15) years or the attainment of age sixty-five (65), whichever occurs first.

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7.2 Medical Deductible

The medical deductible is ONE HUNDRED FIFTY DOLLARS (\$150) per person for employees who retire after January 1, 1993.

7.3 Prescription Coverage

Prescription coverage will be provided for retirees.

7.4 Supplemental Medical Coverage

At age sixty-five (65) the retiree medical allowance terminates and the employee is covered by Medicare. At age sixty-five (65) the retiree medical coverage shall be continued on a coordinated basis reduced by any amounts paid by Medicare.

7.5 The City will provide a modified medical plan to MA, MV, and MW employees who retire after January 1, 1993, the provisions of which are summarized in Appendix "A," attached hereto.

Section 8. Holidays

MA, MV, and MW employees will receive holiday benefits consistent with negotiated Memoranda of Understanding affecting other employees in their departments.

Section 9. Vacation

9.1 The vacation plan for MA, MV, and MW employees shall provide for a flat annual allowance, a maximum carry-over limit and a sell-back provision.

Employees shall, on July 1, of each year, receive a vacation allowance which shall be the employee's vacation entitlement for the fiscal year.

Unrepresented Management/Confidential Employees' Compensation Plan

- 9.2 MA employees shall receive twenty-five (25) days.
- 9.3 MV employees shall receive twenty (20) days and an additional five (5) days for City service after fifteen (15) years and up to twenty-five (25) years.
- 9.4 MW employees with five (5) years or less service on July 1, each year, receive fifteen (15) days and an additional five (5) days for City service after five (5) years of service, and an additional five (5) days for service after fifteen (15) years and up to twenty-five (25) years.
- 9.5 All Unrepresented Management/Confidential employees shall receive one (1) additional day vacation allowance per year for each year of service beyond twenty-five (25) years of service.
- 9.6 The Chief of Fire and the Chief of Police shall receive any additional vacation benefits consistent with negotiated Memoranda of Understanding affecting the Fire and Police Service Management Units.
- 9.7 The Deputy Chief of Fire shall receive any additional vacation benefits consistent with the negotiated Memoranda of Understanding affecting the Fire Management Services Unit.
- 9.8 MA employees shall be granted unlimited vacation carryover.
- 9.9 MV and MW employees shall be granted a maximum carry-over of one (1) previous year's vacation allowance plus fifteen (15) days as of June 30, of any year. Vacation hours that exceed the maximum carryover allowance shall be automatically credited and forwarded to the employee's sick leave accumulation balance at the end of the fiscal year.
- 9.10 All Unrepresented Management/Confidential employees may carryover vacation time in excess of the maximum allowance mentioned-above when such vacation remains because of being in a pay status during a period of illness or injury which precluded liquidating vacation credits

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earned in excess of the maximum allowed.

- 9.11 MA employees shall be granted unlimited vacation sell-back not to exceed the designated unused vacation per year.
- 9.12 MV and MW employees are allowed a maximum vacation sell-back not to exceed designated unused vacation per year. MV and MW employees may sell-back ten (10) days per year. To qualify for this sell-back benefit, an employee must have used, either in the preceding or current fiscal year, an equivalent number of vacation days to the number of sell-back days.

Section 10. Mileage Reimbursement for Private Vehicle Use

Unrepresented Management Employees who are currently assigned a City vehicle to take home on a regular and permanent basis as a condition of employment may, at their own option, turn in their City vehicle for a monthly allowance to be established by the City Manager. In addition to the monthly allowance, a mileage reimbursement for out of the City area travel (30 or more mile radius) will be paid to the employee.

Allowances for use of personal vehicle in-lieu of a City vehicle will vary based on usage and vehicle type necessary to carry out the functions of the position. The amounts may be adjusted by the City Manager each year based on the average Consumer Price Index (CPI) during the preceding twelve (12) month period and the functional need of the position for vehicle usage.

Mileage reimbursement for use of personal vehicle unless otherwise provided herein shall be compensated at the current Internal Revenue Service (IRS) rate. Flat rate reimbursement for use of personal vehicle unless otherwise provided herein is:

0	to	250 miles/month	\$ 60.00 per month
251	to	350 miles/month	\$ 85.00 per month
351	to	450 miles/month	\$126.00 per month
451	to	550 miles/month	\$154.00 per month

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551	to	700 miles/month	\$196.00 per month
701	to	850 miles/month	\$238.00 per month
851	to	1000 miles/month	\$280.00 per month

Reimbursement for average mileage on City business greater than 1000 miles per month will be determined by the City Manager, provided no such reimbursement shall exceed IRS mileage reimbursement rate then in effect.

All rates will be adjusted based on per cent change of IRS mileage rate changes.

The private vehicle mileage reimbursement will be paid to employees who use their private vehicle for City business travel within the City or out of the City limit. Such usage must be documentable. Employees who receive flat monthly car allowance are eligible for mileage travel beyond a 30 mile radius of the City.

Section 11. Payment for Unused Sick Leave

Upon separation with ten (10) years or more of employment or upon termination of employment by reason of death, service or disability retirement, the employee or the employee's estate will be paid fifty percent (50%) of the total unused sick leave at its current value.

Section 12. Educational Incentive Pay

Effective March 1, 2000, Educational Incentive Pay shall be available only to those employees who have completed twelve (12) months of continuous employment.

Employees with degrees/diplomas above and beyond that which is required of their position shall be provided three percent (3%) of the top step of the position. Employees are limited to no more than three percent (3%) regardless of the number of degrees/diplomas above that required of the position. If the employee promotes to a position which matches his/her diploma/degree, the three percent (3%) will no longer

Unrepresented Management/Confidential Employees' Compensation Plan

be paid. Experience may not substitute for education. Other formal education/training programs may substitute for the actual degree/diploma as the City Manager shall determine.

For employees in a classification requiring a Masters degree, those employees who possess double Masters will be eligible for three percent (3%) education incentive pay.

Section 13. Other Benefits/Conflict of Benefits

- 13.1 Other benefits such as sick leave accrual rates, family sick leave, bereavement leave, court appearance, etc., afforded other employees through negotiated Memoranda of Understanding or other council-approved compensation plans and not specified herein, shall be provided to employees on an equal basis.
- 13.2 If a conflict exists in benefits, the City Manager may designate the appropriate schedule. If a conflict exists in salary for a classification that is the same as one in another unit, whether represented or unrepresented, the City Manager may designate the appropriate salary.
- 13.3 Salary Step Plan. Effective January 1, 1997, January 1, 1998, January 1, 1999, January 1, 2000, January 1, 2001, January 1, 2002, January 1, 2003, January 1, 2004, January 1, 2005, January 1, 2006, January 1, 2007, and January 31, 2008, salary increases for all employees in the aforementioned Unrepresented Management/Confidential Employees' Compensation Plan as set forth in Appendix "B," which is attached hereto and made a part hereof, shall equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers' United States City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2 1/2%) but not to exceed six percent (6%) (e.g. CPI-W increase of nine percent (9%) would still result in a six percent (6%) salary increase).

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13.4 Professional Growth. Effective January 1, 2002, the City shall pay each employee who completes twelve (12) continuous years of service with the City, two and one-half percent (2.5%) of the top salary step of the employee's pay range to the employee as a professional growth allowance.

Section 14. Work Schedule

14.1 MA and MV employees shall not be eligible for overtime for extra hours worked to perform duties of their assigned position.

14.2 Department Heads are responsible for personally approving any overtime pay for MW employees within their respective departments, with a report submitted to the City Manager at the end of each pay period explaining the overtime.

Section 15. Term

The Unrepresented Management/Confidential Employees' Compensation Plan is in effect through December 31, 2008, and will remain in effect beyond December 31, 2008, until amended by action of the Stockton City Council.

CITY OF STOCKTON
MODIFIED EMPLOYEE MEDICAL PLAN (BENEFIT RECAP)

Plan Pays This Portion of Allowed Rate If Member Providers Used

Deductible		\$150 per person, per year (maximum 3 per family).
<i>\$1,000,000 Lifetime \$ Maximum</i>		
Rx	100%	After \$3 Generic/\$8 Brand name employee co-pay for up to 60 day supply of prescription drugs & insulin. No vitamins, no birth control. (Note: Does not apply to deductible or max out-of-pocket).
Hospitalization	100%	Semi-private room rate. Pre-admit certification req'd. if non-emerg. Concurrent utilization review req'd. If non-member hospital used in area where member hospitals are available (70%).
Surgeon/Anesthesiologist	100%	
Outpatient Surgery	100%	
Outpatient Lab/Xray	100%	Includes preventive care: pap, mammo, prostate - frequency by age guidelines.
OB Maternity	100%	Normal or C-Section for emp. or spouse.
Home Health Care and Hospice	100%	Subject to Utilization Review and <u>Case Management</u> .
Radiation/Chemotherapy/Dialysis	100%	
Emergency Room	100%	1st treatment of accid. inj. within 72 hrs. if health endangering or life threat. acute illness. Otherwise 50%
ER Physician	100%	For surgery or for other approved emergency services. (Non-emergency illness 50%)
Ambulance	80%	Ground or Air
Preventive Care	80%	Well baby care first 2 yrs. Frequency by pediatric guidelines. Immunizations for children and adults. (Except for travel inoculations)
Phys. Office Visits	80%	When ill.
Chiropractic Visits	80%	Of allowable amounts. Subject to utilization review. Getting panel providers.
Other Covered Services	80%	
Outpatient Psychotherapy	80%	1st 5 visits per year. 60% next 10 visits per year. (Max. 15 visits per year. Does not apply to max out-of-pocket.) Must initiate thru the City's E.A.P. Program.
Inpatient Psychiatric	80%	To max. \$3,500 per year.
Alcohol and Drug Counseling/ Detox/Treatment	80%	To max. \$2,000 lifetime. For alcohol & drug counseling/detox/treatment. Must initiate thru the City's E.A.P. Program. For active only, not retirees.

EMPLOYEE MAXIMUM OUT-OF-POCKET: After the employee pays \$1,000 in co-pays and deductibles for covered medical expenses incurred by a person during a single year, the Plan will then pay 100% of covered expenses for that person for the remainder of the year.

This is a brief recap only - for detailed benefits see Plan Document or call San Joaquin Foundation for Medical Care.

