

# **CITY OF REDWOOD CITY**



## **EXECUTIVE MANAGEMENT SUMMARY OF BENEFITS**

**Revised  
July 1, 2018**

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The purpose of the Executive Management Summary of Benefits is to establish and maintain benefits that will attract and retain the best available talent for the City of Redwood City. Additionally, the Summary of Benefits is established to ensure Executive Management benefits stay in balance with other city employees.

**I. EXECUTIVE MANAGEMENT BENEFITS APPLY TO THE FOLLOWING CLASSIFICATIONS:**

Assistant City Attorney	Financial Services Manager
Assistant City Manager	Fire Chief
Assistant Parks, Recreation and Community Services Director	Human Resources Manager
Assistant Public Works Director	Information Technology Manager
Community Development Director	Library Director
Community Development Services Manager	Parks, Recreation and Community Services Director
Communications Manager	Police Captain
Deputy City Attorney	Police Chief
Deputy City Manager	Public Works Director
Deputy Police Chief	Senior Assistant City Attorney
Economic Development Manager	
Finance Director	

Individuals in the above classifications are at-will employees.

The following Council appointed positions will receive at a minimum all benefits of the Executive Management Group and at Council discretion any additional benefits:

City Attorney  
City Manager  
City Clerk

**II. COMPENSATION**

**MARKET EQUITY and SALARY SETTING**

The comparable labor market will include those cities that provide full-service, are in the Bay Area job pool, recognized as excellent organizations, and have comparable service

outputs. These cities include Alameda, Berkeley, Hayward, Mt. View, Palo Alto, San Leandro, San Mateo, South San Francisco, and Sunnyvale. The market study shall be based on total compensation, including such factors as salary, benefits, and other employer payments typically considered when determining total compensation.

Upon Council direction the City Manager shall request external labor market comparisons for all classifications in the Executive Management Group. Upon review of the labor market comparison and the City's financial condition the City Council may approve implementation of new salary ranges for the Executive Management Group.

Individual Executive Management salaries for Department Heads are reviewed by the City Manager on an annual basis and are set anywhere within the established range based on performance. Individual Executive Management salaries for Division Managers are reviewed by the Department Head and recommended to the City Manager on an annual basis and are set anywhere within the established range based on performance.

## **INTERNAL ALIGNMENT**

All Executive Management classifications shall maintain a minimum differential of 10% above subordinate classifications. The comparative analysis shall include the top of the range of the executive classification and the top of the range (or top step) of the subordinate classification. Premium pay received by the subordinate classification will be included in the comparison if such pay is received on a regular and continuous basis, and the supervising classification is not similarly eligible for such pay. Adjustments in salary ranges to maintain the differential will be effective the same date the subordinate class received the adjustment.

The classifications of Police Captain, Deputy Police Chief, and Police Chief shall be exempt from the internal alignment standard through June 30, 2021. Salary adjustments for these classifications shall be granted annually, with the intent of achieving the ten percent (10%) internal alignment standard over time.

Adjustments to salary ranges due to compaction may be approved by the City Manager for immediate effect, and such changes shall be submitted for Council approval as soon as practical.

## **EXCEPTIONAL PERFORMANCE BONUS**

The City Council shall continue to provide a bonus program for the Executive Management Group that will offer incentives and commensurate rewards for exceptional service or contributions. Any bonus granted under this program is at the discretion of the City Manager and is awarded when previously established stretch goals have been met or

when the City Manager deems it appropriate. Employees in the Executive Management Group are eligible to receive up to a 5% of their base salary one time each fiscal year. It is not expected that all positions will receive bonuses each year since this program is intended to recognize only exceptional performance. This program is not a method of recognizing expected or above average performance. Again, the bonus program is only for exceptional service to the city or community. Any bonus awarded under this program is not considered part of base salary nor is there any intention that any bonus serve as the basis for any future compensation.

Annually as part of the budget process, the City Manager recommends to Council an amount to be appropriated for this program for the ensuing fiscal year. This amount may be based upon experience and may be expanded or reduced in accordance with the City's financial prospects and the City Manager's/City Council's satisfaction with the program.

### **CITY PAID DEFERRED COMPENSATION CONTRIBUTION**

Effective October 1, 2001, the City shall contribute 2% of compensation to a deferred compensation program for all Executive Management classifications.

### **RETIREMENT ENHANCEMENT PLAN (401-A)**

All Executive Management employees shall be eligible to participate in the plan if they are employed as the City Manager, City Attorney, City Clerk, or are a Department Head, Deputy or Assistant Department Head, or Division Manager of the City of Redwood City.

The City paid contribution of 2% of compensation will go into a 401-A plan for the applicable classifications, as defined in plan document. Employee contributions shall be mandatory and determined by the City in accordance with the plan document and I.R.S. guidelines. Employee contributions effective January 1, 2017, or upon Council approval of the amended plan, whichever occurs later, shall be as listed in Appendix A.

For the purposes of this section compensation shall be defined as all regular pay and any applicable retroactive payments relating to said regular pay.

For the purposes of this section regular pay shall be defined as the amount appearing in the regular pay line on the participant's pay stub.

All Executive Management personnel will participate in the City's payroll direct deposit program. Employees shall be paid biweekly in accordance with Citywide payroll procedures.

### III. LEAVE

- a. **Vacation** – Vacation accruals will be set by the City Manager based on years of service with City and total public sector years or years in the industry.

Executive Management will accrue vacation based on years of service based on the following schedule:

- Date of Hire through the fourth year of service – 3.077 hours per pay period, yields 80 hours of vacation per year).
- Fifth through the ninth year of service – 4.615 hours per pay period, yields 120 hours of vacation per year.
- Tenth through the sixteen year of service – 6.154 hours per pay period, yields 160 hours of vacation per year.
- Seventeenth through the nineteenth year of service – 6.923 hour per pay period, yields 180 hours of vacation per year.
- Twentieth and subsequent years of service – 7.692 hour per pay period, yields 200 hours of vacation per year.

Vacation leave shall not be accumulated in excess of two (2) years' worth of vacation accrual computed to the 31<sup>st</sup> of December, except upon written authorization of the City Manager. In certain unique circumstances, the City Manager may authorize a payout of excess vacation leave over the maximum accrual cap.

- **Illness During Vacation** - An employee who commences a scheduled vacation period and subsequently becomes ill before his or her vacation period has been completed shall be placed on sick leave.

When the employee's vacation leave is converted to sick leave, the appropriate vacation credit shall be restored to the employee's earned vacation balance, and a reasonable opportunity to utilize this vacation credit shall be provided within the City's existing practices in order to avoid loss of vacation credit.

- b. **In-Lieu Hours** - In-Lieu Hours are established to recognize the inherent and distinctive terms and conditions of employment of Executive Management classifications. These positions are distinguished from all other merit system positions in that they serve solely at the pleasure of the City Manager or appointing

authority in an exempt at will capacity, they may be removed without cause, and they are expected to work on call numerous hours beyond the regular work week without any additional form of compensation.

In partial recognition of the extra work hours expected of these positions, in-lieu hours are established. Executive Management employees are eligible to receive one hundred sixty (160) hours per calendar year of in-lieu hours. This leave may be taken as time off, or paid in cash for any portion of this leave remaining as of the payroll period which includes December 31 of the calendar year or may go into the employee's 401(a) account (where permitted by the plan document). Newly appointed Executive Management employees who have served less than one full calendar year may receive a prorated portion of this leave at the discretion of the City Manager.

**c. Holidays** - The following are recognized holidays:

New Year's Day  
Martin Luther King, Jr. Day (observed on the third Monday in January)  
President's Day (observed on the third Monday in February)  
Memorial Day (observed on the last Monday in May)  
Independence Day  
Labor Day (observed on the first Monday in September)  
Veterans Day (observed November 11)  
Thanksgiving Day  
The Day After Thanksgiving  
Christmas Eve  
Christmas Day  
New Year's Eve  
Two Administrative Holidays

- **Administrative Holiday** - At the option of the employee, an employee may receive pay at the employee's straight-time rate of pay in lieu of one or both of the administrative holidays at eight (8) hours per administrative holiday. In the event that one or both of the administrative holidays are not used by the last pay period paid in the year (based on the preceding twenty-six (26) pay periods), payment will be made no later than the first pay period in February.
- **Holiday During Vacation** - In the event any of the holidays above occur while an employee is on vacation or sick leave, the holiday shall not be charged as vacation or sick leave.

**d. Sick Leave** - Sick leave with pay shall be granted to all regular employees except as hereinafter provided, at the rate of one (1) working day for each full calendar month of service (3.693 hours per pay period), credited on a biweekly basis.

Sick leave shall be defined as the non-job related absence from work due to illness, bodily injury, exposure to contagious disease, and caring of family members or domestic partner whose illness required the employee's care. Sick leave may also be utilized for specified circumstances as provided for by City Policy and State and Federal law, including use of up to one-half of sick leave accrued in any calendar year to obtain any relief or services related to being a victim of domestic violence, sexual assault, or stalking including the following with appropriate certification of the need for such services:

- A temporary restraining order or restraining order.
- Other injunctive relief to help ensure the health, safety or welfare of themselves or their children.
- To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.
- To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking.
- To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking.
- To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

Unused sick leave may be accumulated to maximum sick leave credits of 1200 hours.

In the event an employee has accumulated the maximum sick leave credits of 1200 hours and the employee becomes so severely ill that he exhausts his/her sick leave, the City Manager may authorize additional sick leave to include any sick leave in excess of the 1200 hours maximum which may have been lost due to the maximum limitation; provided, however, that sick leave credits were not accumulated for a period of six (6) months or longer.

An employee may elect to receive compensation in lieu of sick leave credits for any calendar year (based on the first twenty-six (26) pay periods in the calendar year) by requesting payment of unused sick leave in writing to the Director of Finance no later than December 1 prior to the calendar year in which leave is earned. Payment shall be made at fifty percent (50%) of the unused sick leave hours accrued for that calendar year at the salary for the year the payment is being made and shall be made after December 31. There shall be no payment in lieu of accumulated sick leave benefits for years prior to such calendar year.

Accumulated sick leave credits shall be reduced by the value of the sick leave compensated as provided in the above paragraph and the remaining balance shall be accumulated to a maximum of 1200 hours.

If an employee terminates his/her employment, for reasons other than death, retirement or discharge, compensation in lieu of unused sick leave shall be paid in accordance with the terms provided for an employee who may elect to receive compensation in lieu of sick leave credits, prorated to the date of termination of service.

Employees who retire from City employment with benefits from PERS or who die while in the employ of the City shall be eligible to receive fifty percent (50%) of accrued unused sick leave. In the event of the death of an employee, such payments shall be made to the designated beneficiary filed with the Human Resources Division, or, in the event no designated beneficiary has been chosen, the beneficiary listed in the employee's insurance policy will receive the payment of such unused sick leave as provided under the provisions for an employee who elects to receive compensation in lieu of sick leave credits.

Employees discharged shall not be eligible for payment of unused sick leave.

- **PERS Sick Leave Credit** - In the event the PERS sick leave credit contract option is provided to any employee organization in the miscellaneous group of employees, all Executive Management employees shall be granted this benefit.
- e. **Absences Less Than One (1) Day** - Executive Management shall charge the appropriate leave balances (vacation, sick, administrative) only for absences of one (1) or more working days.
- f. **Industrial Disability Leave**

Non-Safety employees hired on or after April 1, 1983, shall be entitled to industrial disability leave without loss of compensation for the period of such disability to a maximum of sixty (60) days or until retirement, whichever occurs first. In accordance with Labor Code 4850, public safety employees shall be entitled to industrial disability leave without loss of compensation for the period of such disability to a maximum of one (1) year, or until retirement, whichever occurs first. During the period the employee is paid by the City, the employee shall assign or endorse to the City any salary replacement benefit payments received as a result of workers' compensation insurance coverage. The City reserves the right to withhold payment of any disability benefits until such time as it is determined whether or not the illness or injury is covered by workers' compensation.

- g. Bereavement Leave** – In the event of a death in the immediate family member of an employee in the Executive Management Group that employee, upon request, shall be granted such time off with pay as is necessary to make arrangements for and/or attend the funeral not to exceed three (3) regularly scheduled working days or four (4) days in the event the funeral is 300 or more miles from the City. For bereavement leave, immediate family shall be restricted to father, mother, brother, sister, spouse, domestic partner, child, half-brother, half-sister, stepbrother, stepsister, mother-in-law, father-in-law, grandparent, grandchild, and stepfather, stepmother, stepchild in those cases where direct child rearing-parental relationship may be demonstrated to have existed.
- h. Military Leave** - The provisions of the Military and Veterans Code of the State of California shall govern the granting of military leaves of absence and the rights of employees returning from such leaves.
- i. Parental Leave of Absence Without Pay** - Qualifying employees shall be granted upon request a leave of absence without pay for the purpose of parent-child bonding following the birth of a child or the placement of a child in the employee’s family for adoption or foster care for a period of up to one (1) year.

The employee on leave shall be returned to his/her original position or if that position is not in existence, to an equivalent position within his/her classification.

A parental leave is granted without pay for the duration of leave. Where an employee has accrued paid vacation, NAVL, compensatory time, or sick leave, that paid leave may be substituted for all or part of any unpaid parental leave. The City may also require use of paid accrued leave during parental leave in accordance with City policy and Family Medical Leave Act (FMLA), California Family Rights Act (CFRA), and Pregnancy Disability Leave (PDL) regulations.

The employee may elect to continue medical and dental insurance coverage for up to one (1) year during this leave. Medical and dental insurance coverage during any portion of parental leave that does not run concurrently with FMLA, CFRA or PDL shall be at the employee’s own expense.

Parental Leave shall run concurrently with leave provisions provided under the Family and Medical Leave Act (FMLA) and the California Family Rights Act (CFRA), in accordance with State and Federal Law and City policy.

In any case in which two employees of the City are entitled to parental leave for the same child, the aggregate number of workweeks of parental leave to which both may be entitled shall be limited to fifty-two (52) workweeks during any twelve (12) month period.

- j. Leave for Pregnancy Disability** – In accordance with the California Fair Employment and Housing Act and City policy, employees are entitled to pregnancy disability leave.
- k. Family and Medical Leave**  
In accordance with the California Family Rights Act of 1991 and the Family and Medical Leave Act of 1993, and City policy, qualifying regular part-time and full-time employees are entitled to leave.
- l. Court Appearance Leave** - Leave for court appearance shall be granted by the City for court appearance on behalf of the City with no loss of salary.
- m. Jury Duty** - Any employee whose name shall be selected from the list of trial jurors to serve as a juror in a civil or criminal action pending in a Superior, Municipal, or Justice Court of the State of California, or any Federal court convening in the State of California, or any employee required to report for the selection of a jury in any of these courts shall receive pay for the time such service requires his absence from work; provided, however, that the City may require proof of the time such service was required and any moneys received from jury service shall be turned into the City; provided, further, that the employee shall report to work whenever a reasonable portion of the workday or shift remains for completion. Any employee required to serve as a juror shall not have his/her regular starting or quitting time changed as a result of being called for jury service.
- n. Leave of Absence** - Upon written request of an employee, the City Manager may grant a leave of absence without pay for a period not to exceed one (1) year. Any authorization for a leave of absence without pay shall be made in writing by the City Manager.

During an approved leave of absence, the employee shall not engage in gainful employment unless authorized to do so by written permission of the City. The City may cancel the leave of absence or terminate any employee who violates the terms and conditions of the written permission for the leave.

Unless required by law, employees shall not receive City contributions to benefits or accrue vacation, sick leave or other paid leave, during leave of absence without pay. Employees on unpaid leave of absence may continue group health insurance coverage provided the employee pays the entire cost of coverage for the option selected. Late payment may result in cancellation of health plan coverage with no-reinstatement allowed.

#### **IV. HEALTH BENEFITS**

**Medical Insurance/Cafeteria Plan** - The City agrees to contract with the California Public Employee's Retirement System (CalPERS) for participation under the Public Employees Medical and Hospital Care Act (Government Code Section 22750, et, seq.), for the purpose of providing medical insurance benefits for employees

The City's maximum contribution for each eligible, active employee for a Health Benefit Plan (as referenced in Government Code Section 22892) shall not exceed the CalPERS minimum contribution, adjusted annually by the CalPERS Board to reflect any change to the medical care component of the Consumer Price Index.

All costs incurred by the City to maintain the Group Health Benefits Plan in compliance with Government Code Section 22751, et. Seq., and all costs incurred by the City to maintain the Cafeteria Plan in compliance with IRS Code Section 125, shall be paid from the aforementioned monthly dollar caps. Such costs include, but are not limited to, premiums, surcharges, and/or administrative fees. In the event there are any costs not charged to the City due to delays by CalPERS and/or other administrative agencies in calculating, or reporting these costs, said costs shall be carried over and charged as administrative costs to the following plan year and deducted from the aforementioned monthly dollar caps accordingly.

The health plans offered shall be those of the California Public Employee's Retirement System (PERS) or any other reasonably comparable health plan options.

The City shall establish in accordance with Section 125 of the IRS Code a Cafeteria Plan establishing the following individual accounts for each active employee:

- A. Group Health Plan Medical Premiums
- B. Flexible Spending Account for Dependent Care
- C. Flexible Spending Account for Medical Expenses

Effective January 1, 2012, the City's monthly contribution for each eligible full-time employee for the aforementioned Cafeteria Plan shall be equal to ninety percent (90%) of the premium of the health plan and level of coverage selected by the employee, up to ninety percent (90%) of the CalPERS Bay Area Kaiser Family Premium per employee, minus applicable administration fees.

**Health Savings/Cash Option** – Effective January 1, 2012, if an employee elects no City-offered health insurance coverage and provides attestation of alternate "minimum essential coverage" for the employee and all individuals in his or her tax family, \$200 per month may be taken as cash. The employee may also elect to have such funds deposited in a Flexible Spending Account (FSA) or Dependent Care Reimbursement Account.

**Retiree Health** – For Executive Management employees hired before January 1, 2013 who have five (5) years of service, or hired on or after January 1, 2013 who have ten (10) years of service, and retire under the City's retirement plan within one hundred twenty (120) days of separation from City employment, the retirement stipend paid by the City shall be as follows:

Retiree Health Tier 1: For retirees hired by the City before September 1, 2018, the City's stipend shall be the amount of the premium for single party coverage in the plan selected by the retiree, not to exceed the amount of the CalPERS Bay Area Kaiser Premium for family coverage. The City will pay the PEMHCA minimum employer contribution to CalPERS and reimburse the retiree for the remaining difference in premium amount.

For Retiree Health Tier 1 retirees hired by the City before September 1, 2018, who reside in other higher priced regions, the City's stipend shall be the amount of the premium for single party coverage in the plan selected by the retiree, not to exceed the amount of the CalPERS Bay Area Kaiser Premium for family coverage based on the Bay Area Regional pricing schedule. The retiree will be required to pay the additional premium amount that is in excess of the Bay Area rates. The City will pay the PEMHCA minimum employer contribution to CalPERS and reimburse the retiree for the remaining difference in the premium amount.

Retiree Health Tier 2: For retirees hired by the City on or after September 1, 2018, the City's stipend shall not exceed ninety percent (90%) of the CalPERS Bay Area Kaiser Premium for single party coverage. The City will pay the PEMHCA minimum employer contribution to CalPERS and reimburse the retiree for the remaining difference in the premium amount.

For Retiree Health Tier 2 retirees hired by the City on or after September 1, 2018, who reside in other higher priced regions, the City's stipend shall not exceed ninety percent (90%) of the CalPERS Bay Area Kaiser Premium for single party coverage. The retiree will be required to pay the additional premium amount that is in excess of the Bay Area rates. The City will pay the PEMHCA minimum employer contribution to CalPERS and reimburse the retiree for the remaining difference in the premium amount.

For Retiree Health Tier 2 employees who separate employment via a service retirement during the term of this MOU, this benefit shall continue until the retiree becomes eligible for Medicare. Once the retiree becomes eligible for Medicare, the City's stipend shall not exceed the single party cost of the "Kaiser Permanente SR Advantage Plan." Should that plan be abolished, the City's stipend will not exceed the single party cost of the next most comparable plan. The City will pay the PEMHCA minimum employer contribution to CalPERS and reimburse the retiree for the remaining difference in premium amount.

**Dental Insurance** - The City shall continue to provide to eligible employees and dependents, including domestic partners, dental insurance. Coverage to be as follows: \$2,000 annual cap for basic coverage and \$2,500 lifetime cap for orthodonture effective October 1, 2001. The City will pay ninety percent (90%) of the dental insurance premium for eligible employees and dependents.

**Vision Care** - The City shall continue to contract with Vision Service Plan (VSP) or a comparable vision care provider to provide vision care benefits for employees and their dependents including domestic partners. The Vision Service Plan B provides for an exam every twelve (12) months, lenses every twelve (12) months if needed, and frames every twenty-four (24) months if needed. There will be no deductible for employees, but a twenty dollar (\$20.00) per person deductible will apply to dependents each time benefits are available and will be paid by the employee. The City will pay ninety percent (90%) of the vision insurance premium for eligible employees and dependents.

**Savings Clause** – If, pursuant to any federal or state law which may become effective subsequent to the effective date of this policy, the City is required to pay contributions or taxes for hospital-medical-surgical, dental care, prescription drug or other health benefits to be provided its employees under such federal or state act, the City's obligation to furnish the same benefits under the hospital-medical programs shall be suspended and the contributions agreed to be paid monthly hereunder by the City shall be reduced each month by the amounts which the city is required to expend during such month in the form of contributions or taxed to support said federal or state health plan.

If, as a result of such law, the level of benefits provided by such law for any group of employees, or their dependents, is lower in certain categories of services than that provided under the existing major plan, the City shall, to the extent practical, provide a plan of benefits supplementary to the federal or state benefits so as to make benefits in each category of coverage as nearly comparable as possible to the benefits provided under the existing major plan. The City need only expend for this purpose the actual amount required to achieve parity between the benefits provided under any federal or state plan as supplemented in the manner hereinabove described. In no event shall the City be required to expend for such purposes an amount which when added to the contributions or taxes required of the City under the federal or state act, shall exceed the amounts paid at the time such legislation becomes effective.

If the benefits provided under the federal or state act exceed the benefits provided hereunder in each category of coverage, the City shall be under no further obligation to make any contribution.

**Life Insurance** – The City shall provide "basic" life insurance coverage of three thousand dollars (\$3,000) to all members of the Executive Management Group. The City shall offer to eligible employee's additional life insurance equal to one and one-half (1-1/2) times

the employee's annual salary at a 60/40 premium contribution split between the city and the employee respectively.

**Long Term Disability** - The City will contract to provide Long Term Disability Insurance for Executive Management employees. The City will pay the full cost of the basic rate (basic rate provides for up to a three thousand dollars (\$3,000) maximum monthly payout). A buy-up option will be included to offer the employee the opportunity to increase their coverage, at their own expense, up to an additional three thousand dollars (\$3,000) monthly payout. The total maximum monthly payout available will be six thousand dollars (\$6,000).

**Social Security** - In the event the City and its employees are required to participate in the Federal Social Security Program, the contribution designated by law to be the responsibility of the employee shall be paid in full by the employee and the City shall not be obligated to pay or "pick up" any portion thereof.

**COBRA** - The City may cause employees not entitled to the benefits set forth in this Article who are allowed to remain on a City health insurance plan following separation from employment pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) to be charged for such coverage at the maximum rate permissible by law (presently 102% of the premium for an active employee).

## **V. RETIREMENT**

### **Public Employees' Retirement System (PERS) -**

**Tier 1:** For employees hired before October 24, 2011, the City shall provide the Local Miscellaneous Members Section 21354.5 two and seven-tenths percent (2.7%) at age fifty-five (55) retirement formula, and the Public Safety members Section 21362.2 three percent (3%) at age fifty (50) retirement formula. Final compensation is calculated based on the single highest year in accordance with Government Code Section 20042.

**Tier 2:** - Retirement benefits for employees hired on or after October 24, 2011, and do not meet the definition of "new member" as set forth in Government Code Section 7522.02(f), shall be those established by the Public Employees' Retirement System (PERS) for Local Miscellaneous Members two percent (2%) at sixty (60) formula retirement plan in accordance with Government Code Section 21353, and for Safety Members three percent (3%) at Age Fifty-Five (55) formula retirement plan in accordance with Government Code Section 21363.1. Final compensation is calculated based on the average of three years of employment in accordance with Government Code Section 20037.

**Tier 3:** - For employees hired on or after January 1, 2013 and meet the definition of "new member" as set forth in Government Code Section 7522.02(f) the City will provide the CalPERS two percent (2%) at age sixty-two (62) formula retirement plan for Local Miscellaneous Members, and two and seven-tenths percent (2.7%) at age fifty-seven (57) formula retirement plan for Local Safety members in accordance with Government Code Section 7522.20. Final compensation is calculated based on the average of three years of employment, in accordance with Government Code Section 7522.32.

The City shall pay the rate prescribed by the Public Employees' Retirement System for employer contributions to the Public Employees' Retirement System in accordance with the rules and regulations governing such employer contributions, which consists of one-half of the total normal costs for pension. New members shall be subject to the provisions of the Public Employee Pension Reform Act (PEPRA), including provisions governing reportable compensation.

**Employee Member Contribution**

Effective October 31, 2016 the employee shall pay the full required employee contribution in accordance with the established plan. The current required contribution rates are as follows:

	Miscellaneous Members	Public Safety Members
Tier 1	8%	9%
Tier 2	7%	9%
Tier 3*	5.75%	12%

\*The mandatory contribution for Tier 3 Members is 50% of the normal cost of the benefit, subject to change each fiscal year.

**Employee Contribution to Employer Share of Pension** - The City shall pay the rate prescribed by the Public Employees' Retirement System for employer contributions to the Public Employees' Retirement System in accordance with the rules and regulations governing such employer contributions.

Effective July 10, 2017 in accordance with Section 20516(f) of the Government Code, Miscellaneous Member employees in Tier 1 and Tier 2 retirement formula plans shall pay a total of seven percent (7%) of salary toward the employer cost of retirement. Public Safety Member employees in Tier 1 and Tier 2 retirement formula plans shall continue to pay a total of nine percent (9%) of salary toward the employer cost of retirement. All employees in the Tier 3 retirement formula plans shall continue to pay a total of two percent (2%) of salary toward the employer cost of retirement. The current contribution rates are as follows:

	Miscellaneous Members	Public Safety Members
Tier 1	7%	9%
Tier 2	7%	9%
Tier 3*	2%	2%

The contributions to the employer share of pension shall not be credited to the employee account at CalPERS and shall not be reimbursed to the contributor by the City at any time for any reason.

**PERS Military Leave Credit Option** – Members who are qualified may apply to PERS for up to four- (4) year’s military credit. The individual employee would be responsible for payment of all the costs of this benefit except for the contractual option between the City of Redwood City and the Public Employees Retirement System.

## **VI. REIMBURSEMENTS/ALLOWANCES**

- a. **Educational Expense Reimbursement** - Executive Management employees shall be eligible for reimbursement of costs of tuition, registration fees, books and supplies, and other educational expenses incurred in connection with enrollment in and successful completion of courses of instruction related to the employee's position with the City or a higher position with the City.

An Executive Management employee shall be eligible to receive reimbursement not to exceed one thousand five hundred dollars (\$1,500.00) per fiscal year, provided that the courses of instruction require attendance at an accredited community college or university, are part of a curriculum leading to a degree, are approved in advance of enrollment by the Human Resources Division, and the employee successfully completes such course submitted for reimbursement with a grade of "C" or better. The Educational Expense Reimbursement Program may be used for professional development workshops or seminars, and with approval of both the Department Head and City Manager, for participation in leadership development programs.

- b. **Professional Development Reimbursement** – Reimbursement for authorized personal development and improvements will be granted to Executive Management up to a maximum of seven hundred and fifty dollars (\$750.00) per fiscal year. The following items are examples: Civic, community and professional organizations; professional development costs such as purchase of personal computers and related devices, tuition for job-related seminars, conferences and educational work or other professional development membership costs not included in the departmental budget. With department head and City Manager

approval, personal well-being activities such as fitness and gym membership fees can be applied to the \$750.00 per year.

Professional development requires approval by both the Department Head and City Manager.

Taxability of this benefit allowance is governed by the provisions of the Internal Revenue Code and State and local regulations. Upon separation of employment, the employee retains ownership of any devices purchased with Professional Development funds.

- c. **Auto Allowance** - Executive Management employees who are required to keep available a privately-owned vehicle for use in traveling on City business during his/her working days as a condition of employment shall receive an amount equal to estimated actual costs, including costs of fuel, maintenance, repairs insurance and depreciation, which amount shall not exceed \$400.00 per month for Department Heads and \$300.00 for all other Executive Management employees.

Executive Management employees may receive additional compensation based on the current prescribed IRS mileage reimbursement rate per mile for work-related travel outside the Bay Area, where the total round-trip exceeds 150 miles from the employee's regular work location. Mileage records shall be maintained for establishing such payment.

For travel where the total round-trip exceeds three hundred (300) miles, additional compensation shall not exceed actual coach air fare when such fare is less than the amount computed at the aforesaid rates. For the purposes of this subsection, the actual cost of fuel, maintenance, repairs, insurance and depreciation, shall be deemed equal to the maximum allowance provided.

Executive Management employees may be eligible to receive a city vehicle in-lieu of auto allowance upon authorization from the City Manager.

- d. **Uniform Allowance** – Effective July 1, 2018, Fire Chief, Police Chief, Deputy Police Chief and Police Captains shall be paid an annual uniform allowance of eight hundred dollars (\$800.00). Uniform allowance will be paid on a pay period basis at twenty eight dollars and forty-six cents (\$28.46) per pay period as part of their regular paychecks. For classic CalPERS members as defined by PEPR, the City will report to CalPERS the monetary value of this uniform allowance on a per pay period basis.

- e. **Cellular Phone Stipend** – Employees required to use a cell phone for City business shall receive a cellular phone stipend of thirty-four dollars and sixty-two cents (\$34.62) per pay period. Employees who are issued a City-owned cellular

phone for City business are ineligible for the cellular phone stipend. The City Manager may authorize a cell phone stipend for certain employees in the Confidential Unit.

- f. **Other Expenses** - Upon approval of the City Manager and department head, the City will reimburse employees for expenses incurred in performance of their assigned job duties when such other expenses are other than, or in addition to, expenses based upon mileage transportation costs, in accordance with the City's travel policy.
- g. **Compensation for Vehicular Damage** - The existing City policy on Use of City Owned and Private Vehicles for City Business in effect currently and as subsequently amended, shall be followed.
- h. **Licenses and Certificates** - Employees who are required by State or Federal agencies to be licensed or certified shall be reimbursed for the fees for such license or certificate, excluding licenses required by the Department of Motor Vehicles.
- i. **Service Credit** - Executive Management employees shall have all years of service with the City of Redwood City credited toward accrual rates and benefit vesting privileges.

## **Appendix A**

### **401(a) Retirement Plan Employee Contributions**

Effective January 1, 2017, or upon Council approval of the amended 401(a) plan document, employee contributions shall be as follows:

Group 1: Executive members appointed prior to January 1, 2015 shall continue with the mandatory employee contribution designated at the time of appointment

Group 2: Executive members appointed on or after January 1, 2015 shall have mandatory employee contributions as follows:

City Manager and City Attorney	5% of Salary
<u>Department Heads:</u> <ul style="list-style-type: none"><li>• Public Safety</li><li>• Miscellaneous Tier 3 (PEPRA)</li></ul>	5% of Salary
All other Executive Members	No Employee Contribution

**EXECUTIVE MANAGEMENT  
SALARY RANGES  
3% COLA Effective July 9, 2018**

	Minimum Monthly Salary	Maximum Monthly Salary
Department Heads		
Assistant City Manager	\$15,322	\$20,685
Deputy City Manager	\$13,068	\$17,641
Fire Chief	\$17,571	\$21,964
Library Director	\$13,466	\$18,180
Police Chief	\$16,536	\$22,323
PRCS Director	\$14,076	\$19,002
PWS Director	\$14,076	\$19,002

Division Heads, Deputy/Assistant Director, and Other Executives	Minimum Monthly Salary	Maximum Monthly Salary
Assistant City Attorney	\$11,973	\$16,164
Assistant PRCS Director	\$11,611	\$15,676
Assistant Public Works Director	\$11,611	\$15,676
CD Manager Building	\$10,631	\$14,351
CD Manager Engineering	\$12,805	\$17,288
CD Manager Planning	\$11,200	\$15,120
Communications Manager	\$10,078	\$13,605
Deputy City Attorney	\$9,282	\$12,531
Deputy Police Chief	\$15,744	\$21,254
Economic Development Manager	\$11,639	\$15,713
Financial Services Manager	\$11,639	\$15,713
Human Resources Manager	\$11,639	\$15,713
Information Technology Manager	\$11,639	\$15,713
Police Captain	\$14,985	\$20,240
Senior Assistant City Attorney	\$13,171	\$17,781

**EXECUTIVE MANAGEMENT  
SALARY RANGES  
3% COLA Effective July 8, 2019**

	Minimum Monthly Salary	Maximum Monthly Salary
Department Heads		
Assistant City Manager	\$15,782	\$21,306
Deputy City Manager	\$13,460	\$18,170
Fire Chief	\$18,098	\$22,623
Library Director	\$13,870	\$18,725
Police Chief	\$17,032	\$22,993
PRCS Director	\$14,498	\$19,572
PWS Director	\$14,498	\$19,572

	Minimum Monthly Salary	Maximum Monthly Salary
Division Heads, Deputy/Assistant Director, and Other Executives		
Assistant City Attorney	\$12,332	\$16,649
Assistant PRCS Director	\$11,959	\$16,146
Assistant Public Works Director	\$11,959	\$16,146
CD Manager Building	\$10,950	\$14,782
CD Manager Engineering	\$13,189	\$17,807
CD Manager Planning	\$11,536	\$15,574
Communications Manager	\$10,380	\$14,013
Deputy City Attorney	\$9,560	\$12,907
Deputy Police Chief	\$16,216	\$21,892
Economic Development Manager	\$11,988	\$16,184
Financial Services Manager	\$11,988	\$16,184
Human Resources Manager	\$11,988	\$16,184
Information Technology Manager	\$11,988	\$16,184
Police Captain	\$15,435	\$20,847
Senior Assistant City Attorney	\$13,566	\$18,314