

RESOLUTION NO. 2024-176

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROCKLIN
APPROVING RULES, REGULATIONS, BENEFITS, AND POLICIES RELATING
TO EMPLOYEE RELATIONS BETWEEN THE MANAGEMENT,
CONFIDENTIAL, AND UNREPRESENTED EMPLOYEES AND THE CITY;
REPEALING RESOLUTION NO. 2023-134

WHEREAS, on September 12, 2023, the City Council adopted Resolution No. 2023-134 approving the Management, Confidential, and Unrepresented Employees Resolution; and

WHEREAS, Human Resources is now bringing an updated resolution that is attached and incorporated herein to the City Council for final approval and adoption.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Rocklin as follows:

Section 1. Resolution No. 2023-134 is hereby repealed.

Section 2. The Rocklin Management, Confidential, and Other Unrepresented Employees Rules, Regulations, Benefits, and Policies attached hereto as Exhibit A and by this reference incorporated are hereby approved.


Section 3. Effective June 25, 2024, the Rules, Regulations, Benefits, and Policies attached hereto as Exhibit A and by this reference incorporated herein shall govern the terms and conditions of employment for the management, confidential, and unrepresented employees of the City of Rocklin.

PASSED AND ADOPTED this 25th day of June, 2024, by the following vote:

AYES: Councilmembers: Bass, Broadway, Gayaldo, Halldin, Janda
NOES: None
ABSENT: None
ABSTAIN: None



Greg Janda, Mayor

ATTEST:


Avinta Singh, City Clerk

**ROCKLIN MANAGEMENT, CONFIDENTIAL, AND OTHER UNREPRESENTED EMPLOYEES
RULES, REGULATIONS, BENEFITS, AND POLICIES**



June 25, 2024

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CITY OF ROCKLIN AND ROCKLIN MANAGEMENT/CONFIDENTIAL EMPLOYEES
RULES, REGULATIONS, BENEFITS, AND POLICIES

The City Council of the City of Rocklin hereby adopts the following rules, regulations, benefits, and policies; hereafter (“Document”):

SECTION I – GENERAL

ARTICLE 1. INTENT

This Document shall be the policy of administering the employee relations between the City of Rocklin, hereafter the “City” and the management, confidential, and other unrepresented employees of the City. All previous resolutions of the City Council in regard to salaries and benefits for employees are hereby expressly superseded.

When there is a conflict between the Rules, Regulations, Benefits and Policies Relating to Employee Relations Between the Management, Confidential, and Other Unrepresented Employees and the City and the Personnel Rules, the language in the Rules, Regulations, Benefits and Policies relating to employee relations between the Management, Confidential, and Other Unrepresented Employees and the City shall govern.

For purposes of this Document, management and confidential employees shall be defined consistently with the definition contained within the City’s Employee/Employer Resolution. Other unrepresented employees shall be defined as those employees or classifications that are not represented by a recognized employee organization and are not performing duties consistent with the definition of management employees or confidential employees as defined by the City’s Employee/Employer Resolution, or classifications that are represented by a recognized employee organization but where the recognized employee organization does not represent temporary employees. As used herein, “full-time employee” is intended to refer to those employees that meet the definition of “full-time employee” in the City’s Personnel Rules.

ARTICLE 2. DURATION AND SUCCESSOR RESOLUTIONS

This Document shall remain in effect from the date of adoption and for each fiscal year thereafter, until or unless said resolution shall be repealed or modified by the City Council.

ARTICLE 3. EMPLOYEE RIGHTS

The provisions of this Document shall be applied equally to all employees without favor or discrimination because of race, color, creed, age, sex, sexual orientation, marital status, national origin, ancestry, political or religious opinions or affiliations, or physical or mental disability, or any other legally protected group.

ARTICLE 4. SEPARABILITY

If any provision of this Document or if the application of such provision to any person or circumstances shall be held invalid, the remainder of this document or the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

ARTICLE 5. CONFIDENTIAL EMPLOYEES

Employees in this group are designated as such by virtue of the fact that they are privy to information used in the conduct of employer/employee relations.

- Administrative Office Clerk
- Administrative Office Assistant
- Communications Specialist
- Department Administrative Specialist
- Deputy City Clerk
- Executive Assistant
- Executive Assistant to the City Manager
- Human Resources Technician I/II
- Information Technology Analyst-one designated position
- Legal Secretary
- Paralegal
- Payroll Technician I/II

ARTICLE 6. MANAGEMENT EMPLOYEES

Employees in this group are at-will employees who serve at the pleasure of the City Council or City Manager and may be directly appointed to a vacant position. At-will employment is employment as defined by the California Labor Code as the default form of employment in the State of California.

- Assistant City Attorney
- Assistant City Manager
- Associate Management Analyst
- Chief Building Official
- City Attorney
- City Clerk
- City Engineer/Deputy Director of Community Development
- City Manager
- Code Enforcement Program Manager
- Deputy Director of Administrative Services
- Deputy Fire Chief
- Director of Administrative Services
- Director of Community Development

- Director of Parks and Recreation
- Director of Public Works
- Fire Chief
- Information Technology Manager
- Management Analyst
- Manager of Planning Services
- Manager of Police Records and Communications
- Parks and Recreation Manager
- Payroll Administrator
- Police Captain
- Police Chief
- Principal Management Analyst
- Principal Planner
- Public Works Manager
- Senior Engineer
- Senior Management Analyst

SECTION II – COMPENSATION

ARTICLE 7. COMPENSATION

1. Salary

Effective, the first full pay period of July 2024, the City will increase base wages for all management and confidential classifications by 2.5%.

Effective, the first full pay period of July 2025, the City will increase base wages for all management and confidential classifications by 2.0%.

2. Salary Schedules

A. Salary Schedule A and Salary Schedule B

Each job classification shall have two salary schedules: Schedule A and Schedule B.

B. Move to Salary Schedule B from Salary Schedule A

All employees hired prior to July 7, 2018 shall remain on Salary Schedule A until they have achieved step 6 of the salary range. Upon achievement of step 6, such employees will move to Salary Schedule B.

Confidential employees who reach step 6 shall move to Salary Schedule B, step 8.

Management employees who reach step 6 shall move to Salary Schedule B, step 8.

C. Salary Schedule B

All employees hired or promoted into a management or confidential classification on or after September 23, 2023 shall be assigned to Salary Schedule B.

- Salary Schedule B shall consist of ten (10) salary steps (steps 1 through 10). The increase from step 1 to step 2 shall be approximately 3.5% with all subsequent steps increasing by approximately 3.5% through step 10.

Merit increases will be implemented at the beginning of the pay period that includes the employee's salary anniversary date, after the employee has worked full-time for twelve (12) months and has received an overall performance evaluation rating of "meets expectations" on their performance evaluation at their current step. Merit increases must be approved by the employee's supervisor.

3. Confidential Employees Special Pay

Confidential employees will receive 2.5% special pay to acknowledge their confidential status (consistent with the Employer/Employee Resolution) by virtue of the fact that they are privy to information used in the conduct of employer/employee relations.

4. City Treasurer Special Pay

If the employee appointed as the City Treasurer is not a department director, then the employee shall receive 5% special pay to account for the duties and responsibilities of functioning as a City Treasurer. Should the City Treasurer be appointed to a department director position, the special pay shall be terminated the following pay period of such effective date of the department director status.

5. Salary Upon Promotion

Upon promotion, an employee shall be placed at the step which provides a minimum of 10% base rate of pay salary increase, unless such increase exceeds the maximum of the salary range for the new position. In that case, the employee will be placed at the top step of the new salary range. Promotional salary determinations are excluded from the Advanced Salary Step Placement Administrative Policy. Promotions shall become effective at the beginning of a pay period. The effective date of promotion shall establish the employee's new salary anniversary date.

ARTICLE 8. OVERTIME/COMPENSATORY TIME OFF

Management Employees

- A. Management employees are exempt from the overtime requirements of the Fair Labor Standards Act (FLSA) and are not eligible for overtime pay.
- B. Notwithstanding section A above, exempt fire management employees assigned to a strike team or mutual aid activities covered by the California Fire Assistance Agreement shall be compensated at one and one-half (1.5) times his/her base rate of pay for hours worked outside of regularly scheduled hours when the City is being reimbursed at the one and one-half (1.5) rate.
 1. Additional compensation paid to the Deputy Fire Chief pursuant to Sections B or C shall not alter their continuing status as "exempt" employees under the Fair Labor Standard Act as specified in 29 CFR sec. 541.604.
- C. Exempt fire management employees assigned to a strike team or mutual aid activities covered by the California Fire Assistance Agreement shall be compensated at his/her base rate of pay from the time of dispatch to his/her return to jurisdiction when equipment and personnel are in service and available for agency response (i.e., portal-to-portal).
- D. Notwithstanding section A above, exempt Police management employees may be eligible for overtime under the following conditions:
 1. The Manager of Police Records and Communications may work overtime in the Classification of Public Safety Dispatch Supervisor classification represented by Rocklin Police Officers' Association (RPOA), in the Dispatch Center.

2. Police Captains may work overtime in a lower classification represented by RPOA as special events and grant-funded operations/events as determined by the Police Chief.
3. Rate of pay:
 - A designated supervisor or manager working an overtime assignment in a lower classification represented by RPOA shall be compensated at the rate of one and one-half (1.5) of the top step hourly rate of pay for the classifications being filled, for each hour worked.
 - If there is no equivalent, the pay for the designated supervisor or manager will move to the rate of pay that is just below the current rate of pay for the employee for the classification worked.

Additional compensation paid to the Manager of Police Records and Communications or Police Captains, shall not alter their continuing status as “exempt” employees under the FLSA as specified in 29 CFR sec. 541.604.

Confidential Employees and Other Unrepresented Non-Exempt Employees

For the purposes of this Document, the following words and phrases have the following meaning:

- A. Employees who are required to work in excess of forty (40) paid hours in a workweek shall be compensated at one and one-half (1.5) of their regular rate of pay which is the employee’s base rate of pay plus all differentials to which the employee is entitled. Vacation and compensatory time off (CTO) are not considered time worked for purposes of computing overtime.
- B. Workweek is defined as either the period beginning at 12:01 a.m. Saturday and continuing until midnight the following Friday (in the case of a traditional 5/8 schedule or an alternate 4/10 schedule) or the period beginning at 12:01 p.m. Friday and continuing until 12:00 p.m. the following Friday (in the case of an alternate 9/80 schedule).
- C. Work shift is defined as day shift (6 a.m. - 6 p.m. daily) or night shift (6 p.m. to 6 a.m. daily).
- D. Work schedule is defined as the hours and days of work assigned to an employee.
- E. Paid hours are defined as regular and holiday hours.

Overtime Payment

Confidential and Other Unrepresented Non-Exempt Employees Only

- A. Overtime will be paid for all employees who work in excess of forty (40) paid hours in a workweek and shall be compensated at one and one-half (1.5) of their regular rate of pay as defined by the FLSA. Vacation and CTO are not considered time worked for purposes of computing overtime.
- B. Employees who are required to work in excess of twelve (12) continuous hours shall be compensated at double their regular rate of pay for all hours worked in excess of twelve

(12) continuous hours. The payment of double time for these hours will offset the City's requirement to pay for those hours at an overtime rate if an employee is compensated for more than forty (40) hours in that week. All "double time" overtime shall be paid in the current payroll.

- C. When the City approves an employee's attendance at an off-site training workshop, the employee is in paid status during all hours that the workshop is in session with the exclusion of meal periods and social events. The employee will be in paid status for the travel time to and from the workshop that exceeds the employee's regular commute time. The double time payment after twelve (12) continuous hours worked (Section B above) does not apply to off-site training events.
- D. Unscheduled overtime may be required of any employee at any time to respond to an unforeseeable emergency or situation where proper staffing is critical in the sole opinion of the City.

Compensatory Time Off

Confidential Employees Only

- A. Employees may choose to accrue CTO hours in lieu of receiving pay for overtime hours worked.
- B. In no event shall an employee accrue CTO hours in excess of ninety-six (96) hours. Once an employee has been credited with compensatory time, the employee may not receive a lump sum payment for the hours accrued unless the employee is separated from City service, or as specified in Section C below. Upon separation the employee will be paid at his/her hourly rate for the remaining compensatory balance.
- C. Employees are expected to request the use of accrued CTO in accordance with the procedures and timelines established by each department or division. The City reserves the right to require the employee to take time off to reduce the accrued hours to the maximum accrual. If the City exercises its right to require the time off, the employee must be allowed thirty (30) days to make arrangements. When the employee is carrying the maximum CTO hours, all overtime must be paid at one and one-half (1.5) of their regular rate of pay in the pay period worked. In the pay period following the annual holiday furlough, the City shall pay the employee for up to forty (40) CTO hours earned through the previous pay period at the then current regular rate of pay.
- D. The department director or his/her management designee shall have the sole discretion in approving or denying the use of accrued CTO hours.

Fire Recruit Only

- A. While assigned to attend a fire academy, the classification of Fire Recruit shall not be paid overtime for hours worked in excess of forty (40) hours in a one-week period, but rather, shall only accrue compensatory time in lieu of receiving paid overtime in accordance with the provisions of this article.

- B. Upon successful completion of the assigned fire academy and prior to promoting to Firefighter, the department may either: (1) pay the existing CTO balance to the fire recruit; or (2) require the fire recruit to use any accrued CTO.

ARTICLE 9. EDUCATION INCENTIVE PAY

Confidential Employees Only

Confidential employees hired before July 1, 2012 shall be eligible for education incentive pay as follows:

- A. Associate Degree \$75.00 per month
- Bachelor’s Degree \$125.00 per month
- Master’s Degree: \$150.00 per month

This incentive is non-cumulative and is paid at the highest rate for which an employee is qualified.

- B. Education incentive pay shall not be applicable to employees in those classifications that require an associate or bachelor’s degree as a minimum qualification to work in the class.
- C. Payment of education incentive will begin effective the first day of the pay period following when the employee provides the Human Resources Division with the appropriate documentation, which would include a copy of the transcripts or diploma. It is the responsibility of each employee to notify the Human Resources Division of his/her eligibility for education incentive and to provide the appropriate documentation.
- D. Confidential employees hired on or after July 1, 2012 shall not be eligible for education incentive pay.

ARTICLE 10. SEVERANCE PAY

Management employees serve at the pleasure of the City Manager and are 'at-will' employees whose employment may be terminated by the City at any time for any reason, or for no reason, without any cause whatsoever.

If an employee, who has been in their current position for a minimum of one (1) year is requested to resign or is terminated from employment and has a signed notice of acknowledgement of at-will employment on file, he/she shall receive severance pay based on years of service according to the formula in Article 10, provided that the termination of employment was not the result of a layoff; or the management employee has not been convicted of the commission of any felony or of any crime of moral turpitude or of any crime in the performance of, or related to, their duties; or committed misfeasance or malfeasance in their official duties; or has been terminated for any other reasonable “cause” as defined in the City’s Personnel Rules. The management employee shall not be entitled to severance compensation under any other circumstances, including, but not limited to, resignation.

- Zero through ten years of service: Two (2) months’ base salary.
- More than ten years of service: Three (3) months’ base salary.

- Department Directors: Three (3) month's base salary.

For purposes of this Article 10, 'base salary' shall mean the monthly proration of the annual salary specified in the Salary Schedule, less applicable tax withholding. As a condition to receipt of severance compensation, the management employee shall execute a release of all claims against the City in a form deemed satisfactory to the City and approved by the City Attorney.

Management employees on an employment agreement contract are exempted from the provisions of this article 10.

SECTION III – BENEFITS

ARTICLE 11. HEALTH AND OTHER BENEFITS

1. Policy

The City will offer insurance benefits covering medical, dental, vision, long-term disability (LTD), life, and accidental death and dismemberment (AD&D) for those full-time employees who are qualified in accordance with the plan specifications. Dependent coverage will be offered only on medical, dental, and vision plans.

2. Selection of Carriers

The employee shall choose their health insurance plan from those plans offered by the City and made available in this geographic area through the Health Benefits Division of the California Public Employees Retirement System (CalPERS). The dental, vision, LTD, life, and AD&D insurance plans shall be selected by the City. The City reserves the right to change carriers at any time, provided that the plan benefits to employees are substantially the same or better.

3. Benefits

A. Health Insurance

The City will make direct monthly contributions towards the premium cost for the medical insurance plan and coverage level selected by each participating employee to a maximum of one thousand two hundred dollars (\$1,200) per month. Employees shall be responsible for the difference in any monthly premium cost for the medical insurance plan and coverage level selected that exceeds the City's direct contribution. Such additional costs shall be paid pre-tax through salary deduction. To the extent a participant does not utilize the one thousand two hundred dollars (\$1,200) toward medical premiums, the remainder shall be retained by the City and shall not be cashed out or applied to other benefits.

B. Payroll Deduction

Employees who elect benefits that require payment of premiums or contributions beyond the City's contributions authorize that the additional amount shall be paid through a biweekly payroll deduction.

C. Dental Insurance

The City shall pay for an eligible employee's dental premium up to the PPO Basic Dental Plan at the family level coverage.

Employees who select the Dental Plan – PPO Enhanced option (\$1,500 calendar-year maximum) shall pay the difference in any monthly premium cost for dental coverage that exceeds the City's direct contribution. Such payments may be made

pre-tax through payroll deduction over twenty-four (24) biweekly benefit pay periods.

D. Vision Insurance

The City shall pay the entire premium for family coverage under the vision plan.

E. Cafeteria Plan Flex Dollars

The City maintains a cafeteria plan, pursuant to Section 125 of the Internal Revenue Service (IRS) code and related regulations, for the purposes of offering employees access to various health and welfare benefits. Effective January 1, 2024, the City shall provide full time employees three hundred dollars (\$300) per month (“Flex Dollars”) on behalf of each employee eligible to participate in the City’s cafeteria plan. Participants in the cafeteria plan may allocate their Flex Dollars to any of the pre-tax qualified benefits, including medical or dental premiums offered by the City under the Section 125 plan provided that the employee is in paid status for the full pay period or is on an approved voluntary leave of absence. Cafeteria plan payments are not eligible for cash payments.

Effective January 1, 2025, the City shall increase its flexibility benefit contribution to three hundred seventy-five dollars (\$375) per month.

For part-time employees, the City shall contribute one hundred and fifty (\$150) per month (“Flex Dollars”) on behalf of each employee eligible to participate in the City’s cafeteria plan. Participants in the cafeteria plan may allocate their Flex Dollars to any of the pre-tax qualified benefits, including medical or dental premiums, offered by the City under the Section 125 plan provided that the employee is in paid status for the full pay period or is on an approved voluntary leave of absence. Cafeteria plan payments are not eligible for cash payments.

F. Long-Term Disability Insurance

Management Employees

The City shall provide each employee with LTD coverage at 60% of their salary up to a maximum benefit of six thousand dollars (\$6,000) per month with a ninety (90) day waiting period.

Confidential and Other Unrepresented Full-Time Employees

The City shall provide each employee with LTD coverage at 50% of their salary up to a maximum benefit of six thousand dollars (\$6,000) per month with a ninety (90) day waiting period.

G. Life and Accidental Death and Dismemberment Insurance

Management Employees

For department directors, regardless of hire date, and management employees hired before July 1, 2012, the City shall provide life insurance in the amount of two

hundred thousand dollars (\$200,000) of basic life, plus two hundred thousand dollars (\$200,000) AD&D. Employees will be responsible for any tax liability incurred as a result of the premiums paid by the City for these benefits.

For management employees hired on or after July 1, 2012, the City shall provide basic life and AD&D insurance in the amount specified below. Employees will be responsible for any tax liability incurred as a result of the premiums paid by the City for these benefits.

- Police Captain and Deputy Fire Chief \$100,000
- All Other Management Personnel \$50,000

Confidential Employees and Other Unrepresented Full-Time Employees

For confidential employees hired before July 1, 2012, the City shall provide life insurance in the amount of one hundred thousand dollars (\$100,000) of basic life, plus one hundred thousand dollars (\$100,000) AD&D insurance. Employees will be responsible for any tax liability incurred as a result of the premiums paid by the City for these benefits.

For confidential employees hired on or after July 1, 2012, the City shall provide life insurance in the amount of fifty thousand dollars (\$50,000) of basic life, plus fifty thousand dollars (\$50,000) AD&D insurance. Employees will be responsible for any tax liability incurred as a result of the premiums paid by the City for these benefits.

4. Health Coverage Reduction Incentive

- A. Each employee is eligible for full family coverage for medical (“health”) insurance. Full-time employees who choose to decline the City’s health coverage are eligible to participate in the cost savings program with the City. Part-time employees are not eligible to participate in said program.
- B. Employees who participate in the program must continue to maintain their coverage in the City’s dental, vision, life, AD&D, and LTD plans. Participation in these plans with a minimum of employee-only coverage is required for all employees (“Required Coverage – Employee Only”).
- C. Employees who choose to decline the City’s health coverage must provide certification of other health coverage; this certification must be filed with the Human Resources Division.
- D. Health coverage reduction incentive payments will be received as taxable income.

For any month(s) in which the employee’s medical insurance selection results in a cost-savings to the City, participants in the program will receive benefits as follows:

Eligibility Categories	Maximum Monthly Payment
No Health – Minimum Required Coverage (<i>Dental, Vision, Life, & LTD</i>) for Employee Only	\$250.00
No Health – Minimum Required Coverage (<i>Dental, Vision, Life, & LTD</i>) for Family	\$225.00

ARTICLE 12. STATE DISABILITY INSURANCE

All employees shall be eligible for state disability insurance (SDI) benefits as provided for in the SDI program. The City shall contribute the full premium for this program.

ARTICLE 13. FLEXIBLE SPENDING PLAN

The City will continue to make available to employees a Flexible Spending Plan established pursuant to IRS Section 125. The plan allows eligible employees to set aside up to the maximum amount allowed under IRS Section 125 per year pre-tax income to pay for costs associated with health insurance premiums and health costs not covered under the benefits plan. The plan also allows the employees to set aside pre-tax income to pay for costs of childcare and adult dependent care. If the maximum amount changes, then the City will abide by that new amount. Employees may choose to enroll in this plan each December for the next calendar year.

ARTICLE 14. RETIREMENT BENEFITS

1. Classic Employees

These are employees who are CalPERS members and meet the definition of a Classic Member as determined by CalPERS.

A. Classic Employees Retirement Plan

The City agrees to maintain membership and to continue to contract with the CalPERS for the 2% @ 55 plan for non-safety (“miscellaneous”) employees and the 3% @ 50 plan for safety employees, with the following additional contract provisions as found in the following sections of the California Government Code pertaining to PERS (Title 2, Division 5):

- Section 21574, 1959 Survivors’ Benefit, Fourth Option
- Section 20965, Credit for Unused Sick Leave
- Section 20042, One Year Final Compensation

B. Classic Employees Retirement Member Contribution

Management, confidential, and other unrepresented full-time miscellaneous employees shall contribute 2% of his/her respective salary towards the employer’s retirement contribution for a total of 9% of the employee’s salary. Management

public safety employees shall contribute 2% of his/her respective salary towards the employer's retirement contribution for a total of 11% of the employee's salary.

2. Public Employees' Pension Reform Act Employees Retirement Plan (Hired on or after 1/1/13)

These Public Employees' Pension Reform Act (PEPRA) employees are employees hired on or after January 1, 2013, who have never been a CalPERS member, have not been a CalPERS member in the past six (6) months, or do not meet the definition of a classic member as determined by CalPERS.

C. PEPRA Employees Retirement Plan

For PEPRA employees, the City will contract with CalPERS for the 2.7 % @ 57 plan for safety employees and 2% @ 62 plan for miscellaneous employees as required by law, with the following options:

- Section 21574, 1959 Survivors' Benefit, Fourth Option
- Section 20965, Credit for Unused Sick Leave
- Section 20037, Average of three (3) highest years of service compensation, as required by law

D. PEPRA Employees Retirement Member Contribution

PEPRA employees will make employee contributions as required by state law and, in addition, will contribute the following amount:

Management, confidential, and other unrepresented full-time employees shall contribute 2% of his/her respective salary towards the employer's retirement contribution.

ARTICLE 15. DEFERRED COMPENSATION

For employees hired prior to July 1, 2012 (regardless of bargaining unit upon initial hire), the City will contribute up to three hundred dollars (\$300.00) per month in matching funds for management employees, and the City will contribute up to two hundred dollars (\$200.00) per month in matching funds for confidential employees who participate in a City-sponsored deferred compensation program.

For employees hired prior to July 1, 2012 (regardless of bargaining unit upon initial hire), the City will contribute two hundred dollars (\$200.00) per month (no match required) for employees to a City-sponsored deferred compensation program. If any type of "health savings account" becomes available under the City's benefits program, confidential employees could direct these funds to that account to the extent allowed by law.

Employees hired on or after July 1, 2012 shall not be eligible for the City's contribution of funds for the City-sponsored deferred compensation program, but may individually participate in the deferred compensation program.

Effective the first pay period in July 2024, the City will contribute monthly matching funds to deferred compensation for management employees, as noted below. Contributions shall be made prospectively in each pay period, and no retroactive contributions will be made. Management employees hired into a classification covered by this resolution prior to July 1, 2012; shall remain eligible for deferred compensation as noted above and shall not be eligible for the dollar amounts noted herein.

- Department Director level- \$350.00
- Deputy Director level- \$200.00
- Manager level - \$150.00
- All other classifications in the management group - \$100.00

ARTICLE 16. RETIREE HEALTH BENEFITS

All City management, confidential, and other unrepresented full-time employees that meet the eligibility requirements for CalPERS retirement and retire within one hundred twenty (120) days of separation from the City are eligible for post-retirement health benefits.

The City shall contribute up to a maximum of one thousand two hundred dollars (\$1,200) per month (depending on the medical plan and coverage level selected) for post-retirement medical insurance premium costs. Eligible retirees shall receive 100% of the City's contribution and any subsequent increases towards their post-retirement health benefits. The retiree health benefits described in this Article 16 are intended to be permanent for current retirees as of July 5, 2019, and employees who retire before this Resolution is repealed. Therefore, entitlement to and continuation of the retiree health benefits described herein for current retirees and those who retire prior to this Resolution is repealed shall exist and continue beyond the length of this Resolution, and are not dependent on the existence of any subsequent or future Resolution; however, the City may agree to increase the amount of the retiree health benefit in the future.

Once a retiree becomes Medicare eligible, CalPERS requires the retiree (or survivors) and their dependents to enroll in both Medicare Part A and Part B to remain eligible for CalPERS health coverage. A Certification of Medicare Status form is required, and CalPERS will change the health coverage to a Supplement to Medicare or Medicare Advantage plan.

ARTICLE 17. TUITION REIMBURSEMENT

1. Eligibility and Approval

Management, confidential, and other unrepresented full-time employees shall be eligible for tuition and related expense reimbursement for completing pre-approved course work in a regionally accredited college, school, or university. Pre-approved job-related extension courses or certificate programs offered through regionally accredited colleges and universities are also eligible for reimbursement. Courses, books, and supplies paid for via state, federal, or private grants are excluded from reimbursement.

To be eligible for reimbursement, the employee must submit an education plan and goal approved by his/her department director to the Human Resources Division. The plan shall include at least the following:

- A. A statement of the employee's career and training objectives for the next two-year period;
- B. A narrative description of the types of training and instruction the employee desires to receive;
- C. A statement demonstrating how the requested course work will benefit the City, and how such training will enhance the City's ability to complete its program, which will include the relevance of the plan to the employee's work assignment; and
- D. A statement demonstrating how such proposed training will increase the employee's proficiency while working for the City.

When department operations allow, the department director may approve flexible hours (consistent with the Alternative Work Schedule Policy) to accommodate class schedules.

2. Reimbursement

- A. Within ninety (90) days of completing the course work, the employee must submit to the Human Resources Division a copy of their grade report evidencing completion of the course work with a grade C or better, and an itemized receipt reflecting the items that are being claimed for reimbursement.
- B. Items qualifying for reimbursement include:
 - a. Tuition (in-state only)
 - b. Required textbooks
 - c. Required supplies
 - d. Parking permits
 - e. Other required fees
- C. Items NOT qualifying for reimbursement include:
 - a. Medical service fee
 - b. Mileage
 - c. Items not required by the instructor
- D. The maximum amount eligible for reimbursement will be seven hundred fifty dollars (\$750.00) per calendar year. With the approval of the department director and the Human Resources Division, an employee may apply the annual tuition reimbursement allowance to certificate or extension programs such as those offered by UC Davis which meet the goals of the employee's education plan. The City will observe the IRS regulations concerning the taxability of educational reimbursement in effect at the time of the request for reimbursement.

ARTICLE 18. UNIFORM ALLOWANCE

The following classifications shall receive a uniform allowance of thirty-six dollars and fifty-four cents (\$36.54) per pay period:

- Deputy Fire Chief
- Fire Chief
- Police Captain
- Police Chief

The following classification shall receive a uniform allowance of thirty dollars (\$30.00) per pay period:

- Manager of Police Records and Communications
- Code Enforcement Program Manager

SECTION IV – LEAVES

ARTICLE 19. VACATION

Regular part-time employees accrue leaves equal to their full-time equivalency unless otherwise required by federal and/or state law. For example, a regular part-time employee working 50% of a full-time equivalent will accrue 50% of the leave of a regular full-time employee with the same number of years of City service.

1. Policy

- A. Vacations shall be taken at the convenience of the City. The City may establish a schedule for each employee to ensure the level of staffing required to carry out its work program. However, subject to operational need, the City will make every effort to approve vacation requests.

2. Accrual Rates and Maximum Accumulation

- A. Vacation accrual is based on an employee's regular work schedule and includes all hours in paid status, exclusive of overtime. The hours accrued in a pay period will not be available to the employee until the following pay period. Current full-time employees shall accrue vacation leave as follows:

<u>Year</u>	<u>Days/year</u>	<u>Maximum Accrual</u>
1	15 (.0577 per hour)	240 hours
2	16 (.0615 per hour)	240 hours
3	17 (.0654 per hour)	240 hours
4	18 (.0692 per hour)	240 hours
5	20 (.0769 per hour)	260 hours
10	23 (.0885 per hour)	280 hours
15	25 (.0962 per hour)	300 hours
20+	27 (.1039 per hour)	320 hours

- B. When an employee accrues the maximum number of accrual hours as set forth above, the employee shall cease accruing vacation until such time as the employee has utilized vacation hours to bring the total hours below the maximum stated accrual. At no time may an employee have a total balance of vacation hours in excess of the maximum leave accrual.
- C. The City reserves the right to require employees who currently have a balance approaching their maximum accrual to take time off. If the City exercises its right to require the time off, the employee must be allowed thirty (30) days to make arrangements to reduce the accrued hours prior to December 31 of each year.

- D. Vacation leave must be scheduled and approved in advance and in accordance with the procedures established for each department or division. After the first year of service, each employee must take one vacation period of no less than five (5) consecutive workdays during a calendar year.
- E. The City Manager shall have the authority to grant up to five (5) additional days of vacation annually (to equal a maximum of twenty [20] days each year) to any individual in any management position during their first four (4) years of service with the City. The City Manager shall also have the authority to credit five (5) days of vacation from the first year's accrual as of the first day of employment.
- F. Department directors shall be entitled to no less than twenty (20) days of vacation per year, regardless of their date of hire.
- G. If an employee receives a higher accrual rate as stated in E and F above, the employee's accrual rate will not increase until their years of service entitle them to a higher accrual rate according to the schedules included in this Document.

ARTICLE 20. HOLIDAYS

Full-time employees shall be eligible to receive paid scheduled holidays. During the term of this Document, the City will recognize the holidays as specified below:

New Year's Day	January 1
Martin Luther King Day	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving	Fourth Thursday in November
Thanksgiving Friday	Friday following the fourth Thursday
Christmas Day	December 25

Holidays occurring on a Saturday will be observed on the preceding Friday. Holidays occurring on a Sunday will be observed on the succeeding Monday. An employee may not use a designated holiday as his/her last day of employment. The employee must be in paid status for the entire subsequent workday after the holiday to qualify for holiday pay.

ARTICLE 21. SICK LEAVE

Regular part-time employees accrue leaves equal to their full-time equivalency unless otherwise required by federal and/or state law. For example, a regular part-time employee working 50% of a full-time equivalent will accrue 50% of the leave of a regular full-time employee with the same number of years of City service.

1. Accrual and Cash Out

- A. Full-time employees shall accrue up to twelve (12) sick leave days per year, at the rate of .0462 multiplied by the actual number of hours in paid status, with the exception of overtime. The hours accrued in a pay period will not be available to the employee until the following pay period. Employees may use accrued sick leave as soon as it is accrued.
- B. Temporary employees shall accrue up to three (3) sick leave days per fiscal year in accordance with California Labor Code 246, following a ninety (90) day waiting period. Employees may use accrued sick leave as soon as it is accrued.
- C. For full-time employees hired before July 1, 2012, upon termination of employment in good standing, the accumulated sick leave may be sold back as follows:

<u>Total Accumulated Sick Leave</u>	<u>Buyout Rate</u>
0 – 29 days	0%
30 – 39 days	10%
40 – 49 days	20%
50 – 59 days	30%
60 – 69 days	40%
70+ days	50%

The formula for the buyback shall be: Total accumulated days multiplied by the current hourly rate in effect at the date of separation multiplied by the buyout rate from the chart above.

For full-time employees hired on or after July 1, 2012, upon termination of employment in good standing, the accumulated sick leave buyout shall not exceed 10% of all accumulated hours in excess of twenty-nine (29) days.

Upon retirement, an employee may choose to (1) convert his/her total sick leave to CalPERS service credit; or (2) sell back his/her sick leave under the schedule noted above. The sick leave remaining after the buyout will be converted to CalPERS service credit under Section 20965, "Credit for Unused Sick Leave."

2. Use of Sick Leave

Sick leave may be used for the following purposes:

- A. Diagnosis, care, or treatment of an existing health condition of, or preventative care for, an employee or an employee’s family member (defined in this Article 21).
- B. If employee is a victim of domestic violence, sexual assault, or stalking, sick leave may be used to obtain any relief to help ensure the health, safety, or welfare of the employee or his/her child.

- C. For an employee who is an organ or bone marrow donor, pursuant to the provisions of California Labor Code section 1510.
- D. Bereavement leave, as set forth in Article 22.
- E. To attend to the illness of a family members, as defined by California Labor Code §245.5 (c), which includes: employee's biological, adoptive, or foster parent, stepparent, or legal guardian of employee or employee's spouse or registered domestic partner; or a person who stood in loco parentis when the employee was a minor child; spouse or registered domestic partner; biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis, regardless of age or dependency status; grandparent; grandchild; or sibling, or designated person, limited to one designated person per 12-month period for sick leave.
- F. Confidential and full-time unrepresented employees may use sick leave to donate blood for up to two (2) hours on four (4) occasions each calendar year. The maximum amount of sick leave that can be used for this purpose is eight (8) cumulative hours each calendar year.
- G. An employee who is entitled to a disability retirement (either at his/her own request or as a result of City action) under CalPERS shall not be entitled to use sick leave to defer the effective date of the retirement as provided by Government Code Section 21163.
- H. Employees who are off work for three (3) or more consecutive days due to a non-work-related illness or injury shall, if requested, supply a medical release to the Human Resources Division signed by the health care provider stating that the employee may return to full or modified duty. If returned to modified duty, the release must be specific as to the nature of the restrictions and the length of time, if known, that the restrictions are to remain in place.

3. Coordination of Sick Leave and Disability Benefits

- A. When an employee, receives SDI benefits, and requests to integrate accrued leave with disability benefits, it will be integrated as follows:
 - If they have accumulated leave, be treated as on leave; and
 - Receive their full salary, which shall be a combination of compensation from the City and SDI.
 - While the employee is integrating SDI, the amount of the SDI payment(s) received shall be credited to the employee. The remainder of the employee's base salary will be paid first through sick leave (if sick leave use is permitted for the type of leave), then through other leave balances, with CTO last. Employees must notify the Human Resources Division of their intent to integrate and must

provide proof of payment from the Employment Development Department to the Human Resources Division in a timely manner.

- When all available leave hours are exhausted, beginning with sick leave (if sick leave use is permitted), they shall only receive SDI to the extent permitted by law.

4. Coordination of Sick Leave and Workers' Compensation Benefits

An employee injured while on duty who is receiving workers' compensation benefits shall be treated in the same manner as an employee receiving SDI as set forth in Section III.

5. Coordination of Accrued Vacation, and Compensatory Time Off with Disability and Workers' Compensation Benefits

- A. An employee may request to integrate accrued leave with disability benefits to continue to receive a full salary, which shall be a combination of accrued vacation and/or CTO and SDI or workers' compensation benefits.
- B. When permitted accrued leaves are exhausted, an employee shall be placed on leave without pay.

ARTICLE 22. BEREAVEMENT LEAVE

- A. Each full-time employee will be eligible for up to twenty-four (24) hours of bereavement leave for purposes of bereavement following the death of a relative. If an employee requests additional time off for bereavement, an additional sixteen (16) hours may be charged to accrued sick leave.

1. Relatives Covered:

Spouse	Domestic Partner
Son	Daughter
Brother	Sister
Father	Mother
Father-in-law	Mother-in-law
Grandfather	Grandmother
Grandchildren	

2. The following step/foster relationships are covered:

Father	Mother
Son	Daughter
Brother	Sister
Grandfather	Grandmother

- 3. Bereavement leave is also available following the death of a non-related child, or close relative, who resided with the employee at the time of death.

B. Notification to the City

The employee shall notify his/her supervisor no later than the beginning of the next workday of the occurrence requiring bereavement leave and, if requested by the City, shall provide substantiation to support the request. Such leave shall commence within a reasonable amount of time following the request. Bereavement leave may be taken in consecutive days, or as needed, not to exceed the maximum amount of time allowed per A above.

ARTICLE 23. MANAGEMENT LEAVE

A significant amount of skill, effort, and devotion is required to be successful in a management position. In recognition of this, management leave is granted as part of the total management compensation package. Staff assigned to management classifications are expected to devote the time necessary to successfully perform the position's responsibilities and to accomplish established goals. Attendance at after-hours meetings or community gatherings is frequently required of management positions. Further, staff assigned to management positions frequently spend personal time doing work-related tasks. The compensation established for management classifications is not affected by the amount of time required, on an individual basis, for successful performance. Full-time management positions will typically require a minimum of eighty (80) hours per biweekly pay period.

Management employees below the director level may schedule their time as needed to meet the service needs of their division, subject to review and concurrence by the department director, division manager, or chief. Directors may schedule their time as needed to fulfill their management role in the department and any inter-departmental responsibilities that may be assigned. This schedule shall be subject to review and concurrence by the City Manager.

The City Manager retains the discretion to determine management leave based on individual circumstances, not to exceed eighty (80) hours. Management leave will be issued per fiscal year to groups with the accrual rate as noted below:

- Department director level (Council-appointed position or exception): 80 hours
- Deputy director level: 64 hours
- Manager level: 56 hours
- All other classifications in the management group: 48 hours

Employees shall be credited with and have available for use the number of days as established herein as of July 1 each year. Should any employee be hired or promoted into a management position after July 1, they shall be credited with a prorated amount of management leave for the balance of the fiscal year.

If a management employee has not been able to take sufficient leave over the prior twelve (12) months, such that they are within eight (8) hours of their vacation leave accrual cap, once per fiscal year, management employees may request a cash payment to occur in the first full pay period in the next calendar year for up to half of their annual management leave accrual rate. Approval of the cash payment is at the City Manager's discretion and is also contingent upon

sufficient budget availability. Cash payment for such management leave hours will be paid at the employee's base pay rate from the salary schedule.

Management leave shall not be cumulative from year-to-year.

Upon resignation or other termination of employment in good standing, the employee shall receive a prorated amount of unused management leave on the books as of the date the resignation is submitted, or the other termination is effective based on the portion of the fiscal year actually worked.

ARTICLE 24. FAMILY AND MEDICAL LEAVE ACT/CALIFORNIA FAMILY RIGHTS ACT

A. FMLA/CFRA

An employee who has worked at least one thousand two hundred fifty (1,250) hours in the past twelve (12) months for the City is eligible to take leave for up to twelve (12) weeks each twelve (12) month period for personal or family illness, or to bond with a new child in accordance with the California Family Rights Act (CFRA) (Government Code Section 12945.2) and the Federal Family and Medical Leave Act (FMLA) (Title 29, Part 825, Code of Federal Regulations).

An employee who is in unpaid status during a family care and medical leave will suffer no break in service for purposes of determining seniority per the City's Personnel Rules.

The City reserves the right to temporarily transfer an employee who is taking intermittent family care and medical leave or is on a reduced leave schedule for medical treatment when it is determined to be in the best interest of the City that the functions of the affected position be performed on a full-time basis. The position to which the employee is transferred must be comparable in pay and benefits to the employee's regular position and the employee will be returned to their original position on completion of their treatment, subject only to their being capable of performing the essential functions of the job.

The City may require the employee to utilize all accrued sick leave (if use is permitted by for type of leave), vacation, and management leave to cover the FMLA or CFRA period which otherwise would be unpaid. If the employee chooses, they may reserve five (5) days of accrued vacation leave for use upon their return from an extended period of family care and medical leave.

1. "Extended Period" is defined as an absence of two (2) weeks or more.
2. If all other leave is exhausted at the expiration of the family care and medical leave, an employee may use the reserved vacation leave for purposes of sick leave and medical appointments for the employee and his/her dependents for a period of three (3) months after his/her return from family care and medical leave.

New child bonding leave must be taken within one (1) year of the child's birth, adoption, or start of foster care. It may be taken in increments of two (2) weeks or more; however, on two (2) occasions the employee may take such leave in smaller increments.

B. Pregnancy Disability Leave

1. The City will provide up to four (4) months of unpaid leave to female employees for pregnancy-related disability, in accordance with Government Code Section 12945(b)(2). Leave for pregnancy-related disability will run concurrently with FMLA.

2. Use of Leave

The employee may elect to use any accrued unused leave time to cover the period of her disability leave, which would otherwise be unpaid. During the period of her disability, an employee's unused accrued sick leave will be integrated with any SDI benefits she may receive. Any accrued vacation leave or other accrued time off may be used at the option of the employee before an employee's unpaid leave begins.

ARTICLE 25. LEAVE OF ABSENCE WITHOUT PAY

A. Leave of absence without pay may be granted to any employee with the approval of the department director or his/her designee for: (1) illness beyond that covered by sick leave; or (2) other personal reasons which do not adversely impact, interfere with, or disrupt City operations.

1. To be eligible for a leave of absence for personal reasons, an employee must have received an overall rating of "meets expectations" on their performance evaluation and have had no formal disciplinary actions in the twelve (12) months prior to the request.

2. Terms and conditions of the leave shall be specified in writing.

B. Duration

An unpaid leave of absence may be granted for a period not to exceed ninety (90) days. At the request of the employee, the City Manager may extend a leave of absence up to an additional ninety (90) days. The City Manager will consider the employee's circumstances and balance those needs against the impacts to the City created by the employee's continued absence.

C. Revocation of Leave of Absence

A leave of absence may be revoked by the department director upon evidence that the cause for granting the leave of absence was misrepresented or has ceased to exist.

D. Return Upon Expiration of Leave of Absence

Upon return to work from a leave of absence, the employee shall be returned to his/her former position, if available, or an equivalent position, if available. If neither the former position nor an equivalent position is available, the employee will be reassigned to a vacant position for which he/she is qualified.

E. Non-Qualifying Service

An unpaid leave of absence shall not be counted as qualifying service for the purposes of accruing vacation and sick leave. A leave of absence of thirty (30) days or more is not counted as qualifying service for merit salary adjustments. An employee on leave who has exhausted his/her maintenance of benefits extension granted under FMLA and CFRA may maintain medical, dental, vision, LTD, and life insurance policies by remitting full monthly premium payments to the City or CalPERS, if so directed by the City. The City will pay no portion of such premium while the employee is on unpaid leave after CFRA and FMLA are exhausted.

F. Leave Usage

All accrued vacation, management leave, and CTO must be used prior to the effective date of leave of absence without pay.

ARTICLE 26. JURY DUTY

When an employee is required to serve on jury duty, the employee shall be compensated for all regularly scheduled hours not worked as a result of jury service. Each employee shall pay the City the amount received as juror fees but shall retain any fees received for mileage reimbursement.

SECTION V – MISCELLANEOUS TERMS AND CONDITIONS

ARTICLE 27. PROBATIONARY PERIODS

A. Probationary Periods

1. Unless otherwise specified upon employment, all other management, confidential, and full-time unrepresented employees are subject to appointment by the City Manager.
2. Management employees serve at the will and pleasure of the City Manager, are exempt from competitive service, and do not serve a probationary period.
3. Upon appointment or promotion, confidential and unrepresented employees shall serve a twelve (12) months probationary period, except for promotion of an employee who has completed probation in the lower class to the next higher class in a flexibly staffed position.
4. Reclassifications and job title changes shall be exempt from serving a new probationary period.
5. The probationary period is an integral part of the selection process and shall be utilized as an opportunity to observe the employee's work, to provide training, and to assist the employee in adjusting to the new position. At any time during the probationary period, an employee may be released with or without cause, and shall be without the right of review of any kind.

- B.** An employee shall receive no less than three (3) performance evaluations during the initial twelve (12) month probationary period. An employee promoted into a new classification will receive no less than two (2) performance evaluations during his/her six (6) month probationary period. Such evaluations will be conducted at reasonable intervals.

C. Extension of Probationary Periods

1. The probationary period may be extended commensurately by each hour an employee is on authorized leave for more than five (5) consecutive workdays. Leaves include, but are not limited to, vacation, sick leave, CTO, and leaves without pay, including leaves granted under FMLA, CFRA, Pregnancy Disability Leave, Americans with Disabilities Act, and workers' compensation laws. Employees who request and receive a temporary modified duty assignment due to medical conditions such that they are not performing the essential job functions of their position shall have their probationary period extended for each hour of such modified duty assignment.
2. Outside an authorized leave, a probationary period may be extended one (1) time at the City's sole discretion, for a period not to exceed six (6) months, to

ensure that an employee has demonstrated all of the necessary skills and traits to successfully pass probation for the job classification.

3. A probationary employee may, at the discretion of the department director, receive a salary step increase effective the beginning of the pay period, which includes the employee's salary anniversary date if they meet the following criteria:

- a. Received a satisfactory evaluation; and
- b. Completed an extended probationary period.

The employee's salary anniversary date will be adjusted to the date the merit increase is granted.

ARTICLE 28. NEPOTISM

The purpose of a nepotism policy is to regulate, restrict, or prohibit power or influence in personnel matters in favor of relatives, friends, or associates, as it may have a detrimental effect on supervision and morale.

- A. A relative is defined as an individual who is related by blood, marriage, domestic partnership, or adoption in any of the following ways: spouse, child, step-child, parent, step-parent, grandparent, grandchild, brother, sister, half-brother, half-sister, aunt, uncle, niece, nephew, parent-in-law, daughter-in-law, son-in-law, brother-in-law, and sister-in-law, or any other situation that the Director of Administrative Services determines creates the possibility of a conflict of interest.
- B. No relative of a City employee may serve in or be appointed, promoted, demoted, or transferred to a position within the same department or division in which the employee's relative or spouse/domestic partner already holds a position if any of the following would result:
 1. Direct line of supervision, including any situation in which one employee would be in a position to affect the terms and conditions of the other's employment, including making decisions about work assignments, compensation, grievances, advancement, or performance evaluation. The department director is considered in the direct line of supervision in that department.
 2. Both employees have the same supervisor.
 3. A potential for creating an adverse impact on supervision, safety, security, morale, or efficiency.
- C. Employees in lead or supervisory positions are prohibited from entering into romantic relationships with subordinates. Employees who become relatives or when existing employees enter into a relationship and/or who work in the same direct line of supervision within a City department shall notify the department director and Human Resources within thirty (30) days.

1. The City shall initially allow the affected employees to determine which employee will remain in their current position. If the affected employees have no preference, the department director, in consultation with the Director of Administrative Services and City Manager, shall determine which of the employees will remain in their current position, giving consideration to the business needs, work history with the City, and seniority of the affected employees.

As to the other employee, the Director Administrative Services , in consultation with the City Manager, will attempt to make a mutually acceptable transfer or demotion in another supervisory unit or department. If a mutually acceptable transfer or demotion cannot be made, that employee shall be subject to separation.

ARTICLE 29. HOLIDAY FURLOUGH

The City may schedule a mandatory work furlough between the Christmas and New Year's holidays each year. The establishment of such a furlough will be at the City's sole discretion.

- A. Employees will be notified by July 1 of each year if and when the furlough is scheduled.
- B. Supervisors will notify those employees who will be required to work during the furlough by November 1.
- C. During the furlough period, employees may use accrued vacation, management leave, or CTO, or they may take the time off without pay. The furlough will not affect health benefits, and leaves and seniority will continue to accrue.

Any new full-time confidential or other full-time unrepresented employee hired on or after pay period 20 of each year, who does not have sufficient time to accrue vacation to use during the furlough, may be advanced vacation time to cover the non-holiday time during the furlough. Employees may request an advance using the prescribed form. If requesting such an advance of vacation leave, following the furlough period, the employee's vacation will reflect a negative balance and any future vacation accruals shall be deducted until the vacation advance is fully repaid. The employee shall not take vacation leave until a positive leave balance is restored.

ARTICLE 30. EMPLOYEE PERFORMANCE EVALUATIONS

The City shall conduct employee performance evaluations on City-issued evaluation forms. Performance evaluations are to be conducted at least annually, regardless of whether or not an employee is eligible for a salary step increase. Employees will be eligible for any appropriate annual step increase in the pay period which includes their anniversary date unless the Human Resources Division has received an employee's overall performance evaluation that is less than "meets expectations" (or equivalent language), or the employee has reached the top step of his/her classification.

ARTICLE 31. EXTRA STEP (MERIT) INCREASE

A department director may recommend to the City Manager for his/her approval that an eligible employee may receive one extra step increase during their annual evaluation. The department director shall submit written justification to the City Manager demonstrating the following:

- The employee has made significant achievements of City-wide importance, and the amount of the additional salary and benefit costs are available in the department's budget for the balance of the fiscal year (department's calculations to accompany the estimate).

The City Manager shall report all extra merit step increases to the City Council annually.

ARTICLE 32. CITY MANAGER ADDITIONAL AUTHORITY

Notwithstanding any of the provisions above, the City Manager may negotiate employment agreements for directors outside of the terms of this Document, provided that the employment agreement is brought to City Council for ratification at the earliest opportunity.