

City of Healdsburg

Executive Management Group

Compensation and Benefits Package

2024-2028

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INTRODUCTION

This document is a summary of compensation and benefits which applies to all Executive Management employees appointed by the City Manager. The terms and conditions of employment for Executive employees not included in this document are contained in individual employment contracts and/or the City of Healdsburg Personnel Rules and Regulations.

The various forms of compensation and benefits provided in this document are the result of the City's recognition that Executive employees should be compensated appropriately for exhibiting accountability, cost effectiveness, technological skills and the ability to make maximum use of personnel, fiscal and other resources to facilitate the provision of city services.

CLASSIFICATIONS DESIGNATED EXECUTIVE MANAGEMENT

For the purpose of this document, the following positions are considered Executive Management:

Assistant City Manager	Fire Chief
Community Services Director	Public Works and Transportation Director
Community Development Director	Housing Director
Finance Director	Utilities Director
Police Chief	

SALARY PLAN

Incremental salary steps within the base salary range, for classifications within the executive management group, shall progress in five steps, from Step A through Step E. Step A shall generally be established so that the progression from step A to Step E occurs in five percent (5%) increments.

The City Manager shall place newly hired Executive employees at a step within the range for their classification that best reflects the employee's qualifications and job experience.

Wages:

- Year 1, effective the first full pay period in July, all classifications covered by this agreement shall receive a 3% cost of living adjustment.
- Year 2, effective July 1, 2025, all classifications covered by this agreement shall receive a cost of living adjustment equivalent to the percent change in the consumer price index for the period February of the prior year to February of the current year, as published by the Bureau of Labor Statistics (All item in San Francisco-Oakland-San Jose, CA, all urban consumers, not seasonally adjusted), not to be less than 2% or more than 3%.
- Year 3, effective July 1, 2026, all classifications covered by this agreement shall receive a cost of living adjustment equivalent to the percent change in the consumer price index for the period February of the prior year to February of the current year, as published by the Bureau of Labor Statistics (All item in San Francisco-Oakland-San Jose, CA, all urban consumers, not seasonally adjusted), not to be less than 2% or more than 3%.
- Year 4, effective July 1, 2027, all classifications covered by this agreement shall receive a

cost of living adjustment equivalent to the percent change in the consumer price index for the period February of the prior year to February of the current year, as published by the Bureau of Labor Statistics (All item in San Francisco-Oakland-San Jose, CA, all urban consumers, not seasonally adjusted), not to be less than 2% or more than 3%.

LONGEVITY INCENTIVE PAY PLAN

Executive employees shall be eligible to participate in the City's longevity incentive pay plan upon the successful completion of a minimum of five (5) continual years of employment service. The longevity incentive pay plan shall be administered in accordance with the following schedule:

<u>Years of Service</u>	<u>Longevity Pay Rate</u>
5 years	2%
10 years	3%
15 years	4%
20 years	5%
25 years or more	6%

For the purpose of this document, base rate of pay shall mean the contractual salary amount.

EMPLOYMENT BENEFITS

Medical Plan: The City's contribution toward health insurance shall be a dollar amount up to 100% of the lowest cost medical plan by premium category. For those employees that select a more expensive medical plan, the difference between the City's contribution and the actual premium of the plan selected, shall be paid by the employee on a pre-tax basis.

Payments for medical insurance premiums shall be made on a pre-tax basis. Executive employees opting out of the City paid medical plan shall receive a monthly stipend of \$477 per month.

Life Insurance: The city shall pay the premium for a \$100,000 life insurance policy for Executive employees.

Dental Plan: Executive employees are eligible to participate in the group dental plan whereby the City shall pay 100% of the premium for employee and dependents.

Vision Care Plan: Executive employees are eligible to participate in a group vision care plan offered by REMIF whereby the City shall pay 100% of the monthly premium for employee and dependents. Employees enrolled in Kaiser shall not be covered by the REMIF vision care plan and an amount equal to the monthly vision care premium shall be applied to the base amount for medical insurance as stated above.

Long-term Disability Insurance: The City shall pay the monthly premium for a long-term disability insurance plan for Executive employees. Terms of insurance shall include, but not be limited to the following.

1. Amount of Insurance: 67% of monthly salary for a maximum of \$10,000 per month;
2. Elimination Period: Benefits will commence on the 91st day of continuous disability;
3. Integration of Benefits: Full Family

Deferred Compensation: Effective July 1, 2025, the City will offer a \$1,500 per fiscal year deferred compensation match to all members who have completed one year of continuous full-time service. The City will make a matching dollar for dollar contribution on a per-pay-period basis, increasing to \$1,750 on July 1, 2026 and \$2,000 on July 1, 2027.

Flexible Spending and Dependent Care Reimbursement Accounts: Executive employees are eligible to participate in a Flexible Spending and/or Dependent Care Reimbursement Account. Employees can elect pre-tax dollars be deducted and placed into FSA or DCRA for applicable usage in accordance with state law, federal law, and current IRS regulations. The City shall provide this program by July 1, 2025.

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Safety Employees: On behalf of its employees, the City has contracted with the California Public Employees' Retirement System (PERS) for retirement benefits. The Police Chief and Fire Chief are designated as "safety" members of PERS. All other Executive employees are designated as "local miscellaneous" members of PERS. Safety employees in the Management Group and hired prior to the effective date of the CalPERS amendment establishing a second tier pension plan, the retirement formula will be 3% at 50. The City shall maintain additional CalPERS benefits as follows: 1) "1959 Survivor Benefits, Level IV" for which employees pay \$.93 per bi-weekly pay period; 2) Post Retirement Survivor Allowance; and 3) One Year Final Compensation. Safety employees in the Management Group pay the 9% employee contribution to PERS. The employee contribution is made by a pre-tax payroll deduction of 9%.

For safety employees hired on or after the effective date of the CalPERS amendment establishing a second tier pension plan, the retirement formula will be 2% at 50. Retirement benefits will be calculated using the average income of the highest three (3) consecutive years. Employees will pay the 9% employee contribution to CalPERS. The employee contribution is made by a pre-tax payroll deduction of 9%.

Local Miscellaneous Employees: Non-safety Executive employees are designated 'Local Miscellaneous' members of PERS. For Local Miscellaneous employees hired prior to the effective date of the CalPERS amendment establishing a second tier pension plan, the retirement formula will be 2.5% at 55. The City shall maintain additional CalPERS benefits as follows: 1) "1959 Survivor Benefits, Level IV" for which employees pay \$.93 per bi-weekly pay period; 2) Post Retirement Survivor Allowance; and 3) One Year Final Compensation. Local Miscellaneous employees in classifications represented by the MMPEA pay the 8% employee contribution to PERS. The employee contribution is made by a pre-tax payroll deduction of 8%. (Amended 7/1/12)

For 'Local Miscellaneous' employees hired on or after the effective date of the CalPERS amendment establishing a second tier pension plan for Local Miscellaneous Members, the retirement formula will be 2% at 60. Retirement benefits will be calculated using the average income of the highest three (3) consecutive years. Employees will pay the 7% employee contribution to CalPERS. The employee contribution is made by a pre-tax payroll deduction of 7%. (Added 7/1/12)

PEPRA. The Public Employees' Pension Reform Act of 2013 (PEPRA) and related Public Employees' Retirement law amendments in Assembly Bill 340 became law on September 12, 2012 and the provisions were effective January 1, 2013. Effective January 1, 2013 all employees defined by PEPRA as "New members" in PERS 'Safety' classifications shall pay 50% of the total normal cost for the new Safety PERS pension formula of 2.7%@57, which is currently 11.5% as an employee contribution (on a pre-tax payroll deduction) with final compensation determined by the highest average annual pensionable compensation earned by an employee during a period of at least 36 consecutive months Effective January 1, 2013 all employees defined by PEPRA as "New members" in PERS 'Miscellaneous' classifications shall pay 50% of the total normal cost for the new Miscellaneous PERS pension formula of 2%@62, which is currently 6.5% as an employee contribution (on a pre-tax payroll deduction), with final compensation determined by the highest average annual pensionable compensation earned by an employee during a period of at least 36 consecutive months.

EXECUTIVE LEAVE

Executive employees shall receive one hundred (100) hours of Executive Leave per fiscal year. Accruals shall be posted the first pay period in July. Unused Executive Leave accruals shall be forfeited.

HOLIDAYS

Paid holidays for Executive employees shall be as follows:

New Year's Day	January 1 st
Martin Luther King Jr. Day	3 rd Monday in January
Washington's Birthday	3 rd Monday in February
Memorial Day	Last Monday in May
Juneteenth	June 19 th
Independence Day	July 4 th
Labor Day	First Monday in September
Veteran's Day	November 11 th
Thanksgiving Day	Last Thursday in November
Day after Thanksgiving	Last Friday in November
Christmas Eve Day	December 24 th
Christmas Day	December 25 th
New Year's Eve Day	December 31 st

When any of the above holidays falls on a Sunday, the Monday following shall be observed as the holiday. Likewise, if the holiday falls on a Saturday, the preceding Friday will be observed as the holiday.

VACATION

Executive employees shall become eligible for vacation as it is earned. Vacation shall be accrued according to the following schedule.

Years Of Service	Hours Accrued per Pay period	Annual Hours	Equivalent Days	Maximum Accrual
1	3.08	80	10	240
2	3.69	96	12	288
5	4.62	120	15	360
10	5.54	144	18	432
15	6.46	168	21	504
20	7.08	184	23	552
25+	7.69	200	25	600

Employees may defer some or all of their vacation to the following year. However, in no event shall an employee accumulate vacation days greater than three times their annual accrual rate. Employees who have accumulated vacation days in excess of three times their annual accrual rate shall be paid for the excess accruals the second pay period in November of each year. At the employee's request any such payment may be moved to an existing voluntary City retirement savings plan.

Election to Cash-Out Future Vacation Accruals: An employee may request a cash-out of certain amounts of vacation the employee will accrue in the next calendar year if they have a vacation bank of at least 120 hours.

Such requests must be approved by the City Manager.

Effective December 2024, and during the month of December each year thereafter, there will be an irrevocable election period during which each member may make an irrevocable election to cash out certain vacation that will be accrued during the following year (the "cash-out year") on the form prescribed by Human Resources. The number of hours that the member intends to cash out must be indicated at that time. Failure to timely submit a properly completed irrevocable election form shall be the same as making no election.

The cash-out of future vacation accruals is subject to the following conditions:

- An employee must have a minimum balance of 120 hours of accrued vacation at the time of election.
- Any vacation time actually taken by the employee during the cash-out year will be subtracted first from any carryover hours which existed at the end of the prior year and then from vacation hours accrued in the current year for which no election has been made.
- An irrevocable election form must be received and accepted by Human Resources no later than December 31st for the following calendar year.
- The election to cash-out leave hours in each designated year will be irrevocable and will only apply to the upcoming calendar year. This means that employees who elect to cash-out leave hours must cash out the number of accrued hours pre-designated on the election form. The amount of accrual hours designated for cash-out cannot be increased or decreased at the time of cash-out.

- In no event will a cash out payment exceed the value of hours the employee has actually accrued for the period of time between January 1 and the distribution date in any given year.
- All distributions shall be made by separate payroll document whether traditional paper check or electronic direct deposit the first full pay period in either June and/or December following accrual of the hours designated for cash out.

The City Manager may, at their discretion, consider career longevity within the pertinent management positions to assign a starting vacation accrual rate for Executive employees.

SICK LEAVE

All employees shall accrue sick leave on a bi-weekly basis at the rate of 3.69 hours per pay period. Employees shall accrue sick leave from their first day of employment. Accumulation of unused sick leave shall be unlimited.

For any employee who has a minimum of four-hundred eighty (480) hours of accrued sick leave, the balance of any of the 12 days accrued during the previous fiscal year shall be contributed to each employee's Post-Employment Health Reimbursement Arrangement (PHRA) the first full pay period of July of each successive calendar year.

Upon retirement from the City, one-half of the employee's unused sick leave balance, up to four-hundred eighty (480) hours maximum for 29 years of service or less, or up to eight-hundred eighty (800) hours maximum for 30+ years of service shall be deposited into the employee's Post-Employment Health Reimbursement Arrangement (PHRA) account.

BEREAVEMENT LEAVE

Executive employees shall receive five (5) days of bereavement leave. Vacation accruals may be used for additional time off upon approval by the City Manager.

MANAGEMENT INCENTIVE PAY

Executive employees, except the Fire and Police Chief, shall receive Management Incentive Pay of \$350.00 per month or \$4,200 per year. Management Incentive Pay is subject to tax and PERS deductions.

EDUCATIONAL REIMBURSEMENT

The City encourages and supports educational and training programs that provide career development, therefore the City shall provide educational reimbursement to Executive employees. To be eligible for reimbursement, courses shall be directly related to the employee's work and approved in advance by the City Manager. Employees shall submit a written stating the course outline and how the course will help in the employee's job and benefit the City. All courses shall be taken on the employee's own time. Tuition reimbursements are subject to budget limitations.

PERSONNEL RULES AND REGULATIONS

Unless otherwise specified in this Agreement, Executive employees shall be subject to the City of Healdsburg Personnel Rules and Regulations. Existing Employment Contracts remain in full force and effective.

Dated June 17, 2024

By signing below, the Executive Management Employees acknowledge and accept the provisions in this benefit package.


Terry Crowley, Utilities Director


Jason Boaz, Fire Chief


Scott Duiven, Community Development Director

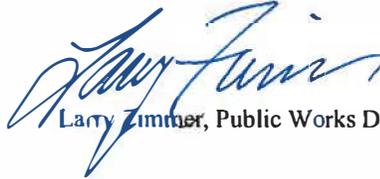

Katie Edgar, Finance Director


Matt Jenkins, Police Chief

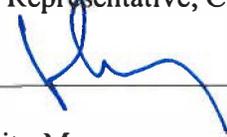

Stephen Sotomayor, Housing Director


Andrew Sturfels, Assistant City Manager


Mark Themig, Community Services Director


Larry Zimmer, Public Works Director

Designated Representative, City of Healdsburg:



Jeff Kay, City Manager



Date

Approved by City Council Resolution No. 80-2024