



CITY OF ALAMEDA

EXECUTIVE MANAGEMENT COMPENSATION PLAN

December 27, 2015 through December 26, 2018

City of Alameda

EXECUTIVE MANAGEMENT COMPENSATION PLAN

December 27, 2015 through December 26, 2018

Section 1. At-Will and Exempt FLSA Status

All employees covered under this Compensation Plan are at-will, serving at the discretion of the City Manager and are exempt from the overtime provisions of the Fair Labor Standards Act (FLSA). The job titles of the positions covered by this Compensation Plan are:

Miscellaneous Classifications:

Assistant City Manager
City Clerk*
Community Development Director
Deputy City Manager
Director of Base Reuse
Finance Director
General Manager - Alameda Municipal Power**
Human Resources Director
Information Technology Director
Library Director
Public Works Director
Recreation and Parks Director

Public Safety Classifications:

Chief of Police
Fire Chief

*Per Resolution 14728, the City Clerk is a covered Miscellaneous Classification, except that the City Clerk is appointed by and serves at the pleasure of the City Council.

Section 2. Salaries/Rates of Pay

Miscellaneous Classifications:

The salary range for each classification shall be as set forth in Exhibit A which is attached hereto and made a part thereof.

Wage increases for 2016 will be based upon the fiscal year (FY 2014-2015) over fiscal year (FY 2013-2014) rate of growth in the total combined dollar amount of General Fund Property Taxes, the 1% Bradley Burns Sales Taxes, Utility Users Taxes, and Transient Occupancy Taxes, with the rate of the wage increase equaling one half (i.e., 50%) of the year-over-year rate of growth. The wage increase for 2016 based upon this formula will be a minimum of 3% ongoing salary increase and a maximum of 4% of which only 3% of the 4% shall be an ongoing salary increase and any amount over the 3% ongoing shall be in the form of a one-

time non-PERSable stipend based on base pay only, effective the pay period beginning on January 24, 2016.

Wage increases for 2017 will be based upon the fiscal year (FY 2015-2016) over fiscal year (FY 2014-2015) rate of growth in the total combined dollar amount of General Fund Property Taxes, the 1% Bradley Burns Sales Taxes, Utility Users Taxes, and Transient Occupancy Taxes, with the rate of the wage increase equaling one half (i.e., 50%) of the year-over-year rate of growth. The wage increase for 2017 based upon this formula will be a minimum of 3% ongoing salary increase and a maximum of 4% of which only 3% of the 4% shall be an ongoing salary increase and any amount over the 3% ongoing shall be in the form of a one-time non-PERSable stipend based on base pay only, and will take effect in the first full pay period in January 2017.

Wage increases for 2018 will be based upon the fiscal year (FY 2016-2017) over fiscal year (FY 2015-2016) rate of growth in the total combined dollar amount of General Fund Property Taxes, the 1% Bradley Burns Sales Taxes, Utility Users Taxes, and Transient Occupancy Taxes, with the rate of the wage increase equaling one half (i.e., 50%) of the year-over-year rate of growth. The wage increase for 2018 based upon this formula will be a minimum of 3% ongoing salary increase and a maximum of 4% of which only 3% of the 4% shall be an ongoing salary increase and any amount over the 3% ongoing shall be in the form of a one-time non-PERSable stipend based on base pay only, and will take effect in the first full pay period in January 2018.

**General Manager – Alameda Municipal Power:

The General Manager of Alameda Municipal Power will receive the same increases as those negotiated by the Electrical Utilities Professionals of Alameda (EUPA).

Public Safety Classifications:

The Chief of Police and Fire Chief's wage increases will receive the same wage increases as those negotiated by the International Association of Fire Fighters (IAFF), Alameda Police Officers Association (APOA), Alameda Fire Chiefs Association (AFCA) and the Alameda Police Management Association (APMA) effective the first full pay-period in January of 2016, 2017 and 2018.

Section 3. Health and Welfare

The City will make available medical, dental and life insurance for eligible employees through a contribution to the Flexible Benefit Amount.

3.1 Medical Insurance - Miscellaneous

Two different structures for the medical component of the Flexible Benefit Amount will be provided to employees, based on their date of hire as outlined below.

Employees who were hired by the City of Alameda on or before November 14, 2006, and those promoted into the EXME employee group from another bargaining unit where the employee was receiving a medical component cash back provision equal to or greater than Plan A below, may choose to be covered under Plan A or Plan B as outlined below. If Plan A is chosen, the employee may choose to move to Plan B at any time. Once Plan B is chosen, the employee will not have the ability to move back into Plan A. All employees hired after November 14, 2006 shall be covered under Plan B.

Contribution rates shall be based upon the 2012 PERS premiums.

Plan A

Under Plan A, the City will make the following contributions per month per eligible employee toward the Flexible Benefit Amount for health insurance. These amounts include the PERS Minimum Employer Contribution (MEC) as required by state law, regardless of the year or amount, if enrolled in PERS medical insurance.

<u>Coverage Level</u>	2016	
	<u>City Contribution</u>	<u>Cash Back Max</u>
No coverage (0 party)	\$ 869.43	\$ 869.43
Employee only	\$ 1,765.35	\$ 530.74
Employee + 1	\$ 1,765.35	\$ 176.05
Employee + 2 or more dependents	\$ 1,765.35	\$ 0

If an employee elects no medical coverage through the City and can document they have alternative medical coverage, they will be eligible for cash back equal to the “0 Party” rate above. If an employee chooses to be covered by a lower cost medical plan, the employee will receive cash back equal to the City’s Medical Contribution less the cost of the medical plan chosen by the employee, which shall not exceed the cash back maximum shown above.

If an employee chooses to be covered by a higher cost medical plan, they will be responsible for paying the difference in the cost for that medical plan. Employees receiving cash back will continue to receive it. The amount of cash back will not increase from current levels; however, the amount of cash back an employee receives may change as a result of a change in enrollment based on coverage level. The cash back amounts will not be increased even if premiums rise.

Effective January 2017 and 2018, the City’s contribution shall increase by 50% of the increase to the Kaiser premiums based upon each coverage level.

Plan B

Under Plan B, the City will make the following contributions per month per eligible employee toward the Flexible Benefit Amount for health insurance. These

amounts include the PERS Minimum Employer Contribution (MEC) as required by state law, regardless of the year or amount, if enrolled in PERS medical insurance.

If an employee elects no medical coverage through the City and can document they have alternative medical coverage, they will be eligible for cash back of \$230.00.

Effective the pay period beginning January 24, 2016, the City shall contribute up to a maximum per month toward the Flexible Benefit Amount as follows*:

Employee only	\$867.37
Employee plus one	\$1,734.74
Employee plus family	\$2,255.15

Beginning January 2017, the City shall contribute up to a maximum per month toward the Flexible Benefit Amount as follows*:

Employee only	\$928.87
Employee plus one	\$1,857.74
Employee plus family	\$2,415.06

Effective January 2018, the City's contribution shall increase by 50% of the increase to the Kaiser premiums based upon each coverage level.

*The amounts indicated above do not include Life Insurance or Dental Insurance premiums which are paid by the City separately. The amounts indicated above do include the PERS Minimum Employer Contribution (MEC) as required by state law, regardless of the year or amount, if enrolled in PERS medical insurance.

At and following the expiration of this Compensation Plan, the amount of money allocated to the Flexible Benefit Amount for medical benefits shall remain the same, unless agreed to in a successor Compensation Plan.

3.2 Medical Insurance - Public Safety Chiefs

The medical benefits for employees in the classifications of Fire Chief and Chief of Police shall match the medical benefits offered to the Alameda Police Managers Association and the Alameda Fire Chiefs Association as detailed in Section 13 of these agreements.

3.3 Medical Plan

The City shall contract with the Public Employees' Retirement System (PERS) for the purpose of providing medical insurance benefits for employees covered by this Compensation Plan, eligible retired employees and eligible survivors of retired employees.

3.4 Dental Insurance

The City will make the necessary contributions per month per eligible employee toward the Flexible Benefit Amount to provide the dental plan to the employee and eligible dependents. This coverage will be mandatory for all employees. Any change in the premium shall cause a like change in the Flexible Benefit Amount. The dental program shall be at the \$2600/\$2500 plan per employee and eligible dependent for annual dental care and lifetime orthodontic care.

3.5 Life Insurance

The City shall provide each employee with a \$100,000 life insurance program. This coverage will be mandatory for all employees covered by this Compensation Plan. Any increase in premium shall cause a like increase in the Flexible Benefit Amount.

The City shall provide each employee with the opportunity to purchase, at their own cost, additional optional life insurance up to the maximum amount provided by and subject to the conditions of the carrier.

3.6 Flexible Spending Account (FSA); IRC Section 125 Plans

The City agrees to provide a Flexible Spending Account (FSA), as allowed under Section 125 of the Internal Revenue Code, which will allow an employee to elect a specified amount of pre-tax contributions to be used for employment related expenses.

3.7 Retirement Health Savings Plan

The City may implement a Retirement Health Savings Plan where employees may make an irrevocable choice to participate in and make pre-tax contributions. The Retirement Health Savings Plan may be discontinued at the sole discretion of the City.

3.8 Employee Assistance Program

The City shall continue to provide for all employees an employee assistance program. The cost of such program shall continue to be paid by the City only during the term of this Compensation Plan.

3.9 Long Term Disability Insurance

The City will provide a paid for LTD insurance plan equal to benefits provided for in the current plan which is 66.6667% of monthly earnings up to a maximum benefit of \$8,000 per month for the number of months according to the terms and

conditions of the plan. If benefits are improved, such improvement shall be incorporated in the Long Term Disability Plan at no cost to all covered employees.

Section 4. Retirement Plan

The present Retirement Plans between the City and Public Employees Retirement System shall be maintained at the current benefit levels for the duration of this Compensation Plan.

4.1 Retirement Plans – Miscellaneous Classifications

1. 2% at 55 for Miscellaneous classifications.
2. The City provides the PERS single highest year retirement benefit.
3. Employees in miscellaneous classifications pay their own seven (7%) percent contribution.
4. The City provides the PERS additional service credit for unused sick leave.
5. Cost Sharing – Miscellaneous Classifications

The City shall contract with PERS for Variable Rate Cost Sharing of up to the Permanent Cost Share of 1.868% under Government Code Section 20516(a), based on the optional benefits established in the Miscellaneous Plan of the City's contract with PERS for the 2% @ 55 and One-Year Final Compensation Optional Benefits. In addition to the current 7% employee contribution, employees in the Miscellaneous classifications covered by the Compensation Plan shall contribute an additional 1.868% of the employee's PERSable earnings towards the employer retirement contribution. This 8.868% contribution shall be in accordance with Section 414(h)(2) of the Internal Revenue Code whereby employee contributions shall be tax deferred and not subject to taxation until the time of constructive receipt.

4.2. Retirement Plan – Public Safety Classifications

1. Employees Hired Before January 1, 2013

The provisions described in this section apply only to CalPERS eligible employees hired before January 1, 2013, or to Classic Members (Eligible employees hired after that date who qualify for pension reciprocity pursuant to Government Code Section 7522.02 (c)).

The City shall continue to provide retirement benefits in accordance with the existing contract with PERS to provide for the 3% @ 50 retirement formula for employees hired prior to January 1, 2013 or qualified Classic Members. "Employee contributions" shall mean those contributions to PERS which are deducted from the salary of employees and are credited to individual employee's accounts pursuant to California Government Code Section 20691.

The City has contracted with PERS for Employee Cost Sharing. Currently the Fire Chief and Chief of Police have a total employee contribution of 14%. Effective July 1, 2016, there will be a 1% increase resulting in a total employee contribution of 15%.

2. Employees Hired On Or After January 1, 2013

This Section shall apply to CalPERS eligible employees hired on or after January 1, 2013, who do not qualify for pension reciprocity pursuant to Government Code Section 7522.02(c). All of the following requirements apply to these employees:

- a. As required by Government Code Section 7522.25, the Safety Option Plan Two (2% @ 50 – 2.7% @ 57) pension formula shall apply.
- b. As required by Government Code Section 7522.30, employees shall have an initial contribution rate of 50% of the total normal cost rate.

3. Retirement Plan Final Compensation Calculation

New Members of the City's defined benefit plan will have their final compensation for pension purposes calculated based on a formula that defines final compensation as the highest average annual pensionable compensation earned during a period of at least 36 consecutive months.

Employees who constitute "Classic" members of the City's defined benefit plan will have their final compensation for pension purposes calculated based on a formula that defines final compensation on a 12-consecutive month period in accordance with the Public Employees' Retirement Law.

4.3 Deferred Compensation Plans

Employees have the choice to enroll in the 457 Deferred Comp Plan and may make changes anytime throughout the plan year. The City is evaluating implementing a 401(a) plan and will meet with EXME employees prior to implementation.

Section 5. Retiree Health Care Benefit

5.1 Miscellaneous Classifications

Employees who retire with the City and elect to enroll in the health insurance provided through PERS shall have the employer contribution applied per PERS.

5.2 Public Safety Classifications

The Fire Chief and Chief of Police will be eligible for retiree health and dental benefits as detailed in Section 14 of the agreements with the four Public Safety bargaining units.

The Fire Chief and Chief of Police will contribute to the OPEB Trust established with the City as the same level as identified Section 14.5 of the agreements with the four Public Safety bargaining units.

Section 6. Holidays

Employees covered by this Resolution shall be entitled to take all authorized holidays at full pay, not to exceed 7.5 hours pay for any one (1) day for miscellaneous classifications and 8 hours pay for public safety classifications.

The authorized holidays for the City are:

- (1) New Year's Day
- (2) Martin Luther King's Birthday
- (3) Presidents' Day
- (4) Memorial Day
- (5) Independence Day
- (6) Labor Day
- (7) Veterans Day
- (8) Thanksgiving Day
- (9) Day after Thanksgiving Day
- (10) Christmas Day
- (11)(12) and (13 ½) Three and one-half (3 ½) Floating Holidays (to be taken each year during the period January 1 through December 31)

Section 7. Vacation

7.1 Vacation Benefits

Upon the discretion of the City Manager, employees covered by this Compensation Plan may receive up to twenty (20) working days of vacation with pay upon employment to recognize previous applicable experience, and may subsequently

accrue vacation of up to twenty (20) work days of vacation with pay annually, accrued on a biweekly basis.

Employees shall receive one additional work day of paid vacation for each additional year of service on their anniversary date (accrued on a bi-weekly basis) up to a total of 25 vacation days. The maximum shall be 30 vacation days for Public Safety classifications.

For the purposes of this section, Miscellaneous classifications have a 37.5 hour work week and a 7.5 hour work day. Public Safety classifications have a forty (40) hour work week and an eight (8) hour work day.

7.2 Vacation Accumulation

No employee may accumulate more than 320 hours of vacation at any one time. Vacation accumulation shall not exceed these amounts unless otherwise approved by the City Manager.

7.3 Vacation Pay at Termination

Upon termination of employment, an employee shall be paid the cash value of his or her accrued vacation leave at the time of termination.

7.4 Vacation Sell Back

On October 15, 2012 or as soon thereafter as is reasonably practical, the parties will commence meeting to discuss a potential provision allowing employees to sell back vacation to the City.

Section 8. Sick Leave

Employees covered by this Resolution shall accrue sick leave at the rate of one (1) day per month. There shall be no limit on sick leave accrual. In no event shall sick leave be converted into cash. Charge for sick leave used shall be on the basis of one (1) hour for each hour used. Sick leave may not be used before it is earned.

For the purposes of this section, Miscellaneous classifications have a 37.5 hour work week and a 7.5 hour work day. Public Safety classifications have a forty (40) hour work week and an eight (8) hour work day.

Section 9. Administrative Leave

Employees covered by this Resolution shall be provided one (1) week of Administrative Leave per year. Unused leave will be cashed out at the end of the Fiscal year.

Section 10. Catastrophic Leave

Catastrophic Leave is governed by Administrative Policies & Procedures No. 44.

Section 11. Leaves of Absence

11.1 Funeral Leave

In the event of a death in the immediate family of an employee, the employee shall, upon request, be granted such time off with pay as is necessary to make arrangements for the funeral and attend same, not to exceed four (4) regularly scheduled work days. This provision does not apply if the death occurs while the employee is on leave of absence, layoff, or sick leave.

For the purpose of this provision, the immediate family shall be restricted to parent, sibling, spouse, domestic partner, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, grandchild, step-parent and stepchild where there is a child-rearing relationship, or step-sibling. At the request of the City, the employee will furnish a death certificate and proof of relationship.

Funeral leave applies only in instances in which the employee attends the funeral, or is required to make funeral arrangements, but is not applicable for other purposes such as settling the estate of the deceased.

11.2 Jury Duty

An employee summoned to jury duty shall inform the City Manager and, if required to serve, may be absent from duty with full pay for that time required to serve.

Section 12. Auto Allowance / Exclusive Use Vehicles

An auto allowance of \$250 per month shall continue to be provided to the following classifications:

Assistant City Manager
City Clerk
Community Development Director
Deputy City Manager
Director of Base Reuse
Finance Director
General Manager – Alameda Municipal Power
Human Resources Director
Information Technology Director
Library Director

Recreation and Parks Director

Inasmuch as the City has determined that its best interests are served by providing City vehicles for exclusive use to certain key employees with emergency response responsibilities, the employees in the following classifications will be assigned an exclusive use City vehicle. The use of these vehicles includes necessary service, maintenance and City gasoline for City business use subject to City policies and practices.

Chief of Police
Fire Chief
Public Works Director

The assignment of vehicles to these classifications shall be subject to review by the City Manager annually and as vacancies occur in these classifications. The City Manager may determine that a classification not be assigned an exclusive use City vehicle, and that the employees receive the \$250 per month auto allowance.

Section 13. Outside Employment

No full-time employee shall engage in employment that constitutes a conflict for the employee or the City. No employee shall engage in outside employment during his/her regular working hours. No uniform, emblem, badge or other employee identification shall be worn by any person while in the employment of someone other than the City. All requests by the employee for permission to engage in outside employment shall be made on a form provided by the City. No employee shall accept or continue employment other than with the City of Alameda without the approval of the City Manager, which may be withheld only if such employment constitutes a conflict for the employee or the City or which would interfere with the employee's ability to perform his or her City job.

Section 14. Miscellaneous

The City's Drug Free Work Place Policy and Testing Procedure shall apply to employees governed by this plan.

Section 15. Uniform Allowance

Employees in the Public Safety classifications shall be entitled to uniform pay in the same manner and amount as provided in the respective Safety management agreements.

**CITY OF ALAMEDA
EXECUTIVE MANAGEMENT**

Exhibit A

CODE	CLASSIFICATION	ANNUAL					Effective Date
		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	
SAFETY Exempt							
1111*	Chief of Police	203,722	213,908	224,603	235,833	247,625	1/10/2016
1101*	Fire Chief	195,764	205,552	215,830	226,622	237,953	1/10/2016

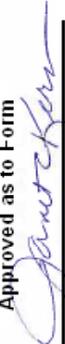
Forty (40) hour original work week.
* Five-day work week

MISC Exempt							
7001*	General Manager-AMP	184,810	194,050	203,752	213,940	224,637	1/24/2016
1052*	Assistant City Manager	179,781	188,770	198,209	208,119	218,525	1/24/2016
1121*	Public Works Director	170,255	178,768	187,706	197,091	206,946	1/24/2016
1021*	Finance Director	155,218	162,979	171,128	179,684	188,668	1/24/2016
1035*	Information Technology Director	155,218	162,979	171,128	179,684	188,668	1/24/2016
1131*	Library Director	152,113	159,719	167,705	176,090	184,894	1/24/2016
1141*	Recreation & Park Director	152,113	159,719	167,705	176,090	184,894	1/24/2016
1071*	Human Resources Director	152,113	159,719	167,705	176,090	184,894	1/24/2016
1066*	Community Development Director	152,113	159,719	167,705	176,090	184,894	1/24/2016
1081**	Director of Base Reuse	146,262	153,575	161,254	169,317	177,783	1/24/2016
1056*	Deputy City Manager	130,983	137,532	144,409	151,629	159,210	1/24/2016
1030**	City Clerk					132,137	1/24/2016

Thirty-seven and one-half (37-1/2) hour original work week
* Five-day work week
** Four-day work week

CITY OF ALAMEDA RESOLUTION NO. 14863

AMENDING THE CITY OF ALAMEDA EXECUTIVE MANAGEMENT (EXME) COMPENSATION PLAN TO INCLUDE FINANCE DIRECTOR, AND AMENDING THE EXME SALARY SCHEDULE TO ESTABLISH THE FINANCE DIRECTOR SALARY RANGE AND MODIFY THE CHIEF OF POLICE AND FIRE CHIEF SALARY RANGES

Approved as to Form

Janet C. Kern, City Attorney

WHEREAS, in 2010, in an effort to respond to the economic recession, the City downgraded the then vacant Finance Director position and created a Controller classification. Since then, it has been determined that the responsibilities of the position are more appropriately represented as a Director; and

WHEREAS in order fully recognize the responsibilities of the position, including creating a two-year budget, addressing the City's critical Other Post Employment Benefit (OPEB) obligations, balancing the City's multiple funds in a difficult economic climate, and other advanced municipal finance duties, it is appropriate to establish the position as Finance Director in the EXME Compensation Plan and authorize the provision of the EXME Auto Allowance; and

WHEREAS, the adoption of the amended Alameda Police Managers Association and Alameda Fire Chiefs Association Memorandas of Understanding which included salary increases, has resulted in salary compaction between the Police Captains and the Chief of Police, and between Division Chiefs assigned to serve as Deputy Chief or on non-suppression assignments and the Fire Chief; and

WHEREAS, in order to alleviate this issue, a 5% salary increase is proposed for the Chief of Police, and a 7.5% salary increase for the Fire Chief; and

WHEREAS, to avoid the issue of compaction in the future, the Chiefs' salaries shall be adjusted as warranted, in order to maintain at least a 5% total compensation differential between the Chief of Police and Fire Chief classifications, and their respective subordinate classifications.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Alameda that the City of Alameda Executive Management Salary Schedule is hereby amended by establishing the salary range and steps for Finance Director, and modifying the salary range and salary steps for the classifications of Chief of Police and Fire Chief, and allowing the salary ranges and salary steps of the classifications of Chief of Police and Fire Chief to maintain at least a 5% total compensation differential on an on-going basis between the Chief classification and their respective subordinate classifications, designating those as applicable to these classifications in the service of the City of Alameda.

CITY OF ALAMEDA
EXECUTIVE MANAGEMENT SALARY SCHEDULE
Effective October 6, 2013

Code	Classification <i>exempt</i>	Annual				
		Step 1	Step 2	Step 3	Step 4	Step 5
1021*	Finance Director	\$142,202	\$149,312	\$156,778	\$164,617	\$172,848

Thirty-seven and one-half (37 ½) hour original work week
* Five-day work week

Code	Classification <i>exempt</i>	Annual				
		Step 1	Step 2	Step 3	Step 4	Step 5
1111*	Chief of Police	\$184,279	\$193,493	\$203,168	\$213,326	\$223,992
1101*	Fire Chief	\$177,011	\$185,862	\$195,155	\$204,913	\$215,159

Forty (40) hour original work week
* Five-day work week

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the 1st day of October, 2013, by the following vote to wit:

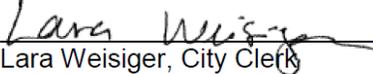
AYES: Councilmembers Chen, Daysog, Ezzy Ashcraft, Tam and Mayor Gilmore – 5.

NOES: None.

ABSENT: None.

ABSTENTIONS: None.

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the seal of said City this 2nd day of October, 2013.


Lara Weisiger, City Clerk
City of Alameda