

GARDEN GROVE CITY COUNCIL

RESOLUTION NO. 9251-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ESTABLISHING A SALARY PLAN FOR CERTAIN POSITIONS IN CENTRAL MANAGEMENT CLASSIFICATIONS AND EXEMPTING CENTRAL MANAGEMENT CLASSIFICATIONS FROM MUNICIPAL CODE SECTION 2.44.390 AND OVERTIME

WHEREAS, Chapter 2.44 of the Garden Grove Municipal Code, revised, Volume 1, provides that the City Council shall by resolution: (1) establish salary ranges and salary rates and the allocation of classes thereto; and (2) set forth the classification of full-time positions in the various City departments and offices;

BE IT RESOLVED that all prior Resolutions in conflict herewith are hereby repealed so as to avoid all conflict.

BE IT FURTHER RESOLVED that the City Council does establish the following:

SECTION 1: CENTRAL MANAGEMENT CLASSIFICATIONS

For purposes of this Resolution, Central Management positions are identified as follows:

<u>Personnel Classification</u>	<u>Salary Range</u>
Community Development Director	245
Community Services Director	240
Economic Development Director	245
Finance Director	245
Fire Chief	250
Information Technology Director	240
Human Resources Director	240
Police Chief	255
Public Works Director	245
Deputy City Manager	240

SECTION 2: WAGES

1. Effective the first full pay period following July 1, 2014, the salary range of each classification listed in this Resolution will be increased by two percent (2%).

### SECTION 3: BENEFITS

Unless otherwise provided, benefits and leave Policies as offered in the Middle Management group will be offered to the classifications listed in this Resolution.

Central Management employees are not eligible for any education incentive programs offered by the City, but are eligible to participate in the Tuition Reimbursement Program.

Central Management employees who meet the same qualifications for the vacation buy-back provision shall have the option to use this benefit any time during the calendar year.

Central Management employees are eligible for an executive medical (physical) examination on an annual basis, to be provided by the City if requested. Central Management employees also receive the executive long-term disability insurance benefit.

### SECTION 4: RETIREMENT

- a. Effective January 1, 1994, the employee shall begin to pay the Employee's Contribution to the Public Employees Retirement System (PERS). The City shall allow these contributions to be treated as "pick-up" in accordance with Section 414 (h) 2 of the Internal Revenue Service and applicable Government Code Sections. These "pick-up" contributions, to the extent permissible, shall be treated as deferred income to the employee for federal and state tax purposes.

The employee shall indemnify and hold the City harmless from any and all claims, demands, suits, actions, liabilities, or judgments of any kind whatsoever arising out of or in connection with the actions to be taken and/or the "pick-up" contributions to be made pursuant hereto.

Any future income tax obligations resulting from the "pick-up" contributions shall be the exclusive responsibility of the employee. In the event the Internal Revenue Service shall change its current position and determine that such contributions constitute salary, not deferred income, any resulting tax obligations shall be the exclusive responsibility of the employee and the City shall not be held responsible therefore.

- b. The City currently contracts with PERS for the following retirement formula for miscellaneous employees:

- 1) Section 21354.4 (2.5% at 55 Full formula for local miscellaneous members – Active members only)
  - 2) Section 20024.2 (Highest Year)
  - 3) Section 20862.8 (Credit for Unused Sick Leave)
  - 4) Employees pay the entire Employee Contribution.
- c. Miscellaneous employees pay a total of eight percent (8%) Employee Contribution for the 2.5% at 55 Full formula.
- d. The City currently contracts with PERS to provide the following benefit to the Public Safety retirement plan, for sworn Police and Fire management employees:
- 1) Section 21362.2 (3% at 50 Full formula for local Public Safety members)
  - 2) Section 20024.2 (Highest Year)
  - 3) Section 20862.8 (Credit for Unused Sick Leave)
  - 4) Sworn Public Safety Management employees pay the entire Employee Contribution.
- e. Police Chief and Fire Chief
- 1) General Provision

Effective January 1, 2013, the Police Chief and the Fire Chief will each receive ten (10) hours of pay in-lieu of holiday leave for each of the eleven (11) holidays as designated below in subpart 4 of this subsection. This additional compensation will be paid as the holiday occurs and shall be reported to PERS as Special Compensation pursuant to Title 2, Division 1, Chapter 2 of the California Code of Regulations, specifically § 571 (a)(5) – Statutory Items, Holiday Pay.
  - 2) Part-Year Employment

A Fire Chief or Police Chief who commences employment at a time other than the beginning of a calendar year shall only be entitled to receive those holidays described in subpart 4 of this subsection that occur during the period actually worked.
  - 3) Effect of Unpaid Leave of Absence

A Police Chief or Fire Chief who is on an unpaid leave of absence during any holiday designated in subpart 4 of this subsection is not entitled to receive any holiday benefits for that holiday.

4) Designated Holidays for Fire Chief and Police Chief

January 1<sup>st</sup> (New Year's Day)  
Third Monday of February (President's Day)  
Last Monday of May (Memorial Day)  
July 4<sup>th</sup> (Independence Day)  
First Monday in September (Labor Day)  
November 11<sup>th</sup> (Veteran's Day)  
Fourth Thursday in November (Thanksgiving Day)  
The Day after Thanksgiving  
December 24<sup>th</sup> (Christmas Eve)  
December 25<sup>th</sup> (Christmas Day)  
December 31<sup>st</sup> (New Year's Eve)

f. PEPRA

Pursuant to the Public Employees' Pension Reform Act of 2013 (PEPRA) and notwithstanding any provision of any other City Council Resolution or Memorandum of Understanding (MOU) any new member employee, as defined by PEPRA, who is hired on or after January 1, 2013, shall be subject to the following retirement benefits:

For Non-Safety Employees

Government Code Section 7522.20 (2% @ 62 retirement formula).

Government Code Section 7522.32 (final compensation rate used to calculate pension benefit is average of member's highest annual pensionable compensation over a consecutive 36 month period).

For Safety Employees

Government Code Section 7522.25 (2% @ 50 retirement formula, maximum benefit of 2.7% @ 57).

Government Code Section 7522.32 (final compensation rate used to calculate pension benefit is average of member's highest annual pensionable compensation over a consecutive 36 month period).

SECTION 5: ADDITIONAL ASSIGNMENT PAY

The City Manager may authorize additional compensation of up to five percent (5%) over base pay to an employee who has assumed additional job duties due to a vacant position, long-term leave of absence, or a reorganization. The

duration of this additional pay shall be at the sole determination of the City Manager.

#### SECTION 6: POSITIONS EXEMPT FROM FLSA

Employees in Central Management classifications are designated as exempt from the provisions of the Fair Labor Standards Act (FLSA). Those employees who have used all their accrued leave benefits and are absent for less than one (1) day, shall not have that time treated as an absence without pay. Employees in this category shall be subject to disciplinary actions involving unpaid time off in accordance with FLSA regulations.

#### SECTION 7: ADMINISTRATIVE LEAVE

The Central Management positions listed in this Resolution shall be exempt from all overtime provisions contained in the Municipal Code or in any Memorandum of Understanding. The provisions of Administrative Leave for Middle Management will also be offered to the classifications listed in this Resolution.

#### SECTION 8: EXEMPT CENTRAL MANAGEMENT CLASSES

All classes listed in this Central Management Resolution shall be designated as exempt and be considered to be exempt from the provisions of the Municipal Code Section 2.44.390.

The appointment and removal of Department heads and the primary assistants in the City Manager's Office are governed by the Municipal Code Section 2.08.100.

#### SECTION 9: CITY AUTOMOBILE USAGE

Central Management employees may be assigned a City vehicle by the City Manager to conduct city business in accordance with the Administrative Regulations. The City Manager may, in lieu of assigning a City vehicle, provide the employee with an allowance equal to the City's budgeted equipment rental rate for a standard sedan.

Those employees assigned a City-owned vehicle to conduct City business, may also use the vehicle for private purposes in accordance with Administrative Regulations.

#### SECTION 10: SPECIAL VACATION ALLOWANCE

The City Manager, in his sole discretion, may authorize a central management employee to receive up to 80 additional vacation hours each fiscal year to recognize exceptional accomplishment and/or significant and ongoing work

beyond the scope of their position. Such special vacation shall not affect the employee's vacation accrual rate.

SECTION 11: UNIFORM ALLOWANCE

Employees may be required to wear uniforms issued by the City if so determined by their respective department director(s). The City will replace uniforms due to normal wear.

The cost of uniforms shall not constitute compensation for purposes of the regular rate calculation under the Fair Labor Standard Act. This policy shall remain in effect unless a change is dictated by applicable law.

The City shall report to CalPERS the monetary value of uniforms and uniform maintenance for those employees required to wear uniforms. The monetary value by classification is listed in Exhibit A, entitled "UNIFORM ALLOWANCE."

Uniform allowance is defined as compensation paid or the monetary value for the purchase, rental and/or maintenance of required clothing, including clothing made from specially designed protective fabrics, which is a ready substitute for personal attire the employee would otherwise have to acquire and maintain.

Adopted this 8<sup>th</sup> day of July 2014.

ATTEST:

/s/ BRUCE A. BROADWATER  
MAYOR

/s/ KATHLEEN BAILOR, CMC  
CITY CLERK

STATE OF CALIFORNIA    )  
COUNTY OF ORANGE    ) SS:  
CITY OF GARDEN GROVE )

I, KATHLEEN BAILOR, City Clerk of the City of Garden Grove, do hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Garden Grove, California, at a meeting held on the 8<sup>th</sup> day of July 2014, by the following vote:

AYES:    COUNCIL MEMBERS:   (5) BEARD, JONES, NGUYEN, PHAN, BROADWATER  
NOES:    COUNCIL MEMBERS:   (0) NONE  
ABSENT: COUNCIL MEMBERS:   (0) NONE

/s/ KATHLEEN BAILOR, CMC  
CITY CLERK

EXHIBIT "A"

CENTRAL MANAGEMENT UNIFORM ALLOWANCE

<u>TITLE</u>	<u>REPORTED TO PERS EACH PAY PERIOD</u>
POLICE CHIEF	\$ 8.11
FIRE CHIEF	\$ 54.21