

BEFORE THE TOWN COUNCIL OF THE TOWN OF MORAGA

In the Matter of:

Establishing the Compensation )  
Package for Department Directors )  
effective July 1, 2017 to June 30, 2019 )

Resolution No. 58 - 2017

**WHEREAS**, Resolution No. 57-2015 dated May 27, 2015 establishing the compensation package for Department Directors will expire on June 30, 2017; and

**WHEREAS**, the Town Manager and Town Council have reviewed and discussed the compensation package applicable to the Department Directors; and

**WHEREAS**, it is a goal of the Town Manager to establish a compensation package that both attracts and retains the most qualified staff while carefully managing scarce resources.

**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of the Town of Moraga that the following compensation and benefits package applies to these positions effective July 1, 2017 through June 30, 2019:

- Administrative Services Director
- Parks and Recreation Director
- Planning Director
- Police Chief
- Public Works Director/Town Engineer
- Town Clerk/Assistant to the Town Manager

**BE IT FURTHER RESOLVED THAT** the Town Council does approve the following compensation and benefit plan as follows:

**I. SALARY ADJUSTMENTS**

- A. Effective July 9, 2017, the Town will implement a 4% increase to base salary. The revised 2017-2018 salary tables are attached to this Resolution as Appendix A.
- B. Effective July 8, 2018, the Town will implement a 2% increase to base salary. The revised 2018-2019 salary tables are attached to this Resolution as Appendix B.

## II. RETIREMENT

- A. For “Classic” members, as defined by the California Public Employees Retirement System (CalPERS):
- a. The Town participates in the “2% at 55” Miscellaneous retirement program for non-sworn Department Directors.
  - b. Town participates in the “2% at 50” Police Safety retirement program for sworn Department Directors (i.e., Police Chief).
  - c. The Town plan shall provide the “average of three years” benefit.
  - d. The Town plan shall provide the sick leave conversion benefit.
  - e. The Town plan shall include credit for military service time.
  - f. The Town plan shall include 1959 Survivor Benefits – Level 4.
  - g. The Employee will continue to pay 100% of the CalPERS-established required employee’s contribution (7% of salary for the Miscellaneous Plan and 9% for the Police Safety Plan) and the additional 2% cost sharing required by the prior CalPERS contract amendment for a total of 9% for the Miscellaneous Plan and 11% for the Police Safety Plan.
  - h. Effective July 9, 2017, the Employee will pay an additional 1% of PERSable compensation toward the Town’s CalPERS-established employer contribution for a total cost sharing amount of 3%. The total contribution for Miscellaneous Plan members will be 10%. The total contribution for Police Safety Plan members will be 12%.
  - i. Effective July 8, 2018, the Employee will pay an additional 1% of PERSable compensation toward the Town’s CalPERS-established employer contribution for a total cost sharing amount of 4%. The total contribution for Miscellaneous Plan members will be 11%. The total contribution for Police Safety Plan members will be 13%.
  - j. As soon as practicable after the effective date of this Resolution, the Town will initiate the contract amendment process to provide for the additional cost sharing required by subsections (g) and (h) above. Upon completion of the Town’s amendment to the CalPERS contract, the cost sharing will be made pursuant to Government Code Section 20516.
  - k. If the contract amendment between the Town and CalPERS is not complete before the effective date of the additional cost sharing required by subsections (g) and (h) above, the cost sharing shall be implemented outside of a CalPERS contract amendment.
- B. For “New” members, as defined by CalPERS, the Town will comply with the California Public Employees’ Pension Reform Act of 2013 (PEPRA) that went into effect on January 1, 2013:
- a. The Town participates in the “2% at 62” Miscellaneous retirement program for non-sworn Department Directors.
  - b. The Town participates in the “2% at 50 / 2.7% at 57” Police Safety retirement program for sworn Department Directors.
  - c. The Town plan shall provide the “average of three years” benefit.

- d. The Town and the Employee will share equally the normal cost of the CalPERS contribution.
- C. Retirement benefits are subject to all applicable CalPERS regulations and relevant law, and the Town cannot provide retirement benefits that are inconsistent with the Public Employees' Retirement Law and related CalPERS rules and regulations. Employees should consult with CalPERS in calculating the amount of benefits they will receive after retirement.

### **III. DEFERRED COMPENSATION**

- A. Town employees may make a voluntary contribution to ICMA 457, up to the maximum amount allowable by law.
- B. Town employees may elect to contribute to an ICMA 401a "final payout" plan. Employees hired by the Town prior to July 1, 2017 were provided with a one-time opportunity to enroll in this Plan during the 2016 Open Enrollment period. Employees hired after July 1, 2017, must elect to participate in this Plan within the first thirty (30) days of employment. Per IRS rules, election to participate and level of contribution is irrevocable.

### **IV. SICK LEAVE**

- A. Sick leave shall be earned at the rate of eight (8) hours per month.
- B. All Department Directors may accrue unlimited sick leave.

### **V. FAMILY AND MEDICAL LEAVE/BEREAVEMENT LEAVE**

Family and Medical Leave shall be provided to eligible employees in accordance with federal and state law.

In addition, employees shall be granted a maximum of three (3) days leave for each incident relating to matters arising out of a major family illness or death of any immediate family member in California. In cases where the death of an immediate family member is outside California and the employee is required to travel out of state to attend to the death of the family member, the employee shall be granted a maximum of five (5) days leave. Employees requiring more than the leaves set forth in this section are able to utilize vacation and/or other available leave for such purposes, subject to reasonable notice and the operational needs of the department, as determined by the Town Manager. "Immediate Family" is defined as wife, husband, domestic partner, son, daughter, mother, father, brother, or sister of employee, parent of a spouse or domestic partner, and close blood relatives or close relatives living in the member's household.

### **VI. ADMINISTRATIVE LEAVE**

Administrative leave shall be given at a rate in the amount of 104 hours per fiscal year and is not accruable.

## VII. VACATION

- A. For employees hired on or after July 1, 2017, vacation leave shall be earned, beginning in year one of employment at the rate of 3.08 hours per pay period (80 hours per year). Subsequently, an additional 8 hours per year shall be earned per year of service, up to a maximum of 200 hours per year. An employee may accrue a maximum of 240 hours. Once the accrual maximum has been reached, no additional vacation shall be earned or accrued until the balance falls below the 240-hour maximum accrual amount.
- B. For employees hired before July 1, 2017, vacation leave shall be earned, beginning in the first year of employment at a rate of 4.61 hours per pay period (120 hours per year). Subsequently, an additional 8 hours per year shall be earned per year of service up to a maximum of 240 hours per year. An employee may accrue a maximum of 280 hours. Once the accrual maximum has been reached, no additional vacation shall be earned or accrued until the balance falls below the 280-hour maximum accrual amount.
- C. Any Employee who has accrued more vacation than the 280 hour maximum accrual amount as of July 9, 2017 shall be paid for the number of vacation hours the employee has accrued above the 240-hour annual maximum accrual amount, so that the accrued vacation balance for the employee will be reduced to 240 hours as of July 9, 2017. The pay rate for the vacation "cash-out" shall be based on the pay rate in effect as of July 9, 2017. Vacation "Cash-outs" shall be made to employees no later than August 11, 2017.
- D. Town Manager has the authority to negotiate larger vacation accruals for newly hired department directors based on years of local agency experience, difficulty in recruiting and retaining department heads, and consideration of internal equity and fairness.
- E. Employees are encouraged to take annual vacation leave equal to time accrued.
- F. Employees may request to cash-out up to 60 hours of accrued vacation leave once each fiscal year so long as the employee maintains a 120 hour vacation accrual minimum after the vacation accrual cash-out and the employee is in "good standing" within the past 12 months as verified by the Town Manager. The cash-out is issued after an employee submits a written request for the cash-out to the Administrative Services Department.

## VIII. HOLIDAYS

Employees shall receive a paid day off for ten holidays and three floating holidays per year. Exhibit A lists the observed holidays. Employees regularly assigned a "9/80" work schedule shall receive a nine-hour holiday when the holiday is observed on a regularly scheduled nine-hour work day, and an eight-hour holiday when the holiday is observed on a regularly scheduled eight-hour work day. Floating holidays may be observed as nine-hour holidays when the holiday is observed on a regularly scheduled nine-hour

work day, and an eight-hour holiday when the holiday is observed on a regularly scheduled eight-hour work day.

## **IX. MEDICAL BENEFIT**

The Town will provide at least three (3) options for medical insurance coverage, including the Kaiser HMO – Gold level plan, for employees and their eligible dependents (employee, employee/spouse, employee/child(ren) or employee/family) through the term of this agreement.

- A. The Town will contribute monthly toward the medical insurance premium for medical coverage for each employee and eligible dependents up to a maximum of the Kaiser HMO – Gold level plan for the 2017 plan year.
- B. If an employee chooses a plan other than the Kaiser HMO – Gold level plan, the Town agrees to contribute the value of the full monthly premium cost for the employee and eligible dependents as established under the Kaiser HMO – Gold level plan, for the 2017 plan year, toward the premium of one of the other medical plan options as selected by the employee. If the monthly premium for the plan option and coverage level selected by the employee exceeds the Town's monthly contribution as described in paragraph IX. D. for the same coverage level (i.e., employee, employee/spouse, employee child(ren), or employee/family), the employee shall pay the balance of the premium cost through a pre-tax payroll deduction.
- C. In the event the Kaiser HMO – Gold level plan is discontinued or no longer available, the Town will offer a mutually agreeable plan equivalent to the Kaiser HMO-Gold level.
- D. For the term of this agreement, the Town agrees to contribute up to the monthly premium rates established under the Kaiser HMO – Gold level plan for the January 1, 2017 – December 31, 2017 plan year for medical insurance coverage for each employee and eligible dependents. For each subsequent plan year, the Town's contribution shall include the amount of any premium increases for the Kaiser HMO – Gold level plan not to exceed twelve percent (12%) for each employee and their eligible dependents. Any increase exceeding twelve percent (12%) and less than twenty (20%) will be paid by the employee. If the Kaiser HMO-Gold level plan premium increase is twenty percent (20%) or greater, the Town Council agrees to reconsider section IX.D. of this Resolution.
- E. With proof of alternative medical insurance, an employee may opt to receive \$600 per month as cash in-lieu of medical coverage or as a contribution into the individual's deferred compensation (ICMA 457) account in lieu of medical benefits.
- F. For regular (permanent) part-time employees, the Town will pay pro-rated amounts for medical insurance coverage.

## **X. DENTAL BENEFIT**

The Town agrees to pay the entire premium for the level of coverage selected by the employee (e.g., employee only, employee plus one or family) for a Dental Plan of the Town's choice, which has substantially the same benefits as the dental plan in effect on June 30, 2017. For regular (permanent) part-time employees, the Town will pay pro-rated amounts for dental insurance coverage.

## **XI. VISION BENEFIT**

The Town agrees to pay the entire premium for the level of coverage selected by the employee (e.g., employee only, employee plus one or family) a Vision Plan through 'VSP' or comparable, which has an annual twenty-five dollar (\$25) co-pay that is paid by the employee for services rendered through the plan. For regular (permanent) part-time employees, the Town will pay pro-rated amounts for vision insurance coverage.

## **XII. LIFE INSURANCE BENEFIT**

The Town shall provide a life insurance policy in the sum of \$100,000 for full-time employees. For regular (permanent) part-time employees, the Town will provide pro-rated amounts for life insurance coverage.

## **XIII. LONG-TERM DISABILITY/ SHORT-TERM DISABILITY BENEFITS**

The Town provides for group long-term and short-term disability insurance.

## **XIV. UNIFORMS**

Sworn Department Directors shall receive \$1,200 annually for the purchase, cleaning and maintenance of their uniform. This benefit is to be paid in 26 equal payments, one in each pay period.

## **XV. AUTO ALLOWANCE**

Non-sworn Department Directors will receive a \$500 per month auto allowance to be paid in 26 equal payments, one in each pay period. Sworn Department Directors will be issued a Town-owned vehicle in lieu of receiving an auto allowance.

## **XVI. TECHNOLOGY ALLOWANCE**

Non-sworn Department Directors, who are not issued a Town-owned cell phone, will receive a \$50 per month technology allowance to be paid in 26 equal payments, one in each pay period. Sworn Department Directors will be issued a Town-owned cell phone in lieu of receiving a technology allowance. All Directors must have access to work related email and phone calls with chosen technology.

## XVII. BONUS PROGRAM

The Town Manager may grant a performance bonus to one or more Department Directors each year in recognition of exceptional performance in the prior year. These performance bonuses are designed to provide incentives and commensurate rewards for exceptional service or contributions, and are not to be provided simply for expected or above average performance. There is no expectation that any or all positions will receive bonuses each year.

Any bonus provided to a Department Director under this program shall be granted at the discretion of the Town Manager and may not exceed \$5,000 per year. The bonus, if any, shall be awarded on the Department Director's anniversary date. The non-PERSable bonus does not form the basis for future salary, should not be expected in future years, and is subject to available funds identified by the Town Council for this purpose within the current year operating budget. The amount available for this program may be expanded or reduced in accordance with the Town's financial prospects and the Town Manager's/Town Council's satisfaction with the program.

## XVIII. WORK HOURS

Each Department Director shall set a weekly work schedule with the Town Manager according to the needs of his/her Department that ensures a continued level of high quality service to the public. Generally, the regular work schedule shall be a "9/80" work schedule.

## XIX. SEVERANCE PACKAGE

In recognition that all employees in this group are "at will" employees and therefore serve at the discretion and pleasure of the Town Manager, the Town offers a severance package of three (3) months' salary upon involuntary termination.

**PASSED AND ADOPTED** by the Town Council of the Town of Moraga at a regular meeting held on June 14, 2017 by the following vote:

**AYES:** Mayor Onoda, Councilmembers Fritzky, Korpus and Trotter  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** Vice Mayor Wykle

  
Teresa Onoda, Mayor

Attest:

  
Marty C. McInturf, Town Clerk

## EXHIBIT A

### LIST OF OBSERVED HOLIDAYS

1. New Year's Day (January 1)
2. Martin Luther King Jr. Day (3rd Monday in January)
3. Presidents' Day (3rd Monday in February)
4. Memorial Day (Last Monday in May)
5. Independence Day (July 4)
6. Labor Day (1st Monday in September)
7. Veterans Day (November 11)
8. Thanksgiving Day (4th Thursday in November)
9. Day after Thanksgiving Day (4th Friday in November)
10. Christmas Day (December 25)
11. Three (3) Floating Holidays

**APPENDIX A**

**Town of Moraga  
Department Directors  
Fiscal Year 2017/18 – Monthly Salary Tables  
Effective July 9, 2017**

<b>Classification</b>	<b>Step A</b>	<b>Step B</b>	<b>Step C</b>	<b>Step D</b>	<b>Step E</b>
Director, Administrative Services	\$ 11,357	\$ 11,925	\$ 12,521	\$ 13,147	\$ 13,804
Director, Parks & Recreation	\$ 10,150	\$ 10,657	\$ 11,190	\$ 11,750	\$ 12,337
Director, Planning	\$ 11,231	\$ 11,792	\$ 12,382	\$ 13,001	\$ 13,651
Director, Public Works/Town Engineer	\$ 10,721	\$ 11,257	\$ 11,820	\$ 12,411	\$ 13,031
Police Chief	\$ 13,068	\$ 13,721	\$ 14,407	\$ 15,127	\$ 15,884
Town Clerk/ Asst. to Town Mgr	\$ 8,029	\$ 8,430	\$ 8,852	\$ 9,295	\$ 9,759

**APPENDIX B**

**Town of Moraga  
Department Directors  
Fiscal Year 2018/19 – Monthly Salary Tables  
Effective July 8, 2018**

<b>Classification</b>	<b>Step A</b>	<b>Step B</b>	<b>Step C</b>	<b>Step D</b>	<b>Step E</b>
Director, Administrative Services	\$ 11,584	\$ 12,163	\$ 12,771	\$ 13,410	\$ 14,080
Director, Parks & Recreation	\$ 10,353	\$ 10,871	\$ 11,414	\$ 11,985	\$ 12,584
Director, Planning	\$ 11,455	\$ 12,028	\$ 12,629	\$ 13,261	\$ 13,924
Director, Public Works/Town Engineer	\$ 10,935	\$ 11,482	\$ 12,056	\$ 12,659	\$ 13,292
Police Chief	\$ 13,329	\$ 13,995	\$ 14,695	\$ 15,430	\$ 16,201
Town Clerk/ Asst. to Town Mgr	\$ 8,190	\$ 8,599	\$ 9,029	\$ 9,480	\$ 9,954