



# City of Palo Alto

## City Council Staff Report

(ID # 3011)

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**Report Type: Action Items Meeting Date: 9/4/2012**

**Council Priority: City Finances**

**Summary Title: Management Comp Plan 2011-2013**

**Title: Adoption of Two Resolutions: (1) Adopting a New Compensation Plan for Management and Professional and (2) Amending Chapter 9 of the Merit System Rules and Regulations to Revise Rules Related to Probationary Periods**

**From: City Manager**

**Lead Department: Human Resources**

### **Recommendation**

Staff recommends that Council adopt the attached resolutions adopting a new compensation plan (the "Plan") for Management and Professional Personnel and Council Appointees effective for the pay periods beginning July 1, 2012 and continuing in effect until revised, and amending the Merit System Rules and Regulations to change the probationary period from six to twelve months.

### **Background**

The Management and Professional group includes approximately 202 active, full-time employees who staff critical roles at the City by managing our services and finances. Demographically this group is transitioning into retirement, with nearly one-half of City employees eligible to retire within the coming five years. Connected with the changing face of City staff is our desire to enhance the drive, innovation, and effectiveness of City employees while providing a variety of benefits in a fiscally responsible manner. It is no longer a workable paradigm to provide steady employment with a generous pension and health benefits in return for narrowly focused jobs that are carried out with pleasant and courteous service. Dynamic times call for a workforce choosing to serve the City in order to better their community and to bring City services up to date with current good practices found in businesses and social institutions around the world. Palo Alto is the center of innovation and technology solutions to many of society's needs. Therefore, the City must serve as a beacon of innovative government, as well as leverage the incredible array of resources at our front door.

Dynamic economic times also call for structural changes to City benefits, which have increased in cost substantially in recent years, and are projected to continue increasing. The ratio of benefits to salary has risen from 50 percent of salary in 2010 to 62 percent in 2012. Employee commitment to take accountability for a portion of their own benefits costs is part of a fiscally responsible total compensation plan. This Plan creates such structural benefit changes that will serve the City in coming uncertain economic times and that also supports our culture shift to encourage engaged and innovative employees.

The Management and Professional employees are unrepresented and do not have a memorandum of agreement or other contract. The benefits for this group are covered in a compensation plan that is adopted by resolution of the Council. In an effort to lead in addressing the City's financial challenges, the Management and Professional group has contributed over the past decade by implementing various cost-containing solutions including receiving no salary increases in several years, capping health insurance at the Blue Shield rate instead of the PERS Care rate, and changing eligibility requirements for retiree medical benefits. In 2008-2009, the group helped the City to address a significant budget gap by eliminating the Variable Management Compensation (VMC) benefit. In 2011, this group adopted an employee contribution to pay for health plan premiums for actives and future retirees. All these measures have been implemented in support of the City's goal to create structural solutions to curtail increasing employment costs while at the same time creating a supportive, accountable and creative work environment. Complementary to these plan changes are additional budgeted training funds that will be earmarked in department budgets for employee education and development. Further to the goal of creating an innovative, learning culture for employees at the City, the Human Resource Department is focused on leading culture change to support engaged management and professional staff.

### **Discussion**

This year, the City Manager recommends the following for the new Plan to be implemented in two phases:

#### **Phase 1**

##### **Effective on adoption:**

##### **"At-Will" status for key positions**

- All newly hired and newly promoted department heads, assistant directors, deputy directors, division managers and selected other positions will have "At-will" status. At-will employees may be terminated or asked to resign at any time, with or without cause. This status differs from the traditional "for cause" municipal employee who has due process rights in his or her employment. As a policy promoting effective operation and administration of City business, staff believes that leadership of departments should be at will.
- This Plan provides that, upon involuntary termination, such employees are eligible for severance equal to one month (4 weeks) of salary and benefits upon hire, plus 1 week

for each year of City of Palo Alto service, to a maximum of 12 weeks' severance after 8 years' service

- This provision does not retroactively change any current employee's status. It is applicable to employees newly hired and newly promoted into positions on the "At-will" list.

#### **Administrative updates**

- In 2011, the City revised the administrative process for vacation cashout and accrual of Management Annual Leave to calendar year from fiscal year accrual basis (no change to the benefit) to ensure compliance with IRS regulations. Plan language was updated to reflect these administrative changes.

#### **Professional Development**

- Eliminate individual use of Professional Development dollars to purchase of electronic technology; instead use Professional Development budget for job training, development courses, and educational materials that directly support learning related to job duties and responsibilities
- Eliminate gym membership reimbursement
- Reduce amount per employee per year from \$1,500 to \$500
- Remaining \$1,000 per employee will be allocated to Departments for training & development to be determined by department head

#### **Excess Benefit**

- Include gym membership as an option in this fund

#### **Phase 2**

**Effective after First Quarter of FY 13 (pay period beginning October 6, 2012):**

#### **Pension**

- Employees to pay full amount of CalPERS employee contribution (7% or 8% or 9% depending on retirement formula employee is enrolled in). Employees are currently paying 2% of the employee contribution and the City is paying the balance.

#### **Salary**

- Salary increase (3%) to partially offset pension contribution costs

#### **Medical cost sharing increase**

- Employees to pay full 10% medical plan premium contribution, City to pay 90% of second highest CalPERS plan
- Future retirees will pay the same contribution as actives as it changes from time to time
- All part-time employees to pay pro-rated contribution for benefits (medical, dental, vision) (pro-ration previously limited to employees newly hired or assigned to part-time schedules)
- Alternate medical plan cash out to be reduced to \$284/month flat rate

## **Car Allowance**

Car allowances for newly hired Directors are eliminated

Other minor changes in the compensation plan have been made in order to clarify existing benefits, policies, or processes.

In addition, staff recommends adoption of the attached revision to Chapter 8 of the Merit System Rules and Regulations to extend the probationary period for management employees who are not hired into at-will classifications from 6 months to 12 months. During the probationary period, an employee may be released from employment for any reason without right of appeal, and staff has determined that 6 months is frequently not enough time for managers to sufficiently evaluate performance. This change will provide managers ample time for the opportunity to assess performance.

## **Resource Impact**

This section primarily focuses on changes taking effect in FY 2013. These include financial impacts as a result of the Pension employee contribution increase and the change to the full ten percent paid employee medical premium contribution as well as medical contributions from part-time employees.

The total savings expected from this agreement, driven primarily by employees paying an increased share of pension costs and paying more of the healthcare costs, is \$536,000 per year citywide (\$245,000 General Fund).

The implementation of the full 90/10 medical premium cost share plan effective on October 6, 2012 results in 9 months of medical premium savings for FY 13. On an annual basis, employee contributions of a full 10 percent share are expected to save the City an estimated \$109,000 per year (\$79,000 to General Fund) based on 2013 healthcare rates. The change in part-time employees paying a pro-rated contribution for benefits will save the City \$30,741 per year. The reduction in alternate medical cashout to a flat rate will result in savings an estimated \$175,000 per year.

The increase of employee-paid pension contributions to 7% or 8% results in savings of \$271,932 per year that partially offsets the salary increase.

Savings, or more accurately, avoided costs from implementation of the second tier 2.0% at 60 formula implemented last year for Management employees is not anticipated until FY13. Based on a variety of assumptions and compared to the 2.7@55 retirement plan, the City will avoid costs of \$73,000 in FY 13 (a subset of the \$235,000 savings for all of the non-safety employees.) The annual avoided costs will rise \$0.6 million in FY 2022 (\$1.95 million for the entire non-safety group.)

## **Policy Implications**

The action recommended by this report is consistent with City Council direction.

**Environmental Review (Not Applicable)**

**Attachments:**

- Reso Adopting Mgmt Comp Plan 2012 (PDF)
- Reso Amending Merit Rules 2012(PDF)
- Management Prof Comp Plan 2012 (PDF)
- Mgmt-Prof Comp Plan 2012 Redline (PDF)

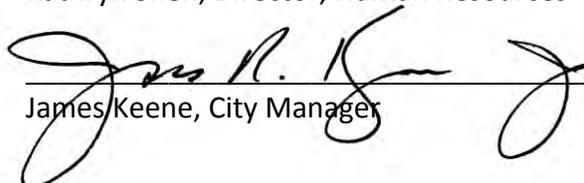
Prepared By:  
Department

Sandra Blanch, Assistant Director, Human Resources

Department Head:

Kathryn Shen, Director, Human Resources

City Manager Approval:

  
James Keene, City Manager

Not Yet Approved

Resolution No. \_\_\_\_\_

Resolution of the Council of the City of Palo Alto Adopting a  
Compensation Plan for Management and Professional  
Personnel and Council Appointees and Rescinding  
Resolution Nos. 9156, 9180, and 9221

The Council of the City of Palo Alto does RESOLVE as follows:

SECTION 1. Pursuant to the provisions of Section 12 of Article III of the Charter of the City of Palo Alto, the Management Compensation Plan, as set forth in Exhibit "A" attached hereto and made a part hereof by reference, is hereby adopted for Management and Professional Personnel and Council Appointees effective July 1, 2011 through June 30, 2013 or until amended.

SECTION 2. The Compensation Plan as adopted shall be administered by the City Manager in accordance with the Merit System Rules and Regulations.

SECTION 3. The Compensation Plan shall continue in effect until amended or revoked by the Council.

SECTION 4. The Director of Administrative Services hereby is authorized to implement the Compensation Plan adopted herein in his preparation of forthcoming payrolls. He is further authorized to make changes in the titles of employee classifications identified in the Table of Authorized Personnel contained in the 2011-2013 budget, if such titles have been changed in the Compensation Plan.

SECTION 5. Resolution Nos. 9156, 9180 and 9221 are hereby rescinded.

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Not Yet Approved

SECTION 6. The Council finds that this is not a project under the California Environmental Quality Act and, therefore, no environmental impact assessment is necessary.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

APPROVED:

\_\_\_\_\_  
Sr. Deputy City Attorney

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Director of Administrative Services

\_\_\_\_\_  
Director of Human Resources

Not Yet Approved

Resolution No. \_\_\_\_  
Resolution of the Council of the City of Palo Alto Amending  
Chapter 9 of the Merit System Rules and Regulations to  
Update the Requirements for Probationary Periods

The Council of the City of Palo Alto does RESOLVE as follows:

SECTION 1. Chapter 9 of the Merit System Rules and Regulations is hereby amended to read as set forth in Exhibit "A", attached hereto and incorporated by reference.

SECTION 2. The Council finds that this is not a project under the California Environmental Quality Act and, therefore, no environmental impact assessment is necessary.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Sr. Deputy City Attorney

\_\_\_\_\_  
Mayor

APPROVED:

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Director of Human Resources

\_\_\_\_\_  
Director of Administrative Services

CHAPTER 9

PROBATIONARY STATUS

**Sections:**

- 901 Probationary period
- 902 Objective of probationary period
- 903 Employee performance reports
- 904 Rejection of probationer
- 905 Extension of probationary period

**901. Probationary period for new employees.** Original appointments to full-time or part-time regular municipal service positions that are not designated as "at-will" shall be tentative and subject to a probationary period of twelve months for management and confidential employees, and as set forth in Chapters 14-16 (memoranda of agreement for represented employees) for other employees.

**902. Objective of probationary period.** The probationary period shall be regarded as a part of the testing process and shall be utilized for closely observing the employee's work, for securing the effective adjustment of a new employee to his/her position, and for rejecting any probationary employee whose performance does not meet the acceptable standards of work.

**903. Employee performance reports.** A report of performance of each probationary employee shall be made by a department head and shown to the probationary employee on or before expiration of the probationary period.

**904. Rejection of probationer.** During the probationary period a new employee may be suspended, demoted or terminated at any time by the appointing authority without cause and without right of appeal or to submit a grievance.

**905. Extension of probationary period.** If a probationary employee is absent from work during the probationary period for a total of three work weeks or longer, the probationary period shall be extended for a period commensurate with the duration of the absence in order to provide the full amount of time to determine whether the employee has met the objectives of the probationary period.

**CITY OF PALO ALTO**  
**COMPENSATION PLAN**

**Management and Professional Personnel  
And Council Appointees**

Effective: Pay period including July 1, 2012 through June 30, 2013,  
except where specifically noted.

# COMPENSATION PLAN FOR THE CITY OF PALO ALTO

## Management and Professional Personnel

As used in this Plan, the term “Management and Professional” refers to all employees, including Confidential employees, previously classified as “Management and Confidential” by the City. This group will hereafter be identified as “Management and Professional” personnel.

### SECTION I. COMPENSATION

This section applies to all management and professional employees and does not include Council Members or Council-appointed officers. Each Council-appointed officer shall be the responsible decision-maker under this Plan for those employees in departments under his/her control.

#### A. MANAGEMENT AND PROFESSIONAL COMPENSATION POLICY

The City's policy for management and professional compensation is to establish and maintain a general structure based on marketplace norms and internal job alignment with broad compensation grades and ranges. Structures and ranges will be reviewed and updated as necessary based on marketplace survey data, internal relationships, and City financial conditions.

Individual compensation adjustments will be considered by the Council-appointed officer based on (1) performance factors including achievement of predetermined objectives; (2) pay structure adjustments; and (3) City financial conditions.

#### B. BASIC PLAN ELEMENTS

1. Structure. The compensation plan includes separate multi-grade structures for both management and professional employees. Each grade will have a control point which is used for budgetary purposes. All management and professional positions will be assigned an appropriate pay grade based on salary survey data and internal relationships. Actual salary within the range is determined by experience and performance. The normal working range where most actual salaries will fall will be within  $\pm 10\%$  of the control point.

Competitive marketplace studies will be conducted as needed by surveying a maximum of 14 organizations similar to Palo Alto in number of employees, funding mechanisms, population and services provided. These studies will focus on total compensation for management positions such as first line supervisors, administrative, confidential, professional and top management. Periodically, studies will include position-by-position comparisons using market research and internal equity data. The results of these studies may indicate that the entire pay grade structure be adjusted, that individual positions be reassigned to different pay grades, or that no change takes place. Such adjustments will only affect the salary administration framework. No individual salaries will be automatically changed because of structural adjustments.

A department director may request that HR reevaluate a job or jobs in his or her department based on significant and permanent changes in job content. In doing so the director will

supply needed information and will provide a position description questionnaire as requested. The Chief People Officer will respond to such requests within his or her discretion.

2. Compensation Adjustment Authorization. In consultation with feedback received from the Management and Professional Compensation Committee, the City Manager may propose as part of the budget process for Council approval of a compensation adjustment based on (1) competitive market data, (2) changes in internal position relationships, (3) the City's ability to pay, and (4) a recommendation received from the Chief People Officer. For fiscal year 2013 the compensation adjustment to control point shall be three percent (3%) effective the pay period including October 6, 2012. In addition, certain below-market positions will be subject to equity adjustments at a future date based on Management Compensation Study results and subject to Council approval.

In years when there is an adjustment to control point, this adjustment will be available for those management/professional employees who have received an overall rating of "meets" or "exceeds" expectations on their annual review and who have not been on a performance improvement plan during the preceding fiscal year. Nothing herein shall preclude an employee's manager from awarding a control point adjustment increase to an employee on a performance plan at a later date should employee's performance improve.

3. Base Compensation. Compensation for management and professional employees includes bi-weekly base salary and is paid on a continuing basis. On a fiscal year basis, the bi-weekly base salary must fall within pay grade limits of no less than 20% below the control point and no more than 20% above the control point.

Base salary increases are earned in accordance with administrative guidelines based upon growth within the position and performance, which must meet or exceed position standards, the salary structure and the City's ability to pay.

4. Performance Planning and Appraisal. Performance appraisals will be conducted at the end of each fiscal year during the months of July through September 30 each year prior to determining individual employee fixed compensation. This process includes both review of previous performance plan and preparation of the performance plan for the next planning period (usually the fiscal year). Performance plans are jointly prepared by the employee and supervisor with the concurrence of the department head or Council-appointed officer. The performance plans shall contain measurable objectives which place special emphasis on position description duties or specific assignments. Progress toward meeting objectives shall be monitored periodically. The performance appraisals should be implemented in a manner that will achieve the following objectives:

- Define the employee's job duties and expected level of performance for the next review period to ensure that both the employee and supervisor have a clear understanding of the employee's role and responsibilities;
- Evaluate and document past performance to serve as a basis for establishing and obtaining future performance standards/objectives;
- Facilitate two-way communication and understanding between the employee and his or her supervisor;

- Counsel and encourage employees to work toward a learning development plan and realize their full potential;
- Establish future work plan objectives.

Work plans should include job related projects or special goals related to regular job duties when applicable. At the conclusion of the fiscal year (or review period), supervisors shall make a final determination of the overall performance rating.

Recommendations shall be forwarded to department heads and to the Chief People Officer or appropriate Council appointed officer who will then determine individual fixed adjustments according to the provisions of the compensation plan. This process should be completed by September 30.

**C. MANAGEMENT AND PROFESSIONAL COMPENSATION ADJUSTMENT AUTHORIZATION**

1. Council-appointed officers are authorized to pay salaries in accordance with this plan to non-Council-appointed management and professional employees in an amount not to exceed the aggregate of approved management and professional positions budgeted at the control points in the Table of Organization for the applicable fiscal year.
2. Individual management and professional compensation authorized by a Council-appointed officer under the Management and Professional Compensation Plan may not be less than 20% below nor more than 20% above the control point for the individual position grades authorized in Table I of this plan.
3. The Council-appointed officers are authorized to establish such administrative rules as are necessary to implement the Management and Professional Salary Plan subject to the limitations of the approved compensation adjustment authorization and the approved grade and control point structure.
4. In the event a downward adjustment of a position grade assignment indicates a reduction in the established salary of an individual employee, the Council-appointed officer may, if circumstances warrant, continue the salary for such employee in an amount in excess of the revised grade limit for a reasonable period of time. Such interim salary rates shall be defined as "Y-rates."

**SECTION II. SPECIAL COMPENSATION**

This section applies to all eligible regular management and professional positions including Council Appointed Officers as applicable and including Council Members where indicated. Eligibility shall be in conformance with the Merit Rules and Regulations and Administrative Directives issued by the City Manager for the purposes of clarification and interpretation.

**A. OVERTIME**

Compensation for overtime work shall be in conformance with the Merit Rules and Regulations and Policies and Procedures.

**B. IN LIEU HOLIDAY PAY**

Employees who work a schedule where a regular day off falls on a holiday will be paid for the hours they would have normally worked on that day. If the holiday falls on a non-workday for an exempt employee, the employee may, with supervisory approval, take another day off within the pay period or the following pay period.

**C. WORKING OUT OF CLASSIFICATION PAY**

Where management and professional employees, on a temporary basis, are assigned to perform all significant duties of a higher classification, the City Manager may authorize payment within the range of the higher classification for the specified time frame. Working out of class pay is normally not to exceed 10% more than the employee's current salary and shall be documented on a Personnel Action Form, with a description of the additional duties to be performed and an end date.

**D. STAND-BY PAY**

Employees eligible for overtime may be entitled to stand-by pay, approved by the City Manager on a case by case basis, in extreme circumstances involving unavailability of non-management staff. Compensation is as follows:

Monday through Friday \$40 per day  
Saturday, Sunday, Holidays \$58 per day

**E. CALL OUT PAY**

Effective pay period beginning February 26, 2011, Exempt management and professional classifications will be compensated for Call Out as outlined below with Management approval (and will not be eligible for overtime pay). Call Out applies when: (1) an employee previously left City premises, (2) is called back to the work location outside of regularly scheduled working hours, and (3) the Call Back is for an emergency arising out of situations involving real or potential loss of service, property or personal danger. Employees called back will be expected to respond directly to the location of the problem.

Compensation is per Call Out as reported on timecard and will be paid as follows:

Monday through Friday: \$140 per day  
Saturday and Sunday: \$200 per day

**F. NIGHT SHIFT PREMIUM**

Night shift differential shall be paid at the rate of five percent (5%) to regular full-time employees who are regularly assigned to shift work between 6:00 p.m. and 8:00 a.m., or to employees who are temporarily assigned to work a full shift between 6:00 p.m. and 8:00 a.m.

**G. UNIFORM PURCHASE PLAN - SWORN POLICE, FIRE PERSONNEL, and OPEN SPACE PERSONNEL**

Uniforms, including cleaning, will be provided with replacement provisions on an as-needed basis in conformance with department policy.

**H. GROUP INSURANCE**

1. Effective Date of Coverage for New Employees

For newly-hired regular employees coverage begins on the first day of the month following date of hire for the health plan, dental plan, vision care plan, long term disability and life insurance plans if these benefits are elected.

2. Active Employee Health Plan

- a) Based on an employee's family status, the City shall pay up to the monthly medical premium for the second most expensive plan among the existing array of plans available during the term of this compensation plan on behalf of eligible employees (including Council Appointed Officers and Council Members) and dependents, except as provided in section b, below. Eligible dependents, under current law, include spouses, children under the age of 26 and never married (natural, adopted, or stepchildren), economically dependent children, and domestic partners registered with the Secretary of State. If PERS changes the plans it offers, the City will continue to provide an equivalent benefit at an equivalent cost.
- b) Effective in the pay period including October 6, 2012, participating employees will contribute 10% of the premium cost for the employee-selected plan, and the City shall contribute 90%, with a maximum City contribution of 90% of the second highest plan. .
- c) City medical premium contributions will be prorated for part-time employees based on the number of hours per week the part-time employee is assigned to work.
- d) Coverage for Domestic Partners:
  - 1) Domestic Partnership Registered with the California Secretary of State: Employees may add their domestic partner as a dependent to their elected health plan coverage if the domestic partnership is registered with the Secretary of State.
  - 2) Domestic Partnership Not Registered with the California Secretary of State: Domestic partners who meet the requirements of the City of Palo Alto Declaration of Domestic Partnership, and are registered with the Human Resources Department, will be eligible for reimbursement of the actual monthly premium cost of an individual health plan, not to exceed the maximum monthly City employer contribution for one-party coverage under the CalPERS Health Benefits Program (or PORAC if a safety department employee) for an employee covered under this agreement. Evidence of premium payment will be required with request for reimbursement.

e) **PERS Choice Reimbursement Plan**

Will be eliminated effective January 1, 2013. Management and Professional personnel enrolled in the PERS Choice medical plan may submit a request for payment, as specified below, for non-covered medical expenses, incurred during the period of January 1, through December 31, of the plan year, that exceed \$2,500. The maximum annual reimbursement amount provided under this program is:

- \$700 for employees enrolled in the Employee-Only category;
- \$900 for employees enrolled in the Employee and One Dependent category, and
- \$1,100 for employees enrolled in the Family category.

Any amounts reimbursed to an individual under this program would be included in the employee's gross income and is not PERSable.

This program shall only reimburse employees for medical expenses that are not reimbursed through any other means and meet the definition in Section 213(d) of the Internal Revenue Code. (Examples of eligible expenses include medical plan deductibles and co-payments, prescription drugs, dental care, hearing care, and vision care.) However, in order to have any expenses reimbursed under this program, the employee must have allocated 100% (\$2,500.00) of their 2010 calendar Excess Benefit funds into the Medical FSA option during the election that occurred in December 2009. In addition, all such reimbursements from the Excess Benefit Program must have been solely for medical expenses, as defined by Section 213(d) of the Internal Revenue Code. If the employee has designated his/her Excess Medical funds for any other qualifying expenses (i.e. dependent care, Professional Development, Deferred Compensation contributions), the employee would not be eligible for reimbursement under this program.

Employees may submit a final claim for the 2012 plan year's expenses during January. Any amounts remaining from the PERS Choice reimbursement plan after the claims for the plan year had been processed shall be forfeited.

3. Alternative Medical Benefit Program

If a regular employee and/or the employee's dependent(s) are eligible for medical insurance through another employer-sponsored or association medical plan, the employee may opt for alternative medical insurance coverage through the other employer-sponsored or association plan and waives his/her right to the City of Palo Alto's medical insurance coverage for same individuals. Employees electing alternative coverage and no City coverage will receive cash payments in the amount of 90% of the average monthly premium for one party, which is \$284.00.

4. Retiree Health Plan

a) Employees Hired Prior to January 1, 2004

Monthly City-paid premium contributions for a retiree-selected health plan through the CalPERS Health Benefits Program will be made as provided under the Public Employees' Medical and Hospital Care Act. The City's monthly employer contribution for each employee retiring on or after January 1, 2007 and prior to March 31, 2011 shall be the amount necessary to pay for the cost of his or her enrollment in a health benefits plan up to the monthly premium for the second most expensive plan offered to management and professional personnel during the contract term (among the existing array of plans.) The City's contribution for an employee hired before January 1, 2004 who retires on or after March 30, 2011 shall be the same contribution amount it makes from time to time for active City employees.

b) Post – 1/1/04 Hires

For those Management and professional employees hired after January 1, 2004, the PERS law vesting schedule set forth in Government Code section 22893 will apply. Under that law, an employee is eligible for 50% of the specified employer health premium contribution after ten (10) years of service credit, provided at least five (5) of those years were performed at the City of Palo Alto. After ten (10) years of service credit, each additional service credit year increases the employer contribution percentage by 5% until, at 20 years' service credit, the employee will be eligible upon retirement for 100% of the specified employer contribution and 90% of their dependent coverage. The City of Palo Alto's health premium contribution for eligible post – 1/1/04 hires shall be the minimum contribution set by PERS under section 22893 based on a weighted average of available health plan premiums.

5. Dental Plan

a) The City shall pay covered plan charges on behalf of all eligible employees and dependents. (Domestic partners who are either registered with the Secretary of State or who meet the requirements of the City of Palo Alto Declaration of Domestic Partnership, and are registered with the Human Resources Department are considered dependents under the plan.) Benefits for regular part-time employees hired or assigned to a part-time schedule will be prorated in accordance with his/her percentage of a full-time work schedule.

b) The City's Dental Plan provides the following:

- Maximum Benefits per Calendar Year- \$2,000 per person
- Lifetime Maximum for Orthodontics- The City will pay up to \$2,000.00 for orthodontia coverage (not included in annual dental maximum)
- Major Dental Services 50% UCR\*
- Orthodontics 50% UCR\*
- Basic Benefits (All other covered services)  
First Calendar Year of Eligibility 70% UCR\*  
Subsequent Calendar Years 70%-100%
- \*Usual, Customary, and Reasonable
- Composite (tooth covered) fillings for posterior teeth

For each dental plan member, the percentage of coverage for basic benefits will begin at 70% for the first calendar year of coverage and increase by 10% (up to a maximum of 100%) effective the first day of the next calendar year as long as the member utilizes the plan at least once during the current year. Per the Delta Dental contract effective October 1, 2005, if the member does not utilize the plan during the current year, the percentage of coverage for the next calendar year shall remain unchanged from the current year.

If a dental plan member ever loses coverage under the plan, the applicable percentage of coverage for basic benefits provided during any future period of coverage will commence at 70% as if the dental plan member was a new enrollee. Examples of when a member might lose coverage under the plan would include:

- Employee goes on an unpaid leave of absence and elects not to pay the required dental premiums for his/her family's coverage during the leave.
- Employee elects to drop one or more covered dependents from the plan during an open enrollment period so that they might be covered on a spouse's non-City of Palo Alto dental plan.

#### 6. Basic Life Insurance

The City shall provide a basic group term life insurance with Accidental Death and Dismemberment (AD&D) coverage, in an amount equal to the employee's annual basic pay (rounded to the next highest \$1,000) at no-cost to the employee. AD&D pays an additional amount equal to the employee's annual basic pay (rounded to the next highest \$1,000).

#### 7. Supplemental Life And AD&D Insurance

An employee may, at his/her cost, purchase additional life insurance and additional AD&D coverage equal to one- or two-times his or her annual salary. The maximum amount of life insurance available to the employee is up to \$325,000 and the maximum amount of AD&D coverage available is up to \$325,000.

#### 8. Long Term Disability Insurance

- a) The City shall provide long term disability (LTD) insurance with a benefit of 2/3 monthly salary, up to a maximum benefit of \$10,000 per month. The City shall pay the premium for the first \$6,000 of base monthly salary. For employees whose base monthly salary exceeds \$6,000, the employee shall pay the cost of the required premium based upon their monthly salary between \$6,000 and \$15,000.
- b) For employees whose base monthly salary exceeds \$6,000 and who have no eligible dependents covered under the City's medical, dental or vision plans, the City will pay up to \$17.50 per month towards the employee's cost for LTD coverage.

9. Vision Care

- a) The City shall provide vision care coverage for employee and dependents. Coverage is administered by Vision Service Plan (VSP). The plan provides an exam every 12 months; lenses every 24 months; frames every 24 months, all subject to a \$20 co-payment as defined in the Vision Services Benefits Plan A schedule. Benefits for regular part-time employees will be prorated as follows:

Employees hired after January 1, 2004, who will work less than full time, will receive prorated premium costs for vision benefits in accordance with his/her percentage of a full-time work schedule. Vision benefits for regular part-time employees hired or assigned to a part-time schedule will be prorated in accordance with his/her percentage of a full-time work schedule.

- b) Effective July 1, 1996, dependents include eligible domestic partners who are either registered with the Secretary of State or who meet the requirements of the City of Palo Alto Declaration of Domestic Partnership, and are registered with the Human Resources Department.

**I. EMPLOYEE ASSISTANCE PLAN**

The Employee Assistance Plan (EAP) provides employees with confidential personal counseling, work and family related issues, eldercare, substance abuse, etc. In addition, EAP programs provide a valuable tool for supervisors to refer troubled employees to professional outside help. This service staffed by experienced clinicians is available to employees and their dependents by calling a toll-free phone line 24 hours a day, seven days a week. Guidance is also available online.

**J. SAFETY DIFFERENTIALS**

1. Police Department - Personnel Development Program

Pursuant to administrative rules governing eligibility and qualification, the following may be granted to sworn police personnel:

- P.O.S.T. Intermediate Certificate: five percent (5%) above base salary
- P.O.S.T. Advanced Certificate: seven and a half (7 ½%) above base salary

2. Fire Department - EMT Differential

Pursuant to administrative rules governing eligibility and qualification, the following may be granted to sworn Fire personnel:

- EMT Differential: three percent (3%) above base salary

## **K. MANAGEMENT and PROFESSIONAL BENEFIT PROGRAM**

Management and professional employees are eligible for Sections 1, 2, 3, and 4 of the Management Benefit Program. City Council Members are eligible for Section 3 only.

### **1. Professional Development - Reimbursement**

The purpose of this program is to provide employees with resources to improve and supplement their job and professional skills. Reimbursement for authorized self-improvement activities may be granted each management and professional employee up to a maximum of five hundred dollars (\$500) per fiscal year. A departmental training fund of one thousand dollars per employee (\$1,000) will be established for subject matter, leadership or other training that the Department Director identifies as a need for employees within that Department.

The following items are eligible for reimbursement:

- a) Civic and professional association memberships
- b) Conference participation and travel expenses, which must occur within the compensation plan period.
- c) Educational programs, books and videos, and tuition reimbursement designed to maintain or improve the employee's skills in performing his or her job or future job opportunities, should support the City's mission or be necessary to meet the educational requirements for qualification for employment. Permissible educational expenses are refresher courses, courses dealing with current developments, academic or vocational courses, as well as the travel expenses associated with the courses as defined by the City's travel expense report from the Policy & Procedures Manual Section 1-02 ASD.
- d) Professional and trade journal subscriptions not to exceed 12 months.
- e) Approval will be at discretion of department head and signature is required on reimbursement form.

Amounts under this professional development program will be pro-rated in the first year of employment or promotion into a position covered by this Compensation Plan

### **2. Physical Examinations**

All management and professional employees are eligible to receive an annual physical examination as follows:

- a) Use the periodic health exam benefit as provided under the PERS Health Plan option you have selected. Each of the PERS Health Plans provides for a periodic physical examination. The examination must be performed by your primary care physician—unless he/she refers you to another physician.

- b) The types of tests and the frequency of the tests cannot exceed AMA guidelines. The guidelines are a suggested minimum based on research studies concerning preventative care. The judgment of your physician is the final determinant for your care.
- c) Any additional necessary asymptomatic tests that are required by your physician that are not covered by your health plan, will be reimbursed by the City. Any symptomatic tests will be covered under your PERS Health Plan.

The Reimbursement for Periodic Physical Exam Form is available on the Human Resources Intranet site. This benefit will not be pro-rated.

### 3. Excess Benefit

This benefit is designed to meet the requirements of Section 125 of the Internal Revenue Code, with exception of Gym or Health Club Membership. Every calendar year, each employee will be provided with \$2,500 that they can designate among the following options:

- a) Medical Flexible Spending Account (Medical FSA). Provides reimbursement for excess medical/dental/vision, or expenses that are incurred by employees and their dependents which are not covered or reimbursed by any other source, including existing City-sponsored plans. This includes prescribed medications and copayments as well as over-the-counter drugs, including: antacids, allergy medicines, pain relievers and cold medicines. However, nonprescription dietary supplements (e.g. vitamins, etc.) toiletries (e.g. toothpaste), cosmetics (e.g. face cream), and items used for cosmetic purposes (e.g. Rogaine) are not acceptable.
- b) Dependent Care Flexible Spending Account (Dependent Care FSA). Provides reimbursement for qualified dependent care expenses under the City's Dependent Care Assistance Program (DCAP), subject to the following limits: Dependent care expenses will be reimbursed only to the extent that the amount of such expenses reimbursed under this Management Benefit Program, when added to the amount (if any) of annual dependent care expenses that the participant has elected under the City's Flexible Benefits Plan, do not exceed the maximum permitted under the DCAP.
  - 1) The annual amount submitted for reimbursement cannot exceed the income of the lower-paid spouse.
  - 2) The expenses must be employment-related expenses for the care of one or more dependents who are under 13 years of age and entitled to a dependent deduction under Internal Revenue Code section 151(e) or a dependent who is physically or mentally incapable of caring for himself or herself.
  - 3) The payments cannot be made to a child under 19 years of age or to a person claimed as a dependent.

- 4) If the services are provided by a dependent care center, the center must comply with all state and local laws and must provide care for more than six (6) individuals (other than a resident of the facility).
  - 5) Dependent care expenses not submitted under this section are eligible under the City Dependent Care Assistance Plan (DCAP). However, the maximum amount reimbursed under DCAP will be reduced by any amount reimbursed under the Excess Benefit Plan.
- c) Non-taxable Professional Development Spending Account. Provides reimbursement for Non-Taxable professional development expenses (e.g., job-related training and education, seminars, training manuals, etc.) to the extent they are not paid or reimbursed under any other plan of the City.
  - d) Gym or Health Club memberships. Provides reimbursement for annual or monthly memberships, including personal trainers. Reimbursement of this expense is taxable to the employee.
  - e) Deferred Compensation. Provides a one-time contribution to the employee's City-sponsored 457 Deferred Compensation plan with either ICMA-RC or the Hartford.

Amounts designated by employees to either the Medical FSA, Dependent Care FSA, or Professional Development options are done so on a "use –it-or-lose-it" basis. This means that any amounts designated and not used by the end of the calendar year (or end of the extended grace period for the medical FSA) will be forfeited by the employee and returned to the plan.

Specified amounts under this benefit will be applied on a pro-rata basis for employees who are part-time or who are in a management or professional pay status for less than the full fiscal year. Such benefits will be pro-rated in the first year of employment (based on hire date) but will not be pro-rated upon separation of employment.

## **L. LEAVES**

### **1. Sick Leave**

- a) Sick leave shall be accrued bi-weekly provided the employee has been in a pay status for 50% or more of a bi-weekly pay period. Sick leave shall be accrued at the rate of 3.7 hours per bi-weekly pay period for those employees working a 40-hour duty schedule. Those assigned work schedules which are greater or lesser than 40 hours will accrue sick leave at the ratio of their work schedule to 40 hours.
- b) Employees may use up to 20 hours of sick leave per calendar year for personal business. The scheduling of such leave is subject to the approval of the appropriate level of Management.
- c) Employees leaving the municipal service shall forfeit all accumulated sick leave, except as otherwise provided by law and by Section 609 of the Merit Rules and

Regulations. In the event that notice of resignation is given, sick leave may be used only through the day which was designated as the final day of work by such notice.

- d) Employees that were hired before December 1, 1983 and who leave the municipal service in good standing, or who die while employed in good standing by the city, and who have 15 or more years of continuous service shall receive compensation for unused sick leave hours in a sum equal to two and one-half percent (2½%) of their unused sick leave hours multiplied by their years of continuous service and their basic hourly rate of pay at termination. Full sick leave accrual will be paid in the event of termination due to disability. See Merit System Rules and Regulations, Chapter 6, Section 609.
- e) Up to nine (9) days of sick leave per calendar year may be used for illness in the immediate family, including a registered domestic partner.
- f) Management and Professional employees eligible, as specified above if hired before December 1, 1983, to be compensated for sick leave may annually convert sick leave hours in excess of 600 to cash or deferred compensation, according to the formula set forth above, up to a maximum of \$2,000 per fiscal year.
- g) In accordance with the City Merit Rules and Regulations, a new employee may, if necessary, use up to 48 hours or shift equivalent of sick leave at any time during the first six (6) months of employment.

## 2. Management Annual Leave

### a) Exempt Employees

Regular management and professional employees will be credited with 80 hours of annual leave. This leave is granted in recognition of the extra hours Management and Professional employees work over their regular schedule. This leave may be taken as paid time off, added to vacation accrual (subject to vacation accrual limitations), taken as cash or taken as deferred compensation. When time off is taken under this provision, 10-hour shift workers will receive one shift off for each 8 hours charged; 24-hour shift workers will receive one-half (½) shift off for each 8 hours charged.

In 2012, the City will be transitioning this benefit from a fiscal to calendar year basis for administrative purposes. Therefore, on July 1, 2012, employees will be credited with 40 hours of annual leave for the period of July 1 to December 31, 2012. Beginning in 2013 and each calendar year thereafter, employees will be credited with 80 hours of management annual leave.

Entitlement under this provision will be reduced on a prorated basis for part-time status, or according to the number of months in paid status during the year; employees who have used more than the pro-rated share at the time they leave City service shall be required to repay the balance or have it deducted from their final check. Unused balances as of the end of the year will be paid in cash unless a different option as indicated above is elected by the employee.

b) Non-Exempt Employees

Based on an audit recommendation to eliminate payment of overtime as well as management leave for non-exempt employees in the management group, the City is transitioning away from providing management leave to non-exempt employees. As part of the transition, and in order to minimize impacts to current employees, the City will phase-out elimination of the 80 hours of management leave for all current non-exempt Management and Professional employees (those eligible to earn overtime). Continuing through Fiscal year 2013-2014, there will be no change to management leave benefits for current employees; these employees will maintain their 80 hours of management leave and also receive pay for any overtime hours worked. Beginning on July 1, 2014 all employees in non-exempt positions will receive overtime pay for hours actually worked, but will no longer receive management leave.

Employees hired into non-exempt management positions on or after February 26, 2011 will receive overtime only and will not be eligible for management leave.

3. Vacation

Vacation will be accrued when an employee is in pay status and will be credited on a bi-weekly basis. Total vacation accrual at any one time may not exceed three (3) times the annual rate of accrual. Each eligible employee shall accrue vacation at the following rate for continuous service performed in pay status:

- a) Less than nine (9) years. For employees completing less than nine (9) years continuous service: 120 hours vacation leave per year; provided that:
  - i. The City Manager is authorized to adjust department head annual vacation accrual to provide for a maximum of 160 hours for those hired between July 1, 1996 and June 30, 2001; and
  - ii. The City manager is authorized to adjust the annual vacation accrual of employees hired on or after July 1, 2001, to provide up to 40 additional hours (i.e., to a maximum annual accrual of 160 hours) for service with a prior employer.
- b) Nine (9), but less than fourteen (14) years. For employees completing nine (9), but not more than fourteen (14) years continuous service; 160 hours vacation per year.
- c) Fourteen (14), but less than nineteen (19) years. For employees completing fourteen (14), but not more than nineteen (19) years continuous service; 180 hours vacation leave per year.
- d) Nineteen (19) or more years. For employees completing nineteen (19) or more years continuous service; 200 hours vacation leave per year.

- e) Employees are eligible to cash out vacation accrual balances in excess of 80 hours. An employee may cash out a minimum of eight (8) hours to a maximum of 120 hours of accrued vacation provided the employee has taken 80 vacation hours in the previous 12 months and has followed the election procedures set forth in this section.

Employees must elect the number of vacation hours they will cash-out during the next calendar year, up to the maximum of 120 hours. For the 2012 calendar vacation year, employees will make their election for vacation hours to cash out no later than November 1, 2012. The election will apply only to vacation hours that are accrued in the next calendar year and that are eligible for cash-out.

The election to cash-out vacation hours in each designated year will be irrevocable. This means that employees who elect to cash-out vacation hours must cash-out the number of accrued hours pre-designates on the election form.

Employees who do not elect a cash-out amount by November 1 of the prior calendar year will be deemed to have waived the right to cash out any leave in the following tax year and will not be eligible to cash-out vacation hours in the next tax year

Employees who elect cash-out amounts may request a cash-out at any time in the designated tax year by submitting a cash-out form to payroll. Payroll will complete the cash-out upon request, provided the requested cash-out amount has accrued and is consistent with the amount the employee pre-designated. If the full amount of hours designated for cash-out is not available at the time of cash-out request, the maximum available will be paid. For employees who have not requested cash-out of the elected amount by November 1 of each year, Payroll will automatically cash-out the elected amount in a paycheck issued on or after the payroll date including November 1.

#### 4. Bereavement

Leave of absence with pay of three (3) days may be granted an employee by the head of his/her department in the event of death in the employee's immediate family, which is defined for purposes of this section as wife, husband, son, son-in-law, step-son, daughter, daughter-in-law, step-daughter, mother, mother-in-law, father, father-in-law, brother, brother-in-law, sister, sister-in-law, grandmother, grandmother-in-law, grandfather, grandfather-in-law, grandchild, aunt, uncle, niece, nephew, registered domestic partner, or a close relative residing in the household of employee. Such leave shall be at full pay and shall not be charged against the employee's accrued vacation or sick leave. Requests for leave in excess of three days shall be subject to the approval of a Council-Appointed Officer for employees under his/her control.

### **M. RETIREMENT PENSION**

1. Effective pay period inclusive of 1/6/07, the City's Public Employees' Retirement System (PERS) benefits changed to the 2.7% @ 55 formula for non-safety members (from 2% @55).

For miscellaneous employees hired on or after July 17, 2010, the City offers the CalPERS retirement formula two percent (2.0%) of final salary at age sixty (60).

For Safety members, the City currently offers the CalPERS "3% at 50" full formula (Section 21362.2) benefit. Local Fire Safety members newly hired after 6/08/12 will be placed in the 3% @55 formula. As soon as administratively possible, the City intends to modify the Local Police Safety formula for new hires to 3% @55 formula.

## 2. Employee PERS Share.

The City currently pays 6% of the employee's CalPERS share for employees under the 2.7% @55, 5% for employees under the 2% @60 formula, and the full employee share for those with public safety formulas.

- a) Beginning with the pay period including October 6, 2012, employees under the 2.7% @55 retirement formula will pay the full eight percent (8%) employee contribution.
- b) Beginning with the pay period including October 6, 2012, employees subject to the 2% @60 retirement formula shall pay the full seven percent (7%) employee contribution.
- c) Beginning with the pay period including October 6, 2012, Public Safety employees will pay the full nine percent (9%) PERS employee contribution.

## 3. Final Compensation.

Final compensation for purposes of retirement shall be as set forth in the City's contract with CalPERS, including, when applicable, the Government Code Section 20692: Optional Benefit.

4. Employee PERS contributions shall be made on a tax deferred basis, in accordance with Section 414(h)(2) of the Internal Revenue Code. All provisions of this subsection are subject to and conditioned upon compliance with IRS regulations.

## **N. COMMUTE INCENTIVES and PARKING**

1. Civic Center Parking. Employees assigned to Civic Center and adjacent work locations. The City will provide a Civic Center Garage parking permit. Employees hired after June 30, 1994 may initially receive a parking permit for another downtown lot, subject to the availability of space at the Civic Center Garage.
2. Alternative Commute Incentives: Employees who qualify may voluntarily elect one of the following commute incentives for those using an eligible commute alternative on 60% or more of their scheduled work days per month:
  - a) Public Transit and Vanpool. The City provides tax-free commute incentives up to the current IRS limit, as may be amended from time to time, (currently \$125/month) are

available through the Commuter Check Direct (CCD) website for employees using Bay Area public transportation or riding in a registered vanpool at least 60% of their scheduled work days. Administration of the Commuter Check benefit shall be subject to the rules and regulations of the third- party administrator.

- b) Bicycle. The City will provide employees with a tax-free incentive of \$20 per month to eligible employees who ride a bicycle to work.
- c) Carpool. The City will provide with a taxable incentive of \$30 per month to each eligible employee in a carpool with two or more licensed drivers.
- d) Walk. The City will provide employees with a taxable incentive of \$20 per month to eligible employees who walk to work.

## **O. AT-WILL STATUS**

Certain Management and Professional Positions are designated as having “at-will” employment status. “At-will” positions are intended to be of a limited duration and employees hired to fill these positions shall have no constitutionally protected property or other interest in their employment with the City. Notwithstanding any provision in the Merit System Rules and Regulations or any other City rule, policy or procedure, at-will employees have no right to continued employment or pre-or post-disciplinary due process and work at the will and pleasure of the hiring authority (City Council, City Manager or Council-Appointed Officer). Work for an at-will employee may be eliminated and/or the employee may be terminated, or asked to resign, at any time, with or without cause, upon notice to that employee, and the employee may resign at any time upon written notice to the hiring authority.

### **1. At-will Management & Professional positions.**

Department heads hired after July 1, 2004 and prior to the date of adoption of this plan were hired as at-will employees whose terms of employment are specified by an employment contract that includes a severance package.

Effective on the date of adoption of this plan, new employees hired or promoted to department head, assistant department director, and all other positions listed on Attachment B shall be at-will employees.

At-will employees will be eligible for, and shall receive, all regular benefits (i.e., health insurance, PERS contribution to the extent paid by City, etc.) and vacation, sick leave, and management leave as are generally provided to management employees and described in this compensation plan, as amended from time to time. At-will employees who are terminated or asked to resign shall, upon execution of a release of all claims against the City, be eligible for a severance payment equivalent to four (4) weeks of salary and benefits, increasing after completion of the first full year of service by one (1) week for every completed year of service, up to a maximum of 12 weeks. For example, an at-will employee who has completed six (6) years of service would be eligible to receive ten (10) weeks of severance (4 weeks plus 1 week for each year of service). No severance shall be paid if the employee is terminated for serious misconduct involving abuse of his or her office or

position, including but not limited to waste, fraud, violation of the law under color of authority, misappropriation of public resources, violence, harassment or discrimination. If the employee is later convicted of a crime involving such abuse of his or her position the employee shall fully reimburse the City as set forth in Government Code section 53243.3.

2. Provisional employees.

The City has created a program for Provisional employment when funding is available. The program's purpose is to create limited duration senior management level work for the City Manager's Office or as designated by the City Manager. A Provisional Employee will be an "at will" employee whose term of employment shall be no more than two (2) years. A Provisional Employee shall be exempt and not eligible to earn overtime. A Provisional Employee will receive limited benefits as specified in an Employment Agreement. Sections I and II of this Compensation Plan shall not apply to Provisional Employees, except as specified by the City Manager.

3. Management fellows.

The City has created a program for Management Fellows when funding is available. The program's purpose is to create limited duration entry level positions for graduate students. A management fellow will be an "at will" employee whose term of employment shall be no more than one (1) year. A Management Fellow shall be PERS exempt, but may receive limited vacation, limited sick leave, limited health care benefits and other limited benefits, as determined by the City Manager. Sections I and II of this Plan shall not apply to Management Fellows, except as specified by the City Manager.

**P. ADDITIONAL COMPENSATION FOR MAYOR AND VICE MAYOR**

The Mayor shall receive \$150 monthly, and the Vice Mayor \$100 monthly to defray additional expenses of these offices.

**Q. REIMBURSEMENT FOR RELOCATION EXPENSE**

Policy Statement

The City of Palo Alto, in rare instances, may provide a Basic Relocation Benefits Package for new management and professional employees, upon the approval of the City Manager or designated subordinate. In addition, the provision of "Optional Benefits" or portions thereof, may be extended for exceptional circumstances and only the approval of the City Manager or designee, or for Council-appointed officers, the City Council.

The details of the Relocation Expense program are specified in the City's Relocation Expense policy.

**R. MEAL ALLOWANCE**

Management and professional employees assigned to attend night meetings are eligible to receive reimbursement for up to \$20.00 per dinner. This provision covers only receipted meals actually taken and submitted for reimbursement.

**S. GRIEVANCES REGARDING COUNCIL APPOINTED OFFICERS**

Notwithstanding the grievance procedures provided in Chapter 11 of the City of Palo Alto's Merit System Rules and Regulations, any Management and Professional employee who is supervised by a Council Appointed Officer and has a grievance against that Council Appointed Officer or regarding the conduct of that Council Appointed Officer shall, following an attempt to resolve the grievance pursuant to Step One (informal discussion), summarize the grievance regarding the Council Appointed Officer in writing and submit it to the Director of Human Resources for review and resolution using the methods he/she considers appropriate.

**T. MERIT RULES**

The City will include members of the Management/Professional Compensation Committee in discussions regarding revision of the Merit Rules and Regulations.

Attachment A  
Salary Schedule  
City of PaloAlto  
**Management and Professional Compensation**

Effective October 6, 2012 - 3% Increase to Control Point

Class No. /Job Code	Title	Grade Code	Control Point	Approx Annual	Approx Biwkly	Hourly	FLSA Status
190	Accountant	47	6,836.04	82,032.45	3,155.09	39.44	NON-EXEMPT
50	Adm Pln & Comm Envrn	40	8,157.19	97,886.26	3,764.86	47.06	EXEMPT
76	Admin Assistant	70	6,514.68	78,176.13	3,006.77	37.59	EXEMPT
1009	Administrator, Refuse	40	8,157.19	97,886.26	3,764.86	47.06	EXEMPT
126	Assistant Director Community Services	90	12,475.36	149,704.32	5,757.86	71.97	EXEMPT
2007	Airport Manager	91	11,235.24	134,822.88	5,185.50	64.82	EXEMPT
1007	Assistant Director Human Resources	23	12,543.75	150,525.02	5,789.42	72.37	EXEMPT
1001	Assistant Director Planning & Comm Env	20	13,520.33	162,243.91	6,240.15	78.00	EXEMPT
1003	Assistant Director Utilities Engineering	19	13,872.04	166,464.48	6,402.48	80.03	EXEMPT
6	Assistant Director Utilities Operations	21	13,193.61	158,323.32	6,089.36	76.12	EXEMPT
1002	Assistant Director Util Cust Support Svcs	23	12,543.75	150,525.02	5,789.42	72.37	EXEMPT
2001	Assistant Director, Library Services	29	10,774.49	129,293.88	4,972.84	62.16	EXEMPT
111	Assistant Fire Chief	25	11,931.39	143,176.63	5,506.79	68.84	EXEMPT
132	Assistant Police Chief - Adv	19	13,872.04	166,464.48	6,402.48	80.03	EXEMPT
115	Asst Build Official	33	9,738.99	116,867.88	4,494.92	56.19	EXEMPT
108	Asst City Atty	26	11,626.09	139,513.13	5,365.89	67.07	EXEMPT
109	Asst City Clerk	44	7,371.64	88,459.65	3,402.29	42.53	EXEMPT
107	Asst City Mgr / Chief Operating Officer	14	17,117.78	205,413.31	7,900.51	98.76	EXEMPT
143	Asst Dir Public Wrks	23	12,543.75	150,525.02	5,789.42	72.37	EXEMPT
65	Asst Dir Ut/Res Mgmt	19	13,872.04	166,464.48	6,402.48	80.03	EXEMPT
73	Asst Director Adm Svcs	25	11,931.39	143,176.63	5,506.79	68.84	EXEMPT
10	Asst Director Planning & Comm Envrnmt	20	13,520.33	162,243.91	6,240.15	78.00	EXEMPT
168	Asst Fleet Mgr	41	7,955.44	95,465.30	3,671.74	45.90	EXEMPT
102	Asst Mgr WQCP	33	9,738.99	116,867.88	4,494.92	56.19	EXEMPT
30	Asst To City Mgr	32	9,987.16	119,845.90	4,609.46	57.62	EXEMPT
2004	Assistant Director Environmental Service	60	12,381.63	148,579.56	5,714.60	71.43	EXEMPT
2003	Principal Financial Analyst	35	9,258.74	111,104.91	4,273.27	53.42	EXEMPT
118	Chief Bld Official	26	11,626.09	139,513.13	5,365.89	67.07	EXEMPT
49	Director, Office of Management and Budget	88	13,002.72	156,032.64	6,001.26	75.02	EXEMPT
2008	Chief Communications Officer	92	12,712.26	152,547.12	5,867.20	73.34	EXEMPT
112	Chief Plg Official	27	11,342.23	136,106.71	5,234.87	65.44	EXEMPT
82	Chief Transp Off	27	11,342.23	136,106.71	5,234.87	65.44	EXEMPT
96	Claims Investigator	46	7,002.07	84,024.89	3,231.73	40.40	NON-EXEMPT
169	Comm Services Senior Program Manager	43	7,562.67	90,752.06	3,490.46	43.63	EXEMPT
24	Communication Specialist	43	7,562.67	90,752.06	3,490.46	43.63	EXEMPT
38	Communications Manager	35	9,258.74	111,104.91	4,273.27	53.42	EXEMPT
154	Community Service Manager	40	8,157.19	97,886.26	3,764.86	47.06	EXEMPT
83	Community Services Superintendent	40	8,157.19	97,886.26	3,764.86	47.06	EXEMPT
89	Contracts Administrator	39	8,366.07	100,392.86	3,861.26	48.27	EXEMPT
186	Coord Lib Circ	48	6,659.29	79,911.48	3,073.52	38.42	NON-EXEMPT
123	Cub Ctr & Hum Svc Div Mgr	28	11,067.28	132,807.33	5,107.97	63.85	EXEMPT
191	Deputy Chief/Fire Marshall	22	12,875.82	154,509.89	5,942.69	74.29	EXEMPT
9	Deputy City Attorney	36	9,032.00	108,383.97	4,168.61	52.11	EXEMPT
99	Deputy City Auditor	32	9,987.16	119,845.90	4,609.46	57.62	EXEMPT
71	Deputy City Clerk	51	6,175.47	74,105.62	2,850.22	35.63	EXEMPT
55	Deputy City Mgr Spec Proj	18	14,216.61	170,599.27	6,561.51	82.02	EXEMPT
52	Deputy Dir Adm Svcs	27	11,342.23	136,106.71	5,234.87	65.44	EXEMPT
75	Deputy Dir Pw Oprns	25	11,931.39	143,176.63	5,506.79	68.84	EXEMPT
159	Deputy Director Comm Svcs	31	10,249.60	122,995.23	4,730.59	59.13	EXEMPT
7	Deputy Director PCE/Chief Planning Off	25	11,931.39	143,176.63	5,506.79	68.84	EXEMPT
195	Deputy Director Technical Services Div	28	11,067.28	132,807.33	5,107.97	63.85	EXEMPT
20	Deputy Fire Chief	21	13,193.61	158,323.32	6,089.36	76.12	EXEMPT
60	Deputy Fire Chief	22	12,875.82	154,509.89	5,942.69	74.29	EXEMPT
1013	Development Center Manager	35	9,258.67	111,104.04	4,273.23	53.42	EXEMPT

**City of PaloAlto  
Management and Professional Compensation**

Effective October 6, 2012 - 3% Increase to Control Point

<b>Class No. /Job Code</b>	<b>Title</b>	<b>Grade Code</b>	<b>Control Point</b>	<b>Approx Annual</b>	<b>Approx Biwkly</b>	<b>Hourly</b>	<b>FLSA Status</b>
1012	Development Services Director	25	11,931.52	143,178.24	5,506.86	68.84	EXEMPT
81	Dir Adm Svcs / Chief Financial Officer	15A	16,706.00	200,472.03	7,710.46	96.38	EXEMPT
72	Dir Comm Svcs	16	14,953.95	179,447.42	6,901.82	86.27	EXEMPT
133	Dir Human Resources	18	14,216.61	170,599.27	6,561.51	82.02	EXEMPT
128	Dir IT / Chief Information Officer	16	14,954.57	179,454.84	6,902.11	86.28	EXEMPT
131	Dir Libraries	21	13,193.61	158,323.32	6,089.36	76.12	EXEMPT
134	Dir Plan/Comm Envir	18	14,216.61	170,599.27	6,561.51	82.02	EXEMPT
135	Dir Pw/City Engr	16	14,953.95	179,447.42	6,901.82	86.27	EXEMPT
121	Dir Utilities	9	17,774.78	213,297.39	8,203.75	102.55	EXEMPT
2002	Division Head, Library Services	37	8,798.13	105,577.51	4,060.67	50.76	EXEMPT
1006	Division Manager, Recreations & Golf	26	11,626.09	139,513.13	5,365.89	67.07	EXEMPT
12	Emergency Svcs Coord	39	8,366.07	100,392.86	3,861.26	48.27	EXEMPT
2005	Emergency Services Director	61	11,828.52	141,942.24	5,459.32	68.24	EXEMPT
129	Engr Mgr - Electric	23	12,543.75	150,525.02	5,789.42	72.37	EXEMPT
120	Engr Mgr - WGW	23	12,543.75	150,525.02	5,789.42	72.37	EXEMPT
138	Executive Assistant	43	7,562.67	90,752.06	3,490.46	43.63	EXEMPT
1005	Executive Assistant to the City Manager	43	7,562.67	90,752.06	3,490.46	43.63	EXEMPT
139	Fire Chief	16	14,953.95	179,447.42	6,901.82	86.27	EXEMPT
127	Fleet Manager	34	9,501.54	114,018.53	4,385.33	54.82	EXEMPT
194	Golf & Parks Div Mgr	25	11,931.39	143,176.63	5,506.79	68.84	EXEMPT
163	Hearing Officer	43	7,562.67	90,752.06	3,490.46	43.63	EXEMPT
91	HR Business Analyst	37	8,798.13	105,577.51	4,060.67	50.76	EXEMPT
101	Human Resources Rep	49	6,495.05	77,940.55	2,997.71	37.47	EXEMPT
90	Landscape Architect/Park Planner	37	8,798.13	105,577.51	4,060.67	50.76	EXEMPT
69	Legal Services Administrator	40	8,157.19	97,886.26	3,764.86	47.06	EXEMPT
78	Library Services Manager	43	7,562.67	90,752.06	3,490.46	43.63	EXEMPT
171	Management Analyst	65	7,505.54	90,066.45	3,464.09	43.30	EXEMPT
167	Manager Employment	35	9,258.74	111,104.91	4,273.27	53.42	EXEMPT
21	Manager Energy Risk	22	12,875.82	154,509.89	5,942.69	74.29	EXEMPT
79	Mgr Accounting	32	9,987.16	119,845.90	4,609.46	57.62	EXEMPT
164	Mgr Comm Oper	31	10,249.60	122,995.23	4,730.59	59.13	EXEMPT
192	Mgr Comm Svc Fac	40	8,157.19	97,886.26	3,764.86	47.06	EXEMPT
84	Mgr Communications	38	8,576.74	102,920.85	3,958.49	49.48	EXEMPT
179	Mgr Cust Svc & Meter Reading	30	10,520.97	126,251.59	4,855.83	60.70	EXEMPT
63	Mgr Economic Development and Redevelopment	28	11,067.28	132,807.33	5,107.97	63.85	EXEMPT
185	Mgr Electric Oprns	27	11,342.23	136,106.71	5,234.87	65.44	EXEMPT
44	Mgr Emp Benefits	35	9,258.74	111,104.91	4,273.27	53.42	EXEMPT
45	Mgr Employee Relations	31	10,249.60	122,995.23	4,730.59	59.13	EXEMPT
93	Mgr Env Control Prog	36	9,032.00	108,383.97	4,168.61	52.11	EXEMPT
105	Mgr Fac Maint & Proj	32	9,987.16	119,845.90	4,609.46	57.62	EXEMPT
151	Mgr Human Res & Dev	35	9,258.74	111,104.91	4,273.27	53.42	EXEMPT
57	Mgr Inv Debt & Proj	31	10,249.60	122,995.23	4,730.59	59.13	EXEMPT
158	Mgr Lab Services	33	9,738.99	116,867.88	4,494.92	56.19	EXEMPT
175	Mgr Main Lib Svcs	34	9,501.54	114,018.53	4,385.33	54.82	EXEMPT
92	Mgr Maint Oper	35	9,258.74	111,104.91	4,273.27	53.42	EXEMPT
51	Mgr Planning	31	10,249.60	122,995.23	4,730.59	59.13	EXEMPT
95	Mgr Pur & Cntr Admin	32	9,987.16	119,845.90	4,609.46	57.62	EXEMPT
103	Mgr Real Property	31	10,249.60	122,995.23	4,730.59	59.13	EXEMPT
198	Mgr Risk & Benefits	31	10,249.60	122,995.23	4,730.59	59.13	EXEMPT
160	Mgr Solid Waste	31	10,249.60	122,995.23	4,730.59	59.13	EXEMPT
110	Mgr Tech Support	35	9,258.74	111,104.91	4,273.27	53.42	EXEMPT
87	Mgr Util Info Syst	34	9,501.54	114,018.53	4,385.33	54.82	EXEMPT
150	Mgr Util Mkt Svcs	30	10,520.97	126,251.59	4,855.83	60.70	EXEMPT
156	Mgr Util Oprns Wgw	29	10,774.49	129,293.88	4,972.84	62.16	EXEMPT
48	Mgr Util Telecomm	25	11,931.39	143,176.63	5,506.79	68.84	EXEMPT
178	Mgr Wqc Plant	23	12,543.75	150,525.02	5,789.42	72.37	EXEMPT

**City of PaloAlto  
Management and Professional Compensation**

Effective October 6, 2012 - 3% Increase to Control Point

<b>Class No. /Job Code</b>	<b>Title</b>	<b>Grade Code</b>	<b>Control Point</b>	<b>Approx Annual</b>	<b>Approx Biwklly</b>	<b>Hourly</b>	<b>FLSA Status</b>
141	Mgr, Arts	41	7,955.44	95,465.30	3,671.74	45.90	EXEMPT
32	Mgr, IT	30	10,520.97	126,251.59	4,855.83	60.70	EXEMPT
2006	Mgr, IT Security	89	10,658.44	127,901.28	4,919.28	61.49	EXEMPT
1008	OES Coordinator	38	8,576.74	102,920.85	3,958.49	49.48	EXEMPT
172	Open Spc & Parks Div Mgr	78	11,104.77	133,257.24	5,125.28	64.07	EXEMPT
100	Performance Auditor	47	6,836.04	82,032.45	3,155.09	39.44	EXEMPT
147	Police Captain-Adv	23	12,543.75	150,525.02	5,789.42	72.37	EXEMPT
148	Police Chief-Adv	15	15,327.09	183,925.08	7,074.04	88.43	EXEMPT
149	Police Lieut-Adv	86	12,283.09	147,397.08	5,669.12	70.87	EXEMPT
77	Project Mgr Facilities	41	7,955.44	95,465.30	3,671.74	45.90	EXEMPT
2009	Project Mgr Trees	41	7,955.44	95,465.30	3,671.74	45.90	NON-EXEMPT
137	Rec & Yth Sc Div Mgr	26	11,626.09	139,513.13	5,365.89	67.07	EXEMPT
74	Safety Officer	43	7,562.67	90,752.06	3,490.46	43.63	EXEMPT
188	Senior Electrical Engineer	29	10,774.49	129,293.88	4,972.84	62.16	EXEMPT
157	Senior Human Resources Administrator	40	8,157.19	97,886.26	3,764.86	47.06	EXEMPT
14	Senior Management Analyst	35	9,258.74	111,104.91	4,273.27	53.42	EXEMPT
130	Senior Performance Auditor	39	8,366.07	100,392.86	3,861.26	48.27	EXEMPT
25	Senior Resources Planner	27	11,342.23	136,106.71	5,234.87	65.44	EXEMPT
117	Sr Accountant	39	8,366.07	100,392.86	3,861.26	48.27	EXEMPT
152	Sr Asst City Atty	20	13,520.33	162,243.91	6,240.15	78.00	EXEMPT
187	Sr Engineer	31	10,249.60	122,995.23	4,730.59	59.13	EXEMPT
199	Sr Financial Anlyst	39	8,366.07	100,392.86	3,861.26	48.27	EXEMPT
26	Sr Project Engineer	31	10,249.60	122,995.23	4,730.59	59.13	EXEMPT
53	Sr Project Manager	29	10,774.49	129,293.88	4,972.84	62.16	EXEMPT
64	Sr Resource Planner	29	10,774.49	129,293.88	4,972.84	62.16	EXEMPT
33	Sr Technologist	34	9,501.54	114,018.53	4,385.33	54.82	EXEMPT
13	Sr. Business Analyst	34	9,501.54	114,018.53	4,385.33	54.82	EXEMPT
11	Sr. Deputy City Attorney	32	9,987.16	119,845.90	4,609.46	57.62	EXEMPT
106	Sr. Executive Assistant	35	9,258.74	111,104.91	4,273.27	53.42	EXEMPT
70	Staff Asst To Cm	46	7,002.07	84,024.89	3,231.73	40.40	EXEMPT
27	Supervising Electric Project Engineer	34	9,501.54	114,018.53	4,385.33	54.82	EXEMPT
28	Supervising Project Engineer	36	9,032.00	108,383.97	4,168.61	52.11	EXEMPT
155	Supt Animal Services	40	8,157.19	97,886.26	3,764.86	47.06	EXEMPT
183	Supt Golf Course	34	9,501.54	114,018.53	4,385.33	54.82	NON-EXEMPT
173	Supt Parks	34	9,501.54	114,018.53	4,385.33	54.82	EXEMPT
165	Supt Pw Opns	31	10,249.60	122,995.23	4,730.59	59.13	EXEMPT
144	Supt Recreation	32	9,987.16	119,845.90	4,609.46	57.62	EXEMPT
43	Supv Animal Svcs	47	6,836.04	82,032.45	3,155.09	39.44	EXEMPT
85	Supv Bldg Inspection	39	8,366.07	100,392.86	3,861.26	48.27	EXEMPT
162	Supv Bldg Services	49	6,495.05	77,940.55	2,997.71	37.47	NON-EXEMPT
97	Supv Data Proc	36	7,869.75	94,436.95	3,632.19	45.40	NON-EXEMPT
47	Supv Elect Opns Prog	39	8,366.07	100,392.86	3,861.26	48.27	NON-EXEMPT
161	Supv Facil Mgt	40	8,157.19	97,886.26	3,764.86	47.06	EXEMPT
113	Supv Insp/Surv Pw	41	7,955.44	95,465.30	3,671.74	45.90	EXEMPT
22	Supv Open Space	42	7,767.98	93,215.78	3,585.22	44.82	EXEMPT
166	Supv Police Service	41	7,955.44	95,465.30	3,671.74	45.90	EXEMPT
174	Supv Public Works	40	8,157.19	97,886.26	3,764.86	47.06	NON-EXEMPT
58	Supv Rec Prog	42	7,767.98	93,215.78	3,585.22	44.82	EXEMPT
62	Supv Recycling Prog	48	6,659.29	79,911.48	3,073.52	38.42	EXEMPT
124	Supv Repro & Mail	51	6,175.47	74,105.62	2,850.22	35.63	EXEMPT
176	Supv Revenue Coll	47	6,836.04	82,032.45	3,155.09	39.44	EXEMPT
177	Supv Theatre Programs	43	7,562.67	90,752.06	3,490.46	43.63	EXEMPT
181	Supv Wqc Oper	37	8,798.13	105,577.51	4,060.67	50.76	EXEMPT
86	Urban Forester	35	9,258.74	111,104.91	4,273.27	53.42	EXEMPT
1011	Utilities Compliance Manager	29	10,774.49	129,293.88	4,972.84	62.16	EXEMPT
114	Utilities Supervisor	68	10,713.78	128,565.38	4,944.82	61.81	EXEMPT

**City of PaloAlto  
Management and Professional Compensation**

Effective October 6, 2012 - 3% Increase to Control Point

<b>Class No. /Job Code</b>	<b>Title</b>	<b>Grade Code</b>	<b>Control Point</b>	<b>Approx Annual</b>	<b>Approx Biwkly</b>	<b>Hourly</b>	<b>FLSA Status</b>
184	Veterinarian	33	9,738.99	116,867.88	4,494.92	56.19	EXEMPT
146	Warehouse Supv	50	5,911.24	70,934.91	2,728.27	34.10	EXEMPT
39	Watershed Protection Manager	62	10,246.62	122,959.38	4,729.21	59.12	EXEMPT

**Confidential Classifications**

<b>Class No. /Job Code</b>	<b>Title</b>	<b>Grade Code</b>	<b>Control Point</b>	<b>Approx Annual</b>	<b>Approx Biwkly</b>	<b>Hourly</b>	<b>FLSA Status</b>
905	Human Rsrce Asst Cnf	82	5,741.63	68,899.58	2,649.98	33.13	NON-EXEMPT
903	Legal Sec-Conf	80	5,923.74	71,084.83	2,734.03	34.18	NON-EXEMPT
67	Secretary to City Attorney	67	7,191.33	86,295.91	3,319.07	41.49	NON-EXEMPT
1004	Senior Legal Secretary - Confidential	85	6,514.68	78,176.13	3,006.77	37.59	NON-EXEMPT

## **Attachment B**

### **At-Will Positions Management and Professional Unit**

The intent of this provision under the Management/Professional Compensation Plan is to designate classifications at the department head, assistant director, deputy director, and division manager levels as at-will. The applicable Council Appointed Officer may designate newly created positions at those levels not included on this list as at-will. Existing classifications that shall be at-will include but are not limited to:

Department Heads- All departments  
Assistant Directors- All departments  
Deputy Directors- All departments  
Division Managers

#### Administrative Services

Director, Administrative Services/Chief Financial Officer  
Director, Office of Management & Budget  
Assistant Director, Administrative Services  
Chief Budget Officer  
Manager, Accounting  
Manager, Purchasing & Contract Administration  
Manager, Real Property

#### City Attorney

Senior Assistant City Attorney  
Assistant City Attorney  
Sr. Deputy City Attorney  
Deputy City Attorney

#### City Auditor

Deputy City Auditor  
Sr. Performance Auditor

#### City Clerk

Assistant City Clerk  
Deputy City Clerk

#### City Manager

Assistant City Manager/Chief Operating Officer  
Deputy City Manager  
Assistant to City Manager  
Chief Communications Officer  
Communications Manager  
Manager, Economic Development

### Community Services

Director, Community Services  
Assistant Director, Community Services  
Manager, Recreation & Golf  
Manager, Open Space & Parks

### Human Resources

Director of Human Resources/Chief People Officer  
Assistant Director, Human Resources  
Human Resources Manager

### IT

Director, IT/Chief Information Officer  
Information Technology Governance Manager  
Information Technology Manager

### Library

Director, Libraries  
Assistant Director, Library Services  
Division Head, Collection & Technical Services  
Manager, Library Services

### Planning & Community Environment

Director, Planning & Community Environment  
Assistant Director, Planning & Community Environment  
Division Manager, Advance Planning  
Division Manager, Chief Building Official  
Division Manager, Chief Planning Official  
Division Manager, Chief Transportation Official  
Division Manager, Development Services Director

### Public Safety

Chief of Police/Director of Public Safety  
Fire Chief /Assistant Public Safety Director  
Assistant Police Chief  
Emergency Services Director  
Deputy Director – Technical Services Division (police department)  
Deputy Fire Chief

### Public Works

Director, Public Works/City Engineer  
Assistant Director, Public Works – Environmental Services  
Assistant Director, Public Works – Public Services  
Assistant Director, Public Works – Engineering  
Airport Manager

Water Quality Control Plant Manager

Utilities

Director, Utilities

*Assistant Director Utilities Engineering\**

*Assistant Director Utilities Operations\**

*Assistant Director Utilities Customer Support Services\**

*Assistant Director Utilities/Resources Management\**

*Communications Manager\**

*Engineering Manager – Electric\**

*Engineering Manager –WGW\**

*Manager Customer Service & Meter Reading\**

*Manager Electric Operations\**

*Manager Utilities Mkt Services\**

*Manager Utilities Operations WGW\**

*Utilities Compliance Manager\**

**\*Management positions up to and including Assistant Director in Utilities are represented by UMPAPA and currently under negotiations**

**CITY OF PALO ALTO  
COMPENSATION PLAN**

**Management and Professional Personnel  
And Council Appointees**

Effective: Pay period including July 1, ~~2010~~2011 through June 30, 2013  
~~through June 30, 2011~~ except where specifically noted

# COMPENSATION PLAN FOR THE CITY OF PALO ALTO

## Management and Professional Personnel

As used in this Plan, the term "Management and Professional" refers to all employees, including Confidential employees, previously classified as "Management and Confidential" by the City. This group will hereafter be identified as "Management and Professional" personnel.

### SECTION I. COMPENSATION

This section applies to all management and professional employees and does not include Council Members or Council-appointed officers. Each Council-appointed officer shall be the responsible decision-maker under this Plan for those employees in departments under his/her control.

#### A. MANAGEMENT AND PROFESSIONAL COMPENSATION POLICY

The City's policy for management and professional compensation is to establish and maintain a general structure based on marketplace norms and internal job alignment with broad compensation grades and ranges. Structures and ranges will be reviewed annually and updated as necessary based on marketplace survey data, internal relationships, and City financial conditions.

Individual compensation adjustments will be considered by the Council-appointed officer based on (1) performance factors including achievement of predetermined objectives; (2) pay structure adjustments; and (3) City financial conditions.

#### B. BASIC PLAN ELEMENTS

1. Structure. The compensation plan includes separate multi-grade structures for both management and professional employees. Each grade will have a control point which is used for budgetary purposes. All management and professional positions will be assigned an appropriate pay grade based on salary survey data and internal relationships. ~~All positions are assigned to a pay grade.~~ Actual salary within the range is determined by experience and performance. The normal working range where most actual salaries will fall will be within  $\pm 510\%$  of the control point.

~~The City began a benchmarking survey in 2006 to establish an updated structure for management and professional personnel. This survey is expected to be completed in 2011. Upon the completion of the Management and Compensation study, any equity adjustments will be addressed in the future.~~

~~As needed, and no less than every two years and commencing fiscal year 2005-2006, c~~ompetitive marketplace studies will be conducted as needed by surveying a maximum of ~~12-14 mutually agreeable agencies organizations~~ similar to Palo Alto in

number of employees, funding mechanisms, population and services provided. These studies will focus on general salary trends for groups of total compensation for management positions such as first line supervisors, administrative, confidential, professional and top management. Periodically, ~~and no less often than every four years,~~ studies will include position-by-position comparisons using market agencies research and internal equity data. ~~All studies conducted pursuant to this section shall be completed by December 31<sup>st</sup> and in no event later than March 31 in order to allow time for Committee review. Depending on t~~The results of these studies may indicate that, the entire pay grade structure may be adjusted, ~~or that~~ individual positions may be reassigned to different pay grades, or that no change takes place. ~~Such adjustments will only affect the salary administration framework. No individual salaries will be automatically changed because of structural adjustments.~~

~~An employee may request in writing a re-evaluation of his/her job based on significant changes in job content or significant discrepancies between job content and classification description, and which cannot be described as "other duties as assigned." The request must contain justification and may be made only during the period of August 10 through September 10. A statement by management that a job re-evaluation request will be submitted with the departmental budget does not relieve an employee from the responsibility of submitting his/her own request during this period. The HR Director or his designee will respond to such requests within ninety (90) days, however, this timeline may be extended if necessary. If HR approves change, the request will be forwarded to ASD who will determine if there is sufficient funding to cover the cost of the change. If approved by ASD, the reclassification will be sent to the City Manager for approval. If approved, the change would be reclassified as part of the budget process and will require Council approval. Any changes approved as part of the budget process will become effective the first pay period of the following fiscal year, or, if not approved, the job will be returned to its previous status.~~

A department director may request that HR reevaluate a job or jobs in his or her department based on significant and permanent changes in job content. In doing so the director will supply needed information and will provide a position description questionnaire as requested. The Chief People Officer will respond to such requests within his or her discretion.

2. Compensation Adjustment Authorization. ~~Each year, in~~In consultation with feedback received from the Management and Professional Compensation Committee, the City Manager ~~will~~may propose as part of the budget process for Council approval of a compensation adjustment based (1) competitive market data, (2) changes in internal position relationships, (3) the City's ability to pay, and (4) a recommendation received from the Chief People Officer. For fiscal year 2013 the compensation adjustment to control point shall be 3% effective the pay period including October 6, 2012. In addition, certain below-market positions will be subject to equity adjustments at a future date based on Management Compensation Study results and subject to Council approval.~~on recommendation received from the~~

~~Management/Professional Compensation Committee. For fiscal year 2010-2011 the compensation adjustment to control point shall be 0%.~~

2. In years when there is an adjustment to control point, this adjustment will be available for those management/professional employees who have received an overall rating of "meets" or "exceeds" expectations on their annual review and who have not been on a performance improvement plan during the preceding fiscal year. Nothing herein shall preclude an employee's manager from awarding a control point adjustment increase to an employee on a performance plan at a later date should employee's performance improve. ~~An additional one percent (1%) (half percent (.5%) attributable to amount allocated in 2007-2008 plan and additional half percent (.5%) allocated in 2008-2009 compensation plan) will be allocated toward equity adjustments to address compaction problems as determined by the City Manager and will be retroactive to July 1, 2007.~~

~~In the future, the compensation adjustment request will be based on the following factors: competitive market, changes in internal position relationships, and the City's ability to pay. Council authorization is required prior to implementation by the Director of Human Resources.~~

3. Base Compensation. Compensation for management and professional employees includes bi-weekly base salary and is paid on a continuing basis. On a fiscal year basis, the bi-weekly base salary must fall within pay grade limits of no less than ~~25%~~20% below the control point and no more than 20% above the control point.

Base salary increases are earned in accordance with administrative guidelines based upon growth within the position and performance, which must meet or exceed position standards, the salary structure and the City's ability to pay.

~~The City Manager eliminated the Variable Management Compensation program effective with the 2008-09 fiscal year.~~

4. Performance Planning and Appraisal. Performance appraisals will be conducted at the end of each fiscal year during the months of July through September 30 each year prior to determining individual employee fixed compensation. This process includes both review of previous performance plan and preparation of the performance plan for the next planning period (usually the fiscal year). Performance plans are jointly prepared by the employee and supervisor with the concurrence of the department head or Council-appointed officer. The performance plans shall contain measurable objectives which place special emphasis on position description duties or specific assignments. Progress toward meeting objectives shall be monitored periodically. The performance appraisals should be implemented in a manner that will achieve the following objectives:

- Define the employee's job duties and expected level of performance for the next review period to ensure that both the employee and supervisor have a clear understanding of the employee's role and responsibilities;
- Evaluate and document past performance to serve as a basis for establishing and obtaining future performance standards/objectives;
- Facilitate two-way communication and understanding between the employee and his or her supervisor;
- Counsel and encourage employees to work toward a learning development plan and realize their full potential;
- Establish future work plan objectives.

Work plans should include job related projects or special goals related to regular job duties when applicable. At the conclusion of the fiscal year (or review period), supervisors shall make a final determination of the overall performance rating.

Recommendations shall be forwarded to department heads and to the Chief People Officer or appropriate Council appointed officer.~~or~~ who will then determine individual fixed adjustments according to the provisions of the compensation plan. This process should be completed by September 30<sup>th</sup>.

#### C. MANAGEMENT AND PROFESSIONAL COMPENSATION ADJUSTMENT AUTHORIZATION

1. Council-appointed officers are authorized to pay salaries in accordance with this plan to non-Council-appointed management, and professional employees in an amount not to exceed the aggregate of approved management and professional positions budgeted at the control points in the Table of Organization for applicable fiscal year ~~2010-11~~.
2. Individual management and professional compensation authorized by a Council-appointed officer under the Management and Professional Compensation Plan may not be less than 2520% below nor more than 20% above the control point for the individual position grades authorized in Table I of this plan.
3. The Council-appointed officers are authorized to establish such administrative rules as are necessary to implement the Management and Professional Salary Plan subject to the limitations of the approved compensation adjustment authorization and the approved grade and control point structure.
4. In the event a downward adjustment of a position grade assignment indicates a reduction in the established salary of an individual employee, the Council-appointed officer may, if circumstances warrant, continue the salary for such employee in an amount in excess of the revised grade limit for a reasonable period of time. Such interim salary rates shall be defined as "Y-rates."

## SECTION II. SPECIAL COMPENSATION

This section applies to all eligible regular management and professional positions including Council Appointed Officers as applicable and including Council Members where indicated. Eligibility shall be in conformance with the Merit Rules and Regulations and Administrative Directives issued by the City Manager for the purposes of clarification and interpretation.

### A. OVERTIME

Compensation for overtime work shall be in conformance with the Merit Rules and Regulations and Policies and Procedures.

### B. IN LIEU HOLIDAY PAY

Employees who work a schedule where a regular day off falls on a holiday will be paid for the hours they would have normally worked on that day. If the holiday falls on a non-workday for an exempt employee, the employee may, with supervisory approval, take another day off within the pay period or the following pay period.

### C. WORKING OUT OF CLASSIFICATION PAY

Where management and professional employees, on a temporary basis, are assigned to perform all significant duties of a higher classification, the City Manager may authorize payment within the range of the higher classification for the specified time frame. Working out of class pay is normally not to exceed 10% more than the employee's current salary and shall be documented on a Personnel Action Form, with a description of the additional duties to be performed and an end date.

### D. STAND-BY PAY

Employees eligible for overtime may be entitled to stand-by pay, approved by the City Manager on a case by case basis, in extreme circumstances involving unavailability of non-management staff. Compensation is as follows:

Monday through Friday	\$40 per day
Saturday, Sunday, Holidays	\$58 per day

### E. CALL OUT PAY

Effective pay period beginning February 26, 2011, Exempt management and professional classifications will be compensated for Call Out as outlined below with Management approval (and will not be eligible for overtime pay). Call Out applies when: (1) an employee previously left City premises, (2) is called back to the work location outside of regularly scheduled working hours, and (3) the Call Back is for an emergency arising out of situations involving real or potential loss of service, property or personal

danger. Employees called back will be expected to respond directly to the location of the problem.

Compensation is per Call Out as reported on timecard and will be paid as follows:

Monday through Friday: \$140 per day  
Saturday and Sunday: \$200 per day

F. NIGHT SHIFT PREMIUM

Night shift differential shall be paid at the rate of 5% to regular full-time employees who are regularly assigned to shift work between 6:00 p.m. and 8:00 a.m., or to employees who are temporarily assigned to work a full shift between 6:00 p.m. and 8:00 a.m.

G. UNIFORM PURCHASE PLAN - SWORN POLICE, FIRE PERSONNEL, and OPEN SPACE PERSONNEL

Uniforms including cleaning will be provided with replacement provisions on an as-needed basis in conformance with department policy.

H. GROUP INSURANCE

~~1. Pursuant to the 09-10 Compensation Plan, the City, Management/Professional Committee and all bargaining units formed a working committee to study alternatives to the 90/10 "SEIU Plan". The City Council did not adopt any alternative; therefore the "SEIU plan" shall apply to the management and professional employees, CAO's and Council Members effective 4/1/2011, including active employees retiring after March 31, 2011.~~

~~It is the intent of the City Manager and Management and Professional Committee to have substantially the same health benefit as SEIU.~~

2.1. Effective Date of Coverage for New Employees

For newly-hired regular employees coverage begins on the first day of the month following date of hire for the health plan, dental plan, vision care plan, long term disability and life insurance plans if these benefits are elected.

3.2. Active Employee Health Plan

a) Based on an employee's family status, the City shall pay up to the monthly medical premium for the second most expensive plan among the existing array of plans available during the term of this compensation plan on behalf of eligible employees (including Council Appointed Officers and Council Members) and dependents, except as provided in section b, below. Eligible dependents include

spouses, children under the age of 26 and never married (natural, adopted, or stepchildren), economically dependent children, and domestic partners registered with the Secretary of State. If PERS changes the plans it offers, the City will continue to provide an equivalent benefit at an equivalent cost.

b) ~~Effective in the first period including October 6, 2012, April, 1, 2011, the City and participating employees will contribute 10% of the premium cost for the employee-selected plan and the City shall contribute 90%, with a maximum City contribution of 90% of the second highest plan. ~~share equally each premium increase (beginning with increases effective — January 1, 2011) up to ten percent that occurs for the plan in which the employee is enrolled at their respective level of enrollment (i.e. one party, two party, family). If a given increase exceeds ten percent, the balance of that increase will be paid by the City. If sufficient increases occur that the employee portion of the premium for the plan in which he or she is enrolled equals ten percent of the total premium at the employee's level of enrollment, the employee's share of further premium and increases shall be ten percent and the City's share shall be ninety percent.~~~~

~~c) Through December 31, 2010, the City agrees to offer a program to active management and professional personnel (including Council Appointed Officers and Council Members) enrolled in PERSCare prior to 1/6/07 who elected the PERSChoice health plan in which the City will reimburse the employee and/or dependents for any covered medical expense which exceeds the \$2 million Lifetime Maximum Benefit. The lifetime maximum was eliminated from PERS health plans effective January 31, 2011; therefore, excess coverage from the City will no longer be offered for expenses incurred on or after January 1, 2011.~~

d)c) City medical premium contributions will be prorated for part-time employees hired or newly assigned to a part-time work schedule on or after January 1, 2010 based on the number of hours per week the part-time employee is assigned to work.

e)d) Coverage for Domestic Partners:

- (1) Domestic Partnership Registered with the California Secretary of State: Employees may add their domestic partner as a dependent to their elected health plan coverage if the domestic partnership is registered with the Secretary of State.
- (2) Domestic Partnership Not Registered with the California Secretary of State: Domestic partners who meet the requirements of the City of Palo Alto Declaration of Domestic Partnership, and are registered with the Human Resources Department, will be eligible for reimbursement of the actual monthly premium cost of an individual health plan, not to exceed the maximum monthly City employer

contribution for one-party coverage under the CalPERS Health Benefits Program (or PORAC if a safety department employee) for an employee covered under this agreement. Evidence of premium payment will be required with request for reimbursement.

f)e)          PERS Choice Reimbursement Plan

Will be eliminated effective January 1, 2013. Management and Professional personnel enrolled in the PERS Choice medical plan may submit a request for payment, as specified below, for non-covered medical expenses, incurred during the period of January 1, through December 31, of the plan year, that exceed \$2,500. The maximum annual reimbursement amount provided under this program is:

- \$700 for employees enrolled in the Employee-Only category;
- \$900 for employees enrolled in the Employee and One Dependent category, and
- \$1,100 for employees enrolled in the Family category.

Any amounts reimbursed to an individual under this program would be included in the employee's gross income and is not PERSable.

This program shall only reimburse employees for medical expenses that are not reimbursed through any other means and meet the definition in Section 213(d) of the Internal Revenue Code. (Examples of eligible expenses include medical plan deductibles and co-payments, prescription drugs, dental care, hearing care, and vision care.) However, in order to have any expenses reimbursed under this program, the employee must have allocated 100% (\$2,500.00) of their 2010 calendar Excess Benefit funds into the Medical FSA option during the election that occurred in December 2009. In addition, all such reimbursements from the Excess Benefit Program must have been solely for medical expenses, as defined by Section 213(d) of the Internal Revenue Code. If the employee has designated his/her Excess Medical funds for any other qualifying expenses (i.e. dependent care, Professional Development, Deferred Compensation contributions), the employee would not be eligible for reimbursement under this program.

-Employees may submit onea -final claim for the entire 2012 plan year's expenses during January. Any amounts remaining from the PERS Choice reimbursement plan after the claims for the plan year had been processed shall be forfeited.

4.3. Alternative Medical Benefit Program

If a regular employee and/or the employee's dependent(s) are eligible for medical insurance through another employer-sponsored or association medical plan, the employee may opt for alternative medical insurance coverage through the other employer-sponsored or association plan and waives his/her right to the City of Palo Alto's medical insurance coverage for same individuals. Employees electing alternative coverage and no City coverage will receive cash payments in the amount of 90% of the average monthly premium for one party, which is \$284.00, of approximately half of the "average monthly premiums: for their medical insurance coverage. "Averaged monthly premiums" are the average of the Kaiser HMO, Blue Shield HMO and PERS Choice PPO premiums for the employee's City medical coverage available through the Public Employee Retirement System (PERS).

~~The rates for 2010 are as follows:~~

<del>One party:</del>	<del>\$269.77</del>
<del>Two parties:</del>	<del>\$528.81</del>
<del>Family:</del>	<del>\$701.41</del>

~~The rates for 2011 are as follows:~~

<del>One party:</del>	<del>\$301.00</del>
<del>Two parties:</del>	<del>\$602.00</del>
<del>Family:</del>	<del>\$783.00</del>

#### 5.4. Retiree Health Plan

##### a) Employees Hired Prior to January 1, 2004

Monthly City-paid premium contributions for a retiree-selected health plan through the CalPERS Health Benefits Program will be made as provided under the Public Employees' Medical and Hospital Care Act. The City's monthly employer contribution for each employee retiring on or after January 1, 2007 and prior to March 31, 2011 shall be the amount necessary to pay for the cost of his or her enrollment in a health benefits plan up to the monthly premium for the second most expensive plan offered to management and professional personnel during the contract term (among the existing array of plans.)

~~For the 2010 calendar year, the~~The City's contribution for an employee hired before January 1, 2004 who retires on or after March 30, 2011 shall be the same contribution amount it makes from time to time for active City employees. toward dependent coverage is 85% of the difference between the applicable "Employee and One Dependent" or "Family" maximum employer contribution for active management and professional personnel and the maximum employer

~~contribution for "Employee Only" coverage. For 2011 the City's contribution will increase to 90%. For 2011, the City's contribution will increase to 95%.~~

b) Post – 1/1/04 Hires

For those Management and professional employees hired after January 1, 2004, the PERS law vesting schedule set forth in Government Code section 22893 will apply. Under that law, an employee is eligible for 50% of the specified employer health premium contribution after ten years of service credit, provided at least five of those years were performed at the City of Palo Alto. After ten years of service credit, each additional service credit year increases the employer contribution percentage by 5% until, at 20 years' service credit, the employee will be eligible upon retirement for 100% of the specified employer contribution and 90% of their dependent coverage. The City of Palo Alto's health premium contribution for eligible post – 1/1/04 hires shall be the minimum contribution set by PERS under section 22893 based on a weighted average of available health plan premiums.

~~Active employees retiring after March 30, 2011 will be subject to health premium contributions as set forth in Resolution #8994, modification 8 and section 3(b) of this Plan.~~

~~It is the intent of the City Manager and Management and Professional Committee to have substantially the same health benefit as SEIU.~~

6.5. Dental Plan

- a) The City shall pay covered plan charges on behalf of all eligible employees and dependents. (Domestic partners who are either registered with the Secretary of State or who meet the requirements of the City of Palo Alto Declaration of Domestic Partnership, and are registered with the Human Resources Department are considered dependents under the plan.) Benefits for regular part-time employees hired or assigned to a part-time schedule will be prorated in accordance with his/her percentage of a full-time work schedule. ~~will be prorated as follows:~~

~~Employees who will work less than full time, will receive prorated premium costs for dental benefits in accordance with his/her percentage of a full-time work schedule.~~

~~Part time employees currently receiving full benefits will not be impacted.~~

- b) The City's Dental Plan provides the following:

- Maximum Benefits per Calendar Year- \$2,000 per person

- Lifetime Maximum for Orthodontics- The City will pay up to \$2,000.00 for orthodontia coverage (not included in annual dental maximum)
  - Major Dental Services 50% UCR\*
  - Orthodontics 50% UCR\*
  - Basic Benefits (All other covered services)
    - First Calendar Year of Eligibility 70% UCR\*
    - Subsequent Calendar Years 70%-100%
- \*Usual, Customary, and Reasonable
- Composite (tooth covered) fillings for posterior teeth  
~~Effective 1/1/07 the City added composite (tooth covered) fillings for posterior teeth to the dental plan.~~

For each dental plan member, the percentage of coverage for basic benefits will begin at 70% for the first calendar year of coverage and increase by 10% (up to a maximum of 100%) effective the first day of the next calendar year as long as the member utilizes the plan at least once during the current year. Per the Delta Dental contract effective October 1, 2005, if the member does not utilize the plan during the current year, the percentage of coverage for the next calendar year shall remain unchanged from the current year.

If a dental plan member ever loses coverage under the plan, the applicable percentage of coverage for basic benefits provided during any future period of coverage will commence at 70% as if the dental plan member was a new enrollee. Examples of when a member might lose coverage under the plan would include:

- Employee goes on an unpaid leave of absence and elects not to pay the required dental premiums for his/her family's coverage during the leave.
- Employee elects to drop one or more covered dependents from the plan during an open enrollment period so that they might be covered on a spouse's non-City of Palo Alto dental plan.

7.6. Basic Life Insurance

The City shall provide a basic group term life insurance with Accidental Death and Dismemberment (AD&D) coverage, in an amount equal to the employee's annual basic pay (rounded to the next highest \$1,000) at no-cost to the employee. AD&D pays an additional amount equal to the employee's annual basic pay (rounded to the next highest \$1,000).

8.7. Supplemental Life And AD&D Insurance

An employee may, at his/her cost, purchase additional life insurance and additional AD&D coverage equal to one- or two-times his or her annual salary. The maximum amount of life insurance available to the employee is up to \$325,000 and the maximum amount of AD&D coverage available is up to \$325,000.

| 9.8. Long Term Disability Insurance

- a) The City shall provide long term disability (LTD) insurance with a benefit of 2/3 monthly salary, up to a maximum benefit of \$10,000 per month. The City shall pay the premium for the first \$6,000 of base monthly salary. For employees whose base monthly salary exceeds \$6,000, the employee shall pay the cost of the required premium based upon their monthly salary between \$6,000 and \$15,000.
- b) For employees whose base monthly salary exceeds \$6,000 and who have no eligible dependents covered under the City's medical, dental or vision plans, the City will pay up to \$17.50 per month towards the employee's cost for LTD coverage.

| 10.9. Vision Care

- a) The City shall provide vision care coverage for employee and dependents. Coverage is administered by Vision Service Plan (VSP). The plan provides an exam every 12 months; lenses every 24 months; frames every 24 months, all subject to a \$20 co-payment as defined in the Vision Services Benefits Plan A schedule. Benefits for regular part-time employees will be prorated as follows:

Employees hired after January 1, 2004, who will work less than full time, will receive prorated premium costs for vision benefits in accordance with his/her percentage of a full-time work schedule. Vision benefits for regular part-time employees hired or assigned to a part-time schedule will be prorated in accordance with his/her percentage of a full-time work schedule. currently receiving full benefits will not be impacted.

- b) Effective July 1, 1996, dependents include eligible domestic partners who are either registered with the Secretary of State or who meet the requirements of the City of Palo Alto Declaration of Domestic Partnership, and are registered with the Human Resources Department.

I. EMPLOYEE ASSISTANCE PLAN

The Employee Assistance Plan (EAP) provides employees with confidential personal counseling, work and family related issues, eldercare, substance abuse, etc. In addition, EAP programs provide a valuable tool for supervisors to refer troubled employees to professional outside help. This service staffed by experienced clinicians is available to employees and their dependents by calling a toll-free phone line 24 hours a day, seven days a week. Guidance is also available online.

J. SAFETY DIFFERENTIALS

1. Police Department - Personnel Development Program

Pursuant to administrative rules governing eligibility and qualification, the following may be granted to sworn police personnel:

P.O.S.T. Intermediate Certificate:	5% above base salary
P.O.S.T. Advanced Certificate:	7 -1/2% above base salary

2. Fire Department - EMT Differential

Pursuant to administrative rules governing eligibility and qualification, the following may be granted to sworn Fire personnel:

EMT Differential:	3% above base salary
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K. MANAGEMENT and PROFESSIONAL BENEFIT PROGRAM

Management and professional employees are eligible for Sections 1, 2, 3, and 4 of the Management Benefit Program. City Council Members are eligible for Section 3 only.

1. Professional Development - Reimbursement

The purpose of this program is to provide employees with resources to improve and supplement their job and professional skills. Reimbursement for authorized self-improvement activities may be granted each management and professional employee up to a maximum of ~~Five Hundred dollars (\$500)~~\$1,500 per fiscal year. A departmental training fund of One Thousand Dollars per employee (\$1000) will be established for subject matter, leadership or other training that the Department Director identifies as a need for employees within the Department.

The following items are eligible for reimbursement, ~~and employees are encouraged to pursue activities under subsections (a)-(d) as the top priority:~~

- a) Civic and professional association memberships

b) Conference participation and travel expenses, which must occur within the compensation plan period.

c) Educational programs, books and videos, and /tuition reimbursement designed to. ~~The education must~~ maintain or improve the employee's skills in performing his or her job or future job opportunities, ~~or be necessary to meet the express requirements of the City or the requirements of applicable law. The education to which the reimbursement relates should support a~~ the City's mission or be necessary to meet the educational requirements for qualification for employment. ~~career path and must not be part of a program qualifying the employees for another trade or business; or be necessary to meet the minimum educational requirements for qualification for employment.~~ Permissible educational expenses are refresher courses, courses dealing with current developments, academic or vocational courses, as well as the travel expenses associated with the courses as defined by the City's travel expense report from the Policy & Procedures Manual Section 1-02 ASD.

d) Professional and trade journal subscriptions not to exceed 12 months.

~~e)Gym/health club memberships. Reimbursement of these expenses is limited to the compensation plan year and taxable to the employee.~~

~~f)Effective July 1, 2009, purchase of job related computer hardware is limited to one purchase every three (3) years. ipads, tablets, and similar computing devices purchased on or after July 1, 2010 will be considered "computer hardware" for purposes of this section. Purchase of other peripheral hardware such as printers and monitors is limited once every three years from the last date purchased after July 1, 2009. The size of free standing monitors purchased are not to exceed 26 inches.~~

~~e) Approval will be at discretion of department head and signature is required on reimbursement form.; and will be approved in pro-rated amounts for computer and other hardware purchases. Reimbursement of any of these expenses is taxable to the employee.~~

~~g)Internet access, computer software and telecommunication equipment will be approved at discretion of department head. Reimbursement of any of these expenses is taxable to the employee.~~

Amounts under this professional development program will be pro-rated in the first year of employment or promotion into a position covered by this Compensation Plan. ~~(based on the number of pay periods remaining in the calendar year) but will not be pro-rated upon separation of employment. The maximum amount for Professional Development reimbursement for employees who move into a position covered by~~

~~this compensation plan from a position under another City of Palo Alto bargaining group will be the lesser of:~~

- ~~(1) \$1,500 less any amounts they have received in the fiscal year of their position change through any other City of Palo Alto Tuition Reimbursement or Professional Development program; or~~
- ~~(2) An amount obtained by subtracting any amounts the employee may have received in the fiscal year of their position change through any other City of Palo Alto Tuition Reimbursement or Professional Development program from the sum of:
  - ~~(i) the number of months of the current fiscal year that the employee served in previous bargaining unit and multiplying it by one-twelfth of that unit's Tuition Reimbursement or Professional Development annual maximum benefit; and,~~
  - ~~(ii) the number of months of the current fiscal year that the employee will serve in the position covered by this compensation plan multiplied by \$125.~~~~

## 2. Professional Development Leave

~~Authorized paid leaves of absence for up to one year may be granted in accordance with the following requirements:~~

- ~~a) Eligibility is subject to a minimum City service requirement of five years.~~
- ~~b) Compensation during the Professional Development Leave shall not exceed 50% salary and full benefits.~~
- ~~c) When granted, a Professional Development Leave shall require an employee commitment of at least two years' service following return from the Leave. To the extent the full two-year commitment is not fulfilled, the employee shall re-pay the City a pro-rata amount of the salary paid during the Leave based on the percentage of the two-year commitment not fulfilled.~~
- ~~d) The Professional Development Leave program shall relate to the employee's job assignment.~~
- ~~e) An employee's job assignment activity shall be adequately covered during his/her absence with emphasis on the development of subordinates.~~
- ~~f) The leave of absence period shall be adequately coordinated with departmental priorities and workload.~~

~~g) Professional Development Leaves shall be based on internship exchanges, and/or loaned executive arrangements; scholastic and/or authorship programs; or educational travel study plans.~~

~~Leave of absence schedules will be apportioned among all levels of management and professional employees and will be based on an evaluation of each employee's performance record. Each paid sabbatical leave will be limited to a maximum of one year and not more than two employees being on leave simultaneously. Sabbatical leaves must be cleared in advance and approved by a Council-appointed officer for his/her subordinates. Professional Development Leaves granted in excess of 30 days shall be noticed to the Council.~~

### 3.2. Physical Examinations

All management and professional employees are eligible to receive an annual physical examination as follows:

- a) Use the periodic health exam benefit as provided under the PERS Health Plan option you have selected. Each of the PERS Health Plans provides for a periodic physical examination. The examination must be performed by your primary care physician—unless he/she refers you to another physician.
- b) The types of tests and the frequency of the tests cannot exceed AMA guidelines. The guidelines are a suggested minimum based on research studies concerning preventative care. The judgment of your physician is the final determinant for your care.
- c) Any additional necessary asymptomatic tests that are required by your physician that are not covered by your health plan, will be reimbursed by the City. Any symptomatic tests will be covered under your PERS Health Plan.

The Reimbursement for Periodic Physical Exam Form is available on the Human Resources Intranet site. This benefit will not be pro-rated.

### 4.3. Excess Benefit

This benefit is designed to meet the requirements of Section 125 of the Internal Revenue Code with exception of Gym or Health Club Membership. Every calendar year, each employee will be provided with \$2,500 that they can designate among the following options:

- a) Medical Flexible Spending Account (Medical FSA). Provides reimbursement for excess medical/dental/vision, or expenses that are incurred by employees and their dependents which are not covered or reimbursed by

any other source, including existing City-sponsored plans. This includes prescribed medications and copayments as well as over-the-counter drugs, including: antacids, allergy medicines, pain relievers and cold medicines. However, nonprescription dietary supplements (e.g. vitamins, etc.) toiletries (e.g. toothpaste), cosmetics (e.g. face cream), and items used for cosmetic purposes (e.g. Rogaine) are not acceptable.

b) Dependent Care Flexible Spending Account (Dependent Care FSA).

Provides reimbursement for qualified dependent care expenses under the City's Dependent Care Assistance Program (DCAP), subject to the following limits: Dependent care expenses will be reimbursed only to the extent that the amount of such expenses reimbursed under this Management Benefit Program, when added to the amount (if any) of annual dependent care expenses that the participant has elected under the City's Flexible Benefits Plan, do not exceed the maximum permitted under the DCAP.

- 1) The annual amount submitted for reimbursement cannot exceed the income of the lower-paid spouse.
- 2) The expenses must be employment-related expenses for the care of one or more dependents who are under 13 years of age and entitled to a dependent deduction under Internal Revenue Code section 151(e) or a dependent who is physically or mentally incapable of caring for himself or herself.
- 3) The payments cannot be made to a child under 19 years of age or to a person claimed as a dependent.
- 4) If the services are provided by a dependent care center, the center must comply with all state and local laws and must provide care for more than six individuals (other than a resident of the facility).
- 5) Dependent care expenses not submitted under this section are eligible under the City Dependent Care Assistance Plan (DCAP). However, the maximum amount reimbursed under DCAP will be reduced by any amount reimbursed under the Excess Benefit Plan.

c) Non-taxable Professional Development Spending Account.

Provides reimbursement for Non-Taxable professional development expenses (e.g., job-related training and education, seminars, training manuals, etc.) to the extent they are not paid or reimbursed under any other plan of the City.

d) Gym or Health Club Membership. Provides reimbursement for annual or monthly memberships, including personal trainers. Reimbursement of this expense is taxable to the employee.

d)e) Deferred Compensation.

Provides a one-time contribution to the employee's City-sponsored 457 Deferred Compensation plan with either ICMA-RC or the Hartford.

Amounts designated by employees to either the Medical FSA, Dependent Care FSA, or Professional Development options are done so on a "use –it-or-lose-it" basis. This means that any amounts designated and not used by the end of the calendar year (or end of the extended grace period for the medical FSA) will be forfeited by the employee and returned to the plan.

Specified amounts under this benefit will be applied on a pro-rata basis for employees who are part-time or who are in a management or professional pay status for less than the full fiscal year. Such benefits will be pro-rated in the first year of employment (based on hire date) but will not be pro-rated upon separation of employment.

L. LEAVES

1. Sick Leave

- a) Sick leave shall be accrued bi-weekly provided the employee has been in a pay status for 50 percent or more of a bi-weekly pay period. Sick leave shall be accrued at the rate of 3.7 hours per bi-weekly pay period for those employees working a forty-hour duty schedule. Those assigned work schedules, which are greater or lesser than forty hours will accrue sick leave at the ratio of their work schedule to forty hours.
- b) Employees may use up to twenty hours of sick leave per calendar year for personal business. The scheduling of such leave is subject to the approval of the appropriate level of Management.
- c) Employees leaving the municipal service shall forfeit all accumulated sick leave, except as otherwise provided by law and by Section 609 of the Merit Rules and Regulations. In the event that notice of resignation is given, sick leave may be used only through the day which was designated as the final day of work by such notice.
- d) Employees that were hired before December 1, 1983 and who leave the municipal service in good standing, or who die while employed in good standing by the city, and who have fifteen or more years of continuous service shall receive compensation for unused sick leave hours in a sum equal to two and one-half percent of their unused sick leave hours multiplied by their years of continuous service and their basic hourly rate of pay at termination. Full sick leave accrual will be paid in the event of termination due to disability. See Merit System Rules and Regulations, Chapter 6, Section 609.

- e) Up to nine days of sick leave per calendar year may be used for illness in the immediate family, including a registered domestic partner.
- f) Management and Professional employees eligible, as specified above if hired before December 1, 1983, to be compensated for sick leave may annually convert sick leave hours in excess of 600 to cash or deferred compensation, according to the formula set forth above, up to a maximum of \$2,000 per fiscal year.
- g) In accordance with the City Merit Rules and Regulations, a new employee may, if necessary, use up to forty-eight hours or shift equivalent of sick leave at any time during the first six months of employment.

## 2. Management Annual Leave

### a) Exempt Employees

~~At the beginning of each fiscal year~~ Regular management and professional employees will be credited with 80 hours of annual leave. This leave is granted in recognition of the extra hours Management and Professional employees work over their regular schedule. This leave may be taken as paid time off, added to vacation accrual (subject to vacation accrual limitations), taken as cash or taken as deferred compensation. When time off is taken under this provision, 10-hour shift workers will receive one shift off for each 8 hours charged; 24-hour shift workers will receive one-half shift off for each 8 hours charged.

In 2012, the City will be transitioning this benefit from a fiscal to calendar year basis for administrative purposes. Therefore, on July 1, 2012, employees will be credited with forty (40) hours annual leave for the period of July 1 to December 31, 2012. Beginning in 2013 and each calendar year thereafter, employees will be credited with 80 hours of management annual leave.

Entitlement under this provision will be reduced on a prorated basis for part-time status, or according to the number of months in paid status during the fiscal year; employees who have used more than the pro-rated share at the time they leave City service shall be required to repay the balance or have it deducted from their final check. Unused balances as of the end of the fiscal year will be paid in cash unless a different option as indicated above is elected by the employee.

### b) Non-Exempt Employees

Based on an audit recommendation to eliminate payment of overtime as well as management leave for non-exempt employees in the management group, the City

is transitioning away from providing management leave to non-exempt employees. As part of the transition, and in order to minimize impacts to current employees, the City will phase-out elimination of the 80 hours of management leave for all current non-exempt Management and Professional employees (those eligible to earn overtime). Continuing through Fiscal year 2013-2014, there will be no change to management leave benefits for current employees; these employees will maintain their 80 hours of management leave and also receive pay for any overtime hours worked. Beginning on July 1, 2014 all employees in non-exempt positions will receive overtime pay for hours actually worked, but will no longer receive management leave.

Employees hired into non-exempt management positions on or after February 26, 2011 will receive overtime only and will not be eligible for management leave.

### 3. Vacation

Vacation will be accrued when an employee is in pay status and will be credited on a bi-weekly basis. Total vacation accrual at any one time may not exceed three times the annual rate of accrual. Each eligible employee shall accrue vacation at the following rate for continuous service performed in pay status:

- a) Less than nine years. For employees completing less than nine years continuous service: 120 hours vacation leave per year; provided that:
  - i) The City Manager is authorized to adjust department head annual vacation accrual to provide for a maximum of 160 hours for those hired between July 1, 1996 and June 30, 2001; and
  - ii) The City manager is authorized to adjust the annual vacation accrual of employees hired on or after July 1, 2001, to provide up to 40 additional hours (i.e., to a maximum annual accrual of 160 hours) for service with a prior employer.
- b) Nine, but less than fourteen years. For employees completing nine, but not more than fourteen years continuous service; 160 hours vacation per year.
- c) Fourteen, but less than nineteen years. For employees completing fourteen, but not more than nineteen years continuous service; 180 hours vacation leave per year.
- d) Nineteen or more years. For employees completing nineteen or more years continuous service; 200 hours vacation leave per year.

~~e)e) Once each calendar year an employee~~ Employees may are eligible to cash out vacation accrual — balances in excess of 80 hours. An employee

may cash out a minimum of 8 hours to a maximum of 120 hours of accrued vacation provided the employee has taken 80 vacation hours in the previous 12 months and has followed the election procedures set forth in this section.

e)Employees must elect the number of vacation hours they will cash-out during the next calendar year, up to the maximum of 120 hours. For the 20123 calendar vacation year, employees will make their election for vacation hours to cash out no later than November 1, 2012. The election will apply only to vacation hours that are accrued in the next calendar year and that eligible for cash-out.

The election to cash-out vacation hours in each designated year will be irrevocable. This means that employees who elect to cash-out vacation hours must cash-out the number of accrued hours pre-designates on the election form.

Employees who do not elect a cash-out amount by November 1 of the prior calendar year will be deemed to have waived the right to cash out any leave in the following tax year and will not be eligible to cash-out vacation hours in the next tax year

Employees who elect cash-out amounts may request a cash-out at any time in the designated tax year by submitting a cash-out form to payroll. Payroll will complete the cash-out upon request, provided the requested cash-out amount has accrued and is consistent with the amount the employee pre-designated. If the full amount of hours designated for cash-out is not available at the time of cash-out request, the maximum available will be paid. For employees who have not requested cash-out of the elected amount by November 1 of each year, Payroll will automatically cash-out the elected amount in a paycheck issued on or after the payroll date including November 1.

#### 4. Bereavement

Leave of absence with pay of three (3) days may be granted an employee by the head of his/her department in the event of death in the employee's immediate family, which is defined for purposes of this section as wife, husband, son, son-in-law, step-son, daughter, daughter-in-law, step-daughter, mother, mother-in-law, father, father-in-law, brother, brother-in-law, sister, sister-in-law, grandmother, grandmother-in-law, grandfather, grandfather-in-law, grandchild, aunt, uncle, niece, nephew, registered domestic partner, or a close relative residing in the household of employee. Such leave shall be at full pay and shall not be charged against the employee's accrued vacation or sick leave. Requests for leave in excess of three days shall be subject to the approval of a Council-Appointed Officer for employees under his/her control.

## M. RETIREMENT PENSION

1. Effective pay period inclusive of 1/6/07, the City's Public Employees' Retirement System (PERS) benefits changed to the 2.7% at 55 formula for non-safety members (from 2% at 55).

~~The City amended its contract with CalPERS to provide~~For miscellaneous employees hired on or after July 17, 2010, the City offers ~~with~~ the CalPERS retirement formula two percent (2.0%) of final salary at age sixty (60).

For Safety members, the City currently offers the CalPERS "3% at 50" full formula (Section 21362.2) benefit. Local Fire Safety members newly hired after 6/8/12 will be placed in the 3%@55 formula. As soon as administratively possible, the City intends to modify the Local Police Safety formula for new hires to 3%@55 formula.

2. Employee Share. ~~Effective May 1, 1984, the City agreed to pay the 7% employee contribution to PERS. Effective pay period inclusive of 1/6/07, the employee share of the PERS contribution increased to 8% from 7%. The City currently pays 6% and of the employee's pays 2% of the 8% PERS employee CalPERS share for the 2.7% at @ 55, retirement benefit formula. 5% for employees under the 2%@60 formula, and the full employee share for those with public safety formulas. This provision applies to Council-appointed officers and all regular management and professional employees, except that for sworn police and fire management employees the City shall continue to pay the mandatory nine percent (9%) of the employee's PERS contribution.~~

- a) ~~For employees hired after the implementation of the 2%@60 retirement formula pursuant to CMR 249:10, Beginning with the pay period including October 6, 2012, employees under the 2.7%@55 retirement formula will pay the full eight percent (8%) employee contribution. employees covered by that formula shall pay two percent (2%) of pay toward the seven percent (7%) employee contribution and the City shall pay (5%).~~

- b) Beginning with the pay period including October 6, 2012, employees subject to the 2%@60 retirement formula shall pay the full seven percent (7%) employee contribution.

- b)c) Beginning with the pay period including October 6, 2012, Public Safety employees will pay the full nine percent (9%) employee contribution.

3. Final Compensation. Final compensation for purposes of retirement shall be ~~as set forth in the City's contract with CalPERS, including, when applicable, the Government Code Section 20692: Optional Benefit. which provides that final compensation may be the pay rate and special compensation during any consecutive twelve month period.~~

~~4. Notwithstanding subsection 2 above, if an employee designates his or her final compensation period as the year of employment immediately preceding the effective date of his or her retirement, upon filing a notice of retirement, the amount of the PERS contribution as described above will be converted to a salary adjustment of equal amount on a one-time irrevocable basis~~

5.4. Employee PERS contributions shall be made on a tax deferred basis, in accordance with Section 414(h)(2) of the Internal Revenue Code. All provisions of this subsection are subject to and conditioned upon compliance with IRS regulations.

~~6. As of October 20, 2001 and March 9, 2002, the City provides the Public Employees' Retirement System (PERS) Benefit, "3% at 50" full formula (Section 21362.2) for safety members.~~

#### N. AUTOMOBILE EXPENSE ALLOWANCE

~~For those employees whose duties require use of a City automobile, the City Manager (or in the case of Council-appointed officers, the City Council) may authorize payment of up to \$325 per month in lieu thereof.~~

#### O.N. COMMUTE INCENTIVES and PARKING

Employees who qualify may voluntarily elect one of the following commute incentives:

1. Civic Center Parking. Employees assigned to Civic Center and adjacent work locations. The City will provide a Civic Center Garage parking permit. Employees hired after June 30, 1994 may initially receive a parking permit for another downtown lot, subject to the availability of space at the Civic Center Garage.

2. Employees who qualify may voluntarily elect one of the following commute incentives for those using an eligible commute alternative on 60% or more of their scheduled work days per month.

a) Public Transit and Vanpool. The City provides tax-free commute incentives up to the current IRS limit, as may be amended from time to time, (currently \$125/month) are available through the Commuter Check Direct (CCD) website for employees using Bay Area public transportation or riding in a registered vanpool at least 60% of their scheduled work days. Administration of the Commuter C heck direct benefit shall be the subject to the rules and regulations of the third-part administer.

b) Bicycle. The City will provide employees with a tax-able incentive of \$20 per month to eligible employees who ride a bicycle to work.

c) Carpool. The City will provide with a taxable incentive o \$30 per month to each eligible employee in a carpool with two or more licensed drivers.

d) Walk. The City will provide employees with a taxable incentive of \$20 per month to eligible employees who walk to work.

~~2.Public Transit. The City will provide monthly Commuter Checks worth the value of:~~

~~\$40 for employees traveling two or more zones on Caltrain;~~

~~\$40 for employees using the Dumbarton Express, BART, the ACE train or a commuter highway vehicle;~~

~~\$35 for employees traveling within one zone on Caltrain;~~

~~\$35 for employees using VTA, and other buses.~~

~~These vouchers may be used toward the purchase of a transit pass.~~

~~3.Carpool. The City will provide \$30 per month to each eligible employee in a carpool with two or more licensed drivers.~~

~~4.Vanpool Program. The City will provide Commuter Checks worth the value up to \$60 to each employee voluntarily participating in the Vanpool Program. These may be used toward payment of the monthly cost of the vanpool. Employees must fulfill the basic requirements of the Employee Commute Alternatives Program to qualify.~~

~~5.Bicycle. The City will provide employees with \$20 per month to eligible employees who ride a bicycle to work.~~

~~6.Walk. The City will provide employees with \$20 per month to eligible employees who walk to work.~~

## P.O. AT-WILL STATUS

Certain Management and Professional Positions are designated as having “at-will” employment status. “At-will” positions are intended to be of a limited duration and employees hired to fill these positions shall have no constitutionally protected property or other interest in their employment with the City. Notwithstanding any provision in the Merit System Rules and Regulations or any other City rule, policy or procedure, at-will employees have no right to continued employment or pre-or post-disciplinary due process and work at the will and pleasure of the hiring authority (City Council, City Manager or Council-Appointed Officer). Work for an at-will employee may be eliminated and/or the employee may be terminated, or asked to resign, at any time, with or without cause, upon notice to that employee, and the employee may resign at any time upon written notice to the hiring authority.

## 1. At-will Management & Professional positions.

Department heads hired after July 1, 2004 and prior to the date of adoption of this plan were hired as at-will employees whose terms of employment are specified by an employment contract that includes a severance package.

Effective on the date of adoption of this plan, new employees hired or promoted to department head, assistant department director, and all other positions listed on Attachment B shall be at-will employees.

At-will employees will be eligible for, and shall receive, all regular benefits (i.e., health insurance, PERS contribution to the extent paid by City, etc.) and vacation, sick leave, and management leave as are generally provided to management employees and described in this compensation plan, as amended from time to time.

At-will employees who are terminated or asked to resign shall, upon execution of a release of all claims against the City, be eligible for a severance payment equivalent to four (4) weeks of salary and benefits, increasing after completion of the first full year of service by one week for every completed year of service, up to a maximum of 12 weeks. For example, an at-will employee who has completed six (6) years of service would be eligible to receive ten (10) weeks of severance (4 weeks plus 1 week for each year of service). No severance shall be paid if the employee is terminated for serious misconduct involving abuse of his or her office or position, including but not limited to waste, fraud, violation of the law under color of authority, misappropriation of public resources, violence, harassment or discrimination. If the employee is later convicted of a crime involving such abuse of his or her position the employee shall fully reimburse the City as set forth in Government Code section 53243.3.

## 1.2. Provisional employees.

The City has created a program for Provisional employment when funding is available. The program's purpose is to create limited duration senior management level work for the City Manager's Office or as designated by the City Manager. A Provisional Employee will be an "at will" employee whose term of employment shall be no more than two years. A Provisional Employee shall be exempt and not eligible to earn overtime. A Provisional Employee will receive limited benefits as specified in an Employment Agreement. Sections I and II of this Compensation Plan shall not apply to Provisional Employees, except as specified by the City Manager.

## 2.3. Management fellows.

The City has created a program for Management Fellows when funding is available. The program's purpose is to create limited duration entry level positions for graduate students. A management fellow will be an "at will" employee whose term of employment shall be no more than one year. A Management Fellow shall be PERS

exempt, but may receive limited vacation, limited sick leave, limited health care benefits and other limited benefits, as determined by the City Manager. Sections I and II of this Plan shall not apply to Management Fellows, except as specified by the City Manager.

~~Department heads hired after July 1, 2004 will be "At-Will" employees whose terms of employment are specified by an employment contract. Any current department head or the Assistant City Manager may elect to remain covered by the Merit Rules or to become At-Will employees with an employment contract that shall include a severance package. All current executive managers shall maintain all the benefits they presently have or would have as a new executive manager.~~

~~The City has created a program for Provisional employment when funding is available. The program's purpose is to create limited duration senior management level work for the City Manager's Office or as designated by the City Manager. A Provisional Employee will be an "at will" employee whose term of employment shall be no more than two years. A Provisional Employee shall be exempt and not eligible to earn overtime. A Provisional Employee will receive limited benefits as specified in an Employment Agreement. Sections I and II of this Compensation Plan shall not apply to Provisional Employees, except as specified by the City Manager.~~

#### Q.P. ADDITIONAL COMPENSATION FOR MAYOR AND VICE MAYOR

The Mayor shall receive \$150 monthly, and the Vice Mayor \$100 monthly to defray additional expenses of these offices.

#### R.Q. REIMBURSEMENT FOR RELOCATION EXPENSE

##### Policy Statement

The City of Palo Alto, in rare instances, may provide a Basic Relocation Benefits Package for new management and professional employees, upon the approval of the City Manager or designated subordinate. In addition, the provision of "Optional Benefits" or portions thereof, may be extended for exceptional circumstances and only the approval of the City Manager or designee, or for Council-appointed officers, the City Council.

The details of the Relocation Expense program are specified in the City's Relocation Expense policy.

#### S.R. MEAL ALLOWANCE

Management and professional employees assigned to attend night meetings are eligible to receive reimbursement for up to \$20.00 per dinner. This provision covers only receipts for meals actually taken and submitted for reimbursement.

~~T. REDUCTION IN WORKFORCE~~

~~The City will make every effort to follow the 2005 transition plan if a reduction in workforce is necessary. The Management/Professional Compensation Committee shall be involved in development of changes to the transition plan.~~

S. GRIEVANCES REGARDING COUNCIL APPOINTED OFFICERS

Notwithstanding the grievance procedures provided in Chapter 11 of the City of Palo Alto's Merit System Rules and Regulations, any Management and Professional employee who is supervised by a Council Appointed Officer and has a grievance against that Council Appointed Officer or regarding the conduct of that Council Appointed Officer shall, following an attempt to resolve the grievance pursuant to Step One (informal discussion), summarize the grievance regarding the Council Appointed Officer in writing and submit it to the Director of Human Resources for review and resolution using the methods he/she considers appropriate.

~~V.T. MERIT RULES~~

The City will include members of the Management/Professional Compensation Committee in discussions regarding revision of the Merit Rules and Regulations.

~~SECTION III. — MANAGEMENT FELLOW PROGRAM~~

~~The City has created a program for Management Fellows when funding is available. The program's purpose is to create limited duration entry level positions for graduate students. A management fellow will be an "at will" employee whose term of employment shall be no more than one year. A Management Fellow shall be PERS exempt, but will receive limited vacation, limited sick leave, limited health care benefits and other limited benefits, as determined by the City Manager. Sections I and II of this Plan shall not apply to Management Fellows, except as specified by the City Manager.~~

Attachment A

Salary Schedule

**Attachment B**

**At-Will Positions**  
**Management and Professional Unit**

The intent of this provision under the Management/Professional Compensation Plan is to designate classifications at the department head, assistant director, deputy director, and division manager levels as at-will. The applicable Council Appointed Officer may designate newly created positions at those levels not included on this list as at-will. Existing classifications that shall be at-will include but are not limited to:

Department Heads- All departments  
Assistant Directors- All departments  
Deputy Directors- All departments  
Division Managers

Administrative Services  
Director, Administrative Services/Chief Financial Officer  
Director, Office of Management & Budget  
Assistant Director, Administrative Services  
Chief Budget Officer  
Manager, Accounting  
Manager, Purchasing & Contract Administration  
Manager, Real Property

City Attorney  
Senior Assistant City Attorney  
Assistant City Attorney  
Sr. Deputy City Attorney  
Deputy City Attorney

City Auditor  
Deputy City Auditor  
Sr. Performance Auditor

City Clerk  
Assistant City Clerk  
Deputy City Clerk

City Manager  
Assistant City Manager/Chief Operating Officer  
Deputy City Manager  
Assistant to City Manager  
Chief Communications Officer  
Communications Manager

Manager, Economic Development

Community Services

Director, Community Services

Assistant Director, Community Services

Manager, Recreation & Golf

Manager, Open Space & Parks

Human Resources

Director of Human Resources/Chief People Officer

Assistant Director, Human Resources

Human Resources Manager

IT

Director, IT/Chief Information Officer

Information Technology Governance Manager

Information Technology Manager

Library

Director, Libraries

Assistant Director, Library Services

Division Head, Collection & Technical Services

Manager, Library Services

Planning & Community Environment

Director, Planning & Community Environment

Assistant Director, Planning & Community Environment

Division Manager, Advance Planning

Division Manager, Chief Building Official

Division Manager, Chief Planning Official

Division Manager, Chief Transportation Official

Division Manager, Development Services Director

Public Safety

Chief of Police/Director of Public Safety

Fire Chief /Assistant Public Safety Director

Assistant Police Chief

Emergency Services Director

Deputy Director – Technical Services Division (police department)

Deputy Fire Chief

Public Works

Director, Public Works/City Engineer

Assistant Director, Public Works – Environmental Services

Assistant Director, Public Works – Public Services

Assistant Director, Public Works – Engineering  
Airport Manager  
Water Quality Control Plant Manager

Utilities  
Director, Utilities

Assistant Director Utilities Engineering\*  
Assistant Director Utilities Operations\*  
Assistant Director Utilities Customer Support Services\*  
Assistant Director Utilities/Resources Management\*  
Communications Manager\*  
Engineering Manager – Electric\*  
Engineering Manager –WGW\*  
Manager Customer Service & Meter Reading\*  
Manager Electric Operations\*  
Manager Utilities Mkt Services\*  
Manager Utilities Operations WGW\*  
Utilities Compliance Manager\*

**\*Management positions up to and including Assistant Director in Utilities are represented by UMPAPA and currently under negotiations**