

CITY OF WALNUT CREEK

**Summary of Pay and Benefits
For Department Directors**

Effective July 1, 2016

This Resolution shall apply to Department Directors, defined for the purpose of this Resolution as employees occupying positions in classifications set forth in Schedule A, attached hereto and incorporated herein by this reference.

A. Salary Adjustments.

1. Effective with the pay period beginning on July 1, 2016, the salary ranges for Department Director classifications shall be increased by 3% (three percent), as set forth in Schedule A.
2. Effective with the pay period beginning on June 30, 2017, the salary ranges for Department Director classifications shall be increased by 3% (three percent).
3. Effective with the pay period beginning on June 29, 2018, the salary ranges for Department Director classifications shall be increased by 3% (three percent).

B. Retirement Benefits.

1. **Retirement Benefit Levels.**

The City shall maintain California Public Employees' Retirement System (CalPERS) retirement benefits for Department Directors in accordance with the City's contract with CalPERS and in compliance with all applicable laws.

For Department Directors who are employed in a miscellaneous classification, the applicable benefit formula (2% @ 55, 2% @ 60, or 2% @ 62) shall be as provided to employees in the General Management Unit. For Department Directors who are employed in a safety classification, the applicable benefit formula (3% @ 50, 3% @ 55, or 2.7% @ 57) shall be as provided to employees in the Police Management Unit.

2. **Employee Contributions.**

- a. **Miscellaneous Employees.** Miscellaneous employees shall contribute, on a bi-weekly pre-tax basis, the full employee share of the California Public Employees' Retirement System employee contribution as determined by CalPERS; the City shall not make any Employer Paid Member Contributions ("EPMC") to CalPERS on an employee's behalf.

- b. **Safety Employees.** Safety employees shall contribute, on a bi-weekly pre-tax basis, the full employee share of the California Public Employees' Retirement System employee contribution as determined by CalPERS; the City shall not make any Employer Paid Member Contributions ("EPMC") to CalPERS on an employee's behalf.

C. Medical Insurance.

1. The City shall offer Department Directors the same medical insurance plans as are offered to eligible General Management Unit employees.
2. **Employee Cost-Sharing.** All full-time Department Directors who are enrolled in single, two-party, or family medical coverage under either the City's Kaiser HMO or Blue Shield HMO plan shall contribute on a pre-tax basis 20% (twenty percent) of the "blended rate" premium in effect at that time.
3. **Employer Contribution.** Subject to employee cost-sharing in Subsection 2 above, the City shall contribute the remainder of the applicable Kaiser HMO or Blue Shield HMO plan premium in effect at that time for the plan and coverage level elected by the employee.
4. All full-time Department Directors with medical coverage outside of the City may waive all coverage in the City's medical insurance plans and redirect \$850 per month to an ICMA-RC account. For an employee with single-party coverage, the City shall redirect \$560 per month; and for an employee with two-party coverage, the City shall redirect \$320 per month. For Department Directors (excluding the Chief of Police), the City will redirect the contributions to an ICMA-RC 401(a) Money Purchase Plan, while for the Chief of Police, the City will redirect the contributions to an ICMA-RC 457 Deferred Compensation Plan

D. 401(a) Money Purchase Plan.

1. **Mandatory Employee Contributions.** Department Directors (excluding the Chief of Police) shall be eligible to participate, at their own expense, in a Money Purchase Plan in accordance with Section 401(a) of the Internal Revenue Code. All eligible Department Directors shall make mandatory contributions of \$361.92 bi-weekly to the plan through payroll deduction, for a total mandatory employee contribution of \$9,410 per year.
2. **Employer Contributions.** To assist employees with post retirement expenses, including retiree medical expenses, the City shall contribute \$100 bi-weekly for a total annual contribution of \$2,600 to a defined contribution 401(a) Money Purchase Plan for each eligible Department Director (excluding the Chief of Police). These contributions will be made bi-weekly on a pre-tax basis and are fully vested upon deposit.

E. Management Development Plan.

Annual Allowance for Full-Time Employees

All Department Directors \$1,425

All other provisions of the Management Development Plan shall be as provided in the applicable Administrative Policy.

F. Special General Leave and Severance Provisions.

The City Manager may assign Department Directors a General Leave balance and accrual rate commensurate with their experience, not to exceed the maximum accrual rate in the General Management Unit's General Leave Plan. The City Manager may also provide Department Directors with severance benefits not to exceed six (6) months of salary.

G. Benefits Provisions Particular to the Chief of Police.

The Chief of Police shall receive a uniform allowance, holiday in-lieu pay, and dental insurance benefits equal to those provided to Police Captains in the Police Management Unit. The Chief of Police does not participate in any of the City's Retirement Health Savings (RHS) plans; is not eligible to receive Special Paid Time Off as provided to employees in the General Management Unit; and does not participate in the 401(a) Plan for Department Directors. The City shall contribute to an ICMA-RC 457 Deferred Compensation Plan account for the Chief of Police \$344.79 semi-monthly, for a total annual contribution of \$8,275. Effective following the adoption of this Resolution by the City Council and as soon as administratively feasible, the City contribution shall be increased to \$594.79 semi-monthly for a total annual contribution of \$14,275.

H. Employment Agreements.

The salaries established for the City Manager and the City Attorney are made in satisfaction of the annual salary increase provisions of the employment agreements entered into between the City and the City Manager, and the City and the City Attorney. Whenever any benefit conferred by this Resolution conflicts with a specific provision of the employment agreements between the City and the City Manager or the City and the City Attorney, the provisions of the employment agreement shall prevail.

I. Appointment of Assistant City Manager.

From time to time, the City Manager may appoint a Department Director as Assistant City Manager. Upon appointment, and for the duration thereof, such Department Director shall be transferred from their existing job classification to the Assistant City Manager job classification (such job classification will encompass the Department Director's existing departmental duties as well as such additional duties described therein). The decision to make such appointment, including the duration thereof, shall be at the discretion of the City Manager.

J. Other Benefits.

Department Directors are also eligible for all other benefits as provided to full-time employees in the General Management Unit not discussed in this Resolution. Any benefits discussed in this Resolution will govern what a covered employee will receive.