

CITY OF VISTA

**MANAGEMENT AND CONFIDENTIAL  
EMPLOYEE COMPENSATION PLAN**

- 1.0 **PURPOSE:** To maintain a distinct and separate procedure for establishing the compensation of Management and Confidential employees. The employees in these groups, as designated below, shall be compensated as set forth in this plan. The City Manager shall meet periodically with each group to discuss this plan. Employees in these groups may not be represented by any employee association which also represents employees who are not in these groups.
- 2.0 **ACKNOWLEDGEMENTS:** The City of Vista recognizes the special responsibilities and demands placed upon its Management and Confidential employees. The City also notes the necessity to compensate these employees in order to maintain a high caliber of top leadership and administrative support. At the same time, the City expects certain levels of performance in return for compensation.

The City Manager may at his/her discretion grant increased benefits in certain cases to recruit/retain employees (e.g., starting new employee with a bank of vacation; or trade off for waiving insurance) ) and shall be authorized to provide a severance package for at-will employees whose positions have been identified for elimination in a general layoff.

3.0 **MANAGEMENT EMPLOYEES:**

- 3.1 **Appointed:** Employees in this group are exempt from the competitive service. Their appointments are at-will and incumbents serve at the pleasure of the City Council. In the event that provisions of an Employment Agreement are in conflict with any provisions contained herein, the Employment Agreement provisions shall prevail.

City Manager  
City Attorney

- 3.2 **Department Directors:** Employees in this group are exempt from the competitive service. Their appointments are at-will and incumbents serve at the pleasure of the City Manager.

Assistant City Manager  
Administrative Services Director  
City Clerk  
Director of Community Development  
Director of Community Projects  
Director of Economic Development  
Director of Engineering  
Director of Finance/Treasurer  
Director of Recreation and Community Services  
Director of Public Works  
Director of Redevelopment and Housing  
Fire Chief

- 3.3 **Exempt Management:** Employees in this group are exempt from the competitive service. Their appointments are at-will and incumbents serve at the pleasure of the Appointing Authority.

Assistant City Attorney  
Assistant City Clerk  
Assistant Community Development Director/Building Official  
Assistant Director of Engineering  
Assistant Director of Recreation & Community Services  
Assistant to the City Manager  
Building Inspection Supervisor  
City Planner  
Code Enforcement Manager  
Communications Officer  
Community Outreach Programs Manager  
Community Services Program Manager  
Construction Inspection Supervisor  
Construction Manager  
Deputy City Manager  
Deputy Director of Community Development  
Deputy Fire Chief  
Emergency Services Officer  
Financial Analyst  
Finance Manager  
Fire Battalion Chief  
Human Resources Manager  
Information Technology Manager  
Management Analyst  
Principal Engineer  
Principal Planner  
Public Works Operations Manager  
Public Works Supervisor  
Redevelopment Project Manager  
Redevelopment and Housing Manager  
Revenue Billing Manager  
Risk Manager  
Senior Engineer  
Senior Human Resources Analyst  
Senior Management Analyst  
Stormwater Program Manager  
Transportation Operations Manager  
Waterpark Manager

**4.0** **CONFIDENTIAL EMPLOYEES:** Employees in this group are designated as such by virtue of the fact that they are privy to information used in the conduct of employer/employee relations. Confidential positions are designated in the City-Wide Classification and Compensation Index. Confidential Employees are exempt from the competitive service and serve at the pleasure of the Appointing Authority.

**5.0** **SALARIES:** The salary ranges of classifications in each group listed below will remain unchanged on July 1, 2011. Salaries shall be as specified in the City-Wide Classification and Compensation Index. A temporary salary reduction will be implemented in Fiscal Year 2011-2012 in terms of unpaid furlough hours equivalent of 5% reduction in pay for FLSA non-exempt employees, and in terms of a reset of the full time schedule from 40 to 38 hours so as to equal a 5% reduction in salary for FLSA exempt employees.

5.1 **Appointed Employees:** The salaries for Appointed Employees shall be set by the City Council

5.2 **Department Directors:** The City Manager shall periodically review the pay ranges for Department Directors and recommend changes when deemed necessary to the City Council. Such ranges shall consist of a maximum and minimum salary. An adjustment to a salary range shall not prescribe a mandatory adjustment for any incumbent in a Department Director position.

The City Manager shall evaluate each Department Director in writing annually on the anniversary date of the Department Director's appointment to this group. The City Manager shall set the actual salary of each Department Director. The effective date of such salary adjustments shall be established by the City Manager.

5.3 **Exempt Management:** The City Manager shall periodically review the pay ranges for Exempt Management Employees and recommend changes when deemed necessary to the City Council. Such ranges shall consist of a maximum and minimum salary. An adjustment to a salary range shall not prescribe a mandatory adjustment for any incumbent in an Exempt Management position.

Annually, on the employee's anniversary date, appointing authorities shall evaluate each subordinate Exempt Management employee in writing. Based on those evaluations, the Appointing Authority shall recommend placement of the Exempt Management employee's salary. The number of hours worked in a given year and leaves of absence without pay will not affect an Exempt Management employee's anniversary date. Exempt Management employees who are appointed to the bottom of the salary range allocated for that classification will be reviewed at the end of six months for merit increase consideration.

5.4 **Confidential Employees:** The City Manager shall periodically review the pay ranges for Confidential Employees and recommend changes when deemed necessary to the City Council. Such ranges shall consist of a maximum and minimum salary with step increases in between. Each step will progress to the maximum in increments of approximately 5%. Advancement through the salary range shall be as set forth in the Personnel Rules. Confidential employees shall be evaluated by their supervisors in the same manner as General employees. Forms for evaluating the performance of Confidential employees shall be the same as those used to evaluate General employees.

**6.0 BENEFITS:**

6.1 Health Plan: Beginning on August 1, 2008, the City shall contribute eighty two percent (82%) of the group insurance premium for individual employee coverage and for individual employee plus dependent(s) coverage for full-time and part-time employees who are regularly scheduled to work a minimum of thirty (30) hours per week excluding temporary employees, unless authorized by the City Manager. For employees who select the least expensive health and dental plans (including with dependent coverage), the City shall contribute 95% of the premium.

Beginning on August 1, 2009, the employees' contribution were adjusted to include all changes to provider premiums (both increase and decreases) for medical and dental coverage for the benefit year August 1, 2009 through July 31, 2010.

Beginning on August 1, 2010, the employees' contribution will be adjusted to include 50% of changes to provider premiums (both increase and decreases) for medical and dental coverage for the benefit year August 1, 2010 through July 31, 2011.

Beginning on August 1, 2011, the employees' contribution will be adjusted to include 25% of changes to provider premiums (both increase and decreases) for medical and dental coverage for the benefit year August 1, 2011 through July 31, 2012.

6.1.1 Part-time Management Employees: These employees are ineligible for group insurance unless authorized by the City Manager. In such cases, the City's contribution shall be the same as that in effect for full-time Management and Confidential employees.

6.1.2. Fire Battalion Chief (40 hours per week): These employees shall receive benefits at the same rate as other non-shift, exempt management employees. A temporary assignment to cover a shift shall not change the benefit accrual rate. When such an assignment results in straight time overtime in accordance with provision 6.18 - Overtime, the salary shall be converted to a shift rate for the hours of the overtime assignment, however, no benefits shall be affected.

6.2 Public Employees' Retirement System: The City will pay up to seven percent (7%) of miscellaneous employees' contribution toward P.E.R.S. retirement and up to nine percent (9%) for safety employees. Effective July\* 2003 and July of each subsequent year through 2006, the City's and the employee's contribution to retirement for PERS miscellaneous members shall change according to the following schedule:

City payment of employee contribution		Employee payment of employee contribution	
2003	5%		2%
2004	4%		4%
2005	2%		6%
2006	0		8%

\* Effective the first pay date in July that the majority of days in the pay period fall in July rather than June.

Effective July 1, 2000, the City will report the value of the Employer Paid Member Contribution as additional compensation for Vista Fire Management personnel.

Effective June 25, 2004, the City amended its contract with PERS to provide the 3% @ 60 formula for Local Miscellaneous Members.

6.3 Tuition Reimbursement: The City will reimburse employees for expenses of job-related course-work if approved in advance by the City Manager and if the course work is completed with a grade of "C" or better, or other passing score. The maximum limit per employee will be \$800 each fiscal year. The procedure for approval is designated in the Administrative Policy manual.

6.4 Holiday Leave

Employees working the 9/80 flex schedule are entitled to eleven (11) days of holiday leave per fiscal year. Employees working the traditional eight (8) hour per day schedule are entitled to twelve (12) days of holiday leave per fiscal year. Holiday leave can be taken in hourly increments.

For accounting purposes, each employee on a flex schedule shall begin with a bank of ninety-nine (99) hours of holiday leave at the beginning of the fiscal year. Employees who are transitioning from the flex schedule to a reduced schedule for Fiscal Year 2011-2012, will continue to receive 99 hours of holiday leave.

Employees are required to use holiday leave each time a City authorized holiday falls on a day when the employee would normally be scheduled to work. When a City authorized holiday falls on a day when City facilities are normally closed, an additional day will not be designated as a holiday. When this occurs, no holiday hours will be deducted from employees' holiday banks and employees will be able to use them as holiday leave at another time. Such time must be scheduled in advance and approved by the Department Director with consideration given to sufficient staff being available to continue the efficient operation of the department. Holidays occurring during Leave Without Pay are not earned.

Any holiday leave not used by June 30 of the fiscal year shall be forfeited.

6.4.1 Employees beginning employment during the fiscal year will start with a pro-rated holiday leave bank. Hours will be credited as follows:

- a. Nine (9) hours for each City authorized holiday (per Article 6.4.3) that has not yet occurred.
- b. Nine (9) hours of floating holiday time if the employee start date is prior to March 1; Four and one half (4.5) hours of floating holiday time if the employee start date is between March 1 and April 30; and no floating holiday leave time if the employee start date is between May 1 and June 30.

6.4.2 Employees terminating employment with the City during the fiscal year will receive payment for unused holiday leave as follows:

- a. Nine (9) hours for each City authorized holiday (per Article 6.4.3) that has occurred during that fiscal year.
- b. Nine (9) hours of personal floating holiday leave. These nine (9) hours are not associated with any particular holiday.

Necessary adjustments to the holiday leave bank upon termination will be deducted from the final pay check.

6.4.3 Authorized Holidays: The City of Vista will authorize the following holidays:

- a. January 1, known as "New Year's Day";
- b. The third Monday in January, known as "Martin Luther King Day";
- c. The third Monday in February, known as "Presidents' Day";
- d. The last Monday in May, known as "Memorial Day";
- e. July 4, known as "Independence Day";
- f. The first Monday in September, known as "Labor Day";
- g. November 11, known as "Veteran's Day";
- h. The fourth Thursday in November, known as "Thanksgiving Day";
- i. The fourth Friday in November, known as "the day after Thanksgiving";
- j. December 25, known as "Christmas Day";
- k. Any day declared to be a holiday by proclamation of the Mayor, provided, however, that the Mayor shall not declare a holiday except to conform to a holiday declared by the President of the United States or the Governor of California.

6.4.4 Fire Battalion Chief (24-hour shift): Employees shall be compensated for eleven (11) holidays at the rate of twelve hours per holiday. This includes nine "authorized" holidays and one "floating" holiday.

A. Employees shall be compensated for holidays on an annual basis, by separate check, paid on the first payday in December. The holiday year shall be December 1 through November 30. Compensation shall be made based on the employee's rate of compensation at the time of each designated holiday.

B. Employees beginning employment during the calendar year will have holiday hours credited as follows:

1. Twelve (12) hours for each City authorized holiday that has not yet occurred.
2. Twelve (12) hours of floating holiday time if the employee start date is prior to September 30; and no time if the start date is between October 1 and November 30.

C. Employees terminating employment with the City will receive holiday leave as follows:

1. Twelve (12) hours for each City authorized holiday that has occurred during the fiscal year.
2. Twelve (12) hours of floating holiday leave.

6.5 Attendance and Leave Time: The following provisions apply to Management and Confidential Employees:

6.5.1. Management (Excluding 24-hour shift Battalion Chief) and Confidential: Personnel Rule 9.2 Sick Leave, 9.2.3 Illness While on Vacation, 9.2.4 Holidays During Sick Leave and 9.3 Bereavement Leave.

6.5.2. Battalion Chiefs (24-hour shift)

A. Sick Leave:

1. There shall be no limit on accumulated sick leave. Sick leave shall be accumulated by full-time employees at the rate of (1) hour for every 21.66 hours worked. No hours of sick leave will be accrued when Battalion Chiefs work overtime. Accrual rates for Fiscal Year 2011-2012 will remain unchanged from those in effect during Fiscal Year 2010-2011 prior to the reduction of hours.
2. Under no circumstances may PERS Safety retirement employees utilize or be paid for sick leave while on leave for Workers' Compensation or on receipt of an Industrial Disability Retirement.

B. Bereavement Leave

1. Upon approval of the appointing authority, employees may be granted up to 2 shifts, in the event of the death of the father, mother, grandparents, stepfather, stepmother, brother, sister, husband, wife, registered domestic partner, child, grandchild, or stepchild of the employee or his/her spouse/registered domestic partner.

If travel over three hundred (300) miles from Fire Headquarters is required, up to a maximum of seventy-two (72) hours of bereavement leave may be granted with pay (24 hours to be charged against earned sick leave).

C. Catastrophic Leave

1. The City shall provide a Catastrophic Leave program, amended July 1, 2007. This program shall allow Management and Confidential employees to voluntarily donate a portion of their accumulated sick leave hours for use by another employee of the

City who has suffered a catastrophic illness or injury or whose immediate family member's (i.e., spouse, child, sibling, parent, registered domestic partner or grandparent) catastrophic illness or injury requires the presence of the employee. The hours donated shall be at the donor's hourly rate. Employees may choose to use their own sick leave allowances for catastrophic leave for an immediate family member before requesting leave from other employees. The implementation shall be at the discretion of the City Manager within the limits delineated in the City Council Administrative Policy 100-09.

D. Sick Leave Payout to Beneficiary in event of death while employed

1. The City shall pay out the accumulated sick leave of an employee to the employee's designated beneficiary in the event of the employee's death while employed with the City. The sick leave will be paid at the employee's normal hourly rate at the time of death.

6.6 Payment for Unused Sick Leave on Retirement: An employee who terminates employment by service retirement with ten (10) or more continuous years of service to the City shall have the following options for converting earned but unused sick leave:

Convert up to twenty-five (25%) percent of the total number of accumulated, unused sick leave hours multiplied by his/her base salary at retirement;

In the event an employee has a combination of sick leave accrued by working both shift work and a 40 hour/week, the sick leave shall first be converted to either all accrued shift sick leave or all accrued 40 hour/week sick leave. Shift sick leave is converted to 40 hour/week sick leave by dividing the total accrual by a conversion factor of 1.4 (2240 shift sick leave hours / 1.4 = 1600 40 hour/week sick leave hours).

No payment for unused sick leave will be made until the City has received written confirmation of the employee's retirement from PERS.

The provisions of this section also apply to employees who retire by ordinary disability retirement, provided they meet all the requirements of a service retirement, including ten years of continuous full-time City service.

An employee who retires by service retirement and later changes to industrial disability retirement is not eligible for this payment. In the event such payment has been made to the employee, it shall be returned to the City.

Sick Leave Conversion at Retirement

If a retiree (non-industrial disability) satisfies the eligibility provisions of 6.6 (above) and Personnel Rule 9.8.5, the employee may utilize all or any sick leave amount remaining after the application of 6.6 to offset group insurance premium costs and any increases thereto as a retiree participant on the City's group insurance policy, as defined by the policy document and Personnel Rule 9.8.5. For purposes of this

section, the remaining sick leave hours after application of 6.6 shall be converted to dollars at the employee's base hourly rate of pay at retirement and shall be retained by the City for premium payment to the City's group insurance carrier for the retiree and dependent premium until eligibility ceases or such funds have been exhausted.

The provisions of this section do not entitle the retiree to any cash payment of sick leave hours other than that provided in 6.6.

Conversion under this article will reduce the amount of sick leave that can be applied toward PERS Service Credit for Unused Sick Leave.

6.7 Sick Leave Conversion: Any employee in this group (excluding 24-hour shift Battalion Chiefs) shall have the option of converting the unused sick leave accrual for the fiscal year at the rate of twenty-four (24) hours of sick leave to eight (8) hours of vacation, provided that the employee retains a minimum of eighty (80) hours sick leave accrued at the end of the fiscal year and after use of this conversion option. Each employee interested in this conversion of sick leave shall notify the City in writing of his/her intent to convert sick leave by the end of the last pay period in June. Accrual and use of vacation hours provided under this policy shall be governed by applicable City rules. This conversion is only available to employees on the payroll effective July 1 of the new fiscal year.

6.8 Dependent Leave and Personal Leave: Employees may use up to 18 hours (2 shifts for 24-hour shift Battalion Chief) of their accrued sick leave on a fiscal year basis for personal leave time and 40 hours (3 shifts for 24-hour shift Battalion Chief) for dependent leave, or the amount defined by state law.

Currently dependent care leave shall be granted in accordance with state law, which provides that an employee is entitled to use ½ of his/her annual accrued sick leave to care for a family member (i.e., parent, child, or spouse/registered domestic partner.)

6.9 Management Incentive Pay: As funding is available, each Department Director shall be eligible for a \$900 payment per fiscal year (amounts are prorated monthly for less than a full year). This compensation is granted to Department Directors as incentive pay due to the unique nature of their jobs involving complete responsibility for the operations of a major function of the City's organization. This is not overtime pay and is not tied to specific hours worked. This payment may be taken in a lump sum payment or applied to the cost of group insurance or other benefit costs at the employee's discretion. This payment is reported to the Public Employees Retirement System as reportable compensation. As of July 1, 2009, this provision will be eliminated for Fiscal Year 2009-2010, and future years.

6.10 Flexible Spending Accounts: Effective January 1, 1991, the City will provide a Flexible Spending Account (FSA) in which employees may use pre-tax dollars to pay for child care, group insurance premiums, or other related expenses. Program administrative costs will be paid by the City.

6.11 Long-Term Disability Plan: The City shall pay premiums of the Long-Term Disability Plan contracted for by the City.

- 6.12 Short-Term Disability Plan: Management Employees shall be eligible for the City's Short-Term Disability Plan and premiums shall be paid by the City.
- 6.13 State Disability Insurance (SDI): Confidential Employees shall be eligible for the City's SDI plan and premiums shall be paid by the City.
- 6.14 Optical Plan: The City shall pay premiums for the optical plan contracted for by the City on behalf of employees and their dependents.
- 6.15 Life Insurance: The City shall provide group life insurance for each employee in an amount equivalent to one times annual salary, not to exceed \$50,000. Supplemental life insurance is available at employee's expense.
- 6.15.1 In the event of an active employee's death, the City shall pay a "Survivor's Benefit" in the lump sum amount of \$25,000 to the employee's designated beneficiary. The maximum payment by the City shall be \$25,000 regardless of the number of beneficiaries.
- 6.16 Vacation: Vacation may be taken as it accrues and may accumulate to no more than 400 (560 for 24-hour shift Battalion Chiefs) hours during fiscal years 2007-2009 only. Commencing July 2009, the vacation accrual cap will revert back to 360 hours (504 hours for 24-hour shift Battalion Chiefs).

When an employee terminates employment with the City, he/she shall be paid at his/her base hourly rate for any hours remaining on record for unused, accrued vacation to the maximum accrual allowed.

If the City Manager determines that a Management Employee has been unable to take vacation due to the demands of City business, the City Manager may, on written request of the employee, once annually authorize cash payment for up to 64 hours (89.6 hours for 24-hour shift Battalion Chiefs; 80 hours for Department Directors and Appointed Employees) of vacation. To qualify for this benefit, the employee must use an equivalent number of vacation hours to the number of sell-back hours within ninety (90) days of such payment, unless otherwise authorized by the City Manager. If, after the provisions of the above paragraph have been utilized during a fiscal year, a Management Employee's written request to take vacation is refused on the grounds that the City's needs preclude the employee taking time off, and such refusal results in the employee exceeding the accrual limit, the City Manager may approve cash compensation at straight time for the hours accrued in excess of the time limit during the period of time in which the requested leave was denied. As of July 1, 2009, the provisions of this paragraph will be eliminated for Fiscal Year 2009-2010, and future years.

6.16.1 Accruals:

- . Accrual rates for Fiscal Year 2011-2012 will remain unchanged from those in effect during Fiscal Year 2010-2011 prior to the reduction of hours.

A. Appointed Employees and Department Directors:

141 hours during first through fifth years  
165 hours during the sixth year through the twentieth year  
178 hours during the twenty-first year and thereafter

B. Exempt Management (Excluding 24-hour shift Battalion Chiefs) and Confidential:

125 hours during first through fifth years  
149 hours during sixth through ninth years  
165 hours during the tenth year through the twentieth year  
178 hours during the twenty-first year and thereafter

C. 24-hour shift Battalion Chiefs

6 shifts plus five hours during first through fifth years  
8 shifts plus five hours during sixth through tenth years  
9 shifts plus five hours during eleventh through fifteenth years  
10 shifts plus five hours during sixteenth through the twentieth year  
10 shifts plus nine hours during the twenty-first year and thereafter

- 6.17 Administrative Leave: Appointed Employees and Department Directors shall be credited with seventy-six (76) hours of administrative leave accrued on a fiscal year basis on the first full payroll period of July. Management Employees shall be credited with sixty (60) hours (24-hour shift Battalion Chiefs shall be credited with 2 shifts). Positions in the classification of Information Technology Analyst included in the Confidential Employee group shall be credited with sixty (60) hours. Such leave must be used during the fiscal year or it is forfeited. Should the employee terminate employment with the City for any reason during the fiscal year, any amount of administrative leave taken by the employee over that amount which would have been accrued by the employee by pay period at the date of termination, shall be deducted from the employee's final paycheck. Should the terminating employee have a balance of administrative leave at the time of termination, the employee shall be compensated for that portion of the time, which would have been accrued by the employee by pay period at the date of termination.

- 6.18 Overtime: Confidential employees, other than those appointed to the position classification of Information Technology Analyst, shall be compensated for overtime in the same manner as General employees. All paid leave time shall count as hours worked computing overtime. Compensatory time for Confidential employees may be accrued to a maximum of 48 hours.

Battalion Chiefs shall be compensated at straight time for all hours beyond their normally-scheduled work assignment only when covering a shift for a period of six (6) continuous hours or more, with the following exception:

- A. Straight time overtime shall be paid for all hours worked beyond scheduled duty when responding to incidents for which the City is reimbursed (i.e., Mutual Aid Strike Teams). Such payment shall be made after the City receives reimbursement.

- 6.19 Severance Pay: If an employee is requested to resign or terminated from employment, he/she shall receive severance pay based on years of service according to the following formula, provided that the termination of employment was not the result of a general lay-off:

Zero through ten years service	160 hours (224 hours for shift Battalion Chiefs)
More than ten years service	320 hours (448 hours for shift Battalion Chiefs)

The City Manager and City Attorney are exempted from the provisions of this section.

- 6.20 Bilingual Pay: This provision is not applicable to Appointed Employees or Department Directors. The City agrees to provide additional compensation in the amount of \$960 per calendar year for the use of bilingual skills as determined by the Human Resources Manager. Payment for this service will be paid by a separate check in December of each year. Employees who are not on the list for the entire calendar year will receive a pro-rated amount (one-twelfth of the annual amount per month - full months only). Bilingual pay does not accrue during any leave of more than four consecutive weeks. To qualify for and receive bilingual pay, employees must pass a proficiency test as determined appropriate by the City.

The Confidential employee (designated by and certified as bilingual by the Human Resources Manager), who regularly serves as the City's switchboard operator, shall receive bilingual pay in the amount of \$75 per pay period (full pay periods only).

- 7.0 ACTING PAY: Any Management or Confidential employee assigned to act in a higher classification, and serving continuously in said higher classification for at least three (3) weeks, shall receive the pay established for said higher classification for all such time worked. At a minimum, the rate of pay shall be at the lowest salary established for said higher classification that results in additional compensation for the acting employee. Acting pay for Management and Confidential employees requires the approval of the City Manager or his/her designee.

**8.0 DISCRIMINATION/HARASSMENT PREVENTION POLICY:** All Management and Confidential Employees are subject to the provisions of the Personnel Rules concerning the Discrimination/Harassment Prevention Policy.

**9.0 EXEMPT MANAGEMENT SPECIAL MERIT INCREASES:** An Appointing Authority may adjust the salary placement of an employee within the salary range of an "Exempt Management" position at any time with the approval of the City Manager. A special merit salary adjustment that occurs outside of the employee's anniversary date shall change an employee's salary anniversary date, and the employee will be evaluated annually on his/her new anniversary date and may receive a salary adjustment as recommended by the appointing authority and approved by the City Manager.

Management Employees who are at the top step in their range may be eligible for performance pay above the top of the range, subject to approval by the City Manager. In such cases, the recommending Department Director shall state the term of the special merit increase for final approval by the City Manager. The duration of the special merit pay shall be for no longer than six months unless extended by the City Manager.

**10.0 TEMPORARY APPOINTMENTS:** Temporary appointments as addressed in Personnel Rule 4.1.4 may be made to Management and Confidential positions.

**11.0 FLEXIBLE STAFFING OF CERTAIN ENTRY- LEVEL CONFIDENTIAL POSITIONS:**

11.1 Flexible Staffing means the reclassification of employees in certain entry-level Confidential positions to a higher level after a specified period of time.

11.2 The Confidential Office Specialist I/II and Human Resources Technician I/II positions shall be flexibly staffed, pursuant to the provisions of this Article.

11.3 Flexible staffing is a method that allows a non-competitive promotion from one classification level to another upon the recommendation of the Department Director and approval of the Human Resources Manager. It is used for positions within designated classifications where progressively responsible duties are assigned as an employee becomes more proficient and experienced. Normally, positions are filled at the lower level, unless the needs of the department require that the position be filled at the higher level. When an employee is hired at the lower level, the person may be advanced to the higher level after the responsibilities, difficulty and complexity of assigned duties increase with additional experience and knowledge.

A person in a lower level position shall be considered for advancement to the higher level flexibly staffed position after serving for thirty (30) months in the lower level position. Advancement is not automatic and shall be at the discretion of the Department Director subject to a position classification audit, to be completed prior to the thirty (30) months, by the Human Resources Office. This does not preclude the City from identifying certain positions in the lower level class that contain primarily routine and repetitive tasks and maintaining those positions at the lower level. The salary of an employee who is advanced to a higher classification by flexible staffing shall be governed by the Personnel Rules pertaining to Compensation on Promotion.

**12.0 HEALTH REIMBURSEMENT ARRANGEMENT:**

- 12.1 Effective during the 2007/08 fiscal year, the City intends to provide a Health Reimbursement Arrangement (HRA) program that will enable employees within defined groups to contribute accumulated sick leave, holiday leave, compensatory time, and vacation hours towards an HRA in amounts as set forth below, subject to the rules and regulations of the Internal Revenue Service (IRS).
- 12.2 The contribution of leave time to the HRA as noted above shall be limited to a maximum of 50 hours at full hourly value to be placed in the HRA during the 2007/2008 fiscal year. In order to contribute leave hours, the employee's remaining sick leave balance must have a minimum of 80 hours after the conversion. During the 2008/2009 fiscal year, the maximum contribution of leave hours will increase from 50 to 60 hours.
- 12.3 Upon retirement or separation from employment, it is the City's intent, subject to IRS rules and regulations, to allow employees to contribute amounts to their HRA that they would otherwise receive as payouts. Employees must meet established eligibility requirements for those payouts. Note: "payouts" does not include the conversion of accumulated sick leave to be left on deposit with the City for the payment of premiums for the City's retiree group insurance.
- 12.4 HRA program contributions for Fiscal Year 2010-2011 are suspended. HRA program contributions for Fiscal Year 2011-2012 are suspended.