

## **CITY OF TAFT**

### **DEPARTMENT HEADS BENEFITS COMPENSATION PLAN**

#### Article 1 - Introduction

This Plan has been adopted by Resolution of the City Council of the City of Taft and is intended to define wages, hours and other terms and conditions of employment for those employees of the City of Taft designated as Department Heads.

#### Article 2 – Positions/Classifications

Attached as "Attachment 1" is positions/classification designated as At-Will Department Heads.

#### Article 3 - Section 125 Program

The City shall continue to offer a Premium-Only Section 125 Program whereby employee contributions toward health and dental insurance premiums will be paid not subject to Federal Income Tax, State Income Tax, or FICA. Employee participation in the program will be voluntary.

#### Article 4 - Health Insurance

City agrees to assume the cost of employee and dependent health insurance as follows:

The City will continue to pay 100% toward employee and dependent health and vision coverage based upon the Kaiser or Blue Shield HMO rates .

#### Article 5 - Life Insurance

Employees included in the Plan shall be entitled to participate in the City's group life insurance program upon completion of thirty (30) days continuous service.

Should an employee elect to participate in group life insurance program, the City shall bear the total cost of such insurance for the individual employee. Employees, however, may not secure group life insurance benefits for dependents under this program.

Department Head life insurance benefits shall be \$50,000 for each participating employee.

The City's group life insurance program also provides employee benefits in the event of accidental death or dismemberment subject of conditions outlined in the City's group life insurance policy.

#### Article 6 - Retirement Benefits

Department Heads will be responsible for paying the full seven percent (7%) employee contributions required to be paid by employees to the Public Employees Retirement System.(PERS)

### Article 7 - Special Leave

Effective July 1 of each fiscal year, Department Heads shall be granted fifty-six (56) hours, Special Leave with pay which may be used at any time during the fiscal year upon approval of the City Manager. This leave must be used during the fiscal year in which it is received. Special Leave may not be carried over to a subsequent fiscal year. Any unused Special Leave at the end of the fiscal year or at time of termination will be forfeited and has no cash value.

Employees who commence employment after July 1 shall receive upon hire a pro-rata amount based on the months remaining in the fiscal year.

### Article 8 - Overtime Compensation

Department Heads are classified as exempt employees as defined in the Federal Fair Labor Standards Act and shall not be eligible for overtime compensation or for compensatory time-off (ATO) regardless of the number of hours worked.

### Article 9 - Premium Pay

Department Heads are classified as exempt employees as defined in the Federal Fair Labor Standards Act and shall not be eligible to receive premium pay or any other compensation than that specifically authorized herein.

The Police Chief shall receive a Uniform Allowance of \$1,100 annually, paid on July 1 of each year.

### Article 10 - Higher Classification Pay

Department Heads will not be eligible for additional compensation or benefits unless specifically authorized by the City Council.

### Article 11 – Communications Allowance

Department Head employees shall receive a \$125 per month cell phone/communication allowance in lieu of a City issued cell-phone.

### Article 12 – Severance Pay

In the event an At-Will Department Head employee is terminated by the City Manager during such time as the Employee is willing and able to perform the duties of their position, the City agrees to pay the employee a lump sum cash severance payment equal to three (3) months of employee's aggregate compensation. Except in the case of gross misconduct or employees conviction of an illegal act involving personal gain to the employee in which case the City shall have no obligation to pay severance benefits.

This provision shall expire five (5) years after the employee is appointed to an At-Will Department Head position. After five (5) years of service an At-will Department Head whom is terminated from employment will not be eligible to receive severance pay. For purposes of this provision any employees serving as Department Heads prior to July 1, 2012 the effective date of service will be considered July 1, 2012.

### Article 13- Service Club

The City will provide membership in one (1) Taft area Service Club. Each individual in a Department Head position is expected to be an active participant in at least one Service Club.

### Article 14 - Other Benefits

All provisions of the Taft Municipal Code and all personnel policies and procedures, rules and regulations of the City as they now exist or as they may be hereafter amended shall apply to those employees classified as Department Heads, these in addition to such benefits as may be specifically enumerated or modified herein.

### Article 15 - Non-Discrimination

The City of Taft shall provide equal opportunity for all qualified persons; prohibit discrimination because of race, color, religion, sex, age or national origin and promote the full realization of equal opportunity. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against by the City because the employee has elected to exercise those representation rights specified in Section 3500 et. seq., California Government Code.

### Article 16 - Savings Clause

It is agreed that in the event a court order renders any Article of this Plan null and void, said ruling shall negate only the appropriate article and the balance of this Plan shall stand as written and remain in full force and effect until modified by action of the City Council.

### Article 17 – Supplemental Pay

The City agrees to make a supplemental pay in the amount of seven percent (7%) of the employees annual base salary at the time the payment is made as reflected on the City-wide salary schedule to all regular employees covered by this MOU who have been continuously employed with the City of Taft prior to September 2012. Payment in the aforementioned amount will be made to employees on Friday, October 16, 2015 and again on Friday, July 1, 2016.

The City agrees to make a supplemental pay in the amount of three percent (3%) of the employees annual base salary at the time payment is made as reflected on the City-wide salary schedule to all Regular employees covered by this MOU who have been continuously employed with the City of Taft for a least one (1) year prior and have completed probation (as of the date of ratification of this agreement). Payment in the aforementioned amount will be made to employees on Friday, October 16, 2015 and again on Friday, July 1, 2016.

Current employees covered under this agreement who do not meet the eligibility requirements listed above as of the date of ratification of this agreement will receive a one-time supplemental pay in the amount of one percent (1%) of the employees annual base salary at the time payment is made as reflected on the City-wide salary schedule upon completion of one (1) year of service and successfully passing probation.

This above payments will be issued as a separate check. Deductions will be made for any mandated withholdings.



# ATTACHMENT 1

## Department Head Position Classifications

**The following classifications are designated as At-Will Department Head and are FLSA exempt.**

**Position**

City Manager/Director of Public Works

Director of Finance

Director of Human Resources/Asst. City Manager

Director of Planning and Development Services

Police Chief

Records Administrator/Grants Administrator