



TOWN OF APPLE VALLEY

TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council **Date:** December 8, 2015

From: Nikki Salas, Director of HR/Risk Department **Item No:** 16

Subject: ADOPT RESOLUTION NO. 2015-47, A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF APPLE VALLEY, CALIFORNIA, AMENDING THE PERSONNEL POLICY AND PROCEDURE MANUAL FOR THE TOWN OF APPLE VALLEY

T.M. Approval: _____

Budgeted Item: Yes No N/A

RECOMMENDED ACTION:

That the Town Council adopt the attached Resolution No. 2015-47, a Resolution of the Town Council of The Town of Apple Valley amending the Personnel Policy and Procedure Manual for the Town of Apple Valley.

SUMMARY:

Human Resources staff recommends updating sections of the Town of Apple Valley Personnel Policy and Procedure Manual as follows: Section 3.16 Temporary Upgrade Pay, Section 4.11 Retiree Health Insurance Program, Section 6.2 Sick Leave for Part-Time and Seasonal Town Employees, Section 6.3 Leave Donation Policy, Section 6.6 Floating Holiday, and 9.1 Uniforms.

BACKGROUND:

Human Resources staff completed a review of the Personnel Policy and Procedure Manual and identified areas that needed updating to be more consistent with the Town's actual practices. Additionally, California's Public Employee Retirement System (CalPERS) requires specific language in published documents relating to the reporting of certain types of benefits. To be consistent with CalPERS, the Human Resources staff proposes updated language to meet CalPERS requirements.

FISCAL IMPACT:

There are no financial impacts to the Town for the recommended updates to the Personnel Policy and Procedure Manual.

ATTACHMENTS:

1. Resolution No. 2015-47
2. Exhibit A

RESOLUTION NO. 2015-47

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF APPLE VALLEY AMENDING THE PERSONNEL POLICY AND PROCEDURE MANUAL FOR THE TOWN OF APPLE VALLEY

WHEREAS, the Town Council of the Town of Apple Valley has established the Personnel Policy and Procedure Manual for the Town of Apple Valley employees; and

WHEREAS, the Town Council of the Town of Apple Valley wishes to modify sections of the Policy and Procedure Manual for the Town of Apple Valley employees; and

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Sections 3.16, 4.11, 6.2, 6.3, 6.6, 9.1
2. All resolutions, parts of resolutions in conflict herewith are hereby amended to be consistent herewith.

Unless otherwise noted, the effective date of this Resolution shall be December 8, 2015.

APPROVED and **ADOPTED** by the Town Council of the Town of Apple Valley this 8th day of December 2015.

Mayor

ATTEST:

La Vonda M-Pearson Town Clerk

EXHIBIT A

Section 3.16 Temporary Upgrade Pay

An employee designated to act in a higher classification shall receive Temporary Upgrade Pay equaling an additional five percent (5%) of the employee's base salary for out of class pay, as additional compensation for all time actually spent working in the acting position in excess of ten consecutive working days and continuing only until such time as the employee is returned to their original job classification. CalPERS members subject to Classic benefit formulas will expect this Temporary Upgrade Pay to be reportable to CalPERS as a special compensation item per 2CCR 571(a) and Gov. Code 7522.34. Temporary Upgrade Pay is not reportable as special compensation for CalPERS members subject to the PEPPA benefit formula.

Section 4.11 Retiree Health Insurance Program

Effective July 1, 2015, all regular full-time employees will participate in the Retiree Health Savings Plan (RHS). The RHS Plan enables employees to save in advance for costs relating to medical expenses once they retire from the California Public Employees Retirement System (CalPERS). The Town of Apple Valley will contribute .5% of based wages into each full time employee's account with vesting occurring immediately. Full-time employees will make .5% tax-free contributions into their individual retiree health savings account. All earning grow tax-deferred, and withdrawals used to pay for qualified medical benefits for participants, their spouses and/or dependents are tax-free. Plan assets remaining at the time of the employee's death are not forfeited. The account can continue to be used for medical expenses by the employee's spouse or dependents, or passed on to beneficiaries, for their medical expenses.

For those employees hired into full-time benefited position prior to July 1, 2015, the Town will provide a monthly payment depending on the employee's length of service at time of retirement from the Town of Apple Valley. The Town will pay 25% of the retiree's medical insurance premium or \$5,000 as a pay-off option in lieu of the medical insurance premium for employees with 10-14 years of Town service, 50% of the retiree's medical insurance premium or \$7,500 as a pay-off option in lieu of the employee's medical insurance premium for employees with 15-19 years of Town service, 75% of the retiree's medical insurance premium or \$10,000 as a pay-off option in lieu of the medical insurance premium for employees with 20-24 years of Town service and 100% of the retiree's medical insurance premium or \$12,500 as a pay-off option in lieu of the medical premium for employees with 25 or more years of Town service. The percentage paid towards the retiree medical insurance premium shall not exceed the amount in Section 4.1.3 of the Town's Benefit Plan. Payments by the Town for the Retiree Health Insurance defined above shall continue for a maximum of ten (10)

years from the employee's retirement date from the California Public Employee Retirement System (CalPERS).

The Town of Apple Valley will apply the above-described percentages to the employee's Part B coverage and Part D (prescription drug) coverage only for those employees receiving Medicare during the ten (10) years period previously described. However, employees are advised that the benefits described in this section are not vested benefits and the Town reserves the right to change these benefits at any time at the Town's sole discretion.

The actual rules and benefits applicable to the Retiree Health Savings Plan are subject to change by the IRS and the Town. Current rules and plan documents are on file in the Human Resources Department.

Section 6.2 Sick Leave for Part-Time and Seasonal Town Employees

1. Beginning July 1, 2015, the Town of Apple Valley will provide paid sick leave to all part-time and seasonal employees who have worked thirty (30) days or more since their hire date with the Town of Apple Valley. Earned sick leave shall be available for use immediately for current employees and on the 90th day of employment for new hires. Employees are provided with 24 hours, or three days, whichever is greater, of sick leave at the beginning of each fiscal year on July 1. ~~Employees hired after July 1, will receive a pro-rated amount of sick leave based on the number of pay periods remaining in the fiscal year.~~

Section 6.3 Leave Donation Policy

1. Donations. Vacation leave may be donated to a regular employee whose absence is in accordance with Section 6.1, approved uses of sick leave, who has exhausted ~~sick~~ all leave accruals and is no longer accruing hours or has the opportunity to earn additional leave time of their own accord. All leave accruals shall include administrative leave, compensated leave (comp time), floating holiday leave, banked holidays, sick leave, employee of the quarter leave, and vacation leave. Sick leave may also be donated for employees who are caring for an immediate family member (as defined in Section 1.8).
2. Procedure. To donate vacation leave for a specified regular employee, the donor must fill out the required information on the LEAVE PLEDGE FORM (Appendix B). Indicate the number of hours donated and the employee's name to whom the donation is being made.

The hours will be deducted from the donor's vacation leave balance, converted to dollars (exclusive of any assignment, differential or other non-base pay), converted

to sick leave for the donee, and used to compensate the donee at the donee's regular base rate of pay.

Donations will be listed in the order in which they are received by the Human Resources Department. Each pay period, a sufficient number of donor hours will be converted and used to compensate the donee.

3. Eligibility for Donations

- a. Must have (or an immediate family member have) an serious medical illness or injury, which will require the employee to be on an FMLA approved leave of absence without pay for greater than seven calendar days.
- b. Must have exhausted all accrued ~~sick leave~~ banks as referenced in 6.3.1 and vacation leave. Employees who have exhausted all accrued sick leave banks and vacation leave shall be placed on an unpaid leave status. Benefits including, but not limited to sick all leave and vacation accruals or opportunity for additional earned leave, health benefits, deferred compensation and administrative leave are not paid and do not accrue, and/or cannot be earned, effective the first day of the month following the last day active on the payroll. Donated leave shall not change an employee's status to a paid leave status. Therefore, benefits shall not accrue or be paid while using donated sick leave.
- c. Must submit a written medical statement from the employee's or immediate family member's attending health care practitioner, which will be submitted through the Department Head, reviewed by Personnel, for approval by the Town Manager or designee.

4. Donor Guidelines

- a. All donations are voluntary.
- b. Donations must be a minimum of eight (8) hour increments.
- c. The maximum donation of vacation leave shall not exceed forty (40) hours per fiscal year.
- d. After any donation, the donor's vacation leave balance must be at least 40 hours.
- e. No more than four (4) weeks of total leave may be donated to an individual employee per occurrence.

- f. Donated hours are irrevocable unless the receiving employee should leave Town employment or return to duty prior to using all of the donated time. In that event, the remaining hours will be returned to the donor(s).

Section 6.6 Floating Holiday

A floating holiday shall be a holiday on a workday of the employee's choice, which is earned during the fiscal year. Requests for a floating holiday shall be subject to the approval of the employee's immediate supervisor and at such time as will not impair the work schedule and efficiency of the department. Employees are not eligible for a floating holiday until successful completion of six (6) months of continuous service. The floating holiday may be used in conjunction with other vacation and holidays ~~but in no event shall be used in conjunction with sick leave days.~~ Employees hired after July 1, Floating holidays shall be accrued on a pro-rata basis based on the remaining number of pay periods in the fiscal year. The minimum charge against a floating holiday shall be fifteen (15) minutes.

Employees shall be prohibited from using a floating holiday during their last two weeks of employment with the Town. Accrued, unused floating holidays shall be paid off at termination at the employee's rate of pay in effect at the time of termination. Accrued, unused floating holidays remaining on the books on June 30th will be paid on the next payroll using the employee's rate of pay as of June 30th of the year the floating holiday was earned.

Section 9.1 Uniforms

Designated employees of the Animal Control, Code Enforcement, ~~Parks and Recreation~~ Public Works and Grounds Services departments are required to wear uniforms furnished by the Town of Apple Valley. These employees shall abide by the following Uniform Dress Policy unless safety dictates a deviation from this policy.

The following ~~positions~~ classifications are currently required to wear agency provided uniforms while on duty:

1. Animal Control Supervisor uniforms consist of burgundy or grey shirts and grey/blue slacks;
2. Senior Animal Control Officer, Animal Control Officer Trainee, Animal Control Officers I & II uniforms consist of burgundy or grey shirts and grey/blue slacks;
3. Animal Shelter Supervisor and Animal Health Assistant uniforms consist of blue shirts and tan pants;
4. Animal Services Assistant uniforms consist of burgundy shirts and tan pants.

5. Code Enforcement District Supervisor, Senior Code Enforcement Officer, Code Enforcement Officer Trainee, Code Enforcement Officers I & II and Community Enhancement Officer uniforms consist of navy blue shirts and grey slacks;
6. Public Works Supervisor, all Senior Maintenance Workers and Maintenance Workers I & II and ~~all Parks and Recreation Grounds Services personnel with the exception of office staff and all other assigned personnel~~ uniforms consists of grey/blue shirts and blue pants.

CalPERS members subject to Classic benefit formulas can expect this Uniform Allowance to be reportable to CalPERS as a special compensation item per 2CCR 571(a) and Gov. Code 7522.34. Uniform Allowances are not reportable as special compensation for CalPERS members subject to a PEPRA benefit formula. The monetary value of the CalPERS uniform allowance shall not exceed \$299.00 annually and shall be reported equally across 26 pay periods per fiscal year (July 1 through June 30).