



## TOWN OF APPLE VALLEY

### TOWN COUNCIL STAFF REPORT

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**To:** Honorable Mayor and Town Council **Date:** April 10, 2018

**From:** Nikki Salas, Assistant Town Manager **Item No:** 7

**Subject:** ADOPT RESOLUTION NO. 2018-10 – 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

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#### RECOMMENDED ACTION:

That the Town Council adopt the attached Resolution No. 2018-10, 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 a section of the Town of Apple Valley Personnel Policy and Procedure Manual as follows: Section 4.1.2 and 4.1.4 Benefit Plan and Section 6.20 Longevity Pay in accordance with the approved Town Council budget reductions.

#### BACKGROUND:

On March 27, 2018, the Town Council approved the budget reduction recommendations of the Town Manager. The first reduction approved places a cap of 50% of the cafeteria benefits paid as cash to employees up to \$250 per month. Additionally, the longevity benefit is frozen as of April 1, 2018, the benefit is suspended effective December 31, 2018 without accumulation of amounts owed during the period of the suspension. The Human Resources department recommends updating the language of the Town of Apple Valley

Personnel Policy and Procedure Manual to reflect the changes approved by the Town Council.

**FISCAL IMPACT:**

There is no financial impact to the Town for the recommended update to the Personnel Policy and Procedure Manual.

**RESOLUTION NO. 2018-10**

**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**

**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 a section of the Personnel Policy and Procedure Manual for the Town of Apple Valley employees.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. Section 4.1.2, 4.1.3, and 6.20.
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 April 10, 2018.

**APPROVED** and **ADOPTED** by the Town Council of the Town of Apple Valley this 10<sup>th</sup> day of April, 2018.

\_\_\_\_\_  
Art Bishop, Mayor

**ATTEST:**

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La Vonda M-Pearson, Town Clerk

## EXHIBIT A

### **RULE 4      EMPLOYEE BENEFITS**

#### **Section 4.1    Benefit Plan**

The Town of Apple Valley shall offer to all regular full-time employees, insurance coverage for health, dental, vision, supplemental life insurance and long term disability. Qualified dependents shall be eligible to participate in health, dental and vision insurance coverage. The amount of money currently available to the employee for this benefit is established by resolution of the Town Council and is subject to the following provision:

1. Employees shall be required to complete all benefit selections within thirty (30) days from their start date.
2. Employees hired before September 1, 2008 are required to purchase a minimum of one line of health coverage (medical, dental, or vision) in the Town's medical insurance program. Additionally, employees waiving medical coverage must show proof of insurance by a comparable insurance program annually during open enrollment. Employees who fail to provide proof of medical coverage shall be required to enroll in the lowest cost, employee only health program provided by the Town. The total maximum benefit allowance for premiums for insurance coverage is \$760.00 per month. Any portion of the premiums that are not satisfied by the allowance will be matched by the Town dollar for dollar to a maximum of \$340.00 per month. Any remaining portion of the allowance shall be paid to the employee in cash, 50% of the remaining benefit up to a maximum of \$250 per month, or at the employee's option may be deposited into the Town's 457 Deferred Compensation Plan for the benefit of the employee. The effective date of the implementation of this benefit modification is April 1, 2018.
3. Employees hired on or after September 1, 2008 are required to enroll in a Town provided medical, dental and vision plan (changed effective June 22, 2010, Reso 2010-32). The employee may also elect coverage for their spouse or family in a Town approved plan. The total maximum benefit allowance for premiums for insurance coverage is \$760.00 per month. Any portion of the premiums that are not satisfied by the allowance will be matched by the Town dollar for dollar to a maximum of \$340.00 per month. The effective date of the implementation of this benefit modification will be March 1, 2009.
4. Premiums for insurance coverage shall be paid to the extent that dollars are available fully satisfying the employee's insurance obligation. Any portion of the premiums for benefits elected by the employee which are not satisfied by application of the monthly insurance benefit allowance or the dollar for dollar match by the Town shall be paid by the employee and deducted from his or her paycheck upon employee's written authorization. Failure to provide written authorization hereunder shall result in ineligibility for any qualified dependent insurance benefit which cannot be provided by the monthly allowance. In the event all the allowance is not applied to

the available insurance benefit, the remaining portion of the allowance shall be paid to the employee in cash, 50% of the remaining benefit up to a maximum of \$250 per month, or at the employee's option, may be deposited into the Town's Section 457 Deferred Compensation Plan. The maximum allowance that will be paid to the employee is established by resolution of the Town Council. The effective date of the implementation of this benefit modification is April 1, 2018.

***RULE 6 LEAVE, VACATION AND HOLIDAYS***

***Section 6.20 Longevity Pay***

Regular employees of the Town of Apple Valley shall be eligible for longevity pay of five percent (5%) at the beginning of their fifteenth (15<sup>th</sup>) year of service. The longevity bonus shall increase by one (1%) per year to a maximum of fifteen (15%) at the twenty-fifth (25<sup>th</sup>) year of service. Longevity pay shall be included in the employee's base pay beginning on the employee's anniversary date and every pay period thereafter while employed by the Town. Effective April 1, 2018, payments of the longevity benefit are frozen at current amounts with a suspension of the benefit effective December 31, 2018, without an accumulation of amounts owed during the suspension of this benefit.