

**CITY OF VISALIA**

**DEPARTMENT HEAD  
COMPENSATION AND BENEFIT SUMMARY**

**July 1, 2024 – June 30, 2027**

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## **INTRODUCTION**

This document summarizes the Compensation and Benefits currently provided to members of the City of Visalia Department Head Group as authorized by City Council action and in accordance with City of Visalia Personnel Policies. Any future changes to any provision of this document will be incorporated upon adoption by City Council, revision of Personnel Policies or upon changes implemented by State or Federal law.

### **1. APPLICATION**

This Compensation and Benefit Summary applies to all City of Visalia positions designated as Department Heads including but not limited to:

- Administrative Services Director
- Assistant City Manager
- Chief of Police
- Engineering and Buildings Director
- Finance and Technology Services Director
- Fire Chief
- Parks and Recreation Director
- Planning Community Preservation Director
- Public Works Director

Positions not listed above but created and designated as a Department Head after Council adoption of this plan are covered by the terms herein.

### **2. EMPLOYMENT STATUS**

Department Head employees are at-will employees who serve at the pleasure and direction of the City Manager. Department Head employees do not acquire or accrue tenure or any other employment rights with City including, without limitation, any property interest in continued employment with City unless otherwise required by law.

Department Head employees maintain all employment rights provided by State and Federal statutes and applicable law. Public Safety Department Head employees are afforded all rights under the applicable Public Safety Officers Procedural Bill Of Rights or Firefighters Procedural Bill Of Rights Acts.

Unless indicated otherwise specifically in the policy, City of Visalia Personnel Policies apply to Department Head employees.

### **3. WAGES AND OTHER RELATED ISSUES**

Salary ranges for all classifications in this bargaining unit shall be increased as follows:

- 6% effective the pay period that includes July 1, 2024 or the pay period following formal Council approval, if sooner.
- 4% effective the pay period that includes July 1, 2025

- 2% effective the pay period that includes July 1, 2026
- An additional 2% salary increase will be added to the agreed upon 2% for FY 26/27 if the City's General Fund Sales Tax Revenue for FY25/26 is equal to or greater than FY22/23 Sales tax of \$46.6 million. The final number will not be determined for FY 25/26 until all Sales Tax payments have been distributed to Cities with the final payment being in September 2026. If the Sales Tax is \$46.6 million or more, the City will add the additional 2% wage increase starting the first pay period in October 2026. Salary ranges for Confidential/Unrepresented Group employees are reviewed annually by City Council and any changes made to the salary ranges are implemented by official action of the City. Confidential/Unrepresented Group employees shall receive a salary consistent with the Job Classification and Salary Range list as may be amended from time to time.

Salary ranges for Department Head employees are reviewed annually by City Council and any changes made to the salary ranges are implemented by official action of the City. Department Head employees shall receive a salary consistent with the Job Classification and Salary Range list as may be amended from time to time.

Department Head employees' performance evaluations and merit increases are provided consistent with City policy.

The City of Visalia requires employees to participate in direct deposit for payroll purposes, and all payroll checks will be paid via direct deposit.

#### Certificate Pay

The Police Chief currently receives an additional 3% of base salary for maintaining an Intermediate POST Certificate and an additional 2% of base salary (to a total of 5% paid bi-weekly) for maintaining an Advanced POST Certificate.

The Fire Chief currently receives an additional 5% of base salary, paid bi-weekly, for possessing and maintaining an Executive Fire Officer Certificate issued by the National Fire Academy.

#### Experience Incentive

Based on years of full-time service with the City of Visalia, members of this group, excluding the Chief of Police, will receive an experience incentive as a percentage of base wages, as follows:

- a. 2% at 5+ years
- b. 2% at 10+ years
- c. 2% at 15+ years
- d. 2% at 20+ years

Based on years of full-time service with the City of Visalia, the Chief of Police will receive an experience incentive as a percentage of base wages, as follows:

- a. 2.5% at 5+ years
- b. 2.5% at 10+ years
- c. 2.5% at 15+ years
- d. 2.5% at 20+ years

Prior relevant local government agency experience may be considered for determining years of service for experience incentive at the sole discretion of the City Manager.

#### **4. ALLOWANCES FOR WORK RELATED EXPENDITURES**

A. Assignment of City Vehicle/Vehicle Allowance

The Chief of Police and Fire Chief are assigned a City vehicle for take home use. All other Department Head employees are provided a monthly vehicle allowance of \$425, paid on the first paycheck of each month.

All Department Head employees are covered by and must adhere to all provisions of the City of Visalia Vehicle Policy.

B. Uniforms and Uniform Maintenance

Chief of Police: The City currently provides an annual uniform allowance of \$1,100 for the provision and maintenance of appropriate uniforms and equipment. The Chief of Police is responsible for acquiring, cleaning, and replacing uniforms as necessary. The uniform allowance is calculated and paid bi-weekly as part of regular payroll.

Fire Chief: The City currently provides the necessary uniforms, boots and safety equipment as needed to perform the job. The City also currently provides uniform cleaning.

C. Membership Dues

Department Head employees are eligible for City sponsorship in professional associations or organizations whose purpose is to serve and develop the profession of the employee or which provides a service beneficial to the operation of the City.

In addition, the City currently reimburses Department Head employees up to \$500 annually for service club membership base dues. This is limited to one service club and one employee per department.

City Manager approval is required for payment of all sponsorships and/or membership dues.

D. Cell Phone

Department Head employees are provided a City cell phone or a \$75 per month cell phone reimbursement allowance in accordance with the City's Cell Phone policy.

E. Education Assistance

As set forth in City of Visalia Personnel Policy #312, the City provides educational/tuition assistance for the purpose of continuing education. The City will provide up to \$2,000 per fiscal year per employee to help defray education expenses for those pursuing up to an AA degree from an accredited institution, and up to \$2,500 per fiscal year for those employees pursuing a BA/BS degree or beyond.

## 5. EMPLOYEE BENEFITS AND RETIREMENT

### A. Medical/Dental/Vision Insurance

- i. Medical, Dental and Vision benefits in place remain in effect at their current levels, except as modified each plan year or as required by the IRS to maintain an HSA qualifying High Deductible plan. All Department Head employees shall continue to contribute for medical insurance in accordance with the then current contribution rate schedule based on the selected plan and dependent coverage, taken as a bi-weekly payroll deduction.
- ii. In addition to the Medical plan costs which are shared between the City and employees, the City currently pays the full cost for Dental, Vision, Group Life Insurance, and Employee Assistance Program benefits. The City reserves the right to make changes to these benefits each plan year after consultation with the EHBC.
- iii. Department Head employees agree to share increases in future medical plan costs over the current cost by up to 50%. (Example: If the Medical plan annual renewal rate increase is 6%, the City's portion is 3% and the employee portion is 3%). In no case, however, will the employee cost sharing be increased more than 5% of the prior year's total medical plan cost. (Example: If the Medical plan annual renewal rate increase is 11%, the City's portion is 6% and the employee portion is 5%). Any decreases to medical plan costs will be shared in a like manner.

#### PPO/EPO Medical Plans

The employee portion of increased Medical plan costs will be distributed equally between employee and dependent contributions (premiums) for the PPO and EPO plans unless otherwise negotiated. Any decreases in employee Medical plan costs shall be applied in a like manner. (Example: The employee portion of the Medical plan annual renewal rate increase = 3%. Current monthly cost for PPO/EPO plan is \$1,700. At 3% the employee portion of the increase = \$51 per month. Distributed equally, employee premiums are increased \$25.50 per month and dependent premiums are increased \$25.50 per month.)

#### High Deductible Medical Plan

The employee portion of increased Medical plan costs will be distributed fully to the dependent health care contributions (premiums) for the High Deductible Medical plan unless otherwise negotiated. Any decreases in employee Medical plan costs shall be applied in a like manner.

- iv. In the event total Medical plan cost (annual renewal rate) increases in any one year exceed 10% of the prior year's total Medical care cost, the EHBC will be given the opportunity to make changes in the Medical plan to realize a maximum 10% overall increase (5% City and 5% employee). If agreement cannot be reached by the EHBC on cost saving changes by July 31<sup>st</sup> for the upcoming plan year, the City has the ability to determine and implement Medical plan changes to attempt to reduce plan increases to no more than 10%. After making such changes, the formula outlined in Section C will be applied to determine premium rates for the upcoming plan year.

- v. The current spouse of a Department Head retiree who survives said retiree will, upon the death of the retiree, be allowed to maintain the medical and vision coverage then afforded to retirees in accordance with the current contribution rate schedule so long as the spouse was covered at the time of the retiree's death. The surviving spouse shall not be allowed to add new dependents to the coverage.

B. Medical/Dental/Vision Health Plan – Group Participation

- i. A representative from the Department Head group participates in the Employee Health Benefits Committee (EHBC). The purpose of the EHBC is to cooperatively manage the City's Medical Plan by providing oversight on the plan's resources, remain fiscally sound, provide the best benefits available to employees given available resources, improve administration of the plan, and make appropriate recommendations for change as researched and considered by the Committee. The EHBC is made up of all bargaining groups and City management (Department Head/Confidential Group employees). The EHBC does not replace collective bargaining agreements. Employee representatives are only empowered to act to the extent authorized by their respective agreements.
- ii. Increases in medical plan costs may be offset via changes in the medical plan benefits as confirmed by the plan's actuary, if agreed to by 4 of the 6 units (5 bargaining groups plus city management). In the event that approved plan changes exceed the employee cost increases, 75% of excess plan savings costs will be credited to the employees' contribution for medical plan cost increases in the plan year in which the changes take effect. Savings is defined as money that is saved by the plan modifications and money that is presently in the plan, shall remain in the plan.

C. Flexible Spending Account

The City currently provides and maintains a Section 125 Flexible Spending Account (FSA) Program as defined by, and in compliance with, the Internal Revenue Code. Such plan shall allow Department Head employees to take advantage of benefit tax deductions for insurance premiums, out-of-pocket medical expenses, dependent day care, and any other expense allowable under the plan.

All Department Head employees will automatically be enrolled to participate in the FSA by having their employee and dependent health care contribution run through this program as a pre-tax benefit, unless the Department Head employee specifically opts out of the program. To opt out of the program, an employee must notify the City in writing during the open enrollment period.

D. California Public Employees Retirement System (PERS)

**i. Miscellaneous Employees**

For employees hired before May 11, 2008, the City shall maintain in effect the 3% @ 60 PERS Retirement Program. Employees hired on or after May 11, 2008 and prior to May 21, 2011 are covered under the 2.5% @ 55 PERS plan. Employees hired on or after May 21, 2011 and prior to January 1, 2013 are covered under the 2% @ 60 PERS plan. Employees hired on or after January 1,

2013 (who do not meet the definition of a CalPERS “classic” employee) are covered under the 2% @ 62 PERS plan. PERS defined classic employees may be covered under the 2% @ 60 plan. Final compensation for PERS retirement purposes is calculated based on the three highest earning years.

Employees who meet the definition of a CalPERS classic employee will contribute the full employee PERS contribution. Classic employees also currently pay an additional 4% retirement contribution as cost sharing of the employer contribution. Total contribution for a classic employee will not exceed 12% unless required by legislation or negotiated otherwise.

Employees hired on or after January 1, 2013 (who do not meet the definition of a CalPERS classic employee) are defined as “new members” by CalPERS and I contribute the full member contribution as defined by CalPERS. These employees also currently contribute an additional 4% retirement contribution as cost sharing of the employer contribution.

The City currently provides the optional in-service death benefit (Pre-retirement Optional Settlement 2 Death Benefit, section 21548) for all Department Heads, which provides the surviving spouse the same retirement benefit as if the employee had retired at the time of death.

**ii. Public Safety Employees (Chief of Police and Fire Chief)**

For employees hired before February 26, 2011, the City shall maintain in effect the 3% @ 50 PERS Retirement Program with final compensation for PERS retirement purposes calculated based on the single highest earning year. Employees hired on or after February 26, 2011 and prior to January 1, 2013 will be covered in the 3% @ 55 PERS plan and final compensation for PERS retirement purposes will be calculated based on an average of the three highest earning years. Employees hired on or after January 1, 2013 (who do not meet the definition of a CalPERS “classic” employee) will be covered in the 2.7% @ 57 PERS plan and final compensation for PERS retirement purposes will be calculated based on an average of the three highest earning years.

Employees who meet the definition of a CalPERS classic employee will contribute the full employee PERS contribution. Classic employees also pay an additional 3% retirement contribution as cost sharing of the employer contribution. Total contribution for a classic employee will not exceed 12% unless required by legislation or negotiated otherwise.

Employees hired on or after January 1, 2013 (who do not meet the definition of a CalPERS classic employee) are defined as “new members” by CalPERS and contribute the full member contribution defined by CalPERS. These employees also contribute an additional 3% retirement contribution as cost sharing of the employer contribution.

The City currently provides the optional in-service death benefit (Pre-retirement Optional Settlement 2 Death Benefit, section 21548) for all Department Heads, which provides the surviving spouse the same retirement benefit as if the employee had retired at the time of death.



E. Long-term Disability Insurance

The City currently maintains in effect a Long Term Disability (LTD) Insurance program. The premium is paid through payroll deduction by the employee.

F. Life Insurance

The City currently pays the premium for a \$75,000 group life insurance and accidental death or dismemberment policy. The City currently provides employees an option to purchase additional life insurance at employee expense in an amount up to \$500,000 for employees and \$150,000 for spouses.

G. Retiree Health Savings – Health Reimbursement Agreement Plan

Department Head employees have established a Health Reimbursement Agreement (HRA) as designed and approved by the Department Head group. The Department Head group may annually review and modify the plan contribution design.

H. Retiree Health Plan

Upon retirement from the City, Department Head employees and eligible dependents may participate in the City's retiree health plan at a cost determined each year by the City. The full premium cost is borne by the retiree.

I. Social Security/Medicare

The City does not participate in Social Security except for the required 1.45% Medicare contribution by both the City and employee for employees hired after April 1, 1986.

J. Deferred Compensation

The City currently maintains a deferred compensation plan for Department Head employee participation. The City is solely responsible for selection of the deferred compensation plan administrator(s). The City does not contribute on behalf of the employee.

## 6. LEAVES

A. Administrative Leave:

As FLSA exempt employees, Department Head employees are currently provided eighty (80) hours of administrative leave each calendar year. Up to fifty-six (56) hours of unused administrative leave hours remaining will automatically be paid out on the first pay check in December. Unused administrative leave hours will not be carried over into the next calendar year.

Department Head employees hired after June 30 in any given year shall be granted forty (40) hours of administrative leave for the remainder of the calendar year.

Any unused administrative leave hours at the time of separation are paid to the employee in his/her final paycheck.

B. Vacation

Department Head employees receive vacation benefits consistent with the provisions of City of Visalia Personnel Policy #304. Employees must be employed for at least six (6) months in order to be eligible for the vacation leave benefit. Vacation accruals will be credited at the start of the pay period following the pay period in which earned. Employees stop earning additional vacation leave once the employee reaches twice his/her annual accrual amount. No additional vacation leave will be earned until the employee's vacation accumulation drops below twice the annual accrual amount.

C. Holidays

Department Head employees are eligible for holidays immediately upon hire. Holiday leave shall be provided pursuant to City of Visalia Personnel Policy #303. In addition to holidays provided in Policy #303 Department Head employees receive Christmas Eve (December 24) off as a paid holiday.

D. Sick Leave

Department Head employees accrue sick leave consistent with the provisions of the City of Visalia Sick Leave Policy #305A. Accrued sick leave hours may be used for personal or immediate family illness or emergencies. This benefit is available for use after three (3) months of continuous service. Sick leave accruals will be credited at the start of the pay period following the pay period in which earned.

For employees covered under the Sick Leave I provision of the policy, the annual sick leave buy back will be paid at 50% of the employee's base rate of pay.

E. Leaves of Absence

Department Head employees shall be provided Leaves of Absence consistent with City of Visalia policies and all State and Federal laws. The Chief of Police and Fire Chief shall also be entitled to leave in accordance with Section 4850 of the California Labor Code for an on-the-job injury.

## 7. SEVERANCE PAY

When the City of Visalia terminates the employment of a Department Head without cause; and the Department Head has been employed by the City of Visalia for at least two (2) years; and the Department Head signs a Waiver and Release of Claims, the Department Head will be eligible to receive Severance Pay equal to three months base salary. For the six (6) months immediately following separation, the City shall make contributions to the former employee's monthly Medical, Dental, and Vision COBRA premiums. The former employee's Medical, Dental, and Vision COBRA premium responsibility shall equal the monthly rate of contributions they paid prior to their separation. The City's contribution to COBRA premiums will not extend beyond six (6) months. The former employee will be responsible for the entire COBRA premium and any COBRA administration fees if they choose to continue participating in COBRA beyond

the six (6) months immediately following their separation, or in the event they gain new employment.

**8. MAINTENANCE OF BENEFITS**

All compensation and benefits which are presently enjoyed by all Department Head employees will remain in effect unless modified through City Council or City Manager action, a plan administrator (e.g. CalPERS) or State or Federal law.

**9. FULL UNDERSTANDING, MODIFICATION, WAIVER**

The waiver of any breach, term or condition of the compensation and benefits described in this document by either party shall not prevent the future enforcement of all its terms and provisions.

**10. SEPARABILITY**

If any provisions of this Compensation and Benefit Summary document are held to be contrary to law by a court of competent jurisdiction, such provisions will not affect the validity of the remaining provisions except to the extent permitted by law, and all other provisions will continue in full force and effect.

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This 2024-2027 Department Head Compensation and Benefit Summary was executed on

          6-6-24          

FOR THE CITY:

          Leslie B. Caviglia          

Leslie Caviglia, City Manager