COMPENSATION AND BENEFITS PLAN

BETWEEN

THE CITY OF TRACY

AND

LIMITED SERVICE EMPLOYEES

October 1, 2023 through September 30, 2025 Amended January 1, 2024



Think Inside the Triangle™

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Limited Service Employee Compensation and Benefits Plan

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City of Tracy Limited Service Employee Compensation and Benefit Plan Effective October 1, 2023 through September 30, 2025

Section 1. Purpose and Intent

This Limited Service Employee Compensation and Benefits Plan supersedes all prior Plans governing the employment relationship between the City and Limited Service Employees. The following plan provides the basis for recognition, benefits and compensation, effective October 1, 2023 through September 30, 2025.

Section 2. Coverage

From time to time the City may hire employees to perform work on a Limited Service basis. Limited Service work assignments may include, without limitation, work on a part time, temporary, on-call, seasonal, supplemental and/or student basis. Limited Service Employees are distinguished from regular employees – i.e.: employees holding regular, full-time positions in the City. The City may establish by individual written contract, the terms and conditions of a Limited Service assignment. In order to be effective, such contract must be signed by the City Manager.

Section 3. Compensation and Benefits

A. Pay Rate:

Unless otherwise agreed to in an individual contract, Limited Service Employees shall receive such compensation pursuant to the pay rates provided in the Master Salary Schedule. Unless designated exempt from overtime under the Fair Labor Standards Act ("FLSA"), compensation will be paid on an hourly basis. The hourly rate of pay shall correspond to the pay ranges as listed in the Master Salary Schedule or the City's Classification and Compensation Plan, unless otherwise specified in an individual contract.

B. **COLA/Equity Increase:**

Effective the first full pay period after October 1, 2023, all classifications will receive a three and half percent (3.5%) salary increase.

Effective the first full pay period after October 1, 2024, all classifications will receive an additional three and half percent (3.5%) salary increase.

C. Step Increases:

When the City Manager and Department Head determine it to be in the City's best interest, a Limited Service Employee may start at a pay rate above the first or entry-level rate. Progression through the pay range will be based on the worker's performance, as evaluated annually by the Department Head.

D. Overtime:

For Limited Service Employees entitled to receive overtime, they shall be paid at a rate of one and one-half (1.5) times the regular hourly rate of pay, for hours actually worked over 40 in the designated workweek. Overtime is the hours actually worked in excess of the employee's regular workweek, and which has the prior approval of the Department Head or designated representative.

E. Workweek:

The workweek shall be from Sunday through the following Saturday, unless otherwise designated by the Department Head. For those employees permitted to work on the 9/80 schedule, the workweek for purposes of calculating overtime under the FLSA, shall be midway Friday the employee works to midway the following Friday.

F. Benefits:

<u>Holiday Pay</u> - Receive pay at the rate of one and one-half (1.5) times the hourly rate of pay for all hours worked on a City observed holiday (this overtime shall not be added to overtime due under the FLSA).

<u>City Programs</u> - May participate in the City Safety Committee, Tracy Service Improvement and Employee of the Month programs.

<u>Promotional Recruitment</u> - Limited Service Employees may apply for a position(s) in a "Promotional Only" recruitment(s) after accumulating 1,040 hours of employment within the last five consecutive years provided, they are employed by the city at the time of the promotional recruitment.

<u>Service Recognition</u> - May receive certificate(s) for recognition of service time in five-year increments based on calendar years worked.

***In addition to benefits listed above, Limited Service Employees who have worked 1,000 hours or more in a fiscal year and/or are enrolled in the CalPERS Retirement System, shall be entitled to the following additional benefits:

<u>Sick Leave Accrual</u> - In accordance with the Heathy Workplaces, Health Families Act of 2014 and City of Tracy Sick Leave for Limited Service Employees Policy and Procedure.

Eligibility: Limited Service Employees who have worked for the City of Tracy for 30 or more days within 12 months from the beginning of employment, and who are not eligible for any form of leave benefit provided by the City of Tracy or any employee group.

Use: Limited Service Employees are eligible to use their available paid sick leave beginning on the 90th day of employment.

Accrual: Forty (40) hours per fiscal year.

The following sections apply to Limited Service Employees who are enrolled in the CalPERS Retirement Program, either prior to joining the City or after working 1,000 hours or more in a fiscal year at the City. In addition to the benefits listed above, these employees are eligible for:

Bereavement Leave for Scheduled Work Hours

Entitled to leave due to the death of immediate family members, as defined in the City's Personnel Rules and Regulations, not to exceed three (3) workdays within two (2) weeks of the date of death of the family member. This leave will be based on the formulated schedules within the respective departments relevant to the employee. In the event of the death of a relative, not a member of the immediate family, absence from duty shall be allowed not to exceed one (1) day.

Jury Duty Leave for Scheduled Work Hours

Allowed time away from work to comply with jury duty requests to report, as specified, in the City's Personnel Rules and Regulations.

Leave Accrual

- ➤ Sick Leave accrual will be based on date of CalPERS enrollment, and in accordance with years of service, on a prorated basis.
- ➤ Vacation Leave accrual will be based on date of CalPERS enrollment, and in accordance with years of service, on a prorated basis.

G. CalPERS Retirement:

Limited Service Employees who have worked 1,000 hours or more in a fiscal year and/or are enrolled in the CalPERS Retirement System, shall be entitled to the following benefits:

For employees hired and enrolled in the CalPERS Retirement Program on or before December 16, 2010, and under the first tier CalPERS retirement formula (2.5% at 55), the employee shall pay the 8% employee contribution during the term of this Compensation and Benefits Plan.

For employees hired and enrolled in the CalPERS Retirement Program between December 16, 2010 through December 31, 2012, and under the second tier CalPERS

retirement formula (2% and 55), the employee shall pay the 7% employee contribution during the term of this Compensation and Benefits Plan.

For employees hired and enrolled in the CalPERS Retirement Program on or after January 1, 2013 and who qualify as "new employees" under the Public Employee' Pension Reform Act shall receive average of three (3) consecutive highest years and 2% at 62 benefit formula provided through CalPERS. Employees who receive the CalPERS retirement formula of 2% @ 62 shall pay the employee contribution required by the Public Employees' Pension Reform Act, currently calculated at fifty percent (50%) of the normal cost.

Section 4. Miscellaneous

- A. As used in this Plan, "the City" refers to the City Manager, and includes their designees; provided, however, the City Manager may not delegate authority to alter at-will employment relationships. The City Manager may establish reasonable rules, regulations and procedures to implement this Plan.
- B. Limited Service Employees shall have no property rights to continued employment or work in the City. Limited Service employees are "at-will" in that the City or the worker may terminate the relationship, with or without cause. The at-will relationship with the City may not be changed by practice, custom or express representation, but only by a written documentation personally signed by the City Manager and the affected worker. Limited Service Employees may also be subject to discipline, including counseling, reprimands, suspensions, demotions, and step reductions, but shall have no appeal rights under the City's Personnel Rules and Regulations.
- C. Generally speaking, Limited Service Employees will be restricted to performing no more than 999 hours of service in a fiscal year if they are not already enrolled in the CalPERS retirement program. Upon recommendation of the Department Head, and with the approval of the City Manager, Limited Service Employees may be authorized to work beyond the 999 hour limit.
- D. In the event a court of competent jurisdiction determines that some provision in this Plan is inconsistent with applicable law, the City may, in its discretion, void all or part of this Plan and terminate any affected employment relationships.