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**RESOLUTION NO. 2015-242**

**RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE CITY OF SAN BERNARDINO AMENDING RESOLUTION NO. 2007-345, REGARDING THE ESTABLISHMENT OF MANAGEMENT/CONFIDENTIAL EMPLOYEE COMPENSATION AND BENEFITS PLAN BETWEEN THE CITY AND MANAGEMENT/CONFIDENTIAL EMPLOYEES**

**WHEREAS**, it is necessary to codify the changes to compensation and benefits granted to management and confidential employees;

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

**SECTION 1.** The Mayor and Common Council hereby establish changes to Management and Confidential Employee Compensation and Benefits Plan detailed in Resolution No. 2007-345 to make the following changes:

1. The term of this Resolution begins on July 1, 2015 and extends through June 30, 2017. If negotiations regarding a Resolution establishing a compensation and benefits plan for the Management/Confidential Employees have not concluded by the time this Resolution expires, the terms of this Resolution shall remain in effect until a new Resolution is adopted by the Mayor and Common Council.
2. Compensation/Salaries – Effective July 1, 2015, all Management/Confidential Employees will receive a Cost of Living Adjustment of 2% to their current salary ranges/steps. Effective July 1, 2016, all Management/Confidential Employees will receive an additional Cost of Living Adjustment of 2% to their salary ranges/steps.
3. Insurance (Medical, Dental & Vision) – Effective January 1, 2016, the City will contribute: a) \$975.00 per month towards the purchase of health care premiums for “Employee with No Dependents.” and b) \$1,100.00 per month towards the purchase of health care premiums for “Employee Plus One or More Dependents.” Any employee who chooses not to enroll in any health care plan offered by the City, must provide evidence of group health care insurance coverage and execute a Waiver of Benefits and Release Agreement, releasing the City from any responsibility or liability to provide health care insurance coverage on an annual basis. Employees who do not enroll in a City health care plan during open enrollment and execute the forms above, shall receive a stipend of \$2,500.00 on December 15 of each year covered by this Resolution. Employees participating in this option are required to waive all medical, dental and vision coverage provided by the City. Management/Confidential Employees will be entitled to utilize the entire stipend detailed above in 3. a) and b). If employees in this group choose insurance coverage below the stipend amount, they may choose to contribute the remaining amount towards additional life insurance or a City-provided deferred compensation plan.
4. Life and Accidental Death & Dismemberment (AD&D) Insurance – Effective January 1, 2016, the City shall provide Term Life and Accidental Death & Dismemberment Insurance of one times the

1 employee's annual salary for Executive Management, Seventy-five thousand dollars (\$75,000) for all  
2 other Management employees, and fifty thousand dollars (\$50,000) for Confidential employees.

- 3 5. At January 1 of each year, Management/Confidential employees who have not used more than twenty  
4 (20) hours of sick leave in the prior twelve month period will automatically receive a cash payment of  
5 two hundred and fifty dollars (\$250).
- 6 6. Holidays – Effective July 1, 2015, all full-time employees within the Management/Confidential group  
7 shall be entitled to twelve (12) City-designated holidays, the equivalent of one hundred eight (108)  
8 holiday hours each year for those employees on a regular work schedule (8 hours per day Monday  
9 through Friday) or a 9/80 work schedule and one hundred twenty (120) holiday hours each year for  
10 those employees on a 4/10 work schedule.
- 11 7. Jury Duty – The City will pay for all working days in a calendar year of a covered employee who is  
12 required to serve jury duty.
- 13 8. Administrative Leave – Additional administrative leave may be granted, up to a maximum of twenty  
14 (20) hours, with request in writing, including justification, recommended by the employee's  
15 department head, and approved by the City Manager (or the Elected Official in non-manager directed  
16 departments) each fiscal year. At June 30 of each year, any unused Administrative Leave up to twenty  
17 (20) hours will be automatically carried over to the following fiscal year. Administrative Leave has no  
18 cash value and shall not be paid out at any time.
- 19 9. Pre-Petition Leave Balances – This section affects those Management/Confidential employees  
20 employed by the City on the approval date of this Resolution who had existing leave accruals for  
21 vacation leave, sick leave and holiday leave on August 1, 2012.
- 22 • All vacation leave balances, sick leave balances and holiday leave balances that all  
23 employees in this bargaining group had accrued as of August 1, 2012 (“pre-petition leave”) will be separated from post August 1, 2012 leave accruals (“post-petition leave”) in each of  
24 these leave categories.
  - 25 • Pre-petition leave balances, including vacation leave, sick leave and holiday leave, may be utilized by employees in this bargaining group. However, employees are required to utilize all post-petition leave accruals in each category before they utilize any pre-petition leave accruals in the same leave category.
  - Upon separation from employment with the City, employees will receive payment for any post-petition leave balances according to the terms and conditions outlined in their existing Resolution and the final paragraph of this section.
  - Upon separation from employment with the City, employees will not receive payment for any pre-petition leave balances. The monetary value of all pre-petition leave bank accruals will be placed in the unsecured creditors' pool and be the subject of distribution as part of the bankruptcy unsecured creditors' pool. Upon final approval of the City's Plan of Adjustment by the Bankruptcy Court, any remaining pre-petition leave balances, although

1 available for use by current employees, will have no cash value to current employees upon  
2 separation from employment with the City.

- 3 • Upon separation from employment with the City, with the exception of post-petition  
4 vacation accruals, all post-petition leave accruals will be deferred pending the final approval  
and effective date of a Plan of Adjustment by the Bankruptcy Court.

5 **10.** The following Appendix is added:

6 **APPENDIX A to RESOLUTION**

7 Bankruptcy Provisions and Release of Claims:

- 8
- 9 1. The changes to the resolution will become effective upon adoption by the Mayor and Common Council and  
10 agreement by the Management/Confidential Association (SBCMA), provided however, that the Resolution  
will become null and void and of no further effect if the City's Plan of Adjustment (Plan) is not approved  
11 by the Bankruptcy Court.
  - 12 2. The City will append the Resolution to its Plan of Adjustment, and the Plan and confirmation order shall  
13 provide for Court approval of the Resolution.
  - 14 3. Under the Plan, all claims of the Management/Confidential Association (SBCMA) and its members with  
15 respect to wages, pensions (including implementation of cost sharing and elimination of the EPMC  
benefit), other benefits and other terms and conditions of employment that arose prior to the date of the  
16 confirmation of the Plan, including, without limitations, all claims arising from the City's changes to the  
terms and conditions of employment (collectively the "Employment Related Claims"), shall be treated as  
17 general unsecured claims under the Plan, and the City and its officers shall be discharged from such  
Employment Related Claims upon confirmation of the Plan; provided, however, that any claims arising  
18 under the Resolution after it is executed by the City and the Management/Confidential Association  
(SBCMA), e.g. grievances, shall not be discharged as long as (a) the Management/Confidential Association  
(SBCMA) complies with the terms of the Resolution, including this Appendix A, and (b) the Court  
19 confirms the Plan.
  - 20 4. The Management/Confidential Association (SBCMA) shall support confirmation of the Plan that  
21 incorporates the Resolution, including this Appendix A.
  - 22 5. The City and the Management/Confidential Association (SBCMA) shall stipulate and agree on the amount  
23 of the Employment Related Claims. The Management/Confidential Association (SBCMA) shall vote the  
full amount of the Employment Related Claims in favor of the Plan and shall indicate to the Court its  
24 support for confirmation of the Plan.
  - 25 6. This Resolution, including this Appendix A, is not a solicitation by the City, and the  
Management/Confidential Association (SBCMA's) commitment to vote the Employment Related Claims  
in favor of the Plan is not effective until the Court approves a Disclosure Statement that incorporates this  
Resolution.

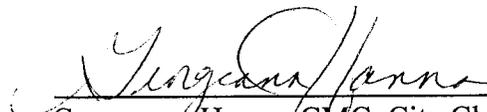
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**SECTION 2.** Resolution 2014-249, Section 1, Numbers 1 through 6 and Number 7, except that the excess sick leave banks are considered to be pre-petition leave and treated accordingly (refer to Number 9 above – Pre-Petition Leave Balances), Numbers 8 and 9, Section 2, and Section 3 remain in effect for the term of this Resolution.

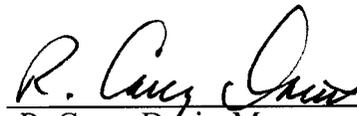
1 **RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE CITY OF SAN BERNARDINO**  
 2 **AMENDING RESOLUTION NO. 2007-345, REGARDING THE ESTABLISHMENT OF**  
 3 **MANAGEMENT/CONFIDENTIAL EMPLOYEE COMPENSATION AND BENEFITS PLAN BETWEEN**  
 4 **THE CITY AND MANAGEMENT/CONFIDENTIAL EMPLOYEES**

5 I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Mayor and  
 6 Common Council of the City of San Bernardino at a joint regular meeting thereof, held on the 2<sup>nd</sup>  
 7 day of November, 2015, by the following vote, to wit:

8 <u>Council Members:</u>	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
9 MARQUEZ	<u>X</u>	_____	_____	_____
10 BARRIOS	<u>X</u>	_____	_____	_____
11 VALDIVIA	<u>X</u>	_____	_____	_____
12 SHORETT	<u>X</u>	_____	_____	_____
13 NICKEL	<u>X</u>	_____	_____	_____
14 JOHNSON	<u>X</u>	_____	_____	_____
15 MULVIHILL	<u>X</u>	_____	_____	_____

17   
 18 Georgeann Hanna, CMC, City Clerk

19 The foregoing Resolution is hereby approved this 4<sup>th</sup> day of November, 2015.

21   
 22 R. Carey Davis, Mayor  
 City of San Bernardino

23 Approved as to form:  
 24 Gary D. Saenz, City Attorney

25 By: 