



Date: Tuesday, November 14, 2023

Honorable Mayor and Council Members

Author and title: Nicole Casey, Administrative Services Director

Title: **Adoption of Side Letters with the Town's Bargaining Units and Wage Matrix for Fiscal Year 2023/2024**

Jen Callaway, Town Manager

Recommended Action: That the Council:

1. Approve the attached side letters between the Town and the Truckee General Employee's Membership Association (TGEMA), the Town and the Mid-Management Employee's Group (MM), and the Town and the Truckee Police Officer's Association.
2. Approve Resolution 2023-64 adopting the Town of Truckee Wage Matrix list effective for fiscal year 2023-2024 pursuant to the requirement of the California Code of Regulation, Title 2, Section 570.5.

Discussion:

Side Letters:

The side letters cover changes to the allocation of the amount the Town provides to employees for vision insurance, called the fixed rate, as well as adding the requested employee funded short-term disability. Additionally, the TGEMA side letter includes some changes to the hours during which the Town's Community Services Officer's (CSO) are eligible for stand-by pay to better support department operations. A discussion of each of these changes is included here.

1. **Vision Fixed Rates:** Staff worked with the Town's insurance brokers to obtain quotes for vision insurance. Staff held several meetings with employees to discuss the options available. Based on these meetings, it was determined that the best plan for the Town was via the Town's general insurance provider, California Intergovernmental Risk Authority (CIRA). In addition to providing a more robust benefit package, the CIRA vision insurance program has the same monthly premium (\$18.20 per month) regardless of the number of qualified dependents an employee has on their plan.

The Town's fixed rates were structured to provide more for individuals who had their family on their vision plan. Under the CIRA structure, single individuals would have been paying more for vision insurance, than employees who had their family on the plan.

Staff calculated the total amount the Town was currently paying towards employee vision insurance coverage and worked with the employee group representatives to create the proposed new allocation of the total vision fixed rate amounts so no employees would see an increase in the amount they were paying for vision insurance.

The attached side letters with all three bargaining groups detail the proposed vision fixed rate changes.

2. **Short-term Disability:** One of the requests that came out of the most recent round of negotiations with the MM and TGEMA bargaining units was to explore the addition of employee-funded short-term disability insurance. Short-term disability insurance provides employees with some replacement wages if injury or illness prevent them from working, including for pregnancy related leave.

Staff worked with the Town's insurance brokers and presented employees with four options for short-term disability coverage. All the short-term disability insurance options that were available required participation of 100% of the non-sworn employees, therefore staff worked to find consensus between the impacted bargaining units. Ultimately, the employee groups desired to add short-term disability coverage via Kansas City Life. This plan covers 60% of employees lost wages up to \$2,500 per week.

The attached side letters with the TGEMA and MM groups propose to add language regarding employees' participation in the short-term disability coverage.

The members of the TPOA already had short-term disability coverage provided through the Police Officers Research Association of California (PORAC), coverage that is not available to non-sworn employees.

3. **Standby Pay:** The Police Department management requested that the Town expand the hours during which the Town's CSOs would be eligible for Standby Pay. The Police Department had only one CSO available for a period and needed to have that employee on Standby on the weekend during the day for proper public safety coverage. The existing language did not allow standby pay for the full day, only during the evening. The impacted employee was agreeable to this change

The attached side letter with TGEMA details the requested changes to standby pay.

Wage Matrix:

The Town's wage matrix is maintained in excel. Staff realized that during one of the updates, a calculation error occurred for ranges 17P and 21P, which provide for the wages for the Town's police officers and sergeants. Between the September 10, 2022 update to the wage matrix and the January 8, 2023 update, the top of the previously mentioned ranges presented as decreasing. The Town's payroll system calculated the rate changes correctly; therefore, no employees were impacted.

In order to comply with California Code of Regulations, Title 2, Section 570.5, the Town Council must approve an updated wage matrix with the corrections. The corrected ranges are highlighted in red.

Priority:

<input type="checkbox"/> Enhanced Communication	<input type="checkbox"/> Climate and Greenhouse Gas Reduction	<input type="checkbox"/> Housing
<input type="checkbox"/> Infrastructure Investment	<input type="checkbox"/> Emergency and Wildfire Preparedness	<input checked="" type="checkbox"/> Core Service

Fiscal Impact: Standby pay is calculated as 15% of an employee's hourly rate. The impact of the expansion to hours the two eligible employees might be paid standby pay is expected to be absorbed by the existing police budget.

There are no fiscal impacts related to the changes in the Town's vision fixed rates as the total amount contributed to the fixed rates or the Town's portion of the monthly premium, is remaining the same. The changes proposed would only impact how the total amount is allocated to the various coverage levels.

The short-term disability insurance is entirely employee funded.

Public Communication: Staff conducted more than five meetings with employees to educate them on the insurance options. Staff also had two meetings with the employee group representatives. Staff also prepared a survey to garner additional information on employees' preferences for short-term disability insurance.

Attachments:

Attachment A – Side Letters with the Employee Bargaining Units

Attachment B – Resolution 2023-64

Attachment C – Wage Matrix