RESOLUTION NO. 26-13443

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL AMENDING THE COMPENSATION AND WORKING CONDITIONS FOR UNREPRESENTED CONFIDENTIAL EMPLOYEES AS DEFINED IN RESOLUTION 10016 AND AS DESIGNATED IN RESOLUTION 8553

WHEREAS, the City Council of the City of Campbell desires to establish certain salaries and benefits for unrepresented Confidential personnel not covered by a Memorandum of Understanding; and

WHEREAS, the provisions of Title 4, Section 36506 of the Government Code of the State of California provide that the salaries of employees of General Law cities may be fixed or increased by resolution; and

WHEREAS, Title 2, Section 2.16.020 of the Campbell Municipal Code provides that the City Council may, from time to time, by resolution, change the compensation of employees of said City, and may, by resolution, adopt salary and wage scales; and

WHEREAS, the City Council of the City of Campbell desires to establish certain salaries and benefits for unrepresented Confidential personnel not covered by a Memorandum of Understanding consistent with Resolution No. 8553;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Campbell does hereby amend the compensation and working conditions for unrepresented Confidential employees to provide that effective the first pay period in July 2026 (unless a different effective date is provided for herein), the salaries, hours, employee benefits, definitions and other terms and conditions of employment for the City's unrepresented Confidential employees shall be as follows:

SECTION 1. GENERAL CONDITIONS

A. Personnel Rules and Regulations

Additional terms and conditions of employment are set forth in the City of Campbell Personnel Rules and Regulations, hereinafter referred to as, "Rules and Regulations." For convenience, the Rules and Regulations can be found at: https://www.campbellca.gov/DocumentCenter/View/19738/City-of-Campbell-Rules-and-Regulations. Unless otherwise set forth herein, this resolution does not modify or change the provisions of the Rules and Regulations.

B. Confidential Employees

The City's Confidential employee group includes the following positions:

- Accounting Technician

- Executive Assistant to the City Manager
- Human Resources Analyst
- Human Resources Representative

C. Definitions

1. Confidential employee: An employee who, in the course of his or her duties, has access to confidential information relating to the City's administration of employer-employee relations.

2. Appointing Authority/Power: The City Manager and/or Department Head who has the authority to make appointment for the position to be filled.

3. CalPERS/PERS: California Public Employees' Retirement System.

SECTION 2. COMPENSATION

A. Fiscal Year 2025-2026 Market Adjustment

Effective the first pay period in July 2025, the Executive Assistant to the City Manager classification will receive a market adjustment of seven percent (7%) to bring the classification to the labor market mean in total compensation as surveyed by the City in 2025.

This classification shall also receive a one-time lump sum payment reflecting the above market adjustment for the period covering the first pay period in July 2025 through the last pay period in June 2026.

The market adjustment shall be applied prior to any cost of living adjustment or salary increase set forth below.

B. Fiscal Year 2025-2026 Retroactive Cost of Living Adjustment (COLA)

Effective retroactive to the first pay period in July 2025, the base salaries of all Confidential employees shall be increased by three percent (3%). All Confidential employees shall also receive a one-time lump sum payment reflecting a retroactive three percent (3%) COLA for the period covering the first pay period in July 2025 through the last pay period in June 2026.

C. Salary

1. Effective the first pay period in July 2026, the salaries of all Confidential employees shall be increased by three percent (3%). All Confidential employees shall also receive a one-time lump sum payment reflecting a retroactive three percent (3%) COLA for the period covering the first pay period in July 2026 through the date of implementation of this three percent (3%) COLA.

2. Effective the first pay period in July 2027, the salaries of all Confidential employees shall be increased by three percent (3%).

SECTION 3. HEALTH & WELFARE BENEFIT PROGRAMS

A. Medical Insurance / Cafeteria Plan Allowance

1. Medical Insurance Benefit Program

The City's maximum monthly contribution for each Confidential employee for the purchase of medical insurance will be equal to the minimum monthly employer contribution required under the Public Employees Medical and Hospital Care Act (PEMHCA). The City's contribution will come out of the amount the City currently contributes to employees as part of the Cafeteria Plan Allowance, provided below. The cost of the City's participation in CalPERS will not require the City to expend additional funds toward health insurance beyond what is already provided through the Cafeteria Plan Allowance. Any cost increase to the minimum monthly employer contribution required under PEMCHA will be borne by employees.

2. Cafeteria Plan Allowance

Confidential employees electing medical coverage in the City's plans will receive a health flex allowance and shall purchase such coverage through the City's Cafeteria Plan.

Effective January 1, 2026, the monthly Cafeteria Plan Allowance is based on selected level of coverage as follows:

- Employee Only Coverage: $1,151.05
- Employee Plus One Coverage: $2,302.10
- Employee Plus Family Coverage: $2,992.72

Effective January 1, 2027, the monthly Cafeteria Plan Allowance will be set at the Kaiser Permanente Region 1 rates for 2027 at the employee's selected level of coverage, unless the 2027 rates are more than eight percent (8%) higher than the City's 2026 contribution. If the year-over-year rate increase exceeds 8% of the City's 2026 contribution, the City's Cafeteria Plan Allowance shall be capped at eight percent (8%) higher than the City's 2026 contribution. Employees who select a plan with rates higher than the City's Allowance will be required to make up the difference through salary redirection.

Effective January 1, 2028, the monthly Cafeteria Plan Allowance will be set at the Kaiser Permanente Region 1 rates for 2028 at the employee's selected level of coverage, unless the 2028 rates are more than eight percent (8%) higher than the City's 2027 contribution. If the year-over-year rate increase exceeds 8% of the City's 2027 contribution, the City's Cafeteria Plan Allowance shall be capped at eight percent (8%) higher than the City's 2027 contribution. Employees who select

a plan with rates higher than the City's Allowance will be required to make up the difference through salary redirection.

Employees who elect a medical insurance plan with a lower monthly premium than the amount of the City's medical contribution may apply their unused contribution amount toward other benefit options that are available under the Cafeteria Plan, such as flexible spending accounts for out-of-pocket medical expenses and dependent care, accident insurance, cancer insurance, heart and stroke insurance, long term care insurance and life insurance benefits.

Employees who do not spend all their Cafeteria Plan Allowance on Cafeteria Plan benefits will not receive any cash benefit.

3. Conditional Opt-Out

Employees who, at initial enrollment or during the annual open enrollment period, complete an affidavit and provide proof of other minimum essential coverage for themselves under an exchange/marketplace or an individual plan, will be allowed to waive medical coverage for themselves and their qualified dependents (tax family). The monthly conditional opt-out incentive is $750.

The conditional opt-out incentive shall be paid in cash (taxable income) to the employee. The employee must notify the City within 30 days of the loss of other minimum essential coverage. The conditional opt-out payment shall no longer be payable if the employee and family members cease to be enrolled in other minimum essential coverage.

4. Flexible Spending Account

The City will contribute to each employee's Flexible Spending Account (FSA) a total of $80.76 per pay period.

B. Benefit Cost Adjustments

1. Dental Insurance

The City shall cover the premium for dental coverage. The annual maximum per patient benefit, not including orthodontia, shall be equal to $2,500. The maximum lifetime per patient benefit for orthodontia coverage shall be equal to two thousand and five hundred dollars ($2,500).

2. Vision Care

The City shall cover the premium for vision coverage for employees and their eligible dependents.

3. Life Insurance

   The City shall provide fifty thousand dollars ($50,000) in life insurance coverage per employee and shall cover the premium. Employees, depending on pre-qualification, may purchase supplemental life insurance in multiples of ten thousand dollars ($10,000) for up to a maximum of three hundred thousand dollars ($300,000).

4. Accidental Death and Dismemberment Insurance

   The City shall pay the premium for fifty thousand dollars ($50,000) of accidental death and dismemberment insurance coverage.

5. Long Term Disability Insurance

   The City shall pay the premium for Long Term Disability Insurance. Employees shall receive two-thirds of their monthly base salary, up to a salary maximum of four thousand and five hundred dollars ($4,500) per month, with a maximum benefit of three thousand dollars ($3,000) per month.

6. Deferred Compensation Plan

   The City shall contribute fifty-five dollars ($55) per pay period towards a 457(b) Deferred Compensation Plan (Section 457(b)) account for each employee who maintains a Section 457(b) account.

7. Voluntary Employees Beneficiary Association Plan (VEBA)

   Confidential employees shall participate in the City's established VEBA program. During an employee's active employment with the City, the City will contribute sixty-nine dollars and twenty-four cents ($69.24) per pay period to each employee's California Government VEBA account.

C. Miscellaneous Benefits

1. Tuition Reimbursement

   The City will continue the tuition reimbursement program as specified in the Rules and Regulations, with a maximum reimbursement of $3,000 per year.

2. Bilingual Pay

   Confidential employees who are certified to have a working level of competence in languages other than English and are required to regularly converse with members of the Campbell community, will receive one-hundred dollars ($100) per pay period as Bilingual Pay.

SECTION 4. RETIREMENT BENEFITS AND FORMULAS

Upon submission of enrollment information, the California Public Employees' Retirement System (CalPERS) shall determine whether a new employee is a "classic member" or "new member" in accordance with the Public Employees' Pension Reform Act (PEPRA).

A. Miscellaneous Retirement Benefit Formulas / Benefits

1. Employees Hired prior to March 7, 2011

   For Classic Miscellaneous Members hired prior to March 7, 2011, the City contracts the following PERS options: 2.5% at age 55, highest 36-month salary, military service buy back option, 1959 survivor benefit (Level 3, One-half continuance), Credit for unused sick leave (Credit for Peace Corps, AmeriCorps VISTA, AmeriCorps Service). Employee contribution 8%.

2. Employees Hired after March 6, 2011

   For Classic Miscellaneous Members hired after March 6, 2011, the City contracts the following PERS options: 2% at age 60, highest 36-month salary, military service buy back option, 1959 survivor benefit (Level 3, One-half continuance), Credit for unused sick leave (Credit for Peace Corps, AmeriCorps VISTA, AmeriCorps Service). Employee contribution 7%.

3. Employees Hired after December 31, 2012

   For New Miscellaneous Members hired after December 31, 2012 (Classic Miscellaneous Members hired after December 31, 2012, are under the Classic Miscellaneous Members hired after March 6, 2011 plan.), the City contracts the following PERS options: 2% at age 62, highest 36-month salary, military service buy back option, 1959 survivor benefit (Level 3, One-half continuance), Credit for unused sick leave (Credit for Peace Corps, AmeriCorps VISTA, AmeriCorps Service). Employee contribution 7.75%.

B. Retiree Award Program

For retirees from the City of Campbell who were hired prior to July 1, 2017, have at least 17 years of service, and have reached a minimum age of 50, the City will continue the existing Retiree Award Program as follows:

1. The City will award out-of-pocket costs for retirees to cover medical and dental premiums on a reimbursement basis, as follows:

   - A maximum of $325 per month.
   - Retiree dependents are not eligible for the Retiree Award Program.
   - Employees hired on or after July 1, 2017 will not be eligible for the

Retiree Award Program.

SECTION 5. OTHER PROVISIONS APPLICABLE TO ALL CONFIDENTIAL EMPLOYEES

A. Public Employees' Retirement System (PERS)

The City will be responsible for any increase to the PERS employer contribution rate for the PERS plan.

B. Vacation

Confidential employees shall be entitled to vacation with pay in accordance with the following schedule. Vacation accrual shall be as follows:

1. Start of year 1 through completion of year 4, vacation will be accrued at the rate of 3.38 hours per biweekly pay period worked. (11 eight-hour days per year) Retainable Hours: 192 hours

2. Start of year 5 through completion of year 10, vacation will be accrued at the rate of 4.92 hours per biweekly pay period worked. (16 eight-hour days per year) Retainable Hours: 232 hours

3. Start of year 11 through completion of year 15, vacation will be accrued at the rate of 5.85 hours per biweekly pay period worked. (19 eight-hour days per year) Retainable Hours: 272 hours

4. Start of year 16 and thereafter, vacation will be accrued at the rate of 6.46 hours per biweekly pay period worked. (21 eight-hour days per year) Retainable Hours: 304 hours

C. Holidays

Confidential employees shall be entitled to take all authorized holidays at full pay, not to exceed eight (8) hours for any one (1) day.

The holidays for the City are:

- January 1: New Year's Day
- Third Monday in January: Martin Luther King, Jr. Day
- Third Monday in February: President's Day
- Last Monday in May: Memorial Day
- July 4: Independence Day
- First Monday in September: Labor Day
- Fourth Thursday in November and day after: Thanksgiving Day and Day After
- December 24: Christmas Eve Day
- December 25: Christmas Day

D. Sick Leave

Confidential employees accrue 3.69 hours of sick leave per pay period. Accumulation is unlimited.

E. Floating Holidays

Five and a half (5.5) Floating Holidays (44 hours) shall be incorporated into the Confidential employee's Leave Bank. Employees receive the appropriate prorated portion of this entitlement upon hire and termination. Floating Holidays must be used during the calendar year in which they are granted. Unused Floating Holiday time may not be carried over to the next calendar year. Floating Holiday time shall have no monetary value upon termination of employment.

F. Probationary Period

The Probationary Period for Confidential employees will be administered in accordance with the Rules and Regulations.

BE IT FURTHER RESOLVED that the City Council of the City of Campbell does hereby rescind City Council Resolutions 12880 and 13314, and replaces them with this resolution establishing the above compensation, benefits, and working conditions for unrepresented Confidential employees not covered by a Memorandum of Understanding agreement; and

BE IT FUTHER RESOLVED that it is not the intent of this City Council in approving the resolution to change, modify, or repeal in any way any of the existing provisions of the Rules and Regulations; and

FINALLY, BE IT FURTHER RESOLVED that the City Appointing Power and the Human Resources Manager have the authority to take any necessary administrative actions to implement the provisions of this resolution.

PASSED AND ADOPTED this 6th day of October 2026 by the following roll call vote:

AYES: Councilmembers: Lopez, Hines, Bybee, Furtado
NOES: Councilmembers: None
ABSENT: Councilmembers: Scozzola

APPROVED:

Daniel E. Furtado, Mayor

ATTEST:

Andrea Sanders, City Clerk