

#### RECOMMENDATION

Staff Recommends That The City Council Adopt An Ordinance Amending Ordinance No. 12187 C.M.S., "The Salary Ordinance," To Clarify The Authority Of The City Administrator In Setting The Compensation And Other Terms And Conditions Of Employment For Department Heads And Amending Ordinance No. 12903 C.M.S. And Repealing Ordinance No. 12918 C.M.S.

#### EXECUTIVE SUMMARY

In order to attract the most competent and effective department heads and senior managers to City of Oakland service, the proposed ordinance clarifies the authority of the City Administrator in setting the compensation and other terms and conditions of employment for department heads and unrepresented senior managers.

#### **BACKGROUND / LEGISLATIVE HISTORY**

The Oakland City Charter (Charter) section 207 charges the City Council with setting the compensation of all City employees, officers and officials unless otherwise provided by another section of the Charter. City Council has established salary ranges for employees and adopted salary ordinances, namely Ordinance No. 12187 C.M.S. and Ordinance No. 12903 C.M.S., that grant the appointing authority the discretion to set the initial salary of employees at any point in the salary range for the classification in question and grant severance pay as a hiring incentive to employees who are exempt from Civil Service and may be terminated through no fault of the employee.

Ordinance No. 12918 C.M.S., adopted March 3, 2009, was passed during a severe economic downturn and required City Council authorization for setting the salary for department head appointments above the midpoint in the salary range for the positions "...during these challenging economic times." Now that the City is no longer in a recession, staff recommends that the City Administrator's authority to exercise the discretion articulated in the Charter and Salary Ordinance for making compensation determinations for executive and senior

management appointments be restored. This will assist the City's ability to attract the most competitive candidates to the City service.

#### ANALYSIS AND POLICY ALTERNATIVES

The Salary Ordinance states, "Terms and conditions of City employment may be established by approved Memoranda of Understanding." It further authorizes the City Administrator to define unrepresented employees and to determine which authorized terms and conditions of employment may apply to unrepresented employees. Ordinance No. 12918 C.M.S. restricted the City Administrator's discretion in setting the compensation package for a newly appointed department head or unrepresented senior manager at a time when there was a significant financial crisis occurring nationwide. It is important for the City organization to be able to make its executive and senior management positions attractive to the highest quality candidates and to compensate public sector leaders appropriately. The proposed ordinance amending the Salary Ordinance would restore the City Administrator's authority to offer competitive compensation packages.

Approval of the proposed ordinance would authorize the following:

#### Initial Salary

The City Administrator may appoint a new department head at any point in the applicable salary schedule for the classification involved commensurate with the education and experience of the appointee. In accordance with Charter section 207, the initial salary of a department head or unrepresented senior manager in the City shall be within the salary schedule established by Council ordinance for the classification to which the individual is appointed in writing.

#### Leave Accrual Rate

The City Administrator may set the appointee's vacation accrual rate commensurate with the appointee's public sector professional service time using the schedule for such accrual rates established by existing City policy for City employees. The ordinance would also allow the City Administrator to adjust the leave accrual rate for department heads or unrepresented senior managers hired into the City service between March 3, 2009 and July 30, 2016 to be commensurate with the employees' history and experience in public service and at the rates established by Memorandum of Understanding (MOU) or other existing City policy.

#### **Relocation Expenses**

The City Administrator may authorize reimbursement for a reasonable portion of relocation expenses when funding is available for this purpose. The City Administrator will determine what constitutes a reasonable portion of relocation expenses.

#### Professional Dues, Membership and Development

The City Administrator may approve payment of dues, membership, conference fees, travel, and professional development expenses related to the employee's professional and industry standing and where such activities serve to benefit the City of Oakland, which may exceed the benefits extended to represented employees.

#### Parking

The City Administrator may assign a parking space in a City-owned garage to a department head (positions in employee group UK1) at no cost to the employee.

#### Other Fringe Benefits

Consistent with the Salary Ordinance section 2.20, the City Administrator has the discretion to grant unrepresented employees the same compensation and other terms and condition of employment that are provided to represented employees under MOUs. Therefore, the City Administrator may offer the maximum of any discrete fringe benefit provided to employees in any City of Oakland miscellaneous employee group contract, e.g. leave accrual rates, holidays, medical and retirement benefits, etc.

#### FISCAL IMPACT

Any costs associated with implementation of this ordinance would be funded from departments existing allocations in the current budget.

#### **PUBLIC OUTREACH / INTEREST**

No public outreach was required.

#### COORDINATION

Development of this ordinance and report was coordinated with the City Administrator's Office, Human Resources Management, and the Finance Department.

#### SUSTAINABLE OPPORTUNITIES

*Economic*: There are no economic opportunities associated with this report.

Environmental: There are no environmental opportunities associated with this report.

Social Equity: There are no social equity opportunities associated with this report.

#### ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the City Council adopt an ordinance amending Ordinance No. 12187 C.M.S., "The Salary Ordinance," to clarify the authority of the City Administrator in setting the compensation and other terms and conditions of employment for department heads and amending Ordinance No. 12903 C.M.S. and repealing Ordinance No. 12918 C.M.S.

For questions regarding this report, please contact Kip Walsh, HR Manager for Recruitment & Classification at (510) 238-7334.

Respectfully submitted,

ANIL COMELO

Director of Human Resources Management

Prepared by: Kip Walsh Human Resources Manager

Attachments:

- A. City Ordinance No. 12903 C.M.S.
- B. City Ordinance No. 12918 C.M.S.
- C. City Ordinance No. 12187 C.M.S.

Item: \_\_\_\_\_ Finance & Management Committee July 12, 2016

Atachment A

APPROVED AS TO FORM AND LEGALITY ATTORNEY

2008 DEC -3 AM 8: 57 ORDINANCE NO. 12903 C.M.S.

FILED

INTRODUCED BY COUNCIEMENDER

AN ORDINANCE (1) AMENDING THE SALARY ORDINANCE, (2) SETTING FORTH THE COUNCIL'S COMPENSATION POLICIES AND PROVISIONS FOR CITY EMPLOYEES, OFFICIALS AND OFFICERS, (3) MEMORIALIZING THE AUTHORITY AND DISCRETION THE COUNCIL HAS GRANTED TO THE CITY ADMINISTRATOR REGARDING FIXING COMPENSATION AND (4) SUPPLEMENTING ORDINANCE NO. 12187 C.M.S.

WHEREAS, Oakland City Charter section 207 charges the City Council with fixing the compensation of all City employees, officers and officials unless otherwise provided by the Charter; and

WHEREAS, the Council has determined that it is not clear precisely what authority and discretion the Council has granted to the City Administrator regarding compensation over the years; and

WHEREAS, the City Council desires to memorialize the authority and discretion it has granted to the City Administrator regarding fixing compensation as well as the Council's compensation policies and provisions for City employees, officers and officials, including compensation in the form of fringe benefits such as sick leave, vacation, management leave and automobile allowances; now therefore

The City Council of the City of Oakland does ordain as follows:

- Sec. 1.00 <u>Purpose</u>. This ordinance sets forth the authority and discretion the Council has delegated to the City Administrator regarding fixing compensation as well as the compensation policies and provisions that the Council has authorized for employees, officials and officers.
- Sec. 1.10 <u>Represented Employees</u>. Compensation for represented employees is set forth in its entirety in the Memoranda of Understanding ("MOU") between the City and the recognized employee organizations.

No additional compensation may be authorized by the City Administrator, any other appointing authority, any Department or Agency head or other employee, officer or official of the City without the City Council's express approval, except as provided in this Ordinance or Ordinance No. 12187 which this Ordinance supplements. Any such approval/authorization must be memorialized in an amendment to this ordinance or the MOU.

Neither the City Administrator, nor any Department or Agency Head or other City employee, official or officer has authority to change the compensation that is provided for represented employees under the MOUs. If the terms and conditions of City employment established by an approved MOU are inconsistent with any provisions of this ordinance, such Memoranda shall control with respect to the represented employees governed thereby.

Sec. 1.20 Unrepresented Employees. Ordinance No. 12187 C.M.S. provides at section 2.20 that the City Administrator, by Administrative Instruction, may define the unrepresented employees, if any, to whom the terms and conditions of employment specified in MOUs may also apply.

> Ordinance No. 12187 thereby gives the City Administrator the discretion to grant unrepresented employees the same compensation and other terms and conditions of employment that are provided to represented employees under MOUs, or to provide unrepresented employees less compensation than the compensation that is provided to represented employees in each category or type of compensation. For example, if an MOU grants a cost of living increase to represented employees, the City Administrator may grant unrepresented employees the same increase or the City Administrator could grant unrepresented employees a lower cost of living increase or a one-time "payment" that would not increase the salary range.

> The sole and complete authority and discretion that the Council has delegated to the City Administrator and other appointing authorities regarding compensation are set forth in this Ordinance and in Ordinance No. 12187 C.M.S. which this ordinance supplements.

> The City Administrator and other appointing authorities have absolutely no additional authority to increase or change compensation by issuing Administrative Instructions, Employee Benefits circulars, General Orders, or any other instruction, order or document; or by signing agreements, including but not limited to side letters, with collective bargaining units that have not been approved or ratified by the Council or otherwise.

> Once the City Administrator determines which terms and conditions of employment will apply to unrepresented employees, the City Administrator will submit an annual report to Council at the end of the first guarter of the fiscal year detailing the terms and conditions of employment for unrepresented employees.

Management Leave, Sick Leave, Vacation for Elected Officials. The City Attorney Sec. 1.30 and the City Auditor have received management leave and accrued sick leave and vacation for many years. No other elected officials receive such leave or accrue sick leave or vacation.

> No elected official shall receive management leave, nor shall any elected official accrue sick leave or vacation after the effective date of this Ordinance.

Sec. 1.40 <u>Hiring Incentives.</u> In addition to the severance payments that are authorized under Section 2.10 of Ordinance No. 12187 C.M.S., the City Administrator and other appointing authorities have discretion after the effective date of this Ordinance to provide the following as hiring incentives to attract into City service qualified employees whose City services are exempt from the protections of the Civil Service under Article IX of the City Charter: (1) bonus vacation days placed in bank equal to or less than the number of days the employee will accrue during the first year of employment (2) up to two weeks of Executive Vacation Leave. The written hiring incentives must be memorialized in hiring agreements and the agreements will be maintained in the employee's personnel file and summarized in an annual report to the Council. Executive Leave may be granted only at the time an employee is hired.

Executive Leave must be used in the year in which it is awarded or it will be forfeited; the City Administrator and other appointing authorities can allow an employee to carry over Executive Leave if the employee is not able to use Executive Leave due to a determination by the appointing authority that the employee's services are or were needed on a time sensitive or urgent project.

The appointing authority's determination must be in writing and a copy of the determination must be provided to the City Administrator and placed in the employee's personnel file. A separate determination must be made for each employee and for each fiscal year. The City Administrator must provide the Council an annual report identifying the number of employees who were authorized to carry over Executive Leave to a subsequent fiscal year and the total amount of Executive Leave that has been carried over in each City department and the current monetary value of the Executive Leave that has been carried over in each City department.

- Sec 1.50 <u>Bonuses</u>. Employee bonuses shall only be given if explicitly budgeted for as part of a bonus program by the Council.
- Sec. 1.60 <u>Amendments</u>. Amendments to any provision of this ordinance shall hereinafter be entitled "Amendments to the Salary Ordinance".

IN COUNCIL, OAKLAND, CALIFORNIA, NOV 1 8 2008

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, DE LA FUENTE, KERNIGHAN, NADEL, QUAN, AND REKO - 7

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5V LATONDA SIMMONS

City Clerk and Clerk of the Council of the City of Oakland, California

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Adachment B

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INTRODUCED BY COUNCILMEMBER

APPROVED AS TO FORM AND LEGALITY

## **ORDINANCE NO.** <u>12918</u> C<del>.</del>**M**.S.

An Ordinance (1) Amending the Salary Ordinance to Provide that the City Council Must Approve Terms and Compensation in Hiring Agreements for Department and Agency Heads Other Than (a) Initial Salary Up to the Midpoint of the Salary Range, (b) Severance Pay Authorized by Ordinance No. 12187 C.M.S., (c) Executive Leave and Bonus Vacation Authorized by Ordinance No. 12903 C.M.S., with Certain Amendments, and (d) Terms and Conditions Provided in the Memoranda of Understanding between the City and its Recognized Miscellaneous Employee Organizations and (2) Supplementing and Amending Ordinance Nos. 12187 C.M.S. and 12903 C.M.S.

WHEREAS, Oakland City Charter section 207 charges the City Council with fixing the compensation of all City employees, officers and officials unless otherwise provided by the Charter; and

WHEREAS, the Council has established salary ranges for employees and adopted salary ordinances, namely Ordinance Nos. 12187 and 12903 C.M. S., that grant the appointing authority the discretion to (1) set the initial salary of employees who they hire at any point in the salary range for the classification in question, if there has been unusual difficulty in recruiting and (2) grant severance pay, as a hiring incentive to employees who are exempt from Civil Service and must be terminated through no fault of the employee, equivalent to 3 months of salary if the employee has completed less than 10 years of service and up to six months of salary if the employee has completed ten years of service; and (3) grant certain Executive Leave and bonus vacation days at the time of hiring employees who are exempt from Civil Service; and

WHEREAS, during these challenging economic times that have resulted in significant budget deficits and layoffs of employees, the Council desires to further limit the discretion of appointing authorities with respect to setting initial salary and providing other terms and forms of compensation to department and agency heads; now therefore

#### The City Council of the City of Oakland does ordain as follows:

Sec. 1.00 Purpose. This ordinance further limits the authority and discretion of the appointing authority solely with respect to fixing compensation and other terms and conditions of employment in hiring agreements for department heads and agency directors.

Sec. 1.10 Initial Salary and other Compensation for Agency and Department Heads. Notwithstanding any other provision of this Ordinance, Ordinance No. 12187, Ordinance No. 12903 or any other Ordinance, the initial salary of an agency or department head in the City shall be the salary attached to the lowest rate of the salary schedule established for the classification to which he/she is appointed; provided however, that the appointing authority may appoint a new agency or department head at any point in the applicable salary schedule for the classification involved, up to the midpoint of the salary range, if there has been unusual difficulty in recruiting competent employees at the lowest rate of the applicable salary schedule and the higher rate is commensurate with the education and experience of the appointee. Any initial salary higher than the midpoint in the salary range for the classification in question must be approved by the City Council.

The City Council must approve any hiring agreement that provides terms or compensation for department or agency heads other than those provided in the memoranda of understanding between the City and its recognized miscellaneous employee organizations, with the following exceptions: the appointing authority may offer new department and agency heads the severance payments authorized under section 2.10 of Ordinance No. 12187 C.M.S. and the Executive Vacation Leave and the bonus vacation days authorized by Ordinance No. 12903 C.M.S. The Executive Vacation Leave authorized by Ordinance No. 12903 C.M.S. may be granted only at the time an employee is hired for one time only and only for one year and that Executive Leave may be carried over for a maximum of two years.

**Sec. 1.20** Conflicts. If there is any conflict between the provisions of this Ordinance and Ordinance Nos. 12187 or 12903 which this Ordinance supplements and amends, this Ordinance's provisions shall govern.

**Sec. 1.30** Amendments. Amendments to any provision of this ordinance shall hereinafter be entitled "Amendments to the Salary Ordinance".

#### IN COUNCIL, OAKLAND, CALIFORNIA MAR 3 2009

PASSED BY THE FOLLOWING VOTE: AYES – BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, -7

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LATONDA SIMMONS City Clerk and Clerk of the Council Of the City of Oakland, California

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Attachment C

APPROVED AS TO FORMAND LEGALITY CITY ATTORNEY

# ORDINANCE NO. 12187 C.M.S.

AN . ORDINANCE **ESTABLISHING** EMPLOYMENT THE OAKLAND AND CLASSIFICATIONS WITHIN CITY OF RELATED COMPENSATION MATTERS SETTING SCHEDULE OF THE SALARY FOR EACH **ESTABLISHED CLASSIFICATION AND REPEALING ORDINANCE 4727 C.M.S. AND AMENDMENTS THERETO** 

WHEREAS, the Oakland City Charter charges the City Council with fixing the compensation of all City employees, officers and officials unless otherwise excepted; now therefore

The City Council of the City of Oakland does ordain as follows:

Sec. 1.00

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INTRODUCED BY COUNCILMEMBER

<u>Purpose</u>. This ordinance shall set forth a salary schedule reflecting all classifications of employment within the City including those of city employees and city officers. Said schedule containing such classifications and the salary specified for each classification entitled "Salary Schedule" is attached and made part of this ordinance. The City Manager, or other appointing authority, shall authorize individual positions in classifications herein created, in accordance with budgetary appropriations made by the City Council. Persons holding respective positions and offices in the classifications set forth in the salary schedule shall receive as salary in full for their respective services that amount set forth in the salary schedule specified for such office or determined to be applicable under the provisions of this ordinance.

- Sec. 1.10 <u>Initial Salary</u>. Except as otherwise provided, the initial salary of an employee in the City shall be the salary attached to the lowest rate of the salary schedule established for the classification to which he/she is appointed; provided, however, that the appointing authority may appoint a new employee at any step in the applicable salary schedule for the classification involved if there has been unusual difficulty in recruiting competent employees at the lowest rate of said salary schedule and the higher rate is commensurate with the education and experience of the said appointee.
- Sec. 1.20 <u>Salary Increase</u>. Advancement within the salary schedule specified for an employee's classification, where such schedule has specified step increments, shall be on the basis of one year's satisfactory service in each such salary step. A salary step increase for an employee who is entitled to such an increase shall be

effective on the first anniversary date of appointment to such classification, or one year from his/her most recent step increase, whichever is later; provided, however, that an employee who has demonstrated outstanding performance in the public service may receive a step increase other than set forth above upon the recommendation of the department head and approval by the appointing authority. Where a salary schedule for a classification is a range not having specified step increments (indicated herein by the letter R following the salary), the salary for each incumbent shall be established by the appointing authority.

- Sec. 1.30 <u>Minimum Salary Increase When Promoted</u>. Notwithstanding any other provisions of this ordinance, whenever an employee is promoted to a position of higher salary schedule within the same classification series, he/she that shall receive compensation at the salary schedule for the new position that represents a minimum of one rate increment over the amount he/she was receiving in the former position; provided, however, that the appointing authority, at his/her discretion for good cause, may provide for compensation at any step for the classification involved if the employee has demonstrated outstanding achievement in the public service.
- Sec. 1.40 <u>Biweekly Pay</u>. Except as otherwise specifically provided, all compensation of all City employees hereinafter set forth shall be paid in equal biweekly installments.
- Sec. 1.50 <u>Overtime Compensation</u>. Overtime compensation shall be authorized consistent with state and federal law and with memoranda of understanding entered into between the City and recognized employee representative, when applicable.
- Sec. 1.60 <u>Holidays on Regular Day Off.</u> In the event that a designated holiday falls upon a normal day off which is either a Saturday, as to an employee who works a Monday through Friday workweek, or the first day off of his/her normal two days off, as to an employee whose workweek is one other than Monday through Friday, then in either such event such employee, as the case may be, shall thereafter receive one (1) additional day of vacation thereof; and each such employee who is required to work on such Saturday or first day off shall also receive compensation therefor at the rate of time and one-half of his/her regular base rate of pay.

In the event that a designated holiday falls upon a normal day off which is either a Sunday, as to an employee who works a Monday through Friday workweek, or the second day off of his/her normal two days off, as to an employee whose workweek is one other than Monday through Friday, then in either such event such employee, as the case may be, shall receive the next following day off therefor; and each such employee who is required to work on such Sunday or second day off shall also receive compensation therefor at the rate of time and one-half of his/her regular base rate of pay.

The provisions of this section shall not apply to employees represented by a recognized employee organization whose entitlement shall be governed by the terms of approved memoranda of understanding, if any, nor shall they apply to Special Clerkships in the Office of the City Clerk, nor to part-time positions.

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Sec. 1.70 <u>Meal Allowance</u>. Each employee who, when directed to do so, works continuously two hours or more immediately before or after his/her regular shift working day shall be paid a reasonable meal allowance as determined by the appointing authority. Each employee who is called back to work after he/she has completed his/her regular shift day and has left his/her place of employment, and who so works four hours or more shall be paid a reasonable meal allowance, as determined by the appointing authority. Meal allowances shall not be paid for regularly scheduled overtime work (i.e., overtime scheduled at least twenty-four hours in advance, where such overtime is not an extension of a regular work day), or in those instances where the City furnishes meals.

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The provisions of this section shall not apply to employees represented by recognized employee organizations whose entitlement shall be governed by the terms of approved Memoranda of Understanding, if any, nor shall they apply to Special Clerkships in the Office of the City Clerk, nor to part-time positions.

Sec. 1.80 <u>Civilian Uniform Allowance</u>. In the event an employee in a civilian position is required as part of his or her ordinary job duties to a wear a uniform, the employee shall be reasonably reimbursed for acquisition and maintenance of said uniform in amounts determined by the City Manager.

The provisions of this section shall not apply to employees represented by recognized employee organizations who entitlement shall be governed by the terms of an approved Memoranda of Understanding, if any, nor shall they apply to Special Clerkships in the Office of the City Clerk, nor to part-time positions.

- Sec. 1.90 Special Salary Provisions Related to the Chief of Police and Chief of Fire. In order to maintain the relative rate of payment adjustments to individuals retired from the Chief of Fire and Chief of Police classifications, or their beneficiaries, to the lower uniformed ranks in the Fire and Police Departments, the following salary adjustment process, applicable to the Chief of Fire and the Chief of Police classifications, is hereby established to become effective on the respective dates of retirement of incumbents in the Chief of Fire and Chief of Police classifications as of January 1, 1980:
  - 1. The salary of the Chief of Fire classification as contained in this ordinance shall be adjusted by a percentage amount equivalent to the average percentage amount of salary adjustment granted to rank and file uniformed employees of the Fire Department, who are represented by an employee organization recognized by the City, concurrent with implementation of salary adjustments for said rank and file employees;
  - 2. The salary of the Chief of Police classification as contained in this ordinance shall be adjusted by a percentage amount equivalent to the average percentage amount of salary adjustment granted to rank and file employees of the Police Department, who are represented by an employee

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organization recognized by the City, concurrent with implementation of salary adjustments for said rank and file employees.

The classification of Chief of Fire and Chief of Police as referenced in his provision shall constitute "ranks" for the purposes of computing retirement allowances as outlined in Section 2608(c) of the City Charter.

Retirement allowances for individuals in chief executive classifications in the respective Fire and Police Departments, other than the Chief of Fire and Chief of Police classifications, shall be computed on the basis of the appropriate retirement system provisions.

- Sec. 2.00 <u>Special Salary Provisions Related to the Director of the Fire Services and Director</u> of Police Services Agencies. In order to maintain the relative rate of payment adjustments to individuals retired from Agency Director, Fire Services and Agency Director, Police Services classifications, or their beneficiaries, to the lower uniformed ranks in the Fire and Police Agencies, the following salary adjustment process, applicable to the Agency Director, Fire Services and Agency Director, Police Services classifications, is hereby established and shall apply upon the respective dates of retirement of incumbents in the Agency Director, Fire Services and Agency Director, Police Services classifications:
  - 1. The salary of the Agency Director, Fire Services as contained in this ordinance shall be adjusted by a percentage amount equivalent to the average percentage amount of salary adjustment granted to rank and file uniformed employees of the Fires Services Agency, who are represented by an employee organization recognized by the City, concurrent with implementation of salary adjustments for said rank and file employees.
  - 2. The salary of the Agency Director, Police Services as contained in this ordinance shall be adjusted by a percentage amount equivalent to the average percentage amount of salary adjustment granted to rank and file uniformed employees of the Police Services Agency, who are represented by an employee organization recognized by the City, concurrent with implementation of salary adjustments for said rank and file employees.

The classifications of Agency Director, Fire Services and Agency Director, Police Services as referenced in this provision shall constitute "ranks" for the purpose of computing retirement allowances as outlined in Section 2608 of the City Charter.

Sec. 2.10 <u>Severance Payments</u>. As a hiring incentive for attracting into City service qualified employees whose City services are exempt from the protections of the Civil Service under Article IX of the City Charter, the appointing authority is authorized to enter into hiring agreements promising to pay severance payments equivalent to up to three months of salary, and for employees who serve at least ten years, up to six months, in the event the City must terminate the employee's services through no fault of the exempt employee.

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- Sec. 2.20 <u>Memoranda of Understanding and Administrative Instruction Affecting Terms and</u> <u>Conditions of Employment</u>. Terms and conditions of City employment may be established by approved Memoranda of Understanding and where inconsistent with any provisions of this ordinance, such Memoranda shall control with respect to the represented employees governed thereby. By Administrative Instruction the City Manager may define the unrepresented employees, if any, to whom such terms and conditions may also apply.
- Sec. 2.30 <u>Amendments</u>. Amendments to the attached "Salary Schedule" hereinafter shall be entitled "Amendments to the Salary Schedule of the Salary Ordinance". Amendments to any provision of this ordinance other than the salary schedule shall hereinafter be entitled "Amendments to the Salary Ordinance".
- Sec. 2.40 Ordinance 4727 C.M.S. and amendments thereto are hereby repealed.

Introduced = Oct. 26, 1999 ÎN COUNCIL, OAKLAND, CALIFORNIA, NOV - 9 1999

#### PASSED BY THE FOLLOWING VOTE:

AYES- BRUNNER, CHANG, DE LA FUENTE, MILEY, NADEL, REID, RUSSO, AND SPEES

NOES-ABSENT- 1 19he ABSTENTION- 1 91

CEDA FLOYD

City Clerk and Clerk of the Council of the City of Oakland, California

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INTRODUCEDBY COUNCILMENTER



#### CITY ATTORNEY

# 2016 JUN 30 MALAND CITY COUNCIL

### ORDINANCE NO.\_\_\_

C.M.S.

#### AN ORDINANCE AMENDING ORDINANCE NO. 12187 C.M.S., "THE SALARY ORDINANCE," TO CLARIFY THE AUTHORITY OF THE CITY ADMINISTRATOR IN SETTING THE COMPENSATION AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT FOR DEPARTMENT HEADS AND AMENDING ORDINANCE NO. 12903 C.M.S. AND REPEALING ORDINANCE NO. 12918 C.M.S.

WHEREAS, Oakland City Charter section 207 charges the City Council with fixing the compensation of all City employees, officers and officials unless otherwise provided by the Charter; and

WHEREAS, the Council has established salary ranges for employees and adopted salary ordinances, namely Ordinance No. 12187 C.M.S. and Ordinance No. 12903 C.M.S., that grant the appointing authority the discretion to (1) set the initial salary of employees at any point in the salary range for the classification in question; and (2) grant severance pay as a hiring incentive to employees who are exempt from Civil Service and may be terminated through no fault of the employee equivalent to three months of salary if the employee has completed less than 10 years of service and up to six months of salary if the employee has completed ten years of service; and

WHEREAS, Ordinance No. 12918 C.M.S., adopted March 3, 2009, set restrictions on the City Administrator's authority and required City Council authorization for setting the salary for department head appointments at the midpoint in the salary range for the positions "during these challenging economic times" and the City is no longer in a recession; and

WHEREAS, in order to attract the most competent and effective department heads to City of Oakland service it is necessary that the City Administrator have the discretion to set salary ranges and award additional appropriate hiring incentives for department head appointees; now therefore,

#### THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1.00 Purpose. This ordinance defines the authority and discretion of the City Administrator solely with respect to fixing compensation and other terms and conditions of employment in hiring agreements for department heads or unrepresented senior managers.

Section 1.10 Initial Salary. Notwithstanding any other provision of this Ordinance, Ordinance No. 12187 C.M.S., Ordinance No. 12903 C.M.S., Ordinance No. 12918 C.M.S., or any other Ordinance, the City Administrator may appoint a new department head or unrepresented senior manager at any point in the applicable salary schedule for the classification involved commensurate with the education and experience of the appointee; the initial salary of any

position in the City shall be within the salary schedule established for the classification to which the individual is appointed.

Section 1.20 Leave Accrual Rate. The City Administrator may set the appointee's vacation accrual rate commensurate with the appointee's public sector professional service time using the schedule for such accrual rates established by existing City policy for City employees.

**Sec. 1.21 Retroactivity.** The City Administrator may adjust the leave accrual rate for department heads or unrepresented senior managers hired into the City service between March 3, 2009 and July 30, 2016 to be commensurate with the employees' history and experience in public service and at the rates established by MOU or other existing City policy.

Section 1.30 Relocation Expenses. The City Administrator may authorize reimbursement for a reasonable portion of relocation expenses when funding is available. The City Administrator will determine what constitutes a reasonable portion of relocation expenses.

Section 1.40 Professional Dues, Memberships, and Professional Development. The City Administrator may approve payment of dues, membership, conference fees, travel, and professional development expenses related to the employee's professional and industry standing and where such activities serve to benefit the City of Oakland.

Section 1.50 Parking. The City Administrator may assign a department head a parking space in City-owned garages at no cost to the employee.

Section 1.60 Other Fringe Benefits. Consistent with the Salary Ordinance section 2.20, the City Administrator has the discretion to grant unrepresented employees the same compensation and other terms and condition of employment that are provided to represented employees under MOUs; the City Administrator may offer the maximum of any discrete fringe benefit provided to employees in any City of Oakland miscellaneous employee group contract, e.g. leave accrual rates, holidays, medical and retirement benefits, etc.

Section 2. Conflicts. If there is any conflict between the provisions of this Ordinance and Ordinance Nos. 12187 C.M.S., 12903 C.M.S., 12918 C.M.S., which this Ordinance supplements and amends, this Ordinance's provisions shall govern.

Section 3. Amendments. Amendments to any provision of this ordinance shall hereinafter be entitled "Amendments to the Salary Ordinance."

Section 4. Severability. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause, or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses, or phrases may be declared invalid or unconstitutional.

Section 5. Effective Date. This Ordinance shall become effective upon approval of its second reading.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2016

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, CAMPBELL-WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID AND PRESIDENT GIBSON MCELHANEY

NOES-

ABSENT-

ABSTENTION-

ATTEST:\_\_

LaTonda Simmons City Clerk and Clerk of the Council of the City of Oakland, California

DATE OF ATTESTATION: \_\_\_\_\_

AN ORDINANCE AMENDING ORDINANCE NO. 12187 C.M.S., "THE SALARY ORDINANCE," TO CLARIFY THE AUTHORITY OF THE CITY ADMINISTRATOR IN SETTING THE COMPENSATION AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT FOR DEPARTMENT HEADS AND AMENDING ORDINANCE NO. 12903 C.M.S. AND REPEALING ORDINANCE NO. 12918 C.M.S.

#### DIGEST

An Ordinance Amending Ordinance No. 12187 C.M.S., "the Salary Ordinance," To Clarify the Authority of the City Administrator In Setting the Compensation and Other Terms and Conditions of Employment For Department Heads and Amending Ordinance No. 12903 C.M.S. and Repealing Ordinance No. 12918 C.M.S.