

# EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

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## *AGENDA OF JUNE 25, 2008*

### *REGULAR MEETING*

**TO:** Francesca Loftis, Chair, and  
Members of the El Dorado County Local Agency Formation  
Commission

**FROM:** José C. Henríquez, Executive Officer

**AGENDA ITEM #6:** REVIEW AND CONSIDER THE DRAFT LAFCO EMPLOYEE  
BENEFITS POLICIES – Supplemental

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#### **RECOMMENDATION**

Staff recommends that the Commission:

1. Receive and review the employee benefits ad hoc committee's recommendations on the Draft Employee Benefits Policy;
2. Consider the employee benefits ad hoc committee's recommendations on changing Section 2.3.2 of the Commission's Policies and Guidelines; and
3. Adopt any or all of their recommendations so that they can be incorporated into the Draft Employee Benefits Policy at the time the Commission moves to approve the Draft Policy. The adopted document will be incorporated into the Commission's Policies and Guidelines.

#### **REASON FOR RECOMMENDED ACTION**

At the January meeting, the Commission instructed staff to further develop an employee benefit policy that was independent of the County's benefits policies. Counsel developed the attached policies, incorporating the best practices found throughout the state as well as the research conducted by the Executive Officer on the benefits policies of other LAFCOs and local agencies. In May, the Commission directed staff to meet with an ad hoc committee composed of Commissioners Cooper and Sweeney to discuss these policies. If approved, the Benefits Policies will not only be an appendix to the Commission's Policies and Guidelines but also a handbook that will be distributed to existing and future employees.

#### **BACKGROUND**

The Item #6 Staff Memo mailed to the Commission earlier in the week contains a more comprehensive description of the draft benefits policy, so this memo will contain only

the updates from the meeting between staff and the employee benefits ad hoc committee. Most of the changes are technical in nature and further clarify the Commission's meaning behind certain clauses in the draft policy. The structure for this memo will be to show the employee benefits ad hoc committee's recommended changes plus staff comments and recommendation.

- Page 2 of 36: The ad hoc committee recommends the addition of a preamble stating that, "Wherever the term 'LAFCO' is used in this P&P Guidelines, it shall mean 'El Dorado LAFCO'."

*Staff response and recommendation:* The committee members were concerned that if this LAFCO hired an employee from another LAFCO, said employee may be under the false assumption that his/her tenure from the other LAFCO would qualify him/her for benefits reserved for El Dorado LAFCO employees with higher seniority. In other words, this LAFCO would have to bridge their tenure and allow them for the higher vacation accruals under Sections 4.2 or the sick leave payment under Section 4.1F. Staff has no objections with the recommended language and recommends its inclusion as part of the employee acknowledgement.

- Page 4 of 36, Section 1.5D (under "Reporting and Complaint Procedure"):

An employee who believes that he or she has been subjected to any form of unlawful harassment should promptly make a complaint, preferably written, to the Executive Officer, or if it involves the Executive Officer, to the Chair of the Commission. Complaints should be specific and should include the names of individuals involved and the names of any witnesses. ***The Executive Officer, or, in the event the complaint is alleged against the Executive Officer, the LAFCO Chair and Vice-Chair shall immediately cause a thorough and objective investigation to be conducted.*** ~~LAFCO will immediately undertake an effective, thorough and objective investigation and attempt to resolve the situation.~~ If LAFCO determines that unlawful harassment has occurred, effective remedial action will be taken commensurate with the severity of the offense, up to and including termination. Appropriate action will also be taken to deter any future unlawful harassment. ***Upon completion of the investigation, the results shall be given to the complainant.***

*Staff response and recommendation:* The ad hoc committee members wanted a better defined process for employees to file grievances against the EO. Specifically, they requested language that the Chair and Vice Chair shall cause an investigation to be conducted and that the results of said investigation will be known to the complainant. Staff has no objections with the recommended language and recommends adoption.

- Page 5 of 36, Section 1.6B (the "Policy" section under "Performance Management"):  
"A review and discussion of each employee's performance is conducted to enable the employee and the Executive Officer to discuss the employee's performance relative to his/her goals and objectives in addition to those of LAFCO. The discussion of job performance and goals on an informal, day-to-day basis is strongly encouraged. Additional formal performance evaluations are conducted ***at the discretion of the Executive Officer.*** ~~to provide the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and~~

~~discuss positive, purposeful approaches for meeting agreed-upon goals for the performance period.~~ After receiving their review, an employee will be required to sign the evaluation report acknowledging that it has been presented and discussed between the employee and the Executive Officer.

The performance of all employees is generally evaluated according to a one- year cycle, on or around the employee's anniversary date. However, the frequency of performance evaluations may vary depending upon length of service, job position, past performance, changes in job duties or recurring performance problems. **No merit increase shall be given absent a satisfactory performance evaluation.**

~~While merit-based~~ Merit-based pay adjustments are awarded by LAFCO in an effort to recognize truly superior employee performance. ~~Positive, positive~~ performance evaluations do not always guarantee increases in salary or promotions. Salary increases and promotions are solely within the discretion of LAFCO and depend on many factors in addition to performance. ~~Pay increases~~ **Positive performance evaluations** will be tied to the accomplishment of specific established employee goals. The Executive Officer has the discretion to adjust any step increase based on the employee's performance (e.g. issue a half-step increase instead of a full step increase); however, no full step increase may occur within 12 months from the last raise."

*Staff response and recommendation:* The ad hoc committee members recommend these changes to tighten the Commission's policies relating to the relationship between merit increases and satisfactory performance evaluations. Staff has no objections to the proposed changes and recommends their adoption.

- Page 6 of 36, Section 1.7B (first paragraph under "Policy – General Employees"):

Employees have the right to inspect certain documents in their personnel file, as provided by law, in the presence of a LAFCO representative at a mutually convenient time. ~~Only documents previously signed by the employee are allowed to be copied.~~ Employees may add written versions of any disputed item to their file.

*Staff response and recommendation:* Staff has no objections to the proposed changes and recommends their adoption.

- Page 7 of 36, Section 1.8D: The ad hoc committee members interpret the language under the "Discharge" section to be disciplinary in nature, so they recommend that this paragraph fits better under "Employee Code of Conduct." The ad hoc committee recommends moving this section to Section 5.1A and renumbering the remaining sections under "Termination" accordingly.

*Staff response and recommendation:* Section 1.8B states in the last sentence that "below are examples of some of the most common circumstances under which employment is terminated." Leaving out "Discharge" as a common termination situation may be equally interpreted as misleading. Staff does not object with moving the definition of "Discharge" to the end of Section 5.1A. Instead, staff recommends leaving the word "Discharge" in Section 1.8D with a reference to Section 5.1A (i.e. Discharge: See section 5.1.A) .Staff has no objections to the proposed changes and recommends moving this section.

- Page 8 of 36, Section 1.9 (under “Outside Employment”):

No employee shall engage in any occupation or outside activity which is incompatible with LAFCO employment. Any employee who proposes to engage in an occupation or outside employment for compensation shall inform the Executive Officer in advance of the nature of such employment. The Executive Officer, after making a determination whether or not such employment is in conflict with LAFCO employment, **will notify the employee of such determination** ~~may approve or disapprove the employee’s request for outside employment.~~

*Staff response and recommendation:* Staff has no objections to the proposed changes and recommends their adoption.

- Page 9 of 36, Section 2.1D3 (under the “Employment Categories”):

Temporary – Employees who are hired as interim replacements, to temporarily supplement the work force, or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change in writing signed by the Executive Officer **or designee**. Temporary employees are ineligible for LAFCO’s benefit programs; ~~however, a portion of their salary may be used for Social Security credit.~~

*Staff response and recommendation:* The ad hoc committee members recommended striking the second half of the last sentence because they were concerned that it limited LAFCO in case additional deductions are necessary (such as wage garnishing). Staff has no objections to the proposed changes and recommends their adoption.

- Page 9 of 36, Section 2.2C (under “Pay Advances”):

~~Generally, LAFCO does not give advances against wages. LAFCO does not give advances against un-accrued vacation time.~~

*Staff response and recommendation:* Staff has no objections to the proposed changes and recommends their adoption.

- Page 9 of 36, Section 2.2E (under “Overtime Pay”):

When LAFCO's needs cannot be met during regular working hours, employees may be required to work overtime. All overtime work for nonexempt employees must receive prior authorization of the Executive Officer. The Executive Officer has the discretion to adjust work schedules to avoid overtime pay if necessary. Overtime compensation is paid to all nonexempt employees in accordance with **applicable** federal and state wage and hour laws, based on actual hours worked over forty (40) hours per week.

*Staff response and recommendation:* Staff has no objections to the proposed change and recommends its adoption.

- Page 11 of 36, Section 3.2B2 (under “Requirements for Partial Reimbursement of Tuition”):
  2. The subject matter of the course must be directly related to the employee's present position or to a position within ~~the normal line of promotion within~~ LAFCO.

*Staff response and recommendation:* The ad hoc committee members recommended modifying this section because of their concern that it limited the eligibility of LAFCO employees too much. Staff has no objections to the proposed changes and recommends their adoption.

- Page 16 of 36, Section 4.2B (the second paragraph after the “vacation maximum accrual” box under “Policy”):

In order to request vacation time, employees should submit a **written request on a form provided by LAFCO** ~~Paid Time Off Request form~~ to the Executive Officer. Every effort will be made to accommodate all employees’ requests for specific vacation leave time. However, the Executive Officer will also consider the needs of LAFCO when evaluating vacation requests.

*Staff response and recommendation:* Staff has no objections to the proposed changes and recommends their adoption.

- Page 23 of 36, Section 4.5B (under “Bereavement Leave”): The ad hoc committee recommended reducing the number of Bereavement Leave days from 5 to 3.

*Staff response and recommendation:* Industry standard for agencies that offer this benefit is 3 days of Bereavement Leave, so the recommendation aligns LAFCO with that standard. This is a new benefit that is not offered by the County. Consequently, reducing these hours would not conflict with the Commission’s direction not to take away a benefit that employees are currently receiving. Staff prefers to retain the 5 days because in some cases the additional time to grieve is necessary, but it has no objections to a reduction to 3 days.

- Page 30 of 36, Section 5.1A: The ad hoc committee members recommend deleting the third paragraph because they believe it conflicts with prior statements that employees are “at-will.”

*Staff response and recommendation:* Staff has no objections to the proposed changes and recommends their adoption.

- Page 31 of 36, Section 5.1B5 (second paragraph under “Economy and Efficiency”): They **shall** ~~should~~ use their authority, available resources and information only for the work-related purpose intended.

*Staff response and recommendation:* Staff has no objections to the proposed changes and recommends their adoption.

- Pages 32 and 33 of 36, Section 5.2 (“Computer and email usage”), add the following paragraph:

**Employees are prohibited from loading any software, data or information from outside sources onto LAFCO computers or networks without prior authorization. All loading of outside software, data or information on LAFCO's**

***computers or network shall be completed by authorized persons only.***

*Staff response and recommendation:* Staff has no objections to the proposed changes and recommends their adoption.

In addition to changes in the Draft Employee Benefits Policy listed above, the employee benefits ad hoc committee recommended that the Commission adopt one of the two recommendations, based on the Commissioners' preference, to Policies & Guidelines Section 2.3.2. While this section was outside of the scope of the Commission's direction set in January, the ad hoc committee recommends that the Commission consider amending it at this time.

- Option 1 – The Commission sets the LAFCO positions and descriptions:

**Number/Classification of Positions:** LAFCO shall specify the number and classification of all positions. A salary scale and position description specifying duties and responsibilities for each classification/position will be approved by LAFCO; ~~each LAFCO position will be linked by the Commission to a comparable or similar classification within the El Dorado County classification plan.~~

- Option 2 – The Commission sets the LAFCO positions and descriptions but the Executive Officer is authorized to amend if necessary:

**Number/Classification of Positions:** LAFCO shall specify the number and classification of all positions. A salary scale and position description specifying duties and responsibilities for each classification/position will be approved by LAFCO. ***The position description may be modified by the Executive Officer as necessary in order to accurately reflect any changes in job duties and responsibilities. However, any addition or deletion of a position must be approved by LAFCO.*** ~~; each LAFCO position will be linked by the Commission to a comparable or similar classification within the El Dorado County classification plan.~~