



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: FEBRUARY 3, 2026**
FROM: HUMAN RESOURCES DEPARTMENT **WARDS: ALL**
SUBJECT: REVISIONS TO THE CITY'S HUMAN RESOURCES POLICIES AND PROCEDURES MANUAL

ISSUE:

The issue for City Council consideration is to adopt the attached revisions to the City's personnel policies, contained in the Human Resources Policy and Procedure Manual.

RECOMMENDATION:

That the City Council adopt the proposed revisions to the City's personnel policies, contained in the Human Resources Policy and Procedure Manual.

BOARD RECOMMENDATION:

The Human Resources Board reviewed and unanimously approved the revised policies. The date of this review and approval is recorded alongside the policy summary in the discussion section. The Human Resources Board conducted a public hearing on January 5, 2026, voting unanimously to recommend the attached policies to the Council for approval.

BACKGROUND:

The Human Resources Department routinely reviews and revises the City's personnel policies contained in the Human Resources Policy and Procedure Manual. Policy revisions are often made as a result of changes to the law, to reflect current practice, or following discussions with the City's labor groups. The policies that are presented for the Council's consideration and have been reviewed by the Human Resources Department, each of the effected labor groups, in addition to the Human Resources Board.

DISCUSSION:

The following policies, with a brief description of the proposed new content or revisions, are:

Policy I-17 – Appointment and Selection of City Attorney Classifications and Salary Placement Policy - The Appointment and Selection of City Attorney Classifications and Salary Placement Policy (I-17) has been revised to clarify the effective dates of merit increases and to confirm that special merit increases may be granted outside the normal hire or anniversary date, but not during an employee's probationary period. The revisions establish clearer standards for when and why a special merit increase within the salary range may be approved, while reinforcing that such

increases are discretionary and not automatic. (Approved 01/05/26)

Policy V-11 – Section 125/Cafeteria Plan Policy - The updated Section 125/Cafeteria Plan Policy (V-11) includes revisions to ensure continued compliance with the Internal Revenue Code (IRC) and to reflect new plan implementations by the City. Key revisions include the addition of a new section defining a Health Savings Account (HSA) in accordance with the IRC.

Beginning in 2026, the City is offering a new High-Deductible Health Plan (HDHP), which includes the option for eligible employees to enroll in an HSA. This policy update provides additional information regarding HAS's and outlines applicable eligibility requirements. (Approved 01/05/26)

Policy V-5 – Leave of Absence (Military) Policy - The updated Leave of Absence (Military) Policy (V-5) includes revisions to ensure continued compliance with the federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and the California Military and Veterans Code. Key revisions include clarifications related to short-term military duty leave, fiscal-year dates, and employee benefits while on military leave. The updated language also provides clearer definitions regarding additional and special assignment pay.

The policy now includes an updated definition of a City employee for the purpose of determining eligibility for military leave. In addition, it incorporates eligibility provisions for National Guard members who are called to duty during a state of emergency, as outlined in Government Code 395.05.

Finally, the revised policy includes expanded information regarding benefits and compensation during a military leave of absence, including CalPERS service credit, vacation, sick leave and holiday accruals, and promotional rights.

Furthermore, all policies also include administrative changes to reflect process changes and to conform to a citywide format.

The Human Resources Department confirms that these updates include all required elements as required by law.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

Prepared by:	Rene Goldman, Human Resources Director
Certified as to availability	
Of funds:	Julie Nemes, Interim Finance Director
Approved by:	Edward Enriquez, Assistant City Manager/Chief Financial Officer
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney

Attachments:

1. Appointment and Selection of City Attorney Classifications and Salary Placement Policy (I-17)
2. Section 125/Cafeteria Plan Policy (V-11)
3. Leave of Absence (Military) Policy (V-5)