



Koff & Associates
A Gallagher Company

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Benefits Study Draft Report & Recommendations

Sacramento Transportation Authority

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EXECUTIVE SUMMARY

In March 2023, Koff & Associates (“K&A”) conducted a benefits survey for Sacramento Transportation Authority (“STA”) to draw a comparison between STA’s benefit package to those of comparable agencies. These types of surveys are typically completed every 3-5 years. The intent of this benefit survey and recommendations is to align STA’s benefits with comparator agencies to both retain staff and hire staff, as needed.

Benefits were collected from the following seven comparator agencies for both unrepresented employee and management groups. The benefits surveyed were then used to develop recommendations.

Agencies Surveyed

- City of Elk Grove
- City of Sacramento
- County of Sacramento
- Placer County Transportation Planning Agency (PCTPA)
- Sacramento Area Council of Governments (SACOG)
- Sacramento Metro Air Quality Management District (SMAQMD)
- Sacramento Regional Transit (SacRT)

Benefits Surveyed

- Retirement and Social Security
- Deferred Compensation
- PEPRAs Offset
- Medical Insurance
- Life Insurance
- Vision Insurance
- Dental Insurance
- Retiree Health
- Holidays and Floating Holidays
- Vacation Accrual and Cash-out
- Administrative/Management Leave
- Sick Leave
- Longevity Pay
- Auto Allowance
- Education/Professional Development
Cost Reimbursement & Pay Incentives
- Parking/Transit Subsidies
- Telework

A summary of our findings and recommendations can be found on the following page.



SUMMARY OF MARKET FINDINGS AND RECOMMENDATIONS

Benefit	Study Findings	K&A Recommendations
Retirement	STA is in CALPERS and does not pay social security (6.2%). Five agencies participate in CalPERS and two agencies participate in 37Acts. Five of the seven agencies make the FICA contribution to social security, one makes a contribution to deferred compensation in-lieu of FICA.	No change.
Deferred Compensation	STA provides deferred compensation plans with no employer contribution. All agencies provide deferred compensation accounts; six agencies make some limited matching contributions. Two agencies make an additional contribution to Health Retirement Accounts, which is also included in Retiree Medical later.	Considering that STA does not contribute to Social Security, while five of the comparators do (which is a 6.2% contribution for both the employer and employee), and considering that six comparators contribute to a deferred compensation program, we recommend STA consider a matching deferred compensation contribution of up to 4%. This recommendation aligns well with the two comparator agencies that do not contribute to Social Security.
PEPRA Offset	STA does not provide any benefit that offsets the difference between Classic and PEPRA employees. Three agencies provide a benefit to PEPRA only employees that Classic employees do not receive, which compensates for the retirement benefit difference between PEPRA and Classic employees.	We recommend STA consider a matching deferred compensation contribution of an additional 2% for PEPRA employees. This recommendation would increase the deferred compensation match for PEPRA employees to 6% and at a similar level to Social Security.
Medical	Like STA, five agencies participate CalPERS Region 1 medical plans. Two agencies have their own plans. STA contributes more than the comparator average to EE Only Premiums, but lags the average of all comparators for EE +1 by \$610 and Family Premiums by \$1,034.	Employer provided cafeteria plan: \$600 per month plus 5.0% of monthly salary-equivalent to purchase CalPERS health insurance and/or dependent care (unspent cafeteria plan funds are paid to employee) or up to 90% of the CalPERS Kaiser at the plan level enrolled.
Dental	STA pays 100% of premiums. All except one agency make a contribution to vision.	No change.
Vision	STA pays 100% of premiums. All except one agency make a contribution to vision.	No change, but update STA documentation to reflect this benefit.
Life Insurance	STA pays for a basic Life Insurance plan. All agencies pay for a basic Life Insurance plan. Employees in most cases may buy-up.	STA may consider allowing employees to buy additional life insurance out of pocket.
Retiree Health	STA contributes the PEMHCA minimum to retirees. Two agencies contribute to Retiree Health Savings Accounts. One agency provides retiree insurance at the same level	STA may consider implementing a Retiree Health Savings Account and contribute up to \$100 per month or provide a matching deferred



	as active employees. Three contribute the PEMHCA minimum.	compensation contribution of an additional 1%.
Holiday Leave	STA and Sacramento County provide 116 hours of holiday and floating holidays. STA leads the comparator agencies which average 104 hours.	No change.
Vacation Leave	STA is ahead of the general average hours, which excludes hours specific to Executive Directors, until 10 YOS, at which point the agency falls 8 hours behind the average. STA lags the average including Executive Director average at all YOS brackets by an average of 21 hours. STA has fewer tiers than 5 agencies. All comparator agencies provide some form of cash-out option during employment.	STA may consider adding a fourth vacation accrual rate so the agency has rates that correspond to the following years of service: 0 – 3, 4 – 9, 10 – 14, 15 or more (see rate table on page 16). This change would increase the vacation accrual rate for employees with 10 or more years of service by one day, aligning with the average of the comparator agencies. STA may also consider increasing the vacation accrual schedule for the Executive Director to 126, 158, 176, and 198 hours, respectively, for each level of accrual/years of service.
Sick Leave	STA provides 120 hours of sick leave with no accrual maximum, the agency does not allow any cash-out or conversion of sick leave during employment. Of the seven comparators, two provide Annual Leave (vacation leave time inclusive of sick leave). Of the five agencies with traditional sick leave, two provide 96 hours annually and three provide 120 annually. Only two provide a cash-out option during employment and only one has an accrual cap.	No change to STA’s accrual cap. STA may consider adopting a cash-out policy similar to the following: Employees who have 200 hours or more of accumulated vacation may elect to reduce their accumulated vacation by up to 40 hours in a calendar year and to receive cash payment in lieu of the vacation.
Administrative/ Management	STA provides no administrative, management, nor additional personal leave. Four agencies provide additional leave time to staff classified as management of 40 to 80 hours and three agencies provide leave to other exempt, supervisory, or administrative staff of 24 to 40 hours. Two agencies provide a salary differential for managers.	STA may consider offering Administrative Leave to its exempt managers of up to 40 hours per year.
Longevity Pay	Four of the comparator agencies provide longevity pay. The average longevity pay at 10 years of service (YOS) is 3.75% and at 15 YOS is 5.0%.	STA may consider offering longevity pay of 2.5% after 10 years of service and 5.0% after 15 years of service.
Auto Allowance	STA does not provide any auto allowances. Four agencies provide allowances to their Executive Director ranging from \$350-\$500. Two agencies provide allowances for other staff.	STA may consider offering an auto allowance to its Executive Director of up to \$425/month.
Education/Professional Development Cost	All agencies have some form of education, license/certification, or professional development cost reimbursement ranging	STA may consider offering cost reimbursement for education and/or professional development up to \$1,750



Reimbursement & Pay Incentives	from \$400-\$3,500 per year with an average of \$1,750 per year. Four agencies have incentive pays, however, these may not in all cases be applicable to comparable classifications at STA and are not recorded.	per year. STA may consider offering cost reimbursement for license/certification and/or professional memberships that align with the job duties and objectives of STA. STA would need to develop an internal policy on what is considered eligible.
Parking/Transit	STA does not provide any transit subsidy and parking provided is less than the number of staff. Five (5) of the participating agencies provide some form of public transit subsidy or discounts and two (2) provide parking.	STA may consider offering a transit subsidy and/or mobility subsidy of not-to-exceed \$100/month. This subsidy can be used for transit passes or shared bike and scooter passes. STA would need to develop an internal policy on what is considered eligible.
Telework	STA does not have a formal telework policy and telework options on a case-by-case basis. All comparator agencies have some telework policy allowing telework for eligible positions, based on type of work. Two agencies specified allowing two days per week and one agency specified up to four days per week; the remaining agencies specified based on individual agreements. Only one agency provides an ongoing allowance for cost of teleworking. Most agencies supply the computer equipment needed to telework.	STA may consider offering a mobile phone allowance for employees that utilize their mobile phones for business purpose of up to \$60 per month. STA may consider putting in place a more formal internal teleworking policy.



DETAILED MARKET FINDINGS AND RECOMMENDATIONS

Market findings and recommendations were developed for each of the benefits surveyed using data from the seven comparator agencies.

Retirement and Social Security

STA is in CALPERS and does not pay social security (6.20%). Five agencies participate in CalPERS and two agencies participate in 37 Act Plans. Five of the seven agencies make the Federal Insurance Contributions Act (FICA) contribution to social security, one makes a contribution to deferred compensation in-lieu of FICA.

The below items are presented in the following table:

- **Retirement System:**
 - **Retirement Formula:** The service retirement formula for each agency’s Classic and PEPRA plans. Classic employees are hired prior to January 1, 2013.
 - **Final Average Compensation (FAC):** The period for determining the average monthly pay rate when calculating retirement benefits.
 - **Employer Paid Member Contribution (EPMC):** The amount of the employee’s contribution to PERS that is paid by the employer. This is negotiated between employer and employees.
 - **Employee Cost Share (EE Cost Share):** The amount of the employer’s contribution to PERS that is paid by the employee. This is negotiated between employer and employees.
 - **Employer Normal Cost (ER Normal Cost) and Employee Normal Cost (EE Normal Cost):** The employer and employee required contributions are adjusted by CalPERS annually. These amounts do not reflect any EPMC or cost-sharing arrangements.
- **Social Security:** If an employer participates in Social Security, then the employer contributes 6.2% of the employee’s base salary up to the federally-determined maximum contribution. The employee is also required to contribute 6.2% of their base salary. All employers and employees are required to cover the Medicare cost of 1.45%.
- **PEPRA Offset:** Classic employee retirement benefits are richer than PEPRA retirement benefits. Some employers provide an additional benefit that offsets this disparity. These are summarized in the table that follows the table that summarizes Deferred Compensation.



Agency	Classic (Pre-PEPRA)							PEPRA					FICA	PEPRA Offset (see section below)
	Retirement System	Formula	FAC	EPMC	EE Cost Share	ER Normal Cost (FY22-23)	EE Normal Cost	Formula	FAC	EE Cost Share	ER Normal Cost (FY22-23)	EE Normal Cost		
STA	CalPERS	2.50%@55	3-Year	None	None	11.59%	8.00%	2.00%@62	3-Year	None	7.47%	6.75%	No	No
Elk Grove, City	CalPERS	2.00%@55	SHY	None	None	10.87%	7.0%	2.00%@62	3-Year	None	7.47%	6.75%	No	No
Sacramento, City	CalPERS	2.00%@55	SHY	None	1.00%	10.26%	7.00%	2.00%@62	3-Year	None	7.30%	7.50%	Yes	Yes
Sacramento, County	SCERS	1.92%@60	Other	None	0.095%	11.07%	10.97%	2.00%@61.25	Other	None	10.02%	10.02%	Yes	Yes
SMAQMD	CalPERS	2.00%@55	3-Year	None	None	10.32%	7.00%	2.00%@62	3-Year	None	7.47%	6.75%	Yes	No
SACOG	CalPERS	2.00%@55	3-Year	None	None	11.10%	7.00%	2.00%@62	3-Year	None	7.65%	7.25%	Yes	Yes
SacRT¹	SacRT	2.00%@55 to 2.5%@60, and based on YOS	3-Year	None	None	19.67%	0.00%	1.00%@52 to 2.50%@67 and based on YOS	3-Year	None	6.58%	6.58%	Yes	No
PCTPA²	CalPERS	2.00%@55	SHY	7.00%	None	11.61%	7.00%	2.00%@62	3-Year	None	7.76%	7.25%	No ³	No

¹ SacRT: For Classic employees the rate is 2.0% @ 55 with 25 YOS, 2.1% @ 56 with 26 YOS, 2.2% @ 57 with 27 YOS, increasing by a tenth of a percent until age 60 with 30+ YOS. For PEPRA employees the rate is 1.0% @ 52, increasing by a tenth of a percent for each year of age to 2.5% @ 67. Classic employees have no member contribution per bargaining unit agreements.

² PCTPA: For Classic employees, the agency pickups the employee contribution. Thereby, employer contribution is 18.61% and employee is 0.00%. For PEPRA employees there is no EPMC.

³ PCTPA: provides 7.0% contribution to deferred compensation in-lieu of FICA.



Deferred Compensation

STA provides deferred compensation plans with no employer contribution. All agencies provide deferred compensation accounts; six agencies make some limited matching contributions averaging 3.5%. Two agencies make an additional contribution to Health Retirement Accounts which is also included in Retiree Medical later. For the two agencies that do not make the FICA contribution to social security, they instead provide up to a 4% or 7% employer match for deferred contribution.

Agency	Description
STA	457 & 401k, no employer contribution
Elk Grove, City	- 401(a), City will match employee's contribution to the 457 plan, up to 4.0%, and contribute the amount to the 401(a) plan, up to a maximum of \$900 annually - 457, employee voluntary, no employer contribution
Sacramento, City	SCXEA Units 01, 04, 20 (Exempt Management, Management Support, and Executive Management) - 401a, City pays 4.0%, Employee required to pay 5.0% - 457, no employer contribution SCXEA Unit 10 (Confidential and Administrative) - 401a, City pays 2.0%, Employee required to pay 2.0% - 457, no employer contribution
Sacramento, County	- Employees with 1% contribution to their 457(b) are eligible to receive 3% of gross pay County contribution into 401(a) plan.
SMAQMD	457, match up to \$75.83/month
SACOG	401(a), employer contribution of 1.0% for regular non-management PEPRAs Employees 457, voluntary, no employer contribution
SacRT	457(b), voluntary, no employer contribution
PCTPA	457, employer contribution 7.0% in-lieu of social security benefits

Recommendation: Considering that STA does not contribute to Social Security, while five of the comparators do (which is a 6.2% contribution for both the employer and employee), and considering that six comparators contribute to a deferred compensation program, we recommend STA consider a matching deferred compensation contribution of up to 4%. This recommendation aligns well with the two comparator agencies that do not contribute to Social Security.



PEPRA Offset

STA does not provide any benefit that offsets the difference between Classic and PEPRA employees. Three agencies provide a benefit to PEPRA only employees that Classic employees do not receive, which compensates for the retirement benefit difference between PEPRA and Classic employees.

Agency	PEPRA Offset
STA	None
Elk Grove, City	None
Sacramento, City	PEPRA employees have no employee cost share* for retirement. Classic employees have a 1.00% employee cost share for retirement.
Sacramento, County	Tier equal to PEPRA has no employee cost share for retirement. Tier equal to Classic has a cost share of 0.095%.
SMAQMD	None
SACOG	Agency provides a 1.0% contribution to 401(a) for regular non-management PEPRA Employees. Classic employees in the same category do not receive this benefit.
SacRT	N/A
PCTPA	PEPRA employees do not receive an agency pickup (EPMC) while Classic employees do (full 7%).

* Cost share means that employees are picking up a portion of the employer’s contribution rate.

Recommendation: STA’s normal employer cost for its Classic PERS plan is 11.59% while the normal cost of its PEPRA PERS plan is 7.47%. We recommend STA consider a matching deferred compensation contribution of an additional 2% for PEPRA employees. This recommendation would increase the deferred compensation match for PEPRA employees to 6% and at a similar level to Social Security.



Medical

An additional spreadsheet is available with all agencies' plan premiums and agency contributions.

Like STA, five agencies participate in CalPERS Region 1 medical plans. Two agencies have their own plans. Table below shows the lowest, average of, and highest plan premiums, STA's contribution, and comparator average max contribution for CalPERS agencies, and then following for all comparators. STA contributes more than the comparator average to EE Only Premiums, but lags all comparators for EE +1 and Family Premiums. The table following shows a description of employer contributions and the employer maximum amounts.

Tier	CalPERS Comparators					All Comparators				
	Lowest Premium	Average Premium	Highest Premium	STA Contribution*	Comparator Average Max Contribution	Lowest Premium	Average Premium	Highest Premium	STA Contribution*	Comparator Average Max Contribution
EE Only	\$760.17	\$1,039.64	\$1,210.71	\$1,016.67	\$849.70	\$538.50	\$877.66	\$1,210.71	\$1,016.67	\$816.10
EE +1	\$1,520.34	\$2,069.54	\$2,421.42	\$1,016.67	\$1,699.39	\$1,076.96	\$1,805.61	\$2,421.42	\$1,016.67	\$1,626.10
Family	\$1,976.44	\$2,690.54	\$3,147.85	\$1,016.67	\$2,209.21	\$1,432.38	\$2,289.47	\$3,147.85	\$1,016.67	\$2,050.50

* See note below regarding STA's total benefit amount.

Agency	Description	EE Only	EE +1	Family
STA	Fixed Cafeteria Benefit amount equal to \$600/month + 5.0% of salary. Contribution amounts reflect employee with a salary of \$100,000. Employees have a contribution to all but four employee only plans.	\$1,016.67	\$1,016.67	\$1,016.67
Elk Grove, City	Fixed Cafeteria Benefit amount equal to Western Health Advantage HMO, all other plans require employee contribution.	\$822.37	\$1,644.73	\$2,138.15
Sacramento, City*	Cafeteria benefit to be used for medical, dental, and vision. Benefit amount for Employee only is about 3.0% greater than highest plan and benefit amounts for Employee +1; employees on Employee +1 and Family have excess funds for two ABHP plans.	\$838.00	\$1,333.00	\$1,777.00
Sacramento, County*	Fixed subsidy amount equal to Western Health Advantage HDHP, all other plans require employee contribution.	\$659.80	N/A	\$1,689.14
SMAQMD	Employer pays 80% PERS Region 1 Kaiser. All plans require an employee contribution.	\$730.99	\$1,461.98	\$1,900.58
SACOG	Employer pays 100% PERS Region 1 Kaiser. Three plans do not require an employee contribution, of which two employees have remaining funds. Employees may use remaining funds.	\$913.74	\$1,827.48	\$2,375.72



SacRT	Employer pays 90% premium PERS Region 1, not exceeding 90% of monthly Kaiser or Blue Shield Access Plus, whichever is greater. An employee selecting a plan less costly than the Blue Shield Access Plus Plan will still be subject to paying 10% of the monthly premium cost of that plan. Employee has a contribution to all plans.	\$931.70	\$1,863.38	\$2,422.40
PCTPA	Employer pays average of plans in region. Employees have excess funds for four of 12 plans which can be used towards deferred compensation.	\$1,034.77	\$2,069.54	\$2,690.40

Recommendation: STA’s current cafeteria plan of \$600 per month plus 5% of salary is unusual compared to the market. Due to the fact that some current employees are taking advantage of the “in-lieu-of” benefit, i.e., they are enrolled in non-agency health plans and therefore are able to cash in the entire \$600 plus 5% cafeteria benefit, we recommend STA retain the in-lieu-of benefit as is. Regarding the cafeteria amount when the employee elects to enroll in STA’s medical plan, we recommend the following: up to 90% of the CalPERS Kaiser plan at all levels, i.e., employee only, employee plus one, and employee plus family. The following language is what we would recommend:

Employer provided cafeteria plan: \$600 per month plus 5.0% of monthly salary-equivalent to purchase CalPERS health insurance and/or dependent care (unspent cafeteria plan funds are paid to employee) or up to 90% of the CalPERS Kaiser at the plan level enrolled.



Dental Insurance

An additional spreadsheet is available with all agencies' plan premiums and agency contributions.

STA pays 100% of dental premiums. All except one agency make a contribution to dental insurance. In no cases do employees keep excess funds.

Agency	Description	Plan Premiums			Maximum Employer Contribution		
		EE Only	EE+1	Family	EE Only	EE+1	Family
STA	Employer pays 100% of dental premiums at all levels (i.e., 100% of the amounts listed in the columns to the right)	\$49.80	\$111.16	\$164.07	\$49.80	\$111.16	\$164.07
Elk Grove, City	Employer pays 100% for all plans and tiers.	\$55.70	\$127.00	\$196.70	\$55.70	\$122.70	\$196.70
Sacramento, City*	Employees use remaining funds from Cafeteria benefit.	\$27.86 - \$62.06	\$52.92 - \$177.86	\$70.44 - \$156.92	\$0.00	\$0.00	\$0.00
Sacramento, County*	Employer pays fixed amount. Employee does not keep remaining funds.	Unknown	Unknown	Unknown	\$118.50	\$118.50	\$118.50
SMAQMD	Employer pays 100% Low Plan, employee pays difference for High Plan.	\$54.43 - \$63.07	N/A	\$147.94 - \$167.84	\$54.43	N/A	\$147.94
SACOG	Employer pays 100% for all plans and tiers.	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
SacRT	Employer pays 100% for all plans and tiers.	\$21.76 - \$59.67	\$38.92 - \$108.90	\$57.60 - \$171.72	\$59.67	\$108.90	\$171.72
PCTPA	Employer pays up to the following amounts. No plans are greater than employer's contribution in CY 2023.	\$54.17	\$93.17	\$121.33	\$54.17	\$93.17	\$121.33

Recommendation: No change.



Vision Insurance

An additional spreadsheet is available with all agencies’ plan premiums and agency contributions.

All except one agency make a contribution to vision insurance.

Agency	Description	Plan Premiums			Maximum Employer Contribution		
		EE Only	EE +1	Family	EE Only	EE +1	Family
STA	Employer pays 100% for all plans and tiers.	\$10.41	\$21.04	\$34.02	\$10.41	\$21.04	\$34.02
Elk Grove, City	Employer pays 100% for all plans and tiers.	\$18.40	N/A	\$18.40	\$18.40	N/A	\$18.40
Sacramento, City	Employees use remaining funds from Cafeteria benefit.	\$8.44 - \$13.02	\$12.14 - \$18.68	\$21.72 - \$33.44	\$8.44 - \$13.02	\$12.14 - \$18.68	\$21.72 - \$33.44
Sacramento, County	Voluntary, no employer contribution.	\$5.16	N/A	\$13.22	\$0.00	\$0.00	\$0.00
SMAQMD	Employer pays 100% employee only, employee pays difference for dependents.	\$6.33	\$6.33	\$6.33	\$0.00	\$0.00	\$0.00
SACOG	Employer pays 100% for all plans and tiers.	\$6.33	\$10.74 - \$12.69	\$17.72	\$6.33	\$6.33	\$6.33
SacRT	Employer pays 100% for basic plan, employees may buy-up.	\$15.00 - \$28.77	\$15.00 - \$28.77	\$15.00 - \$28.77	\$15.00	\$15.00	\$15.00
PCTPA	Employer pays up to the following amounts. No plans are greater than employer’s contribution in CY 2023.	\$9.04	\$19.84	\$37.10	\$9.04	\$19.84	\$37.10

Recommendation: No change, but update STA documentation to reflect this benefit.



Life Insurance

STA pays for a basic Life Insurance plan. All agencies pay for a basic Life Insurance plan. Employees in most cases may buy-up.

Agency	Basic Life Insurance Amount
STA	\$50,000
Elk Grove, City	1 x annual base salary with minimum benefit of \$50,000 and maximum of \$300,000.
Sacramento, City	\$50,000
Sacramento, County	\$50,000
SMAQMD	\$50,000
SACOG	\$55,000
SacRT	\$50,000
PCTPA	\$50,000

Recommendation: STA may consider allowing employees to buy additional life insurance out of pocket.



Retiree Health

Two agencies contribute to Retiree Health Savings Accounts. One agency provides retiree insurance at the same level as active employees. Three contribute the PEMHCA minimum.

Agency	Retiree Health
STA	STA provides the minimum retiree employer contribution (PEMHCA). In 2023 it is \$151 per month. All full-time employees who retire directly from the Authority, at a minimum age of 52, with a minimum of five years of service, including surviving spouses, are eligible.
Elk Grove, City	<ul style="list-style-type: none"> • Retirees may purchase the City of Elk Grove’s CalPERS medical plans at the same rate as active employees. The City will pay the minimum monthly contribution (PEMHCA) towards the CalPERS medical premium for all retirees. • Health Retirement Account: Employees are enrolled in an HRA/defined benefit program. City contributes \$216.67/month. Employees are vested 100% on first day of employment. Employee is not required to retire.
Sacramento, City	<ul style="list-style-type: none"> • Retiree Health Savings Account <ul style="list-style-type: none"> -Employees hired on/after 8/8/2015 contribute 2.0% of salary per pay period. -Employees hire prior to 8/8/2015 contribute \$25.00/pay period. Employee contribution mandatory. • Retiree Insurance: <ul style="list-style-type: none"> • No employee hired after 6/30/2012 shall be eligible for any retiree insurance. • No employee or retiree shall have any rights provided after 9/22/2023 • Policy until 9/22/2023 for those hired prior to 6/30/2012: Eligible retirees or survivor dependents shall receive City-paid retiree insurance contributions for medical, dental, and vision benefits. Maximum contribution is \$300/month. Retiree with dependent enrolled on the retiree’s medical plan shall receive an additional \$65/month. Eligibility is as follows: <ul style="list-style-type: none"> -10 yrs service but less than 15: 50% of City contribution above -15 yrs service but less than 20: 75% of City contribution above -20 yrs service: 100% of City contribution above.
Sacramento, County	<ul style="list-style-type: none"> • Retiree Health Savings Plan: employer contribution of \$50.00/month. • Retiree Insurance: Once retired, the County offers retiree medical, dental, and vision coverage for eligible retirees and their eligible dependents. The County will not provide a retiree health contribution when an employee retires.
SMAQMD	• Retiree Insurance: PEMHCA Minimum + \$150/month
SACOG	<ul style="list-style-type: none"> • Retiree Health Savings Account: agency contributes \$50/month • Retiree Insurance: agency contributes PEMHCA minimum.
SacRT	<p>Hired on or after January 1, 1994, but prior to January 1, 2015, and retire after June 16, 2009, receive benefits at 10% contribution rate.</p> <p>Hired on or after January 1, 2015, receive PEMHCA minimum.</p>
PCTPA	PCTPA provides post-retirement medical insurance via CalPERS at the same level as active employees (maximum contribution of up to average family premium). Annuitants pay out-of-pocket for any coverage over the budget limit.

Recommendation: STA may consider implementing a Retiree Health Savings Account and contribute up to \$100 per month or provide a matching deferred compensation contribution of an additional 1%.



Holidays and Floating Holidays

STA and Sacramento County provide 116 hours of holidays and floating holidays. STA and Sacramento County leads the comparator agencies which average 104 hours. STA’s holidays are tied to what the County provides to its employees. The County recently added Juneteenth, which increased the total holidays for both agencies from 108 to 116 hours.

Agency	Total Hours	Holidays (Days)	Floating Holidays (days)	Carryover/Cash-out
STA	116	14.5	0	No rollover or cash-out.
Elk Grove, City	104	12	1	Unused Floating Holiday hours cannot be rolled over and have no cash value.
Sacramento, City	112	11 + 2 half days	2	An employee may carry-over from the preceding calendar year a maximum of eight (8) hours of floating holiday accrual. There shall be no cash-out of floating holiday hours, either annually or upon separation.
Sacramento, County	116	14.5	0	No rollover or cash-out.
SMAQMD	88	10 + 2 x ½ days	0	No rollover or cash-out.
SACOG	100	12	4 hours after 1 YOS	No rollover or cash-out.
SacRT	100	7.5	5	Floating Holiday Sell Back: unused days must be sold back end of each calendar year. Valued at base rate of pay.
PCTPA	104	9	4	No rollover or cash-out.
<i>Average (excluding STA)</i>	104	11	2	

Recommendation: No change.



Vacation Accrual and Cash-out

Below table summarizes the detailed vacation accrual by years of service (YOS) and vacation cash-out during employment. Two agencies provide Annual Leave which includes hours for sick leave. All agencies provide some form of cash-out option during employment.

The General Average represents the hours accrued for agencies not providing annual leave and hours not specified for Executive Director. The non-Executive Director Average STA is ahead of the General Average number of hours until 10 YOS where the agency falls 8 hours behind the average. STA lags the Executive Director Average at all YOS brackets by an average of 21 hours. STA also only has three vacation accrual rates. Additional years of service is based on years of employment with a CALPERS participating agency and/or a California county.

Vacation Accrual and Form of Cash-out Summary

Agency	Years of Service				Form of Cash-out	Note
	0 – 4	5 – 9	10 – 14	15+		
STA	104	143	143	185	No	--
Elk Grove, City	176	216	232	256	Yes	Annual Leave
Sacramento, City	80	120	120	160	Yes	--
Sacramento, County	80	120	151	200	Yes	--
SMAQMD					Yes	--
Executive Director	168	168	168	168		
All Others	96	160	168	216		
SACOG	224	264	264	304	Yes	Annual Leave
SacRT					Yes	
Management	80	120	160	200		240 @ 25 YOS
Executive Director	200	240	280	280		
PCTPA	104	144	160	184	Yes	--
General Average*	88	133	152	192	Yes: 7 No: 0	--
Executive Director Average**	126	158	176	198		

*Excludes agencies with Annual Leave and hours specified for Executive Director. Annual Leave is vacation time inclusive of sick leave. Since Annual Leave is inclusive of sick leave, the amount is not easily comparable to those with traditional vacation leave.

**Excludes agencies with Annual Leave; excludes hours for non-Executive Directors for SMAQMD and SacRT.

Recommendation: STA may consider adding a fourth vacation accrual rate so the agency has rates that correspond to the following years of service: 0 – 3, 4 – 9, 10 – 14, 15 or more. STA may consider utilizing the following vacation accrual table:

Years of Qualified Service	Vacation Accrual per Year
0 through 3	104 hours
4 through 9	144 hours



10 through 14	160 hours
15 or Greater	192 hours
Years of Qualified Service is based on years of employment with a CALPERS participating agency and/or California county.	

This change would increase the vacation accrual rate for employees with 10 or more years of service by one day, aligning with the average of the comparator agencies. STA may also consider increasing the vacation accrual schedule for the Executive Director to 126, 158, 176, and 198 hours, respectively, for each level of accrual/years of service. Implementation of recommendations specific to the Executive Director may need to be made during the hiring process or as part of board performance evaluations.



Vacation Accrual and Form of Cash-out Details

Agency	Accrual by Years of Service (in hours)	Accrual Cap & Cash-out During Employment
STA	0 - 3 YOS: 104 4 - 15 YOS: 144 15+ YOS: 184	Accrual cap of 400 hours. If the amount will exceed the specified limits at year end, the employee shall take the excess number of vacation hours prior to the end of the year or be paid in cash for the unused vacation. Accrual of vacation leave shall resume as soon as the employee's accrued leave is brought below the maximum accrual limit.
Elk Grove, City	Annual leave, inclusive of sick leave. 0 - 5 YOS: 176 5 - 10 YOS: 216 10 - 15 YOS: 232 15+ YOS: 256	Accrual cap of 2 x annual accrual. Active Employees: may cash-out up to 80 hours of unused leave given that 40 hours utilized in prior year and a balance of 80 hours will remain.
Sacramento, City	6 MOS - 5 YOS: 80 5 - 15 YOS: 120 15+ YOS: 160	Accrual cap of 480 hours. Employees who are eligible to receive a cash payment in-lieu of vacation leave, may make an irrevocable election to receive such payment by foregoing the same number of vacation hours in the calendar year following the election.
Sacramento, County	Less than 3 YOS: 80.5 hours 3+ - 9 YOS: 119.5 9+ - 10 YOS: 143 10+ - 11 YOS: 151 Years 11 to 15: additional 8 hours per year with maximum of 200 hours at year 15	Employee who has 240 hours or more accumulated vacation and the equivalent of 10 years or more full-time continuous service, may elect to reduce their accumulated vacation by up to 40 hours in a calendar year and to receive a cash payment in lieu of the vacation.
SMAQMD	Executive Director: 168 hours/year All others: 0 - 3 YOS: 96 hours 4 - 9 YOS: 160 10 - 15 YOS: additional 8 hours per year, maximum 216 hours upon completion of 15th year.	Executive Director: may accumulate up to 400 hours of vacation time in total and may cash-out 80 hours of vacation leave per fiscal year. Represented Supervisory: May accrue up to 350 hours. Unrepresented management and confidential supervisory employees may exchange unused vacation leave for equivalent cash each FY subject to limits below and may only cash-out the equivalent number of vacation hours as those used in the FY. -Division Managers & Executive Director: up to 40 hours -Confidential Managers: up to 32 hours -Confidential Supervisors: up to 24 hours
SACOG	Annual leave, inclusive of sick leave. 0 - 3 YOS: 224 hours 3 - 15 YOS: 264 15+ YOS: 304	Employee may not accrue more than 450 hours. When reaches maximum accrual, leave accrual ceases until sufficient leave is taken. Active Employees: employees who have more than 350 hours may cash-out or deposit hours to 401a. Each CY, employees must either cash-out the first 80 hours above 350 hour or roll all hours above 350 into 401a.



Agency	Accrual by Years of Service (in hours)	Accrual Cap & Cash-out During Employment
		Upon separation: PTO in excess of 80 hours will be deposited to 401(a).
SacRT	Non-Executive Management (EMT) 1 - 3 YOS: 80 hrs 4 - 9 YOS: 120 10 - 14 YOS: 160 15 - 24 YOS: 200 25+ YOS: 240 Executive Management (General Manager, Vice Presidents, General Counsel) 1 - 3 YOS: 200 hrs 4 - 6 YOS: 240 hrs 7+ YOS: 280 hrs	Accrual Cap: for employees hired after 1/1/2015 accrual cap is 2 years of accrual. No additional accrual until falls below limit. Hired prior to 1/1/2015 accrual cap of 3 years. Sellback: -Cash: each CY, employee may sell back up to 80 hours of vacation as long as has used 80 hours. -Deferred Compensation: each CY, employees with 10 - 16 years of continuous service may annually sellback 40 hours of accrued, available vacation at straight time rate. Employees with 17+ continuous YOS may sell back up to 120 hrs.
PCTPA	0 - 3 YOS: 104 hours 3 - 10 YOS: 144 10 - 15 YOS: 160 15+ YOS: 184 hours	Maximum accrual is 320 hours. Employees may cash-out up to 80 hours per FY.

Recommendation: No change to STA’s accrual cap. STA may consider adopting a cash-out policy similar to the following:

Employees who have 200 hours or more of accumulated vacation may elect to reduce their accumulated vacation by up to 40 hours in a calendar year and to receive cash payment in lieu of the vacation.



Administrative, Management, and Personal Leave

STA provides no administrative, management, nor additional personal leave. Four agencies provide additional leave time to staff classified as management of 40 to 80 hours and three agencies provide leave to other exempt, supervisory, or administrative staff of 24 to 40 hours. Two agencies provide a management differential.

Agency	Administrative/Management/Personal Leave (in hours)	Accrual Cap & Cash-out During Employment
STA	None	N/A
Elk Grove, City	<ul style="list-style-type: none"> Department Heads: 80 hours Other Exempt: 40 hours Non-Exempt: none 	Employees may receive cash for up to 50% of employee's unused Administrative Leave.
Sacramento, City	<ul style="list-style-type: none"> Units 01, 14, and 20 (Exempt Management, Executive Management, and Executive Management-Executives): 80 hours management time (MTO) Units 10 and 20 (Confidential & Admin, Executive Management Support): 24 hours administrative time (ATO) All receive 24 hours per year of Personal Leave starting at 10 YOS. 	<ul style="list-style-type: none"> MTO: Leave time shall not accumulate from year to year. May cash-out up to 40 hours of by agreeing to forego accrual of the same number of hours in the CY following the year in which the employee makes the election. ATO: time shall not accumulate from year to year and no cash-out of unused time. Personal Leave Time: time shall not accumulate from year to year and no cash-out of unused time.
Sacramento, County	None, however for each management employee, the County will contribute an additional 3.35% of salary	N/A
SMAQMD	<ul style="list-style-type: none"> Unrepresented: Division Managers: 80 hours Confidential Managers: 64 hours Confidential Supervisors: 40 hours Represented Supervisory Unit: none Division Managers receive board approved 5.00% management pay. 	Leave time shall not accumulate from year to year and no cash-out of unused time.
SACOG	<ul style="list-style-type: none"> Management: 40 hours Executive Director: none All others: none 	Unknown
SacRT	None	N/A
PCTPA	Deputy Executive Director: 40 hours All other employees are eligible for a flexible schedule.	Unknown

Recommendation: STA may consider offering Administrative Leave to its exempt managers of up to 40 hours per year.



Sick Leave

STA provides 120 hours of sick leave with no accrual maximum, the agency does not allow any cash-out or conversion of sick leave during employment. Of the seven agencies, two provide Annual Leave (vacation leave time inclusive of sick leave). Of the five agencies with traditional sick leave, two provide 96 hours annually and three provide 120 annually. Only two provide a cash-out option during employment and only one has an accrual cap.

Agency	Hours	Accrual Cap	During Employment	Upon Retirement or Death
STA	120	Unlimited	None	Upon Retirement: Paid 50% cash value up to 500 hours of pay. After cash payment, remaining balance counted as credit towards retirement. Death: Beneficiary paid 100% cash value.
Elk Grove, City	Included in Annual Leave	N/A	N/A	N/A
Sacramento, City	96	Unlimited	Employees who have at 480 hours of sick leave on November 1 in any calendar year, may make an irrevocable election to forego the accrual of up to 24 hours of sick leave during the following calendar year and receive instead a cash payment for the number of sick leave hours designated in the designated election	Sick Leave Cash-Out/Conversion to PERS Service Credit: PERS members hired prior to 1/1/2005 with more than 20 City YOS: (1) upon death beneficiary to receive 33.33% of sick leave credits; (2) upon retirement: eligible employees may convert any or all of their total sick leave credits. If the employee converts less than the full balance of sick leave to service credit, the employee may receive payment for 33.33% of the remaining sick leave credits after conversion to PERS. PERS members hired after 1/1/2005: ineligible for payment of any portion of accumulated sick leave credits, though employees may convert the sick leave balance to service credit pursuant to the



Agency	Hours	Accrual Cap	During Employment	Upon Retirement or Death
				PERS contract with the City upon separation of employment for retirement.
Sacramento, County	120	Unlimited	None	Death: Beneficiary shall be paid the monetary value of all sick leave accrued by the employee at the time of death. If the employee was eligible for retirement at the time of death, the retirement beneficiary shall have the right to waive the cash payment and instead receive credit toward retirement.
SMAQMD	120	Unlimited	None	Unrepresented: Management employees will be paid one-half of accrued sick leave upon retirement unless such payment is waived. Sick leave is convertible to PERS retirement service credits. Represented Supervisory: Sick leave is credited toward retirement.
SACOG	Included in Annual Leave	N/A	N/A	N/A
SacRT	96	576	Any amount in excess of 480 hours will be cashed out to 401(a). Stay Well Program: employees with more than 288 hours sick leave may convert up to 88 hours accrued in the subsequent year to SRT Deferred Comp Plan.	An employee who was hired prior to December 30, 2014, has been employed by SacRT for 10 through 14 will be eligible to sell back a maximum of 40%. Those hired prior to that date with more than 15 YOS may sellback up to 75%.
PCTPA	120	Unlimited	None	Sick time may be applied to years of service for PERS upon retirement.

Recommendation: No change.



Longevity Pay

Four of the comparator agencies provide longevity pay. The average longevity pay at 10 years of service (YOS) is 3.75% and at 15 YOS is 5.0%.

Agency	Longevity Pay
STA	None
Elk Grove, City	None
Sacramento, City	20 YOS: \$100/year 25 YOS: +\$200/year, total \$300/year
Sacramento, County	10 YOS: 2.5%
SMAQMD	None
SACOG	13 YOS: 2.5% 18 YOS: 5.0%
SacRT	None
PCTPA	Upon completion of: 5th YOS: 2.5% 10th YOS: 5.0% 15th YOS: 7.5%

Recommendation: STA may consider offering longevity pay of 2.5% after 10 years of service and 5.0% after 15 years of service.



Auto Allowance

STA does not provide an auto allowance. Four agencies provide allowances to their Executive Director ranging from \$350-\$500. Two agencies provide allowances for other staff.

Agency	Auto Allowance
STA	None
Elk Grove, City	Executive Management may receive up to \$350/month
Sacramento, City	Charter Officials and Executive Management: \$500/month Division Managers: \$250 Professional Level: \$0-\$175 Support/Miscellaneous Staff: \$0-\$100
Sacramento, County	None
SMAQMD	Executive Director: \$400/month All others: none
SACOG	None
SacRT	None
PCTPA	Executive Director: \$450 All others: none

Recommendation: STA may consider offering an auto allowance to its Executive Director of up to \$425/month. Implementation of recommendations specific to the Executive Director may need to be made during the hiring process or as part of board performance evaluations.



Education/Professional Development Cost Reimbursement & Pay Incentives

All agencies have some form of education, license/certification, or professional development cost reimbursement ranging from \$400-\$3,500 per year with an average of \$1,750 per year. Four agencies have incentive pays, however, these may not in all cases be applicable to comparable classifications at STA and are not recorded.

Agency	Cost Reimbursement	Incentives
STA	Not in place and none provided.	5% for CPA
Elk Grove, City	<p>Tuition Assistance: 80% cost of tuition and books, up to \$2,000 per year, for certification program at accredited College or University. 80% up to \$3,500 per year for employees working towards a degree.</p> <p>Professional Development: Employees may use professional development funds to participate in conferences, supplement classes, training, and similar activities. The amount available to those eligible will be determined by the Department Head and authorized in the department budget.</p>	Education Incentive: Unrepresented employees who possess a bachelor’s degree from an accredited college/university, which is not required by the minimum qualifications of the job classification, shall receive a five percent (5%) pay differential.
Sacramento, City	<ul style="list-style-type: none"> • Education Reimbursement: \$1,500 per year • State Bar Dues: actual cost of mandatory State Bar dues shall be paid for employees in attorney classifications in the City Attorney's Office. • Required Licenses & Certifications: on a case-by-case basis reimbursement may be granted reimbursement for costs associated with renewal if required to maintain. • Continuing Education: if required to maintain license or certificate, which requires CEUs to maintain the license or certificate, the employee is responsible for obtaining the CEUs. The City may provide the needed CEUs or reimburse the employee for the cost of such training. 	Notary Public: \$30.00/month
Sacramento, County	Tuition reimbursement: \$1,500 per year	Accounting and Auditing classifications: 5.0% differential for CPA; CIA; and CISA. May not be combined.
SMAQMD	<p>Up to \$2,400 per year for work-related licenses, certifications, renewal fees, and tuition reimbursement.</p> <p>District pays for Professional Engineer licenses, Certified Public Accountant, and job-relevant doctorate degrees.</p>	<p>Incentive pay is equal to 5.0% of base pay. Incentive will only be paid for one license, certificate, or degree.</p> <p>District only agrees to provide incentive pay if it determines the license or certification is relevant to the employee's classification and</p>



Agency	Cost Reimbursement	Incentives
		the license, certificate, or degree is not a minimum qualification of the position.
SACOG	Education Reimbursement: may pay up to 50% or \$900 for tuition, up to \$150 for materials. Funds based on annual budget. Professional Dues: paid for by employer.	None
SacRT	License/Certificate fees: reimbursement for basic renewal cost of all work-related licenses, required in the performance of work duties. Education Reimbursement: \$1,750/ year. Education assistance is limited to funds in the budget. Therefore, reimbursement is made on a “first-come, first-served” basis.	None
PCTPA	Education Reimbursement: up to \$400 per year	None

Recommendation: STA may consider offering cost reimbursement for education and/or professional development up to \$1,750 per year. STA may consider offering cost reimbursement for license/certification and/or professional memberships that align with the job duties and objectives of STA. STA would need to develop an internal policy on what is considered eligible.



Parking/Transit Subsidies

STA does not provide any transit subsidy and parking provided is less than the number of staff. Five (5) of the participating agencies provide some form of public transit subsidy or discounts and two (2) provide parking.

Agency	Parking/Transit Subsidies
STA	No transit benefits. Employer paid parking spaces are limited (1-2 spaces per office).
Elk Grove, City	None
Sacramento, City	<ul style="list-style-type: none"> • Regional Transit Monthly Pass (Sac RTD): 80% discount for FT and 50% for PT for those who utilize SRTD for home-to-work transportation. • Other Bus Transportation: 80% for FT civilian employees and 50% for PT who regularly utilize other bus transportation regulated by the Public Utilities Commission (i.e., buses, vanpools, rail) for home-to-work commuting. Amount not to exceed \$120/month. • Downtown Parking Subsidy: \$90/month for FT and \$60/month for PT for downtown area. • City provided parking • Transportation Savings Account: voluntary, may set aside \$280/month pre-tax for Parking and \$280/month pre-tax for Transportation.
Sacramento, County	Transit subsidy of \$75/month.
SMAQMD	<p>May receive one of the following:</p> <ul style="list-style-type: none"> • Monthly Transit: reimburse for the cost of Sac RT monthly pass for RT riders. Long-distance transit commuters may be reimbursed for actual expenses up to IRS maximum. Published amount on job descriptions indicates up to \$110. • Other Commuting Methods: allowance equal to 1/20th the cost of monthly RT pass for each day of commuting for use of carpool, vanpool, bicycle, walk, electric vehicle, daily transit, or other zero-emission means of transportation.
SACOG	Existing benefits for Transit Passes, Carpools, and Non-Motorized Commuting was discontinued July 2022. As of July 1, 2022, each employee receives a taxable benefit of \$120 per month to cover the costs of teleworking and/or commuting.
SacRT	<ul style="list-style-type: none"> • Transit Pass: Transit passes are available for employees, retirees, spouses and eligible dependents • Employee Parking: SacRT has a limited number of parking spaces available for use by authorized employees.
PCTPA	Regular full-time and regular part-time employees who regularly use a public transportation system as a method of commuting to work are eligible for transit pass subsidies. The contribution toward the cost of such a transit pass shall not exceed the cost of the monthly pass of the transit provider principally used by the employee or the current federal Internal Revenue Service (IRS) maximum fringe benefit exclusion for transit subsidies, whichever is less.

Recommendation: STA may consider offering a transit subsidy and/or mobility subsidy of not-to-exceed \$100/month. This subsidy can be used for transit passes or shared bike and scooter passes. STA would need to develop an internal policy on what is considered eligible.



Telework

STA does not have a formal telework policy and telework options are allowed on a case-by-case basis. All comparator agencies have some type of telework policy allowing telework for eligible positions, based on type of work. Two agencies specified allowing two days per week and one agency specified up to four days per week; the remaining agencies specified based on individual agreements. Only one agency provides an ongoing allowance for cost of teleworking.

Agency	Telework Policy/Telework Allowed	Telework Allowance
STA	Not in place and on a case-by-case basis.	N/A
Elk Grove, City	Up to 2 days per week; City Manager may approve additional days.	None
Sacramento, City	Employees may participate, at the discretion of the Appointing Authority, in the City’s Telecommuting Program. A Remote Work Agreement is not required for Department Heads. Eligibility for non-Department Heads based on appropriateness of work type and performance.	Equipment, software, or supplies may be provided by the City.
Sacramento, County	Sacramento County encourages the use of Telework when it is a viable option and clearly provides benefits to the employee and management. If agreed and the employee meets the eligibility criteria, the employee and Department management shall enter into a formal Telework Agreement. Frequency to be determined on case-by-case basis.	In general, the County will not provide specific tools and equipment for the teleworker to perform their duties. The teleworker is responsible for all utility and home maintenance costs incurred while working at home. The Department may in some cases provide a cell phone or reimburse the cost of job-related telephone calls.
SMAQMD	Currently up to 4 days per week for most positions.	New hire allowance for initial home office setup \$300, all employees are assigned a laptop, some employees are offered a cell phone.
SACOG	After 1 year of employment, SACOG allows alternative work schedules and teleworking.	As of July 1, 2022, SACOG provides each employee with a taxable benefit of \$120 per month to cover the costs of teleworking and/or commuting.
SacRT	The current telework program allows employees to work two days per week in-office and three days per week from home.	SacRT provides equipment and will reimburse for ink, paper, etc.
PCTPA	PCTPA offers the teleworking option to employees when it would benefit both the organization and the employee.	There is no allowance for telework. All employees have a laptop that can be used.

Recommendation: STA may consider offering a mobile phone allowance for employees that utilize their mobile phones for business purpose of up to \$60 per month. STA may consider putting in place a more formal internal teleworking policy.