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## INTRODUCTION

The employees covered by this compensation plan are in classifications that are unrepresented by a bargaining unit due to the confidential or executive nature of their positions. A list of the classifications included in this plan is attached as Exhibit A. New classifications created that are either executive management, management/confidential, professional/confidential, or administrative/confidential, based on the nature of their job duties, are considered part of this compensation plan and all the terms and conditions covered in this plan will apply.

### ARTICLE I: HOURS OF WORK

#### 1) Hours of work

With the exception of non-exempt employees, all individuals are normally expected to work a minimum of forty hours per workweek as well as any additional hours that may be required to fulfill the responsibilities and work assignments of the position. The City may require employees to record hours actually worked, regardless of FLSA exempt/non-exempt status.

#### 2) Work Schedule

Employees may be assigned to work a 5/40, 9/80 or 4/10 work schedule. Employees may work a different work schedule based upon the needs of the City or request of the employee, which is subject to mutual agreement and department head approval.

Division Chiefs assigned to suppression work a 48/96 work schedule consisting of two consecutive 24-hour shifts, followed by 96 hours off. Division Chiefs may also be assigned an administrative schedule of 40 hours per week. If assigned to such a schedule, their hourly rate will be multiplied by 1.4 (annual salary divided by 2080 instead of 2912 hours).

For non-exempt employees assigned to a 9/80 work schedule, the FLSA designated workweek begins four hours after the start time of the employee's alternating regular day off.

#### 3) Partial Day Absences

Exempt employees must use accrued leave to cover any absence of four (4) hours or more. The intent of the partial day absence rule is to allow for some flexibility for exempt employees, while still recognizing the principle of public accountability. Public accountability means that employees are expected to work their regular work schedule and should not regularly be absent from work. However, if an employee needs to occasionally be absent for less than four hours on a working day, the employee will not have to use leave, but will be expected to complete their work.

Non-exempt employees must record actual hours worked and use accrued leave for any absence.

#### 4) Overtime:

With the exception of Division Chiefs, who are exempt from overtime under the Fair Labor Standards Act (FLSA), only employees in classifications designated as non-exempt pursuant to the FLSA are eligible to receive overtime. Non-exempt employees who work more than forty hours in a designated workweek are eligible for to earn overtime, with general leave counting as “hours worked” when calculating overtime eligibility. Approval for all overtime must be requested and granted prior to working said overtime, except in emergency situations.

Division Chiefs who cover another employee’s 24-hour suppression shift are eligible for overtime at the employee’s (straight time) base salary rate only for the hours worked to cover a suppression shift. As provided by Section 7(p) of the FLSA, Division Chiefs may also trade shifts with each other without any overtime impact. When this occurs, the employee whose shift is being worked gets credit for the shift although worked by another Division Chief.

Division Chiefs may receive (straight time) overtime for meetings that occur off-duty if the Fire Chief approves an off-duty employee to be in attendance at an onsite meeting or meeting out in the field. There is no overtime for discretionary work performed off-duty or any phone calls, text messages or virtual meetings (e.g., Zoom, Teams, Go to Meeting, etc.).

If the Division Chiefs or Deputy Chief are assigned to work with other entities in response to task force, strike team, or for “assistance by hire” assignments on behalf of a third party, they shall be eligible for overtime compensation at a rate equivalent to time and one-half (1.5) of the employee’s base hourly rate for each hour of such assignment.

## ARTICLE 2: COMPENSATION

### 1) Salary

The salary ranges established for classifications covered by this plan are identified in Exhibit B. All employees shall be paid a salary rate within the designated range for their position. The City Manager may, at their sole discretion, establish guidelines and procedures for setting salaries for employees whose positions are allocated to an open salary schedule. Individual salary increases shall be based on performance and shall acknowledge and reflect the level of job proficiency indicated by the employee’s performance evaluation.

#### a) Adjustments to the salary range:

The City Manager shall periodically recommend to the City Council adjustment to the salary ranges based upon cost of living, market indicators and internal salary relationships. Adjustments to the salary range (or creation of a new classification) requires a recommendation by the City Manager and City Council approval.

b) Salary upon appointment:

Upon appointment to an unrepresented classification, the City Manager may authorize an initial salary rate at the time of appointment at any place within the salary range based upon experience, knowledge, skills, and/or abilities related to the classification.

c) Movement within the salary range:

Individuals may be eligible for movement within the established salary range based on performance and upon the recommendation of the employee's Department Head and the City Manager, provided there is funding available within the budget. Movement within the salary range based on performance or retention considerations is at the sole discretion of the City Manager. If a recommended salary increase based on performance is delayed based on a delay in completing the employee's evaluation or processing the transaction, the City Manager has the discretion to adjust the salary back to the date of evaluation was due. Salary adjustments within the established salary range will not exceed 10% of the employees' base rate of pay in any fiscal year unless the City Council provides such authorization to the City Manager.

d) Performance Bonus:

Executive Management employees (as defined in Exhibit A) are eligible for a bonus of up to 5% of base pay for exemplary performance or completion of a special project exceeding the general and customary duties of their classification.

Other (non-executive management) employees are eligible for a bonus of up to 2.5% of base pay for exemplary performance or completion of a special project exceeding the general and customary duties of their classification.

All bonuses are granted at the sole discretion of the City Manager, and require that funding exists within the budget for such bonuses.

2) Acting Pay

Any employee assigned by the City Manager or their Department Head to serve in an acting capacity in a position at or above their salary range will receive acting pay of 5% their base salary, beginning on the fifth consecutive working day in the acting position.

If the position for which the employee is acting is vacant and the law limits the acting assignment to 960 hours, the City will follow the law and limit the acting assignment to no more than 960 hours.

The Parties agree that to the extent permitted by law, Acting Pay is special compensation as defined by CalPERS regulations and shall be reported as such to CalPERS pursuant to Title 2 CCR, Section 571(a)(3) Temporary Upgrade Pay. Acting Pay is only reportable to CalPERS as special compensation for those who qualify as “classic members” and is not reportable for “new members”, as defined by the Public Employees’ Pension Reform Act of 2013 (PEPRA).

**3) Vehicle Allowance**

Employees are eligible for a vehicle allowance per the parameters outlined in applicable City policy. Employees who were receiving auto allowance as of February 1, 2022, are grandfathered to continue receiving the auto allowance at the same level/amount, even if their classification is not included in an updated version of the policy.

- a) Executive management employees (as defined in Exhibit A) are eligible for a vehicle allowance of \$400 per month. The Police Chief and Fire Chief are assigned a take home vehicle in lieu of the vehicle allowance.
- b) Other employees designated by the City Manager to receive an auto allowance in accordance with the City policy are eligible for a vehicle allowance of \$200.

**4) Notary Pay**

Employees in the classification of Deputy City Clerk and Assistant City Clerk who maintain their certification and perform notary services in support of organizational needs are eligible for Notary Pay of \$100 per month.

**5) Uniform Allowance for Public Safety Chiefs (Police and Fire Chiefs, Deputy Chief, Division Chiefs)**

The Police Chief will have uniforms provided by the City and receive a uniform allowance of \$700 per year paid on a biweekly basis (\$26.92/biweekly). The Fire Chief, Deputy Chief and Division Chiefs will have uniforms provided by the City and receive a uniform allowance of \$600 per year paid on a biweekly basis (\$23.08/biweekly).

For “classic” CalPERS members, to the extent permitted by law, the uniform allowance will be reported as special compensation pursuant to Title 2 CCR, Section 571(a)(5) – Uniform Allowance. For “New Members” as defined by the Public Employees’ Pension Reform Act of 2013, uniform allowance is not reportable to CalPERS as special compensation.

**ARTICLE 3: LEAVES OF ABSENCE**

**1) General Leave**

a) Leave Accrual and Maximum Accrual:

General Leave is provided to employees as paid time off from work. The City Manager may authorize an initial bank of General Leave hours and authorize a higher level of vacation accrual for executive management employees (as defined in Exhibit A) at the time of hire. Other employees begin to accrue General Leave with the first day of employment, based upon their total years of public service. All years of full-time service with any public sector agency (including Cities, Counties, school districts, special districts or other agencies approved by the Human Resources Director) will be counted towards years of service for the purpose of calculating the employee's General Leave accrual. Employees may accumulate up to three years of General Leave accrual. If an employee reaches the General Leave accrual maximum, that employee will not accumulate further leave until such time that the employee's accrual falls below the maximum amount. Under special circumstance, the City Manager may authorize an employee to accrue over the maximum accrual cap for a limited duration of time (generally not to exceed 6 months). Should an employee have paid hours less than their full time hours in any pay period, they will accrue a pro-rated amount of General Leave based on their number of paid hours.

Accrual rates and maximum accrual levels for employees working a typical work week (40 hours base) are as follows:

Years of Public Service	Annual Accrual	Biweekly Accrual	Maximum Accrual
0 - 5 full years	200 hours	7.692 hours	600 hours
> 5 years to 10 full years	240 hours	9.231 hours	720 hours
> 10 full years	280 hours	10.769 hours	840 hours

Accrual rates and maximum accrual levels for Division Chiefs working a 48/96 suppression schedule are as follows:

Years of Public Service	Annual Accrual	Biweekly Accrual	Maximum Accrual
0 - 5 full years	312 hours	12 hours	936 hours
> 5 years to 10 full years	360 hours	13.846 hours	1,080 hours
> 10 full years	416 hours	16 hours	1,248 hours

If a Division Chief is working an administrative schedule of 40 hours per week, their general leave accruals and maximum accrual will be divided by 1.4.

b) General Leave Use:

Employees are encouraged to use General Leave to have time for personal obligations, leisure and family time, and disconnection from work, so that they can remain focused and to return to work mentally refreshed. General Leave may be used as earned for vacation, personal time off

or for any reason that would qualify for sick leave pursuant to City policy and consistent with applicable law.

Employees wishing to use General Leave for vacation, personal reasons, and sick leave where advance notice is possible (e.g., prescheduled doctor's appointments or procedures) should request such leave as far in advance as they are able, but usually at least one week in advance of the requested period. Leaves will be scheduled, insofar as possible and practical, at those times requested by each employee. Approval of General Leave requests are at the sole discretion of the employee's supervisor and department head.

Employees wishing to use General Leave for sick leave purposes in cases where such advanced notice is not possible or practical should inform their supervisor such leave is needed (e.g., "calling in sick" for themselves or a family member). Requests for sick leave will be reviewed and granted consistent with applicable law.

c) General Leave Cash Out:

On or before the pay period which includes December 15 of each calendar year, an employee may make an irrevocable election to cash out up to 120 hours of accrued General Leave (168 hours for Division Chiefs working a 48/96 schedule), which will be earned in the following calendar year and paid out the following December at the employee's base rate of pay. Elections will be made on forms provided by Human Resources and cannot be modified once elected. The employee's General Leave balance cannot be reduced below 80 hours (112 hours for Division Chiefs working a 48/96 schedule) as a result of cashing out leave. Thus, if the employee's leave balance would fall below 80 hours (120 hours) as a result of cashing out leave, the employee will receive cash for their election only for the hours above 80.

Accrued and unused General Leave is paid at the base hourly rate of pay with the final paycheck upon separation from City service.

d) Conversion of Vacation and Sick Leave: City of Manhattan Beach employees who have been promoted or reclassified to a position that accrues general leave from a position that accrues vacation and sick leave will have their existing leave accruals converted as follows:

Vacation leave will be converted to General Leave. Sick leave hours will be frozen and may only be used in the following circumstances:

- i) For any illness or non-work related injury that causes an employee to be out for ten (10) consecutive working days or more. An employee may convert used general leave to sick leave retroactively for absences that eventually meet that criteria.
- ii) For illness or injury of any length when general leave is exhausted.

Employees who retire from the City with frozen sick leave hours will have their sick leave converted to service credit in accordance with the City's contract with CalPERS.

## 2) Holidays

### Designated Holidays:

The following days shall be recognized and observed as paid holidays:

- a) New Year's Day (January 1)
- b) Martin Luther King, Jr Day (third Monday in January)
- c) President's Day (third Monday in February)
- d) Memorial Day (last Monday in May)
- e) Independence Day (July 4)
- f) Labor Day (first Monday in September)
- g) Columbus Day (second Monday in October)
- h) Veterans Day (November 11)
- i) Thanksgiving Day (fourth Thursday of November)
- j) Friday following Thanksgiving Day
- k) Christmas Day (December 25)

## 3) Observance of Holidays

Employees will receive paid holiday leave for each holiday designated above that falls on the employee's regular work day based on the number of hours the employee is scheduled to work on the holiday, provided they are in paid status the day preceding and the day following a scheduled holiday. If a designated holiday falls on a Sunday, the following Monday shall be observed as the holiday. If the designated holiday falls on a Saturday, the preceding Friday shall be observed as the holiday. Employees must be in paid status the day immediately before and immediately after the day the holiday is observed to be eligible to receive the paid holiday.

## 4) Holiday Leave Bank

If a holiday falls on an employee's regularly scheduled day off, they will accrue one day of holiday leave in a holiday bank (8 hours for an employee working a 5/40 schedule, 9 hours for an employee working a 9/80 schedule, and 10 hours for an employee working a 4/10 schedule). Employees with hours in the holiday leave bank may request and use the leave in the same manner as they use of General Leave except that no holiday leave hours may be received as cash. The maximum number of hours in the holiday leave bank is capped at forty (40) hours. Should an employee be at the maximum, the employee forfeits additional holiday leave accrual until the use of holiday leave hours reduces the leave bank below the maximum.

5) Christmas Eve and New Year's Eve:

Beginning in calendar year 2024, City Hall, the Public Works Yard and other facilities observing City Hall hours will close at noon on Christmas Eve and New Years' Eve. Subject to the discretion of the City Manager and each Department Head based on operational feasibility, employees who observe City Hall or City Yard hours may be released to leave work and receive paid holiday leave for the remainder of their work hours. Employees taking paid leave for all or part of the holiday will not receive this holiday closure pay. Employees in classifications who are regularly required to work holidays (e.g. Division Chiefs) will not receive this holiday closure pay.

5) Birthdays Holiday:

Beginning January 1, 2024, each employee will receive one day (equivalent hours to the employee's normal work shift, for example 9 hours for employees working a 9/80 and 10 hours for employees working a 4/10) as a "birthday holiday". The employee may utilize their birthday holiday 1) on any day in their birthday month or 2) on any day within the pay period of, immediately before, or immediately after their birthday. The birthday holiday should be requested in the same manner that general leave is requested and is subject to supervisor approval. The birthday holiday is non-cashable and cannot be carried forward if it is not used in the specific time period. Division Chiefs will not receive time off for the birthday holiday and instead will have 10 hours of holiday pay added to their annual holiday pay allotment, effective the beginning of calendar year 2024, as indicated below.

6) Holiday Pay (Division Chiefs)

Division Chiefs who work suppression schedules (48/96) work assigned shifts without regard to holiday. Accordingly, Division Chiefs assigned to a 48/96 schedule shall receive 4.74 hours per pay period of paid holiday time as holiday pay in lieu of holiday time off, paid at their base hourly rate. Effective with the pay period beginning September 9, 2023, the paid holiday time will increase to 5.35 hours per pay period. If a Division Chief is assigned a 40 hour per week administrative schedule, they will instead observe the holidays as they occur and receive daily holiday hours for that day (as described above). Effective with the pay period beginning December 30, 2023, the paid holiday time will increase to 5.73 hours per pay period.

The parties agree that to the extent permitted by law, the value of the holiday pay provided in this article is special compensation as defined by CalPERS regulations and shall be reported as such to CalPERS pursuant to Title 2 CCR, Section 571(a)(5) Holiday Pay.

7) Additional Leave Programs

a) Bereavement Leave:

Employees may use up to forty (40) hours of paid bereavement leave (48 hours for Division Chiefs) per calendar year for grieving, receiving counseling, making arrangements or carrying out last wishes as a result of a death of a member of the employee's immediate family. For bereavement leave purposes, immediate family members include spouse, registered domestic

partner, parent, brother, sister, child, mother-in-law father-in-law, sister-in-law, brother-in-law, foster child, foster parent, grandparent and grandchild. Bereavement leave will not be charged to the employee's accrued leave balances. If an employee experiences the death of more than one immediate family member, the employee may request an exception to use an additional 40 hours of bereavement leave, subject to verification and approval of the Human Resources Department.

b) Jury Duty:

Employees who are summoned for jury duty will be compensated with paid jury duty service for up to 80 hours, in accordance with City Policy. Employees must submit proof of jury duty service upon completion of the service. Employees are expected to communicate to their supervisor at the time they are notified about jury service and daily when they are notified of the need to report to jury service the next day. Employees are required to return to work if dismissed by the Court from jury duty unless they have made other arrangements with their supervisor.

c) Catastrophic Leave:

Employees may donate accrued and unused General Leave to other City employees who have exhausted all accrued leave, who have been granted an unpaid leave of absence, and who need to continue to be absent from work due to a catastrophic injury or illness. The value of the General Leave is converted from the donor's hourly rate of pay to the number of hours at the recipient's hourly rate of pay. Employees electing to donate General Leave must complete the Catastrophic Leave Donation form provided by Human Resources.

d) Leave of Absence Without Pay:

The City Manager may grant a leave of absence without pay for up to one year at their sole discretion. The denial of a request for an unpaid leave of absence is not subject to any appeal process.

The unpaid leave of absence in this section would be for a leave of absence that is not covered under any law or other City policy. An employee must exhaust all accrued leave prior to being eligible for an approved leave of absence without pay. An employee, who fails to return to work from a leave of absence without pay, may be subject to termination from employment.

e) Military Leave:

Military leave is provided pursuant to the provisions of the State of California and federal law.

f) Workers' Compensation Leave/Salary Continuation:

Employees who are absent from work on an accepted workers' compensation claim, may be paid their base rate of pay for seven workdays. For leave that exceeds seven workdays, employees are eligible for benefits as provided by law. Employees may coordinate benefit payment with the use of accrued leave to maintain salary earnings at the same level as

achieved while working. Leave due to a work related injury or illness is run concurrently with FMLA/CFRA leave for non-safety employees.

Safety employees are eligible for leave benefits pursuant to Labor Code 4850.

## **ARTICLE 4: BENEFITS**

### **1) Medical Insurance**

#### **a) City Contribution to Medical Insurance:**

The City is enrolled in CalPERS Medical in accordance with the Public Employees' Medical and Hospital Care Act (PEMHCA). Employees who enroll in a CalPERS medical plan will receive a City contribution depending on their selected level of coverage, as follows:

City Contribution towards Medical Insurance for Premiums Effective January 1, 2022

<b><u>Level of Coverage</u></b>	<b><u>Monthly City Contribution</u></b>
Employee only	\$820.20
Employee plus one dependent	\$1,640.40
Employee plus two or more dependents	\$2,132.52

City Contribution towards Medical Insurance for Premiums Effective January 1, 2024

<b><u>Level of Coverage</u></b>	<b><u>Monthly City Contribution</u></b>
Employee only	\$1,131.47
Employee plus one dependent	\$2,149.79
Employee plus two or more dependents	\$2,794.73

If the plan chosen is less costly than (or as costly as) the maximum City contribution, the City will pay the employee's full premium. If an employee chooses a plan that is more costly than the City's contribution, the employee will pay the difference between the cost of their selected plan and the City's contribution.

For the premiums deducted for health insurance effective January 1, 2025 and later, employees enrolled in a CalPERS medical plan will receive a City contribution to medical insurance of 95% of the premium for the plan selected based upon level of coverage (employee only, two-party, or family), up to a maximum of 95% of the PERS Platinum premium.

If the plan chosen is less costly than the rates of the PERS Platinum plan, the City will pay 95% of the premium for the plan chosen with the employee paying for the remainder of the plan chosen (5%). If an employee chooses a plan that is more costly than 95% of the PERS Platinum premium rate, the employee will pay the difference between the actual premium and cost 95% of the PERS Platinum premium rate for the selected coverage level.

No cash back will be provided to employees if an employee selects a plan less expensive than the City's maximum contribution.

The City's health insurance contribution will be inclusive of (not in addition to) the PERS statutory minimum per Government Code section 22892.

**b) Opt Out of Medical Insurance**

Employees, who are able to demonstrate to the City's satisfaction that they have minimum essential coverage as defined by the Affordable Care Act, may opt out of participation in the City's health plan. Pursuant to the Affordable Care Act (ACA) Employer Mandate "affordability" determination, an Eligible Opt-Out Arrangement requires the following for employees who opt-out of employer-provided health coverage and receive cash in lieu:

1. Employee must provide reasonable evidence that the employee and each member of the employee's expected tax family (individuals the employee expects to claim personal exemption deduction) have or will have minimum essential coverage (other than coverage in the individual market, whether or not obtained through Covered California) during the period of coverage to which the opt-out arrangement applies;
2. The opt-out payment may not be made if the employer knows or has reason to know that the employee or any other member of the employee's expected tax family does not have or will not have the alternative coverage;
3. The evidence of alternative coverage must be provided every plan year to which the eligible opt-out arrangement applies; and
4. The reasonable evidence must be provided no earlier than a reasonable period of time before the plan year begins.

Employees opting out of health insurance completely who would have otherwise been eligible for either single or two-party medical coverage will receive \$2,700 per year (\$103.85 per pay period), paid biweekly as part of payroll. Employees opting out of health insurance who would have otherwise been eligible for family medical coverage (employee plus 2 or more qualified dependents) will receive an opt-out incentive of \$5,400 per year (\$207.69 per pay period), paid biweekly as part of payroll. This opt-out amount is taxable income and will not be considered compensation earnable (meaning it does not qualify as "special compensation" under the CalPERS regulations).

**2) Dental**

Employees (and eligible dependents) may elect to enroll in a dental plan offered by the City. The City will contribute \$70.00 per month toward the dental plan premium or in lieu of enrollment in a

dental plan, the City will provide \$70.00 per month as taxable wages to the employee. The selection of dental plan provider and coverage is at the City's sole discretion.

**3) Vision**

The City will enroll employees and eligible dependents in a vision plan. The vision plan premium is paid by the City. The selection of vision plan provider and level of coverage is at the City's sole discretion.

**4) Life Insurance**

The City will provide coverage and pay the current premium for life insurance for each employee in accordance with the plan and carrier chosen by the City. The current life insurance plan benefit for an employee is 1.5 times the employee's annual base salary, up to a maximum of \$500,000. Employees may elect additional voluntary life insurance at their own cost, as offered by the City.

**5) Short Term Disability**

The City offers a short-term disability plan. Participation in the plan is voluntary and premiums are paid by the employee.

**6) Long Term Disability**

The City provides a long-term disability program for employees. The premium for the long-term disability is paid by the City. The selection of the plan provider and level of coverage is at the City's sole discretion.

**7) Section 125 Flexible Spending Accounts**

The City offers medical and/or dependent care flexible spending accounts. Participation in one or both plans is voluntary and funded by the employee.

**8) Deferred Compensation Plan**

Employees may participate in a 457 deferred compensation program by electing to contribute pre-tax earnings to the plan subject to annual plan limits.

The City will contribute 2.5% of base pay into a 401(a) plan on behalf of sworn employees (Police Chief, Fire Chief, and Division Chiefs).

The City will contribute 4.5% of base pay into a 401(a) plan on behalf of non-sworn employees.

**9) Retiree Medical Benefits**

Employees who retire from the City of Manhattan Beach and maintain enrollment in CalPERS medical as a retiree, are eligible to receive the PEMHCA statutory minimum contribution toward medical plan premiums paid by the City.

a) Executive management employees (as defined in Exhibit A), who retire from the City of Manhattan Beach with at least five years of full-time service to the City of Manhattan Beach and maintain enrollment in CalPERS medical as a retiree, will receive an additional \$400 per month (above the PEMHCA minimum) until such time as any one of the follow occur:

1. The retiree reaches age 65 (following the attainment of age 65, only the PEMHCA minimum applies); or
2. The retiree becomes eligible for Medicare (following eligibility for Medicare, only the PEMHCA minimum applies); or
3. The retiree passes away.

Once any of the preceding occurs, the City will no longer provide the \$400 retiree medical benefit.

b) Division Chiefs or Deputy Chief retiring from the City of Manhattan Beach with a service retirement and at least twenty (20) years of full-time service to the City of Manhattan Beach, and maintain enrollment in CalPERS medical as a retiree, will receive an additional contribution of \$400.00 per month (above the PEMHCA minimum) until such time as any one of the following occur:

- i) The retiree reaches 65 years of age;
- ii) The retiree becomes eligible for Medicare; or
- iii) The retiree passes away.

Once any of the preceding occurs, the City will no longer provide the \$400 retiree medical benefit.

c) Other (non-executive management and non-safety) employees who retire from the City of Manhattan Beach with at least fifteen years of full-time service to the City of Manhattan Beach and maintain enrollment in CalPERS medical as a retiree, will receive an additional \$250 per month (above the PEMHCA minimum) until such time as any one of the follow occur:

1. The retiree reaches age 65 (following the attainment of age 65, only the PEMHCA minimum applies); or
2. The retiree becomes eligible for Medicare (following eligibility for Medicare, only the PEMHCA minimum applies); or
3. The retiree passes away.

Once any of the preceding occurs, the City will no longer provide the \$250 retiree medical benefit.

#### **10) Retiree Health Savings Plan**

The City will contribute 2% of base salary for executive management employees (as defined in Exhibit A) into a retiree Health Savings Plan.

#### **11) CalPERS Retirement**

The City contracts with the California Public Employees' Retirement System for retirement benefits.

##### **a) "Classic" CalPERS Members:**

Employees who are "classic" members under the CalPERS retirement program receive the following retirement benefits:

1. Miscellaneous members receive the 2% @ 55 retirement formula and one-year final compensation (Government Code section 20042). Employees contribute the 7% member contribution on a pre-tax basis toward the retirement benefit.
2. Sworn Police members receive the 3% @ 50 retirement formula (Government Code 21362.2) and one-year final compensation (Government Code section 20042). Employees contribute the 9% member contribution on a pre-tax basis toward the retirement benefit. Employees also pay an additional three percent (3%) retirement contribution as cost sharing pursuant to Government Code section 20516. In accordance with IRS Code section 414(h)(2), the cost sharing is treated as a pre-tax deduction.
3. Sworn Fire members receive the 3% @ 55 retirement formula (Government Code 21363.1) and one-year final compensation (Government Code section 20042). Employees contribute the 9% member contribution on a pre-tax basis toward the retirement benefit. Employees also pay an additional three percent (3%) retirement contribution as cost sharing pursuant to Government Code section 20516(a). In accordance with IRS Code section 414(h)(2), the cost sharing is treated as a pre-tax deduction.

##### **b) "New Members" under the Public Employee Pension Reform Act (PEPRA):**

Employees who are "new members under the CalPERS retirement program receive the following benefits:

1. Miscellaneous members receive the 2% @ 62 retirement formula and a three-year final compensation period (Government Code section 7522.32(a)). Employees contribute the higher of 7% or one-half the normal cost as identified annually by CalPERS.
2. Safety members receive the 2.7% @ 57 retirement formula (Government Code section 7522.25(d)) and a three-year final compensation period (Government Code section

7522.32(a)). Employees contribute the higher of 12% or one-half the normal cost as identified annually by CalPERS.

3. The City contracts for all retirement benefits with CalPERS and additional benefits are identified within the contract.

## **12) Additional Programs and Benefits available to unrepresented employees**

Employees in the unrepresented bargaining unit are eligible for Citywide benefits governed by City Policy and available to employees in represented units, including but not limited to: Tuition Reimbursement, Rideshare Incentive, Service Awards, etc.

## **ARTICLE 5: PROBATIONARY PERIOD AND DISCIPLINARY APPEAL PROCESS (PUBLIC SAFETY)**

### **1) Employment status**

“At-will” employees are employees who have no property interest to continued employment and are not entitled to a disciplinary appeal procedure. With the exception of the classifications of Division Chief and Deputy Chief, employees in all classifications covered by this compensation plan are considered to be “at-will”.

If an employee becomes “at-will” by way of promotion or reclassification to an unrepresented position covered by this compensation plan, they will be required to waive their property interest in the prior position(s) held as a condition of accepting the position at the time of promotion or reclassification.

### **2) Probationary Period (Division Chiefs and Deputy Chief)**

All employees hired or promoted into the Division Chief or Deputy Chief position shall serve a 12-month probationary period. At their discretion, the Fire Chief may extend the probationary period of any employee for an additional 6 months for a total probationary period of 18 months. The purpose of the probationary period is to ensure that the employee has demonstrated the competencies and ability to function effectively in the classification they are promoted into. Any employee rejected during the probationary period following a promotional appointment will be reinstated to the classification from which they were promoted, unless they are discharged as a result of a disciplinary (“punitive”) action as defined under this article.

### **3) Discipline and Appeals (Division Chiefs and Deputy Chief)**

#### **a) Disciplinary Actions Definitions:**

1. Oral or Written Warning: An oral or written warning is an informal notice to an employee that they have demonstrated performance deficiencies or engaged in minor misconduct, and is utilized to put the employee on notice of expected behavior moving forward. Written

warnings will be kept in the Chief's supervisory file, rather than the official personnel file, and a copy will be given to the employee. At the Chief's discretion, a summary of the behavior leading up to the warning may be incorporated into the employee's performance evaluation during their next evaluation. Once the performance evaluation is completed for the year and the Chief determines if the warning should be incorporated into the employee's performance evaluation, all warnings referenced in the Chief's supervisory file shall be discarded.

2. Letter of Reprimand: A Letter of Reprimand is considered the lowest level of formal discipline. A Letter of Reprimand may be used for minor offenses warranting disciplinary action and/or to provide formal notice to an employee that the City will take further disciplinary action unless immediate, real and consistent improvement in performance is demonstrated.
3. Suspension: Suspension is the temporary removal of an employee from their duties without pay. The duration of the suspension should be commensurate with the offense and may not exceed thirty (30) days.
4. Reduction in Pay: A Reduction in Pay is a reduction in compensation for a limited and defined period of time. An example of this is a reduction in the employee's step placement for a defined period of time, which does not result in any classification change. The employee remains in their classification and continues to perform their regular and customary duties for the duration of the Reduction in Pay.
5. Demotion: Demotion is the movement of an employee from their current classification to a classification having a lower salary range. The employee must meet the minimum qualifications of the position to which they are demoting.
6. Discharge: Discharge is the involuntary termination of an employee from City employment.

## b) Disciplinary Appeals

Under the Government Code and case law, Division Chiefs and Deputy Chief are entitled to a disciplinary appeal procedure for any employment action that is considered to be a "punitive action", which is defined under Government Code 3251(c) as any action that may lead to dismissal, demotion, suspension, reduction in salary, written reprimand, or transfer for punitive purposes.

### 1. Pre-Disciplinary Procedure:

If an employee is to be suspended, receive a reduction in pay, be demoted or discharged, the employee shall receive written notice of the proposed disciplinary action at least seven days in advance of the imposition of discipline, stating the specific grounds and the

particular facts upon which the action is based. The notice will include copies of any known materials, reports or other documents upon which the intended action is based. Electronic copies will be provided upon request.

Within seven (7) calendar days after the employee has been provided with the notice of proposed disciplinary action, the employee shall notify the Fire Chief of their intention to respond in writing or orally to the proposed disciplinary action. The employee's response will be reviewed or heard by Fire Chief or their designee, acting as the "Skelly Officer", who has the authority to modify or eliminate the intended disciplinary action. If the employee elects to respond in writing, the employee must respond within seven (7) calendar days after their election to provide a written response. If the employee requests a meeting, it will be scheduled within a reasonable timeframe. Following the written response or in-person meeting, the Skelly Officer (if a person other than the Fire Chief) will issue their written decision to the Fire Chief.

Following the pre-disciplinary procedure, the Fire Chief will provide the employee with a final notice of discipline within thirty (30) calendar days. The final notice of discipline will outline the employee's appeal rights. The discipline ("punitive action") shall not be effective sooner than forty-eight (48) hours of issuance of the final notice of discipline.

## 2. Informal Appeal Procedure:

The Informal Hearing Procedure may be used in the City's sole discretion for disciplinary action imposed on an employee that does not involve termination from employment, demotion, suspension without pay for more than two (2) shifts for employees working a 56-hour suppression schedule or three (3) working days for employees working a 40-hour administrative schedule, or where the practical financial effect of the discipline equates to a two shift suspension or less for employees working a 56-hour suppression schedule or three (3) working days or less for employees working a 40-hour administrative schedule.

- i) Employee Request for an Appeal to the Fire Chief: Within seven (7) calendar days of receipt by an employee of notification of a punitive action, the employee shall notify the Fire Chief in writing that they intend to appeal the punitive action. The employee may either submit an appeal in writing or request a hearing. The notice of appeal shall specify the action being appealed and the substantive and procedural grounds for the appeal.
- ii) Hearing Officer: The Fire Chief or their designee shall act as the hearing officer. If the Fire Chief cannot serve as the hearing officer because of actual bias, prejudice or interest as defined by Government Code §11425.40, then the City Manager or their designee shall serve as the hearing officer. The hearing shall take place within thirty (30) calendar days of the date the employee requested the appeal or such other time as may be agreeable by the parties.
- iii) Conduct of Hearing:

- a. The Fire Chief shall have the burden of proving by a preponderance of the evidence the facts which form the basis for the charge(s) and that punitive action was reasonable under the circumstances.
  - b. The formal rules of evidence do not apply, although the Hearing Officer shall have discretion to exclude evidence which is incompetent, not relevant or cumulative, or the presentation of which will otherwise consume undue time. The rules of privilege shall be observed.
  - c. The parties may present arguments through documents and statements.
  - d. The parties will not be entitled to confront and cross-examine witnesses, unless by mutual agreement.
  - e. Following the presentation of written material and statements, the involved parties may submit closing arguments orally or in writing for consideration by the hearing officer.
  - f. The employee may be represented by an association representative or attorney of their choice.
- iv) Decision: After the hearing, a decision will be submitted in writing within forty-five (45) calendar days. The decision shall be served by first class mail, postage pre-paid, upon the employee as well as their attorney or representative, shall be accompanied by an affidavit or certificate of mailing, and shall advise the employee that the time within which judicial review of the decision may be sought is governed by Code of Civil Procedure § 1094.5.

### 3. Formal Appeal Procedure:

The following appeals procedures are adopted by the parties pursuant to Government Code § 3254.5 of the Firefighters Procedural Bill of Rights Act. The formal appeals procedure is for punitive action causing a loss of pay not covered by the Informal Appeal Procedure described in "2" above.

- i) Final Notice of Discipline and Employee Right to Appeal: Following any pre-disciplinary procedure, the final notice of discipline issued to the employee shall serve as the "Notice of Discipline as Accusation" as described in Government Code §§ 11500, *et seq.*

The notice shall be prepared and served in conformity with the requirements of Government Code §§ 11500, *et seq.* A copy of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the California Government Code shall be provided to the employee concurrently with the notice of discipline.

An employee being served with a Notice of Discipline may request to appeal the disciplinary action within fifteen (15) calendar days in accordance with the procedural requirements laid out in the disciplinary notice.

- ii) Hearing Officer: Pursuant to Government Code § 11512, the appeal will be heard by an administrative law judge assigned from the Office of Administrative Hearings (OAH).
- iii) Conduct of Hearing: The hearing shall be conducted in accordance with Chapter 5 (commencing with § 11500) of Part 1 of Division 3 of Title 2 of the California Government Code.

The burden of proof and production of evidence shall be borne by the City. The standard of proof shall be by a preponderance of the evidence.

- iv) Proposed decision and disposition: The proposed decision of the administrative law judge shall be in writing. Copies of the proposed decision shall be delivered to the parties by registered mail and accompanied by a proof of service.

Following receipt of the proposed decision, the City Manager may take any of the actions set forth in Government Code § 11517(c)(2) A through E.

## Exhibit A – List of Unrepresented Classifications

### 1) Executive Management

City Clerk  
Community Development Director  
Finance Director  
Fire Chief  
Human Resources Director  
Information Technology Director  
Parks and Recreation Director  
Police Chief  
Public Works Director

### 2) Management, Professional, and Administrative (Confidential)

Communications and Civic Engagement Manager  
Deputy Chief (Fire)  
Division Chief (Fire)  
Financial Controller  
Financial Services Manager  
Human Resources Manager  
Risk Manager

Assistant to the City Manager  
Assistant City Clerk  
Digital Communications and Graphics Coordinator  
Executive Assistant to the City Manager  
Human Resources Analyst  
Management Analyst (*confidential*)  
Marketing and Communications Coordinator  
Policy and Management Analyst  
Senior Human Resources Analyst  
Senior Management Analyst (*confidential*)

Deputy City Clerk  
Human Resources Executive Assistant  
Human Resources Assistant  
Human Resources Technician

## Exhibit B – Salary Schedule

The following is a list of the monthly salary ranges for all full-time unrepresented classifications covered by this compensation plan.

	<u>Effective 1/1/2022</u>		<u>Effective 1/14/2023</u>		<u>Effective 1/13/2024</u>		<u>Effective 4/20/2024</u>		<u>Effective 1/11/2025</u>	
	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
Police Chief	18,264	23,659	18,812	24,369	19,376	25,100	20,345	26,355	20,650	26,750

	<u>Effective 1/1/2022</u>		<u>Effective 1/14/2023</u>		<u>Effective 1/13/2024</u>		<u>Effective 4/20/2024</u>		<u>Effective 1/11/2025</u>	
	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
Fire Chief	18,264	23,659	18,812	24,369	19,376	25,100	20,345	26,355	20,650	26,750

	<u>Effective 4/6/2024</u>		<u>Effective 7/1/2024</u>		<u>Effective 7/1/2025</u>	
	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
Deputy Chief (Fire)	16,874	21,952	17,284	22,485	17,789	23,142

	<u>Effective 11/5/2022</u>		<u>Effective 1/14/2023</u>		<u>Effective 9/9/2023</u>		<u>Effective 7/1/2024</u>		<u>Effective 7/1/2025</u>	
	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
Division Chief (Fire)	13,836	18,000	14,251	18,540	15,340	19,956	15,713	20,441	16,172	21,038

	<u>Effective 1/1/2022</u>		<u>Effective 1/14/2023</u>		<u>Effective 1/13/2024</u>		<u>Effective 4/20/2024</u>		<u>Effective 1/11/2025</u>	
	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
Assistant City Clerk	8,825	11,578	9,090	11,925	9,363	12,283	9,363	12,283	9,503	12,467
Assistant to the City Manager	8,825	11,578	9,090	11,925	9,363	12,283	9,363	12,283	9,503	12,467
City Clerk	13,989	18,231	14,409	18,778	14,841	19,341	14,841	19,341	15,064	19,631
Communications & Civic Engagement Manager	10,785	14,152	11,109	14,577	11,442	15,014	11,442	15,014	11,614	15,239
Community Development Director	13,989	18,231	14,409	18,778	14,841	19,341	14,841	19,341	15,064	19,631
Deputy City Clerk	5,498	7,251	5,663	7,469	5,833	7,693	5,833	7,693	5,920	7,808
Digital Communications & Graphics Coordinator	6,597	8,655	6,795	8,915	6,999	9,182	6,999	9,182	7,104	9,320
Executive Assistant to the City Manager/City Council	6,079	7,976	6,261	8,215	6,449	8,461	6,449	8,461	6,546	8,588
Finance Director	13,989	18,231	14,409	18,778	14,841	19,341	14,841	19,341	15,064	19,631
Financial Controller	10,785	14,152	11,109	14,577	11,442	15,014	11,442	15,014	11,614	15,239
Financial Services Manager	9,708	12,736	9,999	13,118	10,299	13,512	10,299	13,512	10,453	13,715
Human Resources Analyst	6,597	8,655	6,795	8,915	6,999	9,182	7,629	10,009	7,743	10,159
Human Resources Assistant	4,663	5,954	4,803	6,133	4,947	6,317	5,442	6,949	5,524	7,053
Human Resources Director	13,989	18,231	14,409	18,778	14,841	19,341	14,841	19,341	15,064	19,631
Human Resources Executive Assistant	5,498	7,251	5,663	7,469	5,833	7,693	5,833	7,693	5,920	7,808
Human Resources Manager	10,785	14,152	11,109	14,577	11,442	15,014	11,442	15,014	11,614	15,239
Human Resources Technician	5,498	7,251	5,663	7,469	5,833	7,693	6,066	8,001	6,157	8,121
Information Technology Director	13,989	18,231	14,409	18,778	14,841	19,341	14,841	19,341	15,064	19,631
Management Analyst (confidential) *eff. 10/17/2023			6,795	8,915	6,999	9,182	6,999	9,182	7,104	9,320
Marketing & Communications Coordinator	6,597	8,655	6,795	8,915	6,999	9,182	6,999	9,182	7,104	9,320
Parks and Recreation Director	13,989	18,231	14,409	18,778	14,841	19,341	14,841	19,341	15,064	19,631
Policy & Management Analyst	7,775	10,202	8,008	10,508	8,248	10,823	8,248	10,823	8,372	10,985
Public Works Director	13,989	18,231	14,409	18,778	14,841	19,341	14,841	19,341	15,064	19,631
Risk Manager	10,785	14,152	11,109	14,577	11,442	15,014	11,442	15,014	11,614	15,239
Senior Human Resources Analyst	7,586	9,953	7,814	10,252	8,048	10,560	8,773	11,510	8,905	11,683
Senior Management Analyst (confidential) *eff. 10/17/2023			7,622	9,999	7,851	10,299	7,851	10,299	7,969	10,453