



PAY & BENEFITS PLAN FOR
MANAGEMENT & CONFIDENTIAL EMPLOYEES
OF THE CITY OF REDONDO BEACH

Effective July 7, 2015

Per Resolution No. CC-1507-059

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ARTICLE I. TERMS

SECTION 1 - DEFINITION OF TERMS

- 1.01 The following terms, whenever used in the Plan, shall have the meaning set forth in this Section:
- A. CITY: Shall mean the City of Redondo Beach
 - B. CITY MANAGER: Shall mean the City Manager or his/her designee.
 - C. DAYS: Shall mean calendar days except where working days are expressly specified.
 - D. EMPLOYEE: Shall mean an individual who serves full-time and who is appointed to a full-time Management or Confidential position.
 - E. EXECUTIVE LEVEL EMPLOYEE: Shall mean the City Manager, individual appointed to department head level positions by the City Manager, and elected officials.
 - F. FISCAL YEAR: Shall mean the 12 month period from July 1 through June 30.
 - G. PUBLIC EMPLOYEES' PENSION REFORM ACT (PEPRA): Shall mean the California Public Employees' Pension Reform Act of 2013, including AB 340 (Furutani, Chapter 296, Statutes of 2012) and AB 197 (Buchanan, Chapter 297, Statutes of 2012) and all subsequent amendments.
 - H. PERS: Shall mean the California Public Employees' Retirement System.
 - I. PUBLIC AGENCY EXPERIENCE: shall mean full-time service in an agency that participates in a public retirement plan.
 - J. RETIREE: Shall mean a former employee of the City who has been granted and is receiving a regular service or disability retirement from PERS.
 - K. SERIOUS INJURY OR ILLNESS: Shall mean, for the purposes of benefits provided by Article V, Section 1.04 herein, an injury or illness certified by the City to require a recuperation period of 30 days or more.
 - L. WORK PERIOD: Shall mean seven consecutive, regular recurring 24 hour periods equal to 168 hours, designated by the City Manager.
 - M. YEAR: Shall mean fiscal year, except where calendar year is expressly specified.

ARTICLE II. COMPENSATION

SECTION 1 - PAY PLAN

1.01 Effective June 27, 2015, the pay plan for Executive Level employees is set forth as follows:

TITLE	MONTHLY SALARY
Assistant City Manager (U)	\$11,703 - \$16,357
Chief of Police (U)	\$11,420 - \$15,590
Fire Chief (U)	\$10,909 - \$15,590
Waterfront and Economic Director (U)	\$8,691 - \$12,291
Public Works Director (U)	\$8,691 - \$12,291
Finance Director (U)	\$8,691 - \$12,291
Human Resources Director (U)	\$8,691 - \$12,291
Community Development Director (U)	\$8,691 - \$12,291
Community Services Director (U)	\$8,691 - \$12,291
Information Technology Director (U)	\$8,691 - \$12,291
Library Director (U)	\$8,691 - \$12,291

1.02 Effective June 27, 2015, the pay plan for Management and Confidential employees is set forth as follows:

TITLE	MONTHLY SALARY
Assistant Fire Chief	\$10,814 - \$14,024
Assistant City Attorney (U)	\$10,746 - \$13,986
Assistant Police Chief	\$10,424 - \$13,449
Fire Division Chief	\$9,896 - \$12,309
Senior Deputy City Attorney (U)	\$8,564 - \$11,878
City Engineer (U)	\$8,352 - \$11,364
Assistant Financial Services Director (U)	\$7,577 - \$9,839
Chief Building Official (U)	\$7,505 - \$9,745
Deputy City Attorney (U)	\$6,717 - \$10,315
Assistant to the City Manager (U)	\$6,639 - \$8,578
Payroll & Finance Manager	\$6,639 - \$8,578
Risk Manager	\$6,322 - \$8,171
Senior Human Resources Analyst	\$6,147 - \$7,942
Human Resources Analyst	\$5,590 - \$7,219
Executive Assistant to the City Manager	\$4,267 - \$5,507

Note: The letter (U) indicates position in the Unclassified Service.

SECTION 2 - PAY RATE ADVANCEMENT WITHIN SALARY RANGE

- 2.01 On the basis of the evaluation of an employee's performance, an employee shall be eligible for a pay rate advancement added to his/her base pay of an amount between zero and 10 percent, not to exceed the top of the salary range, effective at the beginning of the pay period following an employee's anniversary date.

SECTION 3 - OTHER PAY ADJUSTMENTS

- 3.01 A minimum of five percent upward adjustment to base salary shall be provided to an employee at the time of promotion; provided however, that no adjustment for promotion may cause an employee's base salary to exceed the maximum salary range set forth for the class to which the employee is appointed.
- 3.02 An employee appointed to acting status in a position with a higher salary range, where a department is being reorganized, or where a department is undergoing experimental restructuring, who, as a result, is required to perform additional duties above and beyond those reasonable required may, with approval of the City Manager, receive a pay increase on a temporary basis. Such salary shall be established within the salary range of the class with duties that most closely approximate to the duties to be performed. The higher salary shall not be considered a promotion, and may be reduced or removed without cause, notice or hearing.
- 3.03 An employee may be assigned management incentive pay for unique duties. The City Manager may approve this pay commensurate with these duties while such duties are assigned. Such incentive pay may be an amount up to 25 percent of the employee's regular base pay. Such pay may be reduced or removed without cause, notice or hearing.
- 3.05 An employee appointed to a class in another bargaining unit, when temporarily assigned to perform the duties of a Management or Confidential class, may, with approval of the City Manager, be paid at a rate within the salary range for such class. Such assignment shall not be considered a promotion, and the pay may be reduced or removed without cause, notice or hearing.
- 3.06 An employee may be appointed to a class at any point within the salary range established for that class.
- 3.07 Concession Recognition Stipend – In recognition of the financial sacrifices made by Executive Level and Management and Confidential employees who have stayed with the City and participated in the wage concessions that enabled the City to successfully navigate times of extreme economic distress, the City will pay a one-time concession recognition stipend ("Stipend") of one-hundred twenty-one thousand three-hundred eighty dollars (\$121,380) split equally among Eligible Members, as defined below.

The City will equally divide and distribute the Stipend to each of its Executive Level and Management and Confidential employees who were employed by the City no later than December 31, 2013, and are still employed with the City as full-time employees with no break in service as of December 16, 2014 ("Eligible Members"). Each Eligible Member must receive a distribution equal to that of all other Eligible Members. No Eligible Member may receive a distribution greater than any other Eligible Member. The Stipend will be

paid on December 19, 2014. Elected Officials are NOT defined as Eligible Members and no Elected Official will receive any portion of this Concession Recognition Stipend.

SECTION 4 - FIRE DIVISION CHIEF OTHER PAY

- 4.01 The City believes that the Fire Division Chief classification is appropriately designated as exempt from the payment of overtime under the executive exemption of the Fair Labor Standards Act. Notwithstanding this designation, Fire Division Chiefs recalled to duty for an emergency or anticipated emergencies, including as Area G Strike Team Leader, who work in excess of one hour from the time he/she is called, will be paid for a minimum of two hours at his/her hourly rate, and on an hour to hour basis for work performed in excess of two hours. Fire Division Chiefs recalled for an emergency who works for less than one hour will receive no additional compensation.
- 4.02 Fire Division Chiefs who replace another as Duty Chief may receive compensating time off on an hour-for-hour basis for hours worked as a result of assuming additional fire suppression duty days in lieu of pay.

SECTION 5 - CLOTHING ALLOWANCE

- 5.01 Employees appointed to the class of Police Chief or Fire Chief shall be entitled to an annual clothing allowance of \$800.
- 5.02 Employees appointed to the class of Assistant Police Chief or Assistant Fire Chief shall be entitled to an annual clothing allowance of \$600.
- 5.03 Employees appointed to the class of Fire Division Chief shall be provided a uniform and safety equipment and the uniform and safety equipment shall be replaced as needed.

SECTION 6 - CAR ALLOWANCE

- 6.01 Employees appointed to Executive Level classes shall receive a car allowance \$375 per month.
- 6.02 The City Manager shall have the option to provide a car allowance of up to \$250 per month to designated employees appointed to assist a department head and/or division manager positions.
- 6.03 Any employee granted a City vehicle for his/her exclusive use shall not receive a car allowance or mileage reimbursement payments.

SECTION 7 - REALLOCATION AND REORGANIZATION

- 7.01 An employee whose position is reallocated or reorganized to a lower paying class or position, may at the discretion of the City Manager, remain at the rate of pay received immediately prior to the reallocation or reorganization. Such employee shall not be eligible for any pay adjustment until the salary range for his/her new class exceeds his/her rate of pay.

SECTION 8 - LONGEVITY PAY

- 8.01 Executive Level employees who have completed 10 years of public agency service are eligible to receive Longevity Pay. In addition to an employee's base salary, exclusive of all premium and other pays, each employee shall receive a Longevity Pay increase added to the employee's base salary of two percent un compounded for each year of service beginning with the tenth year of service through the sixteenth year of service for a maximum total of up to 12 percent above base salary.
- 8.02 Management and Confidential employees who have completed 19 years of public agency service are eligible for Longevity Pay under the following conditions:
- A. The employee must have completed his/her initial probationary period, or must have completed one year of service with the City of Redondo Beach; and
 - B. The employee must be in a classification not designated as an Executive Level position.

In addition to an employee's base salary, exclusive of all premiums and other pays, each employee meeting all the criteria shall receive a Longevity Pay increase added to the employee's base salary of two percent un compounded for each year of service beginning with the 20th year of service through the 25th year of service for a maximum total percentage of 12 percent above base pay.

- 8.03 The effective date of a Longevity Pay increase shall be the beginning of the pay period following the date of eligibility.

SECTION 9 - LONGEVITY PAY FOR FIRE DIVISION CHIEFS

- 9.01 Fire Division Chiefs who have completed 15 years of public agency service are eligible for Longevity Pay.
- 9.02 Fire Division Chiefs appointed before July 1, 2012 shall receive a Longevity Pay increase added to the employee's base salary, exclusive of all premiums and other pays, of two percent un compounded at the completion of 15 years of public agency service.
- 9.03 Fire Division Chiefs appointed on or after July 1, 2012 shall receive a Longevity Pay increase added to the employee's base salary, exclusive of all premiums and other pays, of one percent un compounded at the completion of 15 years of public agency service.
- 9.04 Beginning with the 20th year of public agency service, Fire Division Chiefs appointed before July 1, 2012 shall receive an additional Longevity Pay increase added to the employee's base salary of two percent un compounded for each year of service through the 25th year of public agency service for a maximum of 14 percent above base salary.

- 9.05 Beginning with the 20th year of public agency service, Fire Division Chiefs appointed on or after July 1, 2012 shall receive an additional Longevity Pay increase added to the employee's base salary of one percent un compounded for each year of service through the 25th year of public agency service for a maximum of seven percent above base salary.
- 9.06 The effective date of a Longevity Pay increase shall be the beginning of the pay period following the date of eligibility.
- 9.07 Longevity Pay is compensation earnable within the meaning of Section 20636 of the California Government Code and Section 571 (a) (1) of the PERS regulations.

SECTION 10 - EDUCATIONAL INCENTIVE PAY FOR FIRE DIVISION CHIEFS

- 10.01 Education incentive pay earned under this section is compensation earnable within the meaning Section 20636 of the California Government code and section 571 (a) (4) of the PERS regulations.
- 10.02 Upon completion of the education requirements Fire Division Chiefs are eligible to achieve the following levels of education incentive bonus pay in addition to their base salary:

COLLEGE DEGREE	BONUS
Associates	3%
Bachelors	6%
Masters or EFO*	8%

*Graduation from the National Fire Academy Executive Fire Officer Program.

CERTIFICATE	BONUS
FF II/EMT or EMT-P	3%
Driver Operator (1A & 1B)	1%
Fire Officer	3%
Chief Officer	3%

College Degree Bonus Pay shall only be paid for degrees obtained through accredited colleges or universities. Human Resources must certify that the institution meets the accreditation requirements.

The maximum College Degree Bonus Pay is eight percent of base salary. The maximum Certificate Bonus Pay is 10 percent of base salary. The combined maximum College Degree Bonus Pay and Certificate Bonus Pay an employee can earn is 18 percent of base salary.

SECTION 11 - DEFERRED COMPENSATION

- 11.01 Employees are eligible to participate in the City contracted 457 deferred compensation plan to the limits imposed by law and/or the plan. Effective December 27, 2014 the City shall contribute one half of one percent (0.5%) of the employee's hourly rate of pay into the Plan for all enrolled Management and Confidential employees.
- 11.02 Executive Level employees who have completed 10 years of public agency service shall defer Longevity Pay as provided for in Section 8.01 in a City contracted 401a deferred compensation plan at a rate of two percent of the base pay un-compounded for each year of eligibility up to six years, for a total of 12 percent of base pay.

SECTION 12 - PROFESSIONAL DEVELOPMENT REIMBURSEMENT

- 12.01 Each employee is eligible to receive up to a maximum \$1,500 per year for the reimbursement of professional development expenses. Reimbursement is available for job related: academic courses; training; license exams and fees; certifications; and membership dues for professional organizations. Employees are allowed up to \$500 of the maximum \$1,500 benefit (per employee), to use towards fitness and/or health programs (i.e., gym membership, stop smoking programs, with weight loss programs etc.). Requests for reimbursement must be approved in advance by the employee's supervisor and the City Manager or designee. Employees shall not be paid salary for attending such courses, training or exams.

SECTION 13 - COMPUTER LOAN PROGRAM

- 13.01 Each employee is eligible to participate in the City of Redondo Beach Loan Program for Employee Purchase of a Personal Computer.

SECTION 14 - SEVERANCE

- 14.01 The City Manager may terminate the employment of department head Executive Level employees at any time for any reason. When employment of a department head Executive Level employee who was appointed to his/her position on or after July 1, 2012 is terminated without cause, the City shall owe the terminated department head Executive Level employee an amount (less applicable State and Federal taxes) equal to the monetary value of three months base salary. The City shall also continue for three months for the date of termination, full employee health insurance benefits for the department head Executive Level employee and his/her dependents.
- 14.02 Notwithstanding any provision of this Plan to the contrary, the City Manager may terminate the employment of department head Executive Level appointed to his/her position on or after July 1, 2012 with payment of the severance described above under any of the following circumstances:
- A. If the City Manager determines the termination is for cause, including: neglect of duty; dishonesty involving employment; being under the influence or alcohol or intoxicating drugs during normal working hours; absence without leave; conviction of a crime or conduct constituting a violation of State law which renders it more difficult for the employee to deliver public service or brings discredit to the City;

improper or unauthorized use of City property; employee's failure to resolve a physical or mental infirmity(s) or defect(s) negatively affecting job performance when it is within the capacity of the employee to do so; acceptance for any outside source, an emolument, reward, gift or other form of remuneration beyond employee's regular compensation, as a personal benefit to the employee for actions performed in the normal course of or related to the employee's assigned duties without prior approval from the City Manager; falsification of any City report or record, or of any report or record required to be, or filed by the employee.

- B. If the department head Executive Level employee is convicted of any felony, or of any misdemeanor in any State or Federal court, which has a nexus to his/her employment.

ARTICLE III. RETIREMENT BENEFITS

SECTION 1 - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) PLAN

Miscellaneous Members

- 1.01 Employees who are first employed by the City in a position in the Miscellaneous Membership classification before June 30, 2012 are eligible to participate in the Tier I Miscellaneous Member benefit plan. Employees who are first employed by the City in a position in the Miscellaneous Membership classification on or after June 30, 2012 are eligible to participate in the Tier II Miscellaneous Member benefit plan. Employees who are first employed by the City in a position in the Miscellaneous Membership classification on or after January 1, 2013 and are, prior to their employment with the City, not considered active members of the CalPERS retirement system by the Public Employees Pension Reform Act are eligible to participate in the Tier III Miscellaneous Member benefit plan.
- 1.02 During the term of this agreement, the City shall provide the two percent at 55 retirement formula to all employees participating in the Tier I Miscellaneous Member benefit plan. In addition, employees participating in the Tier I Miscellaneous Member benefit plan shall also receive those optional benefits detailed in Section 2.01 of this Article.
- 1.03 During the term of this agreement, the City will pay the member contribution to PERS for employees receiving benefits under the Tier I Miscellaneous Member benefit plan, in the amount of seven percent of PERS reportable salary, said amount to be paid into each employee's account per Government Code Section 20691.
- 1.04 During the term of this agreement, the City shall provide the two percent at 60 retirement formula to all employees participating in the Tier II Miscellaneous Member benefit plan. In addition, employees participating in the Tier II Miscellaneous Member benefit plan shall also receive those optional benefits detailed in Section 2.02 of this Article.
- 1.05 During the term of this agreement, employees receiving benefits under the Tier II Miscellaneous Member benefit plan are responsible for paying the seven percent member contribution required by PERS. Payment for the member contribution will be made by payroll deduction.
- 1.06 During the term of this agreement, the City shall provide the two percent at 62 retirement formula to all employees participating in the Tier III Miscellaneous Member benefit plan.

The employee's pension benefit will be determined on the basis of the employee's highest consecutive 36 months of employment. Employees participating in the Tier III Miscellaneous Member benefit plan shall also receive those benefits listed in section 2.02 of this Article. Tier III Miscellaneous Member benefits will not exceed those allowed by the Public Employees' Pension Reform Act.

- 1.07 During the term of this agreement, employees receiving benefits under the Tier III Miscellaneous Member plan shall pay 50% of the CalPERS Normal Cost Rate as required by the Public Employees' Pension Reform Act, which is presently 6.5%.

Local Firefighter Members

- 1.08 Employees who are first employed by the City in a position within the Local Firefighter Membership classification before June 30, 2012 are eligible to participate in the Tier I Local Firefighter Member benefit plan. Employees who are first employed by the City in a position in the Local Firefighter Membership classification on or after June 30, 2012 are eligible to participate in the Tier II Local Firefighter Member benefit plan. Employees who are first employed by the City on or after January 1, 2013, and who are "new members" as described in the Public Employees' Pension Reform Act of 2013 ("PEPRA") are eligible to participate in the Tier III Local Firefighter Member benefit plan.
- 1.09 The City shall provide the three percent at 55 Retirement formula for employees participating in the Tier I or Tier II Local Firefighter Member benefit plan. Employees participating in the Tier I Local Firefighter Membership benefit plan shall also receive those optional benefits detailed in Section 2.01 of this Article. Employees participating in the Tier II Local Firefighter Membership benefit plan shall also receive those optional benefits detailed in Section 2.03 of this Article.
- 1.10 During the term of this agreement, the City shall provide the 2.7 percent at 57 retirement formula to all employees participating in the Tier III Local Firefighter Member benefit plan. The employee's pension benefit will be determined on the basis of the employee's highest consecutive 36 months of employment. Employees participating in the Tier III Local Firefighter Member benefit plan shall also receive those optional benefits detailed in Section 2.04 of this Article. Tier III Local Firefighter Member benefits will not exceed those allowed by the Public Employees' Pension Reform Act.
- 1.11 During the term of this agreement, the City will pay the member contribution to PERS for employees receiving benefits under the Tier I Local Firefighter Member benefit plan, in the amount of nine percent of PERS reportable salary, said amount to be paid into each employee's account per Government Code Section 20691.
- 1.12 During the term of this agreement, the City will pay a portion of the member contribution to PERS for employees receiving benefits under the Tier II Local Firefighter Membership benefit plan, in the amount of 4.5% of PERS reportable salary, said amount to be paid into each employee's account per Government Code Section 20691. Employees receiving benefits under the Tier II Local Firefighter Membership benefit plan are responsible for paying the remaining 4.5% of the member contribution required by PERS. Employees' payment for the member contribution will be made by payroll deduction.
- 1.13 Employees receiving benefits under the Tier III Local Firefighter Member benefit plan are responsible for paying 50% of the CalPERS Normal Cost Rate as required by the Public

Employees' Pension Reform Act, which is presently 11.25%. This payment shall be made by payroll deduction. The City shall pay no portion of this contribution.

Local Police Officer Members

- 1.14 Employees who are first employed by the City in the Local Police Officer Membership classification before June 30, 2012 are eligible to participate in the Tier I Local Police Officer Membership benefit plan. Employees who are first employed by the City in a position in the Local Police Officer Membership classification on or after June 30, 2012 are eligible to participate in the Tier II Local Police Officer Member benefit plan. Employees who are first employed by the City on or after January 1, 2013, and who are "new members" as described in the Public Employees' Pension Reform Act of 2013 ("PEPRA") are eligible to participate in the Tier III Local Police Officer Member benefit plan.
- 1.15 During the term of this agreement, the City shall provide the three percent at 50 retirement formula to all employees participating in the Tier I Local Police Officer Membership benefit plan. Employees participating in the Tier I Local Police Officer Membership benefit plan shall also receive those optional benefits detailed in Section 2.01 of this Article.
- 1.16 During the term of this agreement, the City shall provide the three percent at 55 retirement formula to all employees participating in the Tier II Local Police Officer Membership benefit plan. Employees participating in the Tier II Local Police Officer Membership benefit plan shall also receive those optional benefits detailed in Section 2.05 of this Article.
- 1.17 During the term of this agreement, the City shall provide the 2.7 percent at 57 retirement formula to all employees participating in the Tier III Local Police Officer Member benefit plan. The employee's pension benefit will be determined on the basis of the employee's highest consecutive 36 months of employment. Employees participating in the Tier III Local Police Officer Member benefit plan shall also receive those optional benefits detailed in Section 2.06 of this Article. Tier III Local Police Officer Member benefits will not exceed those allowed by the Public Employees' Pension Reform Act.
- 1.18 During the term of this agreement, except as otherwise provided in this Article, the City will pay the member contribution to PERS for employees receiving benefits under the Tier I and Tier II Local Police Officer Membership benefit plan, in the amount of nine percent of reportable salary, said amount to be paid into each employee's account per Government Code Section 20691.
- 1.19 Employees receiving benefits under the Tier III Local Police Officer Member benefit plan are responsible for paying 50% of the CalPERS Normal Cost Rate as required by the Public Employees' Pension Reform Act, which is presently 11.25%. This payment shall be made by payroll deduction. The City shall pay no portion of this contribution.

SECTION 2 - OPTIONAL PERS CONTRACT PROVISIONS

Optional Benefits - Tier I Miscellaneous, Local Firefighter and Local Police Officers Members

2.01 The City shall provide the following optional PERS contract provisions to Tier I Miscellaneous, Local Firefighter and Local Police Officer members:

- A. Basic Level of 1959 Survivor Benefits for Miscellaneous Members only (§21571) not covered by Social Security.
- B. Post-Retirement Survivor Allowance (§21624 and §21626).
- C. Military Service Credit as Public Service Statutes of 1974 for Local Police Officer Members only (§21024).
- D. Military Service Credit as Public Service Statutes of 1976 for Local Miscellaneous Members and Local Firefighter Members only (§21024).
- E. Credit for Unused Sick Leave (§20965).

For the purposes of reporting Credit for Unused Sick Leave at the time of retirement, the following formulas shall apply:

The formula for employees in a sick leave plan defined by Article V, Section 1 shall be the total hours of unused sick leave that the employee accrued up to the maximum allowed of 2,080 hours, divided by eight, equals number of days of credit for unused sick leave to report to PERS.

- F. Fourth Level of 1959 Survivor Benefits for Local Firefighter and Police Officer Members only (§21574).
- G. One-Year Final Compensation (§20042).
- H. Employer Paid Member Contributions as Compensation (EPMC) (§20692).

As set forth in Section 1, Article III, in accordance with Government Code Section 20691, the City has elected to pay the presently required normal member contribution to PERS for eligible employees covered by this Resolution.

As allowed by Section 20692, during the employee's final compensation period, the City shall stop paying the employee's contribution and, instead, shall increase the pay rate of the employee by an amount equal to the normal contribution previously paid by the City as provided by Section 1.03, 1.11, and 1.17 of this Article.

- I. Pre-Retirement Optional Settlement 2 Death Benefit for Local Firefighter and Police Officer Members only (§21548).

Optional Benefits - Tier II Miscellaneous Member Benefits

2.02 The City shall provide the following optional PERS contract provisions to employees participating in the Tier II Miscellaneous Membership benefit plan:

- A. Pre-Retirement Optional Settlement 2 Death Benefit (§21548).

Except as expressly provided in this Section 2.02, no other CalPERS optional benefits shall be available to employees participating in the Tier II Miscellaneous Member benefit plan.

Optional Benefits - Tier II Local Firefighter Plan

2.03 The City shall provide the following optional PERS contract provisions to employees participating in the Tier II Local Firefighter benefit plan:

- A. Fourth Level of 1959 Survivor Benefits (§21574).
- B. Post-Retirement Survivor Allowance (§21624 and §21626).
- C. Military Service Credit as Public Service (§21024).
- D. One-year Final Compensation (§20042).
- E. Credit for Unused Sick Leave (§20965).

For the purposes of reporting Credit for Unused Sick Leave at the time of retirement, the following formulas shall apply:

The formula for employees in a sick leave plan defined by Article V, Section 1 shall be the total hours of unused sick leave that the employee accrued up to the maximum allowed of 2,080 hours, divided by eight, equals number of days of credit for unused sick leave to report to PERS.

- F. Pre-Retirement Optional Settlement 2 Death Benefit (§21548).

Optional Benefits - Tier III Local Firefighter Plan

2.04 The City shall provide the following optional PERS contract provisions to employees participating in the Tier II Local Firefighter benefit plan:

- A. Fourth Level of 1959 Survivor Benefits (§21574).
- B. Post-Retirement Survivor Allowance (§21624 and §21626).
- C. Military Service Credit as Public Service (§21024).
- D. Credit for Unused Sick Leave (§20965).

For the purposes of reporting Credit for Unused Sick Leave at the time of retirement, the following formulas shall apply:

The formula for employees in a sick leave plan defined by Article V, Section 1 shall be the total hours of sick leave that would have been accrued based on length of service, up to the maximum allowed of 4,160 hours, less total hours of sick leave used, divided by eight, equals number of days of credit for unused sick leave to report to PERS.

The formula for employees in a sick leave plan defined by Article V, Section 2 shall be the total hours of unused sick leave that the employee accrued up to the maximum allowed of 2,080 hours, divided by eight, equals number of days of credit for unused sick leave to report to PERS.

E. Pre-Retirement Optional Settlement 2 Death Benefit (§21548).

Except as expressly provided in this Section 2.04, no other CalPERS optional benefits shall be available to employees participating in the Tier III Local Firefighter Membership benefit plan.

Optional Benefits - Tier II Local Police Officer Plan

2.05 The City shall provide receive the same optional benefits as those contained in the Tier I Local Police Officer Membership benefit plan to employees participating in the Tier II Local Police Officer Membership benefit plan, except that a Tier II employee's final compensation shall be calculated using the three-year average method. The option of calculating an employee's benefits based on a one-year final compensation period (Government Code Section 20042) shall not be available under the Tier II Local Police Officer Membership benefit plan.

Optional Benefits - Tier III Local Police Officer Plan

2.06 The City shall provide the following optional PERS contract provisions to employees participating in the Tier III Local Police Officer benefit plan:

- A. Fourth Level of 1959 Survivor Benefits (§21574).
- B. Post-Retirement Survivor Allowance (§21624 and §21626).
- C. Military Service Credit as Public Service (§21024).
- D. Credit for Unused Sick Leave (§20965).

For the purposes of reporting Credit for Unused Sick Leave at the time of retirement, the following formulas shall apply:

The formula for employees in a sick leave plan defined by Article V, Section 1 shall be the total hours of unused sick leave that the employee accrued up to the maximum allowed of 2,080 hours, divided by eight, equals number of days of credit for unused sick leave to report to PERS.

E. Pre-Retirement Optional Settlement 2 Death Benefit (§21548).

SECTION 3 - RETIREE MEDICAL INSURANCE BENEFITS

3.01 For employees hired before July 1, 2011, the City shall pay the single retiree medical premium rate for a medical insurance plan in which the retiree is enrolled from among those plans provided by the City. This benefit shall be provided to only an employee who meets all of the following criteria:

- A. Must have a minimum of five years full-time service with the City; and,
- B. Must retire within 19 months of separation from service with the City; and,
- C. Must have completed a minimum of 20 years full-time verifiable service in a public agency at the time of their separation from the City.

The contribution of the City to the medical insurance premium for a retiree shall cease on the earlier of either: (a) the date such retiree becomes eligible to enroll in the Federal Medicare program and/or any Medicare Supplement plans; or (b) the death of the retiree. The premium cost for any additional insurance coverage selected by the retiree, including but not limited to, dental insurance, life insurance, and dependent medical insurance, shall be paid entirely by the retiree selecting any such option.

Employees hired on or after July 1, 2011, are not eligible to receive benefits under this Section.

3.02 For employees hired on or after July 1, 2011, the following shall delineate the City's contribution towards medical premium rates, if any:

- A. Employees who retire with 10 years of continuous City service shall receive a contribution equal to 25 percent of the employee only premium for a health insurance plan available to City employees, the premium of which does not exceed the average premium of all HMO plans available to retirees;
- B. Employees who retire with 15 years of continuous City service shall receive a contribution equal to 50 percent of the employee only premium for health insurance plan available to City employees, the premium of which does not exceed the average premium of all HMO plans available to retirees;
- C. Employees who retire with 20 years of continuous City service shall receive a contribution equal to 75 percent of the employee only premium for health insurance plan available to City employees, the premium of which does not exceed the average premium of all HMO plans available to retirees;
- D. Employees who retire with 25 or more years of continuous City service shall receive a contribution equal to 100 percent of the employee only premium for health insurance plan available to City employees, the premium of which does not exceed the average premium of all HMO plans available to retirees.

The contributions provided for in this Section shall cease on either: (a) the date the retiree becomes eligible to enroll in the Federal Medicare program and/or any Medicare supplemental plans; or (b) the death of the retiree. The premium cost for any additional

insurance coverage selected by the retiree including but not limited to dental insurance, life insurance, and dependent medical insurance shall be paid entirely by the retiree selecting any such options.

The benefits provided under this Section shall only be offered through the City to individuals who meet all of the following criteria:

1. The employee must retire from City employment and begin immediately receiving pension benefits from the retirement system provided by the City (either through a service retirement or a disability retirement);
2. Individuals receiving benefits under this section are solely responsible for paying any portion of the health insurance premium (and any other costs) not paid for by the City;
3. Individuals must ensure continuity of coverage through City insurance plans. Termination of the individual's participation in City-sponsored insurance plans for any reason shall automatically result in the termination of the City's obligation to provide any contribution under this section. Once the City's obligation to provide benefits is terminated, the City shall have no future obligation to provide a retiree with further benefits under this section.

SECTION 4 - RETIREE MEDICAL INSURANCE FOR FIRE DIVISION CHIEFS

- 4.01 The City shall, for an employee who qualifies for the above benefit and chooses to enroll in the HMO medical plan, pay \$300 per month toward the cost of the employee and their spouse's premium. The City shall increase the benefit amount annually equal to the percentage increase in the HMO medical plan premium for a retired employee and their spouse.
- 4.02 The HMO medical plan benefits for retired members and their spouses shall be equal to HMO medical plan benefits afforded active members.
- 4.03 Fire Divisions Chiefs who were not employed with the City as Fire Captain, Deputy Harbor Master/Boat Captain, or Fire Engineer immediately prior to promotion to Fire Division Chief and are appointed on or after July 1, 2011, are not eligible to receive benefits under this Section and will receive benefits under Section 3.

ARTICLE IV. INSURANCE BENEFITS

SECTION 1 - HEALTH INSURANCE

- 1.01 The City shall pay the following maximum monthly contribution as listed in below toward medical, dental, and vision coverage for each employee, for the level of coverage for which they are eligible.

EMPLOYEE	EMPLOYEE + 1	FAMILY
\$566	\$994	\$1,262

- 1.02 As an added benefit, the City shall pay the cost of life insurance, accidental death and dismemberment insurance, and employee assistance plan premiums for each employee.

Employees providing proof of coverage from another employer sponsored group medical insurance plan may waive City-sponsored medical insurance. Employees waiving City-sponsored medical insurance will receive 50% of the maximum City contribution toward the medical insurance coverage premium for which they are eligible (Employee, Employee + 1, or Family), per month, but in no event shall the amount of the 50% cash back exceed the City's maximum contribution to the employee as listed in Article IV, Insurance Benefits, Section 1.01. Employees may only re-enroll in City-sponsored medical insurance during open enrollment, subject to the medical insurance carrier's evidence of insurability requirements, or when a qualifying event occurs. Employees waiving City-sponsored coverage will be required to certify annually that they are covered by another employer sponsored group medical insurance plan.

- 1.03 No more than 19% of full-time employees may waive City-sponsored medical insurance without City approval. Should the City elect to further limit the number of employees waiving City-sponsored medical insurance it will provide the Association at least 30 days notice upon which to meet and consult regarding the impact of changing the limit.

Should more than 19% of employees desire to waive City-sponsored medical insurance, or should the City further limit waivers, employees who have waived City-sponsored medical insurance for the longest, current, consecutive time will have priority for continuing to waive insurance. If multiple employees have waived City-sponsored medical insurance for the same, current, consecutive time, the employee who submits a complete waiver request to Human Resources will have priority.

This section will not apply until all employee bargaining units have agreed to it.

- 1.04 An employee who received payments in-lieu of dependent medical insurance during FY 1992-93 may continue to receive such payments in the amount of \$566 per month less any applicable City FICA contributions. Said payments will be discontinued if the employee elects dependent medical insurance or opts out of the City's group plan under Section 1.02, above. Once discontinued, these payments shall not be reinstated at any time.

ARTICLE V. SICK LEAVE BENEFITS

SECTION 1 - SICK LEAVE ACCRUAL PLAN

- 1.01 Employees shall be eligible to accrue eight hours of sick leave per month up to a maximum of 2,080 hours over his/her entire career with the City.
- 1.02 An employee who suffers a serious injury or illness may utilize a long-term disability sick leave bank 2,080 non-replenishing hours that shall be available for use following a 30 day qualifying period. During the qualifying period, such employee may use accrued sick leave, vacation leave, holiday leave, authorized professional time, or any other paid leave to provide salary continuation. Any long term disability sick leave used from the bank after the qualifying period shall reduce the balance of sick leave available for any subsequent long-term disability for the duration of the employee's career with the City.

- 1.03 The City Manager may require sick leave verification without prior written notice at any time during a sick leave absence.
- 1.04 Accrued sick leave may be used to supplement temporary disability payments in order to provide full pay during periods of occupational illness or injury.
- 1.05 No employee shall be entitled to use accrued sick leave or long-term disability sick leave to defer the effective date of a disability retirement. This provision shall be construed as a local rule and regulation within the meaning of Section 21025.2 of the Government Code as it now exists or may hereafter be amended.
- 1.06 Fire Division Chiefs, who are assigned to work a 24-hour shift, may accrue a maximum of 130 shifts (3,120 hours) of sick leave with full pay that may be accrued at a rate of six shifts (144 hours) per year based on continuous full-time employment. Such employees who are assigned to work a 4/10, 5/8 or other schedules, may accrue a maximum 2,080 hours of sick leave with full pay that may be accrued at a rate of one day per month for each month of full-time employment up to the maximum limit per year not to exceed 120 hours.
- 1.07 The sick leave plan set forth in this Section shall supersede and make null and void any and all conflicting provision of the Redondo Beach Municipal Code, Section 2-3.514 (d) related to limits of sick leave with pay.

SECTION 2 - FAMILY SICK LEAVE PROGRAM

- 2.01 For family sick leave as defined by State law, each employee may use, in any one fiscal year, 96 hours of Sick Leave or Long Term Disability leave bank, or 50% of his or her annual accrued Sick Leave, whichever is greater.

The leave benefit provided for in this Subsection shall supersede the Emergency Family Sick Leave benefit described in Section 2-3.515 of the Redondo Beach Municipal Code.
- 2.02 The City agrees to allow employees to pre-designate and substitute other family members for those persons defined as immediate family. The intent of this provision is not to expand the number of persons included in the definition of "immediate family" or to increase paid leave opportunities, but rather to recognize variations in family structure (e.g., substitute a stepmother for mother)
- 2.03 Immediate family shall mean father, mother, father-in-law, mother-in-law, brother, sister, spouse, domestic partner, child, legal dependent, grandparent or grandchild.

ARTICLE VI. HOLIDAYS, VACATION AND OTHER LEAVE BENEFITS

SECTION 1 - HOLIDAYS

1.01 The following days shall be recognized as holidays:

1. New Year's Day
2. Martin Luther King, Jr. Day
3. Presidents Day
4. Memorial Day
5. Independence Day
6. Labor Day
7. Veteran's Day
8. Thanksgiving
9. The day after Thanksgiving
10. Christmas Eve
11. Christmas Day
12. New Year's Eve

If a holiday falls on a day when the employee's workplace is normally open, the holiday shall be observed on that day. If a holiday falls on a day when the employee's workplace is normally closed, the holiday shall generally be observed on the nearest day when the employee's workplace is open. For example, if a holiday falls on a Friday when City Hall is normally closed for business, the preceding Thursday will be observed as a holiday. If a holiday falls on a Saturday, the preceding Friday shall be observed as a holiday. If a holiday falls on a Sunday, the following Monday shall be observed as a holiday. Days observed as a holiday are Observed Holidays.

- 1.02 Departments or Divisions with seven day and/or 24-hour work schedule requirements may schedule holidays on days other than the actual holiday with approval of the City Manager. At the end of each calendar year, any unused holidays shall be converted to vacation leave and subject to the provisions of vacation leave.
- 1.03 Fire Division Chiefs shall earn 144 hours of Holiday Leave per completed calendar year of employment with the City as Fire Division Chief.
- 1.04 December 28, 29, and 30, 2015, shall be additional paid holidays. With the exception of Fire Division Chiefs, employees who are required to work on these days will receive a holiday closure bank in an amount equal to the number of hours actually worked or the actual hours scheduled, whichever is greater. The hours in the holiday closure bank will be paid. Any earned hours in an employee's paid holiday closure bank that are unused as of June 30, 2015 will expire as of June 30, 2015.

SECTION 2 - VACATION

2.01 Except as otherwise provided in this Section, employees shall accrue vacation as follows:

YEARS OF SERVICE COMPLETED	ANNUAL ACCRUAL RATE	MAXIMUM ACCRUAL
1 through 5	96 hours	240 hours
6 through 14	128 hours	320 hours
15 or more	168 hours	400 hours

2.02 Employees assigned to the position of Fire Division Chief shall accrue vacation as follows:

YEARS OF SERVICE COMPLETED	ANNUAL ACCRUAL RATE	MAXIMUM ACCRUAL
1 through 5	135 hours	270 hours
6 or more	216 hours	400 hours

2.03 Executive Level and Executive Level department head employees appointed to his/her position before July 1, 2012 may accrue vacation up to a maximum equal to their accrual for the preceding three year period.

2.04 Executive Level department head employees appointed to his/her position on or after July 1, 2012 accrue vacation as detailed in Section 2.01.

2.05 It is the City's policy that vacation shall be used annually. Should any employee not use vacation, accrual will cease at the maximum accrual set forth above until vacation is used to bring the employee's balance below the minimum. At no time shall an employee be entitled to accrue vacation in excess of the maximum.

2.06 Employees may cash out up to a maximum of 60 hours of accrued vacation per fiscal year. Employees may cash out once or twice per fiscal year, but in no event shall the cash out exceed 60 hours in a fiscal year.

2.07 At the discretion of the City Manager, employees who are hired from another public agency may be credited with time served in other public agencies as years of service completed for purposes of establishing their vacation accrual rate.

SECTION 3 - AUTHORIZED PROFESSIONAL TIME (APT)

3.01 The City Manager may grant time off with pay, not to exceed 124 hours per calendar year for Executive Level employees; 88 hours per calendar year for Management and Confidential employees; and 72 hours per calendar year for Fire Division Chiefs, in the form of Authorized Professional Time to those employees who are exempt from the payment of overtime and who regularly work extra hours, attend evening meetings, and/or are required to participate in job related weekend activities or functions for which they do not receive paid overtime. The actual number of days an employee may be granted shall be determined by the City Manager.

SECTION 4 - RETIREMENT HEALTH SAVINGS PLAN

- 4.01 The City offers a retirement health savings (RHS) Plan. This employer-sponsored health benefit savings vehicle allows employees to accumulate assets to pay for medical expense for the employee, spouse, and/or dependents (e.g., health insurance and prescriptions) upon retirement on a tax-free basis.
- 4.02 Employees participate in the RHS plan as follows:
- A. Upon Separation/Retirement: deposit of value of accrued vacation hours in excess of 120 hours to the RHS plan.
 - B. Regular Contribution of Vacation: when employee reaches 144 hours of accrued vacation, a mandatory contribution of vacation will be made per the following schedule:

YEARS OF SERVICE	HOURS PER PAY PERIOD	HOURS ANNUALLY
1-5	1.0	26
6-14	1.5	39
15-19	2.0	52
20+	3.0	78

SECTION 5 - BEREAVEMENT LEAVE

- 5.01 Each employee shall receive 24 hours of bereavement leave per qualifying incident. A qualifying incident is defined as the death of an employee's parent, grandparent, child, step-child, grand-child, spouse, domestic partner, legal dependent, sister or brother or with approval by Human Resources, a substitute family member for a person defined above.

ARTICLE VII. OTHER MATTERS

SECTION 1 - PROBATIONARY PERIOD

- 1.01 An employee appointed to a position in the Classified Service shall serve a probationary period of 12 months. An employee absent from work for any reason, for more than 160 hours during their probationary period shall have their probationary period extended for the number of hours that equals the total hours absent from work. For example, an employee absent 161 hours during their probationary period shall serve an additional 161 hours before successfully completing their probationary period.

SECTION 2 - OUTSIDE EMPLOYMENT

- 2.01 An employee shall not be employed by an employer other than the City, nor shall he/she contract for or accept anything of value in return for services provided, nor shall he/she otherwise be self-employed for remuneration, without the written approval of the City Manager. The City Manager has sole discretion with respect to any employee request for

outside employment, and his/her decision to approve or not approve outside employment is final.

An employee seeking permission to perform outside employment shall apply in writing to the City Manager on the form provided by the City. If outside employment is initially approved, such approval may be revoked, provided that the employee shall receive at least 14 days advance notice in writing of such revocation.

SECTION 3 - DIRECT DEPOSIT

3.01 All employees shall be required to receive their pay through the City's direct deposit pay system.

SECTION 4 - SAVINGS CLAUSE

4.01 The provisions of the Resolution are declared to be severable and if any article, section, subsection, sentence, clause or phrase contained herein shall for any reason be held invalid or unenforceable by a court of competent jurisdiction, such decision shall not affect the validity of the remaining articles, sections, subsections, sentences, clauses or phrases of this Resolution, but they shall remain in full force and effect. It is the intent of the City this Resolution stand notwithstanding the invalidity of any part hereof.

SECTION 5 - IMPLEMENTATION AND DURATION

5.01 Except as otherwise provided herein, this Resolution shall be in full force and effect beginning December 16, 2014 and shall remain in full force and effect until amended, repealed or superseded by action of the City Council.

