RESOLUTION NO. 2017-113

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA GOVERNING COMPENSATION AND BENEFITS OF NON-REPRESENTED EXECUTIVE GROUP EMPLOYEES

WHEREAS, the Executive Group of employees was created by Resolution 2012-009 adopted by the City Council of the City of Corona ("City") on February 15, 2012; and

WHEREAS, the City Council subsequently amended the compensation and benefits of the Executive Group employees, as provided in Resolution No. 2013-022 adopted by the City Council on March 20, 2013, Resolution No. 2013-051 adopted by the City Council on June 5, 2013, Resolution No. 2013-104 adopted by the City Council on October 16, 2013, Resolution No. 2015-019 adopted by the City Council on June 3, 2015, ~~and~~ Resolution No. 2016-055 adopted by the City Council on June 1, 2016, and Resolution No. 2017-047 adopted by the City Council on June 21, 2017; and

WHEREAS, the City Council now desires to further amend the compensation and benefits of the Executive Group employees as provided in this Resolution, and thereby repeal Resolution 2017~~6~~-047~~55~~.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CORONA DOES HEREBY RESOLVE AS FOLLOWS:

ARTICLE I
GENERAL PROVISIONS; EMPLOYER-EMPLOYEE RELATIONS

Section 1.1 Title of Resolution. This Resolution shall be known as the Compensation and Benefits Resolution for Non-Represented Executive Group Employees of the City of Corona, but also may be informally referred to as the Executive Group Employee Resolution.

Section 1.2 Term of Resolution. This Resolution shall remain in full force and effect until modified or terminated by action of the City Council.

Section 1.3 Statement of Purpose. This Resolution is adopted to provide a comprehensive listing of compensation and benefits to be provided to Executive Group employees.

Section 1.4 Members of Executive Group. The Executive Group is made up of employees holding the following positions that are identified in the budget as Executive:

Assistant City Manager/Administrative Services Director
Assistant City Attorney
Chief Deputy City Attorney

Chief of Police
Community Development Director
Fire Chief
General Manager
Information Technology Director
Library and Recreation Services Director
Public Works Director

Employees shall hold their positions in a full-time capacity; provided, however, that pursuant to Resolution 2012-120, the City Manager may determine based upon budgetary or other constraints to reduce the hourly expectations for the Chief Deputy City Attorney position, to an amount no less than 80%, as long as salary and benefits are proportionately reduced as well in a similar manner. In addition, the following employee positions shall be included in the Executive Group, even before this Resolution is amended to include them: (1) any other position created by the City Council and specifically designated by the City Council to be included in the Executive Group; and (2) any reclassifications or title changes to positions listed above which are approved by the City Manager, so long as such actions do not result in any change in compensation to the affected employee(s) or a substantive change to their job description(s). The City Manager's authority with respect to Executive Group Employees provided for in this Executive Group Employee Resolution, including Sections 1.5 and 1.6 below, shall apply to all positions included in the Executive Group, even if such positions are not specifically identified in the Corona Municipal Code.

Section 1.5 At-Will Employment; Agreements. As provided for in Corona Municipal Code Sections 2.04.060(B) and 2.40.050(B), employees within the Executive Group are at-will employees, and are subject to discipline or termination with or without cause or notice, and without right of appeal or hearing. As provided for in Corona Municipal Code Sections 2.04.060(B), 2.40.050(B) and 2.40.105, the City Manager may enter into at-will employment agreements with Executive Group employees.

Section 1.6 Severance Pay. As provided for in Corona Municipal Code Section 2.40.105, as part of their at-will employment agreement, the City Manager may provide an Executive Group employee with a termination without cause severance payment. The amount of the severance payment shall be up to the unexpired term of the agreement or six (6) months, whichever is less.

Section 1.7 Management Rights; Working Hours/Days. The City and City Manager retain all management rights and have no meet and confer obligations with the Executive Group. Within management rights, the City Manager reserves the right to change the work schedule, working hours, and working days of any Executive Group employee. Such changes include requiring Executive Group employees to work 4/40 (i.e., Fridays off) or Monday through Friday. A two-week notice will be provided prior to said change(s) being made.

Section 1.8 Definitions. When the following terms are used in this Executive Group Employee Resolution, they shall have the following meanings:

A. Tier I Employees. Tier I Employees are those employees hired by the City as follows: (1) Miscellaneous employees hired prior to January 1, 1999; (2) Police employees hired prior to January 1, 2000; and (3) Fire employees hired prior to July 1, 2000.

B. Tier II Employees. Tier II Employees are those employees hired by the City as follows: (1) Miscellaneous employees hired on or after January 1, 1999, but prior to January 1, 2013 ("Tier II Miscellaneous"); (2) Miscellaneous employees hired on or after January 1, 2013 and determined to be Classic CalPERS Members, as defined in Section 1.8(E) below ("Tier II Miscellaneous Classic"); (3) Police employees hired on or after January 1, 2000, but prior to October 14, 2007 ("Tier II Police"); (4) Fire employees hired on or after July 1, 2000, but prior to January 1, 2013 ("Tier II Fire"); and (5) Fire employees hired on or after January 1, 2013 and determined to be Classic CalPERS Members, as defined in Section 1.8(E) below ("Tier II Fire Classic").

C. Tier III Employees. Tier III Employees are those employees hired by the City as follows: (1) Miscellaneous employees hired on or after January 1, 2013, but prior to November 14, 2017, and determined to be New CalPERS Members, as defined in Section 1.8(~~F~~G) below ("Tier III Miscellaneous"); (2) Police employees hired on or after October 14, 2007, but prior to January 1, 2013 ("Tier III Police"); (3) Police employees hired on or after January 1, 2013, but prior to November 14, 2017, and determined to be Classic CalPERS Members, as defined in Section 1.8(~~E~~F) below ("Tier III Police Classic"); and (4) Fire employees hired on or after January 1, 2013, but prior to November 14, 2017, and determined to be New CalPERS Members, as defined in Section 1.8(~~F~~G) below ("Tier III Fire").

D. Tier IV Employees. Tier IV Employees are those employees hired by the City as follows: (1) Police employees hired on or after January 1, 2013, but prior to November 14, 2017, and determined to be New CalPERS Members, as defined in Section 1.8(~~F~~G) below.

E. Tier V Employees. Tier V Employees are those employees hired by the City as follows: (1) Miscellaneous employees hired on or after November 14, 2017 ("Tier V Miscellaneous"); and (2) Police and Fire employees hired on or after November 14, 2017 ("Tier V Public Safety").

~~E~~F. Classic CalPERS Members. Classic CalPERS Members shall have the same meaning as "classic members" defined under CalPERS laws, rules and regulations. Currently, "classic members" under CalPERS is understood to consist of employees hired by the City on or after January 1, 2013 who entered into membership with a California public retirement system prior to January 1, 2013 and who do not meet the definition of a "new member" under Government Code Section 7522.04(f).

~~F~~G. New CalPERS Members. New CalPERS Members shall have the same meaning as "new members" defined under CalPERS laws, rules and regulations. Currently, the term "new members" under CalPERS is understood to consist of employees hired by the City on or after January 1, 2013 and who meet any of the following: (a) have never been members of any California public retirement system prior to January 1, 2013; or (b) were members of any other California public retirement system prior to January 1, 2013, but the system was not subject to reciprocity with CalPERS; or (c) were members in CalPERS prior to January 1, 2013 through an employer other than the City, but they had a break in service in excess of six (6) months before being hired by the City.

ARTICLE II
MEDICAL AND OTHER INSURANCE BENEFITS

Section 2.1 Flexible Benefit Allowance. The City will provide an annual allowance in the amount of fifteen hundred dollars ($1,500.00) to active employees within the Executive Group. This allowance is to be used for the purchase of nontaxable benefits and/or taxable benefits offered under the City of Corona Section 125 Cafeteria Plan ("Cafeteria Plan"). The employee shall have the opportunity to make an election as to the allocation of the allowance during open enrollment for the upcoming plan year. Benefits available under the Cafeteria Plan are as follows:

- Health, dental or vision insurance
- Reimbursement of eligible medical expenses
- Reimbursement of eligible dependent care expenses
- Taxable cash payment

Upon the conclusion of the open enrollment period, the employee's election shall not be subject to change during the plan year. Any amounts remaining in the reimbursement accounts after the expiration of the reimbursement periods shall be forfeited. Please see the Cafeteria Plan for further details.

If an employee fails to make an election during open enrollment, the allowance shall automatically be allocated to the employee's health care spending account. This default allocation shall not be subject to change.

During the first year of employment, the annual allowance for new employees shall be equal to one hundred and twenty-five dollars ($125.00) times the number of whole months during which the employee will be employed with the City during the calendar year. New employees within the Executive Group, who have been employed by the City in another unrepresented group or represented unit, shall only be eligible for the greater flexible benefit allowance (i.e., either Executive Group or the former group or unit) during that transitional year. The total aggregate amount credited for any one employee under this section during any one calendar year shall not exceed the total allowance for the group or unit with the higher allowance during that calendar year.

Employees hired by the City prior to January 1, 1999 shall continue to receive this allowance if they retire from the City. Employees hired by the City after January 1, 1999 will not receive this benefit if they retire from the City. Eligible employees who retired prior to January 1, 2012 will continue to receive this benefit irrespective of the concessions of active employees for calendar years 2012 and 2013 addressed in Section 2.2~~3~~ below. Additionally, eligible employees who retired during calendar year 2012 will receive this benefit during the 2013 calendar year and thereafter.

Notwithstanding the foregoing, no flexible benefit allowance shall be provided to any employees within the Executive Group hired on or after November 14, 2017, and effective January 1, 2018 no flexible benefit allowance shall be provided to any employees within the Executive Group while an employee of the City. Flexible benefit allowances provided to employees hired on or before November 13, 2017 shall continue to be honored through December 31, 2017 pursuant to the above provisions of this Section 2.1.

~~Section 2.2 Flexible Benefit Allowance – Temporary Suspension. The $1,500.00 annual flexible benefit allowance shall be temporarily suspended for calendar years 2012, 2013, 2014 and 2015. The flexible benefit allowance ($1,500.00 per year) shall be reinstated January 1, 2016.~~

Section 2.2~~3~~ Medical Insurance.

A. Tier I Employees. The City agrees to provide a monthly medical insurance allowance ("Medical Allowance") to Tier I Employees in the Executive Group, to be used for the purpose of purchasing mandatory health coverage under PEMHCA for the employee and his or her eligible dependents. Effective January 1, 2018, ~~T~~the Medical Allowance shall consist of the following: (1) a base contribution rate according to the current CalPERS schedule ("Base Contribution Rate"); plus (2) an amount equal to the difference between the Base Contribution Rate and the ~~actual monthly premium for the medical insurance plan selected by the employee during the PEMHCA open enrollment period~~following amounts as applicable:~~.~~

- $601.42 per month for employees electing Employee only coverage;
- $1,202.83 per month for employees electing Employee plus one dependent coverage; or
- $1,563.67 per month for employees electing Employee plus two or more dependents coverage.

The Medical Allowance will be made available through the Cafeteria Plan. ~~Notwithstanding the preceding, the Medical Allowance will be no greater than the monthly premium for the second highest PERS family plan at the PERS designated classification for Riverside County (currently the "Other Southern California Counties" rate).~~ If an employee enrolls in a ~~more expensive~~health plan that costs more than the Medical Allowance, he or she will be responsible for payment of any premium in excess of the Medical Allowance.

B. Tier II Employees. The City agrees to provide a Medical Allowance to Tier II Employees in the Executive Group, to be used for the purpose of purchasing mandatory health coverage under PEMHCA for the employee and his or her eligible dependents~~.~~

~~The Medical Allowance shall be calculated for the various groups of Tier II Employees in the manners provided for in the following paragraphs:~~

~~Miscellaneous; Police; Fire. For Miscellaneous employees hired on or after January 1, 1999, but prior to January 1, 2013, Police employees hired on or after January 1, 2000, but prior to October~~

~~14, 2007, and Fire employees hired on or after July 1, 2000, but prior to January 1, 2013,~~ Effective January 1, 2018 the Medical Allowance shall consist of the following: (1) the Base Contribution Rate; plus (2) an amount equal to the difference between the Base Contribution Rate and the ~~actual monthly premium for the second highest PERS family plan at the PERS-designated classification for Riverside County (currently the "other Southern California Counties rate")~~following amounts, as applicable:~~.~~

- $601.42 per month for employees electing Employee only coverage;
- $1,202.83 per month for employees electing Employee plus one dependent coverage; or
- $1,563.67 per month for employees electing Employee plus two or more dependents coverage.

The Medical Allowance will be made available through the Cafeteria Plan. Subject to the limitations set forth below, ~~T~~the excess of the Medical Allowance remaining after purchase of mandatory health coverage under PEMHCA ("Medical Difference"), if any, may be allocated toward the purchase of other Cafeteria Plan benefits or may be taken as a taxable cash payment, in accordance with the terms of the Cafeteria Plan~~; provided, however, for Police Tier II Employees only the Medical Difference is capped at $950 per month~~. The maximum Medical Difference to which an employee is entitled shall be as follows:

- $350 per month for employees entitled to and electing Employee only coverage;
- $700 per month for employees entitled to and electing Employee plus one dependent coverage; and
- $950 per month for employees entitled to and electing Employee plus two or more dependents coverage.

If an employee enrolls in a ~~more expensive~~health plan that costs more than the Medical Allowance, he or she will be responsible for payment of any premium in excess of the Medical Allowance.

~~1. Fire (Classic Members). For Fire employees hired on or after January 1, 2013 and determined to be Classic CalPERS Members, as defined in Section 1.8(E), effective July 1, 2013 the Medical Allowance shall consist of:~~

~~Before the employee's "Fifth Reciprocal Benefit Year" (as defined below), the Medical Allowance shall consist of the following: (1) the Base Contribution Rate, plus (2) an amount equal to the difference between the Base Contribution Rate and the actual monthly premium for the lowest cost PERS family planThe Medical Allowance will be made available through the Cafeteria Plan. The excess of the Medical Allowance remaining after purchase of mandatory health coverage through PEMHCA, if any, may be allocated toward the purchase of other Cafeteria Plan benefits or may be taken as a taxable cash payment, in accordance with the terms of the Cafeteria Plan. If an employee enrolls in a more expensive plan, he or she will be responsible for payment of any premium in excess of the Medical Allowance.~~

~~(a) From and after the employee's "Fifth Reciprocal Benefit Year" (as defined below), the Medical Allowance shall consist of the following: (1) the Base Contribution Rate, plus (2) an amount equal to the difference between the Base Contribution Rate and the actual monthly premium for the second highest PERS family plan at the PERS-designated classification for Riverside County (currently the "Other Southern California Counties" rate). The Medical Allowance will be made available through the Cafeteria Plan. The excess of the Medical Allowance remaining after purchase of mandatory health coverage through PEMHCA, if any, may be allocated toward the purchase of other Cafeteria Plan benefits or may be taken as a taxable cash payment, in accordance with the terms of the Cafeteria Plan. If an employee enrolls in a more expensive plan, he or she will be responsible for payment of any premium in excess of the Medical Allowance.~~

~~As used herein, "Fifth Reciprocal Benefit Year" shall mean the calendar year during which an employee completes either: (1) five (5) full years of employment as a full-time sworn fire fighter with the City; or (2) five (5) full years of combined employment as a full-time sworn fire fighter with the City and one or more other organizations. By way of example, if an employee has not previously worked as a sworn fire fighter for another organization and is first hired by the City as a full-time sworn fire fighter in July of 2013, the employee's Fifth Reciprocal Benefit Year would be calendar year 2018 (assuming continuous employment). Accordingly, the employee would be eligible to utilize the Medical Allowance calculated in 4.4.5(A)(2)(b) above when the City's open enrollment occurs in 2017 for calendar year 2018. Employees with combined employment with another agency shall receive a full month's credit for each month, or portion thereof, worked as a sworn fire fighter for the other agency. By way of additional example, therefore, if an employee has previously worked thirteen (13) months as a sworn fire fighter for another organization and is first hired by the City as a full-time sworn fire fighter in July of 2013, the employee's Fifth Reciprocal Benefit Year would be calendar year 2017 (assuming continuous employment). Accordingly, the employee would be eligible to utilize the Medical Allowance calculated in 3.3.4(C)(2)(b) above when the City's open enrollment occurs in 2016 for calendar year 2017. In order to get credit for employment with another organization, on or before the employee's initial employment date with the City, the employee must provide verifiable written work history as a full-time sworn fire fighter in a previous organization.~~

~~Miscellaneous (Classic Members). For Miscellaneous employees hired on or after January 1, 2013 and determined to be Classic CalPERS Members, as defined in Section 1.8(E), effective July 1, 2013 the Medical Allowance shall consist of the following: (1) the Base Contribution Rate, plus (2) an amount equal to that of the lowest cost PERS eligible plan at the family rateThe Medical Allowance will be made available through the Cafeteria Plan. The excess of the Medical Allowance remaining after purchase of mandatory health coverage through PEMHCA, if any, may **NOT** be allocated toward the purchase of other Cafeteria Plan benefits and may **NOT** be taken as a taxable cash payment. If an employee enrolls in a more expensive plan, he or she will be responsible for payment of any premium in excess of the Medical Allowance.~~

C. Tier III Employees. The City agrees to provide a Medical Allowance to Tier III Employees in the Executive Group, to be used for the purpose of purchasing mandatory health coverage under PEMHCA for the employee and his or her eligible dependents.

The Medical Allowance shall be calculated for the various groups of Tier III Employees in the manners provided for in the following paragraphs:

1. Miscellaneous; Police; Police Classic. For Tier III Miscellaneous Employees, Tier III Police ~~e~~Employees and Tier III Police Classic Employees~~hired on or after October 14, 2007, but prior to January 1, 2013~~, effective January 1, 2018 the Medical Allowance shall consist of the following: (1) the Base Contribution Rate; plus (2) an amount equal to the difference between the Base Contribution Rate and the ~~actual monthly premium for the second highest PERS family plan at the PERS-designated classification for Riverside County (currently the "other Southern California Counties rate")~~ following amounts, as applicable:

- $601.42 per month for employees electing Employee only coverage;
- $1,202.83 per month for employees electing Employee plus one dependent coverage; or
- $1,563.67 per month for employees electing Employee plus two or more dependents coverage.

The Medical Allowance will be made available through the Cafeteria Plan. The excess of the Medical Allowance remaining after purchase of mandatory health coverage through PEMHCA, if any, may **NOT** be allocated toward the purchase of other Cafeteria Plan benefits and may **NOT** be taken as a taxable cash payment. If an employee enrolls in a ~~more expensive~~health plan that costs more than the Medical Allowance, he or she will be responsible for payment of any premium in excess of the Medical Allowance.

~~1. Police (Classic Members). For Police employees hired on or after January 1, 2013 and determined to be Classic CalPERS members, as defined in Section 1.8(E), effective July 1, 2013 the Medical Allowance shall consist of:~~

~~(a) Before the employee's "Fifth Reciprocal Benefit Year" (as defined below), the Medical Allowance shall consist of the following: (1) the Base Contribution Rate, plus (2) an amount equal to the difference between the Base Contribution Rate and the actual monthly premium for the lowest cost PERS family plan. The Medical Allowance will be made available through the Cafeteria Plan. The excess of the Medical Allowance remaining after purchase of mandatory health coverage through PEMHCA, if any, may **NOT** be allocated toward the purchase of other Cafeteria Plan benefits and may **NOT** be taken as a taxable cash payment. If an employee enrolls in a more expensive plan, he or she will be responsible for payment of any premium in excess of the Medical Allowance.~~

~~(b) From and after the employee's "Fifth Reciprocal Benefit Year" (as defined below), the Medical Allowance shall consist of the following: (1) the Base Contribution Rate, plus (2) an amount equal to the difference between the Base Contribution Rate and the actual monthly premium for the second highest PERS family plan at the PERS-~~

~~designated classification for Riverside County (currently the "Other Southern California Counties" rate). The Medical Allowance will be made available through the Cafeteria Plan. The excess of the Medical Allowance remaining after purchase of mandatory health coverage through PEMHCA, if any, may **NOT** be allocated toward the purchase of other Cafeteria Plan benefits and may **NOT** be taken as a taxable cash payment. If an employee enrolls in a more expensive plan, he or she will be responsible for payment of any premium in excess of the Medical Allowance.~~

~~As used herein, "Fifth Reciprocal Benefit Year" shall mean the calendar year during which an employee completes either: (1) five (5) full years of employment as a full-time sworn peace officer with the City; or (2) five (5) full years of combined employment as a full-time sworn peace officer with the City and one or more other organizations. By way of example, if an employee has not previously worked as a sworn peace officer for another organization and is first hired by the City as a full-time sworn peace officer in July of 2013, the employee's Fifth Reciprocal Benefit Year would be calendar year 2018 (assuming continuous employment). Accordingly, the employee would be eligible to utilize the Medical Allowance calculated in 3.3.4(C)(2)(b) above when the City's open enrollment occurs in 2017 for calendar year 2018. Employees with combined employment with another agency shall receive a full month's credit for each month, or portion thereof, worked as a sworn peace officer for the other agency. By way of additional example, therefore, if an employee has previously worked thirteen (13) months as a sworn peace officer for another organization and is first hired by the City as a full-time sworn peace officer in July of 2013, the employee's Fifth Reciprocal Benefit Year would be calendar year 2017 (assuming continuous employment). Accordingly, the employee would be eligible to utilize the Medical Allowance calculated in 3.3.4(C)(2)(b) above when the City's open enrollment occurs in 2016 for calendar year 2017. In order to get credit for employment with another organization, on or before the employee's initial employment date with the City, the employee must provide verifiable written work history as a full-time sworn peace officer in a previous organization.~~

~~1.~~ Fire~~ (New Members)~~. For Tier III Fire ~~e~~Employees~~ hired on or after January 1, 2013 and determined to be New CalPERS members, as defined in Section 1.8(F)~~, effective ~~July 1, 2013~~January 1, 2018 the Medical Allowance shall consist of~~:~~
~~Before the employee's "Fifth Benefit Year" (as defined below), the Medical Allowance shall consist of~~ the following: (1) the Base Contribution Rate, plus (2) an amount equal to the difference between the Base Contribution Rate and the~~ actual monthly premium for the lowest cost PERS family plan~~ following amounts, as applicable:

- $601.42 per month for employees electing Employee only coverage;
- $1,202.83 per month for employees electing Employee plus one dependent coverage; or
- $1,563.67 per month for employees electing Employee plus two or more dependents coverage.

The Medical Allowance will be made available through the Cafeteria Plan. Subject to the limitations set forth below, ~~T~~the ~~excess of the Medical Allowance remaining after purchase of mandatory health coverage through PEMHCA~~Medical Difference, if any, may be allocated toward the purchase of other Cafeteria Plan benefits or may be taken as a taxable cash payment, in accordance with the terms of the Cafeteria Plan. The maximum Medical Difference to which an employee is entitled shall be as follows:

- $350 per month for employees entitled to and electing Employee only coverage;
- $700 per month for employees entitled to and electing Employee plus one dependent coverage; and
- $950 per month for employees entitled to and electing Employee plus two or more dependents coverage.

If an employee enrolls in a ~~more expensive~~health plan that costs more than the Medical Allowance, he or she will be responsible for payment of any premium in excess of the Medical Allowance.

~~(b) From and after the employee's "Fifth Benefit Year" (as defined below), the Medical Allowance shall consist of the following: (1) the Base Contribution Rate, plus (2) an amount equal to the difference between the Base Contribution Rate and the actual monthly premium for the second highest PERS family plan at the PERS-designated classification for Riverside County (currently the "Other Southern California Counties" rate). The Medical Allowance will be made available through the Cafeteria Plan.. The excess of the Medical Allowance remaining after purchase of mandatory health coverage under PEMHCA, if any, may be allocated toward the purchase of other Cafeteria Plan benefits or may be taken as a taxable cash payment, in accordance with the terms of the Cafeteria Plan. If an employee enrolls in a more expensive plan, he or she will be responsible for payment of any premium in excess of the Medical Allowance.~~

~~As used herein, "Fifth Benefit Year" shall mean the calendar year during which an employee completes five (5) full years of employment as a full-time sworn fire fighter with the City. By way of example, if an employee is first hired by the City as a full-time sworn fire fighter in July of 2013, the employee's Fifth Benefit Year would be calendar year 2018 (assuming continuous employment). Accordingly, the employee would be eligible to utilize the Medical Allowance calculated in 3.3.4(C)(2)(b) above when the City's open enrollment occurs in 2017 for calendar year 2018.~~

~~2. Miscellaneous (New Members). For Miscellaneous employees hired on or after January 1, 2013 and determined to be New CalPERS members, as defined in Section 1.8(F), effective July 1, 2013 the Medical Allowance shall consist of the following: (1) the Base Contribution Rate, plus (2) an amount equal to that of the lowest cost PERS eligible plan at the family rate. The Medical Allowance will be made available through the Cafeteria Plan. The excess of the Medical Allowance remaining after purchase of mandatory health coverage through PEMHCA, if any, may **NOT** be allocated toward the purchase of other Cafeteria Plan benefits and may **NOT** be taken as a taxable cash payment. If an employee enrolls in a more expensive plan, he or she will be responsible for payment of any premium in excess of the Medical Allowance.~~

D. Tier IV Employees. The City agrees to provide a Medical Allowance to Tier IV Employees in the Management/Confidential Group, to be used for the purpose of purchasing mandatory health coverage under PEMHCA for the employee and his or her eligible dependents. Effective January 1, 2018,

~~T~~the Medical Allowance shall ~~be calculated for the various groups of Tier IV Employees in the manners provided for in the following paragraphs:~~

~~Police (New Members). For Police employees hired on or after January 1, 2013 and determined to be New CalPERS Members, as defined in Section 1.8(F), effective July 1, 2013 the Medical Allowance shall~~ consist of the following:

~~(a) Before the employee's "Fifth Benefit Year" (as defined below), the Medical Allowance shall consist of the following:~~ (1) the Base Contribution Rate, plus (2) an amount equal to the difference between the Base Contribution Rate and the ~~actual monthly premium for the lowest cost PERS family plan.~~ following amounts, as applicable:

- $601.42 per month for employees electing Employee only coverage;
- $1,202.83 per month for employees electing Employee plus one dependent coverage; or
- $1,563.67 per month for employees electing Employee plus two or more dependents coverage.

The Medical Allowance will be made available through the Cafeteria Plan. The excess of the Medical Allowance remaining after purchase of mandatory health coverage through PEMHCA, if any, may **NOT** be allocated toward the purchase of other Cafeteria Plan benefits and may **NOT** be taken as a taxable cash payment. If an employee enrolls in a ~~more expensive~~health plan that costs more than the Medical Allowance, he or she will be responsible for payment of any premium in excess of the Medical Allowance.

~~(b) From and after the employee's "Fifth Benefit Year" (as defined below), the Medical Allowance shall consist of the following: (1) the Base Contribution Rate, plus (2) an amount equal to the difference between the Base Contribution Rate and the actual monthly premium for the second highest PERS family plan at the PERS-designated classification for Riverside County (currently the "Other Southern California Counties" rate). The Medical Allowance will be made available through the Cafeteria Plan. The excess of the Medical Allowance remaining after purchase of mandatory health coverage through PEMHCA, if any, may **NOT** be allocated toward the purchase of other Cafeteria Plan benefits and may **NOT** be taken as a taxable cash payment. If an employee enrolls in a more expensive plan, he or she will be responsible for payment of any premium in excess of the Medical Allowance.~~

~~As used herein, "Fifth Benefit Year" shall mean the calendar year during which an employee completes five (5) full years of employment as a full-time sworn peace officer with the City. By way of example, if an employee is first hired by the City as a full-time sworn peace officer in July of 2013, the employee's Fifth Benefit Year would be calendar year 2018 (assuming continuous employment). Accordingly, the employee would be~~

~~eligible to utilize the Medical Allowance calculated in 3.3.4(C)(2)(b) above when the City's open enrollment occurs in 2017 for calendar year 2018.~~

E. Tier V Employees. The City agrees to provide a Medical Allowance to Tier V Employees regardless of whether the employee is considered a Classic CalPERS Member, as defined in Section 1.8(F), or a New CalPERS Member, as defined in Section 1.8(G), to be used for the purpose of purchasing mandatory health coverage under PEMHCA for the employee and his or her eligible dependents. Effective January 1, 2018, the Medical Allowance shall consist of the following: (1) the Base Contribution Rate, plus (2) an amount equal to the difference between the Base Contribution Rate and the following amounts, as applicable:

- $473.46 per month for employees electing Employee only coverage;
- $946.92 per month for employees electing Employee plus one dependent coverage; or
- $946.92 per month for employees electing Employee plus two or more dependents coverage.

The Medical Allowance will be made available through the Cafeteria Plan. The excess of the Medical Allowance remaining after purchase of mandatory health coverage through PEMHCA, if any, may **NOT** be allocated toward the purchase of other Cafeteria Plan benefits and may **NOT** be taken as a taxable cash payment. If an employee enrolls in a health plan that costs more than the Medical Allowance, he or she will be responsible for payment of any premium in excess of the Medical Allowance.

Section 2.3~~4~~ Medical Insurance Opt Out. Subject to meeting the requirements set forth below, and in lieu of receiving the Medical Allowance and Medical Difference (if applicable) provided for in Section 2.2~~3~~ above, an Executive Group employee may elect to receive a monthly allocation to the Cafeteria Plan according to the following schedule:

Prior to January 1, 2018

- $770.00 for Employee + 2 or more dependents~~Family~~
- $592.00 for Employee + 1 dependent
- $296.00 for Employee Only

Effective January 1, 2018

- $1,000.00 for Employee + 2 or more dependents
- $750.00 for Employee + 1 dependent
- $450.00 for Employee Only

The amount of the monthly allocation shall be based on the alternative coverage in which the employee is enrolled. Said amount may be allocated toward the purchase of other Cafeteria Plan benefits or may be taken as a taxable cash payment, in accordance with the terms of the Cafeteria Plan. In order to qualify for this election, the employee must meet all of the following requirements:

- Provide satisfactory written proof of health insurance coverage for the employee and the employee's eligible dependents, if any;

- Sign a waiver of City offered health insurance coverage and an agreement to hold the City harmless for any consequences, whatsoever, that result from the waiver of City offered health insurance coverage; and

- Sign a statement acknowledging that the employee and the employee's eligible dependents will not be allowed to re-enroll in the health insurance coverage offered by the City until the next open enrollment period, and that re-enrollment will be subject to all conditions imposed by the insurance provider at the time of reenrollment. However, in the event of a HIPAA or COBRA "qualifying event", such employee would be allowed to re-enroll in health insurance effective the beginning of the following month without having to wait for the next open enrollment period.

If an employee who is currently opting out fails to make an election for opt out during open enrollment, the employee will be enrolled in a health insurance plan, employee only coverage, as determined by the City. This default allocation shall not be subject to change.

Section 2.4~~5~~ Retiree Medical Insurance.

A. Tier I Employees. The City agrees to provide a monthly medical insurance premium payment ("Retiree Medical Premium Payment") to Tier I Employees in the Executive Group who retire from the City under the CalPERS system, for the purpose of purchasing health coverage offered through PEMHCA for the retiree and his or her eligible dependents. The Retiree Medical Premium Payment shall be payable in the following form: (1) Base Contribution Rate payable to CalPERS; and (2) a reimbursement to the retiree of the monthly premium for the medical insurance plan actually paid by the retiree ("Retiree Medical Reimbursement"). The Retiree Medical Reimbursement shall include reimbursement for premiums paid to Social Security for health insurance through Medicare once a year at the end of the year. Notwithstanding the preceding, Tier I Employees that retire on or after January 1, 2006 shall only be entitled to a Retiree Medical Premium Payment which is equal to or less than the monthly premium for the second highest PERS family plan at the PERS-designated classification for the Other Southern California Counties rate) and the Medicare reimbursement. If a retiree enrolls in a more expensive plan, he or she will be responsible for payment of any premium in excess of the capped amount.

Affirm Tier 1 Lifetime Health Benefit – City agrees to work with the City Attorney to provide a mechanism that provides additional assurance that Tier 1 lifetime health benefits will not be revoked or negotiated away by future members of management, union representatives or City Councils.

B. Tier II, III~~, &~~ IV & V Employees. Tier II Employees, Tier III Employees, ~~and~~ Tier IV Employees and Tier V Employees in the Executive Group who retire from the City under the CALPERS system shall be entitled to a partial payment of the premium for the health insurance plan in which they are enrolled payable by the City to CalPERS in the amount equal to the Base Contribution Rate only. Such retirees shall not be reimbursed or otherwise receive payment from the City for health insurance premiums in excess of said Base Contribution Rate. The City will not reimburse such retirees for premiums paid to Social Security for health insurance through Medicare.

Section 2.5~~6~~ Retiree Health Alternative - Tier I Employees. In lieu of receiving the Retiree Medical Premium Payment, a Tier I Employee in the Executive Group who retires from the City under the CalPERS system shall have the option of receiving an annual $6,000 contribution, at a rate of $500 per month, paid to a City-provided health care reimbursement plan on behalf of such retiree for the purpose of receiving reimbursements of qualifying health care expenses under Sections 105(b) and 213(d) of the Internal Revenue Code. To receive this benefit, a retiree must forfeit participating in any of the health benefit plans available to retirees of the City for the plan year in which such retiree elects to receive the contribution. Such retirees needing to re-enroll as a result of a COBRA or HIPPA "qualifying event" may do so on the first day of the month following that event, while those choosing to re-enroll in the absence of a HIPPA "qualifying event" may re-enroll during the next open enrollment period, unless the retiree has never participated in a CalPERS health plan. Tier II Employees, Tier III Employees, ~~and~~ Tier IV Employees and Tier V Employees in the Executive Group who retire from the City under the CALPERS system shall not be eligible for this alternative.

Section 2.6~~7~~ Family Medical Leave Act/California Family Rights Act. The City will pay to PERS the medical insurance premiums normally paid on behalf of that Executive Group employee, for up to 12 weeks, when an employee qualifies for an unpaid leave of absence in compliance with the Family Medical Leave Act (FMLA) and/or the California Family Rights Act (CFRA).

Section 2.7~~8~~ Medicare Contribution. The City agrees to pay the Executive Group employee's portion of the mandatory Medicare Contribution of 1.45% for all employees.

Section 2.8~~9~~ Short-Term Disability. Effective January 1, 2012, the City shall provide a short-term disability insurance plan to each Executive Group employee who, for reasons of their own medical disability, commences a medical leave of absence. This insurance plan shall contain of the following provisions:

- Benefit level shall be 55% of basic monthly earnings less other income benefits.
- 90 calendar day benefit period (Includes 7 calendar day benefit waiting period).
- Monthly maximum benefit of $10,000.00
- Ability to utilize annual leave or frozen sick leave to supplement disability payments.

Discretionary Authority: For this item, it should be noted that in making any benefits determination under the policy, the carrier shall have the discretionary authority both to determine eligibility for benefits and to construe the terms of the policy.

Leave under this section shall be administered in accordance with administrative policy 200.40, Leave of Absence under the Family Medical Leave Act, California Family Rights Act, and California Pregnancy Disability.

Section 2.9~~10~~ Long-Term Disability. Effective January 1, 2012, the City shall provide a long-term disability insurance plan to each Executive Group employee, who for reasons of their own medical disability commences a medical leave of absence. This insurance plan shall contain of the following provisions:

- Benefit level shall be 66 2/3% of basic monthly earnings;
- Monthly maximum benefit of $10,000.00
- Elimination Period (Waiting period): 90 days
- Ability to utilize annual leave or frozen sick leave to supplement disability payments.

Discretionary Authority: For this item, it should be noted that in making any benefits determination under the policy, the carrier shall have the discretionary authority both to determine eligibility for benefits and to construe the terms of the policy.

Section 2.10~~1~~ Life Insurance & Accidental Death and Dismemberment.

A. Amount of Insurance. The City shall provide life and accidental death and dismemberment insurance coverage for Executive Group employees equal to five and one-half times the employee's annual base pay, to a maximum of $750,000.

B. Discretionary Authority. In making any benefits determination under the City’s Life Insurance & Accidental Death and Dismemberment policy, the carrier shall have the discretionary authority both to determine eligibility for benefits and to construe the terms of the policy.

Section 2.11~~2~~ Retiree Life Insurance.

A. Amount of Insurance. The City shall provide a Life Insurance policy in the amount of $50,000.00 to all Executive Group employees who retire from the City. This Life Insurance Policy shall remain in force until the retiree reaches the age of 70.

B. Discretionary Authority. In making any benefits determination under the City’s Life Insurance policy, the carrier shall have the discretionary authority both to determine eligibility for benefits and to construe the terms of the policy.

Section 2.12~~3~~ Employee Assistance Program (EAP). The City will provide an Employee Assistance Program ("EAP") to all Executive Group employees free of charge. This counseling service will provide immediate 24-hour assistance in crisis situations, as well as counseling and referral services for employees and immediate family members who are experiencing personal, marriage, family, work, substance abuse, or financial problems. Note that the City may provide, in its sole discretion, an enhanced EAP for Police Department employees.

ARTICLE III
RETIREMENT – PERS

Section 3.1 Public Employees Retirement System. The City agrees to provide a retirement plan provided through the California Public Employees Retirement System ("CalPERS" or "PERS"). This plan will provide those benefits described in Sections 3.2 and 3.3.

Section 3.2 Retirement Benefit**.**

A. Tier I & II Employees. For Tier I Employees and Tier II Employees, the City shall provide 2.7% @ age 55 for Miscellaneous employees and 3.0% @ age 50 for Police and Fire safety employees.

B. Tier III ~~& IV~~ Employees. For Tier III Employees ~~and Tier IV Employees~~, the City shall provide the following benefits: (1) 2% @ age 62 for Tier III Miscellaneous employees; (2) 3.0% @ age 50 for Tier III Police ~~safety e~~Employees ~~who are hired on or after October 14, 2007, but prior to January 1, 2013~~; (3) 3.0% @ age 50 for Tier III Police ~~safety~~ Classic ~~e~~Employees ~~who are hired on or after January 1, 2013 and determined to be Classic CalPERS Members, as defined in Section 1.8(E) above~~; (4) 2.7% @ age 57 for Tier III Fire ~~safety e~~Employees~~; and (5)~~.

C. Tier IV Employees. The City shall provide 3.0% @ age 50 for Tier IV Employees who are determined to be Classic CalPERS Members, as defined in Section 1.8(F). The City shall provide 2.7% @ age 57 for ~~Police safety employees who are hired on or after January 1, 2013 and determined to be New CalPERS Members, as defined in Section 1.8(F) above~~Tier IV Employees who are determined to be New CalPERS Members, as defined in Section 1.8(G).

D. Tier V Employees.

1. Tier V Miscellaneous Employees. The City shall provide 2.7% @ age 55 for Tier V Miscellaneous Employees who are determined to be Classic CalPERS Members, as defined in Section 1.8(F). The City shall provide 2% @ age 62 for Tier V Miscellaneous Employees who are determined to be New CalPERS Members, as defined in Section 1.8(G).

2. Public Safety Employees. The City shall provide 3.0% @ age 50 for Tier V Public Safety Employees who are determined to be Classic CalPERS Members, as defined in Section 1.8(F). The City shall provide 2.7% @ age 57 for Tier V Public Safety Employees who are determined to be New CalPERS Members, as defined in Section 1.8(G).

Section 3.3 Member Contribution Rate.

A. Tier I Employees. ~~Tier I Employees in the Executive Group shall pay the following percentages of the employee's portion of the CalPERS retirement contribution: (1) zero percent (0%) for Miscellaneous and Police employees; and (2) nine percent (9%) for Fire employees. Such payments shall be reported as normal contributions and shall be credited to employee accounts. It is acknowledged that payment by the City for the City's portion of the employee contribution (generally expected to be 8% (Miscellaneous), 9% (Police) and 0% (Fire)) shall be considered taxable income for IRS purposes to the employee at the time of withdrawal or retirement. It is recognized that this contribution does not affect an employee's base pay. Notwithstanding the foregoing, effective October 19, 2013, the City shall adopt the appropriate CalPERS resolutions to remove employer paid member contributions (EPMC), and thus the City will no longer pay any EPMC and will no longer report the value of any EPMC as additional compensation for retirement purposes, and the preceding language shall be treated as deleted in its entirety and not made a part of this Resolution.~~ Effective October 19, 2013, Tier I Employees shall pay the following contributions~~ shall be paid~~:

1. Miscellaneous. Tier I Miscellaneous employees shall pay the eight percent (8%) employee CalPERS contribution.

2. Police. Tier I Police employees shall pay the following: (i) the nine percent (9%) employee CalPERS contribution; and (ii) one and one-half percent (1.5%) towards the City's employer CalPERS costs.

3. Fire. Tier I Fire employees shall (i) continue to pay the nine percent (9%) employee CalPERS contribution; and (ii) and shall commence paying one and one-half percent (1.5%) towards the City's employer CalPERS costs.

B. Tier II Employees. ~~Tier II Employees in the Executive Group shall pay the following percentages of the employee's portion of the CalPERS retirement contribution: (1) three percent (3%) for Miscellaneous employees; (2) zero percent (0%) for Police employees; and (3) nine percent (9%) for Fire employees. Such payments shall be reported as normal contributions and shall be credited to employee accounts. It is acknowledged that payment by the City for the City's portion of the employee contribution (generally expected to be 5% (Miscellaneous), 9% (Police) and 0% (Fire)) shall be considered taxable income for IRS purposes to the employee at time of withdrawal or retirement. It is recognized that this contribution does not affect an employee's base pay. Notwithstanding the foregoing, effective October 19, 2013, the City shall adopt the appropriate CalPERS resolutions to remove employer paid member contributions (EPMC), and thus the City will no longer pay any EPMC and will no longer report the value of any EPMC as additional compensation for retirement purposes, and the preceding language shall be treated as deleted in its entirety and not made a part of this~~

~~Resolution.~~ Effective October 19, 2013, Tier II Employees shall pay the following percentages of the employee's portion of the CalPERS retirement contribution~~s shall be paid~~:

1. Miscellaneous. Tier II Miscellaneous ~~e~~Employees and Tier II Miscellaneous Classic Employees shall pay the eight percent (8%) employee CalPERS contribution.

2. Police. Tier II Police ~~e~~Employees shall pay the following: (i) the nine percent (9%) employee CalPERS contribution; and (ii) one and one-half percent (1.5%) towards the City's employer CalPERS costs.

3. Fire; Fire Classic. Tier II Fire ~~e~~Employees and Tier II Fire Classic Employees shall pay the following (i) ~~continue to pay~~ the nine percent (9%) employee CalPERS contribution; and (ii) and ~~shall commence paying~~ one and one-half percent (1.5%) towards the City's employer CalPERS costs.

C. Tier III ~~& IV~~ Employees. ~~Tier III Employees and Tier IV Employees in the Executive Group shall pay the following member contributions: (1) Police safety employees who are hired on or after October 14, 2007, but prior to January 1, 2013, shall pay zero percent (0%) of the employee's portion of the CalPERS retirement contribution; (2) Police safety employees who are hired on or after January 1, 2013 and determined to be Classic CalPERS Members, as defined in Section 1.8(E) above, shall pay zero percent (0%) of the employee's portion of the CalPERS retirement contribution; (3) Fire safety employees shall pay nine percent (9%) of the employee's portion of the CalPERS retirement contribution; and (4) Miscellaneous employees and Police and Fire safety employees who are hired on or after January 1, 2013 and determined to be New CalPERS Members, as defined in Section 1.8(F) above, shall pay a portion of the normal cost rate for their CalPERS defined benefit retirement plan. This mandatory employee contribution is not a fixed amount. Rather, it will be set by CalPERS based on the following formula: the mandatory employee contribution will be equal to the greater of: (a) fifty (50%) percent of the total normal cost rate attributable to their defined benefit plan, rounded to the nearest quarter of one percent (0.25%); or (b) the current contribution rate of similarly situated City employees. The City will inform new members of the actual mandatory employee contribution when CalPERS informs the City of the rate. Such payments shall be reported as normal contributions and shall be credited to employee accounts. It is acknowledged that the City will not pay any portion of the employee's contribution. It is recognized that this contribution does not affect an employee's base pay. Notwithstanding the foregoing, effective October 19, 2013, the City shall adopt the appropriate CalPERS resolutions to remove employer paid member contributions (EPMC), and thus the City will no longer pay any EPMC and will no longer report the value of any EPMC as additional compensation for retirement purposes, and the preceding language shall be treated as deleted in its entirety and not made a part of this Resolution.~~ Effective October 19, 2013, ~~the following~~ Tier III Employees shall pay the following percentages of the employee's portion of the CalPERS retirement contribution~~s shall be paid~~:

1. Miscellaneous. Tier III Miscellaneous ~~e~~Employees shall pay a portion of the normal cost rate for their CalPERS defined benefit retirement plan. This

mandatory employee contribution is not a fixed amount. Rather, it will be set by CalPERS based on the following formula: the mandatory employee contribution will be equal to the greater of: (a) fifty (50%) percent of the total normal cost rate attributable to their defined benefit plan, rounded to the nearest quarter of one percent (0.25%); or (b) the current contribution rate of similarly situated City employees. The City will inform new members of the actual mandatory employee contribution when CalPERS informs the City of the rate. It is acknowledged that the City will not pay any portion of the employee's contribution~~the eight percent (8%) employee CalPERS contribution~~.

2. Police. Tier III Police Employees and Tier III Police Classic Employees ~~and IV Police employees~~ shall pay the following: (i) the nine percent (9%) employee CalPERS contribution; and (ii) one and one-half percent (1.5%) towards the City's employer CalPERS costs.

3. Fire. Tier III Fire E~~e~~mployees shall pay the following: (i) one and one-half percent (1.5%) towards the City's employer CalPERS costs; and (ii) the following percentages of the employee's portion of the CalPERS retirement contribution: a portion of the normal cost rate for their CalPERS defined benefit retirement plan. This mandatory employee contribution is not a fixed amount. Rather, it will be set by CalPERS based on the following formula: the mandatory employee contribution will be equal to the greater of: (a) fifty (50%) percent of the total normal cost rate attributable to their defined benefit plan, rounded to the nearest quarter of one percent (0.25%); or (b) the current contribution rate of similarly situated City employees. The City will inform new members of the actual mandatory employee contribution when CalPERS informs the City of the rate. Such payments shall be reported as normal contributions and shall be credited to employee accounts. It is acknowledged that the City will not pay any portion of the employee's contribution~~(i) continue to pay the nine percent (9%) employee CalPERS contribution; and (ii) and shall commence paying one and one-half percent (1.5%) towards the City's employer CalPERS costs~~.

D. Tier IV Employees. Tier V Employees shall pay the following contributions:

1. Classic CalPERS Members. Tier IV Employees who are determined to be Classic CalPERS Members, as defined in Section 1.8(F), shall pay the following: (i) the nine percent (9%) employee CalPERS contribution; and (ii) one and one-half percent (1.5%) towards the City's employer CalPERS costs.

2. New CalPERS Members. Tier IV Employees who are determined to be New CalPERS Members, as defined in Section 1.8(G), shall pay the following percentages of the employee's portion of the CalPERS retirement contribution: a portion of the normal cost rate for their CalPERS defined benefit retirement plan. This mandatory employee contribution is not a fixed amount. Rather, it will be set by CalPERS based on the following formula: the mandatory employee contribution will be equal to the greater of: (a) fifty (50%) percent of the total normal cost rate attributable to their defined benefit plan, rounded to the nearest quarter of one percent (0.25%); or (b) the current contribution rate of similarly situated City employees. The City will inform new members of the actual mandatory employee

contribution when CalPERS informs the City of the rate. Such payments shall be reported as normal contributions and shall be credited to employee accounts. It is acknowledged that the City will not pay any portion of the employee's contribution.

E. Tier V Employees. Effective November 14, 2017, Tier V Employees shall pay the following contributions:

1. Classic CalPERS Members - Miscellaneous. Tier V Employees who are miscellaneous employees and are determined to be Classic CalPERS Members, as defined in Section 1.8(F), shall pay the eight percent (8%) employee CalPERS contribution.

2. Classic CalPERS Members – Police & Fire. Tier V Employees who are police or fire employees and are determined to be Classic CalPERS Members, as defined in Section 1.8(F), shall pay the following: (i) the nine percent (9%) employee CalPERS contribution; and (ii) one and one-half percent (1.5%) towards the City's employer CalPERS costs.

3. New CalPERS Members. Tier V Employees who are determined to be New CalPERS Members, as defined in Section 1.8(G), shall pay the following percentages of the employee's portion of the CalPERS retirement contribution: a portion of the normal cost rate for their CalPERS defined benefit retirement plan. This mandatory employee contribution is not a fixed amount. Rather, it will be set by CalPERS based on the following formula: the mandatory employee contribution will be equal to the greater of: (a) fifty (50%) percent of the total normal cost rate attributable to their defined benefit plan, rounded to the nearest quarter of one percent (0.25%); or (b) the current contribution rate of similarly situated City employees. The City will inform new members of the actual mandatory employee contribution when CalPERS informs the City of the rate. Such payments shall be reported as normal contributions and shall be credited to employee accounts. It is acknowledged that the City will not pay any portion of the employee's contribution.

4. New CalPERS Members - Fire Employees. Tier V Employees who are fire employees and are determined to be New CalPERS Members, as defined in Section 1.8(G), shall pay the following: (i) one and one-half percent (1.5%) towards the City's employer CalPERS costs; and (ii) the following percentages of the employee's portion of the CalPERS retirement contribution: a portion of the normal cost rate for their CalPERS defined benefit retirement plan. This mandatory employee contribution is not a fixed amount. Rather, it will be set by CalPERS based on the following formula: the mandatory employee contribution will be equal to the greater of: (a) fifty (50%) percent of the total normal cost rate attributable to their defined benefit plan, rounded to the nearest quarter of one percent (0.25%); or (b) the current contribution rate of similarly situated City employees. The City will inform new members of the actual mandatory employee contribution when CalPERS informs the City of the rate. Such payments shall be reported as normal contributions and shall be credited to employee accounts. It is acknowledged that the City will not pay any portion of the employee's contribution.

~~D~~F. Reporting – Employer Paid Member Contributions. Effective December 17, 1997, the value of any City-paid employee contribution, as outlined in Sections 3.3(A), 3.3(B) and 3.3(C) above, shall be reported to CalPERS as compensation in accordance with Government Code Section 20636(c)(4). It is acknowledged that such payment shall be considered tax deferred to the time of withdrawal or retirement, but otherwise is the same as though the employee had contributed it. Employee costs resulting from changing the CalPERS retirement plan, to be unmodified by FICA and including the 1959 Survivors Benefit previously reimbursed to employees, will no longer be reimbursed. Notwithstanding the foregoing, effective October 19, 2013, the City shall adopt the appropriate CalPERS resolutions to remove employer paid member contributions (EPMC), and thus the City will no longer pay any EPMC and will no longer report the value of any EPMC as additional compensation for retirement purposes, and the preceding language shall be treated as deleted in its entirety and not made a part of this Resolution.

~~E~~G. Purchase of Service Credit – Tier I, II & Some III Employees. The provisions of this Section 3.3 are applicable to Tier I Employees and Tier II Employees, as well as Tier III Employees and Tier V Employees who are determined to be Classic CalPERS Members, as defined in Section 1.8(F) ~~not hired on or after January 1, 2013 and determined to be New CalPERS Members, as defined in Section 1.8(F) above~~. Such employees may purchase CalPERS service credit for military service, service prior to membership, "airtime" or any other qualified basis, at their sole and entire expense, in accordance with Government Code Section 21024; provided, however, that all employees will be prohibited from purchasing "airtime" on or after January 1, 2013. Tier III Employees and Tier V Employees who are ~~hired on or after January 1, 2013 and~~ determined to be New CalPERS Members, as defined in Section 1.8(~~F~~G) above, as well as Tier IV Employees, shall have no right to the provisions of this Section 3.3.

Section 3.4 Additional Benefits – Tier I, II & Some III Employees. Except as expressly provided in this Section (see parentheticals in (A)(10), (B)(4) and (C)(8), the provisions of this Section 3.4 are applicable to Tier I Employees and Tier II Employees, as well as Tier III Employees and Tier V Employees who are ~~not hired on or after January 1, 2013 and~~ determined to be ~~New~~ Classic CalPERS Members, as defined in Section 1.8(F) above. Except as expressly provided in this Section (see parentheticals in (A)(10), (B)(4) and (C)(8), Tier III Employees and Tier V Employees who are ~~hired on or after January 1, 2013 and~~ determined to be New CalPERS Members, as defined in Section 1.8(~~F~~G) above, as well as Tier IV Employees, shall have no right to the provisions of this Section 3.4.

A. Miscellaneous Executive Group Employees.

1. Final Compensation (Section 20042). One Year - Local Member.

2. EPMC (Section 20691). ~~The City shall implement Government Code Section 20636(c)(4), pursuant to Section 20691, and pay and report Employer Paid Member Contributions (EPMC) currently paid by the City as income. Notwithstanding the foregoing, e~~Effective October 19, 2013, the City ~~shall~~ has adopted the appropriate CalPERS resolution to remove employer paid member contributions (EPMC), and thus the City will no longer pay any EPMC and will no longer report EPMC as additional compensation for retirement purposes~~, and the preceding language shall be treated as deleted in its entirety and not made a part of this Resolution~~.

3. Additional Service Credit (Section 20903). Golden Handshake - Local Member Two Years Additional Service Credit.

4. Layoff Period (Section 21022). Public Service - Layoff Period - Local Member.

5. Military Service (Section 21024). Public Service - Military Service - Local Member.

6. Survivor Allowance – 3rd Level (Section 21573). 1959 Survivor Allowance - Third Level.

7. Survivor Allowance – 4th Level (Section 21574). 1959 Survivor Allowance - Fourth Level - Local Member. The City will authorize an increase of the PERS 1959 Survivor Benefit from Level Three to Level Four, effective February 4, 2006, with the difference in costs to be paid by the employee (contingent on PERS contractual requirements).

8. Medical Contribution – Retirees (Section 22825.6). Medical contribution for retirees.

9. Post-Retirement Survivor Benefits (Sections 21624, 21626 & 21628). Effective June 30, 2009, the City will provide Post-Retirement Survivor Benefits (Government Code § 21624, 21626, and 21628).

10. Death Benefit (Section 21548). Pre-Retirement Option 2W Death Benefit. (Applies to all Miscellaneous employees)

B. Police Executive Group Employees (Except Tier IV Employees).

1. Final Compensation (Section 20042). One Year - Local Member (Determined by "Highest Single Year of Service").

2. EPMC (Section 20636 (c)(4)). ~~Special reporting of Employer-Paid Member Contributions. Notwithstanding the foregoing, e~~Effective October 19, 2013, the City ~~shall~~ has adopted the appropriate CalPERS resolution to remove employer paid member contributions (EPMC), and thus the City will no longer pay any EPMC and will no longer report EPMC as additional compensation for retirement purposes~~, and the preceding language shall be treated as deleted in its entirety and not made a part of this Resolution~~.

3. Benefit Formula (Section 21362). 3% at Age 50 Benefit Formula - Patrol of Local Safety Member.

4. Death Benefit (Section 21548). Pre-Retirement Option 2W Death Benefit. (Applies to all Police employees)

5. Survivor Allowance – 3rd Level (Section 21573). 1959 Survivor Allowance - Third Level.

6. Medical Contribution – Retirees (Section 22892). Employer Medical Contribution for Retirees).

7. Post-Retirement Survivor Benefits (Sections 21624, 21626, 21626.5 & 21628). Post-Retirement Survivor Allowance - Specified State or Local Members.

C. Fire Executive Group Employees (Except Tier III Fire Employees).

1. Survivor Allowance – 3rd Level (Section 21573). Third level of 1959 Survivor's Benefit.

2. Survivor Allowance – 4th Level (Section 21574). Effective September 1, 2007, the City will authorize an increase of the PERS 1959 Survivor Benefit from Level Three to Level Four with the difference in costs to be paid by the employee.

3. Final Compensation (Section 20042). Final compensation determined by "Highest Single Year of Service".

4. Medical Contribution – Retirees (Section 22892). Employer Medical Contribution for Retirees.

5. Post-Retirement Survivor Benefits (Sections 21624, 21626 & 21628). Post-Retirement Survivor allowance.

6. Military Service (Section 21024). Military Service Credit as Public Service. Any and all associated costs are borne by the employee electing to purchase the service credit.

7. Local Fire Fighter (Section 20434). "Local Fire Fighter" – Various Including Emergency Medical Services. "Local Fire Fighter" shall include any officer or employee of a fire department employed to perform firefighting, fire prevention, fire training, hazardous materials, emergency medical services, or fire or arson investigation services as described in Government Code § 20434.

8. Death Benefit (Section 21548). Pre-Retirement Option 2W Death Benefit. (Applies to all Fire employees)

D. Police & Fire Executive Group Employees.

1. Employee Sharing Cost of Additional Benefits (Section 20516). Permits the City to share the cost of retirement benefits with employees. The increased member contributions will be credited to each member's account as normal contributions. (Amendment in process as of 10-16-13.)

Section 3.5 Additional Provisions – Some Tier III and All Tier IV Employees. The provisions of this Section 3.5 are applicable to Tier III Miscellaneous ~~e~~Employees and Tier III Fire ~~safety e~~Employees, ~~who are hired on or after January 1, 2013 and determined to be New CalPERS Members, as defined in Section 1.8(F) above, as well as~~ Tier IV Employees and Tier V Employees who are determined to be New CalPERS Members, as defined in Section 1.8(G).

A. New Member Pensionable Compensation Limit. For employees subject to this Section 3.5, effective January 1, 2013 their compensation reported to CalPERS to be used in calculating retirement benefits will be capped at an amount that will be subject to annual adjustment by CalPERS in accordance with CalPERS laws, rules and regulations. Currently, that amount is One Hundred and Thirty-Six Thousand Four Hundred and Forty Dollars ($136,440), but is subject to automatic adjustment by CalPERS.

B. New Member Final Compensation Formula. For employees subject to this Section 3.5, effective January 1, 2013 their Final Compensation will be determined using the highest three (3) year average of pensionable compensation, in accordance with CalPERS laws, rules and regulations.

ARTICLE IV
TUITION REIMBURSEMENT

Section 4.1 Tuition Reimbursement Policy. The City recognizes the value of an educated workforce and encourages employees to pursue the goal of higher education. Pursuant to City Administrative Policy 100.15 (Tuition Reimbursement) ("Tuition Reimbursement Policy"), which is subject to City Council budgetary discretion and which the City may amend in its sole discretion, the City has adopted a plan to provide financial reimbursement for tuition and textbooks for job related college courses. It is a plan in which the City participates with the employee in financing specific job related courses leading to an appropriate degree or certificate. Employees are to use their off-duty hours in the pursuit of higher education.

Subject to satisfaction of all criteria set forth in this Article IV and the Tuition Reimbursement Policy, for education plans approved in writing by the City on or after November 14, 2017, the City shall reimburse employees for the costs described in this Article IV and the Tuition Reimbursement Policy up to a maximum amount of $2,500 per employee per fiscal year ("Fiscal Year Maximum") and a lifetime maximum amount of $10,000 per employee ("Lifetime Maximum"). For education plans approved in writing by the City on or before November 13, 2017, the Fiscal Year Maximum and the Lifetime Maximum shall not apply.

Section 4.2 Pre-Approval. Executive Group employees must apply for and receive written approval from the City Manager and the Human Resources Department prior to enrolling in classes at an approved accredited educational institution.

Section 4.3 Deductions – Other Funding Sources. An employee receiving funds for tuition and books paid for from other sources, including, but not limited to: grants, scholarships, and veteran's educational benefits, shall first apply (deduct) the amount of those funds to the amount being reimbursed by the City.

Section 4.4 City Vehicles; Mileage. City vehicles will not be authorized for transportation to and from courses. Additionally, there will be no reimbursement for mileage accumulated on an employee's personal vehicle for transportation to and from these courses.

ARTICLE V
HOLIDAYS

Section 5.1 Holiday Schedule. The following holiday schedule shall be applicable to all Executive Group employees:

A. January 1st, known as "New Year's Day"
B. Third Monday in January designated as "Martin Luther King Day"
C. Third Monday in February, known as "President' day"
D. Last Monday in May, known as "Memorial Day"
E. July 4th, "Independence Day"
F. First Monday in September, known as "Labor Day"
G. November 11th, known as "Veterans Day"
H. Thanksgiving Day
I. Friday immediately following Thanksgiving Day
J. December 24th, known as "Christmas Eve"
K. December 25th, known as "Christmas Day"
L. December 31st, known as "New Year's Eve"
M. Every day appointed by Mayor, with the consent of the City Council, except for every day on which an election is held throughout the State

If a holiday falls on a Sunday, the Monday following is observed. If a holiday falls on a Saturday, the preceding Friday is observed.

Section 5.2 Annual Leave Accrual Rates for Holidays. Executive Group employees shall observe the holiday or shall accrue eight (8) hours of Annual Leave if the holiday falls on a regularly scheduled non-work day. For pay and accrual purposes, a "holiday" is eight (8) hours.

Section 5.3 Exempt Employees. Exempt Executive Group employees who work on holidays are compensated for the holiday and accrue eight (8) hours of Annual Leave.

Section 5.4 Non-Exempt Employees. Non-Exempt Executive Group employees shall be compensated at time and one-half for hours actually worked on the holidays designated in Section 5.1.

ARTICLE VI
LEAVES

Section 6.1 Annual Leave - Definition. Annual Leave is compensated absence, which replaces former vacation and sick leave plans, for those eligible employees who are absent from duty because of illness, injury, medical, or dental care appointments, or personal vacation. Special reference to Workers' Compensation is noted in Section 6.8. Special reference to Tier I Miscellaneous Employees Annual Leave calculations is noted in Section 6.11.

Section 6.2 Annual Leave – Accrual. Each biweekly pay period, Annual Leave hours earned are posted to the account of each eligible employee's account. Employees shall accrue Annual Leave based on the following:

Years of Service	Accrual per Pay Period	Annual Accrual
PROBATIONARY	4.15 hrs	107.90 hrs
1 – 5 years	8.31 hrs	216.06 hrs
6 – 8 years	8.92 hrs	231.92 hrs
9 – 15 years	9.84 hrs	255.84 hrs
16 or more years	11.38 hrs	295.88 hrs

The total Annual Leave granted may not exceed the amount posted to an employee's account as of the last day worked preceding leave. Employees shall continue to accrue Annual Leave while on paid leave status.

Section 6.3 Annual Leave – First Year of Employment. Probationary employees employed less than one (1) full year shall accrue probationary Annual Sick Leave, at one-half the rate of Annual Leave accrual for a 1-5 year full time regular employee. Such accrued time may be used only for illness or medical reasons for the employee or the employee's immediate family. After six (6) months, an employee may be "advanced" and use up to one (1) week of Annual Leave for vacation purposes, with the permission of the City Manager. Notwithstanding the above, upon completion of the probationary period and obtaining the status of a full-time regular employee, an employee shall have credited to his/her Annual Leave account all unused accrued hours at the 1-5 year employee rate.

Section 6.4 Annual Leave – Cash-Out. Executive Group employees who leave City service for any reason with any number of years of service with the City shall be eligible to receive one hundred percent (100%) of their accrued but unused Annual Leave in taxable compensation. Payment shall be calculated at the employee's then current hourly base pay rate plus, for Tier I miscellaneous employees, the three percent (3%) Off-Salary-Schedule Pay, at the date of separation from City service. If retiring, an employee has the option of a cash payment or delay of date of retirement as the method of receiving unused Annual Leave. Alternatively, employees separating from City service for any reason (including retirement) may make an irrevocable advance election before the first day of the month of separation to contribute accrued

Annual Leave remaining at separation to the employee's account provided under the City's 457(b) deferred compensation plan. Contributions of Annual Leave to the 457(b) plan may not cause the employee to exceed the maximum annual deferral limitation for the year in which the contribution is made ($18,000 for 2017, plus catch-up contributions of $6,000 for employees age 50 or older). If an employee elects to contribute Annual Leave to the 457(b) plan, any Annual Leave that exceeds the maximum annual deferral limitations will be paid to the employee as a taxable cash payment, unless such Annual Leave is otherwise used to delay the employee's date of retirement.

Section 6.5 Annual Leave – Unpaid Leave Time. Annual leave hours are not earned during periods of unpaid leave.

Section 6.6 Annual Leave – Maximum Accumulation. As of December 31 of each year, an employee shall have the following maximum amounts of Annual Leave: (1) miscellaneous and police employees: five hundred and eighty-four (584) hours; (2) Fire employees: seven hundred and thirty (730) hours. Effective December 31, 2006, any excess Annual Leave hours in an employee's account will no longer be lost. Instead, the monetary equivalent of the excess hours will be placed in a Retirement Healthcare Savings Account on the employee's behalf. Employees may elect either the ICMA VantageCare Plan or the Nationwide PEHP.

Section 6.7 Annual Leave – Usage. Employees must use at least forty (40) hours of Annual Leave during each calendar year.

The City Manager is responsible for arranging Executive Group leave schedules so that adequate personnel are available to carry on necessary City work. When practicable, employees should be permitted to schedule Annual Leave at times most acceptable to the employee. In large departments the choice of vacation times should be arranged according to seniority or some other equitable method.

Employees desiring to use Annual Leave time, which has not been previously scheduled, for illness or family emergency, shall report to the City Manager to obtain authorization for the absence. The City Manager may require the employee to furnish satisfactory evidence justifying any such request according to FMLA rules.

Medical examination by the City's examining physician may be requested by the City Manager, with the approval of the Human Resources Director, after prolonged, serious, or repetitious illness, injury, or major surgery. An employee's return to duty following illness or injury is subject to the approval of the Human Resources Director, based upon medical information supplied by the employee's physician and/or the City's examining physician, according to FMLA rules.

Section 6.8 Annual Leave – Workers Compensation. An employee who is absent from duty because of a temporary disability which is alleged by the employee as industrial under the Workers' Compensation Act, but who is not granted industrial leave by the City, may use accrued but unused Annual Leave. The absence shall be charged against the employees accumulated leave credits, except as provided by Section 4850 of the Labor Code.

An employee absent from work because of a work-related injury shall receive temporary disability benefits as required by law. Employees receiving temporary disability benefits shall have the option of augmenting their disability payments by drawing down on their accrued but unused Annual Leave account, provided, however, that the combined amount received from disability payments and their Annual Leave account shall not exceed what the employee would normally receive in compensation.

Section 6.9 Annual Leave – Pay in Lieu (Buy Back). Employees may make an advance irrevocable election each year to buy back Annual Leave that will be accrued in the following 12 month period (commencing with the first full pay period of the fiscal year and ending with the last full pay period of that fiscal year) ("Buy-Back Period") by submitting an Annual Leave Buy-Back Request form during the last 15 days of June. Annual Leave buy back payments will be calculated at the employee's base rate of pay as of the last full pay period of the Buy-Back Period. Frozen Sick Leave accounts are not available for buy-back. Notwithstanding anything in this Resolution to the contrary, an employee's base rate of pay shall not include any special compensation pay including, but not limited to, Bilingual Pay (Section 7.8) and Automobile Allowance (Section 7.15).

Upon the employee's submission of an Annual Leave Buy-Back Request, the City will buy back Annual Leave after the close of Buy-Back Period from the employee's account, according to the following criteria:

Annual Leave Used During Buy-Back Period	Min. Annual Leave Remaining After Buy-Back	Maximum Buy-Back
40 Hours	80 Hours	120 Hours
60 Hours	80 Hours	140 Hours
80 Hours	80 Hours	160 Hours

If a 40-hour employee is out on extended Military Leave, the City will buy back up to one hundred and sixty (160) hours without the usual requirement that the employee have used Annual Leave hours during the Buy-Back Period.

The City will endeavor to implement, on or before July 1, 2018, a process that allows Employees to make an advance irrevocable election twice per year to buy back Annual Leave that will accrue after the election provided that the City's computer and software technology can accommodate an automated electronic method for processing Annual Leave Buy Back Request forms, as determined by the City Manager. If the City's computer and software technology can accommodate an electronic method, this Resolution will be amended to implement the twice per year buy-back process, including, without limitation, the time for submission of Annual Leave Buy Back Request forms and the minimum criteria that an Employee must satisfy to buy back Annual Leave.

~~B. Payment Process.~~ Payment shall be made on the Friday after the pay day for the last full pay period of the Buy-Back Period. If an employee does not meet the requirements for a buy-back as outlined above as of the end of the Buy-Back Period, no buy-back payment will be made, provided that an employee meeting the requirements for a lower buy-back amount than elected by the employee will have his or her election automatically adjusted and will receive the corresponding lower buy-back payment. For example, if an employee submits an Annual Leave Buy-Back Request to buy back 140 hours of Annual Leave, but has only used 40 hours of Annual Leave during the Buy-Back Period, the employee's election will be automatically adjusted to request a buy-back of 120 hours. Employees may not elect to buy back Annual Leave that has accrued during a previous Buy-Back Period. Employees must submit a new Annual Leave Buy-Back Request for each Buy-Back Period and failure to submit an Annual Leave Buy-Back Request will result in the employee being prohibited from buying back Annual Leave for that Buy-Back Period.

Section 6.10 Annual Leave – New City Employees. Pursuant to Corona Municipal Code Section 2.40.105, when entering into a new at-will employment agreement with a person who is not a current City employee, the City Manager has authority to negotiate the following increase in Annual Leave benefits: (1) allow leave accrual at a rate one tier above that which the employee's years of City service would otherwise allow under Section 6.2 above; and (2) allow a "bank" of leave time not exceeding one hundred and sixty (160) hours which the person receives upon beginning employment with the City.

Section 6.11 Annual Leave – Tier I Miscellaneous Employees. Tier I miscellaneous employees Annual Leave calculation will include their base pay rate and their three percent (3%) Off-Salary-Schedule Pay combined.

Section 6.12 Executive Leave. The City will provide executive leave for exempt Executive Group employees in lieu of other compensation for overtime. Effective April 1, 2016, Exempt Executive Group employees shall be granted Executive Leave of one hundred eight (108) hours during any fiscal year regardless of the employee's particular work schedule. Employees who become entitled to Executive Leave in the middle of a fiscal year shall be granted a pro-rated amount of hours. Executive Leave has no cash value at any time and any Executive Leave which is unused as of the last payroll period of any fiscal year does not carry over to the next fiscal year. The City Manager shall approve and issue an administrative policy that sets forth, in a manner that implements the purpose of Executive Leave while valuing public resources, the details on the accrual rate for Executive Leave and the guidelines for using accrued Executive Leave.

Section 6.13 Frozen Sick Leave (Former Sick Leave Accounts) - Use. These accounts are frozen and held in a separate account called "Frozen Sick Leave." Frozen Sick Leave is not to be added to active Annual Leave, but is held constant until retirement. Frozen Sick Leave cannot be used to donate hours and is not available for buy-back. Any time off based on a verified "on-the-job" injury shall be an eligible use of Frozen Sick Leave account, irrespective of the number of hours of accrued Annual Leave that the injured employee has. In the case of illness, an employee may use their Frozen Sick Leave under either of the following conditions:

- The employee’s Annual Leave balance is reduced to 80 hours or less; or

- The employee has a written confirmation from the employee’s physician and has been off “sick” for at least four (4) consecutive workdays or forty (40) hours. The employee shall be eligible to use their Frozen Sick Leave account for those days beyond the fourth (4th) consecutive work day (or 40 hours) the employee misses from work, irrespective of the number of hours of accrued Annual Leave the employee has. If the employee has used a total of seventy-five (75) hours of Annual Leave within the preceding 12-month period and has obtained written confirmation from the employee’s physician of an illness, Frozen Sick Leave may also be used for the first four (4) days.

Section 6.14 Frozen Sick Leave (Former Sick Leave Accounts) – Cash-Out. Employees who retire, retire due to disability, or are deceased prior to retirement, after a minimum of fifteen (15) years of permanent employment with the City, will be paid three percent (3%) of the Frozen Sick Leave for each year of service with the City. Payment shall be calculated at the employee's hourly base pay rate in effect at the time of separation plus, for Tier I miscellaneous employees, the three percent (3%) Off-Salary-Schedule Pay in effect at the date of separation from City service. Under no circumstances shall the amount paid exceed the value of the total unused Frozen Sick Leave balance in the employee’s account.

Executive Group employees who resign from the City with a minimum of twenty (20) years of service with the City shall be eligible to receive three percent (3%) of the Frozen Sick Leave for each year of service with the City. Payment shall be calculated at the employee's hourly base pay rate in effect at the time of separation plus, for Tier I miscellaneous employees, the three percent (3%) Off-Salary-Schedule Pay in effect at the date of separation from City service. Under no circumstances shall the amount paid exceed the value of the total unused Frozen Sick Leave balance in the employee’s account.

Effective December 13, 2003, Executive Group employees who leave City service for any reason with a minimum of twenty-five (25) years of service with the City shall be eligible to receive one hundred percent (100%) of their Frozen Sick Leave account. Payment shall be calculated at the employee's hourly base pay rate in effect at the time of separation plus, for Tier I miscellaneous employees, the three percent (3%) Off-Salary-Schedule Pay in effect at the date of separation from City service.

If retiring, an employee has the option of a cash payment or delay of date of retirement as the method of receiving unused Frozen Sick Leave.

ARTICLE VII
COMPENSATION

Section 7.1 Salary Table; Salaries. The salary range for Executive Group employees shall be as provided in the City’s comprehensive salary table, as such table may be amended from time to time. The specific base salary to be paid to individual Executive Group employees shall be provided in an at-will employment agreement executed between the City Manager and employee, which amount shall be within the approved range for their position.

~~A.~~ A. 2017 Base Rate of Pay COLA. Effective the first full payroll period following November 14, 2017, the base rate of pay for all Executive Group employees shall be increased by approximately two percent (2%) by moving each employee's base pay four (4) steps up on the City's salary grid. The salary ranges for all positions in the Executive Group employees will be updated accordingly in the City's Position Library and Compensation Plan. ~~Effective October 19, 2013, the base pay for all employees shall be increased as follows:~~

~~1. Miscellaneous. Tier I Miscellaneous employees by at least five percent (5%) by moving each employee's base pay ten (10) steps up on the City's salary grid.~~

~~2. Miscellaneous. Tier II Miscellaneous employees by at least five percent (5%) by moving each employee's base pay ten (10) steps up on the City's salary grid.~~

~~3. Police. Tier I, Tier II, Tier III and Tier IV Police employees by at least ten and one-half percent (10.5%) by moving each employee's base pay twenty-one (21) steps up on the City's salary grid.~~

~~4. Fire. Tier I, Tier II and Tier III Fire employees by at least one and one-half percent (1.5%) by moving each employee's base pay three (3) steps up on the City's salary grid.~~

~~B. On or before July 2, 2015, all Executive Group employees who were employed by the City on June 26, 2015, excluding employees who have separated from the City on or prior to June 26, 2015 but remain in paid status while the employee's accrued Annual Leave is being exhausted, shall receive a one-time Off-Salary-Schedule Payment equal to One Thousand Two Hundred Fifty Dollars ($1,250.00) in lieu of a base pay salary increase. For all Executive Group employees other than New CalPERS Members, the City shall report this Off-Salary-Schedule Payment to CalPERS as special compensation in the final pay period of fiscal year 2014-15, so long as it does not exceed six percent (6%) of the employee's base salary in fiscal year 2014-15. To the extent that this Off-Salary-Schedule Payment exceeds six percent (6%) of the employee's base salary in fiscal year 2014-15, the City shall report it as special compensation up to six percent (6%). For New CalPERS Members, this Off-Salary-Schedule Payment shall not be reported to CalPERS as compensation~~.

Section 7.2 INTENTIONALLY OMITTED.~~Fire Employees – Temporary Reduction in Base Pay. Effective the first pay period following approval of this Executive Group Employee Resolution in 2012 which is mutually acceptable to the Fire Employees (e.g. Fire Chief) and Finance Director, and continuing thereafter continuously for fifty-two (52) pay periods, the Fire Employees shall have a two and one-half percent (2.5%) base salary reduction. This reduction shall cease and the full base pay reinstated following such fifty-two (52) pay periods~~.

Section 7.3 Merit Increase Effective Date. As stated in Section 7.1, each position shall be assigned a salary range. The minimum time before which an employee may advance within the assigned salary range is one (1) year, except that the City Manager may advance an employee sooner for meritorious reasons. Merit increases based upon annual performance evaluations shall be implemented based upon the employee's anniversary date. An employee who receives an overall performance rating of "Satisfactory" or better from the City Manager shall be advanced five percent (5%) each year up to the top of the position's salary range.

Section 7.4 Promoted Employees. Executive Group employees promoted to a higher position within the Executive Group shall be subject to a six-month probationary period.

Section 7.5 Special Compensation - Police Marksmanship Proficiency. The City will pay the Police Chief one hundred and five dollars ($105.00) per quarter, supplemental pay, for meeting the marksmanship proficiency standards established by the Police Department. A list will be provided to Human Resources each quarter listing those police department employees failing to meet the standards required to receive this benefit. Employees must have worked at least one day during the quarter during which the marksmanship proficiency pay is to be issued (or annual leave or workers' compensation status) in order to receive the benefit. If an employee, due to an accepted industrial injury, is unable to participate in the marksmanship proficiency testing, an extension of up to four (4) quarters, to include the first quarter in which an officer is unable to test, will be granted. Once an extension has been approved, the employee will continue to receive the marksmanship proficiency pay until such time they are returned to duty and are able to test, or the four (4) quarter extension has been exhausted. Once the four (4) quarter extension is exhausted, the employee will be required to test only if medically able, or will not be eligible to receive the supplemental pay. Employees who resign, retire, or otherwise terminate employment prior to the date the benefit is paid will not be entitled to a prorated payment.

Section 7.6 Special Compensation - Police P.O.S.T. Certification Pay. The City will provide an increase of five percent (5%) of base pay for the Police Chief if he or she obtains a management level P.O.S.T. certificate. Effective July 2007, the City will also provide an increase of three percent (3%) of base pay for the Police Chief if he or she obtains a supervisory level P.O.S.T. certificate and five percent (5%) of base pay for a management level P.O.S.T certificate. Effective July 1, 2016, the City will also provide an increase of five percent (5%) of base pay for Police Chief Michael Abel if he obtains an executive level P.O.S.T. certificate. On and after January 1, 2018, the percentage increases set forth in this Section 7.6 shall not apply and the P.O.S.T. Certification Pay shall be converted to a flat monthly amount.

Section 7.7 Special Compensation – Longevity Pay. The City shall establish a longevity pay program for Executive Group employees with an annual payment to employees as follows:

As of the 1st day of September:

Years of Service	
Five (5) but fewer than ten (10):	$1,400.00

Ten (10) but fewer than fifteen (15):	$1,600.00
Fifteen (15) but fewer than twenty (20):	$1,800.00
Twenty (20) or more:	$2,000.00

Longevity Pay shall be included with the formula utilized for the purposes of calculating total compensation under PERS.

Payment shall be made on a non-regular payroll day, when feasible, during the first half of the month of September and in all cases prior to the end of September.

Section 7.8 Special Compensation – Bilingual Pay. Effective November 14, 2017, ~~T~~the bilingual pay program will provide an increase of $322.50 per month ~~the following increases~~ for certain employees who are able to demonstrate the ability to both understand and effectively communicate in a language other than English that the City Manager has determined is necessary for the effective or efficient operation of the City~~: (1) miscellaneous employees: effective July 1, 2015, four percent (4%); (2) police employees: four percent (4%); and (3) fire employees: four percent (4%)~~. For a given language, the number of employees necessary for the effective or efficient operation of the City and thus eligible to receive bilingual pay will be determined by the City Manager or his or her designee. To be considered eligible for bilingual pay, an employee must be certified by the Administrative Services Director after successfully passing an oral conversational and a written test established by the City Manager or his or her designee. If an employee is approved for bilingual pay for less than a full month, the monthly amount shall be prorated accordingly.

Section 7.9 Special Compensation – Public Safety Uniform Allowance; Safety Vest.

A. The City shall provide a quarterly Uniform Allowance of five hundred and fifty dollars ($550.00) for the Fire Chief.

B. The City shall provide a quarterly Uniform Allowance of eight hundred and sixty dollars ($860.00) for the Police Chief.

C. The City will reimburse the Police Chief for the cost of a ballistic safety vest up to $1,150.00 every five (5) years. When due a vest replacement, the Police Chief will be notified by the Personnel and Training division that he/she is due for replacement. The Police Chief will be given the option of being given a voucher or being reimbursed by receipt for a replacement vest which meets department protection standards. The department will maintain a list of manufacturers providing the appropriate level vest in the established price range. Any upgrade beyond the approved amount will be the financial responsibility of the Police Chief.

Section 7.10 Special Compensation – Working Out of Class. The City has established a policy whereby an employee, when assigned to perform the tasks of a higher level position for more than forty (40) hours, not necessarily consecutively, shall be paid at the "first" step of the higher position's salary range or seven and one-half percent (7½%) more than their current base salary, whichever is greater, for the entire time served in the higher position, except that in no case shall the salary paid to the employee working out of class be higher than "top" step of the position being worked. Employees whose job description duties state that they "act" in the absence of their supervisor do not qualify to receive out of class pay, unless that position is vacant and/or it is a long-term assignment in the discretion of the City Manager. In such a case, the employee should be placed in the position in an "acting" capacity by memo and not be paid out of class.

Section 7.11 Special Compensation – Auto Allowance and Assigned Vehicles. The City Manager shall have the authority, but not the obligation, in his or her sole discretion, to provide an auto allowance or City-assigned vehicle to an Executive Group employee. If the City Manager elects to provide either one, he or she shall include an appropriate provision in the at-will employment agreement executed between the City Manager and employee.

A. Auto Allowance. In no event shall an auto allowance exceed ~~six~~ four hundred eighty dollars ($480~~600~~) per month.

B. City-Assigned Vehicle. If the City Manager chooses to provide a City vehicle for the exclusive use of an employee, the City will maintain and provide fuel for the vehicle at the City's facilities. The vehicle shall not be operated by persons other than the assigned employee, except that other employees of the City may use the vehicle for official City business with the consent of the assigned employee. The City understands that since the employee will remain on-call at all times, the vehicle may be used for personal as well as official business; provided, however, the vehicle shall never be used for personal use outside of the seven Southern California counties consisting of San Bernardino, Riverside, Orange, Los Angeles, San Diego, Ventura and Santa Barbara.

C. Mileage Reimbursement. If the City Manager chooses not to provide an auto allowance or assigned vehicle to an employee, the employee may submit reimbursement requests for mileage used in a personal vehicle for official City business. The reimbursement rate shall be the I.R.S. allowable rate, and all reimbursements and documentation supporting the same shall be in accordance with City policy.

Section 7.12 Special Compensation - Tier I Miscellaneous Employees Off-Salary-Schedule Pay. Effective October 19, 2013, Tier I miscellaneous employees will receive three percent (3%) Off-Salary-Schedule Pay over their base pay rate. All other salary calculations shall include the employees' base pay rate and the three percent (3%) Off-Salary-Schedule Pay combined.

Section 7.13 Deferred Compensation.

A. Tier I Employees. The City shall deposit into each Tier I Employee's deferred compensation plan account at the end of each quarter an amount equal to that deposited by the employee, not to exceed nineteen hundred dollars ($1,900.00) per year. The match shall be applied to a single provider selected by the employee.

B. Tier II, III & IV Employees. The City shall deposit into the deferred compensation plan account of each Tier II Employee, Tier III Employee and Tier IV Employee, at the end of each quarter, an amount equal to that deposited by the employee, not to exceed nineteen hundred dollars ($1,900.00) per year. The match shall be applied to a single provider selected by the employee. Tier II Employees, Tier III Employees and Tier IV Employees shall also receive an additional payment into their deferred compensation plan account equal to one hundred and fifty dollars ($150.00) per quarter. The employee must select one provider for this payment.

C. ~~Deferred Compensation – Temporary Suspension. The $1,900.00 yearly match contribution to each member's deferred compensation account shall be temporarily suspended for calendar years 2012, 2013, 2014 and 2015. The deferred compensation match benefit ($1900.00 per year) shall be reinstated beginning January 1, 2016.~~

Loans. Employees may take out loans against their Deferred Compensation accounts subject to the following terms and conditions:

1. Loans shall be made pursuant to a written, enforceable loan agreement.

2. Loans shall be available for all purposes. Loans shall not exceed the lesser of (i) $50,000, or (ii) the greater of 1/2 of the employee's account balance or $10,000. The minimum loan amount available shall be $1,000.00.

3. Employees may receive one loan per calendar year and may have only one outstanding loan at a time.

4. Loans shall be repaid in substantially equal installments of principal and interest, at least quarterly, over no more than 5 years; provided that loans for a principal residence shall be repaid in substantially equal installments of principal and interest, at least monthly, over no more than 15 years.

5. Loans shall be made at a reasonable interest rate.

6. Employees shall repay loans directly to the employee's deferred compensation plan provider. Loans will be in default if any payment is not made within 60 days of the date it is due or as otherwise provided in the loan agreement.

7. If there is a default or the loan does not meet the requirements outlined above, the outstanding loan balance will be reported as a taxable distribution in addition to the amount of cash distributed from the plan, and may be subject to additional taxes for early withdrawal.

Arrangements for such loans must be initiated by the employee and made directly with their deferred compensation provider.

E. Retirement Healthcare Savings. Tier II, III & IV Employees. The City shall deposit into the Retirement Healthcare Savings Account of each Tier II Employee, Tier III

Employee and Tier IV Employee one hundred and fifty dollars ($150.00) per quarter. Employees may elect either the ICMA VantageCare Plan or the Nationwide PEHP.

F. Tier V Employees. The deferred compensation benefits described in this Section 7.17 (yearly match, quarterly contribution to deferred compensation plan, and quarterly contribution to Retirement Healthcare Savings Account) shall not apply or be provided to any Tier V Employees regardless of whether the employee is considered a Classic CalPERS Member, as defined in Section 1.8(F), or a New CalPERS Member, as defined in Section 1.8(G).

ARTICLE VIII
MISCELLANEOUS TERMS

Section 8.1 Severability. If any provision of this Resolution, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Resolution, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Section 8.2 Notices. Any notices to be given under this Resolution shall be in writing and may be transmitted by personal delivery or mail, registered or certified, postage prepaid. Mailed notices shall be addressed to the City of Corona at 400 South Vicentia, Corona, California, 92882; and shall be addressed to employees at the address the employee has provided to the City. Notices delivered personally shall be deemed communicated as of the date of actual receipt. Mailed notices shall be deemed communicated as of the date the notice is postmarked.

Section 8.3 Repeal of Prior Actions. By adoption of this Resolution, all prior resolutions or approved compensation and benefit documents for the employees in this Executive Group shall be deemed repealed to the extent inconsistent with this Resolution, including Resolution 2017~~3~~-0~~51~~47 approved on ~~June 5, 2013~~June 21, 2017.

Section 8.4 Certification. The City Clerk shall certify as to the adoption of this Resolution, and it shall be effective as of the date passed, approved and adopted.

PASSED, APPROVED, AND ADOPTED this ~~___~~14th day of ~~__________,~~November, 201~~6~~7.

____
~~Eugene Montanez~~Dick Haley, Mayor
City of Corona

ATTEST:

____
Lisa Mobley, City Clerk
City of Corona

CERTIFICATION

I, Lisa Mobley, City Clerk of the City of Corona, California, do hereby certify that the foregoing Resolution 2017~~6-~~ ~~____~~-113 was regularly introduced and adopted by the City Council of the City of Corona, California, at a ~~regular adjourned~~special meeting thereof held on the ~~___~~ 14th day of ___________, 2017~~6~~ by the following vote of the Council:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this ~~________~~14th day of ~~___________, ________.~~November 2017.

____

Lisa Mobley, City Clerk
City of Corona

(SEAL)