RESOLUTION NO. 2016-50

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON BEACH MODIFYING SALARY AND BENEFITS FOR NON-REPRESENTED EMPLOYEES INCLUDING THE ELECTED CITY ATTORNEY, CITY CLERK, AND CITY TREASURER

WHEREAS, the City Council of the City of Huntington Beach desires to modify the salary and benefits for Non-Represented Employees upon adoption of this Resolution.

NOW, THEREFORE, the City Council of the City of Huntington Beach does hereby resolve as follows:

SECTION 1. Salaries and Benefits for Non-Represented employees shall be as reflected in Exhibit "A", attached hereto and incorporated by this reference.

SECTION 2. The salary range for the elected City Attorney, City Clerk and City Treasurer shall be modified as reflected in the Non-Associated Executive Management Salary Schedule–Exhibit 1.

SECTION 3. Benefits for the elected City Attorney, City Clerk and City Treasurer shall be as reflected in Exhibit "A", attached hereto and incorporated by this reference.

SECTION 4. Resolution 2007-6, Resolution 2010-106, and Resolution 2014-94 are hereby repealed.

SECTION 5. Any existing provisions in conflict with the foregoing, whether by minute action or resolution of the City Council, are hereby repealed.

SECTION 6. All other benefits and salary ranges established and reflected in the Non-Associated Employees Pay and Benefits Resolution 2016-50, shall continue unless modified by City Council action.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the 18th day of July, 2016.

Mayor

REVIEWED AND APPROVED:

City Manager

APPROVED AS TO FORM:

for City Attorney MV

INITIATED AND APPROVED:

Director of Human Resources

RESOLUTION 2016-50, EXHIBIT 'A'

NON-ASSOCIATED EMPLOYEES PAY AND BENEFITS RESOLUTION

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NON-ASSOCIATED EMPLOYEES PAY AND BENEFIT PROVISIONS
EXHIBIT A

SECTION I – PAY

A. Salary Schedule

1. All current Non-Associated employees shall receive the salaries as identified in Exhibit 1.

2. The City Council shall set the salaries of the elected executive management positions identified in Exhibit 1, at any rate within the designated salary range.

3. The City Manager is authorized to set the salaries of the non-elected executive management positions identified in Exhibit 1 at any rate at or below the control point of the designated salary range. The City Manager is authorized to increase the salary by any percentage not greater than 5% based upon performance at annual review and market data. However, no salary for a new employee may be set above the control point at any time without City Council approval.

B. Direct Deposit

All Non-Associated employees are required to utilize direct deposit of payroll checks.

C. Assigned Vehicle/Auto Allowance

1. Department Heads

Appointed Department Heads and the City Clerk, City Treasurer, and City Attorney shall have the option of an assigned City vehicle or an auto allowance in the amount of two hundred thirty dollars and seventy-seven cents ($230.77) per bi-weekly pay period plus reimbursement of out-of-town travel at the approved mileage rate.

D. Deferred Compensation

Effective the beginning of the pay period following City Council approval of this resolution, each employee covered by this resolution, including the City Attorney, City Clerk and City Treasurer, shall receive a one-time deposit to the employee's 457 Deferred Compensation account in the amount of $3,800.00.

1. This shall be a single, one-time only deposit. All appropriate Federal and State legal mandates regarding the tax-treatment of this one-time deposit shall apply.

SECTION II – HOURS OF WORK/TIME OFF

A. Executive Leave

Non-Associated exempt employees shall not be eligible for overtime compensation. Exempt department heads shall be credited with eighty (80) hours of executive leave per calendar year.

B. Flexible and Alternative Work Schedules

1. 5/40 Work Schedule

The 5/40 work schedule shall be defined as working five (5) eight (8) hour days Monday through Friday each week with a one-hour lunch during each work shift, totaling a forty (40) hours work week.

2. 9/80 Work Schedule

The 9/80 work schedule, as outlined in Exhibit 3, shall be defined as working nine (9) days for eighty (80) hours in a two week pay period by working eight (8) days at nine (9) hours per day and working one (1) day for eight (8) hours (Friday), with a one-hour lunch during each work shift, totaling forty (40) hours in each FLSA designated work week. The 9/80 work schedule shall not reduce service to the public, departmental effectiveness, productivity and/or efficiency as determined by the City Manager or designee.

3. Alternative Work Schedule
Non-associated employees may elect any alternative work schedule approved by the City Manager or designee.

SECTION III – HEALTH AND OTHER INSURANCE BENEFITS

A. Health Insurance

1. Medical, Dental and Vision Insurance

The City shall continue to make group medical, dental and vision benefits available to all Non-Associated employees.

2. City and Employee Paid Health Insurance

The City and the employee shall pay for health insurance premiums for employees and qualified dependent(s) effective the first of the month following the employee's hire date. The employee payroll deduction for premium contributions shall be deducted on a pre-tax basis.

Such deductions shall be aligned with the effective date of coverage and the ending date of coverage upon employment separation. The employee's payroll deduction amount shall begin no later than the beginning of the first full pay period following the effective date of coverage and pro-rated for coverage through the end of the month in which employment was separated.

i. Health Plan Employee and Employer Contributions Chart for Non-Safety Classifications in EXHIBIT 1

City of Huntington Beach

2016 Health Premiums and Contributions

Effective pay period following final City Council approval

Non-Associated/Non-Safety

Plan	Tier	Monthly Premium	Employer Monthly Contribution	Employee Monthly Contribution	Employee Bi-Weekly Contribution
Kaiser	Single	466.65	466.65	0.00	0.00
	Two-Party	1,022.11	974.36	47.75	22.04
	Family	1,343.90	1,170.04	173.86	80.24
Blue Shield HMO	Single	671.00	640.76	30.24	13.96
	Two-Party	1,466.00	974.36	491.64	226.91
	Family	1,896.00	1,170.04	725.96	335.06
Blue Shield PPO	Single	736.00	736.00	0.00	0.00
	Two-Party	1,555.00	1,135.78	419.22	193.49
	Family	1,927.00	1,314.31	612.69	282.78
Delta Dental PPO	Single	58.10	45.02	13.08	6.04
	Two-Party	108.60	85.91	22.69	10.47
	Family	143.20	122.18	21.02	9.70
Delta Care HMO	Single	30.11	30.11	0.00	0.00
	Two-Party	51.19	51.19	0.00	0.00
	Family	78.29	78.29	0.00	0.00
VSP Vision	Single	25.12	0.00	25.12	11.59
	Two-Party	25.12	0.00	25.12	11.59
	Family	25.12	0.00	25.12	11.59

Medical Opt-Out: $466.65 per month ($215.38 bi-weekly)

ii. "Safety Member" Health Premiums – Employer Contribution

Employees that are classified as "safety member" by the California Public Employees' Retirement System (CalPERS) may have access to the medical plans offered by CalPERS as contracted by the City. In accordance with eligibility provisions, the Police Chief and the Fire Chief may elect to enroll in the CalPERS health insurance program offered by the City.

The City's maximum monthly employer contributions for the CalPERS health insurance program is set forth in the current City of Huntington Beach Non-Associated Safety Health Premiums and Contributions Chart. The amounts listed therein include the mandated Public Employees' Medical and Hospital Care Act (PEMHCA) contribution.

iii. Employees shall not be entitled to the difference between the employer contribution and the premiums for insurance plan(s) selected by the employee.

iv. Future Premiums
The City "caps" its contributions toward monthly group medical, dental and vision plan premiums by category (EE, EE + 1, and EE + 2 or more) as outlined in sections i and ii above.

The City agrees to increase the contribution toward monthly group medical by $200 per plan, per tier, effective following City Council approval of this resolution.

The employee and employer contributions rates set forth in sections i and ii above shall remain in effect in 2017 and beyond unless otherwise modified by a successor Non-Associated Resolution. Employee and City Contributions subject to change as a result of City Council approval.

The City's contribution caps for dental and vision in effect as of August 1, 2014 shall not be increased.

The City's contribution caps will remain in place, even if premium increases result in these additional costs being borne by the employee.

3. Medical Cash Out

If an employee is covered by a medical program outside of a City-provided program (evidence of which must be supplied to Human Resources), the employee may elect to discontinue City medical coverage and receive the monthly value of the City's contribution to the lowest cost employee-only medical plan paid bi-weekly.

4. Section 125 Plan

Employees shall be eligible to participate in a City-approved Section 125 Flexible Spending Account Plan the same as all other eligible employees, as provided by IRS law. This plan allows employees to use pre-tax salary to pay for regular childcare, adult dependent care and/or medical expenses.

B. Life and Accidental Death and Dismemberment Insurance

Each Non-Associated employee shall be provided with $50,000 life insurance and $50,000 accidental death and dismemberment insurance paid for by the City. Each employee shall have the option, at his/her own expense, to purchase additional amounts of life insurance and accidental death and dismemberment insurance to the extent provided by the City's current providers. Evidence of insurability is contingent upon total participation in additional amounts.

C. Long-Term Disability Insurance

This program provides benefits for each incident of illness or injury after a waiting period of thirty (30) calendar days during which the Non-Associated employee may use accumulated sick leave, general leave, executive leave pay. Subsequent to the thirty-(30) day waiting period, the employee will be covered by an insurance plan paid for by the City providing sixty-six and two-thirds percent (66 2/3%) of the first $12,500 of the employee's basic monthly earnings up to a maximum monthly benefit of $8,332.50. The maximum benefit period for disability due to injury or illness shall be to age sixty-five (65).

Days and months refer to calendar days and months. Benefits under the plan are integrated with sick leave, Worker's Compensation, Social Security and other non-private program benefits to which the employee may be entitled. Disability is defined as: "*The inability to perform all of the duties of regular occupation during two years and thereafter the inability to engage in any employment or occupation, for which he/she is fitted by reason of education, training or experience.*" Rehabilitation benefits are provided in the event the individual, due to disability, must engage in other occupation. Survivor's benefits continue the plan payment for three (3) months beyond death. A copy of the plan is on file in the Human Resources Department.

D. City-Paid Physical Examinations

Non-Associated employees shall be provided, once every two years, with a City-paid physical examination comparable to the current pre-placement class physical examination or reimbursed the amount authorized for said physical examination. No more than one-half of the eligible employees shall receive examinations in any one fiscal year. Said exam shall be comprehensive in nature and shall include:

1. A complete medical history, physical exam and review of results by physician.

2. Health testing including vision, hearing, breathing, chest x-ray and stress EKG.

3. Laboratory test including standard chemical test, blood count, HDL, urinalysis and stool test for blood.

E. Miscellaneous

When a Non-Associated employee is on a leave of absence without pay for reason of medical disability, the City shall maintain the City-paid insurance premiums during the period the employee is in a non-pay status for the length of said leave, not to exceed twenty-four (24) months.

F. Retiree Medical Coverage for Retirees Not Eligible for the City Medical Retiree Subsidy Plan

Employees who retire from the City after January 1, 2004, and are granted a retirement allowance by the California Public Employees' Retirement System and are not eligible for the City's Retiree Subsidy Medical Plan may choose to participate in City-sponsored medical insurance plans until the first of the month in which they turn age sixty-five (65).

The retiree shall pay the full premium for City-sponsored medical insurance for themselves and/or qualified dependents without any City subsidy.

Employees who retire from the City and receive a retirement allowance from the California Public Employees' Retirement System and are not eligible for the City's Retiree Subsidy Medical Plan and choose not to participate in City-sponsored medical insurance upon retirement permanently lose eligibility for this insurance.

However, if a retiree who is not eligible for the City's Retiree Subsidy Medical Plan chooses not to participate in City-sponsored medical insurance plans because the retiree has access to other group medical insurance, and subsequently loses eligibility for that group medical insurance, the retiree and their qualified dependents will have access to City-sponsored medical insurance plans reinstated.

Eligibility for Retiree Medical Coverage terminates the first of the month in which the retiree or qualified dependent turns age sixty-five (65).

G. Post-65 Supplemental Medicare Coverage

Retirees who are participating in the Retiree Subsidy Medical Plan as of January 1, 2004 and all future retirees who meet the criteria to participate in City-sponsored medical insurance, with or without the Retiree Medical Subsidy Plan, may participate in City-sponsored medical insurance plans that are supplemental to Medicare, after a contract is in place between the City and a health insurance provider.

A retiree or qualified dependent must choose to participate in City-sponsored medical insurance plans that are supplemental to Medicare beginning the first of the month in which the retiree or qualified dependent turns age sixty-five (65).

The retiree shall pay the full premium to participate in City-sponsored medical insurance plans that are supplemental to Medicare for themselves or qualified dependents without any City subsidy.

Retirees or qualified dependents, upon turning age 65, who choose not to participate in the City-sponsored medical insurance plans that are supplemental to Medicare permanently lose eligibility for this insurance.

SECTION IV – RETIREMENT

A. Benefits

1. Self-Funded Supplemental Retirement Benefit

In the event a Non-Associated employee member elects Option #1, #2, #2W, #3, #3W or #4 of the Public Employees' Retirement law, the City shall pay the difference between such elected option and the unmodified allowance which the member would have received for his or her life alone as provided in California Government Code sections 21455, 21456, 21457, and 21548 as said referenced Government Code sections exist as of the date of this agreement. This payment shall be made only to the member (Non-Associated employee), shall be payable by the City during the life of the member, and upon that member's death, the City's obligation shall cease. Unless previously excluded by employment or resolution, eligibility for this benefit is limited to employees hired before December 27, 1997.

2. Medical Insurance for Retirees

a. Upon retirement, whether service or disability connected, each Non Associated employee shall be entitled to cause self, spouse and dependents to participate fully in the City's group health insurance program at the equivalent of the City's group premium rate in accordance with the provisions specified by Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). Such participation shall be at employee's expense and upon terms, conditions and restrictions currently in effect.

b. As an alternative to the benefit described in paragraph IV.A.2.a above, the City will provide a financial contribution towards the cost of retiree medical premiums as described in Section VI.

B. Public Employees' Retirement System Contributions and Reporting

1. Miscellaneous Members

a. The City shall provide all miscellaneous employees described as "classic members by the Public Employees' Pension Reform Act of 2013 – "PEPRA" with that certain retirement program commonly known and described as the "2.5% at age 55 plan" which is based on the retirement formula as set forth in the California Public Employees' Retirement System (CalPERS), Section 21354 of the California Government Code.

b. Miscellaneous bargaining unit "classic members" shall pay to CalPERS as part of the required member retirement contribution eight percent (8%) of pensionable income. This provision shall not sunset.

c. The City shall contract with CalPERS to have retirement benefits calculated based upon the "classic" employee's highest one year's compensation, pursuant to the provisions of Section 20042 (highest single year).

d. The obligations of the City and the retirement rights of employees as provided in this Article shall survive the term of this resolution.

e. For "New" Members within the meaning of the California Public Employees' Pension Reform Act of 2013.

1) New Members shall be governed by the two percent at age 62 (2% @ 62) retirement formula set forth in Government Code section 7522.20.

2) Final compensation will be based on the highest annual average compensation earnable during the 36 consecutive months immediately preceding the effective date of his or her retirement, or some other 36 consecutive month period designated by the member.

3) Effective January 1, 2013, "new" members as defined by PEPRA and determined by CalPERS, shall contribute one half (50%) of the normal cost as established by CalPERS.

2. Safety Members

a. The City shall provide all safety employees described as "classic" members by the Public Employees' Pension Reform Act of 2013 – "PEPRA" with that certain retirement program commonly known and described as the "3% at age 50 plan" which is based on the retirement formula as set forth in the California Public Employees' Retirement System (CalPERS), Section 21362.2 of the California Government Code.

b. All safety employees described as "classic" members shall pay to CalPERS as part of the required member retirement contribution nine percent (9%) of pensionable income. This provision shall not sunset.

c. The City shall contract with CalPERS to have retirement benefits calculated based upon the "classic" employee's highest one year's compensation, pursuant to the provisions of Section 20042 (highest single year).

d. The obligations of the City and the retirement rights of employees as provided in this Article shall survive the term of this resolution.

e. For "New" Members within the meaning of the California Public Employees' Pension Reform Act of 2013.

1) New Members shall be governed by the two and seven tenths percent at age 57 (2.7% @ 57) retirement formula set forth in Government Code section 7522.25(d)

2) Final compensation will be based on the highest annual average compensation earnable during the 36 consecutive months immediately preceding the effective date of retirement, or some other 36 consecutive month period designated by the member.

3) Effective January 1, 2013, "new" members as defined by PEPRA and determined by CalPERS, shall contribute one half (50%) of the normal cost, as established by CalPERS.

3. IRS Code Section 414(h)(2)

The City has adopted the CalPERS Resolution in accordance with IRS Code section 414(h)(2) to ensure that both the employee contribution and the City pickup of the required member contribution are made on a pre-tax basis. However, ultimately, the tax status of any benefit is determined by the law.

4. Pre-Retirement Optional Settlement 2 Death Benefit

Non-Associated employees shall be covered by the Pre-Retirement Optional Settlement 2 Death Benefit as identified in Section 21548 of the California Government Code when approved by the City Council.

5. Fourth Level of 1959 Survivor Benefits

Non-Associated employees shall be covered by the Fourth Level of the 1959 Survivor Benefit as identified in Section 21574 of the California Government Code.

6. VEBA Plan Requirements

a. Eligibility Defined

Effective December 23, 2009, all eligible Unrepresented Management Employees with 25 years of continuous service to the City of Huntington Beach will participate in the Plan. An eligible employee is an employee who works twenty (20) or more hours per week and receives benefits.

b. Employee Contributions

c. Leave Payout

Each eligible unrepresented management employee shall designate all leave payouts to be rolled over to his/her VEBA Plan account based on the established range upon separation from City employment.

d. Participant Account

A separate account is maintained for each contributing eligible unrepresented management employee, which documents the employee's contributions and disbursements. Contributions to a VEBA plan account as well as any disbursements to cover nonreimbursed, post-tax medical care expenses are both tax free. Eligible benefits subject to reimbursement by the Plan shall be limited to long-term care expenses and nonreimbursed medical premiums, co-pays, prescribed drug expenses and other medical care costs as that term is defined by the Internal Revenue Code Section 213.

e. Administrative Fees

Any Plan administrative fees will be deducted from interest on the total Plan investments.

An eligible unrepresented management employee's Plan account is subject to a monthly administrative fee for expenses related to recordkeeping, claims processing, and claims reimbursement. The fee will first be deducted from interest on total plan investments, and then deducted, if necessary, from the employee's individual account.

f. Dispute Resolution

This Resolution and any disputes arising under or in connection with this Resolution shall not be subject to any dispute resolution procedures in the City's Personnel Rules, nor shall this Resolution and any such dispute relating thereto be subject to the jurisdiction of the City's Personnel Board for any reason whatsoever.

g. Indemnification

All Unrepresented Management Employees agree to indemnify and hold the City of Huntington Beach harmless against any claims made of any nature and against any suit instituted against the City arising from this Resolution, including, but not limited to, claims arising from an employee's participation in VEBA or from any salary reduction initiated by the City for VEBA contributions.

SECTION V – LEAVE BENEFITS

A. General Leave

1. Accrual

Employees will accrue General Leave at the accrual rates outlined below. General leave may be used for any purpose, including vacation, sick leave, and personal leave.

General leave for non-associated employees shall be accrued as follows:

Years of Service	Annual General Leave Allowance	Biweekly General Leave Allowance
First through Fourth Year	176 hours	6.77
Fifth through Ninth Year	200 hours	7.69
Tenth through Fourteenth Year	224 hours	8.62
Fifteenth Year and Thereafter	256 hours	9.85

2. Eligibility and Approval

General leave must be pre-approved except for illness, injury or family sickness, which may require a physician's statement for approval. General leave accrued time is to be computed from hiring date anniversary. Employees shall not be permitted to take general leave in excess of actual time earned. Employees shall not accrue general leave in excess of six hundred forty (640) hours. Employees may not use their general leave to advance their separation date on retirement or other separation from employment.

3. Leave Benefit Entitlements

The City shall comply with all State and Federal leave benefit entitlement laws. An eligible employee on an approved leave shall be allowed to use applicable earned Sick Leave, General Leave, or Executive Leave for family or personal health issues. For more information on employee leave options contact the Human Resources Department.

4. Conversion to Cash

a. Pay Off at Termination

An employee shall be paid for unused general leave upon termination of employment at which time such terminating employee shall receive compensation at their current salary rate for all unused, earned general leave to which they are entitled up to and including the effective date of their termination.

b. Conversion to Cash

Two times during each fiscal year, each permanent employee shall have the option to convert into a cash payment or deferred compensation up to a total of one hundred-twenty (120) general leave benefit hours per fiscal year. The employee shall give payroll two (2) weeks advance notice of their decision to exercise such option.

c. One Week Minimum Vacation Requirement

The City Manager may require certain positions which handle money or transfer funds to take a minimum of one week, (i.e., five consecutive work days) paid vacation each calendar year.

d. Deferred Compensation Contribution at Time of Separation

The value of any unused earned leave benefits may be transferred to deferred compensation at separation (including retirement), but only during the time that the employee is actively employed with the City. The latest opportunity for such transfer must be the beginning of the pay period prior to the employee's last day of employment.

B. Holidays and Pay Provisions

1. Non-Associated employees shall receive the following legal holidays as of the first pay period following adoption of the Non-Associated Resolution paid in full per the employee's regularly scheduled work shift:

(1) New Year's Day (January 1)

(2) Martin Luther King Day (third Monday in January)

(3) Presidents Day (third Monday in February)

(4) Memorial Day (last Monday in May)

(5) Independence Day (July 4)

(6) Labor Day (first Monday in September)

(7) Veteran's Day (November 11)

(8) Thanksgiving Day (fourth Thursday in November)

(9) The Friday after Thanksgiving

(10) Christmas Day (December 25)

2. Any day declared by the President of the United States to be a national holiday or by the Governor of the State of California to be a state holiday and adopted as an employee holiday by the City Council of the City of Huntington Beach.

3. For Civic Center holiday closure purposes, holidays which fall on Sunday shall be observed the following Monday, and those falling on Saturday shall be observed the preceding Friday.

C. Sick Leave

1. Accrual

No employee shall accrue sick leave.

2. Credit

Employees assigned to Non-Associated shall carry forward their sick leave balance and shall no longer accrue sick leave credit.

3. Usage

Employees may use accrued sick leave for the same purposes for which it was used prior to December 25, 1999. Sick leave shall not be used to extend absences due to work related (industrial) injuries or illnesses, this provision shall be added to Personnel Rule 18.10.

4. Payoff at Termination

a. Non Associated employees with continuous service with the City since November 20, 1978, shall be entitled to the following sick leave payoff plan:

At involuntary termination by reason of disability, or by death, or by retirement, employees shall be compensated at their then current rate of pay for seventy-five percent (75%) of all unused sick leave accumulated as of July 1, 1972, plus fifty percent (50%) of unused sick leave accumulated subsequent to July 1, 1972, up to a maximum of seven hundred and twenty hours (720) of unused, accumulated sick leave, except as provided in paragraph V.C.5.d below.

Upon termination for any other reason, employees shall be compensated at their then current rate of pay for fifty percent (50%) of all unused accumulated sick leave, up to a maximum of 720 hours of such accumulated sick leave.

b. Non-Associated employees hired after November 20, 1978 shall be entitled to the following sick leave payoff plan:

Upon termination, all employees shall be paid, at their then current salary rate, for twenty-five percent (25%) of unused, earned sick leave to 480 hours accrued, and for thirty-five percent (35%) of all unused, earned sick leave in excess of 480 hours, but not to exceed 720 hours, except as provided in paragraph V.C.2.c below.

c. Except as provided in paragraph V.C.5.d below, no Non-Associated employee shall be paid at termination for more than 720 hours of unused, accumulated sick lave. However, employees may utilize accumulated sick leave on the basis of "last in, first out," meaning that sick leave accumulated in excess of the maximum for payoff may be utilized first for sick leave, as defined in Personnel Rule 18-8.

d. Non-Associated employees who had unused, accumulated sick leave in excess of 720 hours as of July 5, 1980, shall be compensated for such excess sick leave remaining on termination under the formulas described in paragraphs V.C.5.a and b above. In no event shall any employee be compensated upon termination for any accumulated sick leave in excess of the "cap" established by this paragraph (i.e., 720 hours plus the amount over 720 hours existing on July 5, 1980). Employees may continue to utilize sick leave accrued after that date in excess of such "cap" on a "last in, first out" basis. To the extent that any such "capped" amount of excess sick leave over 720 hours is utilized, the maximum compensable amount shall be correspondingly reduced. (Example: Employee had 1,000 hours accumulated. Six months after July 5, 1980, employee had accumulated another 48 hours. Employee

is then sick for 120 hours. Employee's maximum sick leave "cap" for compensation at termination is now reduced by 72 hours to 928.)

D. Bereavement Leave

Employees shall be entitled to bereavement leave not to exceed twenty-four (24) hours in each instance of death in the immediate family. Immediate family is defined as father, mother, sister, brother, spouse, children, grandfather, grandmother, stepfather, stepmother, step grandfather, step grandmother, grandchildren, stepsisters, stepbrothers, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepchildren, or wards of which the employee is the legal guardian.

E. Voluntary Catastrophic Leave Donation Program

Under certain conditions, an employee may donate leave time to another employee in need. The program is outlined in Exhibit 4.

SECTION VI – RETIREE SUBSIDY MEDICAL PLAN

An employee who has retired from the City shall be entitled to participate in the City-sponsored medical insurance plans in accordance with the Retiree Subsidy Medical Plan as outlined in Exhibit 2. Employees hired on or after December 1, 2009, shall not be eligible for this benefit.

SECTION VII – MISCELLANEOUS

A. Collection of Payroll Overpayments

In the event that a payroll overpayment is discovered and verified, and considering all reasonable factors including the length of time that the overpayment was made and if and when the employee could have reasonably known about such overpayment, the City shall take action to collect from the employee the amount of overpayment(s). Such collection shall be processed by payroll deduction over a reasonable period of time considering the total amount of overpayment.

In the event the employee separates from employment during the collection period, the final amount shall be deducted from the last payroll check of the employee. If applicable, the balance due from the employee shall be communicated upon employment separation if the last payroll check does not sufficiently cover the amount due the City.

It shall be the responsibility of the employee and the City to periodically monitor the accuracy of compensation payments or reimbursements due to the possibility of a clerical oversight or error. The City reserves the right to also collect compensation overpayments caused by or the result of misinterpretation of a pay provision by non-authorized personnel. The interpretation of all pay provisions shall be administered by the City Manager or designee and as adopted by the City Council. Unauthorized compensation payments shall not constitute a past practice (1/03/05).

B. Uniforms and CalPERS Reporting

The City provides uniforms to active duty employees in the classifications of Police Chief and Fire Chief. These employees are required to wear a standard uniform for appearance, uniformity, and public recognition purposes.

The City will report to the California Public Employees' Retirement System (CalPERS) the average annual cost of uniforms as special compensation for each eligible employee in accordance with Title 2, California Code of Regulations, Section 571(a)(5).

NON-ASSOCIATED EMPLOYEE PAY AND BENEFIT PROVISIONS

EXHIBIT 1
NON-ASSOCIATED EXECUTIVE MANAGEMENT SALARY SCHEDULE
EFFECTIVE SEPTEMBER 24, 2016 - 2.0% Increase

Job No.	Description	Pay Grade	Starting Point		Control Point		High Point
EXECUTIVE MANAGEMENT							
0591	City Manager	NA0591	NA		NA		128.29
DEPARTMENT HEADS							
0592	Assistant City Manager	NA0592	85.82		95.51		106.32
0009	Director of Building & Safety	NA0009	74.64		83.07		92.46
0014	Director of Community Services	NA0014	74.64		83.07		92.46
0008	Director of Economic Development	NA0008	74.64		83.07		92.46
0574	Director of Human Resources	NA0574	74.64		83.07		92.46
0479	Chief Information Officer	NA0479	74.64		83.07		92.46
0007	Director of Library Services	NA0007	69.94		77.85		86.66
0589	Community Development Director	NA0589	80.82		89.97		100.13
0010	Director of Public Works	NA0010	80.82		89.97		100.13
0518	Chief Financial Officer	NA0518	80.82		89.97		100.13
0015	Fire Chief	NA0015	85.82		95.51		106.31
0011	Police Chief	NA0011	85.82		95.52		106.31
ELECTED OFFICIALS							
0016	City Attorney	NA0016	100.18		111.51		124.10
0017	City Clerk	NA0017	69.94		77.85		86.66
ELECTED OFFICIALS PART-TIME							
0018	City Treasurer - PART-TIME	NA0018	74.64		83.07		92.46
			*Annual Salary Not to Exceed $51,812				

CONTRACT NON-DEPARTMENT HEAD

Job No.	Description	Pay Grade	A	B	C	D	E
0593	Chief Assistant City Attorney	NA0593	71.05	74.96	79.08	83.43	88.01

Historical changes to Non-Associated position titles:

Per Ordinance 3855 adopted on 1/19/10, Building & Safety Department duties were combined with the Planning Department creating a new position of Director of Planning and Building.

Per Resolution 2010-106 adopted on 12/20/10 the City Treasurer was established as a part-time position.

Per Ordinance 3906 adopted on 2/7/11 amended the title of City Administrator to City Manager.

Per Ordinance 3959 adopted on 10/01/12, the position of Chief Assistant City Attorney was established.

Per Resolution 2012-95 adopted on 12/17/12 the title of Deputy City Manager was changed to Assistant City Manager.

Per Ordinance 4086 adopted 4/18/16: the position of Finance Director was changed to Chief Financial Officer, the Director of Information Services was changed to Chief Information Officer and the Director of Planning and Building was changed to Community Development Director.

NON-ASSOCIATED EMPLOYEES PAY AND BENEFITS RESOLUTION

EXHIBIT 2
RETIREE MEDICAL PLAN

An employee who has retired from the City shall be entitled to participate in the City sponsored medical insurance plans and the City shall contribute toward monthly premiums for coverage in an amount as specified in accordance with this Plan, provided:

A. At the time of retirement the employee has a minimum of ten (10) years of continuous full time City service or is granted an industrial disability retirement; and

B. At the time of retirement, the employee is employed by the City; and

C. Following official separation from the City, the employee is granted a retirement allowance by the California Public Employees' Retirement System.

The City's obligation to pay the monthly premium as indicated shall be modified downward or cease during the lifetime of the retiree upon the occurrence of any one of the following:

1. On the first of the month in which a retiree or dependent reaches age 65 or on the date the retiree or dependent can first apply and become eligible, automatically or voluntarily, for medical coverage under Medicare (whether or not such application is made) the City's obligation to pay monthly premiums may be adjusted downward or eliminated. Benefit coverage at age 65 under the City's medical plans shall be governed by applicable plan document.

2. In the event of the death of any employee, whether retired or not, the amount of the retiree medical insurance subsidy benefit which the deceased employee was receiving at the time of his/her death would be eligible to receive if he/she were retired at the time of death, shall be paid on behalf of the spouse or family for a period not to exceed twelve (12) months.

D. Schedule of Benefits

1. Minimum Eligibility for Benefits

With the exception of an industrial disability retirement, eligibility for benefits begins after an employee has completed ten (10) years of continuous full time service with the City of Huntington Beach. Said service must be continuous unless prior service is reinstated at the time of his/her rehire in accordance with the City's Personnel Rules. Employees hired on or after December 1, 2009 shall not be eligible for this benefit.

2. Disability Retirees

Industrial disability retirees with less than ten (10) years of service shall receive a maximum monthly payment toward the premium for health insurance of $121. Payments shall be in accordance with the stipulations and conditions, which exist for all retirees. Payment shall not exceed dollar amount, which is equal to the full cost of premium for employee only.

3. Marital Status – Married retirees eligible for benefits under the Retiree Medical Subsidy Plan may each receive the benefit earned pursuant to Section 4 –

Maximum Monthly Subsidy Payments, whether enrolled individually as the plan enrollee or whether enrolled as a dependent on any City-sponsored medical plan.

a. In the case where a retiree is married to a City employee (active or retired) who is not an unrepresented/non-associated employee or retiree, this provision shall remain applicable.

b. This provision shall apply to State of California registered domestic partners the same as married spouses.

4. Maximum Monthly Subsidy Payments

Payment amounts may be reduced each month as dependent eligibility ceases due to death, divorce or loss of dependent child status. However, the amount shall not be reduced if such reduction would cause insufficient funds needed to pay the full premium for the employee and the remaining dependents. In the event no reduction occurs and the remaining benefit premium is not sufficient to pay the premium amount for the employee and the eligible dependents, said needed excess premium amount shall be paid by the employee.

All retirees, including those retired as a result of disability whose number of years of service prior to retirement, exceeds ten (10) years of continuous full time service, shall be entitled to maximum monthly payment of premiums by the City for each year of completed City service as follows:

Maximum Monthly Payment
for Retirements After:

Years of Service	Subsidy
10	$121
11	136
12	151
13	166
14	181
15	196
16	211
17	226
18	241
19	256
20	271
21	286
22	300
23	315
24	330
25	344

NON-ASSOCIATED EMPLOYEES PAY AND BENEFITS RESOLUTION

MISCELLANEOUS PROVISIONS

A. Eligibility:

1. The effective start-up date of the Retiree Subsidy Medical Plan for the various employee groups shall be the first of the month following retirement date.

2. A retiree may change plans, add dependents, etc., during annual open enrollment. The Human Resources Department shall notify covered retirees of this opportunity each year.

3. Years of service computed for the Retiree Subsidy Medical Plan are actual years of completed service with the City of Huntington Beach.

B. Benefits:

1. The Retiree Subsidy Medical Plan includes any medical plan offered by the City to active and/or retired unrepresented/non-associated employees and retirees.

2. City Plans are the primary payer for active employees age 65 and over, with Medicare the secondary payer. Retirees age 65 and over have no City Plan options and are eligible only for Medicare.

3. Premium payments are to be received at least one month in advance of the coverage period.

C. Subsidies:

1. The subsidy payments will pay for:

   a. The Retiree Subsidy Medical Plan.

   b. HMO.

   c. Part A of Medicare for those retirees not eligible for paid Part A.

2. Subsidy payments will not pay for:

   a. Part B Medicare.

   b. Any other employee benefit plan.

   c. Any other commercially available benefit plan.

   d. Medicare supplements

D. Medicare:

1. All persons are eligible for Medicare coverage at age 65. Those with sufficient credit quarters of Social Security will receive Part A of Medicare at no cost. Those without sufficient credited quarters are still eligible for Medicare at age 65, but will have to pay for Part A of Medicare if the individual elects to take Medicare. In all cases, Part B of Medicare is paid for by the participant.

2. When a retiree and his/her spouse are both 65 or over, and neither is eligible for paid Part A of Medicare, the subsidy shall pay for Part A for each of them or the maximum subsidy, whichever is less.

3. When a retiree at age 65 is eligible for paid Part A of Medicare and his/her spouse is not eligible for paid Part A, the spouse shall not receive subsidy. When a retiree at age 65 is not eligible for paid Part A of Medicare and his/her spouse who is also age 65 is eligible for paid Part A of Medicare, the subsidy shall be for the retiree's Part A only.

E. Cancellation:

1. For retirees/dependents eligible for paid Part A of Medicare, the following cancellation provisions apply:

   a. Coverage for a retiree under the Retiree Subsidy Medical Plan will be eliminated on the first day of the month in which the retiree reaches age 65. If such retiree was covering dependents under the Plan, dependents will be eligible for COBRA continuation benefits effective as of the retiree's 65th birthday.

   b. Dependent coverage will be eliminated upon whichever of the following occasions comes first:

      1) After 36 months of COBRA continuation coverage, or

      2) When the covered dependent reaches age 65 in the event such dependent reaches age 65 prior to the retiree reaching age 65.

   c. At age 65 retirees are eligible to make application for Medicare. Upon being considered "eligible to make application," whether or not application has been made for Medicare, the Retiree Subsidy Medical Plan will be eliminated.

2. See provisions under "Benefits," "Subsidies," and "Medicare" for those retirees/dependents not eligible for paid Part A of Medicare.

3. Retiree Subsidy Medical Plan and COBRA participants shall be notified of non-payment of premium by means of a certified letter from Employee Benefits in accordance with provisions of the Non-Associated Resolution.

4. A retiree who fails to pay premiums due for coverage and is in arrears for sixty (60) days shall be terminated from the Plan and shall not have reinstatement rights.

NON-ASSOCIATED EMPLOYEE PAY AND BENEFIT PROVISIONS

EXHIBIT 3 - 9/80 WORK SCHEDULE

This work schedule is known as "9/80". The 9/80 work schedule is designed to be in compliance with the requirements of the Fair Labor Standards Act (FLSA). In the event that there is a conflict with the current rules, practices and/or procedures regarding work schedules and leave plans, then the rules listed below shall govern.

9/80 WORK SCHEDULE DEFINED

The 9/80 work schedule shall be defined as working nine (9) days for eighty (80) hours in a two week pay period by working eight (8) days at nine (9) hours per day and working one (1) day for eight (8) hours (Friday), with a one-hour lunch during each work shift, totaling forty (40) hours in each FLSA work week. The 9/80 work schedule shall not reduce service to the public, departmental effectiveness, productivity and/or efficiency as determined by the City Manager or designee.

A. Forty (40) Hour FLSA Work Week

The actual FLSA workweek is from Friday at mid-shift (p.m.) to Friday at mid-shift (a.m.). No employee working the 9/80 work schedule will be able to flex their Friday start time nor the time they take their lunch break, which will be from 12:00 p.m. to 1:00 p.m. on Fridays. All employee work shifts will start at 8:00 a.m. on their Friday worked. The start of the FLSA workweek is 12:00 noon Friday.

B. Two Week Pay Period

The pay period for employees starts Friday mid-shift (p.m.) and continues for fourteen (14) days until Friday mid-shift (a.m.). During this period, each week is made up of four (4) nine (9) hour work days (thirty-six (36) hours) and one (1) four (4) hour Friday and those hours equal forty (40) work hours in each work week (e.g. the Friday is split into four (4) hours for the a.m. shift, which is charged to work week one and four (4) hours for the p.m. shift, which is charged to work week two).

C. A/B Schedules

To continue to provide service to the public every Friday, employees are to be divided between two schedules, known as the "A" schedule and the "B" schedule, based upon the departmental needs. For identification purposes, the "A" schedule shall be known as the schedule with a day off on the Friday in the middle of the pay period, or, "off on payday", the "B" schedule shall have the first Friday (p.m.) and the last Friday (a.m.) off, or "working on payday". An example is listed below:

	AM F	PM F	S	S	M	T	W	Th	AM F	PM F	S	S	M	T	W	Th	AM F	PM F
A Schedule	4	4	-	-	9	9	9	9	-	-	-	-	9	9	9	9	4	4
B Schedule	-	-	-	-	9	9	9	9	4	4	-	-	9	9	9	9	-	-

D. A/B Schedule Changes

FLSA exempt employees may change A/B schedules at the beginning of any pay period with supervisor or City Manager approval.

E. Emergencies

All employees on the 9/80 work schedule are subject to be called to work any time to meet any and all emergencies or unusual conditions which, in the opinion of the City Manager, or designee may require such service from any of said employees.

LEAVE BENEFITS

When an employee is off on a scheduled workday under the 9/80 work schedule, then nine (9) hours of eligible leave per workday shall be charged against the employee's leave balance or eight (8) hours shall be charged if the day off is a Friday. All leaves shall continue under the current accrual, eligibility, request and approval requirements.

1. General Leave – As stated in the Non-Associated Resolution.

2. Sick Leave – As stated in the Non-Associated Resolution.

3. Executive Leave – As stated in the Non-Associated Resolution.

4. Bereavement Leave – As stated in the Non-Associated Resolution.

5. Holidays - As stated in the Non-Associated Resolution.

6. Jury Duty – The provisions of the Personnel Rules shall continue to apply, however, if an FLSA exempt employee is called to serve on jury duty during a normal Friday off, Saturday, or Sunday, or on a City holiday, then the jury duty shall be considered the same as having occurred during the employees day off work, therefore, the employee will receive no added compensation.

NON-ASSOCIATED EMPLOYEES PAY AND BENEFITS RESOLUTION

EXHIBIT 4 - VOLUNTARY CATASTROPHIC LEAVE DONATION

Guidelines

1. Purpose

The purpose of the voluntary catastrophic leave donation program is to bridge employees who have been approved leave time to either return to work, long-term disability, or medical retirement. Permanent employees who accrue vacation, general leave or compensatory time may donate such leave to another permanent employee when a catastrophic illness or injury befalls that employee or because the employee is needed to care for a seriously ill family member. The leave-sharing Leave Donation Program is Citywide across all departments and is intended to provide an additional benefit. Nothing in this program is intended to change current policy and practice for use and/or accrual of vacation, general, or sick leave.

2. Definitions

Catastrophic Illness or Injury - A serious debilitating illness or injury, which incapacitates the employee or an employee's family member.

Family Member - For the purposes of this policy, the definition of family member is that defined in the Family Medical Leave Act (child, parent, spouse or domestic partner).

3. Eligible Leave

Accrued compensatory, vacation or general leave hours may be donated. The minimum donation an employee may make is two (2) hours and the maximum is forty (40) hours.

4. Eligibility

Permanent employees who accrue vacation or general leave may donate such hours to eligible recipients. Compensatory time accrued may also be donated. An eligible recipient is an employee who:

- Accrues vacation or general leave;
- Is not receiving disability benefits or Workers' Compensation payments; and
- Requests donated leave.

5. Transfer of Leave

The maximum donation credited to a recipient's leave account shall be the amount necessary to ensure continuation of the employee's regular salary during the employee's period of approved catastrophic leave. Donations will be voluntary, confidential and irrevocable. Hours donated will be converted into a dollar amount based on the hourly wage of the donor. The dollar amount will then be converted into accrued hours based on the recipient's hourly wage.

An employee needing leave will complete a Leave Donation Request Form and submit it to the Department Director for approval. The Department Director will forward the form to Human Resources for processing. Human Resources, working with the department, will send out the request for leave donations.

Employees wanting to make donations will submit a Leave Donation Form to the Finance Department (payroll).

All donation forms submitted to payroll will be date stamped and used in order received for each bi-weekly pay period. Multiple donations will be rotated in order to insure even use of time from donors. Any donation form submitted that is not needed will be returned to the donor.

6. Other

Please contact the Human Resources Department with questions regarding employee participation in this program.

Voluntary Catastrophic Leave Donation Program
Leave Request Form

Requestor, Please Complete

According to the provisions of the Voluntary Catastrophic Leave Donation Program, I hereby request donated vacation, general leave or compensatory time.

MY SIGNATURE CERTIFIES THAT:

- A Leave of absence in relation to a catastrophic illness or injury has been approved by my Department; and
- I am not receiving disability benefits or Workers' Compensation payments.

Name: *(Please Print or Type: Last, First, MI)*	
Work Phone:	Department:
Job Title:	Employee ID#:
Requester Signature:	Date:
Department Director Signature of Support:	Date:
Human Resources Department Use Only End donation date will bridge to: ☐ Long Term Disability ☐ Medical Retirement beginning ☐ Length of FMLA leave ending ☐ Return to work	End donation date:
Human Resources Director Signature:	Date signed:

Please submit this form to the Human Resources Office for processing.

Voluntary Catastrophic Leave Donation Program
Leave Donation Form

Donor, please complete

Donor Name: *(Please Print or Type: Last, First, MI)*

Work Phone:

Donor Job Title:

Type of Accrued Leave:	Number of Hours I wish to Donate:
☐ Vacation	_____ Hours of Vacation
☐ Compensatory Time	_____ Hours of Compensatory Time
☐ General Leave	_____ Hours of General Leave

I understand that this voluntary donation of leave credits, once processed, is irrevocable; but if not needed, the donation will be returned to me. I also understand that this donation will remain confidential.

I wish to donate my accrued vacation, comp or general leave hours to the Leave Donation Program for:

Eligible recipient employee's name (Last, First, MI):

Donor Signature:	Date:

Please submit to the Finance Department.

Res. No. 2016-50

STATE OF CALIFORNIA
COUNTY OF ORANGE) ss:
CITY OF HUNTINGTON BEACH)

I, ROBIN ESTANISLAU the duly appointed, qualified City Clerk of the City of Huntington Beach, and ex-officio Clerk of the City Council of said City, do hereby certify that the whole number of members of the City Council of the City of Huntington Beach is seven; that the foregoing resolution was passed and adopted by the affirmative vote of at least a majority of all the members of said City Council at a **Regular** meeting thereof held on **July 18, 2016** by the following vote:

AYES:	O'Connell, Sullivan, Hardy, Delgleize
NOES:	Posey, Peterson
OUT OF ROOM:	Katapodis
ABSTAIN:	None

Robin Estanislau

City Clerk and ex-officio Clerk of the
City Council of the City of
Huntington Beach, California