

## RESOLUTION NO. 20-7968

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DOWNEY ESTABLISHING THE SALARY AND BENEFITS PAYABLE TO EMPLOYEES IN CLASSIFICATIONS DESIGNATED AS EXECUTIVE MANAGEMENT, MIDDLE MANAGEMENT, AND CONFIDENTIAL/EXEMPT; AND REPEALING PRIOR RESOLUTIONS**

**WHEREAS**, under California State law, Section 2704 of the Downey Municipal Code and Section 12 of the City of Downey Supplemental Employee Relations Rules and Regulations, the City Council is vested with the authority to designate classifications as being Executive Management, Middle Management, and Confidential/Exempt; and,

**WHEREAS**, the City Council desires to provide competitive compensation and benefits to its employees; and,

**WHEREAS**, the current university utilized for the quarter system tuition reimbursement benefit is transitioning to the semester system, which requires an update to this provision; and,

**WHEREAS**, an update to the auto allowance provision is necessary due to the significant amount of travel required of the Executive Director of the Columbia Memorial Space Center position as part of assigned duties: and,

**WHEREAS**, an update to the medical opt out provision is necessary due to review of the City's cafeteria plan: and,

**WHEREAS**, the City Council desires to delineate the benefits payable to employees in the Executive Management, Middle Management, and Confidential/Exempt service of the City.

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

#### **SECTION 1. EXECUTIVE MANAGEMENT**

**A.** The following classifications shall be designated as part of the management service and shall be considered as Executive Management:

Assistant City Manager  
Chief of Police  
City Attorney  
City Clerk  
Director of Community Development  
Director of Parks and Recreation  
Director of Public Works  
Finance Director  
Fire Chief

**B.** Exclusions. Executive Management employees are specifically excluded from overtime compensation of any type and Education Incentive Pay. Individuals appointed or promoted to Executive Management classifications after January 24, 1984 are automatically excluded from eligibility for Longevity Pay.

Executive Management employees have been designated as part of the unclassified service and are exempt from the provisions of Chapter 7 of the Downey Municipal Code and that certain document entitled Personnel Management Rules and Regulations with the

exception of Part VIII, Article IX, entitled Attendance and Leaves. As part of the unclassified service, it is emphasized that Executive Management personnel are specifically excluded from access to the Grievance Procedures as established in the respective Memoranda of Understanding; specifically excluded from probationary periods and the ability to attain permanent status; and specifically excluded from the right of access to the Personnel Advisory Board based on Section 2704 of the Downey Municipal Code.

**SECTION 2. MIDDLE MANAGEMENT**

**A.** The following division manager and supervisory classifications shall be designated as part of the management service and shall be considered as Middle Management:

Assistant Finance Director	Information Technology & Systems
Assistant to the City Manager	Manager
Building Official	Management Analyst
City Planner	Principal Accountant
Deputy Director of Public Works	Principal Civil Engineer
Director of Human Resources	Recreation Manager
Economic Development & Housing Manager	Senior Accountant
Emergency Preparedness Program Manager	Senior Civil Engineer
Executive Director of the Columbia Memorial Space Center	Human Resources Analyst
GIS Program Manager	Senior Management Analyst
Human Resources Manager	Superintendent of Facilities and Maintenance
	Superintendent of Utilities System/Network Engineer

**B. Exclusions.** Middle Management employees are specifically excluded from overtime compensation of any type. The positions of Information Technology & Systems Manager and System/Network Engineer are eligible to earn straight compensatory time for hours worked over forty (40) in a work week on special projects as approved by the Department Head. Individuals appointed or promoted to Middle Management classifications after January 24, 1984 are automatically excluded from eligibility for Longevity Pay.

**SECTION 3. CONFIDENTIAL/EXEMPT**

**A.** The following classifications shall be designated as exempt from the classified service and shall be considered as Confidential:

Public Information Coordinator  
Chief Deputy City Clerk  
Deputy City Clerk  
Human Resources Specialist

**B. Exclusions.** Confidential/Exempt employees may not earn overtime compensation unless approval for such compensation is granted by the City Manager on a case-by-case basis.

Confidential/Exempt employees have been designated as part of the unclassified service and are exempt from provisions of Chapter 7 of the Downey Municipal Code and that certain document entitled Personnel Management Rules and Regulations, with the exception of Part VIII, Article IX, entitled Attendance and Leaves. As part of the unclassified service, it is

emphasized that Confidential/Exempt employees are specifically excluded from access to Grievance Procedures as established in the respective Memoranda of Understanding; specifically excluded from probationary periods and the ability to attain permanent status; and specifically excluded from the right of access to the Personnel Advisory Board based on Section 2704 of the Downey Municipal Code.

**SECTION 4.** Whenever the masculine gender is used in this Resolution, it shall be understood to include the feminine gender.

**SECTION 5. ATTENDANCE AND LEAVES**

Pursuant to Part VIII, Section 14, Article IX, of the Personnel Management Rules and Regulations, employees in the unclassified service of the City are subject to the provisions of Article IX of the Personnel Management Rules and Regulations. In addition, Executive Management, Middle Management, and Confidential/Exempt employees are subject to the following:

**A. Annual Vacation Leave**

1. Vacation Accrual

- a. Executive Management employees shall accrue one hundred sixty (160) hours per year.
- b. Middle Management employees shall accrue annual vacation leave as follows:

<u>Years of Service</u>	<u>Hours per Year</u>	<u>Maximum Accrual</u>
0 - 5	120	240
6 - 10	136	272
11+	160	320

- c. Confidential/Exempt employees shall accrue annual vacation leave as follows:

<u>Years of Service</u>	<u>Hours per Year</u>	<u>Maximum Accrual</u>
0 - 3	80	160
4 - 5	96	192
6 - 10	120	240
11 - 15	136	272
16+	160	320

2. Vacation Policy

- a. Vacation shall be taken at the convenience of the City with the approval of the Department Head or City Manager. Such vacation should be taken annually and not accumulated from year to year. Employees shall be allowed to accumulate vacation in an amount equal to two (2) times their annual accrual rate ("Maximum Accrual"). Once Maximum Accrual is reached, an employee may not be entitled to accrue additional vacation until the amount

of accumulated vacation is reduced to a level below Maximum Accrual. If an employee is prohibited by the Department Head or designee from taking his vacation because of manpower shortages or operational needs, the employee shall be paid for the period of advance authorized vacation. Such vacation shall be approved by the Department Head or designee and paid at the employee's regular rate of pay in effect for the scheduled period of vacation.

- b. As possible, the Department Head or designee shall accommodate the employee's desire to take vacation time in order to reduce or avoid exceeding the vacation Maximum Accrual. Any vacation time taken this Section shall be on a date mutually agreeable to both the Department Head and the employee.
- c. An employee shall be entitled to be paid for unused earned vacation at the rate of pay in effect at the time of separation from employment.
- d. Vacation shall be accrued on a monthly basis by dividing twelve (12) into the number of eligible vacation hours, as set forth in Section 5(A) above, to which the employee is eligible to receive based upon the employees' years of service with the City.

**B. Sick Leave Defined and Rate of Accrual**

- a. Sick leave shall be accrued at the rate of 3.692 hours per biweekly pay period (ninety-six [96] hours per year) for full-time employees without limit on accumulation. Sick leave shall not be considered to be a privilege which an employee may use at his discretion, but rather shall be allowed only for the purposes specified below.

**C. Use of Protected Sick Leave**

- a. Effective the start of the pay period which includes July 1, 2015, the first three (3) shifts or hours equivalent (e.g. twenty-four [24] hours for employees assigned to a 5/8 work schedule, twenty-seven [27] hours for employees assigned to a 9/80 work schedule, or thirty [30] hours for an employee on a 4/10 work schedule) of paid sick leave taken each twelve (12) month period, for any authorized purpose, will be considered sick leave used pursuant to the Healthy Workplaces, Healthy Families Act of 2014. This twelve (12) month period is July 1 through June 30 for employees hired prior to July 1, 2015. For employees hired on or after July 1, 2015, the twelve (12) month period is the twelve (12) month period beginning on the employee's hire date, until the following July 1 at which point the employee's twelve (12) month period will begin the start of the pay period which includes July 1 to the pay period that includes June 30.
- b. Effective January 1, 2016, employees can use up to an additional forty-eight (48) hours of sick leave per year provided by the California Kin Care law.
- c. An employee can use sick hours as protected sick leave for any of the following reasons: The diagnosis, care, or treatment of an existing health

condition of, or preventative care for, an employee or the employee's family member.

- d. For purposes of this section, a family member includes employee's parent, child, spouse, registered domestic partner, parent-in-law, grandparent, grandchild, and sibling. Only the first three (3) shifts or hours equivalent plus forty-eight (48) hours of sick leave in a twelve (12) month period can be used as described above.
- e. Employees can use protected sick leave for related purposes if they are victims of domestic violence, sexual assault or stalking.
- f. In order to receive compensation while absent on protected sick leave, the employee shall notify a designated supervisor within two (2) hours of the time set for beginning duty, if such notification is physically impractical then such notification shall be waived until a reasonable period has elapsed.
- g. For any such absence in which protected sick leave is utilized, the employee shall submit a written statement with the Department Head confirming the use of protected sick leave. A physician's statement verifying the absence from work is not required.
- h. When an employee is not utilizing protected sick leave, the Department Head or his designee may require a physician's certificate stating the cause for any subsequent absence before said leave shall be approved. Such absence may be more than one (1) work day or if there is reasonable cause to indicate abuse of sick leave.

**D. Accrued Sick Leave Benefit**

- a. The right of an employee to accrued sick leave benefits shall continue only during the period that the employee is on paid status. Accrued sick leave benefits shall not give any employee the right to be retained in the service of the City, or any right of claim to sickness disability benefits after separation from the services of the City, except as required by federal or state law.
- b. Notwithstanding anything contained in this Section, no employee shall be entitled to receive any payment or other compensation from the City while absent from duty by reason of injuries or disability received as a result of engaging in employment other than employment by the City, for monetary gain or other compensation, or by reason of engaging in business or activity for monetary gain or other compensation other than business or activity connected with City employment.

**E. Fitness for Duty**

- a. Upon the written request of the appointing authority, based upon job-related grounds and consistent with business necessity, the City Manager or his designee may require an employee to submit to an examination by the City's physician to determine fitness for duty. Any employee so examined shall have the opportunity to submit the reports of a competent medical authority of his own selection, and at his own expense, in addition to the report submitted

by the City's physician. In the event of a conflict of opinion and/or recommendation of the two physicians, a third physician shall be selected by the first two physicians and the final decision shall be made by the City Manager based upon the medical evidence submitted to him.

**F. Other Uses of Sick Leave**

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- a. Sick Leave Conversion at Retirement or Death
  1. An employee shall have the value of unused accumulated sick leave up to a maximum number of hours deposited into the City's Retirement Health Savings (RHS) Plan to be used for eligible medical expenditures. The value of accrued sick leave hours shall be calculated by the rate of pay at retirement or death.
  2. An employee on payroll as of October 25, 2011 with a balance of unused accumulated sick leave hours at or above one thousand five hundred seventy-five hours (1,575), but at or below one thousand nine hundred (1,900) hours, shall have that number of hours as his eligible maximum for deposit.
  3. An employee hired on or after October 25, 2011 shall be eligible to deposit the value of unused accumulated sick leave hours up to a maximum of five hundred (500) hours.
- b. Sick Leave Conversion upon Layoff
  1. In the event of a permanent or indefinite layoff, an employee with ten (10) years of continuous service with the City shall be entitled to the sick leave deposit benefit as specified in F(a) above. If such employee resigns after receiving official notification of his impending layoff, he shall remain eligible for the benefit.
- c. Conversion of Sick Leave to Vacation
  1. An employee may convert accrued sick leave at the rate of two (2) hours to one (1) additional hour of vacation, but only after having accumulated six-hundred forty (640) hours of sick leave, and providing that not more than forty (40) hours of additional vacation days may be so converted in any one (1) fiscal year.
- d. Bereavement Leave
  1. An employee who has suffered a death of an immediate family of the employee may be allowed bereavement leave with pay of up to six (6) work days per incident based on one half (1/2) work day of bereavement leave for each month of regular employment, that is deducted from the employee's accumulated sick leave. For purposes of this Section, "immediate family" shall include, and be limited to employee's mother, father, brother, sister, spouse, child grandchildren, grandparents, and current parent-in-laws.

2. All such claims for bereavement leave are subject to verification by the Department Head or designee.

e. Personal Leave

1. With approval of the Department Head or City Manager, twenty-four (24) hours per year of an employee's sick leave may be used on personal matters which are of an unseen combination of circumstances which call for immediate action or to add one additional hour per holiday as covered in Section O(1). Such matters shall be considered as those events or occurrences which a reasonable prudent person would not or could not postpone to a subsequent time. The nature of the matter shall be explained to the immediate supervisor and shall be granted with his approval. Such personal leave shall not be cumulative from year to year.

**G. Workers' Compensation Leave**

1. An employee who is absent from work by reason of an injury or illness covered by Workers' Compensation shall be allowed up to one (1) year temporary disability status with the City paying the difference between the amount granted pursuant to Workers' Compensation law and the employee's rate of pay.

**Employee Disability Leave**

1. An employee that has at least one year of continuous service with the City and who has exhausted all accrued leave (vacation, sick leave, compensatory time) due to non-industrial illness or injury can be advanced sick leave time at the rate of seventy-five percent (75%) of the employee's regular salary according to the following table:

Maximum Time Allowance (Hours)

<u>Years of Service</u>	<u>Total Hours</u>
1 through 5	360
6 through 10	544
Over 10	720

2. An application for disability leave shall be made by the employee to the City Manager or his designee through the department head, accompanied by medical certification from a physician verifying the period of medical disability.
3. After the employee returns to work from disability leave, the employee's sick leave accrual shall be reduced to four (4) hours per month and placed on a reimbursement schedule with the Payroll Office to reimburse the City the value of the time used for such employee disability leave. The employee may contribute vacation to accelerate employee's reimbursement to the City for providing the benefits under this Section.
4. No employee shall receive more than the "Total" set forth above for his length of service, during his entire employment with the City.

5. Grounds for termination of disability leave by the City Manager or his designee shall include, but not be limited to, the following reasons:
  - a. The employee has recovered from his illness or injury.
  - b. The leave is being used as a pre-retirement leave for purpose of postponing retirement or pension.
  - c. The disability leave was procured by fraud, misrepresentation or mistake.
  - d. The employee has not cooperated fully in supplying all information and submitting to any examination requested by the City to determine the existence or continuing nature of the employee's disability.
6. In the event an employee becomes ineligible to accrue sick leave or is scheduled to end employment with the City and has not completed the reimbursement schedule for this benefit, the balance due shall be handled by payroll deduction or accounts receivable as applicable.

**H. Military Leave**

Military leave shall be granted in accordance with the provisions of state and/or federal law. All employees entitled to military leave shall give the appointing power an opportunity, within the limits of military regulations, to determine when such leave shall be taken.

**I. Jury Duty**

In the event that an employee is called for jury duty and the court does not excuse such jury service, the City shall grant the employee paid release time for the required jury duty that is performed within the employee's regular work schedule provided, the employee submits court documentation verifying the date(s) and time served for jury service. Such verification must accompany the payroll timesheet for the payroll period in which the jury service was performed. Any fees for jury service that the employee may receive from the court shall be remitted to the City.

**J. Executive Leave**

1. Executive Management and Middle Management employees shall receive executive leave as outlined below. The use of executive leave shall be governed by regulations distributed by the City Manager.
2. An employee designated as Executive Management is eligible for thirty-two (32) hours of paid time off per calendar year.
3. An employee designated as Middle Management shall receive twenty-four (24) hours of paid time off per calendar year.
4. There is no cash out or carry over provision for this leave.

**K. Educational and Professional Leave**

1. Executive Management and Middle Management employees are eligible for educational and professional leave as outlined below. The use of such leave shall be governed by regulations distributed by the City Manager.
2. An employee designated as Executive Management is eligible for up to twelve (12) days per year maximum subject to budgetary appropriations and City Manager approval.
3. An employee designated as Middle Management is eligible for up to six (6) days per year maximum subject to budgetary appropriations and City Manager approval.

**L. Pregnancy Disability Leave**

The City shall comply with the state pregnancy disability leave law. Administrative Regulation No. 418 is incorporated by reference herein.

**M. Family Leave**

The City shall comply with the state and federal family leave entitlement laws. Administrative Regulation No. 430 is incorporated by reference herein.

**N. Holidays**

1. Employees shall receive eight (8) hours of pay for each of the following holidays.
  - a. New Year's Day
  - b. Martin Luther King's Birthday
  - c. Washington Birthday (President's Day)
  - d. Memorial Day
  - e. Independence Day
  - f. Labor Day
  - g. Veteran's Day
  - h. Thanksgiving Day
  - i. Day after Thanksgiving
  - j. Day before Christmas
  - k. Christmas Day
2. When a holiday falls on a weekday that is an employees' regular day off, the employee shall receive eight (8) hours of compensatory time at straight time. When a holiday falls on a day an employee is scheduled to work nine (9) hours and the employee takes the day off, the employee shall add one (1) hour by choosing vacation, compensatory time, personal leave, or time without pay. Sick leave other than personal leave may not be used to supplement the holiday hours.

**O. Chief of Police Weekend/Holiday Duty**

The Chief of Police rotates weekend/holiday duty coverage with Police Captains every four weeks throughout the year. Effective November 2008, the Chief of Police

shall receive 8.03 straight time hours per payroll period to compensate this time. The 8.03 additional hours shall be taken in the form of non-FLSA compensatory time. In addition, based on the designated work schedule, the Chief of Police shall receive holiday pay equivalent to the number of hours in his regularly scheduled work day when the holiday falls on a scheduled work day.

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**SECTION 6. INSURANCE BENEFITS**

**A. Medical Insurance**

1. Effective October 1, 2012, the City contracted with the California Public Employees' Retirement System (CalPERS) to implement the CalPERS medical benefits program governed by the Public Employees' Medical and Hospital Care Act (PEMHCA). In its implementation, the City specified that the mandated employer contributions for retirees would be structured in a manner to maintain cost savings.
2. The City's modifications to the retiree medical benefits provisions in this Resolution are made for compliance with the CalPERS PEMCHA program and to maintain the benefit set forth in Section 7(B), without an increase to the City's minimum mandated contributions for retirees. Such provisions are updated to include:
  - a. Employees and retirees have the option of choosing medical insurance coverage from any of the medical plans offered by CalPERS.
  - b. The City's contribution towards employee medical insurance is up to the monthly premium amount of the employee's eligible coverage level for the second highest PPO plan offered by CalPERS at the basic premium rates designated for the Los Angeles Area. If an employee enrolls in a plan with higher premiums, he will be responsible for payment to the City via payroll deduction for the premium amount in excess of the City's contribution.
  - c. The City shall contribute on behalf of each employee the mandated minimum sum as required per month toward the payment of premiums for medical insurance under the PEMHCA program. As the mandated minimum is increased, the City shall make the appropriate adjustments.
  - d. The City is mandated under PEMHCA to make a contribution to retiree medical premiums. As allowed by the Government Code and the CalPERS Board, the City used the Unequal Contribution Method to make City contributions on behalf of each retiree or annuitant. The 2012 starting year unequal contribution began at \$1.00 per month. The City's mandated contribution for each annuitant shall be increased annually in compliance with Government Code section 22892(c), until the contribution for annuitants equals the contribution paid for employees. A retiree's right to receive a City contribution, and the City's obligation to make a mandatory contribution on behalf of retirees, shall only exist as long as the City contracts with CalPERS PEMHCA for medical insurance. In addition, while the City contracts with CalPERS PEMHCA, its obligation to make mandatory contributions on behalf of retirees shall be limited to the minimum contribution required by law.

**B. IRS Section 125 Benefit (Cafeteria) Plan**

1. The City shall continue to provide payment of benefit premiums for employees under an IRS Section 125 Benefit Plan. The current benefits include medical, dental, life, long-term disability insurance, and EAP coverage. Medical insurance is a core benefit which a City employee is required to be enrolled in unless he is covered by another medical insurance plan with comparable coverage and/or meets minimum essential coverage as specified by the Affordable Care Act.
2. The City's maximum contribution shall be the sum of the monthly premiums as designated for each of the following categories:  
  
Employee only ("EE")  
Employee +1 Dependent ("EE +1")  
Employee +2 or more dependents ("EE +2")
3. The maximum City contribution shall be based on the employee's enrollment in each plan. The employer mandated PEMHCA contribution is included in the sum of the CalPERS medical premium. If an employee enrolls in a plan wherein the costs exceed the City's maximum contribution, the employee is responsible for all additional premiums via pre-tax payroll deductions. An employee is not entitled to any excess amount of premiums paid by the City on his behalf.
4. In the event that CalPERS medical insurance premiums increase above eight percent (8%) on average for any calendar year, the City may impose an employee contribution towards medical insurance premiums.
5. The City continues to provide other benefits coverage under an Employee Voluntary Benefits Program fully funded by the employee on a pre-tax basis in accordance with IRS regulations.

**C. Employee Waiver of Medical Coverage**

The City agrees to permit an employee to waive City-sponsored medical coverage as follows:

1. The employee must present written proof to the Human Resources Office that he and his qualified dependent(s) are covered by another non-City-sponsored medical plan for the current plan year;
2. The employee must sign a statement acknowledging a waiver of City offered medical insurance coverage and agreement to hold the City harmless for any consequences, whatsoever, that result from the employee's waiver of City offered medical insurance coverage for employee and/or qualified dependent(s); and
3. The employee must sign a statement acknowledging his understanding that his qualified dependent(s) are not eligible to re-enroll in City sponsored medical coverage until the next Open Enrollment period or as otherwise required by law under COBRA provisions.

4. Effective the next pay cycle that the City is scheduled to pay medical opt out after adoption of this Resolution, the City agrees that the employee who is qualified to waive coverage shall receive three hundred dollars (\$300.00) per month if waiver eligibility is for "employee only" coverage, four hundred fifty dollars (\$450.00) per month if waiver eligibility is for "employee plus one" coverage, or six hundred fifty dollars (\$650.00) per month if waiver eligibility is for "employee plus two or more dependents" coverage. The eligible amount will be added to the employee's paycheck as taxable income. A medical opt out election may only be made during an announced open enrollment period for medical insurance changes effective January 1.

**D. Dental Insurance.**

1. HMO Dental Coverage. The City shall contribute thirty-one dollars and ninety-five cents (\$31.95) per month towards a HMO dental benefit plan for employee and his/her qualified dependent(s). Any amount necessary to cover the monthly premium in excess of the City's contribution is the responsibility of the employee to the City via payroll deduction.
2. Delta Dental Premier Plan. This is a self-funded plan administered by Delta Dental. Premiums are calculated annually based on prior year's claims experience, administrative fees, and an industry trending projection. The City agrees to maintain the employee's contribution rate of fifty-two percent (52%) towards the monthly composite premium rate for the two tier premium structure ("Employee only" and "Employee plus two or more dependents"). The City will evaluate other Delta Dental plan options for implementation to reduce premiums or employee out of pocket costs including a change to a three-tier rate structure ("Employee only," "Employee plus one dependent," and "Employee plus two or more dependents") for monthly premiums effective January 1.

**E. Life Insurance**

The City shall provide group term life insurance coverage that includes accidental death and dismemberment coverage as follows:

1. Executive Management - A basic life insurance policy in the amount equal to one (1) times annual earnings up to \$100,000.00.
2. Middle Management - A basic life insurance policy in an amount equal to one (1) times annual earnings up to \$100,000.00.
3. Confidential/Exempt - A basic life insurance policy in the amount of \$10,000.00.
4. As soon as practicable after the adoption of this Resolution, the City will implement a flat rate life insurance policy for Executive and Middle Management employees in the amount of \$100,000.00 and will increase the basic life policy value for Confidential/Exempt employees to \$50,000.00.
5. Under the terms of each policy, benefit provisions are payable and determined by the insurance carrier

**F. Long Term Disability Insurance**

For employees in the Executive and Middle Management and Confidential/Exempt service, the City shall provide group long-term disability insurance coverage. Under the terms of this policy, benefit provisions are payable and determined by the insurance carrier

**G. Employee Assistance Program (EAP)**

The City provides each employee an EAP benefit that provides emotional/well-being, work and life counseling services on a toll free 24 hour/7 days per week.

**SECTION 7. RETIREMENT**

**A. CalPERS Retirement Plan**

Employees covered by this Resolution participate in the California Public Employees' Retirement System (CalPERS). Employee optional benefits are described in a contract between the City of Downey and the California Public Employees' Retirement System.

1. First Tier Retirement Formula. Effective August 19, 2002, the City amended the CalPERS contract to provide the benefit known as 2.7% at 55 retirement formula, as set forth in California Government Code Section 21354.5.
  - a. In accordance with existing practice and Government Code sections 20636(c)(4) and 20691, the City will pay the employee's statutorily required member contribution of eight percent (8%) and report this Employer Paid Member Contribution ("EPMC") to CalPERS as special compensation.
  - b. Effective the pay period that includes July 1, 2012, employees shall begin to have deducted, on a pre-tax basis, two percent (2%) of CalPERS reportable compensation, pursuant to California Government Code Section 20516(f).
  - c. Effective the pay period that includes July 1, 2013, employees shall have deducted an additional two percent (2%) of CalPERS reportable compensation, for a total of four percent (4%), on a pre-tax basis, pursuant to Government Code Section 20516(f).
  - d. Effective the pay period that includes July 1, 2015, the four percent (4%) employee cost sharing referenced in C. above shall be reduced to three percent (3%) through the pay period that includes March 31, 2016; thereafter, the four percent (4%) cost sharing amount shall apply unless a change on a later date is adopted by the City Council.
  - e. Should an employee be mandated by a change in law or other action to contribute any portion of the required employee (member) contribution to CalPERS, the City shall take all action necessary to reduce the deduction then being made pursuant to California Government Code Section 20516(f), above, by the amount of the mandated employee contribution.

- f. The City has passed a resolution setting forth that all deductions or contributions under this Section shall be regarded as a pick-up of retirement costs pursuant IRC 414(h)(2).
    - g. First tier benefits are available only to "Classic" members (i.e. those members that do not meet the statutory definition of "New Member" under the California Public Employees' Pension Reform act ("PEPRA"), specifically Government Code Section 7522.04 (f) and who were hired prior to October 10, 2012).
  2. Second Tier Retirement Formula. Effective January 11, 2012, the City amended the CalPERS contract to provide the benefit known as 2% at 60 second tier retirement formula, as set forth in Government Code Section 21353. This Second Tier Retirement Formula will not apply to "new members" as that term is defined by the Public Employees' Pension Reform Act of 2013.
    - a. Employees covered hereunder shall pay, on a pre-tax basis, the seven percent (7%) statutorily required member contribution to CalPERS.
    - b. This City has passed a Resolution setting forth that all deductions or contributions under this Section shall be regarded as a pick-up of retirement costs pursuant to IRC 414(h)(2).
    - c. Second tier benefits are available only to "classic" members (i.e. those members that do not meet the statutory definition of "new member" under the California Public Employees' Pension Reform Act ("PEPRA"), specifically Government Code Section 7522.04(f) and hired on or after October 10, 2012, but before January 1, 2013.
  3. Third Tier ("PEPRA" Tier) Retirement Formula. Employees who meet the definition of "new member" set forth in Government Code Section 7522.04(f) shall be eligible for the benefits provided by PEPRA, which include but are not limited to, the following:
    - a. Retirement formula of 2% @ 62 (Government Code Section 7522.25);
    - b. Employees covered hereunder shall pay a member contribution of fifty percent (50%) of normal cost as determined from time to time by CalPERS (employee contribution is six and one-fourth percent (6.25%) for FY 2016-17);
    - c. There shall be no Employer Paid Member Contribution ("EPMC") by the City;
    - d. Retirement benefit calculations shall be based on pensionable compensation, as defined by Government Code Section 7522.34; and
    - e. Retirement benefits shall be calculated based on the three (3) year highest average annual pensionable compensation.
  4. Survivor/Death Benefits. Effective July 13, 2009, the City implemented the PERS contract amendment to include: (a) the Level 4 1959 PERS Survivor's Benefit program (section 21574) and (b) the Pre-Retirement Optional Settlement 2 Death Benefit (section 21548).

**B. City Contribution to Retiree's Health Savings (RHS) Plan**

An employee who retires from the City of Downey after July 1, 1987 is entitled to participate in the City sponsored medical plan and the City contributes up to a maximum of ninety-eight dollars (\$98.00) per month for miscellaneous members or two hundred seventy dollars (\$270.00) per month for those employees retiring in the capacity of Chief of Police and Fire Chief toward the premium for "Employee only" coverage under the City sponsored medical plans. This contribution is inclusive of the Public Employees' Medical and Hospital Care Act (PEMHCA) statutory minimum employer contribution as specified in California Government Code § 22892(c).

As a result of the City contracting for CalPERS medical insurance pursuant to PEMHCA provisions effective October 1, 2012, the following revisions are in effect to avoid an increase cost to the City's mandated contribution for retirees:

1. Subject to meeting eligibility criteria below, the maximum ninety-eight dollars (\$98.00) or two hundred seventy dollars (\$270.00) per month as specified above, shall be deposited on a quarterly basis to the retiree's RHS account for the reimbursement of qualified medical expenditures.
2. At the time of retirement the employee has a minimum of ten (10) years of service, or is granted a service connected disability retirement; and,
3. At the time of retirement the employee is employed by the City; and,
4. Effective the day after official separation from the City the employee has been granted a retirement allowance by the California Public Employees' Retirement System.
5. The City's obligation to deposit up to a maximum of ninety-eight dollars (\$98.00) or two hundred seventy dollars (\$270.00) per month, as specified above toward the retiree's RHS account, shall be modified downward or cease during the lifetime of the retiree upon the occurrence of any one of the following:
  - a. During any period the retiree is eligible to receive or receives health insurance coverage at the expense of another employer the payment will be suspended. "Another employer" as used herein means private employer or public employer or self-employed or the employer of a spouse. As a condition of being eligible to receive the RHS contribution set forth above, the City shall have the right to require any retiree to annually certify that the retiree is not receiving any such paid health insurance benefits from another employer. If it is later discovered that misrepresentation has occurred, the retiree will be responsible for reimbursement to the City of those amounts inappropriately deposited and the retiree's eligibility to receive future RHS deposits will cease.
  - b. In the event the Federal government or State government mandates an employer-funded health plan or program for retirees, or mandates that the City make contributions toward a health plan (either private or public plan) for retirees, the City's rate set forth above shall be converted from a RHS deposit and applied to that plan. If there is any excess, that excess may be applied

toward the retiree's RHS account provided the retiree pays the balance owing for any such coverage.

- c. Upon the death of the retiree, the City's obligation to deposit into the retiree's RHS account shall cease. The surviving spouse shall be able to continue CalPERS medical insurance coverage pursuant to PEMHCA provisions and provided the surviving spouse pays the appropriate premiums minus the City's mandated retiree contribution amount.
6. It is understood and agreed that the amount equivalent to the annual amount contributed by the City to an eligible retiree's RHS account, shall be included as an item of total compensation in survey comparisons.
  7. An eligible retiree covered by this Section who no longer elects coverage under any City sponsored medical plan, effective at the end of any calendar quarter may present the City with proof of payment for alternate health insurance coverage and continue to receive the City's deposit to the retiree's RHS account on a quarterly basis up to the amount to which the retiree is entitled as specified above. Once a retiree elects to withdraw from eligibility to participate in a City sponsored health plan for coverage under an alternate insurance plan, the retiree may not re-enroll in a City sponsored medical plan or otherwise forfeits the City's RHS contribution amount permanently.

In addition to the conditions specified above, the City's deposit to a retirees RHS account shall cease upon the occurrence of any of the following:

- a. The retiree fails to submit or respond to the City's request (via certified mail to the last known mailing address of the retiree) to provide appropriate proof of alternate health insurance coverage at the end of sixty (60) days from the date of the City's written request.
- b. The death of the retiree.

#### **SECTION 8. MEDICAL EXAMINATION**

Executive and Middle Management employees may participate in the City-sponsored bi-annual management physical at City cost or be reimbursed up to \$125.00 per year for a medical examination with a physician of choice. Refer to Administrative Regulation No. 405.

#### **SECTION 9. TUITION REIMBURSEMENT**

With prior approval of the City Manager, employees may be reimbursed for tuition and required books for courses taken to improve their value to the City. Tuition shall be reimbursed for courses as recommended by the department head with job related justification and approved by the City Manager or their designee. An employee must receive a passing grade in order to be reimbursed for the course. Reimbursement shall be made at the rate of tuition charged at California State University, Long Beach for courses on the semester system. Courses on the quarter system shall be reimbursed at the unit equivalent California State University, Long Beach tuition amounts.

**SECTION 10. UNIFORM ALLOWANCE**

**Fire Chief.** Upon appointment, the City will provide a full dress uniform. The Fire Chief shall receive two hundred and twenty dollars (\$220.00) per year for supplemental uniforms and physical fitness clothing. The Fire Chief shall receive twelve dollars (\$12.00) monthly as uniform maintenance allowance.

**SECTION 11. CONFIDENTIAL/EXEMPT COMPENSATION PROGRAM**

**A.** The provisions of that certain document entitled Compensation Program (Part IX of the Personnel Manual) is by this reference made applicable to employees in the Confidential/Exempt service of the City.

**B.** The following compensation policies are also applicable to employees in the Confidential/Exempt service of the City.

1. Salary Schedules. The following salary schedules are designated for classifications in the Confidential/Exempt service:

<u>Class Title</u>	<u>Pay Table</u>	<u>Schedule</u>
Public Information Coordinator	01	240
Deputy City Clerk	01	227
Human Resources Specialist	01	227

2. Eligibility for Longevity Pay. Upon adoption of this Resolution following with approval of the appointing power, employees who have completed ten (10) continuous years of full-time service shall receive Longevity Pay. Eligible employees shall be paid above their hourly rate of pay five and one-half percent (5.5%) for ten (10) completed years of service and eight and one quarter percent (8.25%) for twenty (20) completed years of service.

**SECTION 12. AUTOMOBILE ALLOWANCE**

**A.** An employee hired or promoted into Executive Management classifications after December 1, 1989 shall no longer be eligible to drive a City vehicle. Instead, such employee will receive three hundred dollars (\$300.00) per month as automobile allowance.

1. Effective May 10, 2016, the classification of Director of Human Resources shall be eligible to receive automobile allowance.
2. Effective the pay period that includes September 8, 2020, the classification of Executive Director of the Columbia Memorial Space Center shall be eligible to receive automobile allowance.
3. Automobile allowance will not be provided to the Chief of Police or the Fire Chief. Employees in these classifications will continue to receive a City vehicle.

**SECTION 13. BILINGUAL PAY**

Effective the pay period following adoption of this Resolution, employees required to speak or translate Spanish as part of their regular duties will be compensated seventy dollars

(\$70.00) per bi-weekly pay period. The City Manager has the authority and discretion to assign and/or remove this bonus up to budget authority. To be eligible for this assignment, the employee must pass a conversational examination administered by a certified interpreter, or an employee who has been appointed by the Human Resources Director to administer such examination. The employee must recertify at least every eighteen (18) months to maintain the eligibility.

**SECTION 14. OUT OF RANK PAY**

An employee may be assigned by the City Manager to serve temporarily in an out-of-class assignment. An out-of-class assignment is distinguished from an acting designation by the performance of limited duties and responsibilities that are outside of the scope of an employee's regular job duties. The selection of an employee for an out-of-classification assignment shall be at the discretion of the City Manager or designee. A temporary out-of-class pay differential of up to five and one-half percent (5.5%) shall be authorized with advance approval by the City Manager when an employee is designated and scheduled to work in an out-of-class assignment. Paid holidays shall be considered as days actually worked. Other forms of authorized leave such as sick leave, emergency leave, and vacation shall not be considered as days actually worked.

**SECTION 15. PREVIOUS RESOLUTIONS**

All previous Resolutions establishing benefits payable to employees covered by this Resolution are hereby repealed and replaced by this Resolution.

**SECTION 16.** The City Clerk shall certify to the adoption of this Resolution and provide for the appropriate distribution thereof.

**APPROVED AND ADOPTED** this 8<sup>th</sup> day of September, 2020.

  
\_\_\_\_\_  
CLAUDIA M. FROMETA, Mayor Pro Tem

**ATTEST:**

  
\_\_\_\_\_  
MARIA ALICIA DUARTE, CMC  
City Clerk

I HEREBY CERTIFY that the foregoing Resolution was adopted by the City Council of the City of Downey at a regular meeting held on the 8<sup>th</sup> day of September, 2020, by the following vote, to wit:

AYES:	Council Members:	Ashton, Rodriguez, Saab, Frometa
NOES:	Council Member:	None.
ABSENT:	Council Member:	Mayor Pacheco
ABSTAIN:	Council Member:	None.

  
\_\_\_\_\_  
MARIA ALICIA DUARTE, CMC  
City Clerk

**EXHIBIT A**

**PAY SCHEDULE**  
**Effective March 23, 2020**

Position Title	A		B		C		D		E	
	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly
Assistant City Manager	90.3977	15668.93	95.3694	16530.70	100.6147	17439.89	106.1485	18399.08	111.9219	19399.80
Assistant Finance Director	61.3182	10628.48	64.6904	11213.01	68.2485	11829.74	72.0019	12480.33	74.8079	12966.71
Assistant to the City Manager	46.3602	8035.77	48.9100	8477.73	51.6002	8944.03	54.4381	9435.94	56.5595	9803.64
Building Official	56.3791	9772.38	59.4800	10309.87	62.7515	10876.92	66.2027	11475.13	68.7552	11917.56
City Attorney	86.7552	15037.58	91.5267	15864.63	96.5606	16737.17	101.8716	17657.75	105.9464	18364.05
City Clerk	51.2713	8887.02	54.0918	9375.90	57.0666	9891.54	60.2064	10435.77	63.5166	11009.54
City Planner	56.3791	9772.38	59.4800	10309.87	62.7515	10876.92	66.2027	11475.13	68.7552	11917.56
Deputy City Clerk	27.2508	4723.47	28.7494	4983.23	30.3306	5257.30	31.9989	5546.47	33.7588	5851.52
Deputy Director of Public Works	61.3182	10628.48	64.6904	11213.01	68.2485	11829.74	72.0019	12480.33	74.8079	12966.71
Director of Community Development	81.4935	14125.54	85.9758	14902.46	90.7045	15722.11	95.6932	16586.83	99.4226	17233.24
Director of Human Resources	65.6221	11374.50	69.2313	12000.09	73.0390	12660.10	77.0562	13356.41	80.0588	13876.87
Director of Parks and Recreation	64.8741	11244.84	68.4423	11863.32	72.2066	12515.81	76.1780	13204.19	79.1465	13718.72
Director of Public Works	81.4935	14125.54	85.9758	14902.46	90.7045	15722.11	95.6932	16586.83	99.4226	17233.24
Economic Development & Housing Manager	47.9439	8310.28	50.5822	8767.59	53.3631	9249.60	56.2982	9758.36	58.4918	10138.58
Emergency Preparedness Program Manager	42.0855	7294.82	44.4002	7696.04	46.8423	8119.33	49.4186	8565.88	52.1368	9037.05
Executive Director fo the Columbia Memorial Space Center	55.8186	9675.22	58.8881	10207.27	62.1276	10768.78	65.5436	11360.90	69.1488	11985.79
Finance Director	84.5562	14656.41	89.2068	15462.51	94.1130	16312.93	99.2894	17210.15	103.1586	17880.83
GIS Program Manager	51.5563	8936.43	54.3918	9427.91	57.3838	9946.52	60.5396	10493.54	62.8993	10902.55
Human Resources Analyst	34.1290	5915.70	36.0063	6241.09	37.9865	6584.33	40.0757	6946.46	42.2798	7328.50
Human Resources Manager	45.2806	7848.64	47.7711	8280.32	50.3984	8735.73	53.1704	9216.20	56.0947	9723.08
Human Resources Specialist	27.2508	4723.47	28.7494	4983.23	30.3306	5257.30	31.9989	5546.47	33.7588	5851.52
Information Technology Systems Manager	56.4397	9782.87	59.5430	10320.80	62.8179	10888.44	66.2728	11487.28	68.8554	11934.93
Management Analyst	34.1290	5915.70	36.0063	6241.09	37.9865	6584.33	40.0757	6946.46	42.2798	7328.50
Principal Accountant	38.2597	6631.67	40.3640	6996.42	42.5839	7381.21	44.9260	7787.18	47.3972	8215.51
Principal Civil Engineer	56.4387	9782.71	59.5429	10320.78	62.8178	10888.42	66.2729	11487.30	68.8551	11934.89
Recreation Manager	45.3882	7867.29	47.8846	8299.99	50.5183	8756.50	53.2966	9238.08	55.3737	9598.11
Senior Accountant	31.8830	5526.39	33.6365	5830.33	35.4865	6151.00	37.4384	6489.32	39.4976	6846.25
Senior Civil Engineer	51.5563	8936.43	54.3918	9427.91	57.3838	9946.52	60.5396	10493.54	62.8993	10902.55
Senior Management Analyst	38.2597	6631.67	40.3640	6996.42	42.5839	7381.21	44.9260	7787.18	47.3972	8215.51
Superintendent of Facilities and Maintenance	51.1748	8870.30	53.9889	9358.07	56.9583	9872.78	60.0917	10415.90	62.4332	10821.75
Superintendent of Utilities	51.1748	8870.30	53.9889	9358.07	56.9583	9872.78	60.0917	10415.90	62.4332	10821.75
System/Network Engineer	47.9439	8310.28	50.5822	8767.59	53.3631	9249.60	56.2982	9758.36	58.4918	10138.58