ITEM NO. 13

STAFF REPORT

CITY OF OCEANSIDE

DATE: June 10, 2009

TO: Honorable Mayor and City Councilmembers

FROM: Human Resources Department

SUBJECT: **ADOPTION OF A RESOLUTION IMPLEMENTING THE COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES EFFECTIVE JUNE 10, 2009.**

SYNOPSIS

The Compensation Plan for Unrepresented Employees has been revised to reflect recommended adjustments in compensation and benefits. It is requested that the City Council adopt the attached resolution to implement the proposed Compensation Plan for Unrepresented Employees (Attachment 1).

BACKGROUND

The proposed compensation plan includes compensation and classification changes and contract language clarification.

ANALYSIS

The key economic issues in the compensation plan include reduction in compensation, and increases in the employee's contribution to the California Public Employees' Retirement System (PERS).

The changes to the compensation plan provide all Unrepresented Executive, Mid-Management, and Supervisory/Administrative employees, with the exception of the City Manager, City Attorney, Assistant City Attorney, Deputy City Managers, Department Directors and Harbor Police Sergeant, with a 2 percent base salary increase effective the first full pay period in July 2009.

Additionally, the compensation plan also provides all Unrepresented Confidential and Technical employees with a 3 percent base salary increase effective the first full pay period in July 2009.

Effective the first full pay period in July 2009, all Unrepresented Executive, Mid-Management, and Supervisory/Administrative employees, with the exception of Harbor Police Sergeant; will contribute 4 percent base salary to the employees' portion of PERS.

Effective the first full pay period in July 2009, all Unrepresented Confidential and Technical employees will contribute 4 percent base salary to the employees' portion of PERS.

FISCAL IMPACT

The projected cost savings to the General Fund for FY 2009/2010 is approximately $90,000 and is consistent with the City Manager's recommended budget reductions from the May 20 City Council Budget Workshop.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The resolution has been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the City Council adopt the attached resolution implementing the Compensation Plan for Unrepresented employees effective June 10, 2009.

PREPARED BY:

Brian J. Kammerer
Human Resources Director

SUBMITTED BY:

Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager
Teri Ferro, Financial Services Director

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEANSIDE APPROVING AND ADOPTING THE COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES

WHEREAS, representatives of the City Council of the City of Oceanside desire to adopt a compensation plan for unrepresented employees that sets the standards, compensation and benefits for all unrepresented employees; and

WHEREAS, the City Council of the City of Oceanside has considered a compensation plan for unrepresented employees that is comparable with the agreements for the City's bargaining units.

NOW, THEREFORE, the City Council of the City of Oceanside does resolve as follows:

SECTION 1. The Compensation Plan for Unrepresented Employees dated June 10, 2009 (attached hereto as Attachment I) is hereby approved and adopted.

SECTION 2. The City Manager is hereby directed to: (i) implement all provisions of the Compensation Plan for Unrepresented Employees; (ii) prepare any required amendments to the Personnel Rules and Regulations of the City of Oceanside; (iii) submit said amendments to this Council for its approval.

PASSED AND ADOPTED by the City Council of the City of Oceanside, California, this _____day of _____, 2009, by the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:

_____
MAYOR OF THE CITY OF OCEANSIDE

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
City Attorney

CITY OF OCEANSIDE

COMPENSATION PLAN

FOR

UNREPRESENTED EMPLOYEES

Approved June 10, 2009

COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES

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COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES

I. SCOPE

A. The Personnel Rules and the Compensation Plan provisions described herein shall apply to all full-time regular employees of the City employed in classes or positions which are not included in a representation unit (hereinafter generally referred to as "employee(s)").

B. The Personnel Rules and the Compensation Plan provisions described herein shall establish for all affected employees all matters relating to employment conditions and employer-employee relations, including, but not limited to, wages, hours, and other terms and conditions of employment except as provided in Subsection C below.

C. The City retains all rights not specifically delegated in the Personnel Rules and the Compensation Plan provisions described herein including, but not limited to, the exclusive right to determine the mission of its constituent departments; set standards of service; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action for proper cause; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise control and discretion over its organization and the technology of performing its work. The determination of whether or not an emergency exists is solely within the discretion of the City.

D. All presently existing rights and benefits enjoyed by any designated Unrepresented Group employee, which are not in conflict with or contradictory to any of the provisions set forth in this Compensation Plan, shall continue to be in full force and effect.

E. The City Manager shall establish and revise policies and procedures to ensure fair, equitable, and practical administration of the Personnel Rules and the Compensation Plan provisions described herein as he/she deems necessary.

II. CLASSIFIED SERVICE EMPLOYEES

Unrepresented, permanent employees in the Classified (Competitive) Service in classes which are not included in a representation unit shall be subject to Chapter 23, Oceanside City Code, "Personnel System". (Authority: Section 23.19, Oceanside City Code.)

III. UNCLASSIFIED SERVICE EMPLOYEES

A. Employees in the Unclassified Service shall not be subject to Chapter 23, Oceanside City Code, "Personnel System". (Authority: Section 23.20, Oceanside City Code.)

B. Council-appointed officers within the Unclassified Service serve at the pleasure of the City Council.

C. City Manager-appointed employees within the Unclassified Service serve at the pleasure of the City Manager.

D. City Attorney-appointed employees within the Unclassified Service serve at the pleasure of the City Attorney.

E. All department director positions, all positions in the office of the City Manager, all positions in the office of the City Attorney, all positions in the office of the City Treasurer subject to the provisions of section 2.17.1 of the Oceanside City Code, and all positions that are either (a) not specifically included in the category of classified employees or are (b) specifically excluded from the category of classified employees are unclassified employees.

F. All positions held by virtue of an employment agreement that does not provide for payment of fringe benefits directly by the City.

IV. THE CLASSIFICATION PLAN

A. UNREPRESENTED CLASSIFICATIONS

Executive Management (Unclassified)

Assistant City Attorney
City Attorney
City Clerk (Elected)
City Manager
City Treasurer (Elected)
Deputy City Manager

Economic Development and Redevelopment Director
Financial Services Director
Fire Chief
Harbor & Beaches Director
Human Resources Director
Library Director
Neighborhood Services Director
Police Chief
Public Works Director
Water Utilities Director

Middle Management

Accounting Manager
Assistant City Clerk
Assistant to the City Manager
Assistant Library Director
Assistant Treasurer
Budget Manager
Building Inspections Manager
Building Services Administrator
Chief Building Official
Chief Information Officer
City Engineer
City Development Engineer
City Traffic Engineer
Claims Officer
Clean Water Coordinator
Code Enforcement Manager
*Deputy City Attorney I
*Deputy City Attorney II
Deputy City Engineer
Deputy Director of Public Works
Development Coordinator
Environmental Regulatory Compliance Officer
Equal Employment Opportunity Manager
Financial Services Division Manager
Fleet Manager
Harbor and Beaches Division Manager
Harbor Police Sergeant
Housing Program Manager
Human Resources Division Manager
Library Division Manager
Maintenance Manager
Neighborhood Services Division Manager
Permit Processing Manager
Police Records Manager

Principal Human Resources Analyst
*Public Information Officer
Public Safety Communications Manager
Public Works Division Manager
Real Property Manager
Redevelopment Manager
Risk Manager
Senior Human Resources Analyst
*Senior Management Analyst
Senior Management Analyst
Supervising Deputy City Attorney
*Treasury Manager
Water Utilities Division Manager
Workers Compensation and Safety Manager

Supervisory/Administrative

Accounting Supervisor
Administrative Analyst I
Administrative Analyst II
*Administrative Analyst I
*Administrative Analyst II
*Administrative Secretary
Applications Analyst I
Applications Analyst II
Applications Analyst III
Applications Analyst IV
Assistant Fire Marshall
Assistant Training Officer
CIP Manager I
CIP Manager II
CIP Manager III
*Council Aide
Human Resources Analyst I
Human Resources Analyst II
Information Systems Analyst I
Information Systems Analyst II
Information Systems Analyst III
Information Systems Analyst IV
*Investment Officer
*Legal Secretary
Literacy Coordinator
*Management Analyst
Management Analyst
Police Training Coordinator
Program Specialist
*Secretary to the City Attorney

*Secretary to the City Manager
Senior Accountant
Senior Fire Safety Specialist
Senior Information Technologies Analyst
Water/Wastewater Project Manager

Confidential

Accounting Specialist I
Accounting Specialist II
Accounting Technician
Human Resources Assistant
Human Resources Technician
Information Systems Specialist I
Information Systems Specialist II
Office Specialist I/II
*Office Specialist I/II
*Paralegal I
*Paralegal II
Payroll Technician I
Payroll Technician II
Senior Office Specialist
*Senior Office Specialist
*Treasury Technician

Technical

Aquatics Technician

*Unclassified Position

B. TRAINEE LEVELS

The City may, at its discretion, establish trainee salary range levels and/or job classifications.

V. COMPENSATION

Compensation as provided hereinbelow shall not be granted to any employee for services for which the employee has been otherwise compensated. For purposes of this subsection, compensation for paid time-off shall not be considered as compensation for services rendered. This section and section VI, Attendance and Leaves, shall apply only to permanent employees.

A. THE SALARY PLAN

1. The salary of the City Manager and City Attorney shall be determined at the discretion of the City Council.

2. Certain Management classifications have been assigned salary bands. Advancement within the salary band shall be determined at the discretion of the City Manager, or City Attorney for employees in the City Attorney's office.

3. Flat Rate Salary Levels. Certain classifications have been assigned a single or flat rate salary. The Salary Step Plan shall not apply to employees in such classes.

4. The Salary Step Plan

   The salary step plan shall provide a salary range for each job classification (except as noted in 1, 2 and 3 above). Such salary range will be divided into six (6) salary level steps which shall be interpreted and applied as follows:

   a. "A" Step. The "A" or first step salary level will be the minimum rate and normally shall be the starting or hiring rate. In special cases, when it is merited by experience, education, training or other qualifications, the City may approve the hiring of a candidate for employment at a higher level.

   b. "B" Step. The "B" or second step salary level may be granted to an employee after satisfactory completion of six (6) calendar months of service during the probationary period. The adjustment shall be made only if granted by the City except that this second step must be granted at the time of satisfactory completion of the original probationary period.

   c. "C" Step. The "C" or third step salary level may be granted to an employee who has proven to be satisfactory in a given classification for one (1) additional year of service from the granting of the previous salary step increase only if granted by the City.

   d. "D" Step. The "D" or fourth step salary level may be granted to an employee who has proven to be fully satisfactory in a given classification for one (1) additional year of service from the granting of the previous salary step increase only if granted by the City.

e. "E" Step. The "E" or fifth step salary level may be granted to an employee who has proven to be fully satisfactory in a given classification for one (1) additional year of service from the granting of the previous salary step increase only if granted by the City.

f. "F" Step. The "F" or sixth step salary level may be granted to an employee who has proven to be fully satisfactory in a given classification for one (1) additional year of service from the granting of the previous salary step increase only if granted by the City.

5. **Effective the first full pay period in July 2009 (July 12, 2009) all Executive, Mid-Management, and Supervisory/Administrative employees with the exception of the City Manager, City Attorney, Assistant City Attorney, Deputy City Managers, Department Directors and Harbor Police Sergeant, shall receive a 2.00% base salary increase.**

6. **Effective the first full pay period in July 2009 (July 12, 2009) all Confidential and Technical employees shall receive a 3.00% base salary increase. All Confidential employees who are in a classification that is also represented by a bargaining unit, shall have their base salary adjusted to reflect a five percent (5%) confidential base pay stipend above the represented base pay.**

7. Effective the first full pay period in July 2010 (July 11, 2010) all Executive, Mid-Management, and Supervisory/Administrative employees with the exception of the City Manager, City Attorney, Assistant City Attorney, Deputy City Managers, Department Directors and Harbor Police Sergeant, shall receive a 3.00% base salary increase.

8. Effective the first full pay period in July 2010 (July 11, 2010) all Confidential and Technical employees shall receive a 3.00% base salary increase.

9. The Harbor Police Sergeant shall receive salary increases at the rate currently prescribed for Oceanside Police Sergeants.

SALARY PLAN ADMINISTRATION

1. Non-exempt employees shall normally receive salary compensation on a bi-weekly basis with paychecks being distributed on Friday. Each bi-weekly payperiod shall normally extend from 12:01 a.m. on the Sunday before a regular payday through 12:00 a.m. on the Saturday following a regular payday. For employees scheduled to work a 9/80 work schedule, each bi-weekly pay period shall normally extend from 12:01 p.m. on the Friday before a normal payday through 12:00 (noon) on the Friday following a normal payday.

2. Exempt employees are "salaried employees" for the purposes of the Fair Labor Standards Act and shall receive salary compensation in twenty-six (26) bi-weekly installments with paychecks being distributed on Friday. Employees shall receive full pay for each payperiod without regard to the number of hours actually worked within a payperiod subject to rules relating to leave.

3. An employee will not receive any compensation of any type while on a leave of absence without pay or while absent from duty without official leave.

4. If the salary range for a particular job classification is either increased or decreased, all employees within that classification shall maintain their same salary step level in the adjusted salary range.

5. The City may accelerate salary step advancement for individual employees at its discretion.

6. To maintain any given salary level, an employee must continue to maintain a fully satisfactory level of performance. All employees shall receive at least one (1) annual written department evaluation. Additionally, the City may at any time assess an employee's performance by conducting an evaluation. If any such written departmental performance evaluation does not demonstrate an employee's continued successful performance, that employee may be reduced in salary level or demoted in job classification. Any such reduction will be reevaluated, at the City's discretion, after a specified period of time not exceeding one (1) year.

   Any grievance appeal to any performance-based salary reduction or demotion in job classification shall be subject to the disciplinary appeals process as provided in this Compensation Plan.

7. Evaluation Date Defined: The date on which an employee is to receive a performance evaluation in accordance with the salary step plan and the probationary period. Any change in an employee's job classification or salary step shall be considered as an appointment, which establishes a new Evaluation Date.

   a. This definition shall be utilized, as appropriate, throughout this Compensation Plan unless specifically provided otherwise.

   b. The Evaluation Date for any employee not present for duty, nor in a pay status for thirty or more calendar days shall be advanced that number of days.

C. ACTING APPOINTMENTS

The City may, at its discretion, appoint an employee to an acting capacity in a job classification different than that one currently held by the employee. The employee shall receive any salary range increase, which may be attendant to such acting service only after 80 consecutive work hours of City-recognized successful service in such acting capacity. Employees appointed to an acting capacity shall only be required to complete the eighty (80) consecutive work hour requirement, for the same acting capacity, (sick leave, vacation and other accrued leaves will be excluded from the initial eighty hour requirements), once per calendar year to be eligible to receive the salary range increase. Any salary range increase provided to an employee shall be determined in accordance with the promotion provisions of this Compensation Plan. Service in an acting capacity shall not continue for a period of time exceeding 180 days, nor be considered in establishing an employee's Evaluation Date for the purpose of applying the salary plan, nor be applied toward any subsequent probationary period. The provisions of this paragraph are not applicable to Unclassified positions, wherein the rate of acting compensation will be determined by the City Manager/City Attorney.

D. H-RATING

Defined: "H-Rating" shall mean that the salary for the affected employee shall remain the same until the salary range for the employee's classification equals or exceeds the "H-Rating" level.

The City may, at its discretion, "H-Rate" any employee in the City Service. Such action shall not take effect until that employee has had 15 calendar days advance notice. Upon request, the City shall meet with an employee concerning the impact of the City's decision to apply a "H-Rate".

E. PROMOTION

The City may, at its discretion, promote any employee to a different job classification within the City service having more responsible duties, and/or higher job qualifications, and/or a higher salary range level. Upon promotion, any employee shall receive a minimum salary increase equivalent to one (1) salary step in the employee's current (pre-promotional) job classification, provided that such increase shall be at least equivalent to the minimum and shall not exceed the maximum salary range level established for the new job classification. A promotion shall establish a new Evaluation Date for purposes of applying the salary step plan. Any promotional appointment shall be tentative and subject to the probationary period. Any employee rejected during such probationary period shall be reinstated to the job classification held prior to the promotion, unless the employee is discharged from the City service as provided in this Agreement.

F. DEMOTION

The City may, in accordance with this Agreement, demote any employee to a different job classification within the City service having less responsible duties, and/or lower job qualifications and/or a lower salary range level. Upon demotion, any employee shall receive a minimum salary decrease equivalent to one (1) salary step in the employee's current (pre-demotion) job classification, provided that no employee shall receive a salary which exceeds the maximum salary range level established for the new job classification. A demotion shall establish a new Evaluation Date for purposes of applying the salary step plan and may reinstitute the probationary period.

G. EXEMPT/NON-EXEMPT EMPLOYEES

Non-exempt employees may be assigned work in excess of the normal, regularly scheduled work week which shall be compensated as overtime pay (OT); or as compensatory time off (CTO) as agreed upon by the appropriate immediate supervisor and the employee. Such compensation shall be computed at the rate of 1½ times the employee's regular hourly rate of pay for hours in excess of 40 hours per week.

Compensatory time off must be requested in the same manner as any other request for time off (vacation, holiday, etc.). If for any reason the City cannot grant the employee's request for CTO, then the employee will be allowed to request alternate days off or be paid at the applicable overtime rate. All overtime work shall be authorized in advance by an employee's appropriate immediate supervisor; failure to receive proper authorization may be a basis for discipline. All time which an employee spends in a pay status shall be considered in establishing the employee's

normal regularly scheduled work week.

1. FLSA exempt employees shall not receive overtime or compensatory time off.

2. Overtime compensation shall not be paid during a leave of absence taken by request or while on Injury-on-Duty (IOD) Status.

3. Non-exempt employees may accrue a maximum of 80 hours of CTO. Such time off shall be scheduled with due regard to the wishes of the employee and in compliance with FLSA rules and consistent with the City's work requirements. CTO may be taken in half-hour increments. Upon separation, an employee shall receive compensation for all accrued CTO at the employee's then-current salary rate.

4. Non-exempt employees may elect to cash-out accumulated CTO once each quarter per fiscal year.

5. When an employee is appointed to an exempt position from a non-exempt position, any compensatory time the employee has accrued, will be cashed out at the employee's current regular rate of pay.

H. RETIREMENT - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

1. The City shall contribute to PERS an amount equal to 9% of each safety member's earnings (modified in number 5. below) or 7% of each non-safety member's earnings as defined in Sections 92.0 through 98.1 and 100.8 of the "Procedure Manual for Public Agency Reporting to the Public Employee's Retirement System".

2. For non-safety members, the City agrees to contribute to PERS an amount to fund the 2% at 55 retirement plan through June 30, 2008.

3. Effective November 14, 1999 subject to approval by PERS, the City agrees to include the Employer Paid Member Contribution (EPMC) as additional compensation for employees and elected officials pursuant to Section 20692 of the California Government Code.

4. The Mayor and Councilmembers are eligible to participate in PERS on an elective basis. **The Mayor and Councilmembers, who enrolled in PERS, may elect to contribute to PERS, at their discretion, an amount, up to or equal to 8% of their earnings to pay the "employee" portion of their retirement.**

5. Effective June 24, 2001, for all employees designated as safety members, the 3% @ 50 retirement benefit will become effective and the City will amend the contract to provide for said benefit.

6. The City agrees to implement the PERS 2.7 @ 55 retirement formula effective the first full pay period in July 2009.

    a. Effective the first full pay period in July 2009 and continuing thereafter, all Executive, Mid-Management, and Supervisory/ Administrative employees shall pay an additional 2.00% of the employee's portion of PERS, for a total of 4.00%.

    b. Effective the first full pay period in July 2009 and continuing thereafter, all Confidential and Technical employees shall pay **an additional 3% of the employee's portion of PERS plus the additional 1% increase in the employee's portion of PERS for a total of 4%.**

I. MEDICAL/DENTAL/LIFE INSURANCE

The City shall provide every eligible employee (defined as an employee receiving benefits) with the option of selecting medical and/or dental and/or vision insurance for the employee only or for the employee and all eligible family members. If eligible family members are enrolled, they must be enrolled in the same coverage as elected by the employee.

1. Each eligible employee may elect to use this contribution toward health coverage by enrolling in the City's group insurance plans.

2. Each eligible employee may elect to change the selection of optional benefits programs once per year at a time designated by the City.

3. The City shall continue health/dental/vision coverage for employees on approved leaves of absence without pay provided the employee pays the premiums in a timely manner. The City shall provide the employee with a payment schedule. For employees on approved leaves of absence without pay under the Family and Medical Leave Act, the City shall continue the monthly insurance contribution as provided by law.

4. Effective January 2008, the City agrees to pay the employee's health insurance premium as indicated below.

   For Executive, Mid-Management, and Supervisory/Administrative employees:

   a. Medical
      For family coverage, the City agrees to pay 75% of the medical insurance premium, not to exceed 75% of the cost of the PacifiCare HMO plan.
      For two-party coverage, the City agrees to pay 85% of the medical insurance premium, not to exceed 85% of the cost of the PacifiCare HMO plan.
      For single coverage, the City agrees to pay 100% of the medical insurance premium, not to exceed 100% of the cost of the PacifiCare HMO plan.

   b. Dental:
      For family coverage, the City agrees to pay 75% of the dental insurance premium not to exceed 75% of the cost of the Delta Preferred PPO premium.
      For two-party coverage, the City agrees to pay 85% of the dental insurance premium not to exceed 85% of the cost of the Delta Preferred PPO premium.
      For single coverage, the City agrees to pay 100% of the dental insurance premium not to exceed 100% of the cost of the Delta Preferred PPO premium.

   c. Vision:
      For family coverage, the City agrees to pay 75% of the vision insurance premium.
      For two-party coverage, the City agrees to pay 85% of the vision insurance premium.
      For single coverage, the City agrees to pay 100% of the vision insurance premium.

   For all Confidential and Technical employees:

   a. Medical
      For family coverage, the City agrees to pay 80% of the medical insurance premium, not to exceed 80% of the cost of the PacifiCare HMO plan.
      For two-party coverage, the City agrees to pay 85% of the medical insurance premium, not to exceed 85% of the cost of the PacifiCare HMO plan.
      For single coverage, the City agrees to pay 90% of the medical insurance premium, not to exceed 90% of the cost of the

PacifiCare HMO plan.

b. Dental:
For family coverage, the City agrees to pay 80% of the dental insurance premium not to exceed 80% of the cost of the Delta Preferred PPO premium.
For two-party coverage, the City agrees to pay 85% of the dental insurance premium not to exceed 85% of the cost of the Delta Preferred PPO premium.
For single coverage, the City agrees to pay 90% of the dental insurance premium not to exceed 90% of the cost of the Delta Preferred PPO premium.

c. Vision:
For family coverage, the City agrees to pay 80% of the vision insurance premium.
For two-party coverage, the City agrees to pay 85% of the vision insurance premium.
For single coverage, the City agrees to pay 90% of the vision insurance premium.

5. If both husband and wife are employed full time with the City, the City will pay the full cost of the family plan for health, dental, and vision, not to exceed the cost of the PacifiCare HMO plan; the Delta Preferred PPO plan and the vision plan. Under no circumstances shall the City be required to pay any of the unused City contribution to the employee in cash.

6. Effective July 2005, the City shall provide every eligible employee group life insurance coverage equal to one times their annual base salary with a minimum benefit of $30,000. The City shall contribute the appropriate monthly premium for such coverage. Employees may apply for supplemental life insurance coverage at the employee's expense. The City shall make payroll deductions for this coverage. The coverage is available in even $10,000 increments equivalent to six times the employee's annual salary up to a maximum of $300,000 and is entirely optional. Proof of good health may be required.

7. The Mayor and Councilmembers shall be eligible to participate in the Medical/Dental/Vision/Voluntary Life Insurance programs at their option.

J. EXECUTIVE LIFE INSURANCE

The City shall continue to provide all Executive Management Group and Mid-Management Group employees with additional life insurance equal to one and one-half times their annual base salary. The premium shall be paid by the City.

K. LONG-TERM DISABILITY INSURANCE

1. The City shall continue to provide long-term disability insurance. Such program shall provide a disability benefit equivalent to 66 2/3% of the employee's basic monthly salary up to a maximum benefit of $6,000.00 per month. Any such disability benefit shall not become payable until the passage of 90 days from the date of disability, or until the use of all the employee's accrued sick leave, whichever is later. Such disability benefits shall be reduced by any disability retirement benefits, workers' compensation benefits, benefits equivalent to those provided in Labor Code Section 4850 or like benefits which may be imposed by state or federal mandate in the future. In no event shall the total benefits provided to any employee by this Subsection exceed 66 2/3% of the employee's basic monthly salary.

2. The City shall contribute, as appropriate, up to the full premium cost of the above-described long-term disability insurance program.

L. SHORT-TERM DISABILITY INSURANCE

1. The City shall continue to provide Short-Term Disability insurance. Such program shall provide a disability benefit equivalent to 55% of the employee's basic weekly salary up to a maximum benefit of $336.00 per week. Any such disability benefit shall not become payable until the passage of seven days from the date of disability or until the use of all the employee's accrued sick leave, whichever is later. However, if the employee is hospitalized, there is no waiting period after all accrued sick leave is exhausted. Such disability benefits shall not be paid concurrently with sick leave benefits, disability retirement benefits, workers' compensation benefits, benefits equivalent to those provided in Labor Code Section 4850 or like benefits which may be imposed by state or federal mandate in the future. The maximum benefit period for Short-Term Disability Insurance shall be 90 days.

2. The City shall contribute, as appropriate, up to the full premium cost of the above-described weekly indemnity insurance program.

M. PHYSICAL EXAMINATIONS

The City shall provide for any City-required medical examinations of any employee at no cost to the employee.

N. EMERGENCY RECALL PAY

1. All non-exempt Administrative/Supervisory Group and Confidential Group employees (Emergency Medical Technicians assigned to 56-hour shifts) recalled to perform job duties after the close of the regularly assigned shift and after departure from City facilities shall receive a minimum of two (2) hours OT or CTO, as agreed upon by the appropriate immediate supervisor and the employee. Emergency Medical Technicians assigned to 56-hour shifts may receive OT pay based on actual hours worked. Any employee required to work longer than two (2) hours after being recalled shall receive overtime pay as provided in this Compensation Plan.

2. Emergency Medical Technicians subject to emergency recall must live within a reasonable distance of their place of employment so as to be able to respond to emergency recalls within a reasonable length of time.

O. REPLACEMENT OF PERSONAL PROPERTY

Any employee that suffers damage, destruction, or loss of personal property, except a motor vehicle, boat, airplane, or similar such vehicle, required in the performance of regular duties and as a result of performing those duties, shall be entitled to replacement or repair thereof upon the approval of the Risk Manager, not to exceed $500.00, provided that such damage or destruction did not result from employee negligence. Any reimbursement provided under this subsection shall not exceed the reasonable value of functional replacement or repair. Specific replacement or repair value limitations on such articles as eyeglasses and watches shall be established by the City.

P. TUITION REIMBURSEMENT

1. The City shall provide reimbursement for tuition, books, lab fees, and mandatory fees within a fiscal year up to a dollar amount which shall not exceed the per unit rate based on a normal semester full-load tuition rate at San Diego State University for courses related to the employee's current job. An employee shall be reimbursed upon submitting evidence that he/she has satisfactorily completed the approved course work. Employees shall obtain pre-approval prior to commencement of classes. Reimbursement will only be granted for courses taken at universities or colleges that are accredited with

the Western Association of Schools & Colleges or one of the other five regional associations that accredit public and private schools, colleges and universities in the United States. Effective October 1, 2007, employees must submit their request for reimbursement within ninety days of course completion.

2. Effective January 2002, the City shall also provide reimbursement pursuant to the guidelines outlined above for courses taken as part of a curriculum (general education or classes applicable to a specific major that would lead to an Associate's or Bachelor's Degree.)

3. In no event will the total amount for Tuition Reimbursement for any employee, for any combination of classes taken in a fiscal year, exceed the full-load rate at San Diego State University.

4. If an employee attains a degree in a subject related to his/her current job during, the scope of employment, the employee shall receive a one-time payment of $300 for an Associate level degree and $600 for a Bachelor's degree.

5. The elected officials shall be eligible to participate in the Tuition Reimbursement program.

Q. SAFETY SHOES

The City shall reimburse any employee required by the City to wear safety shoes in the course of regular job duties for the cost of purchasing and maintaining such shoes up to a maximum of $120.00 per pair. Any such shoes shall meet City specifications. City reimbursement for safety shoes provided pursuant to this Compensation Plan shall be limited to one (1) pair of shoes at any one time, and no replacement reimbursement shall be provided unless such replacement has been authorized by the City. No limit shall be established on the number of pairs of safety shoes replaced during any specific period of time. No replacement reimbursement shall be made until the shoes to be replaced have been turned in to the City.

R. UNIFORMS

1. The City shall continue its practice of providing uniforms for any non-public safety employee required by the City to wear such uniforms in the course of regular job duties.

2. The City shall continue its practice of providing uniforms for any public safety employee required by the City to wear such uniforms in the course of regular job duties, or of providing an annual cash uniform allowance payment of $475.00. Such option shall be at the

City Manager's discretion.

3. The Police Chief, Fire Chief, Harbor and Beaches Director, and Assistant Fire Marshall,, shall be eligible to receive an annual cash uniform allowance payment of $650.00 each. Fire safety employees are required to purchase Nomax uniform pants per departmental requirements. **The Harbor Police Sergeant shall receive the same uniform allowance as Oceanside Police Sergeants.**

S. MILEAGE REIMBURSEMENT/VEHICLE ALLOWANCE

1. Directors who are authorized full-time utilization of City vehicles shall not receive mileage reimbursement or a vehicle allowance.

   Vehicles may also be provided on a take-home basis for emergencies or operational necessity as determined by the Department Director.

2. Directors not assigned full-time utilization of a City vehicle will receive $250 per month vehicle allowance.

3. When an employee is authorized to use his/her personally owned vehicle during work assignments, the City shall provide mileage reimbursement at a level equivalent with the current IRS rate. This rate is subject to adjustment up or down based on actions of the Federal government. The set rate is intended to be a total amount paid for use of the vehicle, inclusive of gas, oil, insurance and maintenance.

T. DEFERRED COMPENSATION PLAN

The City shall establish a non-contributory Deferred Compensation Plan. In addition to salary, any portion of the following benefits may be diverted to the Plan at the employee's option, subject to restrictions established by the City's adopted Plan and by other provisions of this or successor compensation plans: compensation for unused sick leave; the balance of the authorized holidays; overtime; and Suggestion Awards and Management Incentive Program Awards. The Mayor and Councilmembers shall be eligible to participate in the Deferred Compensation Plan. The City reserves the right to accept or reject any particular plan, to change plans, and to impose specific conditions upon the use of any plan.

U. SEVERANCE COMPENSATION

In the event that any Unclassified employee's employment is discontinued by the City, at such time that the employee is willing and able to perform his/her regular duties, then the City shall pay such employee 45 working days salary and three months continuation of City-paid health insurance coverage for the employee only. No such payment shall be provided to any employee discharged for cause. This Section shall not apply to any employee covered by another severance clause contained in the City Code or in any employment agreement with the City.

V. BILINGUAL PAY

An employee in the Administrative/Supervisory Group or Confidential Group who is appointed to a position which is enhanced by the use of bilingual skills may request to be tested for bilingual certification. The City shall determine the number of bilingual positions and which languages are needed to perform the service. Bilingual certification examinations may include Spanish, Samoan, and American Sign Language. Bilingual pay is provided at $100.00 per month to employees who occupy designated positions and who are certified as proficient.

W. DIVE and EMT PAY

The Harbor Police Sergeant and Aquatic Technicians shall be entitled to dive pay at double the current **base** hourly rate. Dive pay applies only to actual time in the water utilizing scuba equipment. Dressing time, planning time and clean-up time will be paid at the regular hourly rate. The minimum number of certified divers per dive shall be two (2).

Effective the beginning of the first full pay period in January 2002, the Harbor Police Sergeant shall receive of 5% of base salary for EMT certification. Certification and maintenance of EMT certification is a requirement for this position.

X. FLEXIBLE SPENDING ACCOUNTS

Effective May 1, 1995, the City agrees to implement an IRS-approved Flexible Spending Account (FSA) program that will enable employees to defer compensation on a pre-tax basis for eligible health care expenses and dependent care expenses. Administrative fees will be paid by the City.

Y. EMPLOYEE COMPUTER ASSISTANCE PROGRAM

Effective January 2002, employees who have satisfactorily completed their initial probationary period, shall be eligible to participate in the Employee Computer Assistance Program. Employees will be eligible for a loan up to a maximum of $3000 for the purchase of hardware and software approved by the City for home use. The loan will be repaid, by payroll deduction over a period not to exceed 30 months. Any remaining loan balance is due and payable upon termination, and will be deducted from the employee's final check.

Z. NOTARY PAY

Employees licensed by the State of California, as Notaries shall be eligible to receive a monthly stipend of $100.00 per month. Department Directors shall determine the number of personnel needed to perform notary services within their respective departments based on a demonstrated need.

AA. MARINA MANAGER PAY

An employee designated as Marina Manager will receive 5% increase on base pay.

BB. SHIFT DIFFERENTIAL PAY

If five hours of an employee's regularly scheduled work hours are between 6 p.m. and 6 a.m., the employee shall receive an additional 5% for all hours actually worked. The differential shall be paid for sick leave, vacation and holidays.

VI. ATTENDANCE AND LEAVES

A. HOURS OF WORK

For employees working a 9/80 work schedule, work hours are Monday through Friday between 7:30 a.m. and 5:00 p.m., except holidays and Fridays on which the City administrative offices are closed to the public. Employees for whom the City deems a different schedule to be desirable or necessary shall work according to such other schedule.

1. Work Week: - FLSA exempt employees

FLSA exempt employees shall be considered to work an "indefinite" workweek and not be entitled to overtime compensation.

Indefinite workweek is meant to imply some flexibility in the schedule so long as all responsibilities and obligations are covered. Employees who elect to leave a shift early or leave the worksite to conduct personal business shall, when practicable, inform the immediate supervisor or log in the time of departure and how the employee may be contacted in case of emergency. It shall also be the employee's responsibility to provide the oncoming supervisor with sufficient information to insure safe and efficient continuity of operations.

2. Work Week – Non-Exempt employees

The basic work schedule for non-exempt employees is the 9/80 plan, which consists of 80 hours of work every two calendar weeks (9 days at 9 hours; 1 day at 8 hours; 1 day off).

3. For fiscal reasons, the City may designate that each employee be given unpaid furlough days off. Such unpaid days shall be scheduled at the discretion of the City.

4. Nothing herein shall be construed to be a guarantee of a minimum workweek for any employee.

5. Lunch periods and break periods shall be as scheduled by the City.

B. <u>SICK LEAVE</u>

1. Defined: Sick leave is leave from duty which may be granted by the City to an employee because of illness, injury, exposure to contagious disease, necessary consultation with or treatment by a doctor or dentist, necessary attendance to the illness or injury of a member of the employee's immediate family, or death within the employee's immediate family.

For purposes of this Section, an employee's immediate family shall consist of the employee's spouse; children; the employee's or spouse's grandparents, mother, father, brother, or sister; other members of the employee's family residing in the employee's home;

or other members of the employee's family entirely dependent upon the employee.

2. Sick Leave Use.

a. An employee may be granted sick leave only in the case of actual sickness as defined in Subsection B.1. above. In the event that an employee recovers from any such sickness after being granted sick leave, and during the regularly scheduled

hours of work, then such employee shall notify the appropriate immediate supervisor and be available to return to duty.

b. In case of pregnancy, the beginning date of sick leave usage shall be at the employee's discretion, with the concurring written advice of her personal physician. Date of return shall be based upon the written recommendation of the employee's physician and, when deemed necessary by the City, the concurrence of the City's examining physicians.

c. In order to apply for sick leave use an employee shall notify the appropriate immediate supervisor no later than one (1) hour after the time established for beginning daily duties if an employee intends to use sick leave.

d. Sick leave shall not be granted to any employee absent from duty as a result of any sickness, injury, or disability purposely self-inflicted or caused by willful misconduct.

e. Sick leave shall only be granted in even one-half hour increments. Excessive absences may reflect upon an employee's performance and may be grounds for discipline, including termination.

f. Sick leave shall not be granted to any employee absent from duty after separation from City service, or during a City-authorized leave of absence without pay, or any other absence from duty not authorized by the City.

g. Sick leave shall not be granted to any employee to permit an extension of the employee's vacation.

h. Sick leave may be granted to any employee during the first six (6) full calendar months of the employee's original probationary period.

i. In the event that an employee has applied for sick leave use for two (2) or more consecutive scheduled working days/shifts, the City may require a physician's certification attesting to the employee's illness and a prognosis or approval for the employee's return to work. The City may, however, require such certification regarding sick leave use at any time.

j. Sick leave granted to any employee for necessary attendance to the illness or injury of a member of the employee's immediate family, or death within the employee's immediate family, shall not exceed forty (40) hours in any twelve (12) month period.

k. In the case of a safety employee for whom an application for disability retirement has been filed and the City has made a final determination of the employee's eligibility for disability retirement prior to the expiration of the employee's Labor Code 4850' time, such employee shall not be authorized to utilize sick leave after termination of such 4850 time for absences caused by the disability for which the retirement application was filed.

l. Sick leave shall not be authorized for the sole purpose of extending employment.

m. **Employees who are unable to report to work due to personal illness or illness of a family member must utilize sick leave. Employees are not authorized to utilize vacation, holiday or other forms of accrued leave in lieu of sick leave.**

3. Sick Leave Accrual

a. All employees shall accrue 3.69 hours of sick leave for each 80 hours spent in a pay status beginning on the first day of service as a City employee. (This accrual amounts to approximately 12 days per year or equivalent.) . Such accrual shall take place on a payperiod basis. Hours spent in a pay status shall include all regular hours worked in the City service and all hours spent in a paid leave status from regular duties, and shall exclude any hours worked as overtime or special time.

b. Sick leave accrual for EMTs shall take place on an annual basis beginning January 1, of each calendar year.

c. Sick leave granted by the City and used by an employee shall be deducted from the employee's accrued sick leave balance.

d. Employees granted a leave of absence with pay or other approved leave with pay shall accrue sick leave as otherwise regularly provided by this Agreement.

e. Sick leave shall not be accrued by an employee absent from duty after separation from City service, or during a City-authorized leave of absence without pay, or any other absence from duty not authorized by the City.

f. All employees may accrue unlimited sick leave.

4. Reimbursement for Accrued Sick Leave - Executive Management Group and Mid-Management Group Employees.

   a. Upon separation of any type, other than by disciplinary discharge, any Executive Management Group, Mid-Management Group or Unclassified employee may be paid 50% (up to a maximum of 1400 hours) of the employee's total unused and accrued sick leave or may apply a portion of or the entire accumulated sick leave accrual balance to PERS service credit at the employee's option. Such reimbursement shall be at the employee's salary rate at the time of separation, and shall reduce the employee's total amount of accrued sick leave to zero.

   b. Each calendar year, any Executive Management Group and Mid-Management Group employee may elect to receive payment in lieu of accrued sick leave. An eligible employee shall notify the City of the desire to receive such payment prior to the last working day in November of each calendar year. Employees electing to receive payment in lieu of accrued sick leave shall receive such payment on the paycheck prior to the Christmas holiday. An employee receiving such pay shall receive, at the then-current salary rate, pay for 50% of the number of hours of sick leave accrued less those hours used for the calendar year period. The employee's accrued sick leave shall be reduced by the number of sick leave hours for which pay is provided.

5. Reimbursement for Accrued Sick Leave - Administrative/Supervisory Group and Confidential Group Employees.

   a. Upon separation by retirement following five (5) continuous years of City Service, any Administrative/Supervisory Group or Confidential Group employee may be paid 50% (up to a maximum of 1400 hours) of the employee's total accrued sick leave or may apply a portion of or the entire accumulated sick leave accrual balance to PERS service credit at the employee's option. Such reimbursement shall be at the employee's salary rate at the time of separation, and shall reduce the employee's total amount of accrued sick leave to zero.

   b. Upon separation of any type, other than by disciplinary discharge and following ten (10) continuous years of City Service, any Administrative/Supervisory Group or Confidential Group employee may be paid 50% (up to a maximum of 1400 hours) of the employee's total accrued sick leave or may apply

a portion of or the entire accumulated sick leave accrual balance to PERS service credit at the employee's option. Such reimbursement shall be at the employee's salary rate at the

time of separation, and shall reduce the employee's total amount of accrued sick leave to zero.

c. Each calendar year, any Administrative/Supervisory Group; Technical Group or Confidential Group employee may elect to receive payment in lieu of accrued sick leave provided such employee has used 32 hours or less of sick leave during the period. An eligible employee shall notify the City of the desire to receive such payment prior to the last working day in November of each calendar year. Employees electing to receive payment in lieu of accrued sick leave shall receive such payment on the paycheck prior to the Christmas holiday. An employee receiving such pay shall receive, at the then-current salary rate, pay for one-half (50%) of the number of hours of sick leave accrued less those hours used for the calendar year period. The employee's accrued sick leave shall be reduced by the number of sick leave hours for which pay is provided.

6. Bereavement Leave

a. Employees, except employees assigned to 56-hour shifts, shall be eligible to take three (3) days paid leave of absence due to the death of a member of the employee's immediate family. Employees assigned to 56-hour shifts shall be eligible to take two (2) shifts paid leave of absence.

b. Members of the immediate family shall be limited to spouse; children; the employee's or spouse's grandparents, mother, father, brothers or sisters; and other members of the employee's family residing in the employee's home.

c. Upon approval of the City Manager or Department Director, an additional two (2) days/shifts of bereavement leave may be granted. These two (2) days/shifts, if granted, shall be chargeable to sick leave.

C. HOLIDAYS

1. Employees shall receive the following paid holidays on a straight-time basis:

   a. January 1st, "New Year's Day";

   b. The third Monday in January, "Martin Luther King Jr. Day";

   c. The last Monday in May, "Memorial Day";

   d. July 4th, "Independence Day";

   e. The first Monday in September, "Labor Day";

   f. November 11th, "Veterans' Day";

   g. The Thursday in November "Thanksgiving Day";

   h. The Friday following "Thanksgiving Day";

   i. December 25th, known as "Christmas Day".

2. In the event that one of the above holidays falls on a Sunday, the Monday following will be observed as the holiday. In the event that any of the above holidays falls on a Saturday, the Friday preceding will be observed as the holiday.

3. Except for FLSA exempt employees, in the event that a holiday falls on an employee's regularly scheduled work day, and the employee is required to work, then the employee shall be entitled to accrue another day off in lieu thereof.

4. All holiday credit accrued between January 1 and June 30 must be scheduled and taken by the employee by June 30. If the time is not scheduled and taken by June 30, the employee shall be paid for any such hours at the employee's hourly rate on the second scheduled payday after June 30, and the hours shall be subtracted from the employee's accrual balance. All holiday credit accrued between July 1 and December 31 must be scheduled and taken by the employee by December 31. If the time is not scheduled and taken by December 31, the employee shall be paid for any such hours at the employee's hourly rate on the second scheduled payday after December 31, and the hours shall be subtracted from the employee's accrual balance.

5. Floating Holidays. In addition to the above holidays, each employee shall be credited with 48 hours of floating holiday. Floating holidays hours are to commemorate other holidays including President's Day, Admission's Day, Columbus Day, Statewide election day and other holidays that may be celebrated by employees. All employees will

be credited with 48 floating holidays hours on July 1 of each year. The hours shall not exceed 48 and unused hours from the prior year shall have no cash value.

Upon separation of any type, an employee shall receive full compensation for all such unused, accrued holiday time.

a. Floating holiday leave shall be scheduled at the discretion of the City with due regard to the wishes of the employee and the work requirements of the City.

b. Such leave shall only be taken in even whole hour increments.

c. Fifty-six hour shift employees shall be granted seven (7) shifts off per calendar year, in lieu of the holidays specified in C.1., above, to be scheduled according to City needs. Subsection C.4., above, shall not apply to 56-hour shift employees. A 56-hour shift employee may elect to cash in one or more of these holiday leave shifts at straight time. The election to be compensated for holiday leave time will occur in December of each year with the cash pay-off occurring during the first full payperiod of January of the following year. EMTs must be paid for 12 of these holiday hours.

D. VACATION LEAVE

1. Vacation Use

a. All employees shall be entitled to annual vacation leave with pay as provided in this Compensation Plan.

b. Scheduling of an employee's vacation leave shall be at the discretion of the City with due regard to the wishes of the employee and the work requirements of the City.

c. Vacation leave may be granted in half-hour increments. Employees in supervisory positions shall be responsible for ensuring adequate supervisory coverage during the employee's absence and for providing the oncoming supervisor with sufficient information to assure safe and efficient continuity of operations. Requests for partial vacation days will only be granted if adequate supervisory coverage exists.

d. Vacation leave shall not be granted to any employee after separation from City service, or during a City-authorized leave of absence without pay or any other absence from duty not authorized by the City.

e. Vacation leave shall not be granted to any employee during the first six (6) full calendar months of the employee's original probationary period. However, on the successful completion of the probationary period, the employee shall then be credited with vacation leave that would otherwise have been accrued during the probationary period as provided in this Compensation Plan.

f. Vacation leave shall not be granted to any employee for the sole purpose of extending employment.

2. Vacation Accrual

a. All employees shall accrue vacation leave on the basis of all hours spent in a paid status based on City Service (excludes any time worked as overtime or special time as provided below). Such accrual shall take place on a pay period basis.

b. Vacation Accrual Rates - Executive Management Group

1. During an employee's first five (5) full consecutive years of employment, the employee shall accrue 4.62 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 15 days per year or equivalent.)

2. During an employee's 6th consecutive year of employment, the employee shall accrue 4.92 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 16 days per year or equivalent.)

3. During an employee's 7th consecutive year of employment, the employee shall accrue 5.23 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 17 days per year or equivalent.)

4. During an employee's 8th consecutive year of employment, the employee shall accrue 5.54 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 18 days per year or equivalent.)

5. During an employee's 9th consecutive year of employment, the employee shall accrue 5.85 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 19 days per year or equivalent.)

6. Beginning with an employee's 10th consecutive year of employment, the employee shall accrue 6.15 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 20 days per year or equivalent.)

7. Beginning with an employee's 20th consecutive year of employment, and extending through the remaining years of employment, the employee shall accrue 7.69 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 25 days per year or equivalent.)

c. Vacation Accrual Rates - Mid-Management, Administrative/ Supervisory, Technical and Confidential Groups

Effective the beginning of the first full pay period in January 2002, Mid-Management employees employed on December 14, 2001, who have not reached their 10^{th} year of continuous employment shall begin accruing 4.62 hours of vacation leave for each 80 hours spent in a pay status. After the employees reach their 11^{th} year of employment they will accrue vacation based on the formula listed below. Employees hired after December 14, 2001, shall follow the accrual formula listed below.

1. During an employee's first five (5) full consecutive years of employment, the employee shall accrue 3.08 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 10 days per year or equivalent.)

2. During an employee's 6th consecutive year of employment, the employee shall accrue 3.39 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 11 days per year or equivalent.)

3. During an employee's 7th consecutive year of employment, the employee shall accrue 3.69 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 12 days per year or equivalent.)

4. During an employee's 8th consecutive year of employment, the employee shall accrue 4.00 hours of vacation leave for each 80 hours in a pay status. (This accrual amounts to approximately 13 days per year or equivalent.)

5. During an employee's 9th consecutive year of employment, the employee shall accrue 4.31 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 14 days per year or equivalent.)

6. During an employee's 10th consecutive year of employment, the employee shall accrue 4.62 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 15 days per year or equivalent.)

7. During an employee's 11th consecutive year of employment, the employee shall accrue 4.93 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 16 days per year or equivalent.)

8. During an employee's 12th consecutive year of employment, the employee shall accrue 5.24 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 17 days per year or equivalent.)

9. During an employee's 13th consecutive year of employment, the employee shall accrue 5.55 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 18 days per year or equivalent.)

10. During an employee's 14th consecutive year of employment, the employee shall accrue 5.86 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 19 days per year or equivalent.)

11. Beginning with an employee's 15th consecutive year of employment, and extending through the remaining years of employment, the employee shall accrue 6.15 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 20 days per year or equivalent.)

12. Beginning with an employee's 20th consecutive year of employment, and extending through the remaining years of employment, the employee shall accrue 7.69 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 25 days per year or equivalent.)

d. The City Manager may grant new executive and mid-management-level employees a higher vacation accrual rate than the minimum stated above.

e. Assuming an employee has an appropriate vacation leave accrual, all employees shall take a minimum of ten days of annual vacation leave away from their job duties per year.

f. Vacation leave granted by the City and used by an employee shall be deducted from the employee's accrued vacation leave.

g. Employees granted a leave of absence with pay or other approved leave with pay shall accrue vacation leave as otherwise regularly provided by this Compensation Plan.

h. Vacation leave shall not be accrued by any employee absent from duty after separation from City Service, during a City-authorized leave of absence without pay, or any other absence from duty not authorized by the City.

i. All 40-hour per week employees hired prior to July 1, 1995 may not accrue vacation leave in excess of 360 hours. Forty – hour employees hired July 1,1995, or after may not accrue vacation leave in excess of 200 hours.

Effective the beginning of the first full pay period in January 2002, forty-hour employees hired July 1, 1995, or after may not accrue vacation leave in excess of 240 hours.

j. Those employees who have a vacation Leave Bank Accrual (LBA) shall be permitted to use, pursuant to departmental rules, the LBA as paid leave or be paid cash for these hours upon separation from City service.

3. Reimbursement for Accrued Vacation Leave

Upon separation, all employees covered by this Compensation Plan shall receive compensation for accrued vacation leave. Such compensation shall be at the employee's salary rate at the time of separation.

4. In the event that a holiday recognized in this Compensation Plan occurs during an employee's scheduled vacation leave, then such holiday shall not be considered as vacation leave used by the employee.

E. EXECUTIVE LEAVE

1. Each Executive Management Group employee will be credited with the authorized amount of Executive Leave hours each July 1 in order to bring the existing balance to seventy (70) hours. In no case will unused Executive hours be carried over and added to the Executive Leave balance for the next fiscal year.

2. Each Exempt Mid-Management and Supervisory/Administrative Group employee will be credited with the authorized amount of Executive Leave each July 1 in order to bring the existing balance to fifty (50) hours. In no case will unused Executive hours be carried over and added to the Executive Leave balance for the next fiscal year.

3. Upon separation, the unused portion of an employee's Executive Leave will be provided as direct compensation at the employee's then-current salary rate.

4. The City Manager may grant additional Executive Leave to Unrepresented employees in extraordinary circumstances.

F. MILITARY LEAVE

The State Military and Veteran's Code shall govern the City's granting and an employee's use of military leave.

G. LEAVE OF ABSENCE WITHOUT PAY

1. Any employee who has successfully completed the original probationary period may submit to the appropriate immediate supervisor a written request for leave of absence without pay for a period not exceeding one (1) year for the specific purpose of obtaining improved job training, or recuperating from an extended illness for which sick leave is not available, including maternity leave, or for attending to urgent personal affairs. Use of a leave of absence without pay for a purpose other than that requested shall be considered as an employee's automatic resignation from the City service. No leave of absence without pay shall be utilized to permit an employee to engage in non-City employment. The City shall have sole discretion to approve or disapprove any such request.

2. Any employee having been granted a leave of absence without pay and not reporting for work promptly upon its expiration shall be considered to have automatically resigned from the City Service.

H. LEAVE FOR JURY DUTY

Any employee called to serve as a juror shall receive compensation from the City for the difference between the pay received as a juror, except payment for mileage, and the employee's regular salary that would have been received but for jury duty.

I. FAMILY AND MEDICAL LEAVE

The City of Oceanside Family and Medical Leave Policy shall govern the granting and employee use of family and medical leave.

VII. SEPARATION FROM CITY SERVICE

A. Separation of an employee from the City Service may be accomplished for any of the following reasons:

1. Completion of work assignment or project.

2. Resignation which may be either deliberate or automatic. Any deliberate resignation shall be submitted to the appropriate immediate supervisor at least seven (7) calendar days prior to an employee's actual separation from the City Service.

3. Retirement which may be either deliberate or by virtue of disability.

4. Layoff as provided in the Personnel Rules and Regulations.

5. Discharge as a result of disciplinary action as provided in this Compensation Plan.
6. Death.

7. For any lawful reason at the will and discretion of the appointing authority with respect to unclassified employees.

B. As a general rule, the City Manager shall not permit an employee to use accumulated leave time to extend the effective date of the employee's separation from City service.

C. Nothing in this compensation plan shall be construed to vest a property right in employment to any unclassified employee.

VIII. INDUSTRIAL INJURIES AND ACCIDENTS

A. The State Workers' Compensation Laws and this Compensation Plan shall govern all aspects of duty-related injuries, illnesses and accidents.

B. Injury and Illness Reporting

1. Any duty-related injury or illness which requires medical treatment shall be reported to the immediate supervisor by any injured or ill employee as soon as possible.

2. Any duty-related injury or illness which does not require medical treatment shall be reported to the appropriate immediate supervisor by any injured or ill employee by the end of the workday schedule in which the injury or illness occurred, or as soon as possible.
3. Within one working day of receiving notice or knowledge of injury, the supervisor will provide a claim form and a notice of potential eligibility benefits pamphlet to the injured worker.

   In the case of the employee's death, this information will be given to his or her dependents.

4. The completed claim form will be filed with the Employee Services Division by the injured employee, or, in the case of death, by a dependent of the injured employee, or by an agent of the employee or dependent.

   A copy of the completed form indicating date received will be provided by the Employee Services Division to the employee, dependent, or agent who filed the claim form.

Claim forms and benefit pamphlets will be available through the Employee Services Division.

C. Accident Reporting

1. Any duty-related accident which results in any injury or property damage shall be reported to the appropriate immediate supervisor by any accident-involved employee as soon as possible.

2. Any duty-related accident which does not result in any injury or property damage shall be reported to the appropriate immediate supervisor by any accident-involved employee by the end of the workday schedule in which the accident occurred, or as soon as possible.

D. Medical Treatment for Injury or Illness

Any employee suffering any duty-related injury or illness which requires either immediate or continued medical treatment shall immediately seek such treatment from a City-approved physician or medical facility, except as provided herein.

1. If an employee has notified the City in writing prior to the date of injury that the employee has a personal physician as defined by State Law, then the employee shall have the right to be treated by such physician from the date of injury.

2. After 30 calendar days from the date any such injury or illness is reported, the employee may be treated by a physician of choice or at a facility of choice within a reasonable geographic area.

E. Absence for Industrial Injury or Illness

1. Any employee suffering a duty-related injury or illness which prohibits that employee from the performance of regular job duties may request an absence from duty. Such request shall be submitted in the form of a Workers' Compensation claim. Upon the acceptance of any such claim by the City or the State Workers' Compensation Appeals Board, the employee shall be granted an absence from duty. Any dispute regarding any such claim shall be resolved through the State Workers' Compensation Appeals Board process.

   a. Pursuant to Section 4650 of the State Labor Code, which is applicable to non-safety employees, any such authorized absence from duty shall not begin for three (3) calendar days

following the occurrence of any duty-related injury or illness, unless the period of actual disability extends beyond 14 calendar days, or unless the job-related injury or illness requires inpatient hospitalization. During any such three (3) calendar day waiting period, sick leave or vacation may be granted for regularly scheduled work days.

b. Pursuant to Section 4850 of the State Labor Code which is applicable to public safety employees, any such authorized absence from duty shall begin with the first day following such disability for the period of disability, but not exceeding one year. If the disability extends beyond one year, then Section 4650 applies.

2. Compensation: Any employee granted a leave of absence for industrial injury/illness shall receive salary and fringe benefit compensation from the City for the duration of any such leave, as delineated in the State Workers' Compensation Laws.

IX. STANDARDS OF CONDUCT

A. Employee misconduct may be cause for disciplinary action including, but not limited to reprimand, reduction in pay, transfer/demotion, suspension without pay, or discharge. Such misconduct shall include, but is not limited to, any of the following:

1. Commission of an act which results in a felony criminal conviction or conviction as a misdemeanor or infraction involving moral turpitude.

2. Misuse, misappropriation, negligent handling, or unauthorized use or possession of City property, equipment or funds.

3. Causing damage to or waste of public property through misconduct or negligence.

4. Unauthorized or excessive absences from regularly assigned duties.

5. Excessive or unexcused tardiness in reporting to regularly assigned duties.

6. Use of fraud or material misrepresentation but for such fraud or material misrepresentation the employee would not have secured employment.

7. Use of an employee's official position or office for personal gain or advantage.

8. Deliberate dishonesty or theft related to the performance of an employee's duties.

9. Asking for, agreeing to accept, or accepting favors, bribes or gratuities in return for services as a part of the employee's official duties and responsibilities.

10. Discourteous treatment of the public or other City employees.

11. Wrongdoing, misconduct or failure to carry out assigned duties promptly, adequately, or efficiently.

12. Insubordination.

13. Incompetence, inefficiency, inability or negligence in the performance of duties.

14. Violation of the City Code, Personnel Rules, Memoranda of Understanding, safety rules or departmental rules and regulations.

15. Being in the unauthorized possession of, or being under the influence of, any alcoholic beverages or controlled substances while on duty.

16. Engaging in any outside employment or enterprise for financial gain determined by the City Manager to be conflicting employment.

17. Gambling on City property or while on duty.

18. Other serious or socially reprehensible conduct either during or outside of duty hours which is of such a nature that it causes public discredit to the employee's department or the City.

B. No employee shall be discharged for a minor violation of the standards of conduct delineated hereinabove as IX.A.11 or IX.A.14 without first having received a prior written warning concerning a related or similar violation.

X. DISCIPLINE

A. Full authority for discipline is retained by the City. The City agrees, however, that employees will be disciplined only for cause.

1. The following disciplinary procedure shall apply to classified employees.

2. All appeals by employees to a third party neutral shall be advisory.

B. Prior to the imposition of any discipline of any permanent employee in the Classified Service, the following procedure shall be utilized.

1. The employee shall be given written notice of the proposed disciplinary action including a statement of the reason therefore.

2. The notice of proposed disciplinary action must include a copy of the charges of misconduct and, whenever practical, a copy of the material or documents upon which the charges are based, a statement of the rules, regulations or policies violated, and an explanation of the employee's right to respond. If it is impractical to provide the employee with a copy of such materials or documents, the employee and/or his/her representative shall be allowed reasonable time to review such materials or documents and the notice of proposed disciplinary action shall set forth the procedure for such a review.

   Notice of discipline should be handed to the employee, whenever feasible, before the employee has left the work premises. In any event, proof of delivery and the date of delivery is mandatory so there will be no doubt as to the beginning of any appeal period. If the notice cannot be given to the employee before leaving the work premises, a postal return receipt for certified mail must be used.

3. The employee shall be given the right to respond to the proposed discipline, either orally or in writing, to the appropriate City appointing authority. The City shall give the employee a reasonable time to submit a response and in no event shall such time period be less than 48 hours from the completion of service of the notice of disciplinary action.

4. An employee waives all rights to respond to the proposed discipline if he/she fails to submit such response within the time limit established by the City.

5. Following the response period, the proposed discipline may be imposed, modified, or not imposed, as the situation warrants. The Department Director's decision shall be provided to the employee in writing and will include a statement of the charges upon which the action is based and notice of the employee's right to appeal, if any. This shall put the disciplinary action into effect and discipline so imposed shall not be stayed by the initiation of a grievance by the employee as provided for herein.

C. Notwithstanding the provisions of Subsection B. hereinabove, any discipline which, in the judgment of the appointing authority, must be imposed immediately to protect the health, safety, or welfare of the

community or other City employees, may be summarily imposed without affecting the predisciplinary procedure of Subsection B. Such procedure shall be completed, however, within five (5) working days of the imposition of the discipline. In the event of immediate removal, the employee will stay in a paid status, unless at the employee's request the procedure outlined in "B" above is continued beyond five (5) working days.

D. Grievances of discipline must be initiated by the employee within five (5) calendar days after the imposition of the discipline or, in the case of discipline imposed under Subsection C., after the completion of the informal response procedures. Failure to initiate a grievance within such time limit shall constitute a waiver by the employee of all rights to grieve such discipline hereunder.

E. All disciplinary grievances shall be initiated at Step 2 – Department Head of the Grievance Procedure delineated herein except grievances of disciplinary action involving reprimand which shall be initiated at Step 1.

Z. Subsection X, Discipline, shall not apply to Unclassified Employees as delineated in this Compensation Plan.

XI. GRIEVANCE PROCEDURE

A. Defined. A grievance is an alleged violation of a specific clause of this Compensation Plan. Matters for which another method of review are provided by this Compensation Plan, by Resolution, by Ordinance, by Charter, or by State Law shall be excluded from this procedure.

B. Application

1. Subsection XI. shall not apply to Unclassified Employees.

2. Subsection XI. shall apply to non-public safety Mid-Management Group employees only through the conclusion of Step 3 - City Manager.

3. Subsection XI. shall apply to public safety Mid-Management Group employees, and Administrative/ Supervisory Group and Confidential Group employees through the conclusion of Step 4 - Advisory Arbitration.

C. Procedure. All grievances shall be presented in the following manner:

1. Step 1 - Supervisor: The aggrieved employee, who may be represented by another person, shall present the facts relative to the grievance to the appropriate immediate supervisor in writing within

30 working days of the date on which the grievance arises, except as provided otherwise in this Compensation Plan. Prior to filing any such written grievance, every effort will be made to resolve the matter informally. The supervisor shall render a decision in writing to the grievant within five (5) working days from the day the grievance is presented.

2. Step 2 - Department Head: If the grievance is not resolved in Step 1, the grievant may appeal it to the Department Director within five (5) working days from the date a decision was rendered in Step 1, above. Such appeal shall be in writing, and shall include: a statement of the grievance and the facts relative to it, a statement of the alleged violation of the Compensation Plan, and a statement of the remedy requested. Within ten (10) working days of receiving such appeal, the Department Director shall arrange a meeting between himself/herself, the aggrieved employee, the employee's representative (if applicable), and a representative of the Personnel Office to review the grievance. The Department Director shall render a written decision on the grievance within ten (10) working days after the meeting.

3. Step 3 - City Manager: If the grievance is not resolved in Step 2, the grievant may appeal it in writing to the City Manager within five (5) working days from the date a decision was rendered in Step 2, above. The City Manager, or a designated representative, may render a decision solely on the basis of a review of the record or may arrange a meeting between those affected before rendering a decision. The decision shall be rendered within ten (10) working days of the meeting.

4. Step 4 - Advisory Arbitration: If the grievance is not resolved in Step 3, the grievant may submit it to an advisory arbitrator by filing a written request to do so with the City Manager within five (5) working days from the date a decision was rendered in Step 3, above.

   a. The City Manager shall request a panel of seven (7) advisory arbitrators from the California State Conciliation Service within 15 working days of receiving such a request. The advisory arbitrator shall be selected to hear the grievance by alternately striking names from such a panel beginning with the aggrieved employee.

   c. The advisory arbitrator shall issue subpoenas to compel the attendance of witnesses if such be necessary at the request of either party.

   d. The hearing shall be recorded by a certified shorthand reporter or tape recorder as agreed by the parties. Expenses for such

recording services shall be borne equally by the City and the employee, provided, however, that each shall be responsible for any specialized or extraordinary services they might individually request.

e. In rendering a recommendation to the City Manager, the advisory arbitrator shall be limited to the express terms of the Compensation Plan and shall not modify, amend, or delete any terms or provisions of this Compensation Plan. Failure of either party to insist upon compliance with any provision of this Compensation Plan at any given time or times under any given set or sets of circumstances shall not operate to waive or modify such provision, or in any manner whatsoever to render it unenforceable, as to any other time or times as to any other occurrence or occurrences, whether the circumstances are, or are not, the same.

5. Step 5 - City Council Review: The City Council may, if it deems appropriate, review any recommendation rendered by an advisory arbitrator on the basis of a review of the materials prepared by the arbitrator and/or record of the hearing conducted in Step 4, above. Any such City Council review must be concluded within 30 working days of the City's receipt of the advisory arbitrator's recommendation, and any City Council action as a result of that review shall be final and binding upon the parties. Any City Council decision shall not be arbitrary, and shall be based on substantial evidence as contained in the record of the advisory arbitrator's hearing.

a. Working Days Defined: As used in this procedure, the term "working days" shall mean regular work days Monday through Friday between 8:00 a.m. and 4:30 p.m., except holidays on which the City Administrative Offices are closed to the public. For employees working a 9/80 work schedule, the term "working days" shall mean regular work days Monday through Friday between 7:30 a.m. and 5:00 p.m., except holidays and Fridays on which the City administrative offices are closed to the public.

b. The fees and expenses of the arbitrator shall be shared equally by the parties involved, except that if either party rejects the advisory decision of the arbitrator, that party must pay the entire cost of the arbitrator's fees and expenses. All other expenses and costs incurred by the parties during arbitration shall be the responsibility of the individual party incurring same.

c. The time limits in this procedure may only be waived by mutual agreement of both parties, in writing.

XII. REEMPLOYMENT LIST

The Reemployment List shall be made an addendum to any existing regular eligible list for each job classification of employees who are laid-off or demoted in lieu of lay-off. A classified employee shall be eligible for re-employment for a period of 24 months from the date of lay-off or demotion in lieu of lay-off.

XIII. SAVINGS PROVISION

If any provision(s) of this Compensation Plan are held to be contrary to the law by a court of competent jurisdiction, such provision(s) will not be deemed valid and subsisting except to the extent permitted by law, but all other provisions will continue in full force and effect.

XIV. BINDING ON SUCCESSORS

This Compensation Plan shall be binding upon the successors and assignees of the parties hereto.

XV. TERM OF THE COMPENSATION PLAN

A. The provisions of the Compensation Plan shall commence on ratification by the City Council, and continue until amended or replaced by the City.

B. In developing amendments or revisions to this Compensation Plan for presentation to the City Council, the City Manager shall attempt to maximize the participation and input of all designated Unrepresented Group employees. Such participation should include direct meetings with all designated Unrepresented Group employees.

APPENDIX

1. EMPLOYEE DEFINITIONS

Seasonal Employee:

An employee who performs work during part of a calendar year that is seasonal in nature. The employee will work less than 1000 hours or less than nine months in a fiscal year, which ever occurs first.

Seasonal Aquatic Worker:

An employee not classified as a seasonal employee, as defined above, who performs work in an aquatic environment not to exceed 1000 hours in a fiscal year.

Temporary Employee:

An employee who performs work in order to cover unusual or peak workload situations, intermittent assignments, emergencies or to cover employee absences. Under no circumstances will any temporary employee be allowed to work more than 1000 hours in a fiscal year. Once an employee has worked 1000 hours within a fiscal year, the employee will be terminated and not allowed to work for the city in a temporary or seasonal category for a 60 calendar day period.

Part-time Employee:

An employee in a permanent budgeted position who performs work in a regularly established schedule of at least 24 hours per week but less than 33 hours per week.

Part-time Employee, Aquatic Technician:

An employee in a permanent budgeted position who performs work as an Aquatic Technician not to exceed 1716 hours per fiscal year.

Police Cadet:

An employee who performs work in this temporary position is authorized to exceed 1000 hours in a fiscal year.

Library Employee:

An employee who performs work in the Library not to exceed 1000 hours in a fiscal year.

Recreational Employee:

An employee who performs work in a recreational environment not to exceed 1000 hours in a fiscal year.

Provisional Employee:

An employee who performs work created through a special government program for which the City is fully or partially reimbursed, or a limited term position that is approved by the City Council for a duration not to exceed a specified term. Upon cancellation of the special government program, completion of the work assignment or upon expiration of the term, the position shall be abolished.

2. BENEFITS FOR PART-TIME EMPLOYEES

The following is a listing of benefits for part time benefited employees. This comprises a conclusive list of benefits.

Vacation:

Part time benefited employees will accrue vacation at the same accrual rate as permanent employees with a cap of 200 hours.

Part time employees will only accrue vacation for hours worked on their normal assigned work schedule.

Holiday:

Part time employees will receive 40 hours of holiday hours per year. These hours will be credited on July 1st of each year. The hours shall not exceed 40 and unused hours from the prior year shall have no cash value. The use of holiday hours will not be authorized to increase an employee's normal work schedule.

Compensatory Time Off (CTO):

Part time employee may utilize Compensatory Time Off the same as permanent employees with a cop of 80 hours.

Medical/Dental/Vision Insurance:

The City shall contribute a sum not to exceed **$310.00** per month toward City group insurance benefits for the employee and eligible family members. Under no circumstances shall the City be required to pay any of the unused City contribution to the employee in cash.

Retirement:

Part time employees shall be enrolled in the Public Employees Retirement System (PERS) from the first date of employment. Employees will be required to pay the Employee cost and the City will pay the Employer cost.

Deferred Compensation:

Part time employees may participate in the City non-contributory Deferred Compensation Plan on a voluntary basis, subject to all of the Plan's conditions and regulations.

Flexible Spending Accounts:

Part time employees may participate in the City IRS approved Flexible Spending Account (FSA) program that will enable employees to defer compensation on a pre-tax basis for eligible health care expenses and dependent care expenses. The Administration fees will be paid by the City.

Short Term Disability:

The City shall provide part time employees short-term disability insurance in the same manner as permanent employees as outlined in the Compensation Plan.

Jury Duty:

Any employee called to serve as a juror shall receive compensation from the City for the difference between the pay received as a juror, except payment for mileage, and the employee's regular salary that would have been received but for jury duty.

3. PART TIME BENEFITED EMPLOYEES APPOINTMENT PROCESS

Part time benefited employees shall be selected from among those eligibles properly certified by the Personnel Department on an Eligible List unless otherwise agreed upon by all parties concerned.

4. PROBATIONARY PERIOD FOR PART TIME BENEFITED EMPLOYEES

All part time benefited employees will serve 1000 hours as a probationary period.

The probationary period shall serve as the final phase of the examination process. It shall be utilized by the Appointing Authority as an on-the-job trial and evaluation of employees in new jobs.

The probationary period shall date from the first day of service after appointment to a part time benefited position from the eligible list and shall continue through the end of the pay period which includes 1000 hours of actual service.

Additional step increases will be based on satisfactory performance and following one year of service after completion of the probationary period.