



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

Effective December 17, 2024

Per Resolution No. CC- 2412-122

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## ARTICLE I. TERMS

### SECTION 1 - DEFINITION OF TERMS

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

## ARTICLE II. COMPENSATION

### SECTION 1 - PAY PLAN

1.01 The pay plan for Executive Level employees is set forth below. Beginning in the first full pay period of January 2025, three percent (3%) shall be added to the top of the salary range for the Executive classifications listed below, excluding the positions of Assistant City Manager and Finance Director.

In addition, five percent (5%) shall be added to the top of the salary range for the following three Executive classifications (Human Resources Director, Public Works Director, and Waterfront and Economic Development Director) based upon the results of the City's recently conducted market study.

Effective the first full pay period in January 2024:

TITLE	MONTHLY SALARY
Assistant City Manager (U)	\$13,171 - \$23,011
Chief of Police (U)	\$12,852 - \$21,933
Fire Chief (U)	\$12,852 - \$21,933
Community Development Director (U)	\$10,758 - \$19,021
Information Technology Director (U)	\$10,758- \$19,021
Finance Director (U)	\$10,758 - \$19,021
Waterfront and Economic Director (U)	\$9,781 - \$17,291
Public Works Director (U)	\$9,781 - \$17,291
Human Resources Director (U)	\$9,781 - \$17,291
Community Services Director (U)	\$9,781 - \$17,291
Library Director (U)	\$9,781 - \$17,291

Effective the first full pay period in January 2025:

TITLE	MONTHLY SALARY
Assistant City Manager (U)	\$13,171 - \$23,011
Chief of Police (U)	\$12,852 - \$22,591
Fire Chief (U)	\$12,852 - \$22,591
Community Development Director (U)	\$10,758 - \$19,592
Information Technology Director (U)	\$10,758- \$19,592
Finance Director (U)	\$10,758 - \$19,021
Waterfront and Economic Director (U)	\$9,781 - \$18,701
Public Works Director (U)	\$9,781 - \$18,701
Human Resources Director (U)	\$9,781 - \$18,701
Community Services Director (U)	\$9,781 - \$17,810
Library Director (U)	\$9,781 - \$17,810

1.02 The pay plan for Management and Confidential employees is set forth below. Beginning in the first full pay period of January 2025, three percent (3%) shall be added to the top of the salary range for the classifications listed below, excluding the positions of Assistant Fire Chief, Chief Deputy City Treasurer, Human Resources Manager, Risk Manager and Senior Human Resources Analyst.

In addition, five percent (5%) shall be added to the top of the salary range for the following three Management and Confidential classifications (Chief Building Official, Assistant Financial Services Director and Payroll Manager) based upon the results of the City's recently conducted market study.

Effective the first full pay period in January 2024:

TITLE	MONTHLY SALARY
Assistant Fire Chief	\$12,171- \$19,729
Assistant City Attorney (U)	\$12,094 - \$19,676
Fire Division Chief*	\$11,137 - \$17,316
Assistant to the City Manager (U)	\$9,639 - \$15,396
Senior Deputy City Attorney (U)	\$9,638 - \$16,711
City Engineer (U)	\$9,400 - \$15,986
Deputy Director of Community Services	\$8,616 - \$13,841
Deputy Public Works Director (U)	\$8,694 – \$14,114
Assistant Financial Services Director (U)	\$8,528 - \$13,841
Chief Deputy City Treasurer	\$8,528 - \$13,841
Chief Building Official (U)	\$8,446 - \$13,709
Human Resources Manager	\$7,964 - \$12,444
Deputy City Attorney (U)	\$7,559 - \$14,510
Payroll & Finance Manager	\$7,472 - \$12,068
Risk Manager	\$7,115 - \$11,495
Senior Human Resources Analyst	\$6,917- \$11,174
Human Resources Analyst	\$6,291- \$10,155
Executive Assistant to the City Manager	\$5,400 - \$8,216

Effective the first full pay period in January 2025:

TITLE	MONTHLY SALARY
Assistant Fire Chief	\$12,171- \$19,729
Assistant City Attorney (U)	\$12,094 - \$20,266
Assistant to the City Manager (U)	\$9,639 - \$15,858
Senior Deputy City Attorney (U)	\$9,638 - \$17,212
City Engineer (U)	\$9,400 - \$16,466
Deputy Director of Community Services	\$8,616 - \$14,256

Deputy Public Works Director (U)	\$8,694 – \$14,537
Assistant Financial Services Director (U)	\$8,528 - \$14,969
Chief Deputy City Treasurer	\$8,528 - \$13,841
Chief Building Official (U)	\$8,446 - \$14,826
Human Resources Manager	\$7,964 - \$12,444
Deputy City Attorney (U)	\$7,559 - \$14,945
Payroll & Finance Manager	\$7,472 - \$13,052
Risk Manager	\$7,115 - \$11,495
Senior Human Resources Analyst	\$6,917- \$11,174
Human Resources Analyst	\$6,291- \$10,460
Executive Assistant to the City Manager	\$5,400 - \$8,462

**SECTION 2 - PAY RATE ADVANCEMENT WITHIN SALARY RANGE**

2.01 On the basis of the evaluation of an employee’s performance, an employee shall be eligible for a pay rate advancement added to his/her base pay, not to exceed the top of the salary range.

**SECTION 3 - OTHER PAY ADJUSTMENTS**

3.01 A minimum of five percent upward adjustment to base salary shall be provided to an employee at the time of promotion; provided however, that no adjustment for promotion may cause an employee’s base salary to exceed the maximum salary range set forth for the class to which the employee is appointed.

3.02 An employee appointed to acting status in a position with a higher salary range, where a department is being reorganized, or where a department is undergoing experimental restructuring, who, as a result, if required to perform additional duties above and beyond those reasonable required may, with approval of the City Manager, receive a pay increase on a temporary basis. Such salary shall be established within the salary range of the class with duties that most closely approximate to the duties to be performed. The higher salary shall not be considered a promotion, and may be reduced or removed without cause, notice or hearing.

3.03 Effective July 7, 2015 and in recognition of the unique nature of the City’s executive management and confidential positions and associated job responsibilities, Management Incentive Pay may be provided annually as a percentage of base pay, not to exceed a maximum of 25% in any fiscal year. Management and Confidential employees are responsible for coordinating the services provided by their department and are held accountable for responding to the distinctive needs of the community, irrespective of time and place. The amount of Management Incentive Pay will be determined at the discretion of the City Manager in the following tiered categories: a low tier of 1%-10%, an intermediate tier of 10%-17.5%, and an upper tier of 17.5%-25%. Placement within these tiers will be dependent on the level and diversity of the individual’s job functions, regardless of hours worked, and other unique and relevant circumstances associated with the position. Management Incentive Pay is available to all employees included in the pay and benefits plan, and employees shall not be allowed to the option to decline Management Incentive Pay. Management Incentive Pay shall not be for overtime, nor in

lieu of other benefits excluded under the California Public Employees Retirement Law statutes, not for special compensation not otherwise listed in Title 2 CCR, Section 571. To the extent permitted by law, this pay is special compensation and shall be reported as such pursuant to Title 2 CCR, Section 571 (a)(1) Incentive Pay – Management Incentive. Such pay may be reduced or removed without cause, notice or hearing. Effective the first full pay period in January 2024 the provisions of Section 3.03 “Management Incentive Pay” shall cease.

- 3.04 An employee appointed to a class in another bargaining unit, when temporarily assigned to perform the duties of a Management or Confidential class, may, with approval of the City Manager, be paid at a rate within the salary range for such class. Such assignment shall not be considered a promotion, and the pay may be reduced or removed without cause, notice or hearing.
- 3.05 An employee may be appointed to a class at any point within the salary range established for that class.

**SECTION 4 - CLOTHING ALLOWANCE**

- 5.01 Employees appointed to the class of Police Chief or Fire Chief shall be entitled to an annual clothing allowance of \$800.
- 5.02 Employees appointed to the class of Assistant Fire Chief shall be entitled to an annual clothing allowance of \$600.

**SECTION 5 - CAR ALLOWANCE**

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

**SECTION 6 - REALLOCATION AND REORGANIZATION**

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

## SECTION 7 - LONGEVITY PAY

- 8.01 Executive Level employees who have completed 10 years of public agency service, or equivalent job related service as determined by the City Manager, are eligible to receive Longevity Pay. In addition to an employee's base salary, exclusive of all premium and other pays, each employee shall receive a Longevity Pay increase added to the employee's base salary of two percent un compounded for each year of service beginning with the tenth year of service through the sixteenth year of service for a maximum total of up to 12 percent above base salary.

Longevity Pay shall be defined as compensation earnable within the meaning of Section 20636 of the California Government Code and in accordance with Title 2 CCR Section 571(a)(1), once an Executive Level employee has completed 10 years of public agency or equivalent service as defined above, and with 5 years of that service in the City of Redondo Beach, or in the same job classification.

- 8.02 Management and Confidential employees who have completed 19 years of public agency service are eligible for Longevity Pay under the following conditions:
- A. The employee must have completed his/her initial probationary period, or must have completed one year of service with the City of Redondo Beach; and
  - B. The employee must be in a classification not designated as an Executive Level position.

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

- 8.03 The effective date of a Longevity Pay increase shall be the beginning of the pay period following the date of eligibility.
- 8.04 Longevity Pay shall be defined as compensation earnable within the meaning of Section 20636 of the California Government Code and in accordance with Title 2 CCR Section 571(a)(1), once a management and confidential employee has completed 19 years of public agency or equivalent service as defined above, and with 5 years of that service in the City of Redondo Beach, or in the same job classification.

## **SECTION 8 - DEFERRED COMPENSATION**

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

## **SECTION 9 - PROFESSIONAL DEVELOPMENT REIMBURSEMENT**

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

## **SECTION 10 - COMPUTER LOAN PROGRAM**

- 13.01 Each employee is eligible to participate in the City of Redondo Beach Loan Program for Employee Purchase of a Personal Computer. Effective January 1, 2025, the City will end the Computer Loan Program; employees already participating will be allowed to complete the terms of their computer loan.

## **SECTION 11 - SEVERANCE**

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

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

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

### **ARTICLE III. RETIREMENT BENEFITS**

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

##### **Miscellaneous Members**

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

- 1.06 During the term of this agreement, the City shall provide the two percent at 62 retirement formula to all employees participating in the Tier III Miscellaneous Member benefit plan. The employee's pension benefit will be determined on the basis of the employee's highest consecutive 36 months of employment. Employees participating in the Tier III Miscellaneous Member benefit plan shall also receive those benefits listed in section 2.02 of this Article. Tier III Miscellaneous Member benefits will not exceed those allowed by the Public Employees' Pension Reform Act.
- 1.07 During the term of this agreement, employees receiving benefits under the Tier III Miscellaneous Member plan shall pay 50% of the CalPERS Normal Cost Rate as required by the Public Employees' Pension Reform Act.

### **Local Firefighter Members**

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

- 1.13 Employees receiving benefits under the Tier III Local Firefighter Member benefit plan are responsible for paying 50% of the CalPERS Normal Cost Rate as required by the Public Employees' Pension Reform Act. This payment shall be made by payroll deduction. The City shall pay no portion of this contribution.

#### **Local Police Officer Members**

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

## SECTION 2 - OPTIONAL PERS CONTRACT PROVISIONS

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

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

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

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

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

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

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

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

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

### **Optional Benefits - Tier II Miscellaneous Member Benefits**

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

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

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

### **Optional Benefits - Tier II Local Firefighter Plan**

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

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

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

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

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

### **Optional Benefits - Tier III Local Firefighter Plan**

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

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

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

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

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

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

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

**Optional Benefits - Tier II Local Police Officer Plan**

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

**Optional Benefits - Tier III Local Police Officer Plan**

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

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

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

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

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

### **SECTION 3 - RETIREE MEDICAL INSURANCE BENEFITS**

#### Tier I Retirees - Retirees Hired Before July 1, 2011 and Not Medicare-Age Eligible

3.01 For each retiree hired before July 1, 2011 ("Tier I Retiree"), the City shall make an "unequal" contribution of \$1 per month directly to CalPERS. The City's mandated contribution for each annuitant shall be increased annually to an amount equal to the number of years that the City has been enrolled with PEHMCA multiplied by 5% of the current Employer Minimum Contribution for Employees, until the contribution for retirees equals the contribution paid for employees, in compliance with Government Code section 22892(c). This amount is referred to as the "Employer Minimum Contribution for Retirees." In combination with this unequal contribution, the City will also pay the Tier I Retiree the difference between the Employer Minimum Contribution for Retirees and the employee-only monthly flexible spending allowance for active employees, as outlined in Article IV, Section 1.01 ("Tier I Retiree Differential Payment"). This benefit shall be provided to only a Tier I Retiree who meets all of the following criteria:

- A. Must have a minimum of five years full-time service with the City; and,
- B. Must retire with CalPERS within 120 days of separation from service with the City; and,
- C. Must have completed a minimum of 20 years full-time verifiable service in a public agency at the time of their separation from the City.

When a Tier I retiree becomes eligible to enroll in the Federal Medicare program and/or any Medicare Supplement plans the Tier I Retiree will not be entitled to the Tier I Retiree Differential Payment. The premium cost for any additional insurance coverage selected by the Tier I retiree, including but not limited to, dental insurance, life insurance, and dependent medical insurance, shall be paid entirely by the Tier I retiree selecting any such option.

Employees hired on or after July 1, 2011, are not eligible to receive benefits under this Section. However, the City Manager shall have the option to authorize benefits under this section for the Police Chief and Fire Chief positions, irrespective of their hire date.

#### Tier II Retirees - Retirees Hired On or After July 1, 2011 and Not Medicare-Age Eligible

3.02 For employees hired on or after July 1, 2011 ("Tier II Retirees"), the City's contribution towards medical premium rates, if any shall be determined as follows:

The Employer Minimum Contribution for Retirees, plus the differential payment applicable to the Tier II Retiree as follows (collectively, "Tier II Retiree Differential Payment"):

- A. For Tier II Retirees who retire with 10 years of continuous City service the City shall pay the Tier II Retiree the difference between the Employer Minimum Contribution for Retirees and 25% of the Tier I Retiree Differential Payment as outlined in Section 3.01;

- B. For Tier II Retirees who retire with 15 years of continuous City service the City shall pay the Tier II Retiree the difference between the Employer Minimum Contribution for Retirees and 50% of the Tier I Retiree Differential Payment as outlined in Section 3.01;
- C. For Tier II Retirees who retire with 20 years of continuous City service the City shall pay the Tier II Retiree the difference between the Employer Minimum Contribution for Retirees and 75 % of the Tier I Retiree Differential Payment as outlined in Section 3.01;
- D. For Tier II Retirees who retire with 25 or more years of continuous City service the City shall pay the Tier II Retiree the difference between the Employer Minimum Contribution for Retirees and 100 % of the Tier I Retiree Differential Payment as outlined in Section 3.01.

When a Tier II Retiree becomes eligible to enroll in the Federal Medicare program or any Medicare Supplement plans, the Tier II Retiree will not be entitled to any Tier II Retiree Differential Payment. The premium cost for any additional insurance coverage selected by the Tier II Retiree, including but not limited to, dental insurance, life insurance, and dependent medical insurance, shall be paid entirely by the Tier II Retiree selecting any such option. When the Tier II Retiree dies, he or she will no longer be entitled to the Employer Minimum Contribution for Retirees or any Tier II Retiree Differential Payment

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

1. The employee must retire and begin receiving pension benefits from CalPERS within 120 days of separation (either through a service retirement or a disability retirement);
2. Individuals receiving benefits under this section are solely responsible for paying any portion of the health insurance premium (and any other costs) not paid for by the City;
3. Individuals must ensure continuity of coverage through City insurance plans. Termination of the individual's participation in City-sponsored insurance plans for any reason shall automatically result in the termination of the City's obligation to provide any contribution under this section. Once the City's obligation to provide benefits is terminated, the City shall have no future obligation to provide a retiree with further benefits under this section above the minimum amounts required by law.

### 3.03 Retirees That Are Medicare-Age Eligible

Beginning with the transition to the PERS Health program, and for retirees that are eligible to enroll in the Federal Medicare program or any Medicare supplemental programs ("Medicare-Eligible Retirees"), the City shall make the Employer Minimum Contribution for Retirees. The City's obligation to make mandatory contributions on behalf of Medicare-eligible retirees shall be limited to the minimum contribution required by law, and only for so long as the City contracts with CalPERS for medical insurance.

The premium cost for any additional insurance coverage selected by the Medicare-Eligible Retirees, including but not limited to, dental insurance, life insurance, and dependent medical insurance, shall be paid entirely by the Medicare-Eligible Retiree selecting any such option. When the Medicare-Eligible Retiree dies, he or she will no longer be entitled to the Employer Minimum Contribution for Retirees.

**ARTICLE IV. INSURANCE BENEFITS**

**SECTION 1 - MEDICAL BENEFITS**

1.01 The City shall contract with the California Public Employees’ Retirement System (PERS) for medical insurance coverage in accordance with the Public Employees’ Medical and Hospital Care Act (PEMHCA). The City will contribute the Public Employees’ Medical and Hospital Care Act (PEMHCA) statutory minimum on behalf of each participant in the program. A participant is defined as 1) an enrolled employee and eligible dependents, 2) an enrolled retiree and eligible dependents or 3) a surviving annuitant. The PEMHCA statutory minimum for 2021 is \$143 per month, and changes each year in accordance with Government Code section 22892(b) (“Employer Minimum Contribution for Employee”). Eligible new hires will be covered under this program on the first day of the month following enrollment.

In addition, the City has implemented a flexible spending cafeteria plan (“Cafeteria Plan”) in accordance with Internal Revenue Code Section 125 for all active employees. The following health care benefits shall be offered through the Cafeteria Plan: medical, dental (with orthodontia), and vision insurance. Employees participating in the Cafeteria Plan shall receive a monthly flexible spending allowance (“Monthly Allowance”) to purchase benefits offered under the Cafeteria Plan. The Monthly Allowances shall be awarded to employees who enroll in the PERS health plan as follows:

Effective January 1, 2024:

<b>EMPLOYEE</b>	<b>EMPLOYEE + 1</b>	<b>FAMILY</b>
\$ 1,300	\$ 1,700	\$ 2,150

Effective January 1, 2025:

<b>EMPLOYEE</b>	<b>EMPLOYEE + 1</b>	<b>FAMILY</b>
\$ 1,350	\$ 1,800	\$ 2,300

Each participating employee shall pay the Employer Minimum Contribution for Employee and the employee’s remaining portion of the premium (“Employee Contribution”) from the Employee’s Monthly Allowance. The Employer Minimum Contribution for Employee and the Employee Contribution together comprise the “Total Mandatory Medical Contribution.” After the Total Mandatory Medical Contribution has been made, the employee has the option (a) to waive the other benefits and have the excess Monthly Allowance converted to taxable income or (b) to purchase the other supplementary products. If premiums and/or costs for the selected benefits exceed the Monthly Allowance, the balance will be paid by

the employee through an automatic pre-tax payroll deduction, as permitted under Internal Revenue Code Section 125.

Although the Employer Minimum Contribution for Employee may increase as a matter of law, the Monthly Allowance will not increase.

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

## **SECTION 2 – OPT OUT**

Employees may elect to not participate in the PERS Health Plan medical insurance coverage and therefore “Opt Out” of PERS Health insurance coverage. Upon proof of other qualifying group coverage, unit employees may elect to waive PERS Health insurance and receive the monthly flexible spending allowance for which they are eligible (Employee, Employee+1, or Family) to purchase other items in Cafeteria Plan or convert this allowance to taxable income. Effective January 12, 2021, the monthly flexible spending allowance “opt out” amount is frozen at \$800 per month for Employee, \$1,150 per month for Employee Plus One, and \$1,450 per month for Family, based upon eligibility.

The opt-out option will not be provided and shall not be used for the purpose of purchasing either an individual health plan or insurance on the ACA exchange. Such alternative insurance must provide minimum essential health coverage pursuant to the U.S. Patient Protection and Affordable Care Act (ACA), and cover both the employee and all individuals in the employee’s expected tax family, if any. During open enrollment or as otherwise required by the City, the employee must each year provide the City with an attestation or other reasonable documentation, subject to the City’s approval confirming such alternative coverage. According to the ACA, the City must not make payment if the City knows that the employee or family member does not have the alternative coverage.

Employees wishing to subsequently re-enroll in the PERS Health plan may only do so during the open enrollment period, unless a qualifying event occurs.

## **ARTICLE V. SICK LEAVE BENEFITS**

### **SECTION 1 - SICK LEAVE ACCRUAL PLAN**

- 1.01 Employees shall be eligible to accrue eight hours of sick leave per month up to a maximum of 2,080 hours over his/her entire career with the City.
- 1.02 An employee who suffers a serious injury or illness may utilize a long-term disability sick leave bank 2,080 non-replenishing hours that shall be available for use following a 30 day qualifying period. During the qualifying period, such employee may use accrued sick leave, vacation leave, holiday leave, authorized professional time, or any other paid leave to provide salary continuation. Any long term disability sick leave used from the bank after the qualifying period shall reduce the balance of sick leave available for any subsequent long-term disability for the duration of the employee’s career with the City.
- 1.03 The City Manager may require sick leave verification without prior written notice at any time during a sick leave absence.

- 1.04 Accrued sick leave may be used to supplement temporary disability payments in order to provide full pay during periods of occupational illness or injury.
- 1.05 No employee shall be entitled to use accrued sick leave or long-term disability sick leave to defer the effective date of a disability retirement. This provision shall be construed as a local rule and regulation within the meaning of Section 21025.2 of the Government Code as it now exists or may hereafter be amended.
- 1.06 The sick leave plan set forth in this Section shall supersede and make null and void any and all conflicting provision of the Redondo Beach Municipal Code, Section 2-3.514 (d) related to limits of sick leave with pay.

## **SECTION 2 - FAMILY SICK LEAVE PROGRAM**

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

The leave benefit provided for in this Subsection shall supersede the Emergency Family Sick Leave benefit described in Section 2-3.515 of the Redondo Beach Municipal Code.

- 2.02 An employee may designate one person per 12-month period at the time the employee requests family sick leave. In addition the City agrees to allow employees to pre-designate and substitute other family members for those persons defined as immediate family. The intent of this provision is not to expand the number of persons included in the definition of "immediate family" or to increase paid leave opportunities, but rather to recognize variations in family structure (e.g., substitute a stepmother for mother)
- 2.03 Immediate family shall mean father, mother, father-in-law, mother-in-law, brother, sister, spouse, domestic partner, child, legal dependent, grandparent or grandchild.

## ARTICLE VI. HOLIDAYS, VACATION AND OTHER LEAVE BENEFITS

### SECTION 1 - HOLIDAYS

1.01 The following days shall be recognized as holidays:

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

December 23, 26 and 30, 2024, (hereinafter referred to as the "Additional December Holidays") shall be additional paid holidays.

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

1.02 Departments or Divisions with seven day and/or 24-hour work schedule requirements may schedule holidays on days other than the actual holiday with approval of the City Manager. At the end of each calendar year, any unused holidays shall be converted to vacation leave and subject to the provisions of vacation leave.

## SECTION 2 - VACATION

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

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

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

2.03 Executive Level department head employees appointed to their position on or after July 1, 2012 accrue vacation as detailed in Section 2.01.

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

2.05 Employees may cash out up to a maximum of 80 hours of accrued vacation per fiscal year. Employees may cash out once or twice per fiscal year, but in no event shall the cash out exceed 80 hours in a fiscal year. Starting in December 2024, in order to cash out vacation leave in a forthcoming calendar year, during the month of December, an employee must make an irrevocable election (i.e., pre-designation) specifying the total number of hours to be cashed-out from next year's vacation leave accrual. During the calendar year following the pre-designation, an employee may choose an increment of vacation leave cash-out in May. If no cash-out occurs during the year any remaining balance of the pre-designated amount will be cashed out in November. If the employee does not have the vacation leave hours available to satisfy the amount pre-designated for cash-out, the employee will be precluded from making an irrevocable election and cashing out for the following calendar year. The payment will appear in the employee's paycheck at the current value of their regular rate of pay.

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

2.07 At the discretion of the City Manager, Executive Level employees may be credited with or allowed to accrue vacation at any level as outlined in 2.01 above.

### **SECTION 3 - AUTHORIZED PROFESSIONAL TIME (APT)**

3.01 The City Manager may grant time off with pay, not to exceed 124 hours per calendar year for Executive Level employees and 88 hours per calendar year for Management and Confidential employees; in the form of Authorized Professional Time to those employees who are exempt from the payment of overtime and who regularly work extra hours, attend evening meetings, and/or are required to participate in job related weekend activities or functions for which they do not receive paid overtime. The actual number of days an employee may be granted shall be determined by the City Manager. The City recognizes that APT time is use it or lose it. All APT time earned each year must be used by the last pay period in December of the same year or it will be forfeited.

### **SECTION 4 - RETIREMENT HEALTH SAVINGS PLAN**

4.01 The City offers a retirement health savings (RHS) Plan. This employer-sponsored health benefit savings vehicle allows employees to accumulate assets to pay for medical expense for the employee, spouse, and/or dependents (e.g., health insurance and prescriptions) upon retirement on a tax-free basis.

4.02 Employees participate in the RHS plan as follows:

- A. Upon Separation/Retirement: Employees may elect to deposit the value of accrued vacation hours in excess of 120 hours to the RHS plan, or in accordance with the City's contract with Mission Square.
- B. Regular Contribution of Vacation: when employee reaches 144 hours of accrued vacation, a mandatory contribution of vacation will be made per the following schedule:

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

C. Police and Fire Chiefs with 31 years or more of service at the City of Redondo Beach may elect to either cash out unused accrued sick leave, or deposit the value of unused accrued sick leave into the RHS plan based on the following schedule:

- 25% of accrued sick leave following completion of Year 31 of employment
- 50% of accrued sick leave following completion of Year 32 of employment
- 75% of accrued sick leave following completion of Year 33 of employment

## **SECTION 5 - BEREAVEMENT LEAVE**

- 5.01 Each employee shall receive 27 hours of paid bereavement leave per qualifying incident. A qualifying incident is defined as the death of an employee's parent, grandparent, child, step-child, grand-child, spouse, domestic partner, legal dependent, sister or brother or with approval by Human Resources, a substitute family member for a person defined above.

## **ARTICLE VII. OTHER MATTERS**

### **SECTION 1 - PROBATIONARY PERIOD**

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

### **SECTION 2 - OUTSIDE EMPLOYMENT**

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

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

### **SECTION 3 - DIRECT DEPOSIT**

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

### **SECTION 4 - SAVINGS CLAUSE**

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

## **SECTION 5 - IMPLEMENTATION AND DURATION**

- 5.01 Except as otherwise provided herein, this Resolution shall be in full force and effect beginning December 17, 2024 and shall remain in full force and effect until amended, repealed or superseded by action of the City Council.